

Transport for London

Minutes of the Board

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

Members

Boris Johnson	Chair, Board Member
Peter Anderson	Board Member
Claudia Arney	Board Member
Charles Belcher	Board Member
Christopher Garnett	Board Member
Dame Tanni Grey-Thompson	Board Member
Judith Hunt	Board Member
Eva Lindholm	Board Member
Daniel Moylan	Board Member
Steven Norris	Board Member
Bob Oddy	Board Member
Patrick O'Keeffe	Board Member
Kulveer Ranger	Board Member
Keith Williams	Board Member
Steve Wright	Board Member

Staff

Steve Allen	Managing Director, Finance
Sarah Bradley	Head of Group Financial Accounting
David Brown	Managing Director, Surface Transport
Ian Brown	Managing Director, London Rail
Howard Carter	General Counsel
Michèle Dix	Managing Director, Planning
Vernon Everitt	Managing Director, Marketing and Communications
Mary Hardy	Director of Internal Audit
Peter Hendy	Commissioner
Ellen Howard	Director of Corporate Governance
Douglas Oakervee	Executive Chair, Crossrail
Richard Parry	Director of Strategy and Service Development, LU
Ben Plowden	Director, Smarter Travel Unit (for part)

01/02/09 Apologies for Absence and Declarations of Interest

Apologies for absence had been received from Sir Mike Hodgkinson, Tony West, Tim O'Toole and Stephen Critchley.

Daniel Moylan declared an interest as Chairman of the London Councils' Transport and Environment Committee and as Deputy Leader of the Royal Borough of Kensington and Chelsea and Christopher Garnett as a member of the Olympic Delivery Authority. Bob Oddy and Steve Wright declared an interest in item 6 on the agenda (Taxi fares and Taxi and Private Hire Licence Fees).

The Mayor welcomed Claudia Arney to the Board and the nomination of Daniel Moylan

to be a Deputy Chair of the TfL Board with Christopher Garnett. This appointment was subject to the confirmation hearing process of the London Assembly.

02/02/09 Minutes of the Meeting held on 10 December 2008

The minutes of the meeting held on 10 December 2008 were approved as a correct record and signed by the Chair.

03/02/09 Matters Arising and Actions List

The Board noted the Actions List.

04/02/09 The Commissioner's Report

The Commissioner introduced his report and set out the transport implications, particularly for the bus service, of the severe weather which occurred on Monday 2 February 2009. Both TfL and the London Boroughs had gritted roads on Sunday in advance of the poor weather. The effects of the heavy snow on the bus service were to cause 30 bus related accidents in six hours and the progressive withdrawal of services because roads had become unsafe or impassable. On Monday morning despite all night gritting by TfL and the London Boroughs it was unsafe either to get buses out of the garages or to access their routes. However, approximately 80 - 90 per cent of bus staff reported for duty. Services resumed as conditions improved.

In response to the conditions the London Local Authority Co-ordination Centre was established to ensure that local authorities received and promptly acted on requests for gritting to keep the bus service running and in the redistribution of grit and salt around London. The mutual co-operation allowed London to get through the rest of the cold weather.

The Mayor thanked everyone who was involved in keeping London moving during these difficult conditions.

The Commissioner advised the Board that agreement has been reached with South West Trains for the installation of Oyster Pay As You Go equipment at their stations. This is a significant step in Oyster PAYG being available throughout Greater London.

Since the last meeting, the rating agency Fitch has reaffirmed TfL's AA credit rating. Fitch is the first of the three rating agencies to publish an update on TfL since the publication of the TfL Business Plan.

In response to a question from Steven Norris, The Commissioner confirmed that the Operating Cost Review target remains £2.4bn of savings in the life of the Business Plan.

The Board noted the report.

05/02/09 **Operational and Financial Performance and Investment Programme Reports – Third Quarter 2008/09**

Steve Allen introduced TfL's Operational and Financial Performance and Investment Programme reports for the third quarter. Despite the downturn there was an increase of 2.8 per cent in passenger journeys compared to the previous year. TfL was monitoring the impact of the economic downturn on passenger volumes, the impact on inflation and the future impact on fares. Nevertheless, there has been a small increase in the number of annual tickets purchased.

Steven Norris sought clarification in relation to the delivery of programmes of capital work in Surface Transport. David Brown advised he expected much of this work to be completed by the end of the financial year as planned.

The Board noted the report.

06/02/09 **Taxi Fares and Taxi and Private Hire Licence Fees**

David Brown introduced the report which proposed changes to taxi fares in line with the cost index and to licence fees for taxi and private hire vehicles. The principal changes will take effect in April 2009.

The Board noted the contents of the paper and:

- 1 approved an increase of 3.4 per cent in average fares across all three taxi tariffs with effect from Saturday 4 April 2009, and the making of a London Cab Order to implement the new fares to be signed by the Commissioner (and in his absence the Managing Director Surface Transport);**
- 2 authorised a 40p metered additional charge to be implemented only if London retail diesel prices (as measured by the Arval index) reach or exceed the threshold level of 147.1p/litre between 4 April 2009 and 1 January 2010, subject to paragraph 4 below;**
- 3 delegated to the Commissioner (and in his absence the Managing Director Surface Transport) the making and signing of a London Cab Order to implement the additional charge recommended in paragraph 2 above;**
- 4 noted that any introduction of an additional 40p metered fuel charge would not extend beyond Saturday 10 April 2010;**
- 5 noted that the Commissioner (and in his absence the Managing Director Surface Transport) will make regulations to take effect from Wednesday 1 April 2009 to implement an increase of £5 to the PHV application/inspection fee, thus increasing the overall charge from £109 to £114; and**
- 6 noted that taxi licence fees were reduced by £18 from £178 to £160 effective from 6 November 2008, and that it is proposed to increase them by £4 to £164 with effect from Wednesday 1 April 2009.**

07/02/09 **Smarter Travel Sutton Update**

Ben Plowden introduced the report regarding the second year of the Smarter Travel Sutton Pilot Programme which has increased levels of cycling and public transport usage amongst residents of the London Borough of Sutton by providing small scale infrastructure and promotion of public transport options. The paper mapped the principles behind the Smarter Travel Sutton pilot and the Mayor's Way to Go proposals for voluntary behaviour change in relation to transport.

The Board welcomed the report.

The Commissioner advised that one of the actions prioritised in the Operating Cost Review was to bring all of the units within TfL relevant to Smarter Travel together in a new directorate in Surface Transport so that there is greater coherence and also significant cost savings.

Patrick O'Keeffe asked for information about the impact of the project on transport crime in the area and on road safety statistics. Ben Plowden reported that the police authority in the area had reported lower levels of bicycle theft as a result of the bicycle marking scheme introduced as part of the Pilot.

Joint working with the Borough, the local chamber of commerce and the Primary Care Trust was critical to the success of the Pilot and enabled the resources of those agencies to also be leveraged to achieve joint and cost effective outcomes. The Commissioner advised of a programme to work more closely with the NHS and other health agencies, and it was recommended by Judith Hunt that Smarter Travel proposals be presented to the London Health Commission and at the London Public Health meeting. **[Action: Ben Plowden]**

Judith Hunt asked about the empirical evidence of the impact of walking and cycling on children's obesity. This information was principally collected by the local health agencies, but consideration would be given to using it in Smarter Travel promotional material. **[Action: Ben Plowden]**

The Chair asked TfL to explore the scope for promoting cycling to school. Ben Plowden advised of TfL's new initiative to encourage children to use bicycles including the development of a proposal called "Cycle Challenge" where schools can compete with each other in relation to cycle use by their students.

The Chair also asked that consideration be given to the best method of integrating the cycle hire scheme with other Smarter Travel initiatives TfL is implementing, particularly in outer London. **[Action: Ben Plowden]**

Daniel Moylan sought clarification about TfL's funding of car clubs as part of the Scheme. TfL had provided some funding to convert parking bays to car club use, but this was less likely in the future as the popularity of car clubs grows and extends from Central and Inner London. TfL did not provide revenue subsidy.

Steven Norris said that consideration should be given to how to mitigate ongoing traffic impacts in areas such as Sutton where there had been real improvements as a result of the Pilot.

The Board noted:

- 1 the early success of the programme in increasing levels of cycling and public transport usage by providing small scale infrastructure, information on, and promotion of, the options available to residents;**
- 2 emerging changing attitudes to walking, cycling and public transport;**
- 3 the potential contribution and added value smarter travel initiatives can make to area based and corridor transport programmes delivered by the boroughs in future; and**
- 4 the lessons learnt from the monitoring of the initiative that will be applied to future smarter travel initiatives.**

08/02/09 Contribution to the Mayor's Economic Recovery Plan

Steve Allen introduced the report which set out TfL's contribution to the Mayor's Economic Recovery Action Plan. The Plan sets out the Mayor's proposals across the GLA group to assist London's businesses and residents during the current economic downturn and contribute to London's recovery.

The Board noted the progress being made against the actions identified in the Mayor's Economic Recovery Action Plan.

09/02/09 Metronet REW and TMU – Internal Transfer Schemes

Richard Parry introduced the report seeking approval for two internal transfer schemes to transfer property, rights and liabilities from Metronet REW and TMU. The Schemes are a further step in the process of streamlining the various entities TfL acquired as part of the transfer of the Metronet businesses that took place in May 2008. The Schemes now need to be submitted to the Mayor for approval before they can take effect.

The Board:

- 1 approved in principle the making of the REW and TMU transfer schemes described in the paper and delegated to the Finance Committee authority to approve the material terms of such schemes;**
- 2 subject to the Finance Committee giving its approval in accordance with paragraph 1 above, approved the REW and TMU transfer schemes described in the paper being submitted to the Mayor for approval;**
- 3 subject to the REW and TMU transfer schemes described in the paper coming into effect, approved the dissolution of Metronet REW Limited and Metronet TMU Limited if it is considered to offer good value for money to TfL; and**
- 4 subject to the Finance Committee giving its approval in accordance with paragraph 1 above:**
 - (a) delegated to the TfL Officers and the Subsidiaries (as described in paragraph 5 below) the authority to agree the final terms of the REW and TMU transfer schemes described in the paper (and their execution) and of any documentation to be entered into in connection with the**

REW and TMU transfer schemes (including, without limitation, ancillary agreements for accounting purposes and matters related to the dissolution of Metronet REW Limited and Metronet TMU Limited); and

- (b) authorised the TfL Officers and Subsidiaries to do all such other things as they consider necessary or desirable to facilitate the matters referred to in this paragraph.**

5 The following TfL Officers and Subsidiaries shall have delegated authority:

- (a) TfL Officers: the Commissioner, Managing Director Finance, Managing Director London Underground, Chief Finance Officer and General Counsel; and**
- (b) Subsidiaries of TfL including, without limitation, London Underground Limited, LUL Nominee BCV Limited, LUL Nominee SSL Limited, Metronet REW Limited and Metronet TMU Limited.**

10/02/09 Local Government Ombudsman's Report

David Brown introduced the item regarding a report received from the Local Government Ombudsman concerning enforcement action taken in relation to three penalty charges notices. The Board noted the actions taken by TfL in response to the Ombudsman's findings and that the Commissioner had written to all three complainants and apologised on behalf of TfL.

The Board noted the report.

11/02/09 GLA Group Governance Matters

Howard Carter introduced the report on the progress of the ongoing GLA governance initiative and the proposed GLA Corporate Governance Framework. The framework provides a structure for governance arrangements and interrelationships with the various Functional Bodies in the Group.

The Board noted the report and approved the GLA Corporate Governance Framework.

12/02/09 Appointments to Committees and Panels

Howard Carter introduced the report.

The Chair advised that he had asked Daniel Moylan to review the operation of the Committees and Panels and make recommendations to improve their effectiveness.

The Board appointed Daniel Moylan to the:

- 1 Audit Committee;**
- 2 Safety, Health and Environment Committee;**
- 3 Remuneration Committee; and**
- 4 Rail and Underground Panel.**

13/02/09 Report from the Meeting of the Finance Committee held on 27 January 2009

Peter Anderson introduced the report.

The Board noted the report.

14/02/09 Report from the Meeting of the Audit Committee held on 28 January 2008

Judith Hunt introduced the report.

The Board noted the report.

15/02/09 Any Other Business

There being no further business, the meeting closed at 11.55am. The next scheduled meeting would be held on Tuesday 31 March 2009 at 10.00am.

Chair: _____

Date: _____