

Transport for London

Minutes of the Meeting

Committee Rooms 4-5, City Hall, The Queen's Walk, London
10.00am, Thursday 10 December 2009

Members

Boris Johnson	Chairman
Daniel Moylan	Deputy Chairman
Christopher Garnett	Deputy Chairman
Peter Anderson	Member
Claudia Arney	Member
Charles Belcher	Member
Dame Tanni Grey-Thompson	Member (for part)
Sir Mike Hodgkinson	Member
Judith Hunt	Member
Steven Norris	Member
Bob Oddy	Member
Patrick O'Keeffe	Member
Kulveer Ranger	Member
Tony West	Member
Keith Williams	Member
Steve Wright	Member

Staff

Steve Allen	Managing Director, Finance
David Brown	Managing Director, Surface Transport
Ian Brown	Managing Director, London Rail
Howard Carter	General Counsel
Stephen Critchley	Chief Finance Officer
Michèle Dix	Managing Director, Planning
Vernon Everitt	Managing Director, Marketing and Communications
Peter Hendy	Commissioner
Rob Holden	Chief Executive, Crossrail
Ellen Howard	Director of Corporate Governance
Richard Parry	Interim Managing Director, London Underground
Clive Walker	Interim Director of Internal Audit
Shamus Kenny	Head of Secretariat

67/12/09 Apologies for Absence and Declarations of Interest

Apologies for absence had been received from Eva Lindholm.

The following interests were declared: Daniel Moylan as Deputy Leader of the Royal Borough of Kensington and Chelsea, a director of the London Transport Museum and Chairman of Urban Design London; Christopher Garnett as a member of the Olympic Delivery Authority and non-executive director of Aggregate Industries Limited; Dame

Tanni Grey-Thompson as Vice Chair of the Athletes Committee for the London Organising Committee of the Olympic Games (LOCOG); Sir Mike Hodgkinson as a non-executive director of Crossrail Ltd; Steve Wright on matters relating to private hire vehicles; Bob Oddy on taxi related issues; Peter Anderson as a director of the Canary Wharf Group in relation to Crossrail and the Jubilee Line upgrade; and Steven Norris as a Board Member of the London Development Agency, as Chairman of AMT-Sybex Limited, as Executive Chairman of Jarvis plc and as a non executive director of Initiate Limited.

68/12/09 Minutes of the Meeting held on 21 October 2009

The minutes of the meeting held on 21 October 2009 were approved as a correct record and signed by the Chair.

69/12/09 Matters Arising and Actions List

The Actions List was noted.

70/12/09 The Commissioner's Report

The Commissioner introduced his report, which provided an overview of major issues and developments since the last meeting on 21 October and updated Members on significant projects and initiatives.

Members commended the quality of the work at the new North ticket hall at King's Cross St Pancras underground station, which opened on 27 November 2009. Members thanked staff for delivering the ticket hall on time and on budget.

The Commissioner advised Members in relation to recent allegations in the media about LU staffing reductions. He confirmed that LU and TfL remained fully committed to stations being staffed at all times to ensure that high quality customer service was provided in a safe and secure travel environment. Members also commended the current hard-hitting "Know what you're getting into" campaign on the dangers of unlicensed minicabs.

Rob Holden explained the position in relation to the payments for the compulsory purchase of the properties necessary for Crossrail, which had recently received significant media attention. Crossrail was applying the Compensation Code and legal decisions in relation to the calculation of compensation. However, it was committed to addressing the concerns of property owners and businesses wherever possible. The Finance and Policy Committee and the Board would consider more detailed reports in early 2010. **[ACTION: Rob Holden]**

The Commissioner advised Members that responsibility for the Congestion Charge website, payment facilities and call centre had transferred from Capita to IBM over the weekend of 31 October to 1 November 2009. The new IBM system would provide an improved service for customers and deliver £200m in savings to TfL over the Business Plan period. However, there had been some intermittent system issues that had led to longer call queues in the initial days of the new service and the Commissioner

apologised to those affected for any inconvenience caused. The issues had been addressed and lessons learnt for the future.

The Commissioner advised that the Northbound Blackwall Tunnel reopened on 30 November (two days ahead of schedule) after TfL engineers worked quickly to repair fire damage to the tunnel. Members commended TfL on its work to ensure that the tunnel opened as quickly as possible to minimise the inconvenience to the travelling public.

Members noted the progress in removing pedestrian guardrail from the TfL Road Network (TLRN) and that boroughs were being encouraged to do the same on their roads. A report would be submitted to a future meeting of the Surface Transport Panel with maps showing where TLRN guardrail had been removed, what was to be removed and what was to be left. The report would also explain why guardrail would remain in some places. **[ACTION: David Brown]**

The Commissioner updated Members on the progress in agreeing separate pay deals with TfL and LU staff.

The Board paid tribute to the late Honor Chapman, a Board Member from August 2004 to June 2008, and Redmond O'Neill, the former Mayor's Deputy Chief of Staff and Director of Transport and Public Affairs.

The report was noted.

71/12/09 Operational and Financial Performance and Investment Programme Reports – Second Quarter 2009/10

Steve Allen introduced the performance monitoring reports for the second quarter of 2009/10 and the investment programme report, which commented on milestones as at the end of quarter two. The reports had been considered by the Finance and Policy Committee at its meeting on 24 November 2009.

Members noted that patronage data showed a fall, with LU patronage down the most at around six per cent compared to last year, with a consequent drop in fares income. The situation had improved slightly since the end of the quarter and was close to the Business Plan forecast.

The Board noted the good progress against TfL's savings programme, which aimed to save more than £5bn over the period of the Business Plan through delivery of the Operating Cost Review, the Continuous Savings Exercise and additional project efficiencies. Savings plans were in place and TfL was on course to meet the 2009/10 delivery target by the end of the financial year.

The reports were noted.

72/12/09 New Arrangements for Assurance of the TfL Investment Programme

Steve Allen introduced the report, which set out proposed changes to the scrutiny and review arrangements for TfL's Investment Programme to provide assurance to the Finance and Policy Committee and Board. The proposed changes would provide additional independent scrutiny of the delivery of the TfL Investment Programme, usually for projects with an estimated final cost of over £50m. The proposed changes supplemented and strengthened the existing Gateway Review process.

The Board:

- 1 Approved in principle the proposed arrangements for the establishment of the Investment Programme Advisory Group; and**
- 2 Delegated to the MD Finance authority to finalise these arrangements.**

73/12/09 PPP Update

Richard Parry introduced the report, which updated the Board on the current position with the Tube Lines PPP Periodic Review. The report also updated the Board on the delivery of the Jubilee Line Upgrade and the implications for the delivery of the Northern line upgrade.

The Board criticised Tube Lines for its failure to deliver the Jubilee line upgrade as agreed and the consequences of the failure for the travelling public and businesses. Members also criticised the PPP structure which allowed Tube Lines to receive excessive profits directly or indirectly through the secondment arrangements. A supplementary paper was circulated at the meeting setting out a proposed programme of closures up to and including Easter 2010. A further programme of closures from Easter to August 2010 was being discussed with Tube Lines. These would be communicated to the public as soon as it was finalised. The Board discussed the potential implications for the delivery of the Northern line upgrade on time and to budget.

The report was noted.

74/12/09 London Underground Asset Maintenance Programme: Update

Richard Parry introduced the report which updated the Board on the London Underground Asset Maintenance programme following the administration and transfer of Metronet to TfL. This was a significant programme of efficiencies designed to reduce the cost across LU's maintenance activities and to address, where required, the uneconomic and inefficient position inherited from Metronet. A further £1.1bn of savings had been identified in addition to the £2.5bn of generated savings and avoided projected costs already achieved.

The report also set out the latest results of ongoing benchmarking activity with Tube Lines for the period 2008/09. Looking ahead, the unit costs in LU's Asset Maintenance Programme compared favourably with Tube Lines' estimates for Review Period 2.

The report was noted.

75/12/09 **TfL Environment Report 2009**

Howard Carter introduced the TfL Environment Report for 2009 which set out TfL's environmental performance for the year. The report highlighted TfL's performance in the three key areas of reducing carbon emissions and adapting to climate change, providing a better quality of life for all Londoners, and making better use of resources. The Board approved the report and commended TfL on its achievements in this area.

The Environment Report 2009 was noted.

76/12/09 **Response to the Mayor's Transport Strategy Public Draft**

Michèle Dix introduced the report, which included a proposed response from TfL to the Mayor's Transport Strategy (MTS) Public Draft Consultation. The Board noted the timetable to finalise the MTS prior to its anticipated publication in May 2010.

The Board approved in principle TfL's consultation response to the Mayor's Transport Strategy Public Draft.

77/12/09 **Proposed Response to the London Plan, Economic Development Strategy and Health Inequalities Strategy Public Consultation Drafts**

Michèle Dix introduced the report, which included the proposed responses from TfL to three public consultation drafts of three Mayoral Strategies.

The Board approved in principle TfL's consultation responses to the London Plan, Economic Development Strategy and Health Inequalities Strategy Public Consultation Drafts.

78/12/09 **Report from the Meeting of the Safety, Health and Environment Assurance Committee – 17 November 2009**

The Deputy Chairman, Christopher Garnett, gave an update to the Board on the meeting of the Safety, Health and Environment Assurance Committee held on 17 November 2009.

The report was noted.

79/12/09 **Report from the Meeting of the Finance and Policy Committee – 24 November 2009**

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 24 November 2009.

The report was noted.

80/12/09 Any Other Business

There being no further business, the meeting closed at 12:00 noon.

The next scheduled meeting would be held on Wednesday 3 February 2010 at 10.00am.

Chair: _____

Date: _____