

Transport *for* London

Minutes of a meeting of the Board
held in public on Wednesday 24th October 2001, commencing at 10.00 a.m.
in Room AG16, Romney House, Marsham Street, London SW1P 3PY

Present:	Ken Livingstone (Chair)	Susan Kramer
Board Members:	Dave Wetzel (Vice-Chair)	Joyce Mamode
	Professor David Begg	Paul Moore
	Professor Stephen Glaister	Steve Norris
	Kirsten Hearn	David Quarmby
	Mike Hodgkinson	Tony West

Special Advisors in attendance:	Bryan Heiser
	Lynn Sloman

Others in attendance:	Ian Brown	Peter Hendy
	Valerie Chapman	Robert Kiley
	Colin Douglas	Derek Turner
	Wayne Hemingway	Jay Walder

59/01 APOLOGIES FOR ABSENCE

It was noted that David Quarmby would be leaving the meeting early.

60/01 TFL 2002/03 BUDGET AND BUSINESS PLAN

The Chair introduced the meeting which was for the purpose of seeking approval of TfL's 2002/03 Budget and Business Plan for submission to the Mayor and the GLA.

The Commissioner introduced this item to seek approval of the proposed TfL 2002/03 Budget and Business Plan. This had been discussed at the three Advisory Panels and the Finance and Audit Committee earlier in October 2001. He explained that the Budget and Business Plan would be submitted to the GLA on 26th October 2001. The GLA would set a budget in February 2002 following discussions with the Mayor, and Government.

He explained the principles which formed the basis of the Budget and Business Plan including the need to understand the condition of inherited assets and bring such assets back to a state of good repair, improve the existing network and use resources effectively. There were also issues which required further development including

walking/cycling, road maintenance, Transport Policing, fare policy and ticketing, and the need to develop a capital investment plan. It was noted that neither London Underground nor National Rail franchising were included in the TfL Budget and Business Plan.

Surface Transport

The Managing Director, Surface Transport reported details of bus patronage. It was noted that London Buses had the highest number of passengers since 1975, the fastest growth rate since WWII (for September, year on year, 6% passengers and 9% passenger mileage), the highest level of mileage since 1964 and a 50% reduction in miles lost owing to staff shortage. Over 50% of the bus fleet was now low floor/wheelchair accessible (excluding Routemasters).

He gave details of bus contract costs stating that contract costs were rising sharply in real terms owing to higher labour costs, fuel costs and the cost of new vehicles. Bus network development and reliability was being addressed including capacity increases, better schedules, training and cleaning.

London Buses was now acting as client for bus priority schemes, which had been reprioritised in the following order;

- 1 – Supporting Congestion Charging
- 2 – Committed projects including LBI
- 3 – Enforcement and Compliance and Traffic Signalisation
- 4 – Other schemes

There were a number of projects relating to security including CCTV and better transport policing.

He also reported details of the Budget and Business Plan for the Public Carriage Office, Dial-a-Ride, London River Services, Victoria Coach Station, East Thames Buses and Croydon Tramlink.

Street Management

The Managing Director, Street Management reported details of the issues highlighted at the Street Management Advisory Panel on 10th October 2001 including the need to address previous under-investment, maximise value and improve efficiency and details of projects and programmes identified in the base plan and as Strategic Initiatives. He gave details of proposed expenditure between 2001/02 – 2007/08.

The main issues under discussion at the Advisory Panel had been cycling/walking, Road Safety and Maintenance. Other issues included the Disability Discrimination Act 1995,

Thames Gateway Crossings, Woolwich Ferry and the London Bus Initiative and the proposed Intermediate Mode schemes.

He reported that the London Cycle Network was to be reviewed with a development of a flagship programme for walking, cycling, town centres and streets for people. Part of this process would ensure that an appropriate balance was achieved with buses and other traffic.

The Budget and Business Plan provided for increased spending on Road Safety to meet both Mayoral and Government targets. Priorities would include accident remedial schemes, 20-mph zones and increased promotion, education and training. An asset inventory and condition survey would be undertaken in Summer 2002 in respect of Road and Bridge maintenance to identify investment needs and priorities.

Rail Transport

The Managing Director, Rail Services noted the main priorities of his directorate were to manage the DLR, work with the Strategic Rail Authority and the Rail Industry to develop national rail services and implement Major Projects. He also referred to the need to create a Commuter Rail Authority for London to tackle the issues of integration of the national rail network in London in areas such as timetabling, marketing and ticketing.

He gave details of DLR operations and enhancements which would see network extensions and capacity improvements including the London City Airport extension, the Woolwich Arsenal extension, Bank-Lewisham 3 car upgrade and Stratford station safety works. There would also be improvements in respect of safety and security including real time on-train CCTV.

He also gave details of major rail investment programmes including CrossRail and Hackney-Southwest.

Funding

The Managing Director of Finance and Planning referred to the funding issues relating to the Budget and Business Plan. This included the business risks that TfL would face including the rise in bus contract costs, revenue risk, congestion charging, human resources and other risks including insurance costs. TfL would be seeking efficiencies through improved business processes, effective use of resources and a corporate efficiency review across TfL. The plan did not provide for the risks in relation to LUL integration and the contingent liabilities which would come across with LUL.

He gave details of the outcomes on the basis of the Budget and Business Plan being adopted and the additional funding required to achieve those outcomes. Such funding would be required through Additional Transport Grant, GLA Council Tax precept and fares and other operating income. He informed the Board that expenditure on a number of projects/schemes would be reduced or deferred if such funding was not identified.

He noted that should the Board approve the budget, TfL would further develop and refine the plan into a more rigorous budget by completing strategic reviews and preparing detailed budgets to support the plan including targets and deliverables.

Discussion

Board Members discussed a number of issues in respect of the Budget and Business Plan including:-

- Working with the Boroughs to develop programmes.
- The need for a communications strategy in respect of the plan.
- Concern regarding the likelihood of receiving the funding set out in the Budget and Business Plan.
- The need to obtain further Transport Grant.
- The need to ensure that LUL would be transferred to TfL on a zero cost basis.
- The priority given to cycling and lack of emphasis on walking in the Budget and Business Plan. (The Commissioner would review this area further, involving key stakeholders, as the budget was developed).
- The status of the list of projects/schemes in Appendix 3 to the report.
- The possibility of obtaining further capital funding to fund the major DLR schemes in light of the additional towers being built at Canary Wharf.
- The welcome developments in bus service provision in London.
- The fact that the budget focussed on large schemes, that it might not be giving enough profile to the quicker, albeit smaller, results available

Steve Norris expressed concern that the budget included more than was likely to be received by way of transport grant. He emphasised the importance of the Board debating the content of Appendix 3.

There was further debate including the issues referred to above. The Commissioner emphasised that the most critical part of the budget was in the base which dealt with bringing the infrastructure back to acceptable condition.

The Commissioner gave further details of the Budget and Business Plan process and said that Board Members would be informed of any developments.

It was **agreed** that:

1. The Mayor and the TfL Board approve the proposed TfL Budget and Business Plan for submission to the GLA and to use as the basis for TfL's bid for the Government's SR2002 spending review.
2. The Managing Director, Finance and Planning, be given authority to put the budget into the appropriate format to submit it to the GLA.
3. Board Members be provided with a list of key lobbying points in respect of the Budget and Business Plan proposals at the Board Meeting to be held on 27th November 2001.

61/01 **RESIGNATION**

The Chair announced that Sir Christopher Benson had resigned from the TfL Board on 16th October 2001. Following his resignation, he had been appointed Chairman of Cross London Rail Links Ltd.

Board Members thanked Sir Christopher Benson for his time spent on the Board.

It was **agreed** that the Chair would write to Sir Christopher Benson thanking him for his efforts during his time on the TfL Board.

There being no further business, the meeting closed at 12.25p.m.

Chair

Date