

Transport for London

Minutes of the Meeting

Committee Rooms 4-5, City Hall, The Queen's Walk, London
10.00am, Wednesday 11 December 2013

Members

Isabel Dedring	Deputy Chair (in the Chair)
Sir John Armitt CBE	Member
Sir Brendan Barber	Member
Richard Barnes	Member
Charles Belcher	Member (from 92/12/13)
Roger Burnley	Member
Brian Cooke	Member
Baroness Grey-Thompson DBE	Member (from 92/12/13)
Angela Knight	Member
Michael Liebreich	Member
Eva Lindholm	Member
Daniel Moylan	Member
Bob Oddy	Member
Keith Williams	Member
Steve Wright	Member

Staff

Steve Allen	Managing Director, Finance
Mike Brown	Managing Director, Rail and Underground
Howard Carter	General Counsel
Leon Daniels	Managing Director, Surface Transport
Michèle Dix	Managing Director, Planning
Vernon Everitt	Managing Director, Customer Experience, Marketing and Communications
Nick Fairholme	Director, Projects and Programmes, Surface Transport (for Part)
David Goldstone	Chief Finance Officer
Sir Peter Hendy CBE	Commissioner
Terry Morgan	Chairman, Crossrail Limited
Clive Walker	Director of Internal Audit
Shamus Kenny	Head of Secretariat

88/12/13 Apologies for Absence and Chairman's Announcements

Apologies for absence had been received from the Chairman, Boris Johnson and Peter Anderson. In the absence of the Chairman, Isabel Dedring chaired the meeting.

89/12/13 Declarations of Interest

The following interests were declared: Sir John Armitt as Chairman of the Olympic Delivery Authority, Chairman of the National Express Group plc, Deputy Chairman of the Berkeley Group plc and a Member of the Airports Commission; Richard Barnes as

a Councillor for the London Borough of Hillingdon; Charles Belcher as a member of Atos Origin Advisory Council on Transport; Roger Burnley as a Managing Director of J Sainsbury plc in relation to the item on the Northern line extension to Battersea; Baroness Grey-Thompson as a member of the London Legacy Development Corporation; Angela Knight as Chief Executive of Energy UK and a director of Knight Rail; Michael Liebreich as Chief Executive Officer of Bloomberg New Energy Finance; Daniel Moylan as a Councillor for the Royal Borough of Kensington and Chelsea, Chairman of Urban Design London and a non-executive director of Crossrail Limited (appointed by TfL); Bob Oddy on taxi related issues; and Steve Wright on matters relating to private hire vehicles.

90/12/13 Minutes of the Meeting held on 6 November 2013

The minutes of the meeting held on 6 November 2013 were approved as a correct record and the Chairman was authorised to sign them.

91/12/13 Matters Arising and Actions List

The Actions List was noted.

92/12/13 Commissioner's Report

Sir Peter Hendy introduced his Report, which provided an overview of major issues and developments since the report to the meeting on 6 November 2013, and updated Members on significant projects and initiatives.

The Public Inquiry into the Northern line extension to Battersea had started and was due to finish before Christmas. The Chancellor had confirmed the financial arrangements. The Crossrail project also continued to make good progress with over half of the tunnelling work completed.

Barclays had announced that, as part of a comprehensive review of its sponsorship arrangements, it would not renew its sponsorship of the Cycle Hire Scheme. Barclays would continue to actively support the Scheme until the current agreement expired in 2015. A new sponsor would be sought and the decision did not impact on the proposal to extend the current service provision contract with Serco.

Mike Brown updated the Board on the vision for the future of the Tube, announced on 21 November 2013. The programme would see significant benefits for users, including a night tube service from 2015 and more visible and accessible staff at every station during hours of operation to assist all users, particularly those with specific needs. The proposals had been welcomed by stakeholders and businesses. London Underground management was committed to engaging and working with its staff to achieve these changes and had started an extended period of formal consultation. In early 2014, TfL expected to be able to roll out wave and pay technology to the Tube, following its successful introduction on London's bus services. TfL was also engaging with government and the Association of Train Operating Companies on the acceptance of Oyster and the use of wave and pay on rail services into London.

An agreement had been reached with tube drivers, which would avoid a dispute on Boxing Day and achieve an overall cost saving.

LOROL had extended driver-only operation to the remainder of the North London Line, leaving the Barking to Gospel Oak line as the only London Overground service still operating with a driver and a conductor.

The popular and fuel efficient New Bus for London was now operating on Route 390 and would operate on Route 148 from February 2014. Discussions were ongoing with Wrightbus and other manufacturers to increase the number of vehicles.

The Lane Rental Scheme continued to be an effective means of reducing the disruption to road users caused by utility companies. However, continued breaches of work permits for streetworks on the Transport for London Road Network (TLRN) had resulted in TfL again taking successful legal action against Thames Water. The Commissioner had written to its Chief Executive to raise his concerns and TfL had asked the courts to take into consideration the economic costs of the disruption caused and the history of previous convictions when fining the company. TfL would also consider raising the issue again with OfWat.

The Commissioner updated the Board on the work of the new joint Vehicle and Operator Services Agency (VOSA) and the Metropolitan Police Industrial Heavy Goods Vehicle (HGV) Task Force, which began operating on 1 October 2013. The Task Force aimed to protect vulnerable road users by reducing the risks posed by lorries. This was being achieved through increased enforcement of the regulations for construction HGVs, especially waste lorries, taking action against dangerous lorries and their drivers. During its first 39 days of operation, the Task Force stopped 509 vehicles and only 22 per cent of these were satisfactory stops where no offences were detected. The main issues were with vehicles relating to construction, particularly scaffolding lorries. Contraventions were dealt with by fixed penalty notices, impounding vehicles and referring cases to the Traffic Commissioner. Consideration would be given to how to publicise the work of the Task Force to raise awareness and encourage compliance with legislation and the Highway Code.

Members discussed the other work being undertaken to address the safety of cyclists and other vulnerable road users. Members commented on the availability of training for cyclists and the need to raise awareness of the Highway Code among all road users. While the latter had been addressed by the Metropolitan Police through Operation Safeway, greater enforcement by traffic police was encouraged, rather than overreliance on cameras and the results should be better publicised to raise awareness and act as a deterrent.

A paper on the Cycling Vision would be submitted to the Finance and Policy Committee in early 2014. A paper would also be submitted to the Board in 2014 on the work being undertaken to address road culture as well as infrastructure issues.

[Action: Leon Daniels]

Finally, the Commissioner expressed pride in the efforts of TfL management, staff, contractors and suppliers in support of London Poppy Day. Over £1m in total had been raised for the Royal British Legion.

The Board noted the Commissioner's Report.

93/12/13 Operational and Financial Performance and Investment Programme Reports – Second Quarter 2013/14

Steve Allen introduced the Operational and Financial Performance and Investment Programme Reports for the Second Quarter of 2013/14 (23 June – 14 September 2013). Mike Brown and Leon Daniels commented on the performance of their operational businesses.

The highlights from the report were:

- (a) operational expenditure was largely on target, though there was some slippage in capital expenditure due to the rephasing of projects;
- (b) the roll out of S-Stock trains on the Sub-Surface Railway was progressing and remained on target for full replacement of the old stock in 2016;
- (c) the Northern line upgrade project had taken a major step forward with the complex Camden area becoming the third section of the line to transfer to the new transmission-based train control signalling system. Work on the Oval and Morden areas was next;
- (d) station capacity upgrade projects were all progressing well. The award winning work on the foundations for Victoria station was ahead of schedule, there was good collaboration with Crossrail on the Tottenham Court Road station project and the public consultation on Bank station had closed, though the work would be delayed following a significant archaeological find at the site. Simon Addyman, the project manager for the Bank Station Capacity Upgrade had won the Association for Project Management's Project Professional of the Year award. He was recognised for his role in procuring the main design and build contract using a novel procurement model;
- (e) work on a number of important road structures was planned. Hammersmith flyover phase 2 would run from January 2014 to August 2015 with closures limited to night time and the occasional weekend. Refurbishment work was also being planned for four road-over-rail bridges and structural work to Chiswick Bridge;
- (f) on road and cyclist safety, TfL remained on target to deliver a 40 per cent reduction in KSIs, work was progressing on making key junctions safer and developing cycle quiet ways and Operation Safeway had raised awareness of the responsibilities of all road users, with all transgressions affecting vulnerable road users resulting in fixed penalty notices. TfL was also working with HGV vehicle manufacturers and lobbying government and the European Union on making vehicles safer, including proposed cab designs to improve the visibility of other road users;
- (g) on operational delivery, the bus excess wait time was the lowest it had been and congestion relief measures were on target. The good trends on all tube measures continued. DLR on time performance was at 99 per cent with the Overground Public Performance Measure figure at 96 per cent, although services had been impacted by Network Rail's approach to the adverse weather in October and the derailment of a freight train. The Emirates Air Line availability measure was 97.4 per cent;

- (h) the reduction in recorded crime across the bus network was welcomed. London Underground's targeted campaign to raise awareness of the risk of trips and falls was also having a positive impact on the major injury rate, which was reducing;
- (i) the Underground had carried record passenger numbers (excluding the Games period) on 18 October. There was also a 13 per cent increase in passengers on the Overground. Bus passenger numbers were down on the same period for last year but this was due to a change in school term start dates and numbers were on target for an overall increase over the year;
- (j) a new metric had been developed for use in the New Year which would more accurately reflect the growth of cycling; and
- (k) TfL and the GLA were engaging with the development of the proposals for High Speed Rail 2 due to its impact on London's economy.

Members requested that a metric be developed for the use of the transport network by disabled people and that the slides presented at the meeting be reviewed to ensure that all the tables had keys to show what was being measured. **[Action: Steve Allen]**

The Board noted the reports.

94/12/13 TfL Business Plan 2013

The Commissioner and Steve Allen introduced TfL's proposed Business Plan, following the 2013 Spending Review and other changes that had occurred over the course of the last year. The Plan sought to preserve the funding levels and targets set in 2012, while coping with a reduced revenue grant and the implications of the Mayor's fares decision.

This was being achieved by TfL management driving through its efficiencies programme, including the delivery of projects within or under budget and increased revenue through greater demand for services and the implementation of its commercial development activities. The Finance and Policy Committee had endorsed the draft Plan.

Prior to publication, the Plan would be updated to reflect the implications of the Chancellor's Autumn Statement announcement on National Rail fares, once these had been provided by HM Treasury. The tables on page 67 of the draft Plan would be updated to refer to the future operation of Crossrail and West Anglia rail services and the photographs in the Plan would be captioned. **[Action: Steve Allen]**

The Board:

- 1 approved the Business Plan document for publication;**
- 2 delegated authority to the Managing Director, Finance, to make any further design or editorial changes to the Business Plan, as may be required, prior to publication.**

95/12/13 London Road User Charging and Traffic Enforcement Notice Processing Contract Relet

Leon Daniels and Nick Fairholme introduced the paper, and the related paper on Part 2 of the agenda, which sought approval for the Procurement, Financial and Project Authority being sought in relation to the London Road User Charging (LRUC) and Traffic Enforcement Notice Processing (TENP) Relet Project.

Leon Daniels paid tribute to his team, which had achieved significant savings on the cost of the LRUC and TENP contract through the procurement process and contract negotiations.

At its meeting on 27 November 2013, the Finance and Policy Committee considered a paper on this project and supported the recommendations to the Board.

The Board:

- 1 noted the paper and the related paper on Part 2 of the agenda;**
- 2 approved the proposed arrangements for the London Road User Charging (LRUC) and Traffic Enforcement Notice Processing (TENP) contracts;**
- 3 granted Procurement Authority and approved the award of contracts, as set out in the paper in Part 2 of the agenda;**
- 4 authorised additional Project Authority, as set out in the paper in Part 2 of the agenda, to cover the cost of implementation;**
- 5 authorised a decrease in Financial Authority from the amount currently set aside in the TfL Business Plan to 2021/22;**
- 6 delegated to the TfL Officers described in paragraph 9 below the authority to finalise the terms of the agreements described in the paper and the paper on Part 2 of the agenda (the Agreements);**
- 7 authorised the agreement and execution (whether by deed or otherwise) on behalf of TfL of any documentation to be entered into in connection with the completion and implementation of the Agreements and any of the matters referred to in any of them (including, without limitation, all agreements, deeds, guarantees, indemnities, announcements, notices, contracts, certificates, letters or other documents); and**
- 8 authorised TfL Officers to do all such other things as they consider necessary or desirable to facilitate the execution and implementation of the Agreements and any related documentation as referenced in paragraph 7 above.**
- 9 The following TfL Officers shall have delegated authority: the Commissioner, Managing Director Finance, Managing Director Surface Transport, General Counsel and the Chief Finance Officer.**

96/12/13 Barclays Cycle Hire Contract Extension

Leon Daniels and Nick Fairholme introduced the paper, and the related paper on Part 2 of the agenda, which informed the Board of the approaching expiry of the first period of the current London Cycle Hire Agreement (the Agreement) between Transport Trading Limited and Serco Limited (Serco) in July 2015 and sought authority to extend the Agreement.

Members were advised that the performance of Serco had improved over the last 18 months and that the recent changes in the leadership of the company had not affected the operational performance of the contract. The change in sponsorship in 2015 did not impact on the proposed arrangements with Serco.

The extension of the Agreement provided sufficient time for TfL to evaluate and restructure the future contract in the light of operational experience.

At its meeting on 27 November 2013, the Finance and Policy Committee considered a paper on this project and supported the recommendations to the Board.

The Board:

- 1 noted the paper and the related paper on Part 2 of the agenda;**
- 2 approved the extension of the London Cycle Hire Agreement (the Agreement) between Transport Trading Limited (TTL) and Serco Limited (Serco), as described in the paper on Part 2 of the agenda;**
- 3 approved additional Procurement Authority for that extension of the Agreement, as described in the paper on Part 2 of the agenda;**
- 4 delegated to the TfL Officers and the Subsidiaries (as described in paragraph 7 below) the authority to finalise the terms of the extension to the Agreement;**
- 5 authorised the agreement and execution (whether by deed or otherwise on behalf of TfL or any Subsidiary (as appropriate)) of any documentation to be entered into in connection with the completion and implementation of the extension to the Agreement and any of the matters referred to in it (including, without limitation, all agreements, deeds, guarantees, indemnities, announcements, notices, contracts, certificates, letters or other documents); and**
- 6 authorised TfL Officers and Subsidiaries to do all such other things as they consider necessary or desirable to facilitate the execution and implementation of the Agreement and the matters referred to in it.**
- 7 The following Officers and Subsidiaries shall have delegated authority:**
 - (a) TfL Officers: the Commissioner, Managing Director Finance, Managing Director surface Transport, General Counsel and the Chief Finance Officer; and**
 - (b) Subsidiaries: Subsidiaries of TfL including Transport Trading Limited and any other subsidiary (whether existing presently or to be formed) of**

Transport Trading Limited and any of the directors of the relevant company shall be authorised to act for and on behalf of that company.

97/12/13 Report of the meeting of the Finance and Policy Committee held on 27 October 2013

In the absence of the Chairman, the Vice Chairman of the Committee, Daniel Moylan, gave an update to the Board on the meeting of the Finance and Policy Committee, held on 27 October 2013.

The Board noted the report.

98/12/13 Report of the meeting of the Safety and Sustainability Panel held on 4 December 2013

The Chairman of the Panel, Charles Belcher, gave an update to the Board on the meeting of the Safety and Sustainability Panel, held on 4 December 2013.

The Board noted the report.

99/12/13 Any Other Business the Chairman Considers Urgent

As provided for under section 100B(4)(b) of the Local Government Act 1972, the Chairman was of the opinion that an item on the Sub-Surface Railway Upgrade Programme should be considered as a matter of urgency. The reason for urgency was that decisions reserved to the Board for determination in relation to the Programme may require consideration before the next meeting of the Board in February 2014. The Chairman was also of the opinion that the matter should be considered on Part 2 of the agenda.

There was no other business to discuss that was not included on the agenda.

The next scheduled meeting would be held on Wednesday 5 February 2014 at 10.00am.

100/12/13 Exclusion of Press and Public

The Board 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 exempt appendices to the papers on the London Road User Charging and Traffic Enforcement Notice Processing Contract Relet and the Barclays Cycle Hire Contract Extension and the paper on the Sub-Surface Railway Upgrade Programme. Each of these papers contained information relating to the financial or business affairs of a person or authority.

101/12/13 Sub-Surface Upgrade Programme

Howard Carter introduced the paper, which sought a delegation of authority to the Finance and Policy Committee to take any decisions that were reserved to the Board

for determination in relation to the Sub-Surface Upgrade Programme that may require consideration before the next meeting of the Board in February 2014.

If a meeting of the Finance and Policy Committee was called, all Members would be informed of the time and date and be invited to attend. **[Action: Secretariat]**

The Board:

- 1 delegated authority to the Finance and Policy Committee to make any decisions that were reserved to the Board for determination in relation to the Sub-Surface Upgrade Programme that may require consideration before the next meeting of the Board; and**
- 2 delegated to the TfL Officers and the Subsidiaries (as described in paragraph 3 below) the ability to:**
 - (a) authorise the agreement and execution (whether by deed or otherwise) of any documentation that may be entered into in connection with any decisions made by the Finance and Policy Committee pursuant to the delegation in paragraph 1 above;**
 - (b) do all such other things as they consider necessary or desirable to facilitate or implement any decisions made by the Finance and Policy Committee pursuant to the delegation in paragraph 1 above.**
- 3 The following Officers and Subsidiaries shall have delegated authority:**
 - (a) TfL Officers: the Commissioner; Managing Director, Finance; Managing Director Rail and Underground; General Counsel; and**
 - (b) Subsidiaries of TfL including without limitation Transport Trading Limited and any other subsidiary (whether existing presently or to be formed) of Transport Trading Limited: any of the directors of these subsidiaries shall be authorised to act for and on behalf of any such subsidiary.**

There being no further business, the meeting closed at 12.00 noon.

Chair: _____

Date: _____