

Agenda

Meeting: Board

Date: Wednesday 7 February 2024

Time: 10:00am

**Place: Chamber, City Hall, Kamal
Churchie Way, London E16 1ZE**

Members

Sadiq Khan (Chair)

Seb Dance (Deputy Chair)

Heidi Alexander

Kay Carberry CBE

Prof Greg Clark CBE

Councillor Ross Garrod

Anurag Gupta

Bronwen Handyside

Anne McMeel

Dr Mee Ling Ng OBE

Dr Nelson Ogunshakin OBE

Mark Phillips

Marie Pye

Dr Nina Skorupska CBE

Dr Lynn Sloman MBE

Peter Strachan

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](https://tfl.gov.uk/How-We-Are-Governed).

This meeting will be open to the public and webcast live on [TfL YouTube channel](#) and on the [Greater London Authority's Mayoral Webcasts page](#), except for where exempt information is being discussed as noted on the agenda.

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Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat; Email: ShamusKenny@tfl.gov.uk.

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: PressOffice@tfl.gov.uk

Andrea Clarke, Interim General Counsel
Tuesday 30 January 2024

**Agenda
Board
Wednesday 7 February 2024**

1 Apologies for Absence and Chair's Announcements

2 Declarations of Interests

Interim General Counsel

Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.

Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.

**3 Minutes of the Meeting of the Board held on 13 December 2023
(Pages 1 - 18)**

Interim General Counsel

The Board is asked to approve the minutes of the meeting of the Board held on 13 December 2023 and authorise the Chair to sign them.

**4 Matters Arising, Actions List and Use of Delegated Authority
(Pages 19 - 30)**

Interim General Counsel

The Board is asked to note the updated actions list and the use of authority delegated by the Board.

5 Commissioner's Report (Pages 31 - 56)

Commissioner

The Board is asked to note the Commissioner's Report, which provides an overview of major issues and developments since the report to the meeting on 13 December 2023 and updates Members on significant projects and initiatives.

6 Finance Report - Quarter 3, 2023/24 (Pages 57 - 72)

Chief Finance Officer

The Board is asked to note the Finance Report.

7 TfL Viewpoint Survey Results 2023 (Pages 73 - 86)

Chief People Officer

The Board is asked to note the paper.

8 Report of the meeting of the Land and Property Committee held on 20 December 2023 (Pages 87 - 90)

Committee Chair, Professor Greg Clark CBE

The Board is asked to note the report.

9 Report of the meeting of the Finance Committee held on 22 December 2023 (Pages 91 - 94)

Committee Chair, Anne McMeel

The Board is asked to note the report.

10 Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

11 Date of Next Meeting

Wednesday 6 March 2024, at 10.00am.

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Transport for London

Minutes of the Meeting

**Chamber, City Hall, Kamal Chunchie Way, London E16 1ZE
10.00am, Wednesday 13 December 2023**

Members

Sadiq Khan (Chair)
Seb Dance (Deputy Chair)
Heidi Alexander
Kay Carberry CBE
Professor Greg Clark CBE (via Teams)
Councillor Ross Garrod
Anurag Gupta
Anne McMeel
Dr Mee Ling Ng OBE
Dr Nelson Ogunshakin OBE
Mark Phillips
Marie Pye
Dr Lynn Sloman MBE

Government Observers

David Coles
Emma Ward (for John Hall)

Executive Committee

| | |
|-----------------|--|
| Andy Lord | Commissioner |
| Glynn Barton | Interim Chief Operating Officer |
| Fiona Brunskill | Chief People Officer |
| Andrea Clarke | Interim General Counsel |
| Stuart Harvey | Chief Capital Officer |
| Lilli Matson | Chief Safety, Health and Environment Officer |
| Rachel McLean | Chief Finance Officer |
| Alex Williams | Chief Customer and Strategy Officer |
| Tricia Wright | Chief Officer – Pensions Review |

Staff

| | |
|-------------------|--|
| Patrick Doig | Group Finance Director and statutory Chief Finance Officer |
| Sarah Gasson | Chief of Staff to the Commissioner |
| Jackie Gavigan | Secretariat Manager |
| Lorraine Humphrey | Director of Risk and Assurance |
| Shamus Kenny | Head of Secretariat |

79/12/23 Apologies for Absence and Chair's Announcements

Apologies for absence had been received from Bronwen Handyside, Dr Nina Skorupska CBE and Peter Strachan. Professor Greg Clark CBE attended the meeting via Teams and was able to participate in discussions but did not count towards the quorum. The meeting was quorate. The Government's Special Representative, John Hall, was also unable to attend the meeting and was represented by Emma Ward, the DfT's Director General for Roads, Places and Environment Group.

The Chair welcomed everyone to the meeting, including Emma Ward and Councillor Ross Garrod, who was attending his first meeting as a Member, following his appointment to the Board from 3 November 2023. The meeting was broadcast live on the Greater London Authority website and on TfL's YouTube channel, to ensure the public and press could observe the proceedings and decision making.

The item on the Draft TfL Business Plan 2024 Update, marked to follow on the agenda and published on 11 December 2023, had been accepted as an item of urgent business by the Chair as not all information had been available when the Board papers were published.

The Chair expressed his deep concern about the performance issues on the Elizabeth line and their impact on passengers in recent weeks, which did not meet the high standards to which TfL aspired. He was particularly concerned about the disruption caused to passengers on 7 December 2023 by damage to overhead lines to the west of Paddington by a train from a different operator which meant Elizabeth line passengers were on trains for several hours while the issue was addressed. He had written to Andy Lord, Steve Murphy, Chief Executive Officer MTR UK and Andrew Haines, Chief Executive of Network Rail to see what more could be done to improve the reliability of the infrastructure and service and how to improve customer communications.

On senior officer appointments, the Chair congratulated Claire Mann, who had been appointed as the new Chief Operating Officer from the end of March 2024. Claire was currently Managing Director of South Western Railway, and had served as TfL's Director of Bus Operations between 2017 and 2021. Glynn Barton, the interim Chief Operating Officer since October 2022, would remain in post until the end of March 2024, when he would then take on the role of Director of Buses. The Chair thanked Glynn for the leadership he had and would continue to provide.

Louise Cheeseman would retire as TfL's Director of Buses on 15 December 2023. On behalf of the Board, the Chair thanked her for her service and wished her a long and happy retirement. Louise joined TfL in 2021, and had led on: efforts to build back demand for bus services, following the coronavirus pandemic; the launch of new Superloop services; the release of TfL's Bus Action Plan and Bus Safety Strategy; the delivery of the 1,000th electric bus; and the launch of the Women in Bus and Coach network.

The Chair reminded those present that safety was paramount at TfL and encouraged Members to raise any safety issues during discussions on a relevant item or with the appropriate member of the Executive Committee after the meeting.

80/12/23 Declarations of Interests

Members confirmed that their declarations of interests, as published on tfl.gov.uk, were up to date and there were no interests to declare that related specifically to items on the agenda.

81/12/23 Minutes of the Meeting of the Board held on 18 October 2023

The minutes of the meeting of the Board held on 18 October 2023 were approved as a correct record, and the Chair was authorised to sign them.

82/12/23 Matters Arising, Actions List and Use of Delegated Authority

Andrea Clarke introduced the item. Since the meeting on 18 October 2023, there had been no use of Chair's Action, nor any other use of specific authority delegated by the Board to Committees.

There had been no Mayoral Directions issued to TfL. It was noted that the Mayoral Direction in relation to giving notice on the withdrawal of Day Travelcards, reported to the meeting on 25 July 2023, was no longer applicable. As provided for within the Mayoral Decision, an agreement had been reached with the Department for Transport and Train Operating Companies which was financially acceptable to TfL.

Since the last meeting, the Deputy Chair, in consultation with Councillor Ross Garrod and relevant Chairs, had exercised the delegation from the Board to appoint Councillor Ross Garrod to the Audit and Assurance Committee and the Customer Service and Operational Performance Panel. Members had been informed of the appointments.

The paper also provided an update on progress against actions agreed at previous meetings.

The Board noted the paper and noted:

- 1 the appointment of Councillor Ross Garrod as a Member of the Board;**
- 2 the exercise of authority delegated by the Board to the Deputy Chair to appoint Councillor Ross Garrod to the Audit and Assurance Committee and the Customer Service and Operational Performance Panel; and**

3 the actions list, set out in Appendix 1 of the paper.

83/12/23 Commissioner's Report

The Commissioner introduced the report, which provided a review of the major issues and developments since the last meeting, and updated Members on significant projects and initiatives.

The key issues arising from the overview and discussion are summarised below:

- 1 After a very competitive process, Claire Mann had been appointed as TfL's Chief Operating Officer. Claire returned to the organisation after three years as Managing Director of South Western Railway. Her former roles at TfL included Director of Bus Operations and Customer Service Director at London Overground and she brought a wealth of experience from several other Director level positions across the public transport industry.
- 2 Glynn Barton would continue in the role until Claire joined TfL at the end of March 2024. The Commissioner thanked Glynn for his huge contribution as interim Chief Operating Officer over the past 14 months. Glynn would take on the role of Director of Bus following the retirement of Louise Cheeseman. The Commissioner wished Louise all the best and thanked her for her significant contribution to TfL.
- 3 The Commissioner was taking a period of medical leave, effective from the end of 2023, to undergo surgery. He was grateful to Rachel McLean, Chief Finance Officer, who would act as Commissioner during this period and hoped to return in time for the next Board meeting.
- 4 Discussions with Government on capital funding were constructive and progressing well. Thanks to the combined collaborative efforts of the Permanent Secretary, Bernadette Kelly, and her Department for Transport (DfT) team led by Emma Ward, plus John Hall and Sam Collins-Hill, working alongside Rachel McLean, Patrick Doig and TfL's Finance team, the Commissioner was confident that a settlement would soon be reached.
- 5 While TfL could fund most of its capital investment programme for 2024/25, it needed some Government support so that projects critical to London could be delivered, including the new fleet of Piccadilly line trains, over half of which would be built in Goole in Yorkshire. The Commissioner continued to engage with key stakeholders across London and the wider country, including borough and political leaders and, along with the Deputy Mayor, had recently met with Huw Merriman, the Minister of State for Rail and High Speed 2 (HS2).
- 6 Given the current position of discussions with Government, the Board was not being asked to agree the 2024 Business Plan at this meeting but instead to delegate agreement of the Plan to the Board's Finance Committee. TfL hoped to positively conclude discussions with Government shortly and the Board would be updated as soon as possible.

- 7 Sustained economic investment would not only benefit London but the country as a whole. As stated in the Hatch report, released in October 2023, for every £1m TfL spent, 16 jobs were supported in the wider economy. This impacted around the country, as two-thirds of TfL's suppliers were based outside of London, with large numbers in the North-West and West Midlands. A total of 29,000 jobs were supported outside of London, which was the equivalent of the number of people TfL directly employed. TfL understood the national economic situation and the position that the Government was in. The Commissioner welcomed the support given to date and the reference in the Autumn Statement to funding towards highway maintenance and a new bus network in Thamesmead.
- 8 TfL was on track to deliver an operating surplus for the first time in its history, which was a remarkable achievement and turnaround of the situation it faced during the coronavirus pandemic. There was strong passenger demand across the network and, on 12 December 2023, TfL announced that ridership figures to stations close to Christmas attractions were exceeding pre-pandemic levels this year. Entries and exits at Oxford Circus on 24 November 2023 (Black Friday) were 27 per cent higher than usual, and bus demand was eight per cent higher in 2023 than in 2022.
- 9 To continue this trend and to boost growth and productivity in London and across the country, TfL needed capital funding investment and a long-term settlement and the certainty that it provided for projects, suppliers and for London.
- 10 TfL had recently completed its investigation into the incident at Clapham Common station on 5 May 2023, of an uncontrolled evacuation of a Northern line train following the activation of emergency alarms on the train and in the station. The investigation showed that the incident was caused by debris on a component underneath the train, which produced an acrid smell which led to customers raising the alarms.
- 11 The London Fire Brigade had attended the incident and confirmed there was no fire. Station staff and the train driver responded appropriately to the incident and the safety of customers or staff was not compromised at any point. The investigation also showed that the station was staffed in accordance with the levels required to safely operate and carry out any emergency evacuations.
- 12 The investigation report made seven recommendations to ensure TfL could apply any learnings from the incident in future. These included monitoring the effectiveness of the cleaning regime on Northern line trains, reviewing staff guidance and undertaking further work to explore some of the factors that may have contributed to the incident and the passenger reaction. The Commissioner apologised for any distress caused to customers involved in or affected by the incident.
- 13 There had been a rise in protests across London in the context of the tragic events in the Middle East and a rise in reported incidences of hate crime. All

hate crimes had been reported to the police and investigations and arrest enquiries continued. TfL's Safer Transport teams were working with partners, including the British Transport Police (BTP) and local policing teams, to provide enhanced patrols at the hotspot locations. Some were incidents where bus stops were vandalised with graffiti and the teams had worked quickly to remove it, firstly taking photos of any hate crime or politically motivated graffiti, and reporting it to the police.

- 14 TfL wanted everyone to be safe when travelling around London, without fear of abuse. Hate crime had no place on the network for customers or colleagues. TfL operated a clear campaign across its services that encouraged passengers and staff to stand in solidarity against hate and abusive behaviour. Along with Seb Dance, the Deputy Mayor for Transport, the Commissioner met with leadership organisations from both the Jewish and Muslim faiths to reiterate these messages and make sure that their concerns were heard.
- 15 Along with some Executive team colleagues, the Commissioner had also met with Jewish and Muslim staff in TfL. He thanked all colleagues involved in managing and ensuring the safe and reliable service for everyone using the network for their extremely hard work during the recent events and significant demonstrations across London, along with the Metropolitan Police Service (MPS) and BTP.
- 16 Along with increasing ridership on the network, there had been an increase in levels of some crime types and on some modes, which largely reflected national crime trends rising from the lower volumes recorded during the coronavirus pandemic. Levels of crime and the risk of anyone being a victim or witness of a crime on TfL's public transport networks remained low. Millions of journeys were made every day, with the very large majority going without incident and serious crime was extremely rare.
- 17 However, TfL was not complacent and there were hundreds of police officers and enforcement staff patrolling the network at all times of the day to prevent crime and anti-social behaviour, alongside operations to target offenders and hotspot locations. TfL was actively promoting the importance of reporting crime on the transport network, especially crimes that were underreported such as hate crime, sexual offences and harassment, so it could take action against offenders and put measures in place to prevent it happening again.
- 18 It was always a busy time of year across the capital with traditional firework displays, many sporting events, the State Opening of Parliament, Remembrance events and now the annual Winter Wonderland in Hyde Park, which drew a huge number of visitors. The Commissioner thanked all colleagues who had worked closely with organisers and contributed to ensuring that these events were and continued to be a success.
- 19 On Remembrance Sunday the Commissioner was proud to attend, meet, inspect and see off the members of the London Transport Old Comrades Association, which was made up of former and current colleagues who had served in the armed forces. This year marked the 100th anniversary since it was

given the right to march past the Cenotaph by King George V. TfL was the only civilian organisation entitled to do so to honour the efforts of colleagues from the London General Omnibus Company, who took soldiers to the frontline in World War II and brought injured soldiers back.

- 20 On 25 November 2023, the first of the new Superloop services, the SL10 running between Harrow and North Finchley, was launched to complement the existing Superloop services launched in the summer. In 2024, TfL would be introducing the next three Superloop services: SL2 between Walthamstow Central and North Woolwich; SL3 between Thamesmead and Bromley; and SL5 between Bromley and Croydon. The final Superloop service, SL4 between Canary Wharf and Grove Park, using the new Silvertown Tunnel, was due to be launched in 2025.
- 21 Average weekly demand data showed a 62 per cent increase in customers using the SL7 service, which operated between Heathrow Central and West Croydon, since the route was renumbered as part of the Superloop rebranding and its frequency doubled, with no corresponding detriment to parallel routes. Data also indicated that demand on all Superloop routes was increasing above the network average level. The Commissioner thanked all those involved with the delivery and operation over the past months and paid tribute to Glynn Barton and Alex Williams and their teams, for all the work done to create and launch the service so quickly.
- 22 TfL's focus was on the level of bus provision needed in outer London with the appropriate funding, thinking innovatively around branding and marketing the bus network and faster journey times to increase patronage. It would continue to actively engage with the boroughs on the bus network, including connecting to town centres in other boroughs and how to better manage road works and delays. The Mayor's £6m investment to improve the outer London bus network was fully allocated and a list of the bus routes and changes to deliver that improvement would be provided to Members. **[Action: Alex Williams]**
- 23 While the overall performance of the Elizabeth line was strong, there had been reliability issues on the service. The Network Rail infrastructure on the western section was the key challenge and failures of points, the signalling system and problems with the overhead line electrification disrupting services. TfL continued to focus on train reliability and performance.
- 24 On 7 December 2023, damage caused to Network Rail's overhead power lines involving another operator caused significant disruption to all services but particularly to the Elizabeth line customers, as well as all train operators out of and into London Paddington station. This resulted in customers on four Elizabeth line services being stopped for a considerable time away from stations and subsequently being de-trained in location via the track. Services were impacted for two subsequent days while the damage was rectified. This was a significant incident and the operators involved were working together as an industry to ensure they learnt from it.

- 25 The Commissioner apologised to affected customers for the disruption and thanked staff involved in the de-trainment, who worked calmly and safely to assist passengers from the train. The length of time customers spent stranded was not acceptable and a full review was underway. The Commissioner met regularly with Andrew Haines, Chief Executive of Network Rail, on these issues and performance, and the two organisations were working closely together. Network Rail was leading on the investigation into the root cause of the event and TfL was leading the investigation into passenger welfare and recovery, alongside Great Western Railway, with independent Chairs of both investigations.
- 26 Network Rail had introduced a range of measures at operational level to improve its response and maintenance of existing infrastructure. Some personnel changes had been made and additional resources put into the critical part of the network. TfL was meeting with Network Rail next week to understand the quantum of total funding that could be invested in the Thames Valley and when and the priority infrastructure that needed upgrading. A future update would be provided to the Board. **[Action: Andy Lord / Howard Smith]**
- 27 The Elizabeth line played a vital role in connecting people to their jobs, homes, leisure activities and international travel since it opened in May 2022, as well as driving London and the UK's economic recovery, with strong demand for journeys from outer-London, Berkshire and Essex into central London over the past year of through running. The busiest day on the line was recorded on 6 December 2023 with 769,000 journeys made.
- 28 Overall, the Elizabeth line had been one of the most popular and punctual railways in the country since opening, with around 4.3 million passenger journeys now taking place each week and more than 270 million journeys since it opened. TfL recognised that delays and cancellations were extremely frustrating for customers but the line continued to perform well and overall customer satisfaction remained very high.
- 29 After almost two decades of effective joint sponsor working, TfL and the DfT had endorsed final completion of the Crossrail project. This critical milestone meant that, having considered the evidence provided by Crossrail and Network Rail, as well as the outcomes of the assurance reviews, the known obligations were closed or transferred appropriately into TfL and the Network Rail route teams. This was achieved while also revising down the final cost for the project to within the current funding envelope. This removed the £15.5m potential funding pressure previously reported and brought the total final cost to £147m below the last estimate declared by the outgoing Crossrail Board.
- 30 Since the transfer of responsibility for the project from Crossrail to TfL, all the outgoing Crossrail Board's operational and financial milestones had been beaten under TfL's leadership. This outstanding outcome was thanks to the hard work and focus of many colleagues, past and present, particularly Andy Byford, the former Commissioner, but especially Rachel McLean, Chief Finance Officer, who was formerly the Crossrail Chief Finance Officer, and Howard Smith, Director of the Elizabeth line.

- 31 Bernadette Kelly, the Permanent Secretary for the DfT, and the Commissioner had agreed to establish the Elizabeth line Strategic Direction Group, in line with the recommendations of the Infrastructure and Projects Authority's review into the closeout and management of benefits of the Crossrail project. The bi-annual meeting would bring together the senior executives of the key organisations including the DfT, Network Rail, HS2 and other operators. It aimed to secure continued investment in the network, manage the integration with other projects including HS2, coordinate the development of proposed schemes and provide direction for future activities and decisions.
- 32 A large amount of work had been done on the learning legacy of the Crossrail project, with significant evidence of the economic benefits of the Elizabeth line to London. Mark Harper, the Secretary of State for Transport, and Huw Merriman, the Minister of State for Rail and HS2, also recognised the benefits and TfL would continue to discuss with DfT colleagues how the learning could be used to help inform Treasury views on other major projects in the future.
- 33 Crossrail International was a DfT organisation but TfL would look into the linkage with the Elizabeth line Strategic Direction Group and other projects.
[Action: Andy Lord / Howard Smith]
- 34 On 31 October 2023, the Ultra Low Emission Zone (ULEZ) one month on report was published which, among several very encouraging findings, showed a significant reduction of 45 per cent in the number of non-compliant vehicles seen driving in London on an average day compared with June 2023. The report clearly demonstrated how the scheme was already working well. The Commissioner thanked everyone involved who had worked tirelessly to deliver the expansion over the past months.
- 35 A criminal investigation had been launched by the MPS in relation to an explosion in Sidcup, in which a ULEZ camera and surrounding property were damaged. The incident was being treated as a deliberate act and was caused by a low sophistication improvised explosive device. Although not currently being treated as terrorism, officers from the Counter Terrorism Command, which included those with specialist expertise in explosives, were leading the investigation, working in close liaison with local officers in the area.
- 36 Vandalism of TfL property and the intimidation of staff was unacceptable, and the Commissioner expressed his relief that no one was injured in this incident. TfL recognised the right to peaceful protest but those who committed criminal damage to ULEZ cameras, any of the infrastructure or vehicles, or abused and intimidated staff would be prosecuted. TfL was working closely with the MPS and assisting in their investigations.
- 37 On 9 November 2023, the Commissioner along with members of the Executive team attended the second You Matter Awards ceremony at the London Transport Museum. More than 300 people attended the awards, which were an opportunity for colleagues to recognise peers across the organisation who had gone above and beyond in their roles, with categories ranging from Green

Awards, Safety and Security Awards, a Lifetime Achievement Award and a People's Choice Award. It showcased the breadth of important work delivered by TfL and celebrated some of its amazing colleagues.

- 38 The Commissioner was also proud to see TfL colleagues achieve recognition from other organisations, including winning awards at the Business Culture Awards, City Transport and Traffic Innovation Awards, and the Brake Global Fleet Champions Awards. On 12 December 2023, TfL won the Prince Michael International Road Safety Award for its Bus Safety Standard and received separate awards for its Direct Vision Standard and Fleet Intelligent Speed Assistance programmes, as well as the overall Premier Award. This was a great achievement and recognition for the teams at TfL and the Commissioner congratulated everyone involved.
- 39 There had been a huge amount of hard work and significant progress made in the period and the Commissioner thanked all colleagues across the organisation for their dedication and commitment, and thanked in advance those who would keep the network running over the festive period.

The Board noted the report.

84/12/23 TfL 2024 Draft Business Plan Update

In accordance with section 100(B)(4) of the Local Government Act 1972, the Chair had agreed to accept this item as an item of urgent business on the grounds that not all information was available at the time the Board papers were published.

Rachel McLean, Alex Williams and Patrick Doig introduced the item, which set out TfL's draft 2024 Business Plan for the three years from 2024/25 to 2026/27. TfL remained in ongoing discussions with Government on capital funding for 2024/25, which had not yet concluded. Therefore, the 2024 Business Plan was provided in draft for the Board to note and a delegation of authority was sought for the Finance Committee to approve the 2024 Business Plan once TfL had certainty on Government capital funding, including any necessary amendments for any shortfall in the capital funding request.

In addition to the Plan, the Greater London Authority (GLA) Budget submission included a Capital Strategy, setting out a vision of TfL's future investment for 20 years, and the London Climate Budget, setting out TfL's operational carbon emissions to 2030, which were also appended to the paper for the Board to note.

Publication of the Plan was an important milestone for TfL. It was essential that its annual budget was based on a sound medium-term financial plan, which set out the finances, outcomes, service delivery and impact on customers and colleagues, safety and security, and green initiatives that TfL was pursuing. The Plan set the direction of the organisation and was an evolution from the 2023 Plan, aligning high standards for services, improvements for the city and the Mayor's Transport Strategy outcomes.

It was a financially constrained Plan, so some good projects could not be included. It would be a challenge to secure all the funding sought for the already constrained Plan. TfL was focussed on constructive funding discussions with Government and would work through the details with the Finance Committee and the Programmes and Investment Committee as required.

It set out a powerful economic case for investment in London and public transport, as transport unlocked growth in jobs, homes and economic added value across the country. Current engagement with Government related to 2024/25 and TfL acknowledged the constraints on national finances. It continued to make the case for a multi-year funding settlement that would unlock the highest returns and best value for money, such as the type of deal Network Rail recently received with funding certainty to 2029.

The additional investment that had already been announced was welcomed and TfL was progressing to operational financial sustainability this financial year and to fund major projects in future years. This £3bn turnaround in finances meant TfL was on track to end reliance on Government support on the operating account by 31 March 2024.

This success was built on the hard work and consistently safe and reliable services delivered every single day by operational colleagues. It enabled TfL to continue to build passenger journey numbers from 3.2 billion last year, to forecasting 3.8 billion journeys by 2024/25, and four billion in 2026/27. It was also dependent on capital delivery of major projects such as the Northern Line Extension, Barking Riverside, Bank station redevelopment and the Elizabeth line, and increased income from growth in the bus network. Surplus growth every year was reinvested back into the network and into services for customers.

As the Plan looked forward for three years, several assumptions had to be made. TfL would monitor and manage a range of anticipated impacts and build its resilience over the duration of the Plan to respond to risks and maximise the opportunities ahead.

When developing the Plan, TfL consulted extensively with Board Members, boroughs, Deputy Mayors and stakeholder groups. It listened to the feedback received and adapted the Plan as a result. This engagement at the formative stage would continue going forward. Key changes since the 2023 Plan included: the reintroduction of inflationary increases in the Healthy Streets funding from 2025/26 onwards; a five per cent increase in spending across several portfolios in the capital renewals programme; the incorporation of the GLA funding for Superloop services and further incremental growth in bus services in outer London; and increased funding for the Sustainable Housing and Accessibility Fund to deliver the next round of step-free access stations.

Other highlights were: the continuation of the Places for London programme to start on site to build 20,000 new homes on TfL land by 2031, with over 4,300 residential units completed or started across London; developing the feasibility case on the DLR extension to Thamesmead, which could unlock 25,000 to 30,000 new homes in east London; and TfL's work to decarbonise its transport operations which could progress

at a faster rate if further funding was available, for example by accelerating the key deliverable of a fully zero emission bus fleet from 2034 to 2030.

Despite challenging headwinds and macro-economic factors, TfL continued to reduce costs and was committed to doing so across the course of the Plan. Last financial year, it committed £600m of operating savings by 2025/26, building on the £1.1bn of savings already delivered between 2016/17 and 2021/22. The Plan stretched the target to £650m over the same time period, to continue offsetting the impact of inflation and so that, on a like-for-like basis, operating costs in 2026/27 would be lower than the current financial year of 2023/24 in real terms.

Passenger journeys were forecast to return to pre-pandemic levels of four billion per annum by 2026/27. In 2024/25, journeys were expected to grow by six per cent year-on-year, mainly through economic growth, increased office utilisation and activity in central London. Fares were assumed to increase by four per cent next financial year in line with the August 2022 funding agreement, although the actual fare level would be a decision for the Mayor.

TfL expected to grow its operating surplus by around £500m by 2026/27 and reinvest it into improving the city and supporting the national economy. With a growing operating surplus, the Plan assumed approximately £250m of incremental annual borrowing and TfL would continue to assess the affordability of any assumed borrowing before entering into any new borrowing commitments.

Maintaining cash balances were a primary buffer against any potential future shocks and TfL expected to grow the balance to £1.4bn by the end of the Plan period, as operating costs rose over time. Although the pandemic saw a material reduction in TfL's usable accounting reserves to below the £500m target at the end of 2022/23, it had a clear plan to return to the target General Fund balance of £500m by March 2026, through an increasing operating surplus, growing cash balances and a prudent approach to future borrowing.

Inflation remained a key risk, with the actual rate tracking relatively closely to TfL's assumptions over the past six months. The recent November 2023 forecast expected that inflation could stay higher for longer, which would increase TfL's costs and place pressure on demand as household budgets remained constrained.

The modelling assessed a range of scenarios showing the potential financial outcomes and macro-economic factors to assist in ensuring TfL could mitigate against the possible downside impacts to the Plan. The risk analysis excluded any changes to Government funding based on the ongoing discussions. A thorough Equality Impact Assessment had been completed and summarised in Appendix 1.

Emma Ward, Government Observer, welcomed the Plan and thanked the Executive team for their engagement on it. The fiscal context remained challenging with departmental budget pressures on capital portfolios, although there had been a sustained Government commitment to TfL of more than £6bn over the last few years. Discussions with TfL around next year's capital funding were constructive and ongoing, and she thanked Rachel McLean, Patrick Doig and their teams for

providing all the information needed to progress the discussions, which she hoped would conclude as quickly as possible.

The Chair thanked Emma Ward for her explanation of the context and added that the financial support from Government had been crucial to keep TfL's services running. TfL was asking for a quarter of the capital budget to fund the already constrained Plan. He expressed concern at the consequences of lack of investment in renewals and assets, as stopping or reducing capital funding meant economies of scale were lost. He was grateful that there was a better relationship between TfL and Government and awaited resolution of the funding discussions. If Government's aspiration of growth was to materialise, London could only play a key part if public transport was running fully in line with the Plan and TfL was properly funded.

The Board noted the paper and the draft Business Plan in Appendices 1 and 2 and the Capital Strategy and London Climate Budget submissions in Appendices 3 and 4 (that form part of the Greater London Authority Budget submission) of the paper and, recognising that a decision on approval of the draft Business Plan could not currently be made:

- 1 delegated approval of the draft Business Plan for 2024 (with any necessary amendments) to the Finance Committee;**
- 2 delegated approval to the Finance Committee to change the TfL Scorecard target for capital expenditure, required as a result of the Department for Transport inflation funding outcome for 2023/24, to align to the 2024 TfL Business Plan; and**
- 3 approved the change to the 2023/24 TfL Scorecard following confirmation of 2022/23 year-end safety results.**

85/12/23 Finance Report – Period 7, 2023/24

Rachel McLean introduced the item, which set out TfL's financial results to the end of Period 7, 2023/24 (the year-to-date ending 14 October 2023). A similar paper, including additional divisional detail, was considered by the Finance Committee on 22 November 2023. The presentation had been updated to reflect that Moody's had upgraded TfL's long-term credit rating from Baa1 to A3 and changed the outlook from stable to positive in November 2023.

The performance results demonstrated that TfL was successfully delivering its financial strategy by growing revenue, continually improving efficiency, building resilience and continuing to invest. It remained on track to deliver its budget, achieve an operating surplus in 2023/24 and therefore deliver operational financial sustainability.

On passenger demand, TfL was targeting journey growth of six per cent over the full year on top of the 31 per cent increase in 2022/23. At Period 7, cumulative year-on-year journey growth was almost eight per cent in the year to date. Overall, total revenue was just above budget.

Like-for-like operating costs were falling in real terms, with costs at six per cent higher than last year, despite year-on-year inflation of around 10 per cent. Core operating costs were on budget and total operating costs were currently one per cent lower than budget, mainly from contingency not yet used.

Capital renewals were four per cent below budget, but TfL was confident it would finish the year on or slightly above budget due to strong delivery.

In the year-to-date, the operating surplus was £142m, which was £58m better than budget but this was driven by the contingency variance which would be needed in the second half of the year. Other income and costs were broadly in line with budget.

Over the remainder of the year, the favourable surplus position was expected to trend back towards the budget target, due to the timing of contingency. The renewals spend was expected to ramp up to reach the available funding and some costs were back-ended in the year, such as rolling stock lease costs and bus contract renewals. There were still risks for the remainder of the year but TfL was on track to deliver on budget.

The Board noted the Finance Report.

86/12/23 Travel in London 2023 Annual Overview Report

Alex Williams introduced the report, which provided a summary of key trends and developments affecting travel in London, in the context of the aims of the Mayor's Transport Strategy. The report also provided an evidence and analysis base for the general use of stakeholders and policymakers.

He highlighted the recovery from the coronavirus pandemic. While the sustainable mode share had dipped, it was expected to be 64 per cent by end of 2023, although there remained a big difference between the sustainable mode shares between inner and outer London. Cycling had increased 20 per cent since the pandemic, helped by safer routes, which was a substantial increase since 2016. The report also showed changes in ridership since the pandemic, with figures still low on some days. The step-free access programme was ahead of the original schedule but there was still more to do.

The analysis of the impact of the Elizabeth line was also highlighted, particularly in attracting around 38 per cent of new passengers. The Elizabeth line, along with the extensions of the Overground to Barking Riverside and the Northern line showed the benefit of transport investment.

Improving London's air quality was a high priority. The report showed the impact of the Ultra Low Emission Zone in accelerating the shift to cleaner vehicles with 95 per cent of vehicles meeting compliance standards, compared to 39 per cent in 2017.

The trend for trip making on all modes showed 20 per cent reduction over the last decade. This was attributed to a range of factors, including internet shopping, hybrid

working as a result of the pandemic and the impact of the London Plan and special planning in creating a denser city that encouraged more walking. The report included information on the demographics on walking and cycling and Alex Williams would circulate details of the demographics for other transport modes.

[Action: Alex Williams]

Members welcomed the sustained reduction in the number of people killed on London's roads. While the trend in injuries had increased, in part due to e-mobility, the overall trajectory was heading in the right direction. While achieving the zero fatalities by 2030 goal was challenging, the evidence from the work on buses had shown that focussing on key drivers for safety had a real impact.

Members noted that there was a live and active debate on how to innovate to make public transport a better experience to stimulate travel demand, and to encourage a more even distribution of travel times to avoid overcrowding.

The Board noted the Travel in London 2023 Annual Overview Report.

87/12/23 Catford Town Centre – Compulsory Purchase Order

Alex Williams introduced the item. TfL was working together with the London Borough of Lewisham (LB Lewisham) to deliver a comprehensive set of highway improvements to Catford town centre. The Catford Town Centre Realignment Project (the Scheme) involved realignment of the A205 South Circular and removal of the gyratory to improve pedestrian and cyclist safety including reconfigured crossings, segregated cycle lanes and placemaking to support active travel as the main transport choice in LB Lewisham's wider regeneration of Catford.

Most of the land required for the Scheme was owned by TfL or by LB Lewisham, but a Compulsory Purchase Order (CPO) was necessary to support the timely acquisition of the areas of land and rights required to deliver the Scheme. The principle of the making of a CPO was a matter reserved for the Board.

On 6 December 2023, the Programmes and Investment Committee noted an update on the Catford Town Centre project, as part of the paper on the Safe and Healthy Streets Programme. It approved entering into a funding agreement with the LB Lewisham to receive £10m of Housing Infrastructure Fund funding and supported Board approval in principle for the CPO.

The Board noted the paper and approved the principle of the making of a Compulsory Purchase Order for the acquisition of the Property Interests for the Scheme, as shown on the plan at Appendix 1 of the paper.

88/12/23 Report of the meeting of the Remuneration Committee held on 9 November 2023

The Chair of the Committee, Kay Carberry CBE, introduced the item.

The Committee discussed the development of strategic workforce planning and the work to manage succession better, particularly for hard to fill roles. This linked to wider work on the development of a new reward strategy.

It also discussed the benchmarking report, which again showed that the remuneration for TfL's most senior staff was below its peers and there were similar gaps across the organisation, particularly in hard to fill roles. This emphasised the critical importance of the work to develop the employee proposition beyond pay.

The Board noted the report.

89/12/23 Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 15 November 2023

The Chair of the Panel, Dr Lynn Sloman MBE, introduced the item.

The Panel discussed the long-term strategic and systemic lessons from the Sandilands Tram overturning, building on previous Board discussions. The strategic actions were being taken forward and were expected to be completely or substantially completed by the end of 2023/24.

The implementation of the Corporate Environment Plan by Capital was discussed, with good progress made over the year. The Panel Chair thanked Stuart Harvey for the work of his team.

The Panel also discussed several people issues, including the TfL Change Landscape, which was a wide-ranging programme to improve performance and efficiency. A key principle of the programme was to implement change that drew upon the first-hand knowledge and experience of front-line staff. A briefing for all Board Members was being scheduled for early 2024.

The Board noted the report.

90/12/23 Report of the meeting of the Finance Committee held on 22 November 2023

The Chair of the Committee, Anne McMeel, introduced the item. The Committee had a detailed discussion on TfL's finances.

The Committee approved Procurement Authority for energy purchasing with the Crown Commercial Service, which provided good value to TfL given the volatility in energy prices. It also welcomed the item on forthcoming key procurement activities, which showed there were 247 contracts to be let over the next two years. A similar paper would also be submitted to forthcoming meetings of the Programmes and Investment Committee.

The Board noted the report.

91/12/23 Report of the meeting of the Audit and Assurance Committee held on 29 November 2023

The Chair of the Committee, Mark Phillips, introduced the item. A highlight from the meeting was the thorough discussion on cyber security, which was a key concern of the Committee.

The Board noted the report.

92/12/23 Report of the meeting of the Customer Service and Operational Performance Panel held on 5 December 2023

The Chair of the Panel, Dr Mee Ling Ng OBE, introduced the item. The Panel discussed the strategic approach to tackling fare evasion as part of the item on customer safety and security.

The Panel noted that on Assisted Transport Services, the one-stop shop had gone live two-months ahead of schedule. On Dial-a-Ride, a new booking app had been launched and additional drivers were being employed due to rising demand.

Following a previous discussion on the performance of the Woolwich Ferry, the Panel Chair thanked Glynn Barton and his team for organising a site visit and briefing, which had given Members a greater understanding of the challenges.

The Board noted the report.

93/12/23 Report of the meeting of the Programmes and Investment Committee held on 6 December 2023

The Chair of the Committee, Dr Nelson Ogunshakin OBE, introduced the item. The Investment Programme for Quarter 2, 2023/24 was largely on schedule and there remained good input and dialogue between project teams and the Independent Investment Programme Advisory Group, though more work was required to pick up and address cross-cutting themes.

The Committee noted the progress on the Bakerloo line upgrade and approved authorities in relation to the iBus2 contract award and the Safe and Healthy Streets Programme.

The Deputy Chair of TfL chaired the meeting for the discussions on the Elizabeth Line: Service Frequency Increase for High Speed 2 and High Speed 2 Programme: TfL Resources.

The Board noted the report.

94/12/23 Any Other Business the Chair Considers Urgent

There was no other urgent business to discuss.

95/12/23 Date of Next Meeting

The next scheduled meeting of the Board would be held on Wednesday 7 February 2024 at 10.00am.

The meeting closed at 12.31pm.

Chair: _____

Date: _____

Board



Date: 7 February 2024

Item: **Matters Arising, Actions List and Use of Delegated Authority**

This paper will be considered in public

1 Summary

- 1.1 This paper informs the Board of any use of Chair's Action or authority delegated by the Board, any Mayoral Directions to TfL and progress against actions agreed at previous meetings, since the last meeting of the Board on 13 December 2023.
- 1.2 There has been no use of Chair's Action, one use of delegated authority and one Mayoral Direction to TfL.
- 1.3 On 22 December 2023, the Finance Committee exercised the authority delegated by the Board on 13 December 2023 to approve the 2024 TfL Business Plan. A report of that meeting is elsewhere on the agenda for this meeting.
- 1.4 On 18 January 2024, the Mayor issued a direction to TfL in relation to implementing the March 2024 fare change (MD3221). The changes included freezing TfL-regulated fares set by the Mayor, which would be funded by increasing TfL's retained business rates income.
- 1.5 Appendix 1 sets out the progress against actions agreed at previous meetings.

2 Recommendations

- 2.1 **The Board is asked to note the paper and the actions list, set out in Appendix 1 of the paper.**

3 Use of Chair's Action

- 3.1 Under Standing Order 112, in situations of urgency, the Board delegates to each of the Chair and the Chairs of any Committee or Panel the exercise of any functions of TfL on its behalf. Any use of Chair's Action is reported to the next ordinary meeting. The Board on occasion will also make specific delegations to its Committees which, when exercised, are reported to the next ordinary meeting of the Board, as well as the next meeting of the relevant Committee.
- 3.2 There has been no use of Chair's Action since the last meeting.

4 Use of Delegated Authority

- 4.1 On 13 December 2023, the Board considered the draft 2024 TfL Business Plan, which assumed a Government capital funding settlement of £500m. As discussions with Government were ongoing, the Board delegated authority to the Finance Committee to approve the Business Plan when the capital funding settlement was known.
- 4.2 The Government's capital funding settlement of £250m was announced on 18 December 2023. Following this, on the same day, public notice of a meeting of the Finance Committee on 22 December 2023 was given and all Members of the Board were invited to attend. Significant work was undertaken to review the draft Business Plan to take account of the funding shortfall.
- 4.3 The 2024 TfL Business Plan was approved at the meeting of the Finance Committee on 22 December 2023, and the report of that meeting is elsewhere on the agenda for this meeting.

5 Mayoral Directions to TfL

- 5.1 The Greater London Authority (GLA) Act 1999 (as amended) permits the Mayor to issue to TfL general directions as to the manner in which TfL is to exercise its functions or specific directions as to the exercise of its functions (or not to exercise a power specified in the direction). Directions are also often made in relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.
- 5.2 The Mayor makes Mayoral Directions through Mayoral Decisions. Papers for Mayoral Directions set out the financial and other implications. If those implications change over time, that will be reported to the GLA.
- 5.3 All Mayoral Decisions are issued in writing, with the information that is not exempt from publication included on the GLA's Decisions Database on its website: <https://www.london.gov.uk/about-us/governance-and-spending/good-governance/decisions?order=DESC>.
- 5.4 Mayoral Directions fall into three broad categories: those addressing technical issues relating to statutory powers; those related to commercial development activities; and those related to projects and programmes. Mayoral Directions relating to TfL are reported to the Board's Committees for discussion as soon as possible after they are received by TfL or published. Regular reports will list the relevant Directions for as long as they are applicable.
- 5.5 Annually the Audit and Assurance Committee considers the list as part of its consideration of the annual audit plan to ensure that appropriate audit resource is applied to assurance on TfL's work in implementing Mayoral Directions. This will also be kept under review at each quarterly meeting of that Committee.

- 5.6 A summary of current Mayoral Directions to TfL is maintained on the “How we are governed” page on our website, with links to the relevant Mayoral Decisions: <https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-governed>. That page will be updated as and when further Directions are made.
- 5.7 There has been one Mayoral Direction issued to TfL since the last meeting.

March 2024 fare change (MD3221, 19 January 2024)

On 18 January 2024, the Mayor approved and directed TfL to implement revisions to TfL fares, including the freezing of TfL-regulated fares set by the Mayor, to be implemented on 3 March 2024.

The Mayor also agreed to fully fund TfL’s £123m fares revenue shortfall as compared to its 2024 Business Plan assumptions by increasing TfL’s retained business rates income for 2024/25. This additional business rates allocation to TfL would recur and compound in future years of the Business Plan.

6 Actions List

- 6.1 Appendix 1 sets out the progress against actions agreed at previous meetings.

List of appendices to this report:

Appendix 1: Actions List

List of Background Papers:

Minutes from previous meetings.
Standing Orders and Terms of Reference of Committees and Panels.
Greater London Authority Decision Making Database.

Contact Officer: Andrea Clarke, Interim General Counsel
Email: AndreaClarke@tfl.gov.uk

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Board Actions List (to be reported to the meeting on 7 February 2024)

Actions from the meeting held on 13 December 2023

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|--|----------------------------|---------------|--|
| 83/12/23 (1) | <p>Commissioner's Report: Investment in Bus Network in Outer London</p> <p>The Mayor's £6m investment to improve the outer London bus network was fully allocated and a list of the bus routes and changes to deliver that improvement would be provided to Members.</p> | Alex Williams | February 2024 | This information will be provided to Members shortly. |
| 83/12/23 (2) | <p>Commissioner's Report: Network Rail and Elizabeth Line Infrastructure Investment</p> <p>TfL was meeting with Network Rail to understand the quantum of total funding that could be invested in the Thames Valley and when and the priority infrastructure that needed upgrading. A future update would be provided to the Board.</p> | Andy Lord/ Howard Smith | January 2024 | Completed. Network Rail (NR) funding for Control Period 7 is now settled and NR Western is bringing its Infrastructure upgrades together in a single programme 'Project Brunel'. It is seeking additional access to the railway to speed up the work and the operators, including TfL, are working with it to facilitate this. Progress is tracked through the Elizabeth Line Delivery Group and will be reported to future meetings. |

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|--|----------------------------|---------------|---|
| 83/12/23 (3) | Commissioner's Report: Crossrail International Crossrail International was a Department for Transport (DfT) organisation but TfL would look into the linkage with the Elizabeth line Strategic Direction Group and other projects. | Andy Lord/ Howard Smith | January 2024 | Completed. Crossrail International is a DfT organisation that sells UK expertise (consultancy) abroad. The DfT is part of the Elizabeth line Strategic Direction Group, so learning from the Crossrail project was shared. |
| 86/12/23 | Travel in London 2023 Annual Overview Report: Demographics The report included information on the demographics on walking and cycling and Alex Williams would circulate details of the demographics for other transport modes. | Alex Williams | February 2024 | This information will be provided to Members shortly. |

Actions arising from previous meetings

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|---|--------------------------------|-------------|---|
| 66/10/23 (3) | Commissioner's Report: Impact on Safer Streets and Sustainable Journeys' Targets Members requested an update on the impact on the Mayor's Transport Strategy targets for safer streets and sustainable journeys, following recent Government announcements opposing 20 mile per hour speed limits and Low Traffic Neighbourhoods. | Glynn Barton / Lilli Matson | Ongoing | The DfT's reviews are continuing. We remain engaged with the DfT as its work progresses and completes. As this work continues and we gain clarity on the Government's recommendations, a further update will be provided. |

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|--|---------------|---------------|--|
| 50/07/23 (3) | <p>Commissioner's Report: Trauma Support for Staff</p> <p>Lilli Matson confirmed that TfL's Employee Support Programme provided direct and ongoing support and access to counsellors trained in dealing with trauma for staff who experienced traumatic events on the network. TfL also had a network of staff who offered support to colleagues. TfL was looking at how it could enhance this and bring in external advice to provide further support, which would be submitted to a future meeting of the Safety, Sustainability and Human Resources Panel for consideration.</p> | Lilli Matson | February 2024 | An update will be provided early in 2024, via the Panel, once the trauma pathway is fully established. |
| 50/07/23 (4) | <p>Commissioner's Report: Busyness Indicator Expansion</p> <p>Members noted the usefulness of the busyness indicator, available on London Overground trains, for accessibility and people who were uncomfortable or could not use a busy carriage. It was a common feature on many modern trains with the latest technology but would be a challenge to retrofit to the London Underground. Stuart Harvey confirmed that it was not featured on the new Piccadilly line trains, but he would discuss with Siemens if it was technically feasible to trial it, and use on the Elizabeth line trains, and would report back to the Board.</p> | Stuart Harvey | Ongoing | Piccadilly line trains have capability to measure weight (loading) on each bogie, however because each car does not have the same number of bogies, it is a complex issue. Stuart Harvey is continuing to explore this with Siemens. |
| 52/07/23 (1) | <p>Safety, Health and Environment Annual Report 2022/23: Road User Safety</p> <p>Work was underway, including engagement with the Government and other stakeholders, to address road-culture issues so that all road users were aware of their own responsibilities and considered the safety of all other users. In June 2023, London Councils had agreed to take on a coordination role to ensure consistency across London on supporting micro-mobility, while ensuring hire bikes and scooters did not cause obstructions to pedestrians, and an update would be provided to the Safety, Sustainability and Human Resources Panel.</p> | Alex Williams | February 2024 | Update to be included as part of the quarterly Safety, Health and Environment Report to the Panel. |

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|--|------------------------------|-------------|--|
| 52/07/23 (3) | <p>Safety, Health and Environment Annual Report 2022/23: Capturing Waste Heat</p> <p>Members discussed the complex work on capturing waste heat from TfL's services, including London Underground ventilation shafts, to provide a constant and reliable source of energy that could be used for nearby buildings. Market and stakeholder engagement were planned, with a proposition to be launched to the market later in the year. TfL would also have further discussions with the Government on how this work could be scaled up. A paper would be submitted to a future meeting of the Finance Committee.</p> | Lilli Matson | March 2024 | <p>We plan to take a strategy for sites beyond our first trial site at Sessions House.</p> <p>We have issued a Prior Information Notice to the market to raise awareness that TfL is keen to identify opportunities from developers when using our assets to heat their buildings.</p> |
| 52/07/23 (4) | <p>Safety, Health and Environment Annual Report 2022/23: Benchmarking Environmental Targets</p> <p>It was recommended that TfL benchmark its environmental targets for construction and engineering decarbonisation, biodiversity and recycling against the wider industry and consider how it could narrow or close that gap.</p> | Lilli Matson | 2024/25 | <p>An update on the implementation of the Corporate Environment Plan by the Capital Office was considered by the Safety, Sustainability and Human Resources Panel on 15 November 2023. The forward plan for 2024/25 is currently being finalised.</p> |
| 53/07/23 | <p>Finance Report, Quarter 1, 2023/24: Superloop Monitoring</p> <p>The Superloop investment would increase connectivity for outer London and had a monitoring framework that would enable the service to be developed and refined. The Customer Service and Operational Performance Panel would look at this in more detail.</p> | Alex Williams / Glynn Barton | March 2024 | <p>On the Panel's forward plan.</p> |

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|--|---------------|---------------|--|
| 36/06/23 (5) | Commissioner's Report: Public Transport Credits Scheme Evidence from the earlier scrappage schemes showed that around one-third of recipients did not purchase a new vehicle. Members would be updated on the uptake of the improved public transport credits scheme in due course. | Alex Williams | Ongoing | An update will be provided to Members when available. |
| 36/06/23 (8) | Commissioner's Report: Future E-bikes Contracting TfL was meeting with London Councils to discuss the future contracting of e-bikes and consistent ways of managing the service across the city, which would be reported back to the Customer Service and Operational Performance Panel in due course. | Alex Williams | March 2024 | On the Panel's forward plan. An update will be provided to the Panel when there is further clarity around ongoing discussions with stakeholders. |
| 39/06/23 (2) | Annual Update on 2022/23 Delivery of the Mayor's Transport Strategy: Sexual Harassment Campaign Feedback on the campaign would be provided to the Customer Service and Operational Performance Panel. | Glynn Barton | March 2024 | The information will be provided to the Panel as part of the wider update on Violence against Women and Girls. |
| 39/06/23 (4) | Annual Update on 2022/23 Delivery of the Mayor's Transport Strategy: Targets Dashboard Members requested that future reports include a dashboard, to easily identify where targets were on the right trajectory and where more work or different interventions were required. | Alex Williams | June 2024 | This will be addressed in the 2023/24 annual update. |
| 39/06/23 (5) | Annual Update on 2022/23 Delivery of the Mayor's Transport Strategy: Borough Delivery Reports The engagement and collaboration with London Councils and the individual London boroughs was discussed. TfL published a London borough data pack and produced borough delivery reports that encouraged learning from successful action and identified areas for improvement. The delivery reports would be circulated to Members when published. | Alex Williams | February 2024 | Completed. Previous 2019 borough delivery report circulated on 12 June 2023. The latest three-year report was published on 30 January 2023. |

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|---|--------------|---------------|--|
| 18/03/23 (3) | <p>Commissioner's Report: Green Infrastructure and Biodiversity Plan</p> <p>TfL already had a nature capital account for the estate which delivered over £300m of value to London through its natural benefits every year. The plan for green infrastructure and biodiversity would come forward later in 2023/24 and would be shared with the Board.</p> | Lilli Matson | February 2024 | A briefing for the Safety, Sustainability and Human Resources Panel is scheduled for February. |
| 18/03/23 (4) | <p>Commissioner's Report: Climate Adaptation and Business Planning</p> <p>The Climate Adaptation Plan outlined the substantial challenges and risks faced and work such as increasing sustainable drainage was underway, which needed to be mainstreamed into projects where possible. The business planning process would include consideration of the expenditure required.</p> | Lilli Matson | 2023/24 | This is an ongoing effort to improve our qualification of scale of investment required and the extent that this would impact risks and opportunities. Adaptation is a key element for business planning and will be a specific overlay in the current long-term plan scenario work. Once this work is complete, and we understand the gap and how to address it, we will summarise this in an update to the Board. |
| 22/03/23 (1) | <p>TfL Prudential Indicators 2023/24 to 2025/26: Debt Service Recovery and Interest Coverage Ratios</p> <p>Members asked if future papers could include an indication of what the debt service recovery issue was at the authorised limit and the Interest Coverage Ratio limits, to provide a better view of whether the limits were prudent. Only the statutory ratios were included but various other ratios were calculated as part of the paper and would be incorporated going forward, including in the Finance Committee papers.</p> | Patrick Doig | March 2024 | Information will be incorporated into the next cycle of setting Prudential Indicators. |

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|--------------|--|---------------|----------------|--|
| 05/02/23 (4) | <p>Commissioner's Report: Vision Zero Deep-Dive A deep dive discussion, including the broader system changes required to meet the Vision Zero targets, would take place at a future meeting of the Safety, Sustainability and Human Resources Panel.</p> | Lilli Matson | September 2024 | On the Panel's forward plan for Quarter 1 or Quarter 2 of 2024/25, depending on scheduling |
| 05/02/23 (8) | <p>Commissioner's Report: Cockfosters Station Housing Scheme TfL was waiting for a decision from the Secretary of State but it would be raised again with Tom Copley, Deputy Mayor for Housing at the Greater London Authority, to work to try to break the impasse. John Hall added that his understanding of the position was that the Government was waiting for another application from TfL.</p> | Alex Williams | Ongoing | <p>On 17 May 2023, the Secretary of State for the Department for Levelling Up, Housing and Communities decided not to call in the planning application for TfL's development by Cockfosters station and is instead content with the decision made by the local planning authority to approve the scheme.</p> <p>TfL has submitted a new section 163 application to the DfT which will need to be approved before construction can start.</p> |
| 67/11/21 (3) | <p>Commissioner's Report: Safety for women and girls The impact of the comprehensive programme to improve safety for women and girls travelling on the network would be assessed and the outcomes would be considered at a future meeting of the Safety, Sustainability and Human Resources Panel.</p> | Matt Brown | March 2024 | The information will be provided to the Customer Service and Operational Performance Panel as part of the wider update on Violence against Women and Girls. |

| Minute No. | Item/Description | Action By | Target Date | Status/Note |
|------------|---|-----------------------------------|-------------|---|
| 74/10/21 | <p>Report of the Customer Service and Operational Performance Panel: Briefing on Action on Inclusion programme.</p> <p>The Director of Diversity & Inclusion would develop a comprehensive inclusion programme and the Board would receive a briefing when the work was completed.</p> | Fiona Brunskill/ Alex Williams | March 2024 | <p>The Board discussed Action on Inclusion following its meeting on 29 March 2023, which covered two areas: 'Customer' and 'Colleague'.</p> <p>A further update was provided to the Safety, Sustainability and Human Resources Panel on 15 November 2023 in relation to the Colleague aspect.</p> <p>The 'Customer' document "Equity in Motion" will be published shortly and a paper is on the Customer Service and Operational Performance Panel forward plan for March 2024.</p> |

Board



Date: 7 February 2024

Item: Commissioner's Report

This paper will be considered in public

1 Summary

- 1.1 This report provides a review of major issues and developments since the meeting of the Board on 13 December 2023.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

List of appendices to this report:

Appendix 1: Commissioner's Report – February 2024

List of Background Papers:

None

Andy Lord

Commissioner

Transport for London

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Commissioner's report

February 2024

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Introduction

This report is presented jointly by myself and Rachel McLean, our Chief Financial Officer

The Christmas and New Year period is always an exceptionally busy time for Transport for London (TfL) and this year has been no different; we have continued to deliver our investment programme for London and respond to challenges across the network. The first few weeks of 2024 saw a number of severe weather and operational challenges covered later in this report. We are redoubling efforts to ensure our customers receive the safe, reliable service they deserve every day.

I would like to thank Rachel who kindly deputised as Commissioner from the end of December while I had a period of medical leave for a hip replacement. I am looking forward to being back full time shortly. I am grateful for her support, and I am proud to be part of an organisation in which colleagues support each other every day. As set out later in this report, and in a separate agenda item at this meeting, the results from our annual employee survey – Viewpoint – have been positive, but we recognise there is still more work to do and I look forward to the next year in which we will continue to make TfL a more supportive and inclusive workplace.

I was pleased to see this in action in December when I met colleagues working at Green Park, Knightsbridge and Hyde Park stations during Winter Wonderland.

Each year, they take care of each other and our customers as London celebrates the festive season and enjoys the holidays. Our engineering and maintenance teams were also hard at work, delivering 310 metres of track drainage, replacing 450 metres of track and ballast, and undertaking 4,000 metres of rail grinding. I extend my thanks to all colleagues who ensured the success of New Year's events across the capital.

Following work to rebuild ridership, increase income and reduce costs since the pandemic, I am proud we remain on track to be financially sustainable in terms of our day-to-day operations. Thanks to our hard work, and tight financial control, we will be able to meet 75 per cent of our capital investment needs in the next financial year. On 18 December we agreed a much-needed capital settlement with the Government for next year. All major transport operators in the UK and around the world require capital funding and London is no different. Because the £250m the Government committed is only half of the figure that we needed we have had to take difficult decisions that will have longer-term financial impacts, but we have been able to confirm we will deliver our investment programme for 2024/25. I want to thank all those involved in the negotiations at TfL and in Government who worked tirelessly to help reach this agreement.

I am also delighted that in December we confirmed high-speed mobile coverage is now available on the busiest Elizabeth line platforms, escalators and tickets halls at Bond Street, Tottenham Court Road, Farringdon and Liverpool Street - with more stations connected in the coming months. This is a vital project for London, allowing customers to be more connected underground and get the latest travel information and news, as well as stay in contact with work, friends and families while travelling on our network.



A handwritten signature in black ink, appearing to read 'Andy Lord', with a horizontal line underneath.

Andy Lord
Commissioner

I would like to echo Andy's thanks to colleagues who were working over the Christmas and the New Year holiday period. On New Year's Eve, I visited colleagues across the network and it was a pleasure to see first-hand the hard work and dedication which goes into ensuring our services run throughout the night and into New Year's Day on London Underground, sections of the Elizabeth line and London Overground, the DLR and bus network.

In January, the Mayor of London confirmed TfL fares for 2024 would be frozen and provided us with £123m in additional funding in support of continuing to recover ridership. The fares freeze will help people with the cost of living crisis, encourage people to choose public transport over their vehicles and aid London's economic recovery, especially the culture, leisure and hospitality sectors. The Mayor has also asked TfL to run a ground-breaking three-month trial whereby all London Tube and Rail fares are made off-peak on Fridays. Making transport even more attractive and affordable on Fridays could give ridership the boost it needs and support our recovery from the pandemic. The additional funding has been made available to TfL through the GLA Budget process, which concludes later in February. This includes an additional £50m for the ULEZ scrappage scheme, and funding that has enabled talks to continue with trade unions on our pay offer. As part of this, the

Mayor has also indicated that he intends to make funding available to enable us to invest an additional £3m per year in new customer toilet facilities across our estate. Feasibility work on improving and enhancing toilet provision is already under way, and we welcome this commitment of additional funding.

On 11 January I visited Elephant & Castle station, where we are upgrading the Tube station to increase capacity and provide step-free access. The improvements being delivered are vital to the ongoing regeneration of the area, accommodating the additional customers that will live and work there.

In mid-January, the country experienced a cold snap and the rapid arrival of Storm Isha leading to TfL and our London Local Authority partners implementing our well-rehearsed plans to keep London's transport network operating safely. This included coordinating gritting across London's road network and running a large fleet of de-icing trains across the Tube network and treating platforms and road surfaces to ensure they were safe for pedestrians and cyclists.

I also had the pleasure of visiting Waterloo bus garage – our first fully electric bus garage – on 25 January, where I had the opportunity to get behind the wheel of a SL6 bus. As set out later in this report, I am really pleased to see that delivery of the Superloop continues at pace.

I would like to take this opportunity to congratulate Patricia Obinna, who following a competitive recruitment process, has been permanently appointed to the role of Director of Diversity and Inclusion. Patricia has held this director role on an interim basis since last March. During that time, she has taken our Diversity and Inclusion agenda from strength to strength, including supporting the team to launch Action on Inclusion, our first inclusion strategy implemented across the organisation.

It has been an honour to deputise for Andy as Commissioner. The breadth and depth of the work that we deliver is world class and I have been privileged to meet teams across the business who help make London the brilliant city that we know.



A handwritten signature in black ink that reads "Rachel McLean".

Rachel McLean
Chief Financial Officer

Safety and security

We want to reduce crime and antisocial behaviour, and ensure that London's roads and our transport network are kept as safe as possible

This section begins with a summary of the most notable incidents that have occurred since the last report, followed by an update on the action we have taken to make the transport network a safer place for colleagues and customers. The holiday period sees millions of people travel across, in and out of London, and their safety as well as the safety of our colleagues is our absolute priority. It is neither inevitable nor acceptable that anyone should be killed or seriously injured when travelling in London. We remain committed to delivering both our Vision Zero Action Plan to eliminate all deaths and serious injuries on London's transport network by 2041, and our Bus action plan, which set out our priorities to ensure no one is killed on, or by, a bus by 2030.

Safety incidents on the network

On the evening of 15 December, a route 212 bus collided with a pedestrian in Walthamstow bus station. Sadly, the pedestrian sustained a fatal injury. The Health and Safety Executive was advised and is undertaking necessary investigations which we are fully supporting. On 18 December, a customer fell down the stairs at Piccadilly Circus station after losing their balance when letting other customers past. The person sustained serious head injuries and was taken to hospital by ambulance. On 25 January we were informed that on 23 December they had sadly passed away from the injuries that they had sustained.

On 26 December, a member of the public tragically died after falling on the tracks at Stratford Tube station and being struck by trains. We have commissioned an investigation to establish the immediate and underlying causes of this incident. We are assisting the Rail Accident Investigation Branch which is now conducting an independent investigation into the incident.

On 4 January, a route 388 bus that was on diversion collided with a pedestrian as they were crossing the road. The pedestrian sustained a head injury and subsequently died in hospital. On 5 January, a route C10 bus collided with a pedestrian who was crossing the road. The pedestrian subsequently died in hospital. On 29 January, a person was killed following a collision with a bus in Victoria bus station. All three incidents are being investigated.

We extend our sympathies to everyone affected by these tragic incidents and confirm our complete commitment to understanding and learning from them.

Bus fires

We go to great lengths to manage, reduce and mitigate the risk of fire on our buses, regularly engaging with bus operators, manufacturers, suppliers and the London Fire Brigade on this specific issue.

Naturally, since the buses involved in these incidents are electric, we are keen to quickly establish what the cause was: it is important for not only our information, but also for that bus operators nationwide, as the industry moves increasingly towards vehicles using this power source.

On 11 January, a route 200 bus that was in service caught fire in Wimbledon. All passengers were safely evacuated and no one was injured, but the bus – which was a fully electric model – was badly damaged, especially its engine compartment. An investigation has already begun, and we have appointed an independent expert forensic fire investigator to act on our behalf. We are also liaising with the Driver and Vehicle Standards Agency, which has asked to be kept updated on progress. Appropriate safety checks have been undertaken on all other buses of the same type within our fleet.

In the early hours of 12 January, an out-of-service hybrid (diesel-electric) bus caught fire as it returned to its garage in North Woolwich after a night service. Once again, no one was injured, but in this case the vehicle concerned was extensively damaged. A full investigation of this incident is also under way.

On 24 January, a single-deck electric bus caught fire while charging at Putney bus garage. The garage was evacuated and no staff or customers were injured. An investigation is under way.

Investigations

On 10 August 2021, a member of the public tragically died as a result of a collision between two buses at Victoria bus station. The bus driver admitted to causing death by careless driving and was sentenced on 5 January 2024. As mentioned in the last report, improvement works began

at Victoria bus station in November 2023 in line with the action plan we provided to the Health and Safety Executive. This addresses the issues raised in their Notice of Contravention and we are working with the Health and Safety Executive to create a better, safer bus station with a more functional layout.

These works were completed on 22 December 2023 and included improved pedestrian crossing routes with added safety measures, extended bus stop platforms with tactile paving for enhanced accessibility, installation of a new footway extension, improvements to drainage and 11 new lighting columns. We also replaced 700 tonnes of asphalt and applied a contrasting slip-resistant surfacing at the crossing points to the newly-laid surface.

Tackling work-related violence and aggression

Every colleague employed by TfL, and our contractors, has the right to work without fear of being assaulted, abused or threatened – it should never be accepted as 'part of the job'. We are committed to preventing the causes of violence and aggression against our colleagues and providing the best support to those who experience it, seeking the strongest possible sanctions.

On 13 December, an offender who viciously attacked one of our colleagues at Harrow-on-the-Hill station in May – alongside another separate violent crime – was sentenced to three and a half years' imprisonment. The offender was also given an indefinite restraining order to prevent any approach to our colleague or entry to certain Tube stations. The judge described the assault as brutal and commended our colleague's extraordinary bravery. We wish him well in his continued recovery.

We continue to implement our Workplace Violence and Aggression strategy, which provides a clear vision to eradicate work-related violence and aggression.

On 31 January, body-worn cameras formally became part of the essential kit for our frontline colleagues. We have increased the number of cameras at more than 300 locations across the network, provided an additional method for checking out cameras ensuring they readily available, put in place round-the-clock technical support, and incorporated body-worn cameras into our performance standards. This is a significant milestone in preventing work-related violence and aggression, as simply wearing a camera has been proven to reduce incidents by almost 50 per cent and increases the likelihood of positive police and successful prosecutions against offenders.

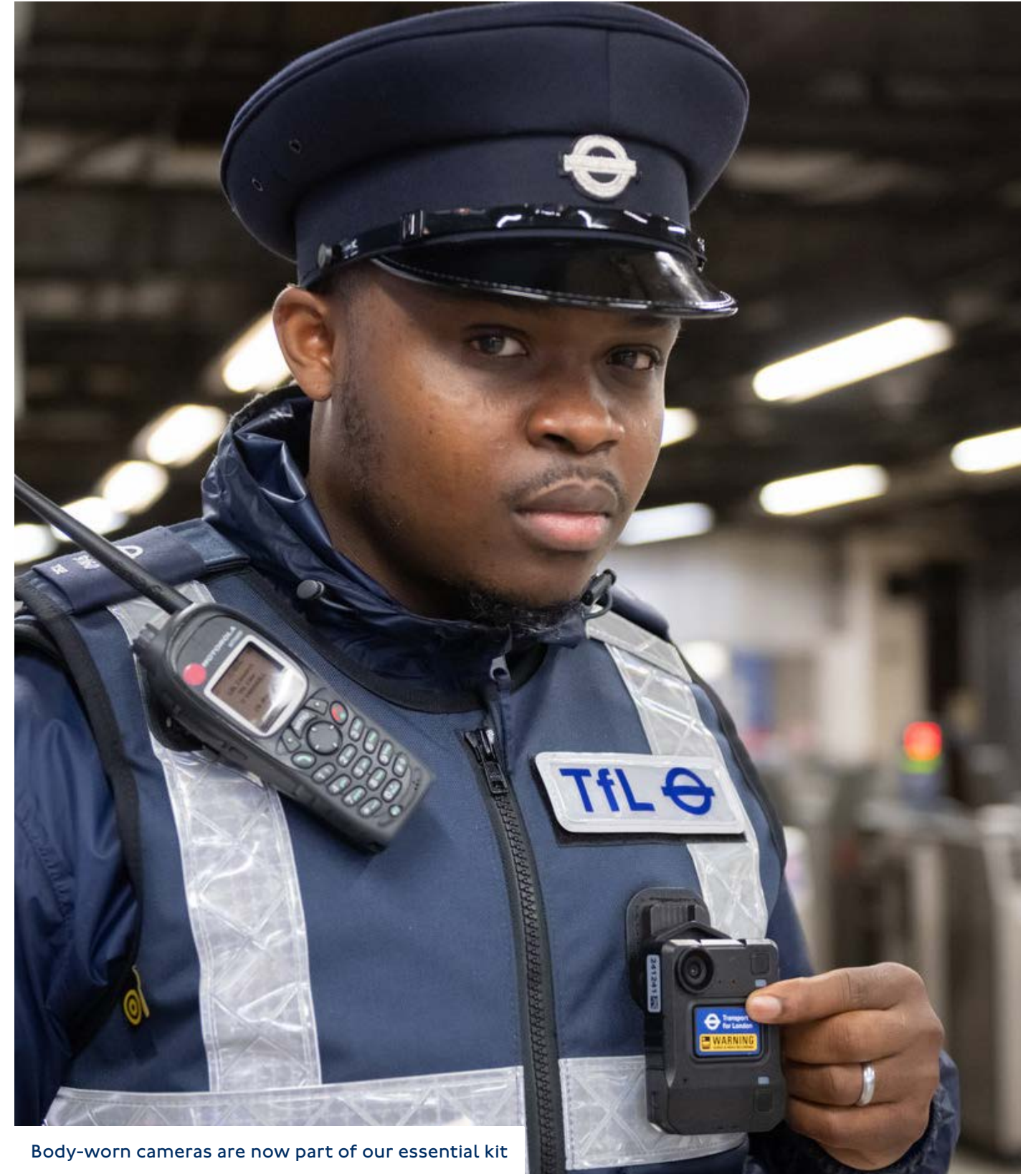
12 January saw our Transport Support and Enforcement teams provide a night service for the first time. A team of 15 officers worked through the night to help combat the poor behaviours that can lead to workplace violence and aggression. They will continue to work across our entire

network, including on Night Tube and Night Bus services, and patrolling all our stations. This will bolster the support our frontline colleagues already receive, and ensure those working and travelling late at night feel safe.

Unfortunately, instances of vandalism and work-related violence related to the expansion of the Ultra Low Emission Zone (ULEZ) – and specifically the installation and maintenance of the infrastructure used to enforce it – continue. While the damage to property is criminal and unacceptable, it is the aggression directed towards our colleagues that is of particular concern: our contractors are entitled to go about their work without fear of intimidation or injury.

Vandalism can often pose a risk to not only the perpetrator but also the wider public, for example when live electrical wiring is left exposed. This was the case in December, when an improvised explosive device was used to damage a ULEZ camera in Sidcup. The blast was powerful enough to project debris through the side of a van parked nearby, and through the window of a child's bedroom. Thankfully, no one was injured, but the incident was clearly of great concern. We report all instances of vandalism, violence or intimidation to the police, and we understand that two arrests have been made in relation to the incident.

In mid-January, a collision between two cars occurred at the location of a vandalised traffic light; our thoughts are with the two people who were injured.



Body-worn cameras are now part of our essential kit

Camera vandalism will not stop the ULEZ operating across London. All vandalised cameras are repaired or replaced as soon as possible. We have an extensive camera network which is sufficient to support the effective operation of the scheme. Anyone driving a non-compliant vehicle within the expanded zone will be detected and we advise everyone to check whether their vehicle is compliant and to consider the various support that is available to help transition to greener modes of transport.

Crime and antisocial behaviour on public transport

On 5 December 2023, we released our six-monthly crime statistics for all our modes (including Buses, London Underground, London Overground, DLR, Elizabeth line and Trams). Although the report shows an increase in incidences of reported crime across the network, the risk of anyone being a victim of, or witnessing, crime on services remains low, with 12.8 crimes reported for every million journeys made. This compares with the rate on the National Rail network of around 24 crimes reported for every million passenger journeys made. During 2023, more than three billion customer journeys were recorded on our network, nearly double the number of journeys made on National Rail.

We are not complacent and are focused on driving down crime and reducing the risk of being a victim when travelling on our networks through policing, customer communications and engagement, and designing our infrastructure to avoid the creation of crime hot spots. We actively encourage the reporting of all crime, making it as easy as possible to report incidents.

There is significant focus on the investigation of crimes and we continue to support the Metropolitan Police Service's (MPS) 'Look Up, Look Out' campaign, and along with the British Transport Police (BTP), we increased its coverage over the festive period. In January there was a joint operation at Finsbury Park station with the BTP, local borough police and the MPS Safer Transport team to tackle offences relating to violence against a person, drugs, robbery and violence against women and girls. This collaborative approach resulted in three arrests.

The BTP launched Operation Invert on 24 February 2023 targeting robbery offences by deploying both highly visible and undercover officers at various locations across the transport network identified by intelligence. As of 30 January, Operation Invert has resulted in 447 arrests and 137 weapon seizures.

The MPS Roads Transport Policing Command launched Operation Surge on 1 October 2023, deploying highly visible officers to targeted locations such as Elephant & Castle and Croydon, in response to incidences of robbery on the bus network. As of 30 January, there have been 401 arrests.

Our police partners continue to work with us to provide reassurance to all communities that transport in London is safe and welcoming for everyone. Both MPS and BTP have been providing high visibility patrols in various locations to give reassurance to those affected by the war in the Middle East.

We received positive feedback following a joint talk with the MPS Safer Transport team to Year 9 pupils at Bexleyheath Academy about Project Guardian, a hard-hitting campaign launched in 2017 highlighting the importance of reporting unwanted sexual behaviour on public transport.

Some of our customers use our network after drinking alcohol, and while this happens throughout the year, it is especially common during the Christmas and New Year period. Over this period, we promoted our public transport safety messaging to encourage customers to take extra care, particularly after drinking alcohol.

Alongside posters across the network, paid advertising further boosted these messages at central London Tube stations throughout December, including on escalator panels at hot spot stations. Further messaging ran during busy commuter daytime hours, such as 'slow down and walk', 'watch your step, not your phone'. This was supported by more customer information, including whiteboard posters and announcements in stations and messaging in customer travel emails. We also used social media posts to reinforce our zero-tolerance approach to hate crime and staff abuse to help customers and staff travel safely during the festive period.

Tackling violence against women and girls

We continue our work to eradicate violence against women and girls on the transport network. We are proud to have hosted more than 20 internal and external events to support the 16 days of White Ribbon action, which ended on 11 December.

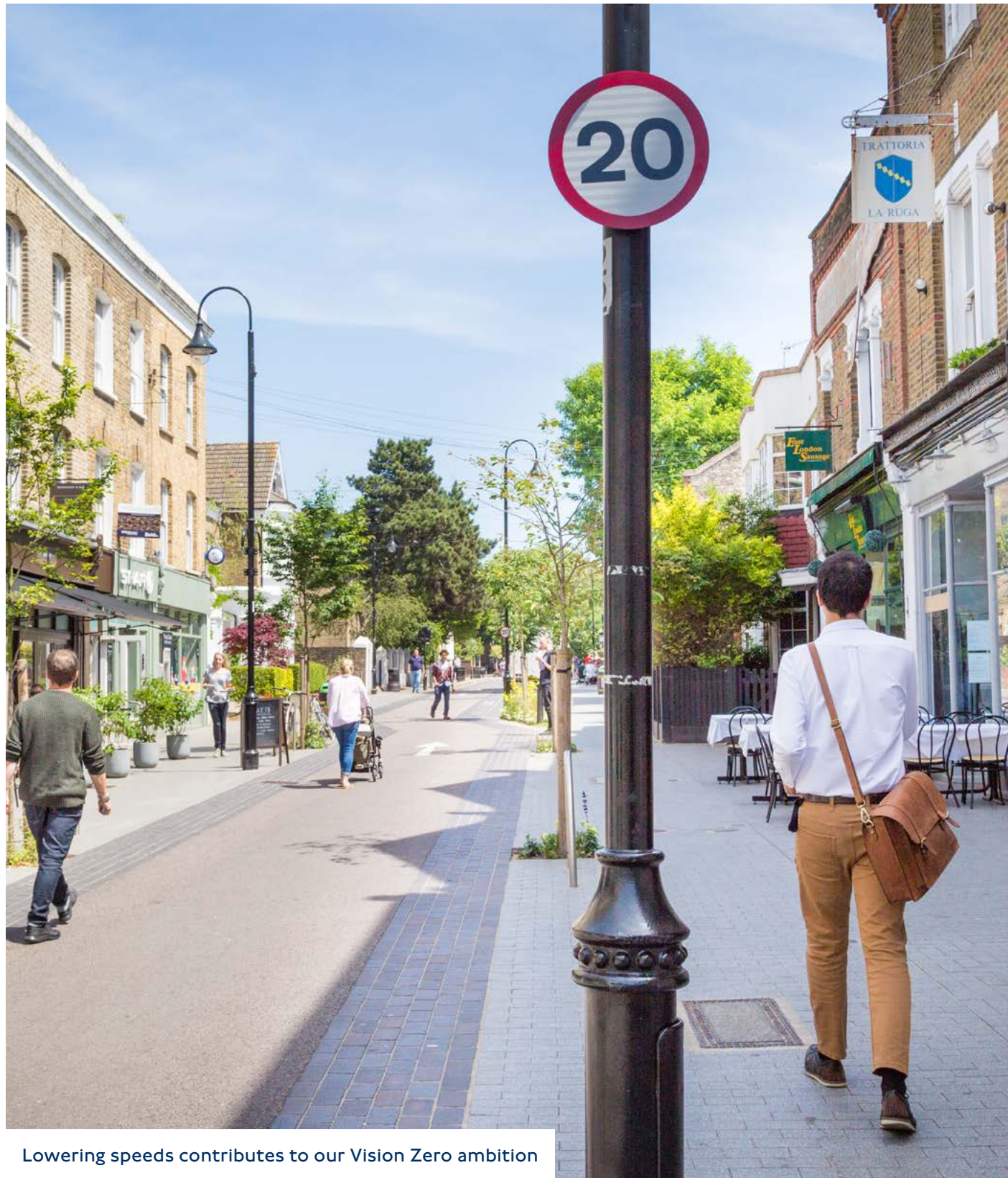
Our Safer Transport at Night campaign continues to educate customers on the benefits of travel by booked minicabs and licenced black taxis. We have shared new materials with operational officers and police partners, providing printed tools for education and engagement.

Over the festive period, we visited more than 70 private hire operators to raise awareness and ensure they comply with legal requirements. We also engaged with more than 4,500 drivers and vehicles out on the street to ensure passenger journeys are lawfully booked and to promote passenger safety.

On New Year's Eve, we worked alongside the MPS and the 'Safer Space Now' charitable organisation to redouble our efforts in tackling violence against women, girls and vulnerable people on our network. We operated at two key locations - the Strand and Aldwych - where we provided safe spaces for vulnerable individuals. We engaged with numerous people, offered support and encouraged them to report any crime or unwanted behaviours to the police.

Police activity to support Vision Zero

Policing and enforcement are essential elements in our approach to achieve our Vision Zero ambition. The MPS Roads Transport Policing Command participate in national policing campaigns focusing on inappropriate speed; using a mobile phone while driving; not wearing a seat belt; and drink and/or drug driving. In December, the police focused on drink and/or drug driving and ran a daily communications campaign through its social media channels.



Lowering speeds contributes to our Vision Zero ambition

Between 13 December 2023 and 30 January 2024, a total of 1,549 traffic offence reports were issued, including 784 for no insurance, 360 for speeding and 137 for drink and/or drug driving offences. A total of nine vehicles were caught speeding above 100mph.

Operation Kansas is a joint MPS and Driver and Vehicle Standards Agency operation that has run for several years, targeting the safety of limousines and party buses. On 15 December at Waterloo Place, 62 vehicles were stopped for issues ranging from the dangerous condition of vehicles to traffic offences.

Safe speeds

Lowering vehicle speeds in London is key to reducing both the likelihood of a collision occurring and the severity of the outcome. We are preparing to complete the final projects under the second phase of the Safe speeds programme. As detailed in the Vision Zero progress report published in 2021, this programme aims to provide a 20mph speed limit on 220km of our roads by May 2024.

Currently, 215km of our roads have a 20mph speed limit. To help raise awareness of the 20mph speed limit, we have installed temporary lamp column mounted banners on corridors where 20mph speed limits have been introduced since 2021.

In December 2023, we completed our largest speed limit reduction to date, which included 65km of our road network. On 7 December, the speed limit was reduced to 30mph on A4180 Ruislip Road in Ealing. On 18 December, a new 20mph speed limit was introduced on certain roads in Greenwich,

Lewisham, Wandsworth and Merton, as well as all remaining routes on our roads in Southwark and Lambeth.

We aim to reduce the speed limit on a further 12km of our roads during March to May 2024. This includes roads in Wandsworth, Sutton and Merton, as well as the A205 in Richmond, A4 and A312 corridors in Hounslow, Woolwich Ferry terminals, A117 corridor in Newham and a section of the A406 in Enfield and Waltham Forest. In the coming months, we will analyse the speed monitoring data collected at locations where this work has already taken place, to identify if and where physical interventions to slow approaching vehicles are required to complement the new speed limits.

In January, we ran marketing on digital radio which explained why we are lowering speed limits on some of our roads to help reduce the severity of collisions and the likelihood of them happening. We also ran localised lowering speeds communications in seven London boroughs, informing residents of speed limit changes in their area. From 30 January, targeted digital and online banner adverts were used to communicate local speed limit changes on certain roads.

Safe streets

In April 2017, our Safer Junctions programme highlighted 73 of the most dangerous junctions on our roads, defined as those with some of the highest rates of collisions involving vulnerable road users. We have made improvements at 44 of these junctions. Construction work continues on the Holloway Road/Drayton Park Safer Junction scheme, and it is on track to finish by the end of March 2024.

Further design and survey work is continuing at pace on the Battersea Bridge Safer Junction scheme, with construction due to start in autumn pending approvals and coordination with other works on the network. We continue with design and outcome planning work on the remaining dangerous junctions and we are committed to public engagement on potential changes to 10 further locations by the end of 2024. We intend to start engagement on designs for Seven Sisters Road/Woodberry Grove by the end of February 2024.

Construction of a new pedestrian crossing on Grosvenor Place in Westminster started in early January. Construction is also under way on a new pedestrian crossing on Cavendish Road in Clapham, which is due to be ready in March.

Inequalities in road danger dashboard launch

In April last year, we published a ground-breaking report examining how deprivation and demographics impact the risk of being killed or seriously injured in a road traffic collision: the more deprived the area, the higher the risk. On 10 January, we launched the Inequalities in Road Danger dashboard as a new online tool that can interrogate the data we used to produce the report (plus additional data that has been obtained subsequently). The new dashboard complements our existing Road Danger Reduction and Vision Zero Enforcement dashboards, and will enable stakeholders and the general public to see where and how action needs to be taken to reduce road danger and inequality. We will use the data from this dashboard to inform our investment priorities going forward,

and borough officers will be able to do the same at a local level. The dashboard has been well received by local authority leaders and road safety campaigners as a powerful new tool.

Escalator safety

We mentioned in previous reports that we have been looking closely at escalator safety following two separate entrapment incidents where young children were injured. Although such incidents are thankfully rare, we launched our 'Keep kids' feet clear of edge' poster campaign to raise awareness of children's loose footwear being caught in escalators. This ran in parallel with our 'Take extra care after drinking alcohol' campaign. During the festive period we continued to focus on the safe use of escalators, and in particular targeted stations where intoxication-related incidents have occurred more frequently. Specific intervention activities included the prominent display of warning posters, the broadcast of bespoke announcements on the public address system voiced by paramedics, the briefing of station colleagues to reinforce safety messages to customers travelling with families, and the use of travel ambassadors to support station colleagues. Initial analysis from our festive safety campaigns shows a reduction in alcohol-related incidents over each festive period (1 December to 2 January) from 2021 and a significant increase in customer awareness of the need to take more care while using public transport. These are positive results but there is always more we can and must do to meet our Vision Zero ambition.

In December, we started trialling a new device called the escalator annunciator, which is a small audio-visual display screen that can be mounted within the existing partition between parallel escalators and used to broadcast short, bespoke audio-visual messages to customers, for example to remind them to hold the handrail and watch their step. The annunciator plays the message just as the customer steps onto the escalator, thereby delivering a reminder that is as timely – and therefore effective – as possible. The trial is taking place at King's Cross, Baker Street and Holborn stations and will continue until May.

The issue of escalator safety is not one that is unique to TfL, and we are pleased to have been invited by Network Rail to sit on its escalator safety group. Network Rail has commissioned work from a UK university that we are actively supporting, and in December we met with the Network Rail team to discuss both engineering and maintenance aspects, and shared our insights into customer behaviour.

Judicial reviews

A judicial review claim brought by an individual claimant in relation to the ULEZ expansion was dismissed by the High Court on 14 September 2023 for procedural reasons, with costs awarded in the Mayor and TfL's favour. The claimant was refused permission to appeal by the High Court and they have made an application for permission to appeal to the Court

of Appeal, which we have resisted. We are waiting for a decision from the Court of Appeal about whether the appeal has permission to proceed.

A group of claimants based in the Netherlands has issued a judicial review claim seeking to challenge the lawfulness of penalty charge notices issued to people living outside of the UK. The claim includes allegations that penalty charge notices issued under the Low Emission Zone and ULEZ schemes were unlawfully denominated in euros and exceeded the amounts prescribed by the relevant legislation. We are responding to the claim.

TfL has been named as an interested party in a judicial review claim made by a local resident against the London Borough of Tower Hamlets' decision to withdraw Low Traffic Neighbourhood measures in Bethnal Green. The decision has not yet been implemented and the borough has confirmed that it will not do so until the claim is resolved. We have responded to the claim and await the Court's decision as to whether the judicial review will proceed.

Revenue protection

We are working with our gate-line supplier to strengthen the wide aisle gates on the Tube to reduce the ability of fare evaders forcing their way through. Testing took place at Canada Water and Vauxhall stations ahead of a wider roll out later this year. Last month, the Mayor approved an increase to the penalty fare on all TfL services from £80 to £100, reduced to £50 if paid within 21 days, bringing them into line with penalty fares across Network Rail.

Our customers

We are keeping the network moving during the winter weather, progressing with our major projects

TfL fares in 2024

On 19 January, the Mayor of London confirmed that our fares would be frozen while proposing £123m of additional funding to TfL, identified as part of the GLA budget setting process. The freeze will support Londoners with the cost of living crisis and the city's recovery from the pandemic.

This means all pay as you go fares will be frozen on buses, Tube and Trams. Fares will also be frozen on the DLR, London Overground and Elizabeth line services where Tube fares apply.

The Mayor has also asked us to conduct a three-month trial, whereby all London Tube and Rail fares are made off-peak on Fridays. This trial will help us better understand how offering off-peak fares on a Friday could help drive ridership and boost London's wider economic recovery.

Network report

December is always a busy period with our colleagues out and about supporting popular events such as Winter Wonderland and the fireworks and drone display on New Year's Eve.

Over the festive period, the majority of our services remained open every day except for Christmas Day, and we ran an all-night service across our network on New Year's Eve. During this time, there were a number of limited closures on the DLR, Elizabeth line and London Overground, the majority of which were to support HS2 and Network Rail works. One of the London Overground closures facilitated the Surrey

Quays redevelopment which will deliver significant increase to the capacity of the station, as well as step-free access for the first time, along with other improvements. We also successfully completed testing on the DLR in preparation for the new trains.

In December and January, we closed parts of the District and Piccadilly lines across two weekends. This enabled us to undertake critical maintenance, as well as track and drainage renewals works, supporting the delivery of reliable, smooth and quiet journeys for our customers. Including work carried out during the holiday period, in total we have improved drainage along 374 metres of track, replaced 790 metres of track and ballast, as well as renewing 318 metres of deep Tube track, updating more than 1,000 metres of rail and converting 1,000 metres of conductor rail ready for future upgrades to the Piccadilly line. We thank customers for their patience while those works took place.

We saw a number of protests across the capital by Just Stop Oil and the Palestine Solidarity Campaign and affiliated groups, in relation to the ongoing conflict in the Middle East. There was a pause in the large-scale marches over the period, which restarted on 13 January. We continue to work closely with our policing partners to mitigate the impact from these planned and unplanned demonstrations on the transport network.

Keeping our network moving whatever the weather

Although we initially had a fairly mild winter, our teams have had to respond to periods of extreme cold, heavy rainfall, high winds and storms, such as Storms Henk,

Isha and Jocelyn in January. We are working hard to ensure that our services are more resilient in the face of stormy weather and have well-rehearsed procedures in place in partnership with all London boroughs and the emergency services.

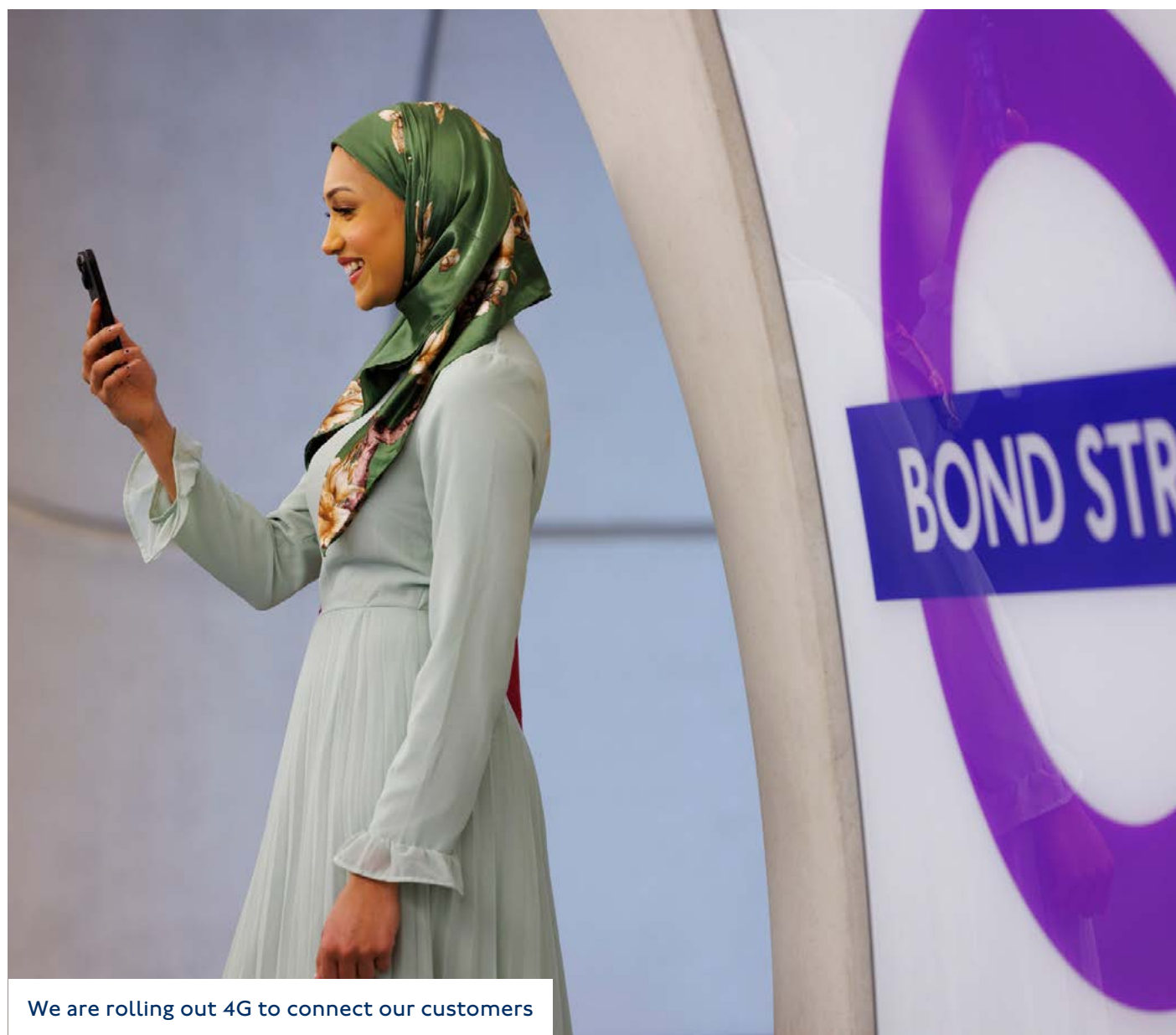


Our fares are currently frozen

Industrial action

We continue to coordinate our planning around industrial action and the impacts of action short of strike on London Underground, DLR, RATP Dev Transit London, National Rail and other operational areas. Unite announced bus strikes that will impact seven bus routes for five days

in February, with the affected routes predominantly in west London. Some bus drivers at RATP Dev Transit London will take strike action from 1 to 5 February. The majority of London's bus network operated normally on these days and we ensured as many buses ran as possible.



We are rolling out 4G to connect our customers

We were pleased that the strike action in the first two weeks of January by the RMT affecting the London Underground was suspended, though the late suspension of the action meant that some services were still affected.

Elizabeth line

The Elizabeth line continues to see increases in customer demand with more than 770,000 journeys recorded on 14 December and 4.7 million journeys over that week. We also operated a special all-night service during the New Year's Eve celebrations, with trains running from Reading to Abbey Wood and Hayes & Harlington to Shenfield. More than 300 million passenger journeys have now been made since it opened.

While the Elizabeth line has generally been performing well, Network Rail infrastructure to the west of Paddington remains the key reliability challenge. As discussed at our board meeting in December, on 7 December damage to the overhead line wires on the western surface route resulted in a power outage. This led to a significant number of passengers stranded on trains for a considerable and unacceptable amount of time, although all were safely evacuated. All the parties involved, Network Rail and the train operators on the route, have been collaborating to learn from this incident, in terms of improving the speed of evacuation, providing information and support for customers, and creating a full report to determine the root causes of the incident and evaluate the customer response. Network Rail also have a number of initiatives under way to improve the poor performance of the underlying

infrastructure, including the introduction of the Thames Valley Recovery Project team, which is being led by an experienced metro railway engineer, and assisted by dedicated and supporting roles to produce a delivery plan focused on immediate stabilising actions, short-term fixes and longer-term sustainable actions.

We also saw disruption on 22 January near Farringdon due to a significant train fault, with the customers on trains affected gradually brought into station platforms as we removed the faulty train.

In addition to the Network Rail improvement plans listed above, it is important to highlight that there have also been performance improvements to the onboard train software with the next update on the fleet on course to be rolled out from the end of January, which we expect to increase train reliability. The next upgrade of the signalling system software is being refined and tested and is scheduled to be completed in June of this year.

On 20 December, we introduced high-quality 4G mobile coverage at four of our busiest stations - Bond Street, Tottenham Court Road, Farringdon and Liverpool Street - enabling customers to be more connected and receive the latest travel information, as well as stay in contact with work, friends, and families. By summer 2024, it is expected that the whole of the Elizabeth line will benefit with high-speed mobile coverage. Over Christmas and Boxing Day, we completed critical maintenance works and continued with the 4G roll out.

As a culmination of almost two decades of joint working with the DfT, final completion of the Crossrail project has been endorsed. Having considered the evidence provided by Crossrail and Network Rail as well as the outcomes of the assurance reviews, we are confident that the known obligations are closed or transferred appropriately into the relevant organisations. It has been noted by many who have worked on previous project closures that the Crossrail completion has been the cleanest, most organised, and efficient close out of a major programme in the industry.

We are currently working with the Government to procure additional new class 345 trains to provide the necessary Elizabeth line service to Old Oak Common and meeting the increasing demand as a result of it being the London terminus for HS2 for the foreseeable future.

Central line train availability

We would like to apologise for the disruption to customer service being experienced on our Central line services. We are experiencing an abnormally high number of motor failures that has required us to take a high number of trains out of service. Our engineers are urgently working to repair and overhaul the damaged motors, but this is a complex process undertaken by highly skilled, specialist technicians and the removal and refitting of every motor requires the 30-year-old train to be split into separate sections and the affected cars lifted.

Alongside the repair work, we have put in place additional arrangements to increase our supply of spare motors; this will enable us to start to rebuild some resilience and improve services over the coming weeks, reducing the number of trains out-of-service and meaning we can return trains to service more quickly.

While this should help improve services for customers, the motor failures are still occurring at a higher rate than we have seen before so some disruption to normal service levels is likely to continue. We are continuing to work urgently to identify further solutions.

Delivering our Bus action plan Superloop

The most recent Superloop service to launch was the SLI on 9 December, a brand-new express bus route connecting North Finchley and Walthamstow Central. The SLI gives people more transport options to move between key locations in Barnet, Enfield and Waltham Forest, as well as providing extra capacity on the busiest parts of the existing routes 221 (between North Finchley and New Southgate) and 34 (between Arnos Grove and Walthamstow). Customers can easily spot the new service with the Superloop branding on buses and bus shelters.

Local marketing campaigns to promote new Superloop routes SLI0 (Harrow to North Finchley) and SLI (North Finchley to Walthamstow Central) launched on 25 November and 9 December 2023 respectively. These campaigns were used to drive ridership and revenue by targeting customers who live and work along each of the routes.

The three final routes that complete the outer orbital loop – the SL5 between Bromley and Croydon, the SL3 between Thamesmead and Bromley and the SL2 between Walthamstow Central and North Woolwich – will start by late March, accounting for the feedback received through our public consultations.

Other London bus service enhancements

On 27 January, we introduced additional early morning journeys on route 278 from Ruislip to Heathrow Central. We have worked closely with Heathrow Airport to introduce the new journeys, which they will help fund. It will assist staff and passengers who can now take the bus rather than having to drive for early departures.

Consultations on bus service changes in the King's Cross and Uxbridge areas have now closed and the feedback received is under review. The King's Cross proposal would be to extend route 394 from its terminus at Tolpuddle Street in Islington to terminate within the King's Cross Central development on Canal Reach. The Uxbridge proposals included merging and restructuring routes in the Ruislip, Uxbridge and West Drayton areas in Hillingdon, to provide new and improved local bus connections and help encourage more people to use public transport. We have published the outcome of our consultation on changes to services in Harold Wood and Upminster. The route 346 will be restructured to operate between Upminster Park Estate, Waycross Road and Dagnam Park Square via Upminster and Harold Hill. The 497 will be replaced in its entirety by this extended route. The 347 will continue to operate.

Major projects

Piccadilly line upgrade

As part of our 2024 Business Plan, published on 22 December 2023, a rephasing of the schedule of payments and delivery has been agreed under the contract with Siemens Mobility, who are currently building the new, higher capacity walk-through trains for the Piccadilly line. This enables us to better align the introduction of the new trains with the refurbishment of our depots.

This rephasing does not affect the delivery of the first train in 2024 for testing in London ahead of entering service in 2025, and will also protect the planned Piccadilly line timetable uplift in 2027 – meaning that Londoners will still benefit from the new, higher capacity walk-through trains and more trains per hour.

It also means that more new trains will be built in the Siemens Mobility factory in Goole, Yorkshire, compared to the 50 per cent originally planned. Siemens is investing up to £200m, as well as creating up to 700 jobs directly at the factory, and up to 1,700 jobs within the supply chain. Two contractors, Taylor Woodrow and VolkerFitzpatrick, have been notified of our intention to award them call-off contracts for early contractor involvement in the design and build of end-state maintenance facilities as part of the Piccadilly line upgrade.

London Overground line enhancements

We are continuing works at Surrey Quays to upgrade the station and improve our signalling and power infrastructure to enable us to increase train frequencies on the core section of this line. Works were successfully completed during a five-day closure in December to demolish existing infrastructure and introduce a new temporary secondary means of escape at the station on Platform 2. These works were critical to ensure a worksite was fully established within the station area, enabling the main civil structural works for the new entrance to proceed safely behind hoardings while the station continues to operate.

Final preparatory works were completed in January to allow piling works for the new main civil superstructure to begin. We will also be erecting a tower crane in the main works compound to support critical lifting activity associated with construction works over the coming months.

Central line improvement programme

We are overhauling all Central line trains to deliver a safer, more reliable and accessible service. The first train entered passenger service on 24 November 2023, and we were delighted to welcome the Mayor to see it on 15 December. Overhauled trains are more accessible, with wheelchair bays and improved customer information, safer, with better lighting and CCTV, and more reliable, with more efficient motors. The introduction of CCTV on Central line trains is a significant step in the continuing effort to ensure that Londoners feel, and are, as safe as possible when using the transport network. The new motors will reduce energy consumption by seven per cent, leading to a cumulative saving of 6000t

of carbon dioxide emissions across the programme. This highlights the importance of long-term capital funding certainty for managing transport infrastructure. A genuine long-term capital funding settlement would enable us to make sure we can replace our life-expired assets in an efficient, effective and planned manner.

DLR rolling stock replacement programme

Work continues on the new rolling stock which will see 54 new walk-through trains introduced, 33 replacing the oldest trains in the fleet and the remainder used to boost capacity and meet growing demand across the DLR network. The new trains will improve the customer experience with live travel information, more capacity and air conditioning. Main line testing and signalling integration is under way, with the first new trains expected to begin entering passenger service this year.

Works to install new power cables across the level sections of track and new track bonding cables were safely and successfully completed during a possession of the network between Bank and Royal Mint Street, and Tower Gateway and Limehouse, between 26 December to 31 December.

New trams procurement

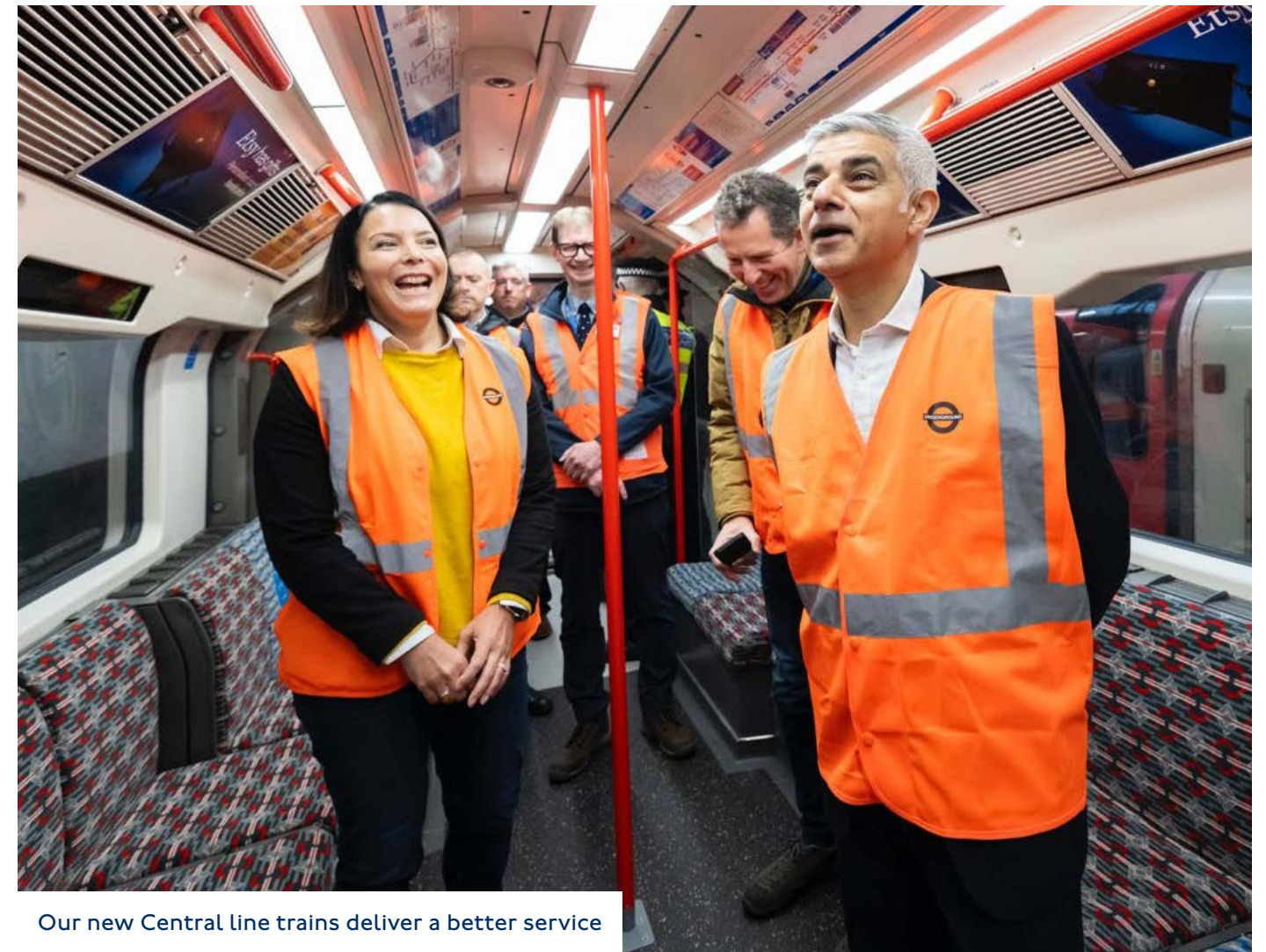
Our current tram fleet is up to 24 years old and is reaching the end of its operational life. We have issued a notice which invites potential suppliers to demonstrate how their experience and expertise would be appropriate to deliver the new trams. It will also seek provision of the associated technical support and spares supply agreement, ahead of the competitive tendering process. The new trams would deliver a more reliable service for customers, along with the latest features

including air conditioning and mobile charging points for improved comfort and convenience. The trams would also feature the latest safety features, building further on improvements already made within the network. However, a future contract award for new trams will be subject to available funding at the time.

Silvertown Tunnel

In January, works continued to progress well, and following completion of the

tunnel domes over the cut and cover section on the Silvertown side, dome construction moved to Greenwich. As part of ongoing works for the new Silvertown Tunnel, a series of weekend closures of the southbound Blackwall Tunnel are taking place from 13 January through to 26 February. The closure of the southbound tunnel will enable us to carry out drainage and gantry installation works on the northbound Blackwall Tunnel approach to support the new Silvertown Tunnel.



Our new Central line trains deliver a better service

Levelling Up Funding: Colindale and Leyton stations

On 19 December, the Government confirmed £43.1m from the Levelling Up Fund for step-free access and capacity improvements at Leyton and Colindale stations. With funding contributions also made by the Greater London Authority (GLA), Barnet Council, Waltham Forest Council and local developers, we have now awarded the construction contract for Colindale station. We plan to replace the 1960s-built entrance with a new, landmark station building, which includes a spacious ticket hall and a lift, delivering step-free access at the station for the first time. We are on track to award the contract at Leyton in summer 2024, to build a new ticket hall adjacent to the existing one, two new staircases and two lifts, making the station fully accessible for the first time and ensuring it has capacity to support future passenger demand.

Old Street

The peninsula area and final pedestrian crossing were opened to the public on 21 December 2023, allowing customers to enjoy the new public space, rain gardens and seating area ahead of the Christmas break. We are now focused on finishing the remaining works to the station and on the handing over of the project from the contractor to TfL.

Taxi and private hire vehicles Department for Transport's best practice guidance

On 17 November 2023, the Department for Transport (DfT) published its best practice guidance for taxi and private hire vehicle licensing authorities in England.

The guidance is intended to complement the DfT Statutory Standards that were published in 2020 and covers a range of topics such as accessibility, licensing and enforcement of taxi and private hire vehicle drivers, vehicles and operators.

Individual licensing authorities are still responsible for deciding their own policies and making decisions on individual licensing matters applying the relevant law and any other considerations. This guidance is primarily intended to assist licensing authorities, but it is only guidance and does not intend to give a definitive statement of the law.

Our initial review of the guidance shows that we are aligned with many of the DfT recommendations, but there are some which differ to our approach as a licensing authority and further consideration is being given to these. If new or amended regulations are required, this may require further consultation.

Pedicabs (London) Bill

The Government is currently taking a Bill through Parliament, which if successful, would give us powers to license and regulate pedicabs in Greater London. We have called for these powers for many years and continue to work closely with the DfT to support the Bill.

Should the Bill pass successfully through Parliament and become an Act, we would look to begin the process of careful engagement with the pedicab trade to assist us in refining what a regulatory framework for pedicabs could look like and make proposals for consultation.

Bus priority programme

Progress towards the delivery of 25km of new bus lane by 31 March 2025 has continued, with the current total standing at 5.4km. A new bus lane on the A21 Bromley Road in the London Borough of Lewisham came into operation in early January.

We remain on course to deliver 10km of new bus lanes on TfL's and the borough road network by April 2024. In the next quarter we plan to deliver around three kilometres of new bus lanes on our roads as well as two kilometres of new bus lanes on the borough road network, subject to approvals and programming.

We have also started engagement with London boroughs on the development of a robust set of complementary measures targeted at improving bus journey times on Superloop routes. This programme will begin in April 2024 to enable the identification, design and delivery of schemes that contribute to a reliable and efficient service.

The bus priority signals programme continues to deliver strong bus journey time benefits. More than 800 bus-focused timing reviews are now in place as part of the two-year programme, delivering more than 14,000 bus passenger hours of time saving each day.

Cycleways

We have completed 50.5km of new or upgraded cycle infrastructure since April 2022 and a further 10.9km is currently under construction. Notable progress since our last report includes completion of the Finsbury Park to Caledonian Road section of Cycleway 50 (Camden to Finsbury Park)

on 8 January 2024, allowing this phase of the route to be opened to all users. We also completed resurfacing works for the Lea Bridge roundabout section of Cycleway 23 (Lea Bridge to Dalston) on 26 January. The cycle track has been open for use since completion of civils works and commissioning of the new traffic signals, one of the largest sites commissioned last year, on 21 December. Construction work continues on Cycleway 9 between the Jet garage and Brentford town centre.

Santander Cycles

A total of 8.5m hires took place in 2023, lower than 2022. However, there were more member hires - 6.75m - in 2023 than any previous year. Waterloo station was the most popular docking station in 2023, with 115,000 hires in total. Overall, 663,000 customers used the scheme in 2023.

In their first full calendar year of operation, 619,000 hires took place on the scheme's 500 e-bikes. A total of 1,400 additional e-bikes will be added to the fleet this summer taking it to 2,000 bikes, giving many more Londoners the opportunity to benefit from an affordable, convenient and sustainable way of travelling.

Walking and Cycling Grants London

On 14 December, in collaboration with the London Marathon Foundation, we awarded more than £575,000 of funding to 78 new projects and 69 continuing projects run by community groups, as part of the Walking and Cycling Grants London programme. The programme encourages more people to walk and cycle and each investment will make a real difference to communities across the capital, with projects and programmes to enable more people to enjoy the benefits of active travel.

Successful projects target a wide range of traditionally underrepresented groups, including disabled people, those from minority ethnic backgrounds, those who are disadvantaged, homeless people, refugees, asylum seekers and those part of the LGBTQ+ community. The projects aim to enable participants to feel confident while walking and cycling. Funding has been awarded to schemes covering all 32 boroughs and the City of London.

E-scooter rental trial

Our London e-scooter rental trial has been running for two and a half years. There are now nearly 900 designated parking bays with around 5,000 e-scooters available for hire across 10 participating boroughs. For the period ending 14 January 2024, 80,000 trips were made, making a total of 3.8 million trips since the trial began.

Connected London: 4G and 5G on the London Underground

Uninterrupted mobile coverage provides additional reassurance to those travelling on the network, making it easier for customers to stay in touch with friends and family while travelling. It also hosts the new Emergency Services Network, which when fully operational, will give first responders immediate access to life-saving data, images and information in live situations and emergencies.

As mentioned earlier in the report, Bond Street, Tottenham Court Road, Farringdon and Liverpool Street all now have mobile coverage in the ticket halls, connecting corridors and platforms for the Elizabeth line. Further stations and tunnelled sections on the Central, Northern and Elizabeth line will be getting coverage for the first time throughout the spring.

TfL Go app

The app has now been downloaded more than 5.3 million times, with a peak of more than 830,000 customers in 2023. Further application updates have been released in response to customer feedback, which include making it easier to set your location when planning a journey, rather than always defaulting to your current location.

Customer Contact Centre operations

Our contact centres have consistently delivered travel information, assistance, and support to customers, serving as the frontline for addressing concerns and collecting feedback. Despite an increase in travel information calls during the festive period due to the many events taking place in the city, our service levels remained high. Our contactless payment card customers have benefited from an expanded contact centre team, enabling us to make fare corrections quickly and efficiently for customers choosing this as their preferred method of payment.

Simultaneously, our Visitor Centres saw a 20 per cent increase in customers compared to the same period last year, showing their continued importance as vital hubs for information and assistance. Our team worked closely with Eurostar staff, extending support to customers affected by unforeseen events, such as the flooding that caused cancellations on 30 December.

Our Lost Property Office also celebrated the formal opening of its new site at West Ham. This strategic relocation has proven beneficial, enabling the team to operate with increased efficiency and actively contribute to the overall enhancement of operational processes. The move

reflects our commitment to continual improvement and optimisation, ensuring that our services are not only effective but also aligned with the evolving needs and expectations of our customers.

Promoting public transport during the festive period and beyond

In collaboration with Metro and Time Out, we inspired Londoners to use public transport to make the most of the festive season with a range of fun, low-cost activities. These included Christmas at the London Transport Museum, visiting Santa's Grotto at Tower Gateway DLR station and seeing the festive lights by bus for just £1.75 with the Hopper fare.

Additionally, in partnership with the Society of London Theatres, we extended a special offer to our customers in December, providing them with a 10 per cent discount on Theatre Tokens that could be redeemed at famous West End shows. We actively promoted this exclusive offer through social media, posters in stations and emails to customers.

On 5 January, we announced that we have joined forces with many of London's top attractions to offer savings on visits to Historic Royal Palaces. We are delighted that our exclusive offers which now include the iconic Kensington Palace will offer Londoners and visitors travelling across the TfL network even more opportunities to enjoy more of our city for less.

London Transport Museum

New gallery and exhibition

London Transport Museum has opened a new gallery sponsored by Global, the Global Poster Gallery, dedicated to the history of poster art and design for the public to enjoy. The Museum cares for one of the world's largest and most significant collections of 20th century graphic art and design and visitors will have the chance to see a selection of these historic transport posters in its new How to Make a Poster exhibition, on display until 2025.

Talent transported

Young people aged 16 to 25 and their supporters were invited to join a Skills Late event at the Museum in Covent Garden on 18 January, to meet recruiting employers and find out about different job opportunities in transport, engineering and technology. The free skills event was set up to support young Londoners find a career within these industries.

Pay as you go with contactless and Oyster

With around three quarters of customers now using pay as you go to travel, there are still many customers using single tickets and off peak Day Travelcards to travel. During January, we promoted pay as you go with contactless and Oyster across the Tube as the easiest way to travel and pay, raising awareness of many of the best fares, including daily and weekly fare caps, as well as benefiting from an easier way to pay for travel.

Promoting mode shift email pilot

We launched a series of customer marketing emails to encourage drivers to change some of their journeys from the car to public transport. This was based on the insight that many Londoners want to increase their daily activity and using public transport can often result in people becoming more active. This six-week pilot recognised participation by playing back

personal progress data to those who have a registered contactless or Oyster card, and aimed to drive additional public transport usage with motivational content to encourage Londoners to fit more activity into their day. If the pilot is successful, we will continue to develop a customer engagement programme that aims to encourage incremental 'switched' public transport journeys from the car.

Mind the Gap podcast

Over the Christmas period, we launched the new Mind the Gap podcast to support our Tube 160 campaign, celebrating love for our network, showing customers we care and promoting use of our services and London's economic recovery. The podcast immediately reached number one in the UK Places and Travel Apple Podcast charts, number three in the Society and Culture chart and number 34 in the overall UK Apple Podcasts charts. The podcast was downloaded more than 16,000 times in under two weeks. Hosted by presenter Tim Dunn, the four episodes featured wide-ranging interviews with TV personality and broadcaster Rylan, Night Czar Amy Lamé, Designer Wayne Hemingway, Tube Mapper photographer Luke Agbaimoni, staff from the Railway Engineering Works at Acton, among others. The podcast was picked up by numerous press outlets including The Sunday Times, ITV London, Time Out, Greatest Hits radio, Londonist and many more, and also received positive feedback on social media from customers.

Art on the Underground

In December, Art on the Underground presented a new artwork for the 39th pocket Tube map cover by leading British artist Joy Gregory. Renowned for her influence on British feminist photography and social justice movements, Gregory uses photographic media to reilluminate forgotten cultural, historical and political narratives.

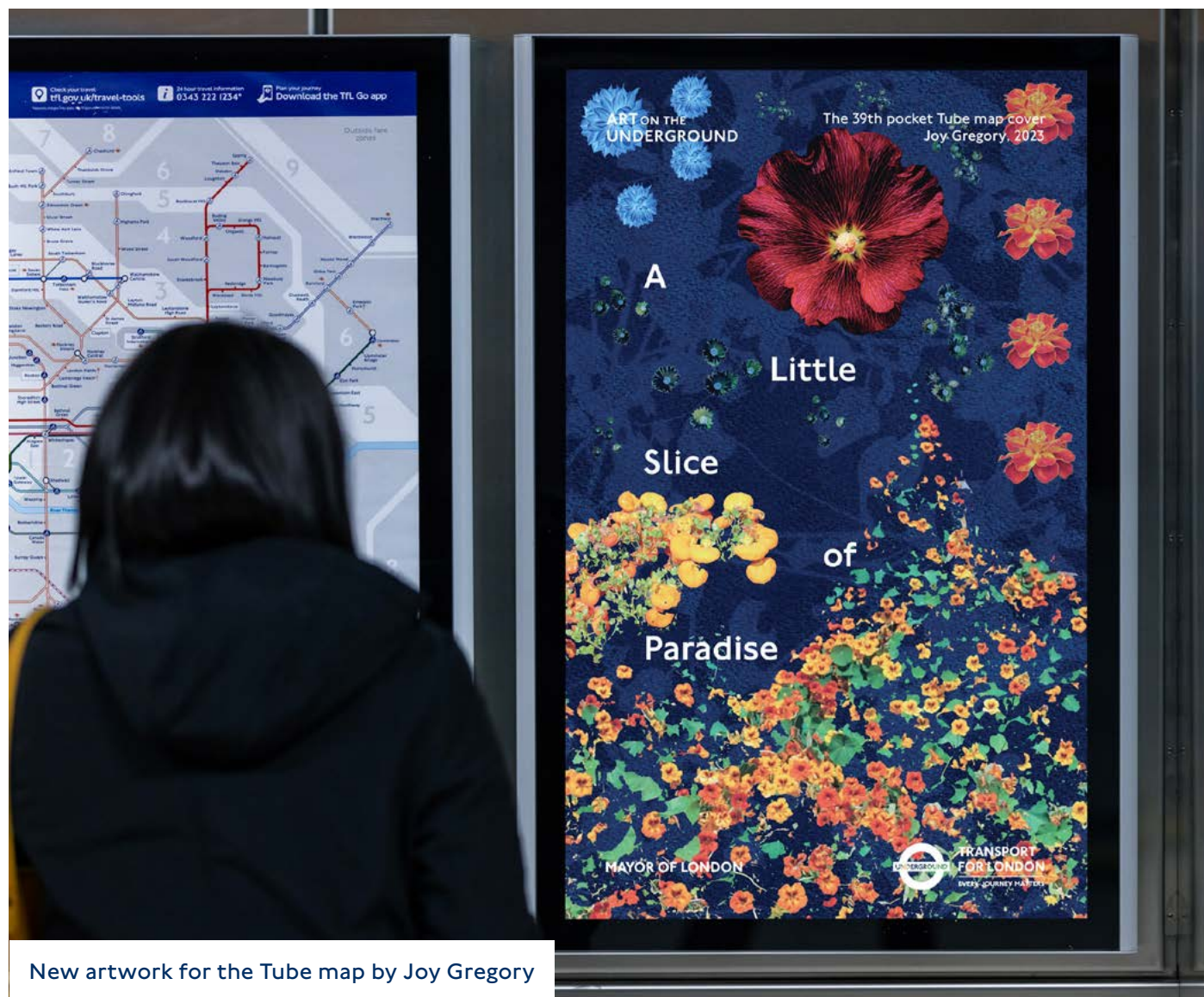
Titled A Little Slice of Paradise, Gregory's photo-collage Tube map cover is inspired by In Bloom and TfL's 100-year history of station gardens.

Having visited gardens across the network, Gregory wanted to create a Tube map cover that pays tribute to our colleagues and the green spaces they have created in unlikely station environments. The title was inspired by a conversation Gregory had with Customer Services Manager Tony Samuel, who described the garden he and his colleagues had created at Morden station as 'a little slice of paradise'.

The artwork features a cyanotype image of chickweed digitally collaged with photographs of flowers, including camellias, dahlias and nasturtiums grown in gardens on our network. Evocative of the rich palette of Dutch Old Master flower paintings and the histories of photography, A Little Slice of Paradise offers customers a reminder of station gardens to carry with them as they travel through the city.

160 years of the Tube: Architecture Treasure Hunt

On Saturday 20 January, London Underground celebrated the culmination of its Tube 160 celebrations with an Architecture Treasure Hunt. Participants visited a variety of architecturally significant stations to answer clues that could be found within them. Those that found all the clues at all the stations won a limited-edition tote bag. Not only did the participants get to have fun spotting elements of our Tube network that might be missed on the daily journey, they also learned about the significance of the various types of the architecture on our network, which are all linked to the growth of London.



New artwork for the Tube map by Joy Gregory

Our colleagues

Through our annual survey, awards and training programmes, we aim to make our colleagues to feel secure and supported

Viewpoint

Our annual employee survey, Viewpoint, ran from 26 September to 21 October. This gave all our colleagues the opportunity to give us their views on what it is like to work here and share what they feel strongly about. These responses give us the opportunity to take action and make this a better place to work.

Last year, engagement increased from 59 per cent to 60 per cent, narrowly missing our scorecard target of 61 per cent. Our wellbeing and inclusion indices also increased since the previous survey, indicating that we are on a path to helping our colleagues feel more engaged, supported and confident to be their authentic selves at work.

While this year's results have been positive, we recognise that there is still more to do and we will respond to the thematic issues raised by our colleagues in the survey.

Safety, health and environment culture assessment

As mentioned in previous editions of this report, TfL has an ambition to build a workplace culture that is positive and proactive when it comes to matters of safety, health, wellbeing and environmental awareness. We have a strategic programme in place to enable us to reach that goal as quickly as possible.

A key part of the programme is a comprehensive assessment of our existing culture around safety, health and environment, to identify strengths and weaknesses. In an organisation of our size,

undertaking such an assessment is in itself a significant task – and for that reason, we have been rolling out the assessment in phases. Following a number of pilots, we have now rolled out a safety, health and environment culture assessment to various areas of the operational business, including Places for London, Network Management, three of our fleet maintenance depots, the Technology and Data programmes division and Capital delivery. At the publication of this report, more than 1,600 colleagues have now completed the assessment, offering valuable insight into how we can continue to improve our culture by means of targeted local improvement plans. For the remainder of the current financial year, we will be continuing to roll out the assessment in our Engineering division and on the Elizabeth line – reaching a further 2,000 colleagues.

We intend to roll out the culture assessment to London Underground customer operations in the 2024/2025 financial year. This will make it available to a further 11,000 colleagues and enable us to further drive cultural improvement in our operational business.

London Underground pay

We have discussed our pay offer extensively with the three trade unions that had rejected it, making clear that TfL could not afford any more. This remains the case. We were made aware that the Mayor was able to provide additional funds to enable discussions with the unions to continue. We have all consistently made clear that strike action is bad for everyone and would have a negative impact on the

city as it recovers from the pandemic. This intervention from the Mayor was discussed with the unions, and the RMT union suspended its strike action, which had already commenced.

We are meeting with representatives of all the unions to agree on the best way for this funding to be used to resolve the current dispute. We will also seek to meet as soon as possible with the unions representing TfL staff.

Launching our new group coaching programme

Building a strong culture of people leadership across our organisation is key in supporting everyone to achieve their work ambitions and creating an inclusive culture; two priorities of our colleague strategy.

Following the launch of the Our People Leaders framework in February 2023, we want to further support our people leaders in their development journey. In response to this, we have designed our Leading the Future programme which aims to support colleagues further develop fundamental leadership skills enabling them to progress their careers.

Applications opened in December for the first cohort of people leaders to take part in the programme, with more than 700 set to undertake this development programme in 2024.

Hosting our Apprentice Careers Fair

On 17 January we hosted our second Apprentice Careers Fair of the financial year, looking to attract our next cohort of

apprentices to join us in September. More than 800 prospective candidates joined us at our Palestra office, with 19 different apprenticeship schemes represented on the day ranging from Engineering to Human Resources, all offering support to our next generation of colleagues.

Celebrating our success New Years Honours

We congratulate Rizwan Javed who is employed by MTR Elizabeth line and based at Ealing Broadway station, for being awarded an MBE for his role in saving 29 people from taking their own lives since 2015. This is an exemplary achievement.

Lifesaving awards

In December, Robert Gough Head of Security at the Mass Transit Railway Corporation (MTR), alongside Mandy McGregor, Head of Policing and Community Safety, presented Transport Support and Enforcement officers Atta Kessie, Sophie Taylorson, Will Simpson, Muhibur Rahman, Monica Gabriela Calancea and Harry Betts with lifesaving awards. The officers were working on the Elizabeth line at Goodmayes station and intervened when an individual climbed on to the tracks in an attempt to take his own life. Our officers and MTR colleagues combined quick thinking and actions to help stop a train and save the person's life.

In December, Public Transport Accredited Officers Kadija Kargbo and Stefan Moura were awarded safeguarding awards and I personally thanked them for their assistance with a young girl who had been self-harming.

Bank station capacity upgrade

We were delighted to learn that the major construction work we have been undertaking in recent years at Bank station had been recognised in the 2023 British Construction Industry Awards. The work – which began in 2016 and was completed in February last year – was a complex undertaking that included the creation of an entirely new section of tunnel for the Northern line, a new station entrance on Cannon Street and step-free access routes to both the Northern line and the DLR. The judges awarded us a ‘Highly Commended’ accolade in the ‘Transport Project of the Year’ category, which recognises projects that are enhancing capacity, providing better connectivity or helping to improve reliability of local, regional or national transport services. In their citation, they noted that matters of delivery had been

given consideration from the earliest design stages of the project, and that that the project had ‘a strong blend of exceptional technical skills combined with evidence of active collaboration (between all those involved)’.

The team also won Tunnelling Project of the Year (£50m to £200m) in the New Civil Engineer Tunnelling Awards for 2023.

Silvertown Tunnel

The Silvertown Tunnel project being delivered by Riverlinx won four awards at the New Civil Engineer Tunnelling Awards for 2023. The Riverlinx team was recognised for its outstanding work in the categories of Young Tunneller of the Year, Innovation in Tunnel Boring Machinery & Systems, Tunnelling Contractor of the Year and Best Tunnelling Project of the Year (more

than £200m). One of their key suppliers, Banagher Precast Concrete, also won the Tunnelling Specialist Supplier of the Year for their work on Silvertown.

Prince Michael International Road Safety Awards

On 12 December, we received four prestigious Prince Michael International Road Safety awards. Three of the awards were for our work in specific areas, namely the Direct Vision Standard, the Bus Safety Standard and our Fleet Intelligent Speed Assistance programmes. The fourth was the Prince’s Premier Award for the organisation which had made the most outstanding contribution to road safety. We are extremely proud of the work we have undertaken, and continue to undertake, to eliminate deaths and serious injuries from the road network. These awards reflect the comprehensive nature of our Vision Zero approach, with the Awards panel noting they were particularly impressed by the target-focused nature of our commitment.

Carbon Literacy training programme

More than 2,500 colleagues have been trained in Carbon Literacy this financial year, bringing the overall total to date to more than 3,000. A further 550 were booked on for training in January by our 75 trainers, with a similar number of places being made available for February and March. We remain on track to meet the target we have set ourselves of training 3,000 colleagues in this financial year.

On 4 December, we celebrated Carbon Literacy Action Day with the Carbon Literacy Project, a day designed to catalyse action on climate change through

training and positive action. We shared our Chief Officers’ carbon pledges, held a live online question and answer session with colleagues, facilitated three training sessions and shared our progress on social media and at a live event hosted by the Carbon Literacy Project with other organisations from around the globe.

On 12 January, the Carbon Literacy Project announced that TfL had won one of its Catalyst Awards for 2023, in recognition of our work to plan and deliver a particularly impactful programme of work on Carbon Literacy Action Day.

Health and wellbeing

As an organisation, we consider the health and wellbeing of our staff to be of paramount importance. As part of our continued commitment, on 11 December, our in-house Occupational Health team moved into new, purpose-built premises on Borough High Street. Special thanks to our Head of Health and Wellbeing, Dr Sam Phillips, and her team, for overseeing the delivery of this important milestone.

The team’s hard work and dedication has been recognised by the Society of Occupational Medicine which, at its annual awards ceremony on 13 December, named TfL for its Outstanding Occupational Health Team for 2023. The judges noted that our team ‘demonstrated an exemplary dedication to inclusivity, valuing the voices of the entire team in their progressive plans’ and that under ‘insightful leadership’ was instigating ‘a cultural shift towards greater health awareness [which] will not only impact the health of TfL employees but also set a precedent for a culture of care and innovation within TfL and beyond’.



Recognising our work to save lives on London’s roads

Our green future

We are committed to reducing our carbon emissions and investing in greener infrastructure for all Londoners

Ultra Low Emission Zone

On 29 August 2023, the ULEZ was expanded to cover all London boroughs. Compliance in outer London is currently at 95 per cent, with 77,000 fewer non-compliant cars seen driving in London on an average day, a decrease of 45 per cent. We have installed an extensive camera network to support the effective operation of the scheme. Unfortunately, there have been a number of incidences of vandalism on the ULEZ cameras and signs. All incidents are reported to the police and some arrests have been made. We are working closely with our contractors and the police. Where necessary, cameras are being repaired or replaced.

Up to 19 November 2023, more than 40,000 applications to the scrappage scheme had been approved, which equates to nearly £140m of support being committed to eligible Londoners.

On 17 January, the Mayor of London published his draft budget for 2024/25, allocating £50m to further extend the ULEZ scrappage scheme.

Our ULEZ marketing campaign continues to raise awareness and educate London and home counties drivers through online videos, digital audio, digital display and search. Messaging continues to explain where the zone operates, the hours of operation, the daily charge, how to pay and to encourage vehicle checking. This extensive communication activity has contributed to high vehicle checking, with more than 23 million page views and 12.2 million unique visitors to the vehicle checker since November 2022.

Zero-emission buses

We now have more than 1,300 zero-emission buses operating across London and are progressively adding more to the fleet. The latest routes that have converted to electric include 417 and 235. Now, more than 14 per cent of the fleet operates with newer, cleaner zero-emission technology. We are on track to reach our end of March 2024 target of 1,400 zero-emission buses in the fleet.

London continues to have the largest zero-emission bus fleet in western Europe, with the latest buses that combine innovative safety and customer features. We work with a number of manufacturers to provide a competitive zero-emission bus market, and a range of technologies including hydrogen fuel-cell, battery electric and electric 'opportunity charged' buses are part of the London fleet.

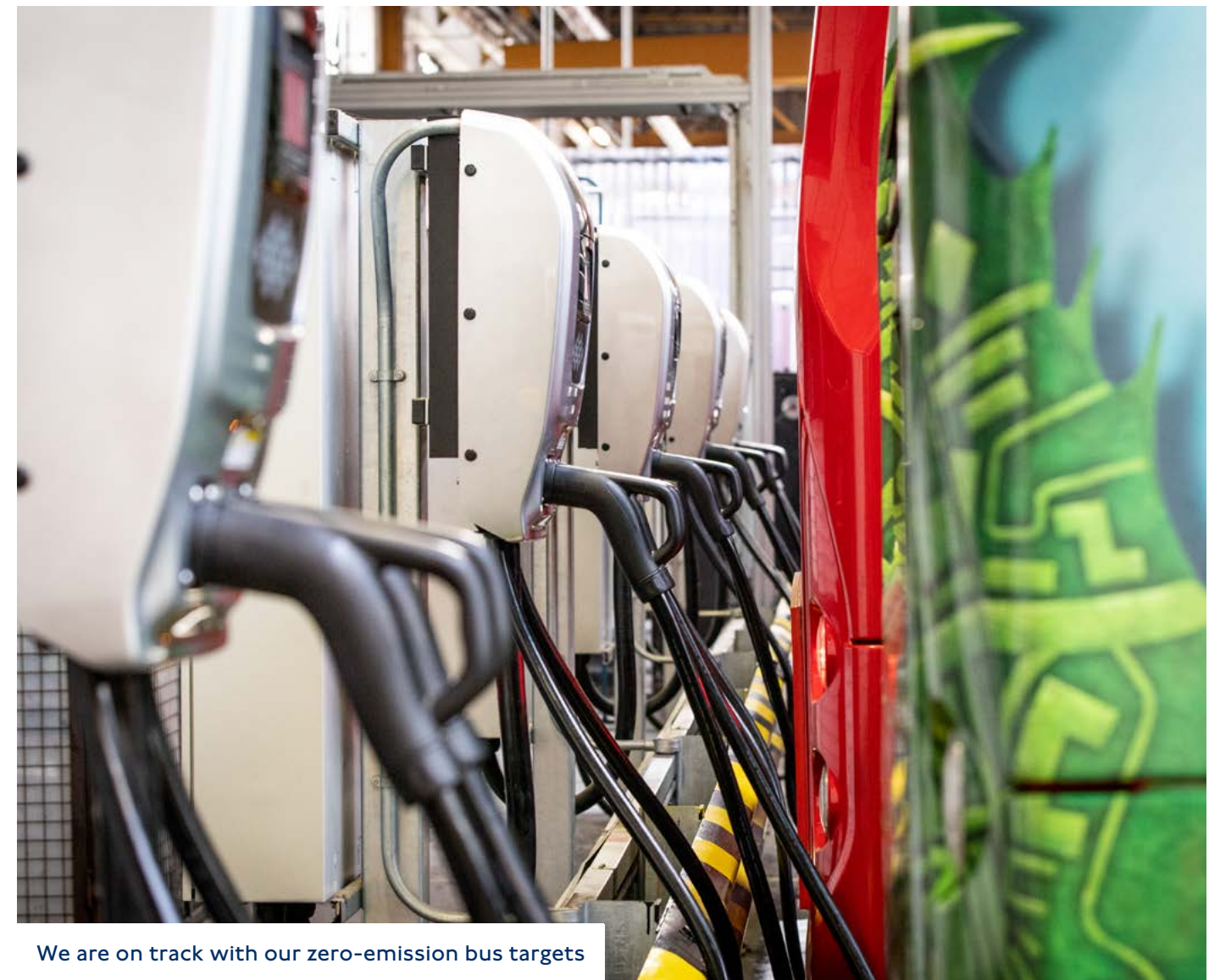
Our wider objective is to convert the entire bus fleet of around 9,000 buses to zero-emission no later than 2034, or even 2030 with additional Government funding. Zero-emission buses help Londoners breathe cleaner air and reduce the impact of road transport on our environment. Decarbonising the bus fleet plays a crucial role in the journey to net-zero and is helping to meet the Mayor's target for London to be a net-zero city by 2030.

Electric vehicle infrastructure strategy and delivery

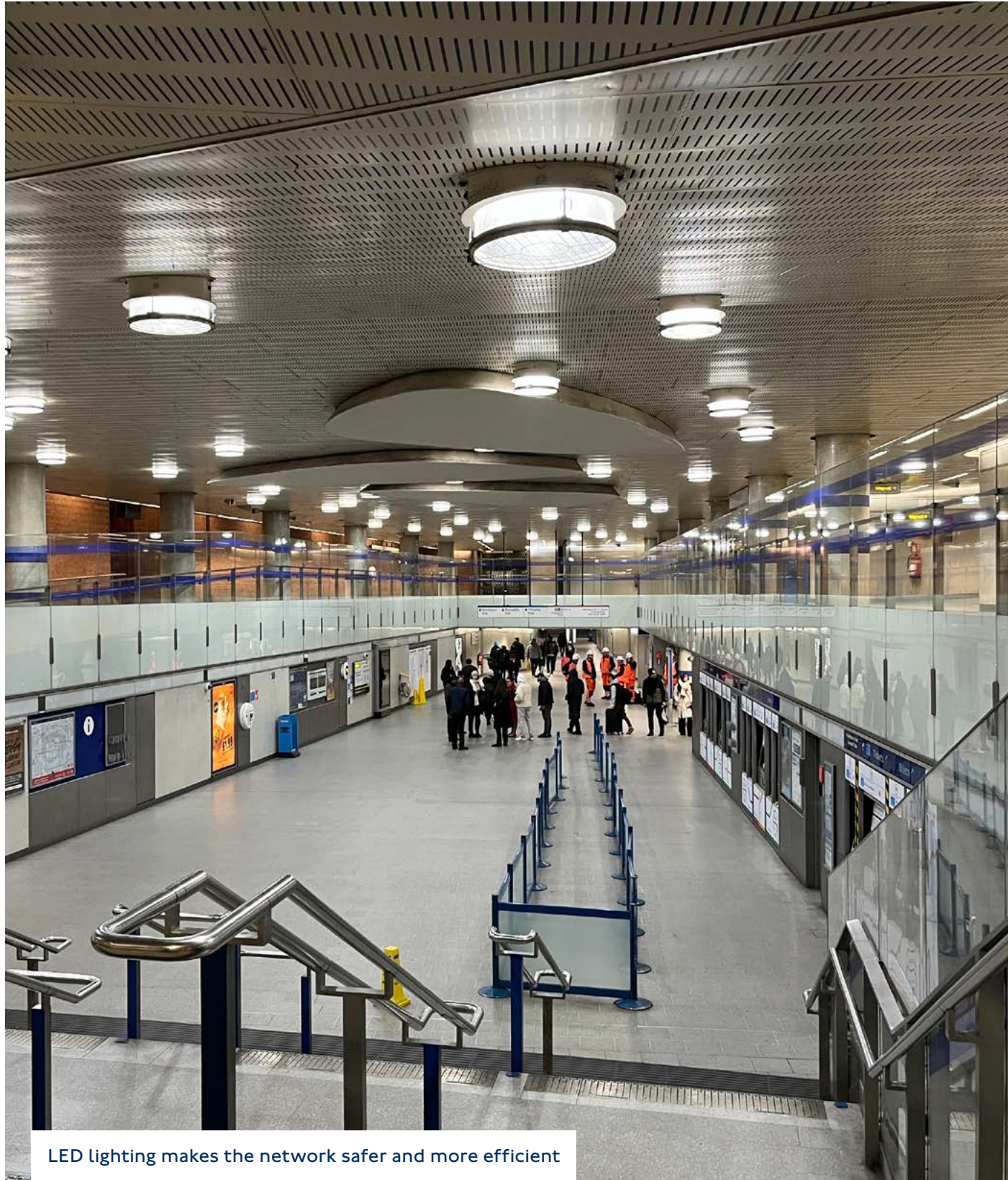
On 11 December, we published a commercial vehicle dashboard to show where there is a higher need for public charging points for

vans in London. The dashboard, now live on our website, includes a heatmap showing which areas will need more rapid charging as well as slow-to-fast charging for light commercial vehicles, helping to target delivery, reduce carbon emissions and adapt to climate change.

In November 2023, the second and third contracts were signed with charge point operator Zest. This means a total of three contracts have been signed with Zest, which will provide rapid and ultra-rapid charging points across 100 parking bays on our roads.



We are on track with our zero-emission bus targets



LED lighting makes the network safer and more efficient

Having reviewed our site assessment criteria, we are now bringing forward new sites across our land and wider GLA land through a second delivery phase.

In addition to the roll out of rapid electric vehicle charging points, the Office of Zero Emission Vehicles has recently announced that London will receive almost £39m of capital funding through the DfT's Local Electric Vehicle Infrastructure fund. This will primarily be used to accelerate the delivery of low-powered charging infrastructure on London borough highways, including for residents without access to off-street parking. It also builds on the 400 fast-charging points that will be delivered by London boroughs by March 2024 using £9.7m of the Local Electric Vehicle Infrastructure pilot funding and additional borough delivery funded by the Government's On-street Residential Charge Point scheme.

Transition to LED lighting

To make our network brighter, safer and more energy efficient we continue to upgrade our lighting with LED technology. This provides a 10 per cent brighter light in our public spaces, making them safer and more welcoming for our passengers, while demonstrating an average energy saving of approximately two-thirds.

On the road network, more than 90 per cent of lights in bus shelters have been converted to LED, with the aim of reaching 100 per cent by the end of the financial year. In addition to this, 67 per cent of street light columns are now using LED lighting and on London Underground, 118 stations have now had LED lighting rolled out, with many more under way. Larger transition projects

completed in 2023 include Oxford Circus station and Neasden Depot, improving lighting in our spaces in the long term, for both our customers and operational staff.

Pilot scheme to recycle PPE

As an organisation, we want to take every opportunity we can to recycle – and it is for that reason that we are currently running a six-month trial scheme to recycle Personal Protective Equipment (PPE). In collaboration with our PPE provider Hayley Rail and clothing and textile disposal specialists Avena Group, this is a new, low-cost scheme whereby all end-of-life PPE items can be placed in a dedicated recycling bin at our Stratford office. The items will be collected by Avena and either recycled into alternative materials such as soundboards, insulation or geotextiles, or converted into pellets for refuse-derived fuel.

We estimate that, by utilising this scheme, we will:

- Save 13.5kg of carbon dioxide for every 1kg of textiles recycled
- Save 1000 litres of water for every 1kg of textiles recycled
- Divert items from incineration routes
- Reduce greenhouse gases

Avena have estimated that we will save the equivalent of 40,404kg of carbon dioxide and 3,120 litres of water per annum with this scheme, when compared against the general waste disposal of PPE.

Our finances

It is important for us to agree a sustainable long-term funding settlement from the Government to help us plan for the future

Route to financial sustainability and capital funding

We are on track to achieve operational financial sustainability this financial year, generating a headline surplus of £144m and no longer relying on Government funding to support our operations.

The Government has consistently recognised that we are not expected to fund major renewals and enhancements through our own operating incomes. We welcome the £250m of Government capital funding announced on 18 December 2023, which will enable us to continue our major rolling stock and signalling programmes in 2024/25, and the reference in the Autumn Statement for funding towards a new bus network in Thamesmead.

Our draft 2024 Business Plan was originally published on 11 December 2023 and assumed £500m of Government capital funding in 2024/25. However, given uncertainty over Government capital investment at that time, the Board was not asked to approve it on 13 December 2023. With funding confirmed, we worked hard to assess the options and identify a number of measures to enable us to deliver the plan.

The Business Plan was therefore approved by the Finance Committee under delegation from the Board on 22 December 2023. These measures undertaken to balance the plan include rephasing the timing of payments and delivery under the contract with Siemens Mobility, who are delivering

the new Piccadilly line trains that are currently under construction. The shortfall in Government capital investment has only been mitigated in the near term and will reduce the amount of valuable investment we can make in future years, unless further funding is agreed.

That is why it is still vitally important that we agree a sustainable long-term funding settlement from the Government that enables us to plan and invest for the infrastructure London will need over the coming decades.

Financial performance to end of Period 9, 2023/24 (9 December 2023)

Our Business Plan, published in December 2023, sets out our strategy for rebuilding our finances, improving efficiency and helping to secure our future. The 2023/24 Budget built on this, demonstrating how we will become operationally financially sustainable this year. We have successfully delivered that strategy so far this year:

Actively grow passenger demand, while creating new sources of revenue to reduce our reliance on fares income

- Cumulative journey growth of almost seven per cent in the year to date. We are targeting six per cent year-on-year journey growth over the full year, on top of the 31 per cent increase in 2022/23
- Passenger journeys are relatively steady at 90 per cent of pre-pandemic levels, up from 85 per cent at the end of 2022/23

Continue to deliver recurring cost savings to remain affordable for customers and taxpayers

- Like-for-like operating costs falling in real terms: six per cent higher than last year despite year-on-year inflation of eight per cent
- Operating costs one per cent lower than Budget, mainly from contingency – held to mitigate risks on operating income – we have now retired

Create and grow an operating surplus based on our own sources of income

- Our headline surplus is £131m, £30m up on Budget in the year to date
- Some small risks remain – on operating income and savings delivery – but we expect to manage these. We have retired the majority of our central contingency
- We remain on track to deliver an operating surplus in 2023/24

Fully fund our capital programme with a long-term government settlement and an affordable level of debt

- In December 2023, the DfT confirmed a capital settlement of £250m for 2024/25. This results in a shortfall of £250m to what we assumed in the Business Plan for 2024/25

- Along with no inflation support from the Government, capital enhancements expenditure has had to slip – we expect to end the year around £80m lower than Budget
- Capital renewals expected to be around £750m, with some acceleration of works in this year
- Maintain cash reserves to make payments and protect against shocks
- Cash balances are slightly lower than Budget and are below £1.2bn as set out in the funding agreement
- The GLA financing facility of £500m has been maintained for additional protection against shocks and risks

Innovation Collaboration Framework

We partnered with Mercedes-Benz and Sopra Steria on our new Innovation Collaboration Framework. It is the first agreement of its kind, and is designed to co-create innovative solutions for London's toughest challenges. The new framework will nurture long-term partnerships and unlock research and development investment, as well as the extensive knowledge and creativity of the partners and their network of small- to medium-sized enterprises and start-ups. Co-developed solutions will have the potential to be scaled to generate mutually beneficial savings and revenue opportunities while supporting an innovative, sustainable city.

New homes and Places for London Limited

South Kensington

We are delighted that our property company, Places for London, and its joint venture partner, Native Land, have received planning consent to restore and enhance South Kensington Underground station and the surrounding streets. Designed by prize-winning architect, RSHP, the proposals were carefully considered to respect the unique and important heritage of the area. The partners worked with historic building specialists, Julian Harrap Architects, on the heritage elements of the scheme.

The proposals aim to create a better station experience for our customers at South Kensington, with step-free access to the Circle and District lines being delivered in the first phases. The partnership will also be improving the surrounding streets and provide much-needed affordable housing, all of which will improve the gateway to London's cultural quarter.

The historic arcade within the Grade II-listed building will be preserved and restored to its former glory, while the wider designs will give the station a new landmark gateway as well as a new accessible entrance. The ground floor will provide retail spaces while the upper levels will offer high-quality, flexible workspace. The scheme includes restaurant units to help support the daytime and evening economy and 50 new homes, with 35 per cent affordable housing.

Education and the built environment

Places for London has an Educational Engagement programme to encourage young people from different backgrounds to consider a career within the built

environment. Since 2021, Places for London has worked with 11 schools, engaged with 2,823 young people, and provided 84 work experience placements within Places for London.

Places for London has recently appointed the Construction Youth Trust as its Educational Engagement programme delivery partner to help bring schools, employers, and students together. Over the next three years, Places for London and the Construction Youth Trust will engage more than 6,750 students and directly support 250 young people to progress into the property industry – building on the engagement already undertaken on projects such as Kidbrooke, alongside Notting Hill Genesis, and Wembley Park and Blackhorse View, with Barratt London.

Housing delivery

At Little Chalfont in Buckinghamshire, we granted air space rights improving access to an adjacent landowner. This landowner subsequently received planning consent for a new development and has sold its land to another company which will implement the scheme. The scheme comprises 367 homes, of which 41 per cent are affordable, together with 100 retirement homes and a 60-room care home. As a result of the sale, we have received a premium of £16.6m.

Places for London is making good progress at Wembley Park with its joint venture partner, Barratt London, on a scheme with 454 new homes, of which 40 per cent are affordable. Meanwhile, some initial works including surveys have already started at Snaresbrook working alongside Pocket Living.

Welcoming new businesses

Places for London currently supports more than 1,500 businesses in our stations, on London's high streets and in railway arches – with 95 per cent of these businesses being small- and medium-sized enterprises. Places for London welcomes new businesses onto its estate every month. At Wood Lane, Blacklisted Galleries, an online and pop-up

art gallery showcasing different genres of art, is one of the new businesses joining Graffiti Life and Afshin Naghouni in Places for London's increasingly diverse cultural offering. Blacklisted Galleries celebrates local communities and provides a media studio putting on events that will showcase talented artists to their audience wherever they are in the world.



Enhancing the South Kensington station area

About us

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport. We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners' and helping to create a safer, fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made by walking, cycling or using public transport by 2041. To make this a reality, we prioritise safety, sustainability, health and the quality of people's experience in everything we do.

We run most of London's public transport services, including the London Underground, London Buses, the DLR, London Overground, Elizabeth line, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the IFS Cloud Cable Car.

We manage the city's red route strategic roads and are responsible for the maintenance, management and operation of more than 6,000 sets of traffic lights across the capital. The London boroughs are responsible for all the remaining roads within their boundaries. The experience, reliability and accessibility of our services are fundamental to Londoners' quality of life. Safety remains our number one priority and we continue to work tirelessly to improve safety across the network for both colleagues and customers.

Our vision is to be a strong, green heartbeat for London. We are investing in green infrastructure, improving walking and cycling, reducing carbon emissions, and making the city's air cleaner. The Ultra Low Emission Zone, and fleets of increasingly environmentally friendly and zero-emission buses, are helping to tackle London's toxic air. We are also improving public transport options, particularly in outer London, to ensure that more people can choose public transport or active travel over using their vehicles.

That is why we are introducing the outer London Superloop bus network, providing express bus routes circling the entire capital, connecting outer London town centres, railway stations, hospitals and transport hubs.

We have constructed many of London's most significant infrastructure projects in recent years, using transport to unlock economic growth and improve connectivity. This includes major projects like the extension of the Northern line to Battersea Power Station and Nine Elms in south London, as well as the completion of the London Overground extension to Barking Riverside and the Bank station upgrade.

The Elizabeth line, which opened in 2022, has quickly become one of the country's most popular railways, adding 10 per cent to central London's rail capacity and supporting new jobs, homes and economic growth. We also use our own land to provide thousands of new affordable

homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means using information, data and technology to make services intuitive and easy to use and doing all we can to make streets and transport services accessible and safe to all. We reinvest every penny of our income to continually improve transport networks for the people who use them every day. None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. By working together, we are creating brighter journeys and a better city.

Board

Date: 7 February 2024

Item: Finance Report – Quarter 3, 2023/24

This paper will be considered in public

1 Summary

1.1 The Finance Report included at Appendix 1 sets out TfL's financial results to the end of Quarter 3, 2023/24 (the year-to-date ending 9 December 2023).

2 Recommendation

2.1 **The Board is asked to note the Finance Report.**

3 Financial Reporting to the Board

Finance Report – Quarter 3, 2023/24

3.1 The Finance Report provides a summary of year-to-date financial performance against the Budget approved by the Board on 29 March 2023 and last year.

List of appendices to this report:

Appendix 1: Finance Report

List of Background Papers:

None

Contact Officer: Rachel McLean, Chief Finance Officer
Email: rachelmclean@tfl.gov.uk

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Finance Report

Quarter 3, 2023/24

Management results from 1 April 2023 – 9 December 2023

Board

7 February 2024



We are delivering on our financial strategy to rebuild our finances

Our 2023 TfL Business Plan set out our strategy for rebuilding our finances, improving efficiency and helping to secure our future. The 2023/24 Budget built on this, demonstrating how we will become operationally financially sustainable this year. We have successfully delivered that strategy so far this year:

Actively grow passenger demand, while creating new sources of revenue to reduce our reliance on fares income

- Cumulative journey growth of almost 7% in the year to date. We are targeting 6% year-on-year journey growth over the full year, on top of the 31% increase in 2022/23
- Passenger journeys are relatively steady at 90% of pre-pandemic levels, up from 85% at the end of 2022/23.

Continue to deliver recurring cost savings to remain affordable for customers and taxpayers

- Like-for-like operating costs falling in real terms: 6% higher than last year despite year-on-year inflation of 8%
- Operating costs 1% lower than Budget, mainly from contingency – held to mitigate risks on operating income which we have now retired

Create and grow an operating surplus based on our own sources of income

- Our headline surplus is £131m, £30m up on Budget in the year to date
- Some small risks remain – on operating income and savings delivery – but we expect to manage these. We have retired the majority of our central contingency
- Remain on track to deliver an operating surplus in 2023/24.

Fully fund our capital programme with a long-term Government settlement and an affordable level of debt

- With no inflation support provided by Government, capital enhancements expenditure has had to slip – we expect to end the year around £80m lower than Budget
- Capital renewals expected to be around £750m, with some acceleration of works in this year.
- In December 2023, the DfT confirmed a capital settlement of £250m for 2024/25. The 2024 Business Plan was revised to mitigate the £250m shortfall to our original assumption.

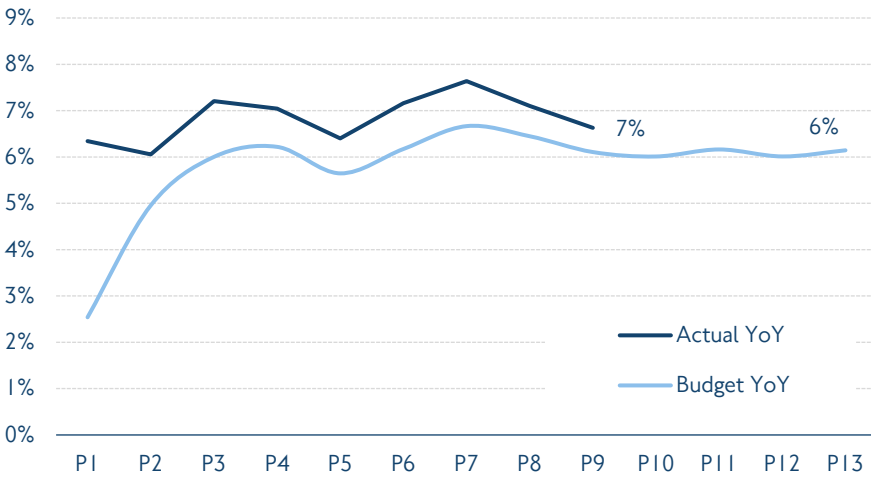
Maintain cash reserves to make payments and protect against shocks

- Cash balances are slightly lower than Budget and are below £1.2bn as set out in the funding agreement
- The GLA financing facility of £500m has been maintained for additional protection against shocks and risks.



Headlines

Total passenger journeys up almost 7% year-on-year to Quarter 3, 90% of pre-pandemic levels. Targeting 6% year on year growth over the full year



Passenger income higher than pre-pandemic levels in cash terms, from combination of journey recovery and Elizabeth line services

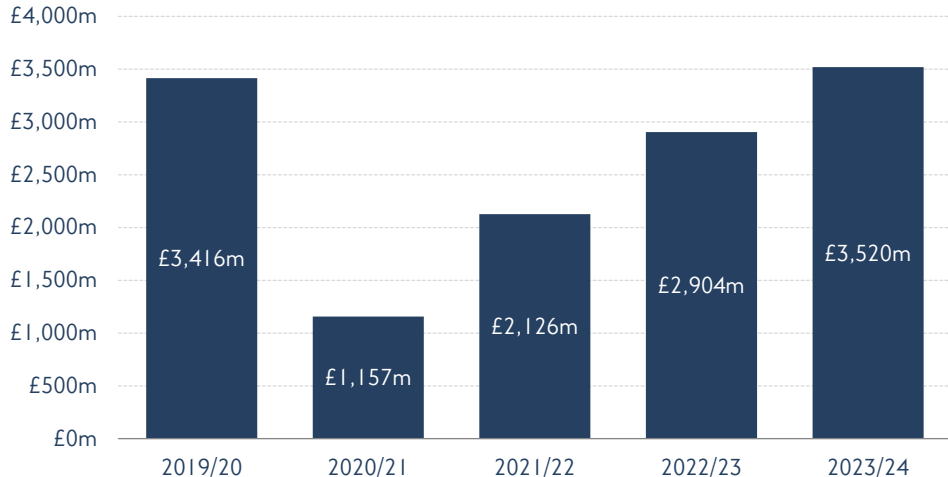
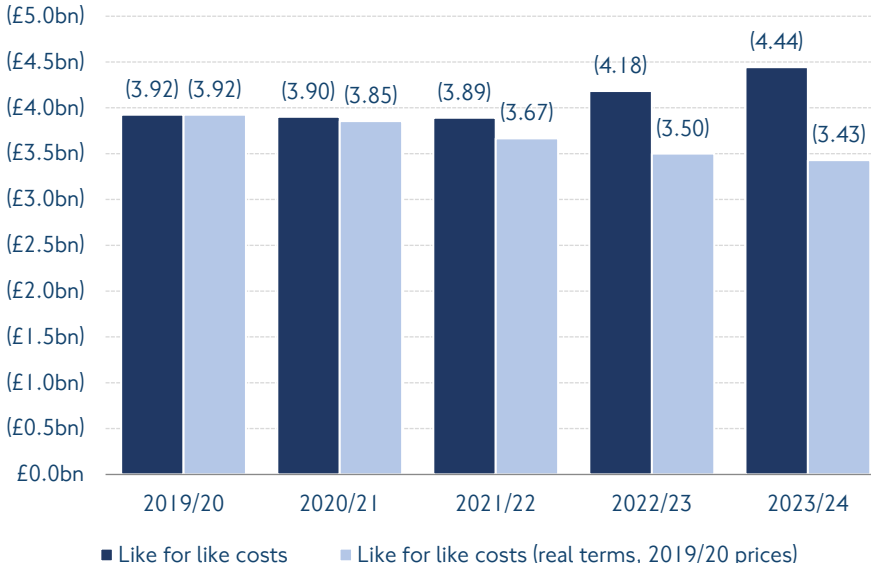
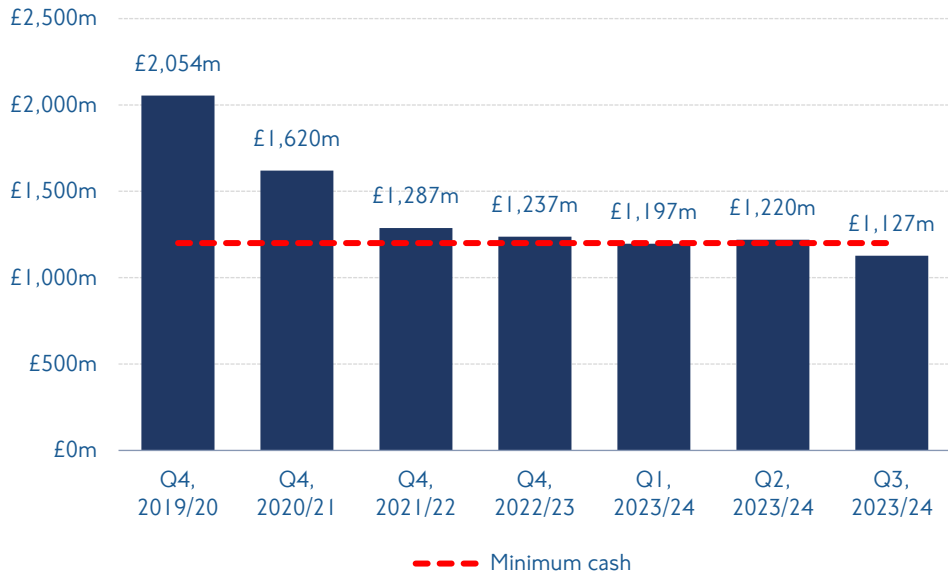


Chart shows results to end of Quarter 3 for each year

Like-for-like operating costs 6.2% higher than last year, but down in real terms as inflation at 8.4%



We continue to maintain average cash balances below £1.2bn in line with the funding settlement condition



Passenger journeys

In 2023/24 we have budgeted 6% underlying year on year growth in demand. Journeys to date are positive, with cumulative growth of almost 7%.

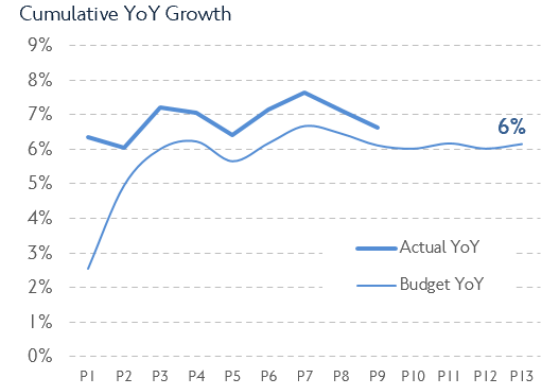
TfL passenger journeys are 12 million better than Budget. LU and Rail journeys continue to perform strongly in the year to date, offsetting slower growth on buses, where we have seen lower demand from passengers with concessionary tickets.

Very strong period for LU with daily journeys surpassing 4 million on 8 separate days. On Thursday 7 December, journeys were 4.4 million. The pre-covid peak was 7 December 2018 at 5.0 million journeys.

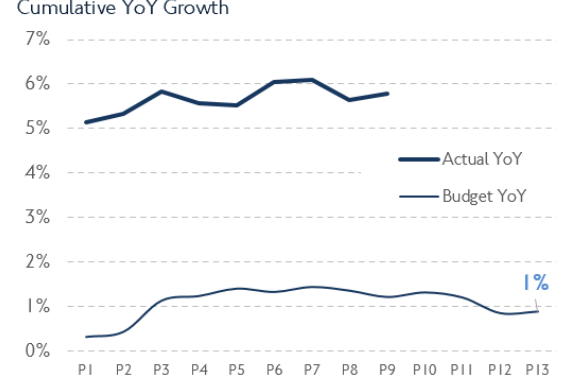
LU and DLR journeys are higher than expected as the assumed impact of Elizabeth line new services to these modes is less than expected.

Passenger journeys year-on-year growth and comparison to Budget

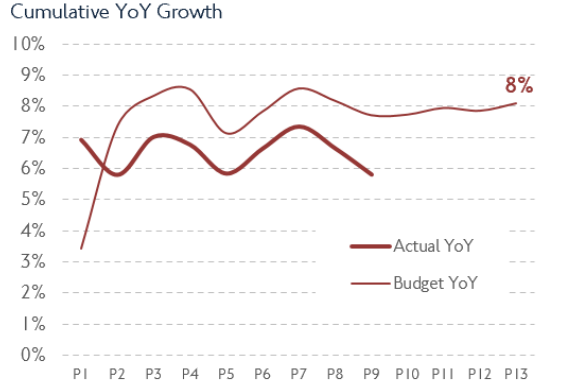
| TfL | % Growth period / budget | | Absolute m | | Var to Bud m |
|-----|--------------------------|------|------------|-------|--------------|
| | 3.3% | 3.7% | P | 295 | (1.1) |
| | | | Y | 2,485 | 12.2 |



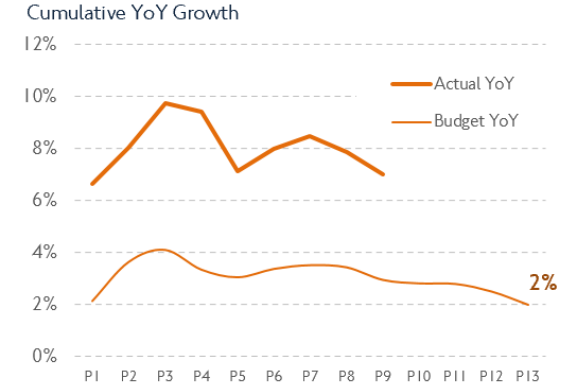
| LU | % Growth period / budget | | Absolute m | | Var to Bud m |
|----|--------------------------|----|------------|-----|--------------|
| | 7% | 0% | P | 102 | 6.4 |
| | | | Y | 825 | 35.8 |



| Bus | % Growth period / budget | | Absolute m | | Var to Bud m |
|-----|--------------------------|----|------------|-------|--------------|
| | 0% | 4% | P | 151 | (6.9) |
| | | | Y | 1,302 | (23.5) |



| Rail | % Growth period / budget | | Absolute m | | Var to Bud m |
|------|--------------------------|----|------------|-----|--------------|
| | 1% | 0% | P | 24 | 0.3 |
| | | | Y | 212 | 8.0 |

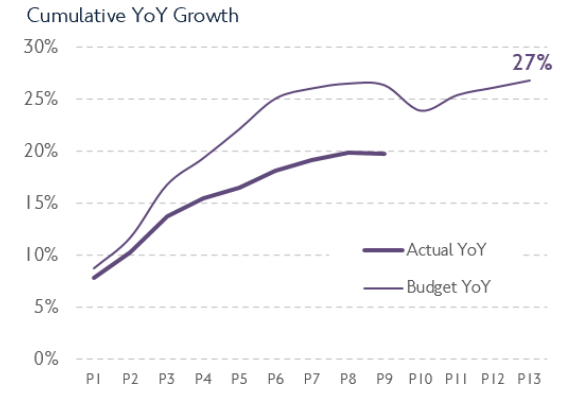


| LO | % Growth period / budget | | Absolute m | | Var to Bud m |
|----|--------------------------|----|------------|-----|--------------|
| | 4% | 1% | P | 15 | 0.4 |
| | | | Y | 128 | 4.5 |

| DLR | % Growth period / budget | | Absolute m | | Var to Bud m |
|-----|--------------------------|-----|------------|----|--------------|
| | -5% | -5% | P | 8 | 0.1 |
| | | | Y | 70 | 5.5 |

| Tram | % Growth period / budget | | Absolute m | | Var to Bud m |
|------|--------------------------|-----|------------|----|--------------|
| | 0% | 10% | P | 2 | (0.2) |
| | | | Y | 14 | (1.9) |

| EL | % Growth period / budget | | Absolute m | | Var to Bud m |
|----|--------------------------|-----|------------|-----|--------------|
| | 19% | 25% | P | 18 | (1.0) |
| | | | Y | 146 | (8.0) |



EL journeys are estimates and are subject to revision

Income statement

Total revenue is in line with Budget. Passenger income is £64m higher, which is offset by lower revenue top up from Government.

Operating costs are £27m lower than Budget. We are seeing some timing differences on savings delivery and higher ULEZ scrappage payments with the scheme expanded from £110m to £160m, which was confirmed after the Budget was approved – these costs are offset in other revenue grants) and some cost pressures from bus operators, through improved performance. These cost pressures have been offset by staff cost savings, one offs, and central contingency – held to mitigate uncertainty on other operating income – which has now been retired.

Capital renewals are £6m lower than Budget; we expect delivery to be higher than Budget this year.

Income statement (£m)

| £m | Year to date, 2023/24 | | | Year to date, 2022/23 | | |
|---|-----------------------|--------------|--------------------|-----------------------|-----------------------|--|
| | Actuals | Budget | Variance to Budget | Last year | Variance to last year | |
| Underlying passenger income | 3,520 | 3,456 | 64 2% | 2,904 | 616 21% | |
| DfT revenue top up | 46 | 150 | (104) -70% | 51 | (6) -11% | |
| Passenger income | 3,565 | 3,606 | (40) -1% | 2,955 | 610 21% | |
| Other operating income | 1,050 | 1,076 | (27) -2% | 1,064 | (14) -1% | |
| Business Rates Retention | 1,325 | 1,325 | 0 0% | 1,290 | 35 3% | |
| Other revenue grants | 274 | 212 | 62 29% | 671 | (397) -59% | |
| Revenue | 6,214 | 6,219 | (5) 0% | 5,980 | 234 4% | |
| Operating costs | (5,298) | (5,325) | 27 1% | (4,825) | (473) -10% | |
| Operating surplus before interest and renewals | 916 | 894 | 22 2% | 1,155 | (240) -21% | |
| Capital renewals | (498) | (505) | 6 1% | (380) | (118) -31% | |
| Net interest costs | (286) | (287) | 1 0% | (295) | 9 3% | |
| Operating surplus / (deficit) | 131 | 102 | 30 102% | 480 | (349) -654% | |

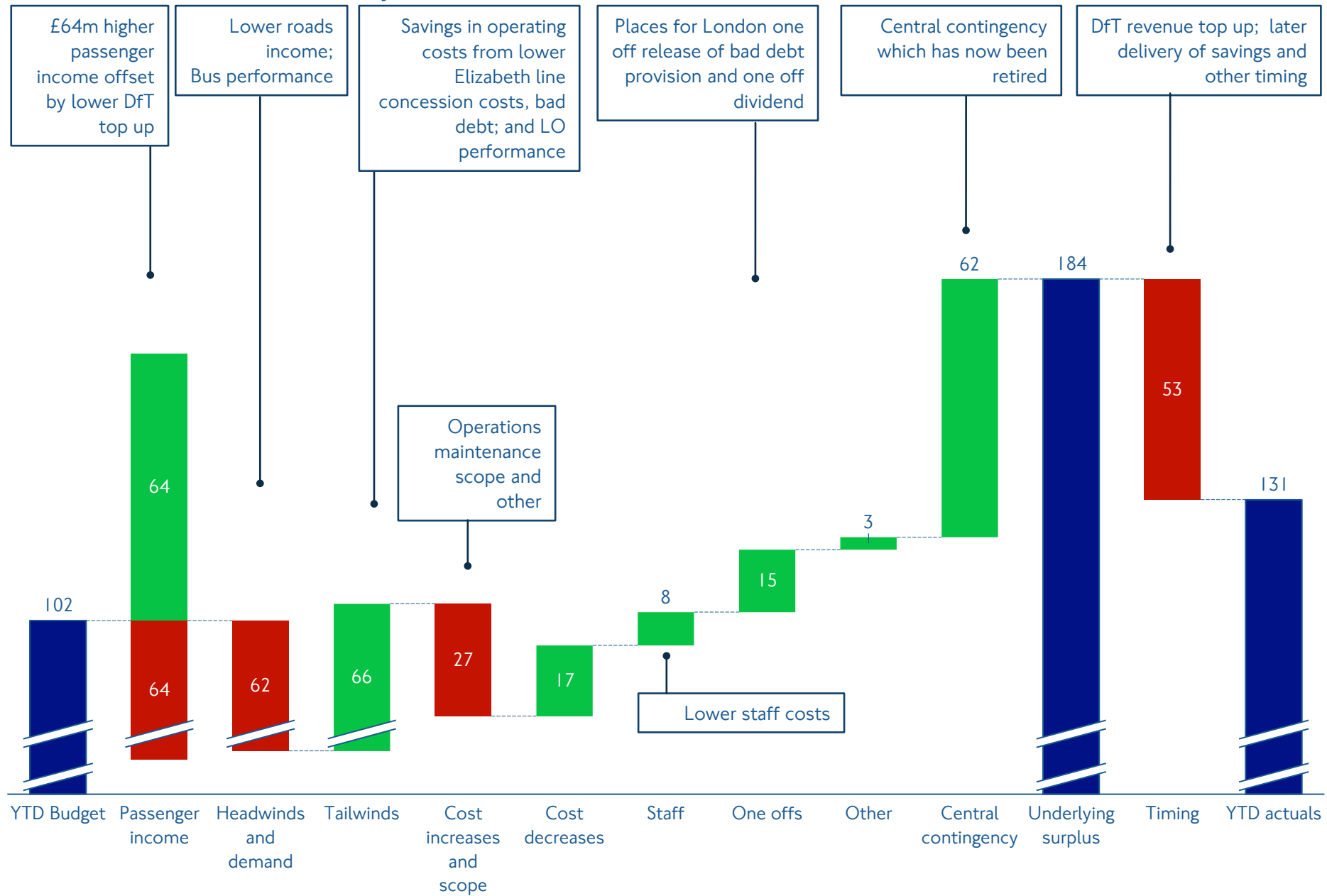
Income statement includes Places for London

Income statement

The underlying surplus – after adjusting for timing differences on savings and capital renewals - is £184m, £82m better than Budget and broadly in line with the outturn presented in our 2024 Business Plan.

Most of our central contingency – previously held for financial risks on other operating income – has now been retired, with risks and opportunities broadly balanced for the remainder of the year.

Income statement variances by cause (£m)



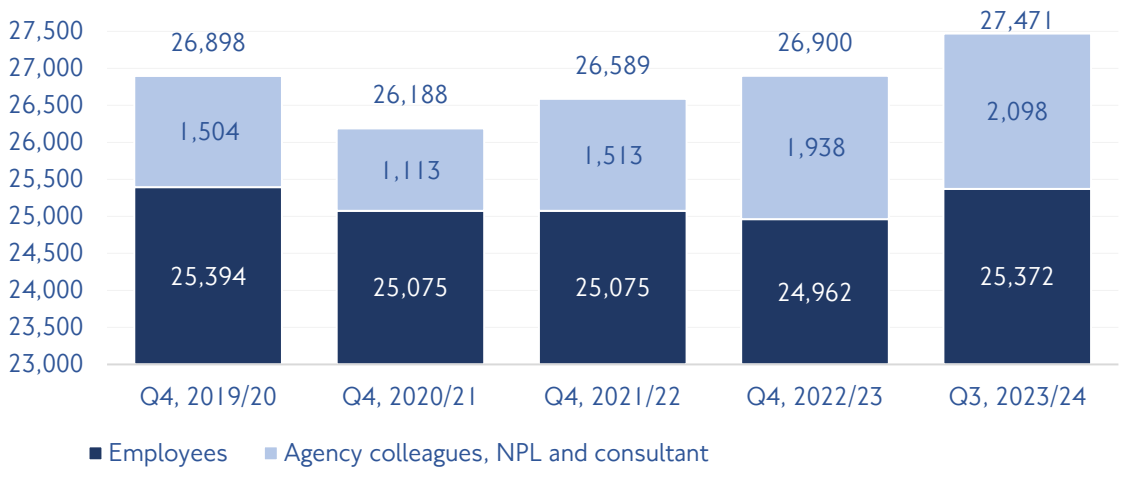
Colleagues

Total colleague numbers are now over 500 above pre-pandemic levels. This reflects the ramp up of our capital programme and new services introduced in the last three years, including the Elizabeth line, Northern Line Extension and Barking Riverside extension.

Permanent employee numbers are in line with pre-pandemic levels, and up on last year, driven by recruitment of graduates and apprenticeship trainees.

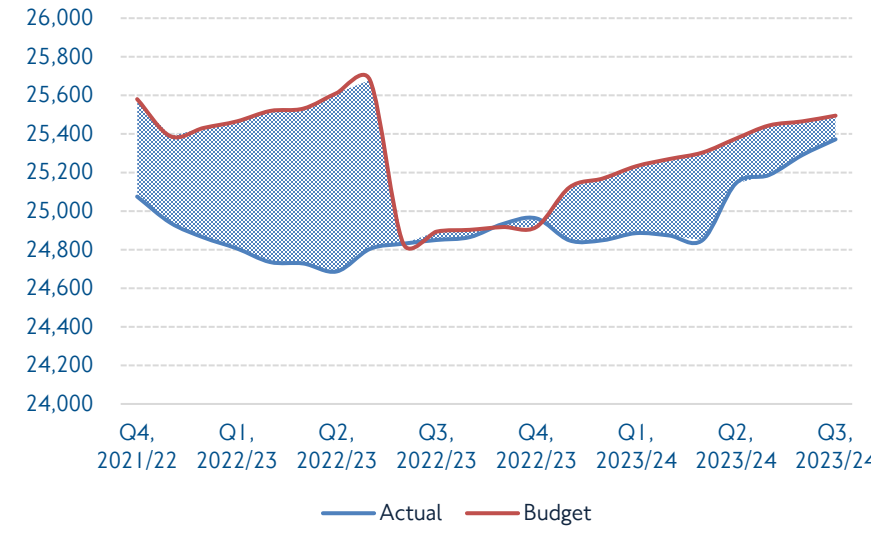
Agency and NPL colleagues have increased by almost 600 since the end of 2019/20, but remain significantly lower than 2015/16 levels. NPL offers flexibility, particularly through time of change and temporary peaks in demand.

Headcount trends since 2019/20



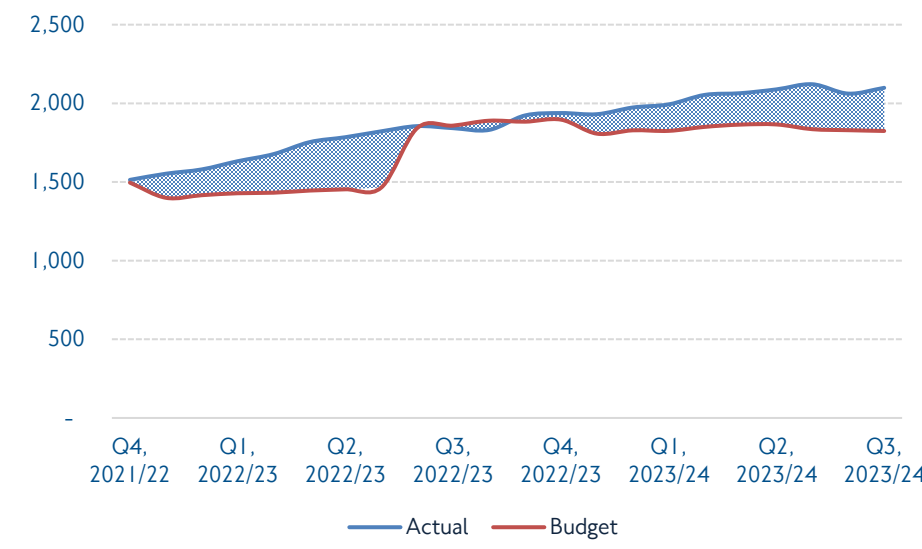
Permanent colleagues (FTE): actuals and Budget

Permanent employees up by over 400 since the end of 2022/23, mostly driven by the recruitment of graduate and apprenticeship trainees. Staff levels are below Budget in Q3, however this gap is narrowing.



Agency and NPL colleagues (FTE): actuals and Budget

Agency and NPL FTE up by 160 since the end of 2022/23, and are slightly higher than Budget in Q3. This is driven by labour market challenges.



Capital renewals

Capital renewals are £6m lower than Budget in the year to date, but significantly higher than last year. We have seen some underspend in the early periods, largely driven by historical accrual releases in Streets, Bus & RSS Renewals programme and slippage in Technology, including Enterprise Resource Planning and Payments projects.

Renewals delivery has been strong during 2023/24 and our current trajectory is to deliver £750m of spend as set out in our 2024 Business Plan.

| £m | Year to date, 2023/24 | | | | Year to date, 2022/23 | | |
|---------------------------------------|-----------------------|--------------|--------------------|-----------|-----------------------|-----------------------|-------------|
| | Actuals | Budget | Variance to Budget | | Last year | Variance to last year | |
| Major Projects | (4) | (3) | (1) | -27% | (3) | (1) | -49% |
| Four Lines Modernisation | (4) | (3) | (1) | -20% | (3) | (1) | (0) |
| Silvertown Tunnel | (0) | 0 | (0) | 0% | 0 | (0) | 0% |
| Programmes | (495) | (501) | 7 | 1% | (377) | (117) | -31% |
| Safe & Healthy Streets | (0) | (1) | 1 | 100% | 0 | (0) | 101% |
| Streets, Bus & RSS Renewals | (113) | (122) | 9 | 7% | (97) | (17) | -17% |
| Environment | (12) | (15) | 3 | 19% | (8) | (4) | -54% |
| Rail & Station Enhancements | (3) | (7) | 3 | 47% | (5) | 2 | 36% |
| LU Renewals | (271) | (246) | (25) | -10% | (197) | (74) | -38% |
| Technology | (86) | (102) | 16 | 16% | (65) | (21) | -32% |
| Estates Directorate | (5) | (6) | 1 | 14% | (1) | (4) | -795% |
| Elizabeth Line | 0 | 0 | 0 | 0% | (1) | 1 | 100% |
| Other (TPH, City Planning, Group etc) | (3) | (3) | (0) | -11% | (5) | 1 | 30% |
| Total | (498) | (504) | 6 | 1% | (380) | (118) | -31% |

Capital enhancements

Enhancements spend is £69m lower than Budget, driven by:

- DLR RS: £28m underspend driven by Buckingham Group performance and subsequent administration delaying Maintenance Facility Building works.
- Environment: £21m underspend largely in LW-ULEZ programme driven by optimisation of cameras delivery, and recognising rapid and mobile camera response costs in Investment Programme operating costs.
- Technology: £41m slippage largely driven by change in delivery approach of Telecoms Commercialisation Project 2 (simultaneous delivery of 4G & 5G): a third party funded project.

We are expecting to end the year around £80m lower than Budget, following the Government's decision not to provide additional inflation support for 2023/24.

| £m | Year to date, 2023/24 | | | | Year to date, 2022/23 | | |
|--|-----------------------|--------------|--------------------|------------|-----------------------|-----------------------|-------------|
| | Actuals | Budget | Variance to Budget | | Last year | Variance to last year | |
| Major Rolling Stock and Signalling | (510) | (518) | 8 | 1% | (306) | (204) | -67% |
| Four Lines Modernisation | (70) | (69) | (0) | -1% | (82) | 13 | 16% |
| DLR Rolling Stock Replacement | (146) | (173) | 28 | 16% | (66) | (79) | -119% |
| Piccadilly Line Upgrade | (293) | (273) | (20) | -7% | (157) | (137) | -87% |
| Bakerloo Line Trains | 0 | 0 | 0 | 0% | 0 | 0 | 0% |
| Trams - project | (1) | (2) | 1 | 32% | (1) | (1) | -147% |
| Other Enhancements | (226) | (287) | 61 | 21% | (202) | (24) | -12% |
| Silvertown Tunnel | (6) | (11) | 5 | 47% | (11) | 5 | 46% |
| Northern Line Extension | 0 | (0) | 0 | 1 | (0) | 0 | 2 |
| Barking Riverside | (1) | 4 | (5) | 119% | (3) | 2 | 75% |
| Bank Station Capacity Upgrade | (6) | (7) | 2 | 23% | (50) | 44 | 89% |
| Elizabeth Line | (0) | (2) | 2 | 84% | 2 | (2) | 120% |
| Safe & Healthy Streets | (78) | (82) | 4 | 4% | (42) | (36) | -86% |
| Environment | (66) | (87) | 21 | 24% | (33) | (34) | -102% |
| Streets, Bus & RSS Renewals | 0 | 0 | 0 | 0% | (3) | 3 | 104% |
| LU Renewals | (4) | (12) | 8 | 70% | (8) | 5 | 58% |
| Estates Directorate | (2) | (2) | 0 | 20% | (1) | (1) | -208% |
| Rail & Station Enhancements (excl. Trams) | (29) | (30) | 1 | 2% | (15) | (14) | -91% |
| Technology | (36) | (76) | 41 | 53% | (43) | 7 | 16% |
| Network Development & Third Party Pipeline | (1) | (1) | (0) | -26% | 0 | (1) | 0% |
| Other (TPH, City Planning, OP, Group etc) | 2 | 20 | (18) | 88% | 5 | (2) | 48% |
| London Transport Museum | (1) | (1) | 1 | 47% | (0) | (0) | -124% |
| Total TfL excl Places and Crossrail | (736) | (805) | 69 | 9% | (508) | (228) | -45% |
| Places for London | (68) | (97) | 29 | 30% | (39) | (29) | -74% |
| Crossrail | (36) | (70) | 33 | 48% | (172) | 136 | 79% |
| Total | (840) | (971) | 131 | 13% | (719) | (121) | -17% |

Cash flow statement

Cash balances are £1.13bn at the end of Quarter 3, almost £80m lower than Budget. This was driven by lower short-term borrowing and temporary adverse working capital.

Cash balances

| £m | Year to date, 2023/24 | | | Year to date, 2022/23 | | |
|------------------------|-----------------------|--------------------|------------|-----------------------|-----------------------|-----------|
| | Actuals | Variance to Budget | | Actuals | Variance to last year | |
| Opening balance | 1,237 | 37 | 3% | 1,287 | (50) | -4% |
| Change in cash balance | (110) | (115) | -2468% | (252) | 141 | -56% |
| Closing balance | 1,127 | (77) | -6% | 1,036 | 92 | 9% |

Cash flow statement

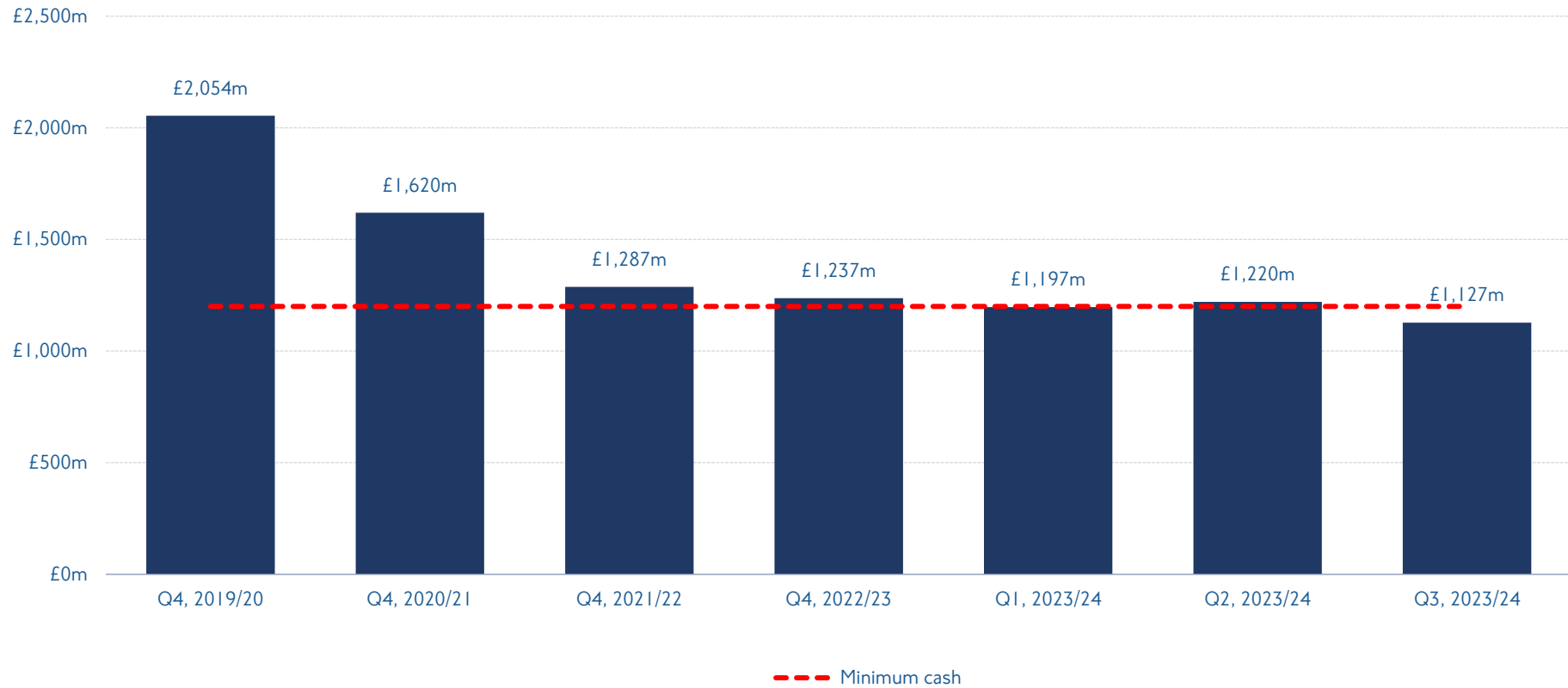
| £m | Year to date, 2023/24 | | | Year to date, 2022/23 | | |
|---|-----------------------|--------------------|---------------|-----------------------|-----------------------|-------------|
| | Actuals | Variance to Budget | | Actuals | Variance to last year | |
| Operating surplus before capital renewals and interest | 916 | 22 | 2% | 1,155 | (240) | -21% |
| Less Places, LTIG and LTM | (30) | (15) | 103% | (20) | (11) | 53% |
| <i>Cash generated / (used) from operating activities</i> | 885 | 7 | 1% | 1,135 | (250) | -22% |
| Capital renewals | (498) | 6 | -1% | (380) | (118) | 31% |
| New capital investment | (736) | 69 | -9% | (508) | (228) | 45% |
| Investment grants and ring-fenced funding | 601 | 54 | 10% | 49 | 552 | 1123% |
| Working capital movements | 71 | (140) | -66% | 113 | (42) | -37% |
| <i>Cash generated / (used) from investing activities</i> | (562) | (10) | 2% | (726) | 164 | -23% |
| Free cash flow | 323 | (4) | -1% | 410 | (87) | -21% |
| Net interest costs | (286) | 1 | 0% | (295) | 9 | -3% |
| Existing debt maturing | (129) | 0 | 0% | (634) | 505 | -80% |
| New debt issued | 100 | 6 | 6% | 554 | (454) | -82% |
| Short-term net borrowing change | (118) | (118) | N/A | (286) | 168 | -59% |
| <i>Cash generated / (used) from financing activities</i> | (433) | (111) | 34% | (661) | 228 | -34% |
| Change in cash balance | (110) | (115) | -2468% | (252) | 141 | -56% |

Cash balances

Total cash balances (excl. cash balances identified for Crossrail construction) are just over £1.1bn at the end of Quarter 3, just over £100m lower than at the end of last year.

A requirement of the current funding agreement is that our cash balances will average no more than £1.2bn for the duration of the agreement.

Cash balances



Cash balances reduced from £2,054m at the end of 2019/20 to £1,237m at the end of 2022/23 and are now £1,127m at the end of Quarter 3, 2023/24

Reserves

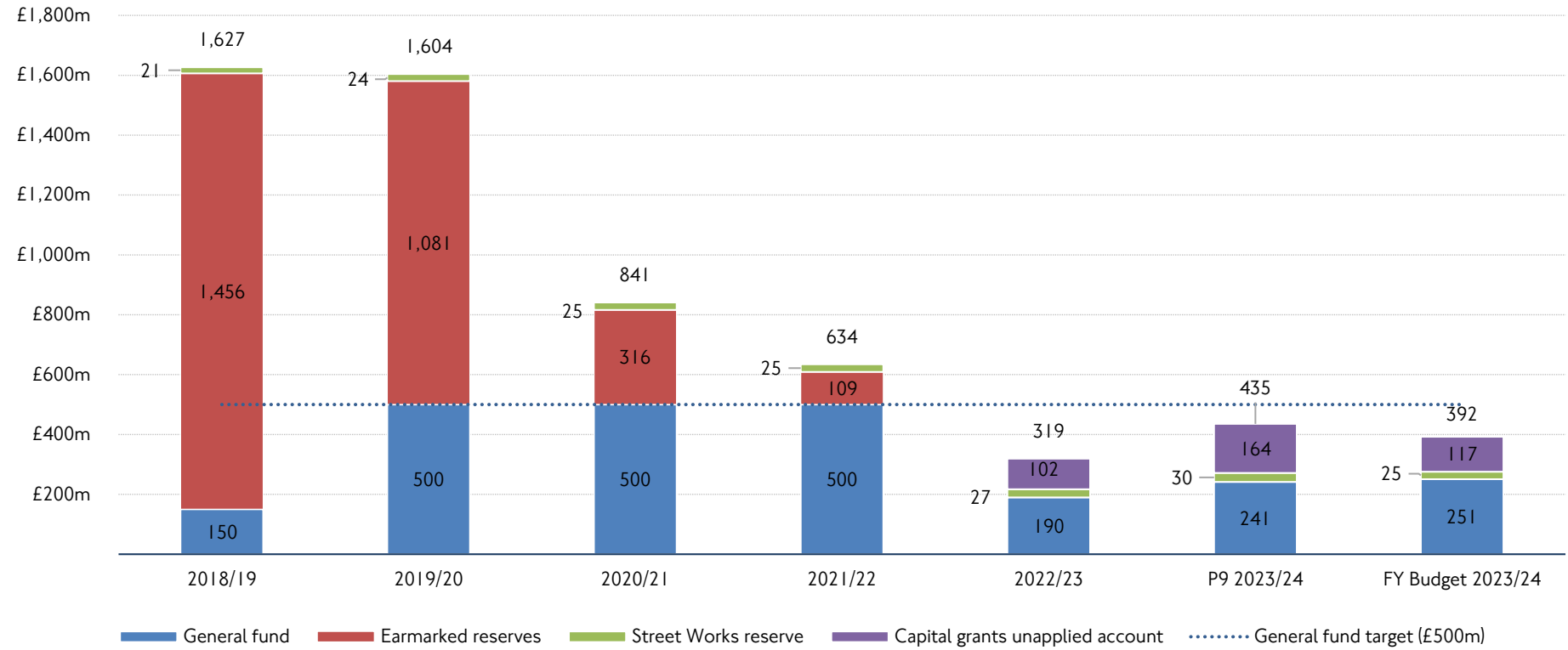
The pandemic has seen a material reduction in TfL’s useable reserves, which consist of its General Fund and Earmarked Reserves.

Usable reserves are generally lower than TfL’s cash balance, as elements of cash will be restricted for certain purposes and because cash payments are made in arrears in-line with supplier payment terms.

At the end of 2022/23, TfL’s General Fund reserves fell below our target of £500m, although this was largely driven by the purchase of the Class 378 rolling stock. The savings from this purchase will further support TfL as it rebuilds its usable reserves.

The 2024 Business Plan sets out our plan to grow useable reserves back to target levels by the end of 2025/26.

Usable reserves (£m)



- Usable reserves of the Corporation are those that can be applied to fund future expenditure. They are made up of the General Fund, Earmarked Reserves, the Capital Grants Unapplied Account and the Street Works Reserve
- The General Fund represents sufficient cash-backed reserves held by the Group to cover risks that may arise. The Group has a target General Fund balance of £500m, which was increased from £150m at the start of the pandemic in March 2020
- The primary reason for falling below the benchmark at the end of the 2022/23 financial year was the transaction in March 2023 to purchase the Class 378 rolling stock for £277m. The saving in lease financing over the life of the asset will further support TfL as it rebuilds its usable reserves
- At P9, usable reserves are tracking above the full year figure due to timing of the DfT capital grant receipts of £565m to P9 (of FY Budget £696m), which are recognised in usable reserves when received rather than straight lined.

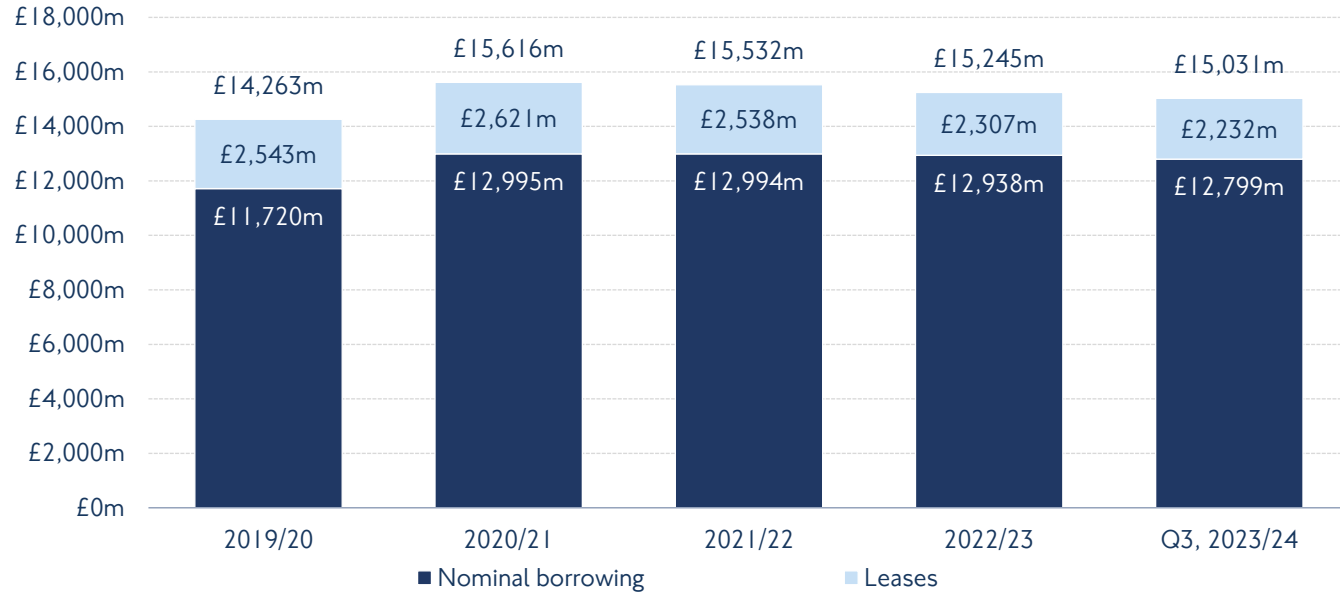
Debt

We have borrowed from a range of sources to help fund our capital programme, including Crossrail and major upgrades to our tube network.

Our level of outstanding borrowing has decreased by £138m for the year up to Quarter 3, bringing our total borrowing balance to £12,799m. This is largely driven by a reduction in our short-term borrowing, to suit our cash and liquidity needs.

Under the new capital funding agreement with Government in December 2023, we will receive £245m of funding before the end of the 2023/24 financial year. As a result of this, we expect to defer some borrowing planned for this year into 2024/25 as set out in our 2024 Business Plan.

Total debt (£m)



93%

93% of our borrowing is at a fixed rate of interest

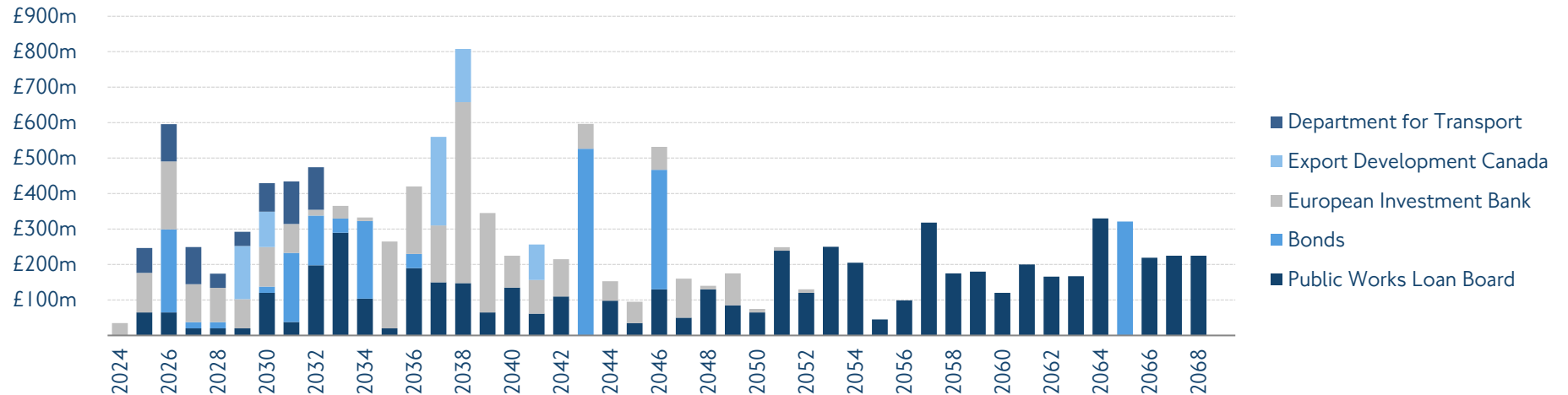
3.5%

The weighted average interest rate on our borrowing is 3.5%

19.3 years

The weighted average tenor of our borrowing is 19.3 years

TfL borrowing maturity profile



The borrowing maturity profile excludes £417m of short-term borrowing, which we generally continue to re-issue on a rolling basis.

Credit ratings

We are rated by three major credit rating agencies. This allows us to attract interest from a wide pool of investors and gives us access to a range of funding sources.

Moody's upgraded our LT rating to A3 and changed the outlook from stable to positive, in November and Fitch has reaffirmed our rating in January 2024.

There have been no other changes since our last Finance Update to the Finance Committee.

| | Standard & Poor's | Moody's | Fitch |
|-----------------------|-------------------|---------------|--------------|
| Long-term rating | A+ | A3 | AA- |
| Outlook | Positive | Positive | Negative |
| Short-term rating | A-1 | P-2 | F1+ |
| Last changed/affirmed | May 2023 | November 2023 | January 2024 |

Standard and Poor's (S&P)

- S&P affirmed our credit rating at A+/A-1 in May 2023 and revised the outlook to positive (from stable). This is a positive movement on the outlook and reflects S&P's view that recovering ridership and cost controls should result in higher financial flexibility. S&P issued the bulletin "Transport for London Fare Freeze: Yet Another Twist" on 22 January 2024. S&P confirmed the fares freeze is fully funded and their expectation that TfL will continue to improve its operating account. However, S&P are concerned over the continued lack of predictability, and the residual uncertainty over LT capital funding.

Moody's

- On 15 November 2023, Moody's upgraded our long-term credit rating from Baa1 to A3 and changed the outlook from stable to positive. This reflects the recovery to date and the work into achieving ongoing financial sustainability. The positive outlook reflects Moody's expectation that we will continue to build our financial surplus. A sustained improvement in operating performance and a multi-year funding agreement with Government with minimal conditions could lead to a further upgrade.

Fitch

- On 26 January 2023, Fitch upgraded our long-term credit rating from A+ to AA-. This reflects our improving financial profile and Fitch's assessment of the link between TfL and the UK Government. Fitch have assigned a negative outlook, which reflects the negative outlook they have assigned to the UK Government's credit rating. Fitch has reaffirmed our credit rating in January 2024.

Board



Date: 7 February 2024

Item: TfL Viewpoint Survey Results 2023

This paper will be considered in public.

1 Summary

1.1 This paper provides an update on the key themes to emerge from our annual Viewpoint employee survey in 2023 and how we are responding to these findings.

2 Recommendation

2.1 **The Board is asked to note the paper.**

3 Background

3.1 Our annual employee survey, Viewpoint, took place between 25 September and 20 October 2023, providing all colleagues with the opportunity to give us their views on what working at TfL is like.

3.2 Our Total Engagement measure on the TfL Scorecard 2023/24 is derived from this survey and is calculated by averaging the total number of positive responses received to the questions which make up this index.

3.3 Employee engagement matters, as engaged colleagues directly correlates to improved safety, reliability and customer service, along with increased productivity and retention of our colleagues.

3.4 Our Total Engagement score has increased to 60 per cent, up one per cent from last year's score of 59 per cent.

3.5 Our Wellbeing at Work Index also increased one per cent from last year, up to 58 per cent.

3.6 The questions which comprise our Inclusion Index have changed since the last survey and are a better measure of how included our colleagues feel. Our new Inclusion Index score is 68 per cent. Had the same questions been used to measure Inclusion as last year the index would have increased by between one and two per cent.

3.7 Just over 58 per cent of our colleagues responded to the survey, up one per cent from last year.

4 Current Status and Next Steps

- 4.1 The results of the survey were shared with all TfL colleagues on 21 November 2023, we have also shared these results with our Trade Union colleagues via Company Councils in December 2023 and January 2024.
- 4.2 Our People Leaders are now reviewing their results and discussing it with their teams. They will then use these results when making decisions and when developing their People Plans for the year ahead.
- 4.3 Changes made in response to these survey results will be communicated to our colleagues to help demonstrate that we listen and that it will lead to action being taken.

List of appendices to this report:

Appendix 1: Viewpoint 2023 insights and analysis

List of Background Papers:

None.

Contact Officer: Fiona Brunskill, Chief People Officer
Email: FionaBrunskill@tfl.gov.uk

Viewpoint 2023 insights and analysis

TfL Board Meeting
7 February 2024



Summary: this year's results

- Overall, colleagues are **more positive** than last year with Total Engagement scoring **60 per cent (+1)**
 - Significantly higher than pre-pandemic in 2019 (57 per cent)
 - Engagement with work, management, change, and team and business have all increased significantly compared to 2019
 - Engagement with brand is down compared to 2019 but is higher than last year
 - Engagement with customer the only engagement index to have declined in 2023

- **Response rate has increased to 58 per cent (+1)**
- **Inclusion: 68 per cent** - due to changes made as part of our Action on Inclusion commitment to redesign our inclusion metric questions, there is no trend however the **legacy Inclusion index has improved: 52 per cent (+2)**
- **Wellbeing at Work: 58 per cent (+1)**
- We're in line with **comparable industries** such as transport and the public sector



Summary - Engagement

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| Measure | 2023 | 2022 | (+/-) | 2021 | (+/-) | 2020 | (+/-) | 2019 | (+/-) |
|---|------|---|-------|------|-------|------|-------|------|-------|
| Total Engagement | 60 | 59 | +1 | 61 | -1 | 63 | -2 | 57 | +4 |
| Engagement with work | 63 | 62 | +1 | 63 | 0 | 65 | -2 | 61 | +2 |
| Engagement with management | 62 | 60 | +2 | 60 | +2 | 62 | 0 | 58 | +4 |
| Engagement with change and leadership | 44 | 42 | +2 | 44 | 0 | 43 | +1 | 32 | +12 |
| Engagement with customers | 60 | 63 | -3 | 67 | -7 | 71 | -10 | 65 | -5 |
| Engagement with team and wider business | 73 | 70 | +3 | 71 | +2 | 71 | +2 | 70 | +3 |
| Engagement with brand | 70 | 69 | +1 | 72 | -3 | 79 | -9 | 72 | -2 |
| Inclusion Index | 68 | Due to changes to made as part of our Action on Inclusion commitment to redesign our inclusion metric questions, there is no trend available. | | | | | | | |
| Wellbeing at Work Index | 58 | 56 | +1 | 57 | 0 | 59 | -1 | 54 | +4 |

Changes outlined on slide 9

Rounding

Results are presented as whole numbers for ease of reading, with rounding performed at the last stage of calculation for maximum accuracy. Values from x.00 to x.49 are rounded down and values from x.50 to x.99 are rounded up. Therefore in some instances results may not total 100%. This also applies when looking at trend differences.

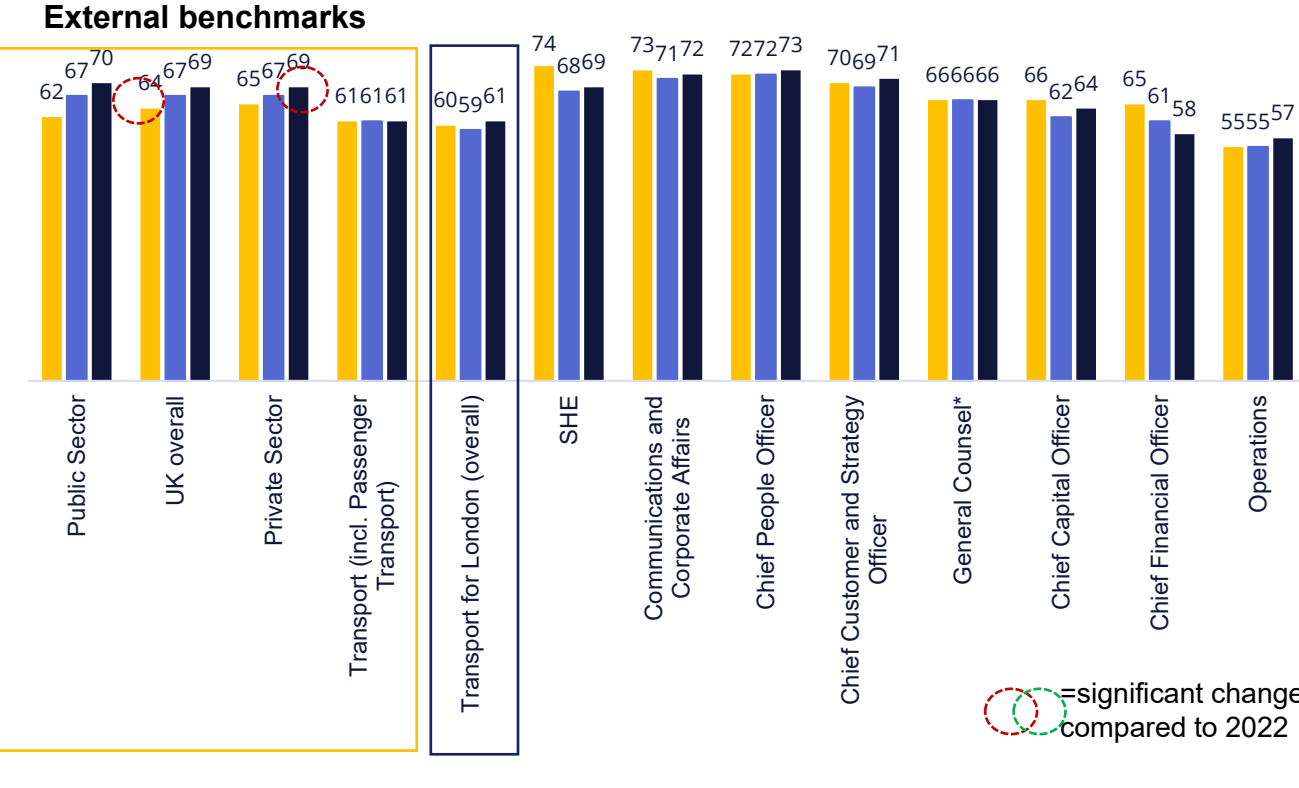
| Key | |
|-----|--|
| | -1 or more percentage point difference |
| | 0 percentage point difference |
| | +1 or more percentage point difference |



TfL's Total Engagement (60%) is below the private sector (65%), but broadly in line with transport (61%) and the public sector (62%)

Engagement trend comparisons with other sectors

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Response Rates by Business Area

| Chief Officer Area | Total Responses | Total Headcount | Response rate |
|-------------------------------------|-----------------|-----------------|---------------|
| Chief Operating Officer | 9780 | 19395 | 50.4% |
| Chief Customer and Strategy Officer | 2493 | 3159 | 78.9% |
| General Counsel | 350 | 554 | 63.2% |
| Chief People Officer | 332 | 427 | 77.8% |
| Chief Financial Officer | 817 | 1095 | 74.6% |
| Chief Capital Officer | 1975 | 2590 | 76.3% |
| SHE | 211 | 256 | 82.4% |

External benchmark norms are based on a panel sample survey of all the Total Engagement questions asked across the UK workforce during the same survey period as Viewpoint 2023



External perspective on Total Engagement

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- We are in line with comparable industries such as transport (61 per cent) and the public sector (62 per cent)
 - Interestingly, the demographic profiles for those colleagues who are least positive are similar across our benchmarking sample, indicating **TfL demographic skews are representative of wider demographic trends**
 - Compared to the external benchmark **TfL performs most strongly for management** including:
 - feedback
 - support and respect
 - work-life balance
 - encouraging ideas for improvements.
- **Pride to work for TfL and employee benefits also scores highly** in comparison
 - **Change and leadership is where TfL falls below** the benchmark. This includes:
 - acting on the back of engagement surveys
 - confidence in the vision for the organisation
 - managing change
 - open and honest senior manager communications



Opportunities to grow and develop and variety of people succeeding are new high impact questions. All other areas are consistent with last year, emphasising improvements made in these areas

Comparison of key questions in order of importance and increase in positive responses from the previous year

Questions in order of importance ↑

| Theme | 2023 | 2022 |
|---|--|--|
| Engagement with work | There are opportunities for me to grow and develop in TfL | I am satisfied with my physical working environment |
| Engagement with change and leadership | I feel involved in decisions that affect my work | I feel involved in decisions that affect my work |
| Engagement with brand | I believe that a variety of different people can succeed at TfL | I believe that TfL delivers an excellent service to our customers |
| Engagement with team and wider business | My team is good at learning from its mistakes | My team is good at learning from its mistakes |
| Engagement with management | My immediate manager gives me enough information about the reasons for change that affect me | My immediate manager gives me enough information about the reasons for change that affect me |
| Engagement with customers | I have confidence that there is a clear vision for the future of this organisation | I have confidence that there is a clear vision for the future of this organisation |



Greatest increase in positive scores – year on year

“I have confidence that there is a clear vision for the future of this organisation”: 35 per cent (+6)

“There are opportunities for me to grow and develop in TfL”: 51 per cent (+5)

TfL delivered initiatives and activity

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Launched our new TfL Strategy and five sub-strategies, including our Colleague Strategy

- Launched ‘Action on Inclusion’ commitment
- Appointment of new Commissioner
- Embedding our Vision and Values

- Launched Our People Leader Framework
- Succession planning and talent management revised
- Greater visibility of secondment and internal move opportunities
- Embedding of MyJourney facilitating a space for formal feedback and development conversations



Greatest decrease in positive scores – year on year

“I am satisfied with my physical working environment”: 57 per cent (-5)

“I believe that TfL delivers an excellent service to our customers”*: 63 per cent (-4)

Probable reasons for decrease

Comments indicate operational colleagues feel this is due to outdated facilities such as toilet and changing facilities

- The 50 per cent hybrid working policy has prompted comments around how some office environments are not fit for purpose, including lack of sit-stand desks and too few meeting rooms

- A significant majority of colleagues do believe that TfL delivers an excellent service, but with nearly a quarter (24 per cent) offering no opinion and only 15 per cent responding negatively there is an impact to the score
- Comments suggest the decrease in this score could be due to budget cuts, fewer colleagues and investment.
- Concerns that vacancies are not being filled within a timely manner and the high turnover is placing considered burden on those remaining.

*to note: the definition of ‘customer’ differs depending on the area of business; e.g Change programmes serving internal customers vs TU engagement



Changes to our Inclusion Index

One of the interventions in Action on Inclusion was to update our Inclusion Index in our Viewpoint Survey to broaden the questions used and better determine how colleagues felt about inclusion.

While there is no comparable trend data for the Inclusion index's new questions, looking at the legacy Inclusion index questions, all but one of the component questions saw an improvement (of between 1-2 points), resulting in a legacy Index score of 52 per cent (+2).

Six Questions used to calculate the Inclusion Index last year:

- I feel involved in decisions that affect my work – 45 per cent (+2)
- Senior managers are open and honest in their communication with me – 41 per cent (+1)
- I think it is safe to challenge the way things are done in my team – 55 per cent (+1)
- I believe my team is free from bullying and harassment, and/or discrimination – 70 per cent (+2)
- I am confident that if I raised an issue of bullying and harassment, and/or discrimination in my team it would be dealt with in an appropriate manner – 68 per cent (+2)
- I believe actions will be taken on the results of this survey – 30 per cent (no change)



We have seen direct improvements in response to last year's results:

Last Year

- **There was declining confidence in the future direction of the organisation**
 - Only 29 per cent of responses were positive about the future vision for TfL, falling 6pp since last year.
 - Short term funding agreements and changes in senior leadership potential factors
- **There was increasing frustration with pay**
 - Two questions around pay and benefits were in the top five questions which saw the biggest decline since last year
 - The third lowest scoring question was 'considering the work I do, I feel my pay is fair.
 - This is important so that we are able to attract and retain talent.
- **Diversity & Inclusion matters to our colleagues**
 - With some protected characteristics responding least positively for engagement and inclusion we need to redouble our efforts to ensure TfL is an inclusive place to work , where everyone feels included, involved and safe.
- **Our colleagues seek further opportunities to develop and progress their careers**
 - Only 51 per cent of responses viewed opportunities to grow and develop positively.
 - It is vital we provide opportunities for all so that we can retain key skills and develop our own talent internally

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| Top 6 Most Improved Questions | | % Positive | Variance to Last Year |
|---|--|------------|-----------------------|
|  | I have confidence that there is a clear vision for the future of this organisation | 35% | 6% |
| | I am satisfied I am being recognised for doing a good job | 52% | 4% |
|  | There are opportunities for me to grow and develop in TfL | 51% | 4% |
|  | My manager cares whether my work-life balance suits me | 67% | 3% |
| | My manager encourages me to come up with new or better ways of doing things | 60% | 3% |
|  | The people in my team can be relied upon to help when I need support | 79% | 3% |



Next steps

Understanding the results

- People leaders have been asked to review their results and discuss them with their teams.

Taking action

- People leaders have been asked to use the results in making decisions and developing plans for the year ahead reporting back to their teams on how they've used their team's results.
- Guidance for taking action including action plan templates have been shared with people leaders.

People plans and our Colleague Roadmap

- The results should be used to review current or upcoming people plans to ensure they include actions to address feedback.
- Changes and how the plans reflect colleagues feedback will be communicated to help demonstrate action is taken from these results.
- We are also refreshing our Colleague Roadmap for 2024/25 and these results will inform or reinforce the interventions or embedding prioritised over the next year.



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Board



Date: 7 February 2024

Item: Report of the Meeting of the Land and Property Committee held on 20 December 2023

This paper will be considered in public

1 Summary

1.1 This paper provides a summary of the items considered by the Land and Property Committee at its meeting on 20 December 2023.

2 Recommendation

2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

3.1 The papers for the meeting of the Committee held on 20 December 2023 were published on 12 December 2023 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).

3.2 The main matters considered by the Committee were:

- (a) Use of Delegated Authority;
- (b) Chief Executive's Report;
- (c) Places for London Quarterly Performance Report;
- (d) Places for London Assurance Update;
- (e) Establishment of a Programme Management Office;
- (f) Mid-Year Valuation Results;
- (g) Enterprise Risk Update – Failure to Prevent Safety Incidents or Meet Safety Commitments (Places-L0-1);
- (h) Financial Metrics; and
- (i) Skills and Education Programme.

3.3 A summary of the items considered is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 11 March 2024.

4 Issues Discussed

Use of Delegated Authority

- 4.1 The Committee noted one use of unbudgeted Financial Authority and Land Authority by the Chief Finance Officer of £4.97m for improvement works to the Wood Lane Arches. There had been no other uses of delegated authority nor any Mayoral Directions to TfL within the remit of the Committee.

Chief Executive's Report

- 4.2 The Committee noted the update on issues and developments since the meeting of the Committee on 21 September 2023, including the brand launch and the tender launch for electric vehicle ultra-rapid charging hubs.
- 4.3 The Committee was informed that TfL had been granted permission by the Planning Inspectorate for the development at South Kensington station, which had originally been refused local planning consent in November 2021.
- 4.4 Recruitment was underway for several key posts, including the critical role of Head of Retail, with a focus on place making.
- 4.5 There was no further clarity on the regulations relating to second staircases, which was creating significant delay and uncertainty in the commercial development and property markets.

Places for London Quarterly Performance Report

- 4.6 The Committee noted the update on market context, health and safety, financial performance, operational performance, project updates and understanding Places for London's (Places) impact from 23 July to 15 October 2023, which was positive overall despite the challenging market conditions.
- 4.7 All health and safety updates were also reported to the meetings of the Safety, Sustainability and Human Resources Panel, of which Dr Nina Skorupska CBE was the Vice-Chair.

Places for London Assurance Update

- 4.8 The Committee noted progress with assurance activity across Places during Quarter 3 of 2023/24 (17 September to 9 December 2023) and updates on the status of all open assurance recommendations at the end of Period 8 (11 November 2023).
- 4.9 Continuous improvements had been made and there were no overdue recommendations.
- 4.10 The Independent Investment Programme Advisory Group had recently completed a review on property disposals. All recommendations had been accepted.

- 4.11 The subject of residential assets and options for providing temporary accommodation for London boroughs would be discussed at a future briefing.

Mid-Year Valuation Results

- 4.12 The Committee noted the overview of the mid-year valuation for Places' investment assets and joint ventures.

Enterprise Risk Update – Failure to Prevent Safety Incidents or Meet Safety Commitments (Places-L0-1)

- 4.13 The Committee noted the overview of Places' Level 0 Enterprise Risk 1 'Failure to prevent safety incidents or meet safety commitments' (Places-L0-1).
- 4.14 TfL's Safety, Health and Environment team provided robust assurance on all aspects of health and safety, benchmarking against the highest standards. This was work which would evolve and mature as the organisation developed.
- 4.15 The current risk management was considered adequate, with areas for improvement highlighted in the paper.

Financial Metrics

- 4.16 The Committee noted the update on Places' review of its existing suite of investment metrics and how these metrics support the delivery of the Business Plan, including the target for financial return to TfL as stakeholder, and balance risk exposure across the activities that Places is involved in.
- 4.17 Members supported the approach to establish a Places Weighted Average Cost of Capital (WACC) rate and a set of risk-adjusted WACC rates taking account of the different risks.
- 4.18 An informal briefing on financial metrics would be arranged.

Skills and Education Programme

- 4.19 The Committee noted the update on the performance and future direction of Places' skills and education programme, which forms a key pillar within its wider Environmental, Social and Governance strategy.
- 4.20 The Committee welcomed the work of Places as a leader and facilitator of growth and skills, particularly among young people. A site visit to Build East training centre would be arranged.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Land and Property Committee on 20 December 2023

Contact Officer: Andrea Clark, Interim General Counsel
Email: AndreaClark@tfl.gov.uk

Board



Date: 7 February 2024

Item: Report of the Meeting of the Finance Committee held on 22 December 2023

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items considered by the Finance Committee at its meeting on 22 December 2023. The Chair agreed to the meeting being called with fewer than five clear days' public notice and to the acceptance of late papers, in accordance with Standing Orders 31 and 33 and Section 100B(4)(b) of the Local Government Act 1972, following confirmation of the capital funding settlement from the Government. Public notice was given on 18 December 2023.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 22 December 2023 were published on 21 December 2023 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters considered by the Committee were:
- (a) Piccadilly Line Upgrade – Stage 1 Progress Update; and
 - (b) 2024 TfL Business Plan.
- 3.3 A summary of the items considered and decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 13 March 2024.

4 Issues Discussed

Piccadilly Line Upgrade – Stage 1 Progress Update

- 4.1 With the agreement of the Chair of the Programmes and Investment Committee, the item was included on the agenda for this Committee as it related to the Business Plan and, as discussions with Siemens Mobility

Limited had been ongoing, allowed the decision to be made in public rather than by Chair's Action.

- 4.2 The Committee noted the paper, which provided a progress update on the rolling stock, depot and infrastructure projects which made up the Piccadilly Line Upgrade (PLU) Programme. The Committee endorsed proceeding with finalising a Compensation Event and the proposal to reprofile payments, both under the Manufacture and Supply Agreement for the Deep Tube Upgrade Programme with Siemens Mobility Limited.
- 4.3 Despite the severe financial pressure and supply chain disruptions following the impact of the coronavirus pandemic, the first train arriving in London for testing remained on schedule for mid-2024, with introduction into service in 2025. Siemens Mobility Limited had requested settlement of a Compensation Event under the terms of the contract. The proposed extended rolling stock manufacturing and testing programme would provide value for money compared to alternative options, such as the significant storage of trains, and preserved the intended introduction of the service frequency increase to 27 trains per hour by May 2027.
- 4.4 The approach also benefitted TfL's revised Business Plan and the overarching Capital Programme by significantly rephasing the PLU cash profile, given the Government capital funding settlement announced on 18 December 2023 resulted in £250m less than assumed in the Business Plan.

2024 TfL Business Plan

- 4.5 The Board considered the draft 2024 TfL Business Plan on 13 December 2023. The draft Business Plan assumed £500m of Government capital funding in 2024/25. As discussions with the Government on a capital funding settlement were ongoing, the Board delegated authority to approve the Business Plan to the Committee. A capital funding settlement of £250m was confirmed on 18 December 2023.
- 4.6 TfL was grateful for the £250m funding from Government for 2024/25 but intense work had been undertaken to mitigate the £250m shortfall and present a Business Plan that enabled TfL to deliver its full Investment Programme and to prepare a balanced budget for consideration by the Board in March 2024.
- 4.7 The Committee approved the revised draft 2024 TfL Business Plan and authorised the Chief Finance Officer to make any minor presentational amendments to the Plan, before it was published as the final version on the TfL website.
- 4.8 The Committee also approved the change to the TfL Scorecard target for capital expenditure, required as a result of the Department for Transport inflation funding outcome for 2023/24, to align to the 2024 TfL Business Plan.
- 4.9 The Government recognised the need to provide ongoing investment for major capital projects for TfL, which was no different to other transport operators. Most of the £250m grant would be received this financial year and

committed TfL to deliver its current programme of planned capital works and enabled it to apply for other eligible funding streams in the future. TfL would need to demonstrate that it had achieved financial sustainability at the operating level at the end of the 2023/24 financial year, and to present a plan for how it would maintain and improve on that going forward.

- 4.10 TfL was appreciative of the contribution and helpful engagement with Government. Capital funding was still required in the longer-term and those discussions would continue with Government as part of the Spending Review, and would continue to make the positive case that investment in London's transport unlocked growth, not only in London but across the UK.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Finance Committee on 22 December 2023

Contact Officer: Andrea Clarke, Interim General Counsel
Email: AndreaClarke@tfl.gov.uk

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