

**Board**



**Date:** 22 September 2016

**Item:** **Executive Summary – Appointments to TfL, its Committees and Panels and the TfL Nominee for Crossrail Limited**

<b>Decision required</b>	To note the new membership of the TfL Board, to approve the membership of TfL's Committees and Panels and to delegate authority to the Chair of TfL to appoint a nominee to the Board of Crossrail Limited.
<b>Sponsoring Director</b>	Name: Howard Carter, General Counsel Number: 020 3054 7822 Email: <a href="mailto:HowardCarter@tfl.gov.uk">HowardCarter@tfl.gov.uk</a>
<b>Summary</b>	
<ul style="list-style-type: none"><li>• The paper sets out the new membership of the TfL Board and seeks agreement to the proposed membership of the Committees and Panels.</li><li>• The paper notes the appointment of a new slimmed-down TfL Board, including details of the greater diversity of the Board and the cost savings which are being made.</li><li>• The proposed membership of the Committees and Panels has been determined by matching the skills, knowledge and experience of Members along with their individual preferences. These were discussed with the Deputy Chair and then with the Members.</li><li>• The paper also recommends that the decision to appoint a TfL nominee to the Board of Crossrail Limited be delegated to the Chair of TfL so it can be filled as soon as possible.</li></ul>	

**Date: 22 September 2016**

**Item: Appointments to TfL, its Committees and Panels and the TfL Nominee for Crossrail Limited**

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**This paper will be considered in public**

**1 Summary**

- 1.1 This paper sets out the new membership of the TfL Board, following appointments by the Mayor. The Board is asked to agree the proposed membership of TfL's Committees and Panels and to delegate authority to the Chair of TfL to appoint a nominee to the Board of Crossrail Limited.
- 1.2 The Mayor has appointed a new slimmed-down TfL Board that better represents the diversity of the capital. In addition to himself as Chair of TfL and Val Shawcross CBE as Deputy Chair of TfL, the Mayor has reappointed two Members and appointed 10 new Members to the Board, with a further appointment to be announced. The appointments address the skills, knowledge and experience set out in the Greater London Authority Act 1999 (GLA Act) and in previous Board reviews, as well as substantially improving the diversity of TfL's Members. The cost of the Board has also been reduced, with an annual saving of approximately £190,000 a year compared to 2015/16.
- 1.3 The proposed membership of the Committees and Panels has been determined by matching the skills, knowledge and experience of Members along with their individual preferences.

**2 Recommendations**

**2.1 That the Board note the paper and:**

- (a) note the Mayor's appointments of Members to TfL, as set out in Appendix 2 to this paper;**
- (b) approve the appointment of Members to TfL's Committees and Panels, as set out in Appendix 2 to this paper; and**
- (c) delegate authority to the 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.**

**3 Background**

- 3.1 An update on Board membership was provided to the meeting on 19 July 2016. This confirmed that the Mayor had appointed himself as the Chair of TfL and Val Shawcross CBE as the Deputy Chair of TfL. He had also extended the appointments of seven Members from 19 June to 5 September 2016 to allow an external recruitment process for new Members to be conducted.

- 3.2 Following discussions with the reappointed Members, the following Members left the Board when their extension periods expired: Sir John Armit CBE, Sir Brendan Barber, Angela Knight CBE, Eva Lindholm and Keith Williams. The Mayor has written to each of them to thank them for their individual contributions to TfL during their time on the Board.

## **4 Mayoral Appointments of Members to the TfL Board**

### **Recruitment, size and composition considerations**

- 4.1 Under the GLA Act, the Mayor appoints between eight and seventeen Members to TfL, with reference to prescribed considerations in relation to the knowledge, skills and expertise of the Board and interests that must be represented. The Mayor has also considered the recommendations from the Deloitte review of Board effectiveness. The Deloitte review recommended improving the diversity of the Board, to make it more representative of Londoners, specifically gender and ethnic diversity. It also recommended reducing the size of the Board and consideration of additional knowledge, skills and experience beyond the GLA Act requirements. The list of representative roles and knowledge, skills and experience considerations is set out in Appendix 1.
- 4.2 As recommended by the Deloitte review, the GLA engaged an executive search firm to assist in the recruitment process to address the diversity issues and the broad range of knowledge, skills and experience.
- 4.3 Approximately 170 candidates applied. From a high quality short list of 42, 23 candidates were selected for interview. Existing Members were also considered.

### **Appointment of TfL Members**

- 4.4 Having reviewed the existing Members and the candidates that went through the interview process against the appointment criteria, the Mayor has decided to appoint 15 Members to TfL, including the Chair and Deputy Chair.
- 4.5 The Mayor has reappointed two existing Members, reflecting their valuable contributions to the work of TfL and to provide some continuity: Baroness Grey-Thompson, DBE and Michael Liebreich. Both appointments are for two years, which will allow the Mayor to review whether other skills and experience are required on the Board in light of experience of the operation of the new decision-making structure.
- 4.6 Following the recruitment process, the Mayor has appointed 10 new Members: Kay Carberry CBE, Prof Greg Clark CBE, Ron Kalifa, Dr Alice Maynard CBE, Anne McMeel, Dr Mee Ling Ng OBE, Dr Nelson Ogunshakin OBE, Dr Nina Skorupska CBE, Dr Lynn Sloman and Ben Story. The Mayor has announced that he will appoint an additional Member to represent transport workers.
- 4.7 The Mayor has appointed Prof Greg Clark CBE and Dr Alice Maynard CBE to represent the interests of those living, working and studying in areas outside Greater London who use railway passenger services operated by TfL. These Members will be involved in helping to deliver the Mayor's rail devolution agenda.

- 4.8 Biographical information and a declaration of interests for each Member is published on <https://tfl.gov.uk/corporate/about-tfl/how-we-work/corporate-governance/board-members>.

### **Diversity**

- 4.9 The Mayor is committed to improving the diversity of TfL and this includes its Board. The aspiration was for the board to match the profile of economically active Londoners. The improved diversity of the Board is illustrated in the table below.

	<b>Previous Board</b>	<b>New Board</b>	<b>Aspiration</b>
<b>BAME</b>	0% (0)	29% (4)	37%
<b>Disabled</b>	6% (1)	13% (2)	13%
<b>Women</b>	23% (4)	57% (8)	46%

### **Terms of appointment and remuneration**

- 4.10 The terms of appointment of Members have been updated in light of the Deloitte review. The standard terms are published on [tfl.gov.uk](http://tfl.gov.uk).
- 4.11 The Mayor is committed to reducing TfL's costs and this includes the cost of its Board. He has made savings in the Board's budget of approximately £190,000 a year, compared to 2015/16, by reducing the Board by two Members and two advisers and by reducing the annual remuneration of Members.
- 4.12 The base fee for Members has been reduced from £18,000 to £16,000 with additional fees for membership of Committees and Panels reduced from £2,000 to £1,000 per appointment and from £4,000 to £2,000 if appointed as the Chair of a Committee or Panel. The maximum amount paid to a Member each year is capped and the cap has been reduced from £24,000 to £20,000.

## **5 Appointments to Committees and Panels**

- 5.1 On 19 July 2016, the Board approved a new decision-making structure. A paper elsewhere on the agenda proposes changes to Standing Orders and the terms of reference of the Committees and Panels. Having considered the skills, knowledge and experience of the Board and following discussions with individual Members, the Committee and Panel membership set out in Appendix 2 is recommended.

## **6 Appointment to the Board of Crossrail Limited**

- 6.1 Crossrail Limited (CRL) is a wholly owned subsidiary of TfL (through Transport Trading Limited). TfL and the Department for Transport (DfT) are the "Sponsors" charged with overseeing the delivery of the Crossrail Project. Under the Sponsors' Agreement, there is provision for DfT and TfL to nominate one additional director each.
- 6.2 TfL has previously exercised its right to nominate an additional non-executive director, to ensure an appropriate link between TfL and CRL. This position is currently vacant.

6.3 It is proposed that the Chair of TfL be delegated authority to nominate a non-executive director to the CRL Board, for a period of up to three years.

**List of appendices to this report:**

Appendix 1: GLA Act requirements and Deloitte Review recommendations

Appendix 2: Proposed appointments to TfL's Committees and Panels

**List of Background Papers:**

GLA Act and the Deloitte Review of Board Effectiveness 2015 (submitted to the Board on 17 December 2015)

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## **Appendix 1: GLA Act requirements and Deloitte Review recommendations**

1.1 Under the GLA Act the Mayor is required when appointing Members:

- (a) to secure that at least two members are able to represent the interests of those living, working and studying in areas outside Greater London who use railway passenger services operated by TfL
- (b) to have regard to the desirability of ensuring Members between them have experience of:
  - (i) transport (including in particular the impact of transport on business and the environment);
  - (ii) finance and commerce;
  - (iii) national and local government;
  - (iv) the management of organisations; and
  - (v) organisation of trade unions or matters relating to workers generally; and
- (c) to ensure that the membership of TfL represents the interests in relation to transport of women and of persons who require transport which is accessible to persons with mobility problems.

1.2 The Deloitte review recommended that the Mayor also consider the following broad range of experience and skills:

- (a) major infrastructure and regeneration;
- (b) train engineering and manufacturing;
- (c) urban space planning;
- (d) environment and sustainability;
- (e) business and consumer experience;
- (f) digital technology;
- (g) marketing and communications;
- (h) big data, analytics and mobile communications;
- (i) retail and customer service;
- (j) treasury and government funding;
- (k) health and safety; and
- (l) change management.

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## Appendix 2: Proposed appointments to TfL's Committees and Panels

### **TfL Board**

Sadiq Khan (Chair)

Val Shawcross CBE (Deputy Chair)

Kay Carberry CBE

Prof Greg Clark CBE

Baroness Grey-Thompson DBE

Ron Kalifa

Michael Liebreich

Dr Alice Maynard CBE

Anne McMeel

Dr Mee Ling Ng OBE

Dr Nelson Ogunshakin OBE

Dr Nina Skorupska CBE

Dr Lynn Sloman

Ben Story

### **Audit and Assurance Committee**

Anne McMeel (Chair)

Dr Lynn Sloman (Vice Chair)

Kay Carberry CBE

Dr Mee Ling Ng OBE

Dr Nelson Ogunshakin OBE

### **Finance Committee**

Ron Kalifa (Chair)

Ben Story (Vice Chair)

Michael Liebreich

Anne McMeel

Val Shawcross CBE

Dr Nina Skorupska CBE

### **Programmes and Investment Committee**

Prof Greg Clark CBE (Chair)

Dr Nelson Ogunshakin OBE (Vice Chair)

Ron Kalifa

Dr Alice Maynard CBE

Dr Nina Skorupska CBE

Dr Lynn Sloman

Ben Story

### **Remuneration Committee**

Baroness Grey-Thompson DBE (Chair)

Kay Carberry CBE (Vice Chair)

Ron Kalifa

Val Shawcross CBE

Ben Story

### **Customer Service and Operational Performance Panel**

Dr Mee Ling Ng OBE (Chair)

Dr Alice Maynard CBE (Vice Chair)

Prof Greg Clark CBE

Baroness Grey-Thompson DBE

Anne McMeel

Dr Nelson Ogunshakin OBE

Dr Lynn Sloman

### **Safety, Sustainability and Human Resources Panel**

Michael Liebreich (Chair)

Dr Nina Skorupska CBE (Vice Chair)

Kay Carberry CBE

Baroness Grey-Thompson DBE

Dr Mee Ling Ng OBE

The Mayor has also appointed Prof Greg Clark CBE and Dr Alice Maynard CBE to represent the interests of those living, working and studying in areas outside Greater London who use railway passenger services operated by TfL.