

Board



Date: 19 July 2016

Item: **Matters Arising, Actions List and Use of Delegated Authority**

This paper will be considered in public

1 Summary

- 1.1 This paper informs the Board of progress against actions agreed at previous meetings and the use of authority delegated by the Board. There are no outstanding actions and delegated authority was used in relation to four issues.

2 Recommendation

- 2.1 **The Board is asked to that there are no outstanding actions and to note the use of authority delegated by the Board.**

3 Use of Authority Delegated by the Board

- 3.1 On 4 November 2015, the Board delegated authority to the Committee to approve any decisions reserved to the Board for determination in relation to the Northern Line Extension project in order to progress matters that required consideration and decision at short notice (Minute 85/11/15).
- 3.2 On 17 March 2016, the Board delegated to the Finance and Policy Committee authority to approve matters reserved to the Board between the scheduled meetings of the Board in March and July 2016 (Minute 40/03/16).
- 3.3 The Finance and Policy Committee has exercised the authority that was delegated to it in relation to four matters:

Northern Line Extension

- 3.4 On 21 April 2016, the Committee approved entry into such supplemental agreements (or deeds of variation or equivalent arrangements) with the developer of the Battersea Power Station as may be necessary or desirable to give effect to the agreed revised design of the over station development at the site. Authority was also granted for any associated supplemental agreements or arrangements to reflect the related impacts on access, worksites and leases demises.
- 3.5 The decision on this matter was taken by the Committee to enable the development at the site to progress without delay.

TfL Group Banking Arrangements

- 3.6 On 8 July 2016, the Committee agreed amended and restated TfL Group banking agreements with HSBC. The agreements had also been agreed by relevant TfL subsidiary companies, subject to TfL Board approval, when they approved their annual accounts. The Group banking arrangements enable TfL to manage its cash balances in a well controlled and efficient manner through the aggregation or pooling of all bank account balances within the TfL Group. HSBC had revised its standard terms to comply with banking regulation changes that had imposed new requirements on the way banks have to report notional pooling to the central banks. The new terms and conditions are not significantly different to the existing provisions and do not change TfL's net credit/debit interest position.
- 3.7 The decision on this matter was taken by the Committee to enable TfL's subsidiary companies to agree the amended and restated TfL Group banking agreements with HSBC at the meetings where they approved their annual accounts. These were held at the end of June and the beginning of July 2016.

Railways Pension Scheme: TfL Assurance to Trustees

- 3.8 On 8 July 2016, the Committee approved the provision of a letter of assurance to the Trustees of the Railways Pension Scheme (RPS). Crossrail Limited (Crossrail) participates in the RPS and the Trustees of that scheme are required to monitor the strength of the employer's continuing financial support (covenant). The RPS Trustees requested assurance of TfL's continuing support in respect of Crossrail's pension liabilities through provision of a letter (with an update to those which have previously been provided by the Chief Finance Officer) approved by the Board.
- 3.9 The decision on this matter was taken by the Committee to enable the discussions with the RPS Trustees to be concluded at the earliest opportunity.

Commercial Exploitation of Contactless Systems

- 3.10 On 21 April 2016, the Committee considered a proposal concerning the commercial exploitation of TfL's intellectual property and knowledge in its back office software for contactless payment systems. On 8 July 2016, the Committee considered an update on these proposals and approved the transaction and agreement with a commercial third party.
- 3.11 The decision on this matter was taken by the Committee to enable the negotiations with the third party to be concluded at the earliest opportunity.

List of appendices to this report:

None

List of Background Papers:

Finance and Policy Committee 21 April 2016 and 8 July 2016 meeting papers

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