

**Board**



**Date: 7 November 2012**

**Item 15: Report of the meeting of the Finance and Policy Committee held on 17 October 2012**

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**This paper will be considered in public**

## **1 Summary**

- 1.1 To report to the Board on the meeting of the Finance and Policy Committee held on 17 October 2012.

## **2 Recommendation**

- 2.1 **That the Board note the report.**

## **3 Background**

- 3.1 The main matters considered by the Committee were:
- (a) Local Government Resource Review;
  - (b) Prudential Indicators – Outturn for the Year Ended 31 March 2012;
  - (c) Group Treasury Activities;
  - (d) Crossrail: Paddington Transport and Works Act Order; and
  - (e) London Highways Alliance Contract.

## **4 Issues Discussed**

### **Local Government Resource Review**

- 4.1 The Committee noted an update on the Local Government Resource Review, its impact on TfL's future funding arrangements and the key outstanding issues that had to be resolved. A paper on the Local Government Resource Review appears as a separate item elsewhere on the agenda.

### **Prudential Indicators – Outturn for the Year Ended 31 March 2012;**

- 4.2 The Committee noted TfL's performance against the final revised Prudential Indicators for the Financial Year 2011/12. The indicators demonstrated that TfL exercised prudence in assessing the affordability of the capital expenditure and debt necessary to support the budget outputs.

## **Group Treasury Activities**

- 4.3 The Committee noted an update on Group Treasury's activities for the six month period between 1 April and 30 September 2012 and the plans to implement the agreed Treasury Management Strategy 2012/13. It approved new issuance under TfL's Medium Term Note Programme and approved financial derivative investment transactions to hedge against the effect of movements in underlying market interest rates on the cost of TfL's planned borrowing.

## **Crossrail: Paddington Transport and Works Act Order**

- 4.4 The Committee recommended that the Board approve Crossrail Limited making an application for a Transport and Works Act Order (TWAO) authorising the construction of a passenger subway between the new Crossrail Paddington station and the London Underground Bakerloo line. A paper on the Crossrail Limited TWAO application appears as a separate item elsewhere on the agenda.

## **London Highways Alliance Contract**

- 4.5 The Committee recommended that the Board approve four framework agreements, collectively referred to as the London Highways Alliance Contract and four call-off contracts to deliver highways maintenance and related services on and around the TfL Route Network from 1 April 2013 to 31 March 2021. A paper on the London Highways Alliance Contract appears as a separate item elsewhere on the agenda.

## **List of appendices to this report:**

None

## **List of Background Papers:**

Papers for the meeting of the Finance and Policy Committee held on 17 October 2012.

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