

TRANSPORT FOR LONDON

BOARD

**SUBJECT: REPORT FROM THE FINANCE COMMITTEE  
MEETING HELD ON 24 JANUARY 2008**

**MEETING DATE: 6 FEBRUARY 2008**

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**1. PURPOSE**

1.1 To report to the Board on the Finance Committee meeting on 24 January 2008.

**2. DECISION REQUIRED**

2.1 The Board is asked to NOTE the report.

**3. BACKGROUND**

3.1 The main matters considered at the Committee were the Operational and Financial Report and Investment Programme Report, the revision of Standing Orders, a KPMG review of the efficiency programme and details of recent project approvals. These are outlined below.

**4. ISSUES DISCUSSED**

**Operational and Financial Report and Investment Programme Report**

4.1 The Finance Committee received a report on Operational and Financial performance in the third quarter of 2007/8 and the quarterly report on the progress of TfL's 5-year Investment Programme, which includes the latest monthly Olympic Transport Portfolio Executive Report to the Olympic Delivery Authority. These reports are on the agenda for the February Board meeting.

**Revision of Standing Orders**

4.2 The Committee received a paper and agreed to recommend to the Board approval of revisions to Standing Orders, principally to amend delegated authorities and to establish a Strategic Executive Group. A paper seeking this approval is on the agenda for the February Board meeting.

## **KPMG Review of Efficiency Programme**

- 4.3 The Committee received a report from KPMG following a review which had been commissioned on TfL's efficiency programme. In summary, this independent review concluded that:
- Systems and processes that TfL has put into place to identify, monitor and measure cashable efficiency gains are operating effectively.
  - KPMG concluded that rigorous processes are in place to challenge savings initiatives and for approving claimed savings prior to reporting to the Finance Committee.

## **Project Approvals**

- 4.4 The Finance Committee receives reports on approvals expected to be given in 2007/8 by the Commissioner (or in his absence, the Managing Director, Finance and Planning) for projects budgeted to cost between £25m and £100m (£10m and £25m for unbudgeted projects). Five projects had been approved since the Committee's last meeting, namely Notting Hill Gate station modernisation, Marble Arch station modernisation, Information Management Strategic Investment Programme, Whitechapel route protection works and further expenditure on the Palestra building as part of the accommodation strategy.
- 4.5 The next regular meeting of the Finance Committee will take place on 6 March 2008 at 9.00am.

## **5. RECOMMENDATION**

- 5.1 The Board is asked to NOTE the contents of this report.