

Transport for London

Minutes of the Meeting

**Committee Rooms 4-5, City Hall, The Queen's Walk, London
11.00am, Wednesday 27 June 2012**

Members

Boris Johnson	Chairman
Isabel Dedring	Deputy Chair
Peter Anderson	Member
Charles Belcher	Member
Baroness Grey-Thompson	Member
Daniel Moylan	Member
Eva Lindholm	Member
Bob Oddy	Member
Patrick O'Keeffe	Member
Keith Williams	Member
Steve Wright	Member

Staff

Steve Allen	Managing Director, Finance
Mike Brown	Managing Director, Rail and Underground
Howard Carter	General Counsel
Stephen Critchley	Chief Finance Officer
Leon Daniels	Managing Director, Surface Transport
Michèle Dix	Managing Director, Planning
Vernon Everitt	Managing Director, Marketing and Communications
Peter Hendy	Commissioner
Terry Morgan	Chairman, Crossrail Limited (for part)
Clive Walker	Director of Internal Audit

Shamus Kenny Head of Secretariat

29/06/12 Apologies for Absence and Chairman's Announcements

Apologies for absence had been received from Christopher Garnett.

The Mayor welcomed Members to the first meeting of the Board since his re-election and their reappointment as TfL Members. He confirmed that he intended to make further appointments to the Board, following the conclusion of the current recruitment process. The Mayor, Members and Commissioner expressed their thanks to Claudia Arney, Judith Hunt, Sir Mike Hodgkinson, Steven Norris and Tony West, who were no longer Members, for their important contribution to TfL's achievements over the last four years. They also expressed their thanks to Daniel Moylan for his role as Deputy Chairman. Mr Moylan had stood down from that role, but remained a Member of the Board, following his appointment as Chairman of the London Legacy Development Corporation. Isabel Dedring had been appointed Deputy Chair.

The Mayor and Members also thanked Stephen Critchley for his service to TfL as Chief Finance Officer over the previous ten years. Stephen Critchley would retire from TfL on 27 July 2012.

30/06/12 Declarations of Interest

The following interests were declared: Peter Anderson as a director of the Canary Wharf Group plc in relation to Crossrail and the Jubilee line upgrade; Baroness Grey-Thompson as Vice Chair of the Athletes' Committee for the London Organising Committee of the Olympic Games; Daniel Moylan as a Councillor for the Royal Borough of Kensington and Chelsea, Chairman of the London Legacy Development Corporation and Chairman of Urban Design London; Bob Oddy on taxi related issues; Patrick O'Keeffe as a Trustee of Ealing Community Transport Charity; and Steve Wright on matters relating to private hire vehicles.

31/06/12 Minutes of the Meeting held on 15 March 2012

The minutes of the meeting held on 15 March 2012 were approved as a correct record and the Chairman was authorised to sign them.

32/06/12 Matters Arising and Actions List

The Actions List was noted.

33/06/12 Commissioner's Report

The Commissioner's report provided an overview of major issues and developments since the report to the meeting on 15 March 2012 and updated Members on significant projects and initiatives.

The significant projects included six new trams in Croydon town centre, which would result in a 50 per cent increase in services on the busiest part of the network and the appointment of KPMG Thames Clippers as the new operator of the Putney to Blackfriars River Bus route, who would significantly enhance the existing service by two thirds on weekdays on modern, fully accessible catamarans. The enhanced service would stop at more piers, would accept Oyster Pay as You Go and offer a reduced fare to passengers with travelcards. Members also noted that TfL had introduced its Lane Rental scheme on 11 June 2012. The Hammersmith flyover had reopened at the end of May 2012 and would be in full order for the Games, after which further work would be completed to ensure the flyover would be operational for decades to come.

The Emirates Air Line cable car service would open to the public on 28 June 2012. The Mayor commended TfL for achieving operational service within two years of its conception. He also welcomed the Secretary of State for Transport's announcement that the Silvertown Tunnel had been designated a nationally significant infrastructure project.

The Mayor and TfL had played an active role in trying to resolve the dispute between Unite and the bus companies in London, and two potential disputes on the Tube had been resolved. TfL had also submitted a claim to Thames Water to cover the cost of repairs and compensation to passengers following the flooding of a section of the central line on 6 June 2012.

TfL had a major role in the high profile multi-agency Operation Kansas, in conjunction with the Traffic Commissioners, the Vehicle and Operators Services Agency, Safer

Transport Command from the MPS and City of London Police, which was actively addressing enforcement against illegal limousines and novelty vehicles. The operation was having a significant impact with a range of action taken and 20 vehicles impounded for the most serious offences, though there were, regrettably, many others. The operation would continue until acceptable levels of legal operation were achieved.

The Mayor would shortly reply to the Department for Transport's consultation on Rail decentralisation. Members supported the Mayor seeking greater control over inner suburban franchises to address the democratic deficit. Isabel Dedring and Mike Brown would discuss further which routes should be included in the response.

[Action: Mike Brown]

Members would be provided with information on the number of additional docking points and bikes introduced as part of the Barclays Cycle Hire Phase 2 expansion.

[Action: Leon Daniels]

The Board noted the Commissioner's Report.

34/06/12 Operational and Financial Performance and Investment Programme Reports – Fourth Quarter 2011/12

Steve Allen introduced the report setting out the performance monitoring reports for the fourth quarter of 2011/12 (10 December 2011 – 31 March 2012).

Over the entire year, fares and other income had been above budget and operating expenditure was significantly below budget. Variances against budget that were anticipated at Quarter 3 were fully reflected in TfL's 2012/13 Budget and funding was rolled forward accordingly. The improvement in the Operating Margin since Quarter 3 related to costs deferred to 2012/13, one off savings and the release of some provisions. This would be reflected in TfL's revised Business Plan, which is due to be published later this financial year.

Mike Brown reported on the best performing year of London Underground's history and highlighted performance and customer satisfaction levels on the DLR, Overground and Tram services. The new Jubilee and Victoria line timetables were working well, with reliability on the Victoria line approaching target. New trains were being introduced on the Sub Surface Railway and good progress was being made on the Northern Line Upgrade, which was benefitting from applying the lessons learned from the Jubilee Line Upgrade.

Leon Daniels highlighted the continued strong trend in bus passenger journeys and service reliability, further improvements in cycle usage based on automated cycle count figures and further details on the Hammersmith flyover works, which had accounted for the fall in road journey time reliability. Physical changes were taking place on the Olympic Route Network in preparation for the 2012 Games and Pedestrian Countdown crossings were about to be rolled out to 200 junctions.

Future Operational and Financial Performance Reports would show bus expenditure against income.

[Action: Leon Daniels and Steve Allen]

The Board noted the reports.

35/06/12 TfL Annual Report and Statement of Accounts 2011/12

Stephen Critchley and Vernon Everitt introduced the report, which requested the Board's approval of the Statement of Accounts for the year ended 31 March 2012 and the publication of TfL's 2011/12 Annual Report and Statement of Accounts. The Accounts had been reviewed by the Audit and Assurance Committee at its meeting on 15 June 2012 and there were no matters to bring to the attention of the Board.

The Board:

- 1 approved the 2011/12 Annual Report;**
- 2 delegated authority to the Managing Director, Marketing and Communications, to make any further design or editorial changes to the Annual Report as may be required; and**
- 3 approved the Statement of Accounts and agree that the Chief Finance Officer would make any adjustments arising from the ongoing work prior to the auditors signing their opinion. Should any changes be required to the Statement of Accounts which, in the opinion of the Chief Finance Officer, were material, he would seek the approval of the Board to these changes.**

36/06/12 Mayoral Priorities for Transport 2012-16

The Mayor set out his priorities for Transport during the Mayoral term 2012-16, with an overarching focus on jobs and growth.

TfL's initial focus over the summer would be on the effective delivery of TfL's Games commitments. It would then focus on making progress on the Mayor's priorities for transport. In addition, TfL would also develop a full programme to respond to all of the Mayoral commitments relating to transport. The Board would be updated on the detailed individual projects as the programme progressed.

The Mayor invited Members to input into a document entitled "London 2020", which would articulate the plans that the Mayoralty and functional bodies would need to start putting in place now – both in economic and social development terms – in order to ensure that London remained a world leading city in 2020. TfL was committed to playing a leading role in the development of the document and was represented on the London 2020 steering group.

The Board noted TfL's summary of the Mayor's priorities for transport during the period 2012-16.

37/06/12 Final Preparations for the London 2012 Games

Peter Hendy introduced the paper, which set out TfL's final preparations for the London 2012 Games and sought certain delegations for entering into joint arrangements with London boroughs in relation to traffic management measures.

The preparations for the Games had seen unprecedented cooperation between transport agencies and the police. Strong messages were being used to inform residents, businesses and freight operators to prepare for changes from mid-July.

Members were particularly impressed with the resources on the Get Ahead of the Games website.

The Mayor thanked everyone involved in preparing for the Games for the very active way that the transport messages had been promoted, with a focus on helping people and businesses to plan ahead.

The Board:

- 1 noted TfL's final preparations for the London 2012 Games, in particular the public messaging TfL would be using to make the Olympic and Paralympic Route Networks successful and to keep London moving during the Games;**
- 2 approved TfL entering into separate agreements pursuant to section 101(5) of the Local Government Act 1972 with relevant London boroughs for the joint discharge of TfL's and the boroughs' respective powers to make Traffic Regulation Orders pursuant to the Road Traffic Regulation Act 1984, in order to facilitate the timely and efficient delivery of traffic management proposals associated with the 2012 Games;**
- 3 delegated authority for the discharge of that joint function to the Managing Director, Surface Transport (and in his absence, the Chief Operating Officer, Streets) including authorising a senior officer within the respective London borough to make such Orders; and**
- 4 authorised the Managing Director, Surface Transport (or in his absence, the Chief Operating Officer, Streets) to approve the terms of such agreements with the respective London boroughs.**

38/06/12 Crossrail: Application for a Transport and Works Act Order to Facilitate Works at Whitechapel

Steve Allen introduced the paper, which sought approval for Crossrail Limited (CRL) to make an application for a Transport and Works Act Order authorising temporary use of land to facilitate Crossrail works at Whitechapel. It also briefed the Board on CRL's plans for pre-application consultation at Plumstead and Paddington.

The Board:

- 1 noted the paper and the intent to consult on seeking additional powers for Crossrail at Plumstead and Paddington;**
- 2 approved the submission of an application for an Order under the Transport and Works Act 1992 (TWAO) to provide all the necessary land rights required to implement works and construction arrangements by Crossrail Limited (CRL) at the Whitechapel site;**
- 3 delegated authority to the Chief Executive of CRL (or in his absence, TfL General Counsel) to:**
 - (i) agree the final terms of the application (including the land and interests to be subject to the order) for the TWAO;**

- (ii) obtain the Mayor's written consent to apply for the TWAO (as required by the Greater London Authority Act 1999); and
- (iii) do everything else necessary, including signing and/ or sealing any documents, agreements or notices required in connection with the submission of the application and promotion of the TWAO including responding to any objections and dealing with any public inquiry that may be held in relation to the proposals.

39/06/12 Board Appointments

Howard Carter introduced the paper, which updated the Board on the Mayor's appointments of Members to TfL, recommended the appointment of Members to its Committees and Panels and sought a delegation to the Deputy Chair of TfL for the making of an appointment of a TfL nominated non-executive director of Crossrail Limited. A correction was made to the second page of Appendix 2 to refer to Isabel Dedring as the Deputy Chair of TfL.

The Board was also asked to appoint a Chief Finance Officer (CFO) to succeed Stephen Critchley, who would be retiring from TfL on 27 July 2012. The interview panel had recommended that the Board appoint Mr David Goldstone. The Board was also asked to agree interim arrangements for appropriately qualified staff to deputise as the CFO between the retirement of Mr Critchley and the new CFO taking up post. The deputising proposals recommended in the paper were modified as the staff suggested had overlapping leave commitments during the period between Mr Critchley leaving and Mr Goldstone taking up post.

The Board:

- 1 noted the current position on the Mayor's appointments of Members to TfL;**
- 2 appointed Members to the Committees and Panels, as set out in Appendix 2 (as corrected), to take effect from 1 July 2012;**
- 3 delegated authority to the Deputy Chair of TfL to nominate on behalf of TfL a non-executive director to the board of Crossrail Limited, as provided for in the Crossrail Sponsors' Agreement;**
- 4 authorised General Counsel to make the necessary changes to Standing Orders to give effect to the revisions described in the paper;**
- 5 appointed Mr David Goldstone as Chief Finance Officer (CFO), based on the recommendation of the interview panel; and**
- 6 authorised: Andrew Pollins (Director of Finance, Rail and Underground) to deputise as the CFO in the absence of the CFO; Sarah Bradley (Head of Group Financial Accounting) to deputise as the CFO in the absence of the CFO and Andrew Pollins; and Andrew Freeman (Head of Finance Business Support Function) to deputise as the CFO in the absence of the CFO, Andrew Pollins and Sarah Bradley.**

40/06/12 Report from the Meeting of the Finance and Policy Committee – 31 May 2012

The Chairman of the Committee, Peter Anderson, gave an update to the Board on the meeting of the Finance and Policy Committee held on 31 May 2012.

The Board noted the report.

41/06/12 Report from the Meeting of the Audit Committee – 15 June 2012

The Chairman of the Committee, Keith Williams, gave an update to the Board on the meeting of the Audit Committee held on 15 June 2012.

The Board noted the report.

42/06/12 Any Other Business the Chair Considered Urgent

The next scheduled meeting would be held on Thursday 20 September 2012 at 10.00am.

43/06/12 Exclusion of Press and Public

The Committee agreed to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business.

44/06/12 Minutes of the Closed Meeting held on 15 March 2012

The minutes of the closed meeting held on 15 March 2012 were approved as a correct record and the Chairman was authorised to sign them.

45/06/12 Board Appointments – Chief Finance Officer

In relation to the appointment of the Chief Finance Officer, agreed in minute 39/06/12 above, the Board had been provided with the personal details of the preferred candidate, David Goldstone.

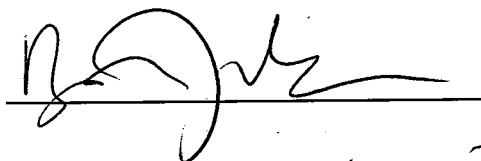
Members were informed that following the organisational review, TfL was launching a more comprehensive training and career progression programme for directors to aid with succession planning. It would also be continuing and extending its Frontline Experience programme where senior staff went on short placements to the operational side of the business. This had been well received by the staff who had already been through the programme and by the host teams. Board Members would be invited to participate in the next phase of the programme.

[Action: Tricia Riley]

The Board noted the paper.

There being no further business, the meeting closed at 12.05pm.

Chair:

A handwritten signature in black ink, appearing to be 'N. J. L.', written over a horizontal line.

Date:

20 September 2012