MAYOR OF LONDON

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

Agenda

Meeting: Board

Date: Wednesday 24 July 2024

Time: 10:00am

Place: Chamber, City Hall - Kamal Chunchie Way, London E16 1ZE

Members

Sadiq Khan (Chair)
Seb Dance (Deputy Chair)
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.

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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, General Counsel
Tuesday 16 July 2024

Agenda
Board
Wednesday 24 July 2024

1 Apologies for Absence and Chair's Announcements

2 Declarations of Interests

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 12 June 2024
(Pages 1 - 12)

General Counsel

The Board is asked to approve the minutes of the meeting of the Board held on 12 June 2024 and authorise the Chair to sign them.

4 Matters Arising, Actions List and Use of Delegated Authority
(Pages 13 - 20)

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 21 - 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 12 June 2024 and updates Members on significant projects and initiatives.

6 **TfL Annual Report and Statement of Accounts for the Year Ended 31 March 2024** (Pages 57 - 332)

Chief Customer and Strategy Officer and Chief Finance Officer

The Board is asked to approve the Annual Report and delegate to the Audit and Assurance Committee approval of: the TfL Statement of Accounts for the year ended 31 March 2024; and the provision of an ongoing parent company guarantee by Transport Trading Limited to most of TfL's subsidiary companies.

7 **Safety, Health and Environment Annual Report 2023/24** (Pages 333 - 396)

Chief Safety, Health and Environment Officer

The Board is asked to note the Safety, Health and Environment Annual Report 2023/24.

8 **Annual Update on 2023/24 Delivery of the Mayor's Transport Strategy** (Pages 397 - 530)

Chief Customer and Strategy Officer

The Board is asked to note the paper.

9 **Finance Report Period 2, 2024/25** (Pages 531 - 546)

Chief Finance Officer

The Board is asked to note the Finance Report.

10 **Modern Slavery Statement** (Pages 547 - 562)

Chief Finance Officer

The Board is asked to approve the draft Modern Slavery Statement.

11 **Board Appointments and Decision-making Structure** (Pages 563 - 596)

General Counsel

The Board is asked to note the update on Board appointments and to approve the proposed changes to Standing Orders and the terms of reference of its Committees and Panels to reflect changes to its decision-making structure, which include the establishment of a meeting solely dedicated to the oversight of safety and security issues.

12 Report of the meeting of the Programmes and Investment Committee held on 26 June 2024 (Pages 597 - 600)

Committee Vice Chair, Peter Strachan

The Board is asked to note the report.

13 Report of the meeting of the Land and Property Committee held on 3 July 2024 (Pages 601 - 604)

Committee Chair, Professor Greg Clark CBE

The Board is asked to note the report.

14 Report of the meeting of the Customer Service and Operational Performance Panel held on 10 July 2024 (Pages 605 - 610)

Panel Chair, Dr Mee Ling Ng OBE

The Board is asked to note the report.

15 Report of the meeting of the Finance Committee held on 11 July 2024 (Pages 611 - 616)

Committee Chair, Anne McMeel

The Board is asked to note the report.

16 Any Other Business the Chair Considers Urgent

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

17 Date of Next Meeting

Wednesday 16 October 2024, at 10.00am.

Transport for London

Minutes of the Meeting

Chamber, City Hall, Kamal Chunchie Way, London E16 1ZE
10.00am, Wednesday 12 June 2024

Members
Sadiq Khan (Chair)
Seb Dance (Deputy Chair)
Kay Carberry CBE
Dr Mee Ling Ng OBE
Mark Phillips
Marie Pye (via Teams)
Dr Nina Skorupska CBE
Dr Lynn Sloman MBE (via Teams)
Peter Strachan (via Teams, for Minutes 26/06/24 to 30/06/24 inclusive)

Government Observer

Emma Ward	Director General Road Transport Group, Department for Transport

Executive Committee

Andy Lord	Commissioner
Fiona Brunskill	Chief People Officer
Andrea Clarke	General Counsel
Stuart Harvey	Chief Capital Officer
Claire Mann	Chief Operating 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
Jackie Gavigan	Secretariat Manager
Lorraine Humphrey	Director of Risk and Assurance
Shamus Kenny	Head of Secretariat
Dharmina Shah	Interim Chief of Staff to the Commissioner

26/06/24 Apologies for Absence and Chair's Announcements

Apologies for absence had been received from Heidi Alexander, Professor Greg Clark CBE, Councillor Ross Garrod, Anurag Gupta, Bronwen Handyside, Anne McMeel and Dr Nelson Ogunshakin OBE. Marie Pye, Dr Lynn Sloman MBE and Peter Strachan attended the meeting via Teams and were able to participate in the discussion but did not count toward the quorum. Peter Strachan had also indicated that he would need to leave the meeting early. The meeting was quorate.

The Chair welcomed everyone to the meeting. 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 scheduled meeting was held during the pre-election period for the General Election to ensure that the Board continued to be informed and to be transparent and accountable for TfL's activities. While the Board was not a political forum, Members were asked to be mindful of the pre-election restrictions and not to say anything that could be construed as being designed to affect support for any political party or candidate.

The Chair confirmed that following his re-election as Mayor, he had reappointed himself as Chair of the TfL Board and had reappointed Seb Dance as Deputy Chair. An update on Board membership was provided elsewhere on the agenda (see Minute 29/06/24).

The Chair advised that Heidi Alexander's term of office as a Member of the TfL Board would expire on 21 June 2024. She had joined the Board on 11 June 2018 and was Deputy Chair from 13 July 2018 until 31 December 2022. As Deputy Chair, Heidi played a crucial role in steering and supporting the Board and TfL through two major challenges: the delivery. of the Crossrail project, to bring the Elizabeth line railway into service; and the significant impact of the coronavirus pandemic on TfL's staff, customers and finances. The Chair commended Heidi's leadership and calmness when dealing with issues and her generosity in giving her time and support to individual Board Members and members of the Executive, and to Seb Dance when he joined the Board and took on the role of Deputy Chair. The Chair personally thanked Heidi for her candid advice, support and friendship and, on behalf of the Board and the Executive, wished her every success for the future.

The Chair informed the Board that following role changes within the Department for Transport, the Government had made changes to the Department's observers at meetings of the Board and its Committees from 1 May 2024: Emma Ward, Director General Road Transport Group, would attend meetings of the Board, and was welcomed to this meeting. Samantha Collins-Hill, Deputy Director, London Partnerships and Delivery, would deputise for Emma at meetings of the Board and would be the observer for meetings of the Finance Committee. David Coles, Chief Engineer, would continue to observe the meetings of the Programmes and Investment Committee. On behalf of the Board, the Chair thanked John Hall for his helpful engagement during his time as the Government Special Representative. Members noted that during the pre-election period, the Government observers would attend meetings but would not comment on issues of policy.

Since the last meeting of the Board, there were three senior office changes to report. Claire Mann was welcomed to her first meeting of the Board as Chief Operating Officer, following her return to TfL at the end of March 2024. The Deputy Chair had exercised the authority delegated by the Board to appoint Andrea Clarke as the permanent General Counsel and Board Secretary. Nick Owen had been appointed as the interim Director of Bus Operations.

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.

27/06/24 Declarations of Interests

Since the last meeting of the Board, there had been three updates to declarations: Marie Pye had been appointed as an Independent Panel Member of the General Optical Council; Dr Nelson Ogunshakin OBE had stood down as CEO of the International Federation of Consulting Engineers; and Dr Nina Skorupska CBE had joined the Independent Advisory Panel for the National Grid Electricity Distribution.

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.

28/06/24 Minutes of the Meeting of the Board held on 6 March 2024

The minutes of the meeting of the Board held on 6 March 2024 were approved as a correct record, and the Chair was authorised to sign them.

29/06/24 Matters Arising, Actions List and Use of Delegated Authority

Andrea Clarke introduced the item. On Board membership, the Mayor had reappointed himself as Chair of TfL and reappointed Seb Dance as a Member of the Board and, following the London Assembly Confirmation Hearing on 29 May 2024, had reappointed Seb Dance as Deputy Chair of TfL from 6 June 2024. Heidi Alexander’s term of appointment would expire on 21 June 2024 and the term of office of all other Members, except for the Chair and Deputy Chair, would expire on 8 September 2024. An open recruitment process for Board Members was underway and a further update was scheduled for the next meeting.

Since the meeting of the Board on 6 March 2024, there had been three uses of specific authority delegated by the Board. The Deputy Chair had exercised the authority delegated by the Board, on 25 July 2023, to appoint Andrea Clarke as the permanent General Counsel and Board Secretary, following a recruitment process. Under authority delegated by the Board at its meeting on 13 March 2024, the Finance Committee approved the 2024/25 TfL Budget, at its meeting on 13 March 2024. A summary of that approval was provided under the Report of the Finance Committee elsewhere on the agenda; and on 6 June 2024, the Deputy Chair approved the finalisation of the 2024/25 TfL Scorecard. The paper detailing the changes had been published on tfl.gov.uk.

There had been no use of Chair’s Action, nor any Mayoral directions to TfL since the last meeting.

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

The Board noted the paper and the actions list.

30/06/24 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 Following the London Mayoral election, the Commissioner welcomed back Sadiq Khan as Mayor and his reappointment as Chair, making him the longest serving directly elected Mayor and longest-serving Chair of TfL. He also congratulated Seb Dance on his reappointment as Deputy Mayor for Transport and as the as Deputy Chair of TfL. He looked forward to continuing to work together with them both.

2 The Commissioner welcomed Claire Mann to her first meeting of the Board as TfL’s Chief Operating Officer. Claire had held previous roles at TfL and was most recently the Managing Director of South Western Railway. Claire brought a wealth of experience and wisdom, as well as a clear focus on delivering for customers and colleagues, and the Commissioner congratulated her on her appointment.

3 The Commissioner also congratulated Andrea Clarke on her permanent appointment as TfL’s General Counsel. Andrea had done an outstanding job as interim General Counsel since Howard Carter’s retirement and would continue her fantastic work in the role as a member of the Executive Committee. For the first time in TfL’s history, most of its Executive Committee were women, which demonstrated the progress TfL was continuing to make with its Action on Inclusion plan.

4 The Commissioner echoed the Chair’s comments in recognising the fantastic contribution that Heidi Alexander had made to TfL and to improving transport in London. Through her time as Deputy Mayor, including during the coronavirus pandemic, and as a member of the Board, including being Deputy Chair and as Chair of the Elizabeth Line Committee, she had consistently offered sound advice, intelligent direction and sensible scrutiny to help navigate some of the challenges of the past few years. She had been invaluable to the Commissioner and other Executive colleagues and to previous Commissioners

Andy Byford and Mike Brown. She was also a dear friend to many at TfL and would be sorely missed. The Commissioner wished her every success for the future.

5 Safety was paramount at TfL and it was committed to the Vision Zero ambition of eliminating all deaths and serious injuries on London’s transport system. TfL continued its work to investigate the tragic fatalities that occurred on the transport network earlier this year and to ensure that learnings from those tragic incidences were implemented. The report included a précis of the notable safety and security incidents that had occurred on the network since the last meeting and a fuller update was presented on a regular basis to the Safety, Sustainability and Human Resources Panel.

6 Members asked about recent passenger accidents due to the high step from the platform onto Elizabeth line trains at Ealing Broadway station. TfL was working with Network Rail, who managed the station infrastructure, to explore platform modifications that would work for Elizabeth line trains and the rolling stock of several other operators that used the station. Additional MTR Elizabeth line staff had been deployed to assist passengers at the station.

7 Members and officers welcomed the Pedicabs (London) Act 2024, which received Royal Assent on 25 April 2024. The Act would enable TfL to regulate pedicabs to ensure the safety of customers, drivers and vehicles. TfL was in discussion with the Department for Transport on what it could do and considering the potential regulatory framework and costs. It would then engage with the industry and customers ahead of a full public consultation.

8 Members welcomed the increase in walking and cycling and raised the issue of how to recalibrate thinking about the public realm to reduce the potential for accidents. Officers worked with boroughs and London Councils to discuss research and evaluation of safer streets developments and looked at what could be learned from other cities. Initiatives, in addition to slower speeds, a more amenable environment and enforcement, included the use of visual cues, including digital information, the use of technology to warn people when they needed to be more alert (for example when near crossings or in bus stations) and marketing, all of which would also help tourists.

9 As the custodian of the largest bus fleet in the UK, TfL had a pivotal role in ensuring its buses, and buses across the country, were as safe as they could be and was leading the way on standards in bus safety. In May 2024, TfL again held the annual Bus Safety Summit, bringing together operators, manufacturers and other stakeholders to discuss the challenges and opportunities in improving bus safety. While TfL continued to make great progress with increasing numbers of its buses meeting the Bus Safety Standard, it was constantly looking to further improve.

10 TfL used a wide range of data to provide insights and to inform its bus safety strategy, plan and interventions. These included collision data, fatigue, and speed compliance monitoring, as well as customer complaints and feedback. While different transport modes had different safety risks, Members

encouraged officers to see if there were lessons that could be learnt from other cities and from the more sophisticated accident investigation techniques used in light and heavy rail, to help identify and address any systemic issues. Andy Lord, with his background in aviation, and Claire Mann with her experience of heavy rail, were working with Lilli Matson to look at this. Andy Lord had been engaging with Dr Lynn Sloman MBE and Mark Phillips on improving TfL's formal investigation processes and would share this work with Peter Strachan, ahead of providing further information to Board Members.

[Action: Andy Lord / Claire Mann]

11 Bus services had performed well in 2023/24 with an increase in kilometres travelled and income generated. The success of the Superloop services, with their distinctive branding, was being reviewed as part of a programme of work to increase bus demand to support the shift to sustainable travel. The key issues were to introduce measures that reduced journey times, improved journey reliability and provide better information to customers, such as bus priority measures, while ensuring that services operated safely. Consideration was also being given to expanding Superloop or other services into more town centres and boroughs and how the provision of bus services could help pump-prime developments and rail projects. An update on the work to improve bus services would be submitted to the Customer Service and Operational Performance Panel. **[Action: Alex Williams / Claire Mann]**

12 Large-scale events had taken place across the city over the past few months, including the London Marathon, Ride London, the European Rugby finals and the Champions League final with over 100,000 visitors and associated four days of celebrations. Working with organisers, TfL colleagues had expertly managed disruption and high footfall across the networks, ensuring that visitors could continue to travel safely across the capital and showcase it at its best, including providing opportunities for new ways to celebrate events such as the Champions League final. The Commissioner thanked everyone for the hard work and meticulous planning that went into making sure that the events ran smoothly.

13 On 24 May 2024, TfL celebrated the second anniversary of the opening of the transformational Elizabeth line. It was the fastest growing railway in the UK with more than 350 million journeys made on the line since opening. The line continued to perform well and deliver high levels of customer satisfaction.

14 The Elizabeth line had directly enabled the development of 55,000 new homes, with 60 per cent of employment growth in greater London within one kilometre of an Elizabeth line station. The success of the line was testament to how investment in significant transport infrastructure supported economic growth and new housing, while reliable, accessible and speedy services drove customer usage.

15 The Commissioner had been meeting with colleagues and stakeholders and visiting different parts of the network. He joined Claire Mann and Stuart Harvey on a visit to the Siemens facility in Germany where the new Piccadilly line trains were being tested. The first of the fleet of state-of-the-art trains, that would

increase capacity by just over 10 per cent, would start to arrive in London later in 2024. The Commissioner also visited the Northfields depot with Claire Mann, to meet with colleagues as they prepared for the arrival of the new trains. There was much to do, and teams were working hard across the organisation towards this exciting period for the Piccadilly line.

16 Members noted the progress with the delivery and testing of new trains for the DLR. The integrated testing had identified an issue with signalling and breaking and this was being addressed, with good collaboration with the train supplier and operators.

17 The Commissioner along with Alex Williams and local political leaders and development partners, hosted Rail Minister Huw Merriman at Thamesmead to support the case for extending the DLR to the area. The proposals would unlock up to 30,000 new homes and connect communities across the Thames, supporting up to 10,000 new jobs.

18 Alex Williams would provide Board Members with more information on how the six-month trial of Access DLR, an initiative to make journeys more accessible, including the ability to book assistance by phone, was being promoted.

[Action: Alex Williams]

19 TfL’s Equity in Motion plan to improve the accessibility of its services had been well received, with excellent engagement by key stakeholders at an event on 20 May 2024.

20 Members congratulated Jane Wright, Environment and Sustainability Engineer, and Esther Olorunfemi, Head of Engineering for London Trams, for their success at the seventh Women in Rail Awards held on 16 May 2024.

21 The Friday Fares Trial had ended and the data on ridership and its economic impact was being analysed. An update would be provided to the Board.

[Action: Alex Williams]

22 The Commissioner and Stuart Harvey recently visited the Silvertown Tunnel site. When the tunnel opened, it would significantly reduce congestion and improve air quality for that part of east London.

23 Last week, Rachel McLean and Alex Williams along with the Commissioner hosted an introductory session to meet some of the new and returning London Assembly members, to set out TfL’s vision and priorities for the years ahead.

24 Following a series of challenges on the Central line, as discussed at previous Board meetings, almost all track speed restrictions introduced earlier in 2024 had been removed, leading to a significant improvement in journey times. The revised timetable on the line was working well, and a more consistent and reliable service was operating with fewer long gaps between trains. TfL’s focus was to ensure a return to the previous higher frequency timetable as soon as possible once it could be achieved consistently.

25 There had been a significant disruption to the tram network because a large number of trams had incurred wheel damage due to debris on a section of track, compounded by industrial action which included maintenance staff. The teams had worked hard to mitigate the issues and improve the service, which was operating normally since 25 May 2024. The risk of industrial action remained, with strike dates published by Unite for late June and early July 2024. TfL continued talks with the union and hoped to reach an agreement to avoid unnecessary disruption.

26 For a short period of time, there had been some service issues on the Northern line due to an individual component on some trains that led to several trains being taken out of service and subsequent service delays. Both TfL and its maintenance provider's teams had worked diligently to procure additional spares and provide an enhanced inspection regime, which was working well and enabled the return of a trains to service. The Commissioner apologised to customers effected by these events and assured them that TfL was focussing hard to get back to business-as-usual services.

27 TfL had completed a world leading upgrade to London's traffic signal network. It had one of Europe's largest traffic signal networks, with almost 4,000 junctions, 1,500 pedestrian crossings and more than 16,000 traffic detectors, which had all been seamlessly migrated over the past few weeks without any disruption. The upgrade would enable improved journey times, better traffic flows, and a faster and better response to incidents. It would also provide TfL with improved data on demand and travel patterns.

28 The rollout of 4G and 5G mobile coverage was gathering pace and around 25 per cent of Tube stations that were underground now had mobile coverage. This included the entirety of the Elizabeth line, with customers on the Victoria and Piccadilly lines also starting to benefit from the programme, as further stations and tunnelled sections throughout central London went live.

29 TfL launched its Cycle Sundays campaign, a programme of leisurely cycle routes which aimed to encourage Londoners new to cycling to explore the capital on two wheels. An additional 1,400 e-bikes would be added to the Santander Cycles fleet later this summer, providing many more Londoners with the opportunity to benefit from the affordability, convenience and wellbeing benefits of cycling.

30 Members commended the Travel for Life programme, which was delivered to schools by the London Transport Museum to encourage active travel. Nearly half of the 3,313 schools in London had been accredited and Members encouraged more schools to take part.

31 The Commissioner thanked all TfL's colleagues and teams for their diligent work over the past few months to keep London moving and to manage a great experience for visitors to the city, by continuing to provide a consistent and good service for customers and partners.

The Board noted the report.

31/06/24 Finance Report - Quarter 4, 2023/24

Rachel McLean and Patrick Doig introduced the item, which set out TfL's financial results to the end of Quarter 4 of 2023/24 (the year-to-date ending 31 March 2024).

The 2023/24 financial year was the first year that TfL had generated an operating surplus, demonstrating an immense turnaround since 2020/21 when TfL's finances were badly affected by the coronavirus pandemic. TfL now met the test set by Government to move to achieve operational financial sustainability to cover its day-to-day costs from its own sources of revenue. It was an important milestone but TfL's work to secure its financial future was not yet complete and 2024/25 would continue to provide stretch and challenge, particularly around demand growth.

Every penny of the surplus generated was immediately allocated to investment in the network, either in asset renewal or contributing to further improvements, and TfL aimed to reach a sustainable level of investment over the coming years.

The progress made had also resulted in Standard & Poor's upgrading TfL's credit rating from 'A+' to 'AA-', returning it to the rating it had before the pandemic. The rationale for the decision included TfL's positive track record of achieving cost savings, its ability for arranging and holding funding for operations and infrastructure investment, and that deviations from the Budget set were only in small percentages. The decision was testament to the hard work across the whole organisation to deliver a safe and reliable transport network and Rachel McLean thanked TfL's colleagues and partners in enabling TfL to reach this position.

Like other transport authorities, TfL could not fund major capital projects entirely from its own resources. It continued to work with the constructive support of Government and Department for Transport colleagues to make that case, as its current settlement with Government for full capital funding was only for a single year.

As set out in TfL's Budget for the financial year 2024/25, its strategy was to continue to rebuild passenger volumes and income, diversify its income and continue to deliver like-for-like improvements in operating costs. To achieve this, it had budgeted to grow total income including growing passenger journeys by another six per cent in 2024/25, through a mixture of continued pandemic recovery, changing patterns in return to the office and service planning delivery, including the first full year of Elizabeth line through running, plus additional bus kilometres and other service enhancements.

TfL would need to increase the rate of delivering recurring operating savings compared to the level it had been delivering over the past two years. It would also need to manage an uncertain economic environment, with inflation falling and elements of volatility remaining.

TfL had successfully delivered on its overall Budget in the last financial year and on each component of the Budget and financial strategy, demonstrating the credibility and robustness of its Budget. Total passenger journeys were up just over six per cent compared to last year, which was slightly ahead of target on year-on-year journey growth over the full year, on top of the 31 per cent increase in 2022/23. Passenger income was within one per cent of Budget.

Core operating costs were exactly on Budget. TfL continued to focus on cost savings and made £138m of annual recurring savings on top of savings made in previous years. Like-for-like operating costs were almost £800m lower than 2019/20 when adjusted for inflation, although there had been a small increase in 2023/24 on a like-for-like basis compared to the previous year.

The operating surplus was £138m, which was over £320m better than last year on a like-for-like basis, after adjusting for Government funding support in 2022/23. The surplus helped fund the capital renewals and investment that were critical in improving asset condition. Capital renewals expenditure was two per cent over Budget, driven by some acceleration of works supported by the early receipt of £250m Government funding.

As a result of not receiving any inflation funding from Government in the August 2022 settlement, new capital enhancements expenditure had slipped and ended the year £94m lower than Budget.

Cash balances were £1.35bn at year end, just over £50m better than Budget. Usable cash balances, when adjusted for some ring-fenced funding received from Government and other parties in advance, were £1.16bn. £1.3bn was the maximum allowed to exit the financial year under the current funding settlement with Government.

Members congratulated TfL on the end-year financial performance, in particular its fantastic achievement of a historic operating surplus without any reliance on Government support for day-to-day operations.

The Board noted the Finance Report.

32/06/24 Report of the meeting of the Land and Property Committee held on 11 March 2024

In the absence of the Chair, Committee Vice Chair, Dr Nina Skorupska CBE, introduced the item. The meeting had reviewed and approved the Places for London Business Plan and Scorecard, subject to the changes requested by Members during the meeting.

The Committee was pleased with the focus Places for London had on safety, which included a company Safety, Health and Wellbeing Standdown day on 25 April 2024. Its leadership team was now also sending a representative to attend meetings of the Safety, Sustainability and Human Resources Panel.
Members also welcomed the selection of Construction Youth Trust as the Educational Engagement Programme delivery partner, which would help people to

understand the rewarding and varied careers available in construction and the built environment and to grow skills and capability in this area.

The Board noted the report.

33/06/24 Report of the meeting of the Finance Committee held on 13 March 2024

In the absence of the Chair and Vice Chair, Committee Member Seb Dance introduced the item.

Under the authority delegated by the Board on 6 March 2024, the Committee had approved the 2024/25 Budget and commended TfL in achieving an operating surplus.

The Committee also approved changes to taxi fares and tariffs and noted the update on future proposals for the development of the London Transport Museum.

It also had a thorough discussion on Risk and Assurance matters and on Enterprise Risk 9 – Changes in customer demand.

The Board noted the report.

34/06/24 Report of the meetings of the Audit and Assurance Committee held on 14 March and 5 June 2024

Committee Chair, Mark Phillips, introduced the item, with a focus on the meeting held on 5 June 2024.

The Committee had discussed the work undertaken by the Independent Investment Programme Advisory Group on asset conditions, which had helped Members have a much clearer understanding of the topic. It also welcomed the continued improvements in the timescales for making payments to suppliers.

An update on key accounting issues was considered, along with an update from EY on its work on auditing the draft statement of accounts for the year ended 31 March 2024, which would be submitted to the meeting of the Board on 24 July 2024, with a request that authority be delegated to the Committee to approve the audited accounts at its meeting in September 2024. Papers on governance issues relating to the accounts were also considered.

The Board noted the report.

35/06/24 Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 16 May 2024

Panel Chair, Dr Lynn Sloman MBE, introduced the item. The Panel had discussed the strategic actions being taken to improve safety across all modes, learning from the Sandilands tram overturning. Andy Lord was discussing proposals to review safety governance, including Board oversight, with Members.

Members discussed the Safety, Health, Wellbeing and Environment Culture Programme. This was a structured and systemic approach to improving safety culture, which could make a significant impact in accident prevention. It would encourage staff and passengers to be more proactive in raising potential issues and provide confidence that appropriate action would be taken.

The Panel had a detailed discussion on Enterprise Risk 3 – Environment including climate adaptation. The impact of this risk was high, on both TfL services and finances. It was recognised that more needed to be done on climate adaptation to be prepared for major climate events in the future.

The Panel also discussed the good progress made over the last year following the publication of TfL's Colleague Strategy and Action on Inclusion plan. Dr Lynn Sloman MBE commended the Inclusion Matters e-learning course that had been completed by more than 80 per cent of people leaders and 50 per cent of all colleagues. A link to access the training would be sent to all Board Members and would be included in the induction programme for new Members with everyone encouraged to complete it. **[Action: Secretariat]**

The Board noted the report.

36/06/24 Any Other Business the Chair Considers Urgent

There was no other urgent business to discuss.

37/06/24 Date of Next Meeting

The next scheduled meeting of the Board would be held on Wednesday 24 July 2024 at 10.00am.

The meeting closed at 11.35am.

Chair: ___________________________________

Date: ___________________________________

Board

Date: **24 July 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 12 June 2024.

1.2 There have been no uses of Chair's Action, nor authority delegated by the Board, nor any Mayoral Directions to TfL.

1.3 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.**

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 Mayoral Directions to TfL

4.1 The Greater London Authority (GLA) Act 1999 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 often issued in relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.

4.2 Mayoral decision papers inviting the Mayor to issue a direction set out the financial and other implications. If those implications change over time, that will be reported to the GLA.

4.3 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.

4.4 Mayoral directions relating to TfL are reported to the Board's Committees for information 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.

4.5 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.

4.6 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.

4.7 There have been no Mayoral directions issued to TfL since the last meeting.

5 Actions List

5.1 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.

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Appendix 1

Board Actions List (to be reported to the meeting on 24 July 2024)

Elsewhere on the agenda for this meeting are proposals for changes to TfL's decision-making structure. If these are agreed, outstanding actions that refer to existing Committees or Panels will be remapped to the appropriate Committee or Panel.

Actions from the meeting held on 12 June 2024

Minute No.	Item/Description	Action By	Target Date	Status/Note
30/06/24 (1)	**Commissioner's Report: Accident Formal Investigation Changes** Andy Lord had engaged with Dr Lynn Sloman MBE and Mark Phillips on improving TfL's formal investigation processes and would share this work with Peter Strachan, ahead of providing further information to Board Members.	Andy Lord/ Claire Mann	October 2024	Ongoing.
30/06/24 (2)	**Commissioner's Report: Improving Bus Services Update** An update on the work to improve bus services would be submitted to the Customer Service and Operational Performance Panel.	Alex Williams/ Claire Mann	July 2024	**Completed.** A paper on bus services was considered by the Panel on 11 July 2024.
30/06/24 (3)	**Commissioner's Report: Promotion of Access DLR Trial** Alex Williams would provide Board Members with more information on how the six-month trial of Access DLR, an initiative to make journeys more accessible, including the ability to book assistance by phone, was being promoted.	Alex Williams	July 2024	This information will be provided shortly.
30/06/24 (4)	**Commissioner's Report: Friday Fares Trial Update** The Friday Fares Trial had ended and the data on ridership and its economic impact was being analysed. An update would be provided to the Board.	Alex Williams	October 2024	We are in the process of reviewing the data and an update will be provided at a future meeting.
35/06/24	**Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 16 May 2024: Inclusion Matters Training** A link to access the Inclusion Matters training would be sent to all Board Members and would be included in the induction programme for new Members with everyone encouraged to complete it.	Secretariat	July 2024	**Completed.** Links to the e-courses have been shared with Members.

Actions arising from previous meetings.

Minute No.	Item/Description	Action By	Target Date	Status/Note
16/03/24 (2)	**Commissioner's Report: Bus Journey Improvements Information** TfL monitored the impacts from improvements made to routes and services from bus priority measures, bus lanes and roadworks on bus journey times. More granular detail would be provided to the Customer Service and Operational Performance Panel and consideration would be given to how to better promote the information more widely to the public of the value and the benefits to customers.	Claire Mann/ Alex Williams	October 2024	We are currently collating this information for bus lanes installed in March 2024 and will present the data to the Panel when complete.
16/03/24 (3)	**Commissioner's Report: Analysis of Workplace Violence Experiences** Analysis of the data that TfL held into whether women and Black, Asian or minority ethnic colleagues were more likely to experience workplace violence would be carried out and provided to Board Members.	Siwan Hayward/ Claire Mann	November 2024	The information will be included in the annual update on work-related violence and aggression item, scheduled for the November 2024 meeting of the Safety, Sustainability and Human Resources Panel.
16/03/24 (4)	**Commissioner's Report: Improving Electric Vehicle Charging Infrastructure Accessibility** TfL would hold a workshop with the boroughs to look at good quality design and to ensure the standards were adhered to at sites across London, so that charging points were not located in remote, dark and unsafe places. The Chair asked that the expertise of Board Member Dr Nina Skorupska CBE and of the relevant communities and advisors be sought to ensure the safety of women and disabled users and to raise the accessibility standards that were a basic minimum to levels of excellence.	Alex Williams	July 2024	A note has been shared with Board Members Dr Nina Skorupska CBE and Marie Pye on our proposed approach.

Minute No.	Item/Description	Action By	Target Date	Status/Note
05/02/24 (1)	**Commissioner's Report: Bus Stations and Stands Review** TfL was undertaking a review that initially focussed on safety at bus stations that had the busiest interactions. Once the initial review was completed, the option to broaden the review to look at busy bus stands would be considered. The review would also look at the public realm around bus stations and stands and any design issues at specific sites. A more detailed update would be brought to the Safety, Sustainability and Human Resources Panel.	Claire Mann	September 2024	The Panel received an update on safety incidents at its meeting on 21 February 2024. An update will be provided to the meeting of the Panel in September 2024.
05/02/24 (3)	**Commissioner's Report: Taxi and Private Hire Vehicle Best Practice Guidance** TfL's initial review of the Department for Transport (DfT) best practice guidance for taxi and private hire vehicle licensing authorities showed that it was aligned with many of the DfT recommendations but there were some which differed to TfL's approach and further consideration was being given to those. TfL was not responsible for the booking platforms which were outside of its regulatory remit but a wider discussion would be brought to the Safety, Sustainability and Human Resources Panel.	Claire Mann	September 2024	An update will be provided to the meeting of the Panel in September 2024.
05/02/24 (4)	**Commissioner's Report: Thamesmead Site Visit** Board Members would be invited to attend a Thamesmead site visit and talk through the option plans.	Alex Williams / Secretariat	July 2024	A site visit will be arranged and all Board Members will be invited.
05/02/24 (5)	**Commissioner's Report: Ultra Low Emission Zone (ULEZ) Report** A ULEZ six-months on report showing the impact on air quality improvement and emissions data would be published in May 2024 and would be circulated to Board Members once available.	Alex Williams	Summer 2024	The London-wide ULEZ six-month report is due to be published shortly and will be provided to Members when available.

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.	Claire Mann / Lilli Matson	July 2024	**Completed.** An update is provided in the Delivery of the Mayor's Transport Strategy paper elsewhere on the agenda for this meeting.
52/07/23 (3)	**Safety, Health and Environment Annual Report 2022/23: Capturing Waste Heat** 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.	Lilli Matson	Late 2024/ Early 2025	Our work continues to progress at a site in Southwark, with regular engagement underway between TfL and a potential delivery partner to establish the technical and commercial viability of any partnership. TfL continues to engage with the Government on the Heat Zoning regulations that are likely to come into force in 2025, along with the Advanced Heat Zoning Programme, both of which aim to accelerate the rollout of heat networks across the UK. Once the Government's Heat Zoning Strategy is published later in 2024, TfL will update the Committee.

Minute No.	Item/Description	Action By	Target Date	Status/Note
52/07/23 (4)	**Safety, Health and Environment Annual Report 2022/23: Benchmarking Environmental Targets** 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.	Lilli Matson	September 2024	An update will be provided at the meeting of the Safety, Sustainability and Human Resources Panel in September 2024.
53/07/23	**Finance Report, Quarter 1, 2023/24: Superloop Monitoring** 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.	Alex Williams / Claire Mann	July 2024	**Completed.** The Panel considered an update on Bus Ridership and Superloop Demand Monitoring at its meeting on10 July 2024.
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	From 30 January 2023 to 7 July 2024, there were 849 scrappage applications received for scrappage options which include travel passes. A full review will be available as part of the scrappage scheme evaluation report which will be published following the scheme closure.
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	2024	An update will be provided to the Panel when there is further clarity around ongoing discussions with stakeholders.
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	July 2024	**Completed.** This is included in the paper elsewhere on the agenda for this meeting.

Minute No.	Item/Description	Action By	Target Date	Status/Note
05/02/23 (8)	**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.	Alex Williams	Ongoing	Following discussions with Government officials, an updated section 163 application was submitted to the Secretary of State for Transport on 7 November 2023 and further contact by TfL was made in March 2024. The project, which would deliver 251 new homes, cannot progress until the application has been determined.

Board

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

Date: **24 July 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 12 June 2024.

2 Recommendation

2.1 The Board is asked to note the report.

List of appendices to this report:

Appendix 1: Commissioner's Report – July 2024

List of Background Papers:

None

Andy Lord
Commissioner
Transport for London

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Commissioner's report

July 2024

MAYOR OF LONDON

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

Contents

Introduction

Our work to deliver a safe, inclusive and connected transport network for Londoners

It's hard to believe it's been only six weeks since the last Board meeting. During this period, we've continued to deliver against our commitments, hit key milestones and supported countless music and sporting events across the city.

A new government is now in place after the general election on 4 July – and we look forward to our discussions with them, as we continue to make the positive case for investment for TfL. Investment in London's public transport is not only key to support growth in the capital, it also has a significant, direct positive economic impact on the rest of the UK through our supply chain, with over 100,000 jobs supported outside London.

We continue to put safety at the heart of everything we do. As detailed in this report, we have a sharp focus on improving customer safety on our network. All our workstreams contribute towards achieving our Vision Zero ambition, to eliminate deaths and serious injuries from our transport network by 2041. We are undeterred in tackling work-related violence and aggression and our 2024/25 delivery plan sets out 50 specific actions we will deliver this year towards this goal.

Ahead of Pride in London, I had the privilege of joining the CEO of the Mildmay Hospital in hosting a ride on a specially wrapped London Overground train. The IFS Cloud Cable Car also marked Pride month by wrapping 10 gondolas – for the first time – in the 'Every Story Matters' livery and our OUTBound Colleague Network Group held a series of informative events. We supported the Pride parade on 29 June as an official partner, which saw thousands take to the streets to celebrate diversity and raise awareness of the great contributions of the LGBTQ+ community.

It wouldn't be summer in London if we didn't have a wide variety of world-class events taking place. From the tennis at Queen's and Wimbledon to the Trooping the Colour ceremony – we kept Londoners and visitors alike moving across our network. This also included supporting travel plans for the screening of the UEFA Euro 2024 men's football final at the O2 Arena. Despite the disappointing result, 15,000 fans were able to safely attend the capital's largest free screening of this historic match. Our beloved Tube map even got a makeover to mark Taylor Swift's first series of concerts at Wembley stadium last month. While for customers who were not attending these events, we kept disruption to their journeys to a minimum so they could carry on with their normal business.

I'm also proud to share that we've reached some great milestones this period. We launched 10 new Cycleways across London in June, making cycling safer and easier for Londoners. We also completed 4G/5G coverage in the central section tunnels between Paddington and Liverpool Street on the Elizabeth line – with more coverage being delivered in the coming weeks – helping customers stay as connected as they would be above ground. I'm also pleased we have reached agreement with the Department for Transport and Alstom to procure 10 additional trains for the Elizabeth line, which will support additional demand ahead of HS2.

It was also great to host a meeting of the regional mayors from across the UK at our offices, following their meeting at Downing Street with the Prime Minister. After leaving Downing Street, the mayors and their teams made their way to Palestra in Southwark, on one of our double-deck electric buses, to discuss how they can work better together to overcome challenges within their regions.

Finally, I was delighted to hear that the work and dedication of our people had been recognised at the Chartered Institute of Highways and Transportation awards, where we received several accolades, including our Senior Bus Safety Development Manager Kerri Cheek being named Bus Person of the Year.

These awards and the work included in this report are testament to the passion that our colleagues put into their work. I see this every day when I'm out on the network or in the office, which is why it's a real privilege to do this job.

Andy Lord
Commissioner

Safety and security

Putting the safety of our customers and colleagues at the heart of everything we do

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It is neither inevitable nor acceptable that anyone should be killed or seriously injured when travelling in London. Every death or serious injury on our streets is devastating, bringing heartache and tragedy to all those involved.

London has made huge strides towards reaching Vision Zero, with deaths and serious injuries on London's streets falling faster than the national average. Last year was the lowest year on record for people being killed on our roads excluding 2020 and 2021, which were heavily affected by pandemic-related lockdowns and changes in travel patterns.

However, while significant progress is being made, further action is needed to eliminate deaths and serious injuries from London's streets. This report updates on incidents where there has been a loss of life either on or involving a TfL vehicle or premises, including any fatalities involving our buses across London. Further information, including data on the number of people killed or seriously injured across all modes, is available both in the Safety, Health and Environment Quarterly reports and on our Bus Safety Dashboard.

Notable incidents

On 28 June, a customer fell as they stepped onto an escalator at Victoria Tube station. The customer was taken to hospital by the emergency services but sadly died later that night. In line with normal practice, investigations are under way.

Shortly after midnight on Sunday 16 June, a route 309 bus collided with a pedestrian as they crossed St Paul's Way in Mile End, at the junction with Burdett Road. The pedestrian was conveyed to hospital but sadly died from their injuries two weeks later. The incident is under investigation.

Investigations

Following the tragic death of a customer at Walthamstow bus station in December 2023 when a bus collided with them, we are completing our investigation into the circumstances of the collision. We are also working to deliver the first phase of pedestrian safety improvements at the bus station in response to issues raised by the Health and Safety Executive in its Notice of Contravention. This has involved installing a temporary signalised pedestrian crossing at the northern end of the bus station, as well as altering the turn manoeuvre so that buses approach the crossing more head-on to improve visibility, and to shorten the crossing distance for pedestrians.

We continue to cooperate with the Health and Safety Executive. We are monitoring the effectiveness of the new signal arrangement for safe pedestrian and vehicle movements. This learning is being used in developing options for the future permanent signal scheme at the bus station, which we are committed to delivering this year, as well as introducing further safety improvements for pedestrians at other crossing locations within the bus station.

Continuing to improve customer safety across the public transport network

We are continuing our work to reduce the risk of entrapments on station escalators. Our approach to keeping our customers safe involves engineering devices, research and influencing customer behaviour. We are currently trialling engineering devices that turn escalators off when entrapments occur. We are also undertaking research to better influence customer behaviour and we are improving our customer messaging.

As we approach the school holidays and noting the risk posed to children in particular through loose footwear, we will be raising awareness through our safe escalator use campaign. During school holidays, we will be displaying our 'Keep kids feet clear of edge' posters and playing regular announcements in stations. These measures will be further reinforced by station colleagues when they see children travelling on the network.

Further work is also under way to address the risk of platform-train interface (PTI) incidents. The risk of such incidents remains very low but the potential

We are continuing our work to reduce the risk of entrapments on station escalators – including trialling devices that turn escalators off when entrapments occur

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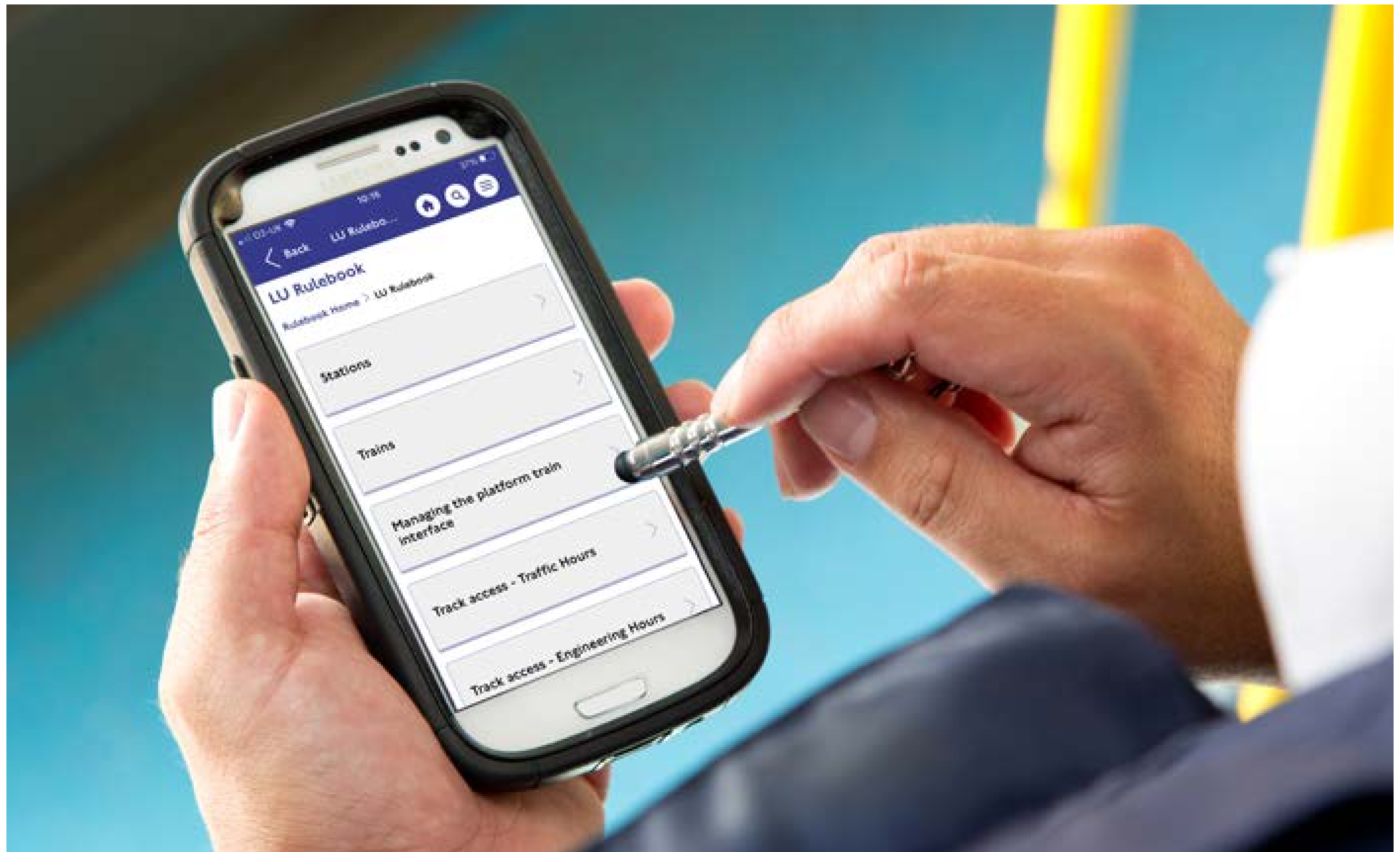
consequences of them can be severe, including life-changing or fatal injuries as well as trauma to our customers. We have a long-established PTI plan that sets out actions to drive improvements. These actions are based on learning from previous incidents, industry best practice, engineering solutions, staffing and training. We take a dynamic approach to our risk management by assessing how we can introduce new methods and solutions to complement existing measures to keep our customers safe. Our teams are currently focused on refreshing our PTI action plan.



We're launching a new London Underground rule books app

All change for our London Underground rule books

From 31 July, our London Underground colleagues will start to use a new set of rule books which provide the rules and procedures they need to follow to keep the London Underground running safely. These rule books cover everything from station management to track access in operational hours, track access in engineering hours and service control.

As part of this update and following a substantial review involving colleagues and various subject matter experts, the rule books will be categorised in a new and simplified way, making them easier for colleagues to use. In addition, and for the first time, the rule books will be available via a digital app. This will make it much easier for colleagues to access the materials they need on-the-go, even in tunnels, to stay safe at work and keep our customers safe. We are starting to communicate the updated materials and new ways of accessing them to colleagues now in preparation of them coming into use later this month.

In addition to the digital app, the London Underground rule books will remain available to colleagues in physical form and online via PDFs.

Tackling work-related violence and aggression

This year we will further accelerate progress towards our goal of eliminating work-related violence and aggression towards everyone working for TfL.

Our annual delivery plan for 2024/25 sets out 50 specific actions we will deliver this year towards this goal. It includes a new approach for managing high-risk repeat offenders; improves support to repeat victims; increases the size of the Transport Support and Enforcement night team; concludes a review of our duty of care processes, strengthening offender management; and sees the continuation of our well-received conflict management training programme.

A new target on the scorecard will drive our work forward. We aim to reduce the number of physical work-related violence and aggression incidents against directly employed colleagues by 10 per cent over 2024/25. We will continue our work to tackle violence, abuse and threats towards all our colleagues, including those working for our operators and contractors.

In recognition of how important our people leaders are to this work, we cascaded a performance objective for senior operational leaders to own and drive delivery towards our vision of eradicating work-related violence and aggression.

We continue to work with our policing partners to ensure anyone who assaults our colleagues is brought to justice.

- In April 2024, a man who assaulted a bus driver on route K1 was convicted on a charge of actual bodily harm and given a 20-month custodial sentence. The man, who had missed the bus, approached the driver's side window while the bus was waiting at traffic lights after leaving Kingston Cromwell Road bus station. He punched the driver in the face, leaving him with a swelling and bruise below his right eye which resulted in him spending five hours in hospital.
- Also in April, a man pleaded guilty to common assault and was ordered to pay compensation and costs totalling £815. This follows an awful attack in January 2024, when the man punched a train operator in the face after he was awoken on a terminating train

Crime and antisocial behaviour on public transport

Tackling robbery continues to be a focus for our policing partners. The Roads and Transport Policing Command's (RTPC) Operation Surge is the Metropolitan Police Service (MPS) response to robbery on the bus network. Around 80 per cent of bus-related robbery happens at bus stops. Victims are often young people, under the age of 18. The RTPC deploys high-visibility patrols to the highest-risk locations. Since 1 May, Operation Surge resulted in 417 arrests and 346 stop and searches.

The British Transport Police's Operation Invert is a similar operation on the rail network, with high-visibility patrols deployed across identified stations and lines. For the month of June, the operation resulted in 23 arrests and 23 stop-and-searches.

Tackling violence against women and girls

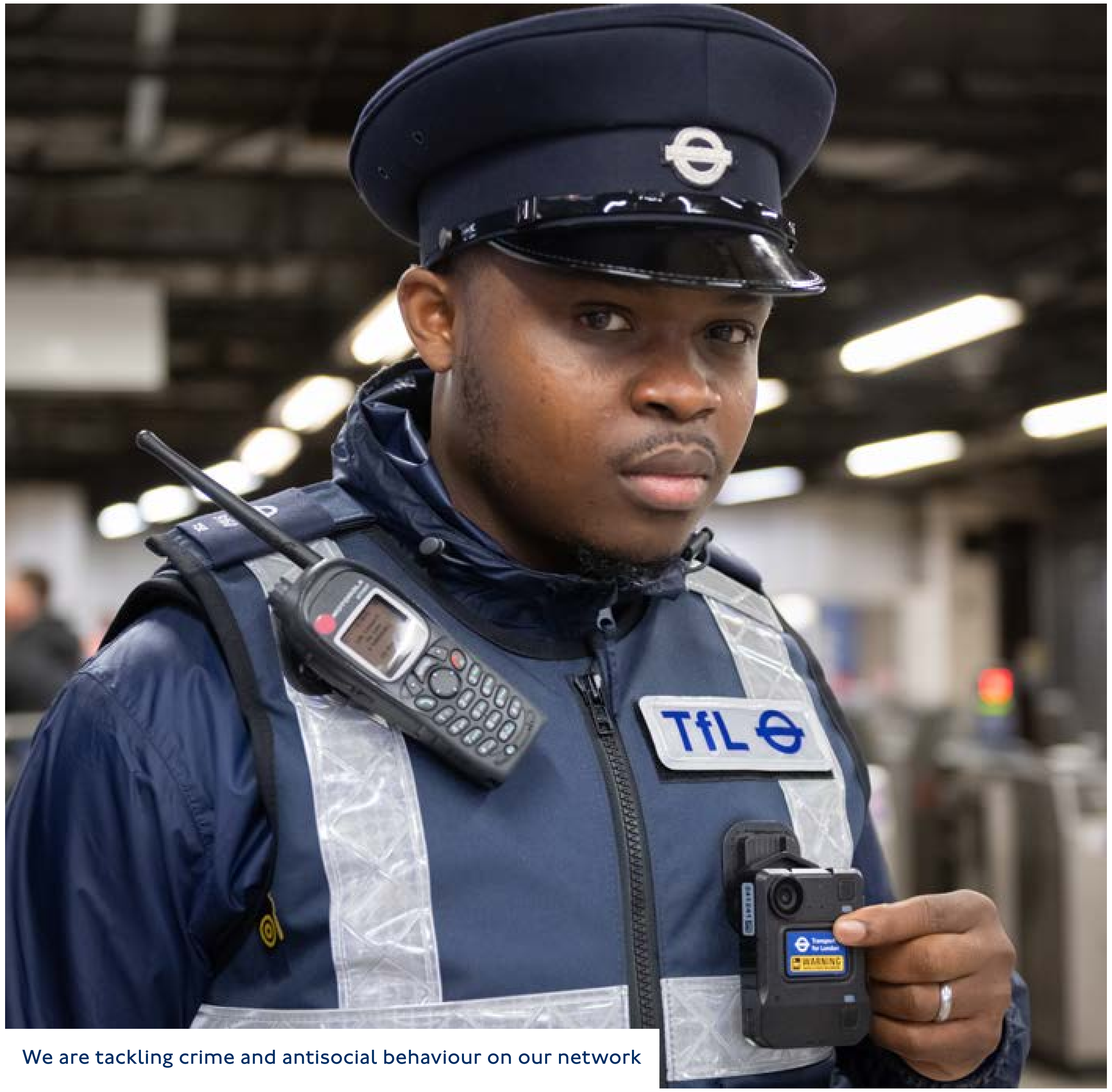
We continue our work to tackle violence against women and girls on the public transport network and improve their confidence to travel.

It is vital that we show empathy and offer support to those who experience sexual harassment or any behaviour that makes them feel uncomfortable when travelling in London. Our roll-out of bespoke sexual harassment training to London Underground customer service colleagues is on track for completion by April 2025.

To date, over 20 per cent of London Underground frontline staff have attended face-to-face sessions, helping them respond to reports, support customers and each other, and challenge behaviour. Around 10 per cent of London's 25,000 bus drivers have engaged in the new equality and diversity training, which includes the required sexual harassment modules.

We continue to work in partnership with the Mayor's Office for Policing and Crime to conduct localised women's safety audits. Fifty women from the boroughs of Hillingdon, Lambeth, Westminster, Waltham Forest and Brent have been recruited and trained as community researchers, to carry out and test a variety of audit methodologies. This will include indoor group discussions, outdoor observations and mapping exercises. The audits will cover a mix of location types, such as transport hubs, busy high streets, quiet paths, green spaces and low traffic neighbourhoods.

The aim is to develop a toolkit and framework for future audits, empowering any interested party to engage with women, girls, and gender-diverse people and understand their experience of public space. Going beyond safety improvements, the aspiration is for the audits to foster a sense of community and belonging for participants, as well as those impacted by the outcomes.



We are tackling crime and antisocial behaviour on our network

World-leading upgrade to London's traffic signal system

In collaboration with Yunex Traffic Limited, we have successfully transferred our ageing traffic signal system to the cloud-based Real Time Optimiser (RTO) system. This constitutes a world-leading upgrade to the management of London's road network. The new system has the capacity to deliver improved journey times, traffic flows and responses to incidents, as well as better data and customer information.

Over a two-week period, almost 4,000 junctions, 1,500 pedestrian crossings and more than 16,000 traffic detectors across Greater London were migrated to the new system without any impact on road users.

Traffic signals are central to the safety of road users in London and vital in helping us run an efficient bus network. This infrastructure and its integration with RTO enable our Control Centre to respond to incidents to ensure that all road users can travel safely, whether they are walking, cycling, using public transport or driving. How we manage our roads is also central to achieving our Vision Zero goal of eliminating deaths and serious injuries on the transport network.

The RTO system also provides the platform to support the introduction of FUSION, a new intelligent control system that uses data from a wide range of sources to optimise traffic signals for all road users. This will replace the existing system that has been operating across London for more than 30 years. Benefits of this system will include improving air quality, reducing congestion and helping traffic flow.

The transfer was completed with a first-time average success rate of 99.2 per cent. The RTO system will now form the bedrock on which we will build a roadmap of traffic signal enhancements. This will help us position London as a forward-thinking city ready to embrace the challenges of an older road layout and opportunities presented by future technologies.

Our new traffic signalling system will improve journey times

Safeguarding our vulnerable customers

Helping people sleeping rough get the support they need is a safeguarding priority for us. Our transport-focused outreach team, operated by Thames Reach, continues to help people sleeping rough on London's public transport network access the support and services they need. The team works every night, responding to referrals from StreetLink and information provided by us. We encourage our colleagues and stakeholders to report rough sleeping using internal channels and StreetLink so Thames Reach can target these people.

We have developed and published an internal online course aimed at educating and reminding colleagues across the whole network on how to respond to rough sleeping. This covers information including how to spot a person sleeping rough and how to support them.

Safe behaviours

Police activity to support Vision Zero

We continue to work in partnership with the MPS, City of London Police and other enforcement agencies to fulfil our Vision Zero goal of no deaths or serious injuries on our roads by 2041.

We now publish borough-specific safety camera and Community Roadwatch data on our Vision Zero enforcement dashboard. We received two requests for speed enforcement through our London borough speed referral process from the boroughs of Harrow and Bexley. This is an initiative where local authorities can bid for police speed enforcement activity to address community concerns.

We have also started a two-month trial of some exciting technology that adapts our mobile speed-enforcement laser cameras so we can undertake night-time enforcement.

Between 3-19 June, our policing partners took part in a national operation focusing on risky two-wheelers, including e-bikes, bicycles and motorcycles. They issued 490 traffic offence reports as part of this operation.

The MPS Motorcycle Safety team delivered a covert operation that led to three vehicle seizures. They also provided specialist advice into 'organised crash for cash' offences, visiting eight addresses. The team also aimed to increase motorcycle awareness and spoke to 300-400 riders during the weeks of operation, as well as visiting colleges where a motorcycle safety talk was delivered to over 50 students.

The Cycle Safety team seized 12 e-bikes and ran a number of Exchanging Places events at identified high-risk locations – these events enable cyclists to experience the view from the cab of an HGV. The team also completed Close Pass operations during this period. Close Pass involves plainclothed officers on cycles identifying drivers that pass too close, providing both educational or enforcement solutions. The team also delivered cycle safety and e-scooter information to approximately 2,000 year six children at approximately 50 primary schools as the part of the Junior Citizen Scheme.

Our policing partners continue to balance enforcement with education. The MPS Commercial Vehicle Unit delivers its multi-award-winning 'Toolbox Talk' to heavy goods vehicle (HGV) drivers, transport managers and operators. The talk is being adapted for bus and coach operators, further advancing our goal of reducing casualties involving these vehicles.

We attended the National Roads Transport Expo, 4-7 June, where operators shared best practices across more than 280 exhibitions.

Alongside our policing partners, we continue to focus on targeting the most dangerous drivers who have repeatedly committed offences through our four-weekly tactical tasking meetings, as well as monitoring our riskiest and most harmful corridors. Additionally, the MPS Safer Transport teams conducted five Operation CUBO operations, using automatic number plate readers to identify and stop vehicles with no insurance, no tax or disqualified drivers. They identified 153 vehicles as uninsured, resulting in the seizure of 70 vehicles.

183km
of our roads have had their speed limit reduced by 10mph since 2020, exceeding our target

Safe speeds

Lowering speed limits

Reducing vehicle speeds in London is key to reducing both the likelihood of a collision occurring and the severity of the outcome when collisions do occur. As detailed in the Vision Zero progress report published in 2021, the second phase of the Lowering Speeds Programme aimed to lower speeds by 10mph on at least a further 140km of our roads by 2024.

By March 2024, we exceeded this target and have reduced the speed limit by 10mph on more than 183km of our roads since 2020. We continue to introduce 20mph speed limits on more of the TfL Road Network and now have 20mph limits on a total of 264km of our roads.

Key initiatives under way as part of the lowering speed limits programme include introducing a new 40mph limit on the A406 North Circular Road. This is due to come into operation in early August 2024.

In addition to what we have already delivered, we are also exploring any additional roads that could be in scope to extend the benefits further.

Safe streets

Road safety schemes

Design and construction work is continuing on more than 40 schemes across London, at locations where we have identified road safety concerns. Construction started on 10 June to deliver a new pedestrian crossing on the A23 Brixton Hill close to the junction with St Saviours Road in Lambeth. This location has a poor safety record but has been identified as a preferred crossing point for pedestrians.

Detailed design work is continuing at locations where we plan to deliver road safety schemes later in this financial year, including at Redcliffe Gardens in Kensington and Chelsea, the junction of King's Cross Road with Pentonville Road in Camden, A23 Streatham High Road at the junction with Gracefield Gardens in Lambeth and the A20 Amersham Road junction with Parkfield Road in Lewisham.

We have also started public engagement on proposed safety improvements at the junction of A503 Seven Sisters Road and Wilberforce Road, with plans to implement an improved cycle crossing into Finsbury Park and improvements to a nearby pedestrian crossing.

Safer Junctions programme

Public consultation is continuing on walking and cycling improvements between Finsbury Park and Nag's Head in Islington, introduced on an experimental basis as part of the Cycleway 50 works. This includes two locations targeted for improvement through our Safer Junctions programme: Holloway Road/Tollington Road/Camden Road and Holloway Road/ Parkhurst Road/ Seven Sisters Road. This consultation is due to run until 14 August 2024.

Further design and survey work is continuing at pace on the Battersea Bridge scheme, with construction due to start by the end of the year.

Design and outcome planning work continues on the remaining junctions covered by the programme. We are aiming to complete public consultation and engagement on 10 of these locations by the end of 2024.

Public consultation started earlier this month on proposed safety improvements at Hogarth roundabout in Hounslow. Detailed traffic modelling is under way on the Monument junction scheme, and we will be undertaking early engagement with statutory stakeholders in July and August ahead of further public consultation in the autumn.

Safe vehicles

Improving lorry safety in London

On 24 June we opened applications for HGV safety permits under the new progressive safe system (PSS). The PSS is our set of updated safety requirements that will become mandatory for HGVs rated zero, one and two stars on the Direct Vision Standard (DVS) scale from 28 October 2024.

To raise awareness and remind HGV operators and drivers of the opening of applications, we launched a multichannel campaign which included out-of-home advertising placements across 40 service stations, as well as advertisements in trade press magazines in the UK, France, Netherlands, Poland and Germany. A paid search campaign is live until the end of August, leading users to an updated and informative website. Since May, we have been sending monthly emails to any holder of an HGV safety permit, providing clear and up to date guidance designed to aid HGV operators become PSS-ready. We continue to meet and engage regularly with industry representative groups to promote the new requirements and help resolve any stakeholder queries.

We have also been working to understand how ready the road haulage sector is for the new DVS requirements. We will set this out in our update to London Councils' Transport Environment Committee in July.

Revenue protection

Throughout the last financial year, our teams have been deployed across the network carrying out revenue protection activities. These efforts have seen us hold the line against fare evasion, showing a small decrease in the rate to 3.8 per cent. This comes despite over 300 million more journeys on the network.

We will shortly be launching a new fare evasion poster on the network, which includes the message 'A fare is less than a fine'. This update to our messaging follows on from our work with experts on this subject to gain further insight into attitudes towards fare evasion through analysing trends on social media. The research also involved focus groups of accidental, calculated and chronic groups of fare evaders, which has provided further insight to inform our long-term approach to behaviour change.

Use of contactless payment cards has grown in the last financial year, increasing by 15 per cent on London Underground and 11 per cent on buses. This has been a main area of focus when investigating irregular travel patterns. In the last financial year, our investigations identified 414 individuals who habitually avoided paying for all or part of their journeys, adding up to more than £363,000 of avoided fares.

One case identified an individual who had failed to correctly validate their contactless payment card 193 times, totalling over £1,200 of unpaid fares. The individual attended court in April and pleaded guilty to all charges. We also identified another individual who was avoiding fares by using a bank card that had insufficient funds. Analysis of the card's usage showed a failure to validate on every journey made in over a year. We used CCTV footage to help find the offender. The individual attended court and pleaded guilty to all offences and was ordered to pay £1,796 to us.

Judicial reviews

We have been named as an interested party in a judicial review claim made by a local resident (representing a campaign group) against the London Borough of Tower Hamlets' decision to withdraw Low Traffic Neighbourhood measures in Bethnal Green. The court has granted permission for the claim to proceed on all grounds, including grounds based on the borough's statutory duty to implement a Local Implementation Plan. The hearing is due to take place in November.

Successful prosecution of Thames Water for unsafe street works

At a hearing which took place at City of London Magistrate's Court on 12 June 2024, we successfully prosecuted Thames Water for unsafe street works undertaken on Wickham Road (A232) in November 2023. Thames Water had failed to adequately sign, light and guard its site, causing safety hazards including a risk of traffic collisions. A court summons was issued for a Section 65 safety offence and a notification offence (late submission of the emergency works permit). Thames Water did not contest the charges and entered guilty pleas in advance but submitted a significant amount of mitigation in its defence. The court issued fines of £40,000 for the safety offence and £1,650 for the late notification; and awarded full costs of £4,632. The total of £48,282 included a victim surcharge.

Our customers

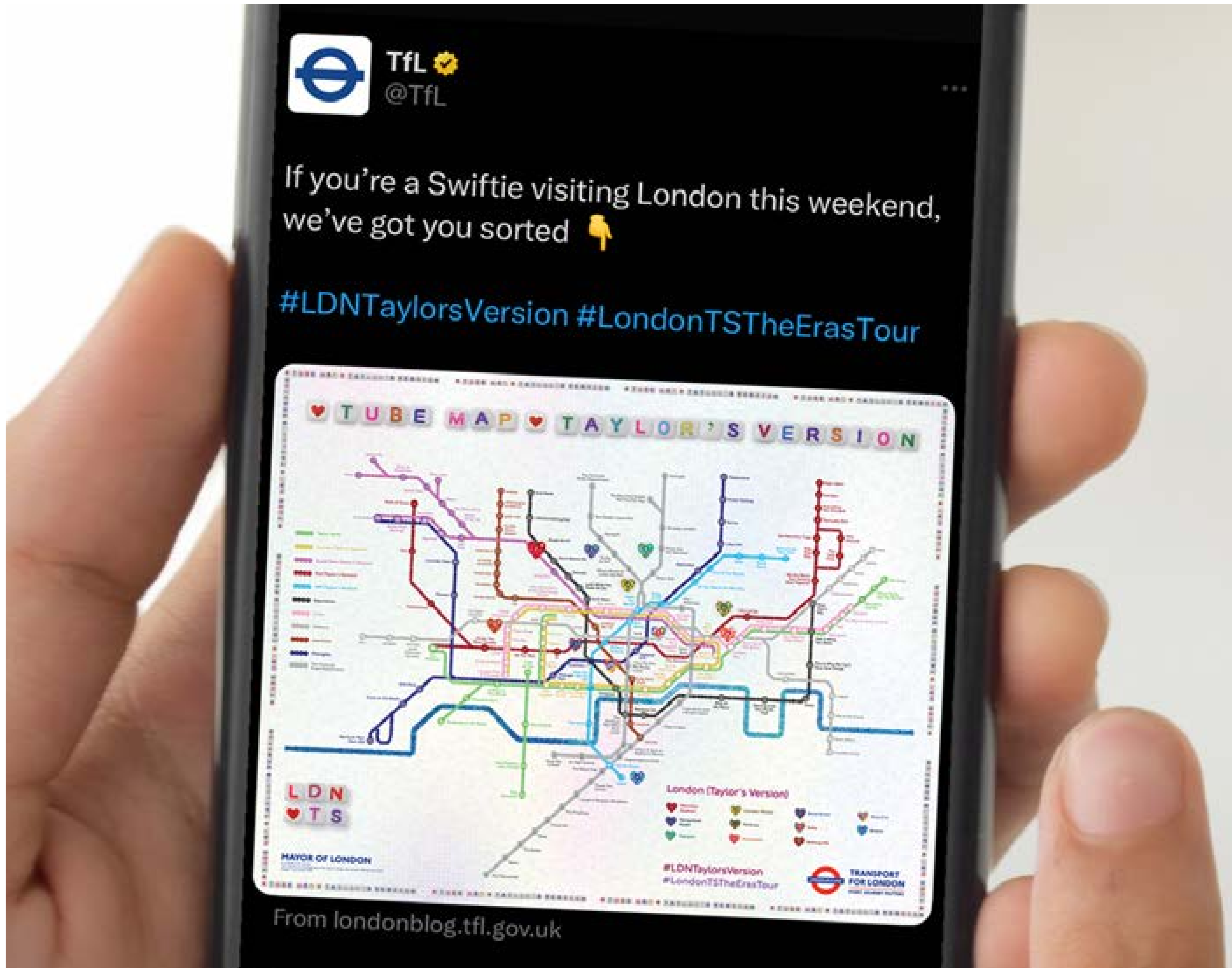
Constantly working to improve travel in London

Network report
June and July saw London's summer events calendar in full swing. On Saturday 15 June, Trooping the Colour took place celebrating His Majesty King Charles III's official birthday. There were also concerts at large venues including Taylor Swift playing the first three of eight concerts at Wembley Stadium.

To encourage Taylor Swift fans to explore more of London, we worked with London & Partners and the Greater London Authority (GLA) to create a special Taylor-themed Tube map. London (Taylor's version) sees each line named after a different album and drawn in sequin colours to match, with stations named after songs, and gemstones to reflect key locations with links to Taylor that fans can visit. There were also major events at the London Stadium and Tottenham Hotspur Stadium. The British Summer Time events took place in Hyde Park through both June and July and Finsbury Park again hosted several weekends of music. We also saw Major League Baseball at the London Stadium, domestic and international cricket at Lord's and The Oval, tennis at Queen's Club, the Red Bull Soapbox Race at Alexandra Palace, and on Trafalgar Square the popular West End Live event took place towards the end of June.

On 29 June, the annual London Pride parade and events took place in the West End. This was another vibrant, colourful and well-supported event showcasing London's diversity.

During July, the Wimbledon Tennis Championships took place along with the Saucony London 10k running event on closed roads in Central London.



We celebrated Taylor Swift's London concerts in June

Preparations for the Formula E London ePrix are underway ahead of the event at the end of the month in and around the ExCeL Arena.

Earlier this month, following the England men's football team reaching the final of UEFA Euro 2024, we also supported travel arrangements for the capital's largest free screening of the match at the O2 Arena.

There was also protest activity during this period and we continued to work with our emergency services and transport colleagues to manage London's transport around this activity.

All these events bring people to London and our services are vital to help people navigate their way through our city to either attend these events or carry on with their daily business.

Borough collaboration
We continue to work closely with boroughs and London Councils to deliver schemes and improve transport for Londoners across the city. Boroughs are responsible for 95 per cent of London's roads so collaborative working is vital to help us to achieve our ambition for a healthier and more sustainable transport network for London. We're proud of the achievements we've made working with boroughs and look forward to working together to continue to meet our shared objectives.

We published our Local Implementation Plan (LIP) guidance this month. This has been prepared in partnership with the LIP working group made up of borough representatives from each sub-region and London Councils. This is designed to help boroughs shape their LIP delivery plans and the requirements to obtain funding. Ensuring we help boroughs to invest in local transport schemes is critical for future years and sustainable transport delivery across London.

Delivering our Bus action plan
Bus priority programme
Work is continuing at pace to deliver our target of 25km of new bus lanes on London's roads by 31 March 2025.

To date, we have delivered 10.9km of new bus lanes on TfL and borough roads against this target. We are working closely with boroughs to ensure we remain on track to deliver the remaining 14.1km by the end of the financial year.

Since April 2024, we have delivered 750 metres of bus lanes in the boroughs of Hackney, Brent and Hounslow. Work is also under way on 240 metres of new bus lane on Greenford Road in Ealing.

We have also begun early feasibility design on measures to improve proposed Superloop routes at key pinch points. This includes investigations into whether more direct routing of Superloop services is feasible (given the lower number of stops), saving mileage, cost, time and emissions. We are currently working with the affected London boroughs to progress several of these projects. We have also completed investigations into kerbside activities on the Superloop routes, indicating where further bus priority measures could be progressed to improve journey times.

The bus priority signals programme continues to deliver strong bus journey time benefits. Since April, we have undertaken 46 bus-focused timing reviews, making good progress towards the end of year target of 400 reviews, saving over 830 hours in total for bus passengers in 2024/25.

Route changes and proposals
On Saturday 29 June, route 211 was rerouted at Sloane Square to operate to and from Battersea Power Station. The route now runs between Hammersmith and Battersea, creating several new links for customers. It previously ran to Waterloo station. Route 11 continues to serve the same stops between Sloane Square and Waterloo.

In conjunction with these changes, route 77 (Tooting to Waterloo) towards Waterloo was rerouted between St Thomas' Hospital and Waterloo station. These changes took place as the changes to route 211 made space available for buses to terminate and stand at Waterloo station. This will enable the London Borough of Lambeth to proceed with plans to pedestrianise Concert Hall Approach, and will improve the interchange between buses and rail services at Waterloo station. We consulted on these changes as part of our Central London Bus Review and they were made possible following the completion of infrastructure works at the Battersea Power Station terminus that route 211 now serves.

We continuously review and adapt the bus network to ensure that services reflect changing customer needs and we are working to improve the bus network in outer London. As part of this, on 6 July route 281 (Hounslow to Tolworth) was extended from Tolworth Broadway to nearby Signal Park on Lansdowne Close in the Royal Borough of Kingston upon Thames. The area south of Tolworth roundabout has seen substantial development in recent years. There is also a large residential development at Signal Park and a new large office block on Kingston Road. Extending route 281 provides additional capacity and new connections, and gives residents of Signal Park and existing local residents the option of shorter walk times to access the rest of the bus network, ensuring they do not have to cross the A3 Tolworth roundabout on foot to do so.

Between 31 May and 8 July, we consulted on proposals to extend route 241 (currently Silvertown to Stratford) from Stratford City bus station to Here East in the Queen Elizabeth Olympic Park (QEOP). Our proposals are designed to improve the way buses serve Here East and Stratford Waterfront, Sweetwater and East Wick developments, as well as providing new direct links to QEOP from various parts of Newham including the Royal Docks, Custom House and Plaistow, improving connectivity between Stratford City bus station and local destinations.

Work is continuing at pace to deliver our target of 25km of new bus lanes by 31 March 2025. Since April 2024, we have delivered 750 metres of bus lanes

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We are also consulting from 20 June to 31 July on proposals to reroute the 350 south of Hayes & Harlington station. Bus route 350 currently operates between Heathrow Terminal 5 and Station Road/Millington Road in the London Borough of Hillingdon. Our aim is to bring existing and new homes closer to the London bus network and provide a quick link to Hayes & Harlington station for National Rail and Elizabeth line services. This includes approximately 1,400 new homes which are planned as part of the Hayes Village development at the site of the former Nestlé Factory.

In November 2023, the previous Government announced a commitment of up to £23m to support the introduction of a bus transit scheme to serve Thamesmead, enabling first-phase housing development in this area. We are currently working up proposals to support a business case for this.

Improving bus stations

Safety is our top priority, and we continue to focus on progressing improvements at bus stations at pace. We completed improvements at Victoria bus station in December 2023 and continue to review pedestrian data at this location given development in the area.

We completed a review of our 32 principal bus stations in February 2024 and identified improvements to be made. In March 2024, we confirmed a budget of £2.5m in 2024/25 to progress changes to bus station layouts resulting from the review. We have established a project team and developed a prioritised programme of activity based on safety, compliance, and deliverability.

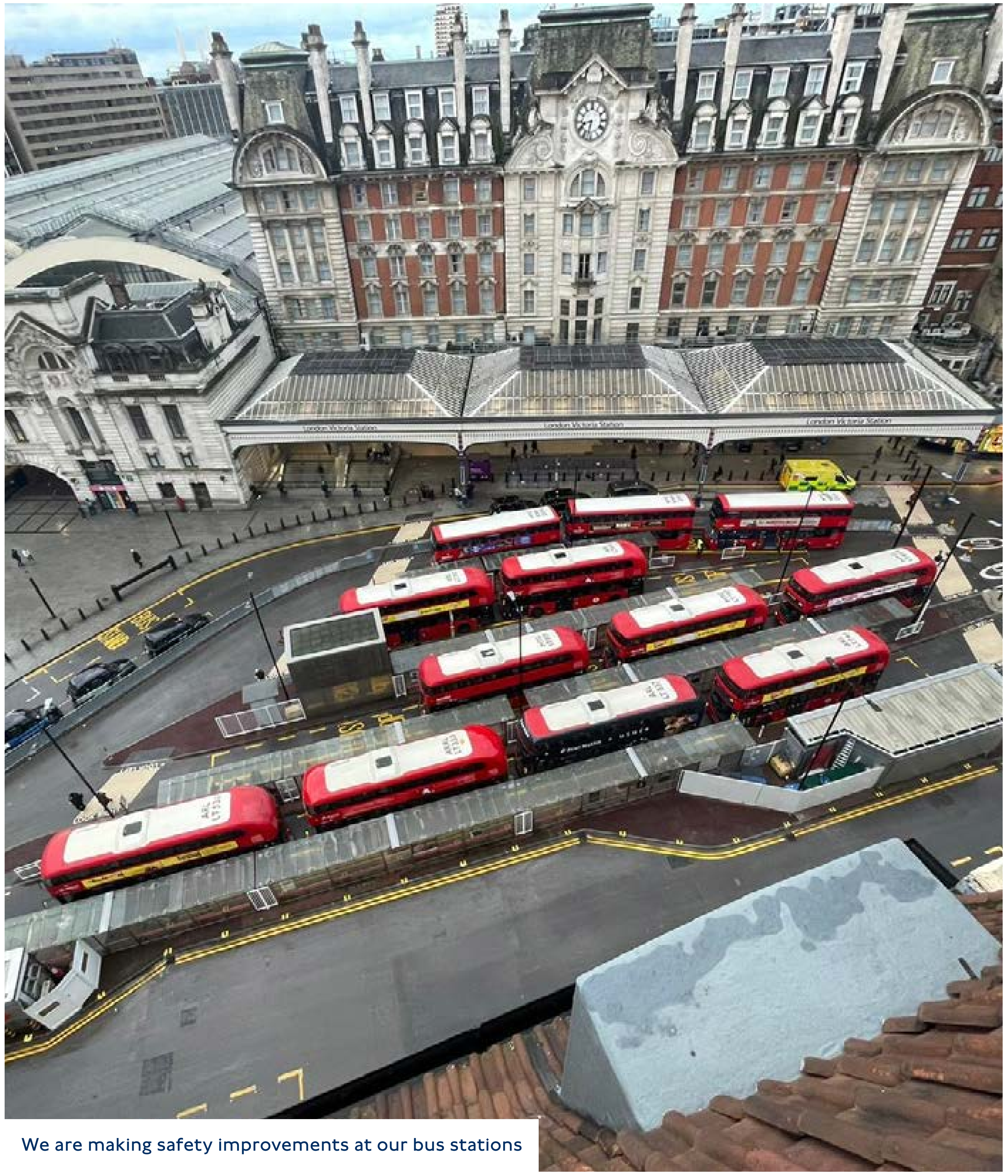
In May 2024, we installed a new temporary pedestrian crossing at Walthamstow bus station. We are progressing design work, and are reviewing the temporary crossing operation, to allow permanent installation to be completed.

Customer Contact Centre

Our contact centre enjoyed a period of stable demand, enabling a positive service to customers across our telephone and correspondence channels. Our team helped customers with the latest information on track and station closures and assisted Northern line passengers during train shortages. Additionally, our team supported customers during industrial action on the trams service. We have begun preparations for our seasonal concessionary peak of Oyster card applications, which begins in August, to ensure we can manage the increased volume of contacts and applications.

As summer arrived, our visitor centres benefitted from an increase in customer numbers with a rise in both domestic and international tourists visiting the city. We decorated our centres to greet visitors attending the Champions League final at Wembley Stadium on 1 June, and to celebrate the start of the Euro 2024 football tournament.

Our Lost Property Office has implemented a new item search and matching engine, enhancing our ability to identify and reunite lost items with their owners.



We are making safety improvements at our bus stations

London's road network

In March and May, we saw the first ever weekend bi-directional closures of the M25 by National Highways. A further closure took place from Friday 12 July to Monday 15 July. We worked closely with National Highways to manage any impact within the Greater London boundary.

We have also been working with several stakeholders to create a hive of collaborative activity during the closure of Farringdon Road for essential gas works. We co-ordinated access for a number of utilities to assess the condition of their assets while supporting nearby developments to accelerate their delivery. This included activities ranging from major crane operations to enabling site access for large vehicles in a safe space to minimise risks for vulnerable road users.

On 27 June, significant works were completed to remove the central reservation on Western Avenue in the London borough of Ealing as part of the High Speed 2 (HS2) works to enable essential gas works to begin. In parallel, we continue to work with Costain on delivering Westway improvements to replace joints on the slip roads. To ensure disruption is minimised we implemented a package of mitigation measures.

Elizabeth line

We are pleased to have reached agreement with the Department for Transport and Alstom to procure 10 additional trains for the Elizabeth line. These will be used to augment services to the new Old Oak Common station linking with HS2 to accommodate expected additional demand while also increasing service levels on other busy sections of the Elizabeth line. The trains will start arriving in 2026.

The Elizabeth line has seem more than 350 million journeys since it opened and on average, there are around 700,000 passenger journeys on the line every weekday. It has also directly impacted the development of 55,000 new homes, with 60 per cent of employment growth in Greater London since the line's opening within 1km of an Elizabeth line station.

Performance remains positive on the line. The programme of improvement works on Network Rail's infrastructure on the west continues with performance being stabilised. Continued focus and support from all parties is required to ensure progress.

We are expanding our Elizabeth line fleet

Weather
Despite a cold and wet start to summer, our teams continue to plan and mitigate against potential challenges on our network and assets caused by adverse weather, including high temperatures, heavy rain and thunderstorms. Our adverse weather plans and procedures cover all operational areas and enable our teams to implement plans quickly and efficiently. This ensures our colleagues and those working in our supply chain are able to respond to and minimise the impacts of adverse weather. Our daily, five-day look-ahead forecasts with defined triggers relating to temperature, rain, wind and lightning are continually monitored.

On 12 July, we held Exercise Tempest across TfL to test our preparedness and response to a summer-focused extreme weather event. Due to the increasing risk of extreme weather events, we have developed contingency plans to mitigate against the impacts this could have on our services, networks and customers. There is an established command-and-control protocol in place to manage extreme weather events, which is referred to as the '54321' process. This is a well-understood process and has been used many times in the past. The purpose of Exercise Tempest was to test the existing plans and processes under a challenging yet plausible scenario to identify any gaps and deficiencies, including areas for improvement.

Piccadilly line upgrade
Testing of the new trains continues in Germany and the project team are getting ready for the first train to arrive in London for testing later this year. Work continues at depots to provide initial maintenance facilities for the first new trains and there has been good progress on the design and delivery planning for the end-state depot facilities. The new stabling and reversing sidings at Northfields will be commissioned in autumn.

There will be a series of closures on the line to support the enabling work for the introduction of the new trains, which will start entering passenger service from late 2025.

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. This train has been running end-to-end on the Central line, serving our passengers and accumulating over 7,000km travelled, to enable us to understand how the new trains are performing. The 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.

Our Central line improvements will deliver greater accessibility, safety and reliabilty for our customers, as well as improving efficiency and reducing emissions

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 6,000 tonnes 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.

Ambience works have concluded on the first overhauled train with continuing updates on the software to improve service performance.

We continue to accelerate the Central line trains overhaul, to address key safety and reliability aspects, with the first train completing works to be returned to service in September.

London Overground
Work has commenced to develop the specification for the next operating concession for which a new operator needs to be in place by May 2026. We are working closely with DLR and Elizabeth line teams where similar work is well under way, giving the opportunity to assess market feedback. We aim to engage the market at the end of July.

East London line enhancements programme
Construction works at Surrey Quays station are progressing well and final planning drawings have now been approved by the London Borough of Southwark. Works are now focused upon using three planned closures this summer as effectively as possible. We remain on target to bring a new temporary secondary means of escape into service in August 2024 to support the installation of the new over-bridge, linking the two platforms. Works remain on target to complete in early 2026.

Work to upgrade traction power on core sections of the line are now substantially complete and were successfully commissioned in late June. Related works being delivered by Network Rail remain on target to complete by November 2024. We are also continuing to deliver upgrades to signalling infrastructure and most of the track-side infrastructure work is now complete, with final commissioning due to complete in early 2025.

DLR rolling stock replacement programme

Rolling stock delivery

We are continuing rigorous testing of the new DLR fleet to ensure the trains can enter service safely and reliably. During testing, we have encountered some complex challenges, which means we will introduce the new trains into passenger service later this year. We are still on track to gradually introduce all 54 new trains by 2026, delivering a range of customer benefits including improved reliability and increased capacity across the DLR network.

Manufacturing is continuing to plan, with 34 trains already complete.

Beckton depot and network infrastructure

Although our principal contractor Buckingham Group Contracting Ltd went into administration on 17 August 2023, work is progressing on the north sidings at Beckton depot. Early works agreements with Morgan Sindall, our maintenance building contractor, and four critical subcontractors have been executed pending agreement of a deed of variation. We expect to bring the north sidings into use in Quarter 2 2024/25.

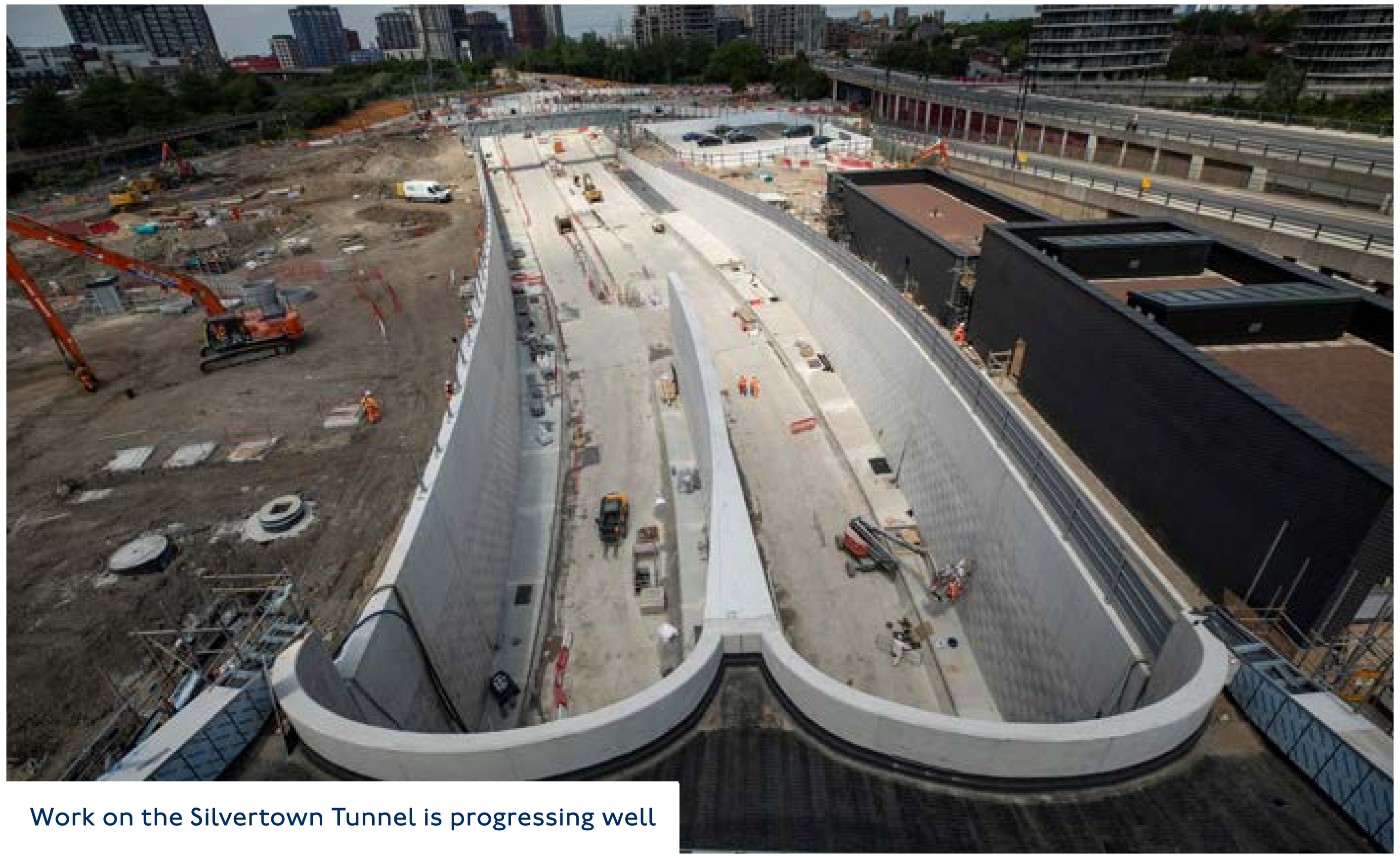
Silvertown Tunnel

The cut-and-cover sections of the tunnel at both Greenwich and Silvertown have now been successfully completed and works have also finished on kerbs and footpaths in the Silvertown northbound cut-and-cover area. Similar works are ongoing in the southbound and retrieval chamber, and mechanical and electrical works are ongoing throughout both tunnels and in the cross passages. Installation of fire suppression and communications facilities are progressing well. Removal of the temporary road bridge on Millennium Way also took place at the end of May.

Further weekend closures of the Blackwall Tunnel have allowed a range of works to be undertaken, including resurfacing roads and pavements on the tunnel approaches, installing safety barriers, work to retaining walls and carrying out landscaping at both Greenwich and Silvertown. These support the integration of the new tunnel with the existing highway network.

At Silvertown, the Tidal Basin roundabout is now using its final permanent layout. Both the new Silvertown and Greenwich portal buildings have also been unveiled, adding architectural interest to the area with the 'flower-pot' shaped copper-clad building at Silvertown and bean-shaped design at Greenwich.

To support the tunnel opening, we are also preparing to make changes to the wider highway network, such as installing new signs, signal timing reviews, and changes to highway layouts. These will be constructed later this year ahead of the tunnel opening.



Work on the Silvertown Tunnel is progressing well

We set out our proposed green and fair package of concessions and discounts on 10 July, to support Londoners and businesses when the tunnel opens in 2025.

East London residents and businesses currently face chronic congestion in the area around Blackwall Tunnel. The Victorian-era tunnel suffers from frequent closures – more than 700 a year – which results in large tailbacks, poor air quality and millions of hours lost due to drivers being trapped in traffic. The new, modern tunnel linking Silvertown in east London to the Greenwich peninsula will reduce journey times and help manage air pollution. It will also support economic growth and enable us to increase the number of buses able to cross the river in this area from five to 21 buses an hour in each direction during the busiest times between 7am to 7pm Monday to Friday – all of which will be zero-emission.

Tunnel user charges – required as part of the development consent for the new tunnel and first proposed in 2012 – will be introduced for using the Silvertown and Blackwall Tunnels between 06:00 and 22:00, seven days a week, once the new Silvertown Tunnel opens in spring 2025.

The proposed standard off-peak rate of £1.50 for cars, motorbikes and small vans would apply the majority of the time for vehicles registered for TfL AutoPay. To manage traffic during the busiest times, peak charges will apply. The proposed peak charges will be £1 more than standard off-peak charges for motorbikes and an extra £2.50 for cars and small vans. Peak charges will apply for four hours northbound in the morning (06:00 to 10:00) and three hours southbound in the evening (16:00 to 19:00), Monday to Friday.

During the eight-week consultation, Londoners will be able to comment on the proposed tunnel user charges, discounts and exemptions. This will enable us to ensure the user charge and range of discounts, both of which will be subject to the approval of the TfL Board, have been informed by feedback from the public.

The proximity of the two tunnels has meant that, since the plans were first conceived, both need to be charged to ensure that traffic levels do not increase as a result of drivers seeking to use the uncharged crossing.

To help residents and businesses, and to support people to use new public transport connections, we have proposed a package of green and fair measures, including a wide range of concessions and discounts. These include:

- All buses, coaches and vehicles with nine seats or more, registered with the DVLA, would automatically be exempt from Silvertown and Blackwall Tunnel charges
- All taxis, Blue Badge holders, and wheelchair-accessible private hire vehicles registered with TfL would be exempt. Zero-emission capable private hire vehicles licensed by TfL – which currently make up at least 40 per cent of the 93,000 fleet – would also be exempt
- Tunnel charges would be reimbursed to NHS staff and patients eligible through the NHS reimbursement scheme
- Vehicles registered for accredited breakdown or recovery vehicle discounts would not have to pay a charge
- A 50 per cent discount would be available for low-income drivers in 12 east and southeast London boroughs and the City of London, as well as a £1 discount on the standard off-peak charge for at least one year for small businesses, sole traders and charities registered in Tower Hamlets, Newham and Greenwich
- Bus journeys made on three cross-river routes which start in Newham, Tower Hamlets and Greenwich, as well as cross-river journeys on the DLR from Cutty Sark to Island Gardens stations, and from Woolwich Arsenal to King George V stations will also be free for at least one year. This will support local residents and encourage people to cross the Thames by public transport
- The previously announced cycle shuttle service, which we consulted on in summer 2023, will enable people with bikes to safely cross the river using a high-frequency bus service for cyclists around Silvertown and North Greenwich stations. This service would be free to use for at least the first year. Please visit the [Silvertown Tunnel cycling service consultation page] on our website for more information

Cut-and-cover sections of the tunnel are now complete at both ends

Colindale station

Work commenced in January 2024 on the reconstruction of Colindale station. This will see a much larger ticket hall, step-free access to the platforms and new retail units. Extensive stakeholder engagement took place in advance of the full closure of the station from 7 June. It will re-open in December 2024 in a temporary state while the remaining platform structures are removed and a new deck installed over the tracks.

While the station is closed, a shuttle bus is operating at peak times between Colindale and Hendon Central stations, while customers using local buses on route 186 – to access either Hendon Central or Mill Hill Broadway stations – will have the extra bus fare elements of their travel cost refunded. This ensures that customers who are affected have the option of travelling to another Northern line station, or to a Thameslink station at no extra cost. As well as the station closure, the Northern line was closed on three weekends in June between Golders Green and Edgware, primarily for work over and alongside the track at Colindale.

New entrance at Stratford Station

We have also opened a new entrance to Stratford Tube station, from Gibbins Road. The new entrance has been primarily funded by the London Legacy Development Corporation and the London Borough of Newham and will help to reduce walking time to and from the station by up to 20 minutes. This will help make journey times quicker, easier and more direct for people coming from the south and southwest of the station.

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Expanding pay as you go with contactless

On 30 June, we extended contactless pay as you go to five stations on the Chiltern Railways route to High Wycombe. This is the first part of the delivery of the Department for Transport's project to expand pay as you go with contactless to more stations across the southeast. Further stations are expected to benefit later this year.

London Underground asset management project

Following the migration of Trams asset management to Maximo on 20 May, we have now consolidated London Underground asset operations activities onto a single asset management platform. This saves around £800,000 per annum on support and maintenance and around £5m on upgrading multiple asset management information systems. In the longer term, customers should see better services as a result of more efficient maintenance planning.

Unifying our asset management systems has been a key part of our modernisation journey in London Underground. For the first time in our history, we have a single asset management system. This enables us to adopt a one-team approach to managing and maintaining our critical operational assets. Over the past seven years, the fantastic work delivered by the project, supported by our own operational colleagues, truly underpins the vital work we do to make sure our operational assets are available for service every day, ensuring every journey matters for our customers.

Taxi and private hire vehicles

Licensing and regulation

We have been considering an application from Bolt for a new London private hire vehicle operator's licence. On 24 May, we granted Bolt a licence for a period of two and a half years, subject to conditions to enable us to continue to closely monitor compliance. The licence will expire in November 2026.

Department for Transport statutory standards update

We have been focused on implementing the remaining Department for Transport statutory standards in London to enhance the safety of passengers using taxi and private hire services. These are aimed particularly at children and vulnerable adults but also have broader benefits for all passengers.

The majority of the new regulatory changes took effect on 1 July 2024. We have been preparing our systems and processes to accommodate these changes and have carried out extensive engagement with the taxi and private hire trade representatives. We have also developed guidance documents to help licensees understand the changes and how they can ensure regulatory compliance, and these will be published shortly.

Engagement and communication with the industry will continue until the regulatory changes are fully embedded which includes writing to all licensees to confirm which standards will apply to them and helping them to understand how and when they will need to become compliant.

Pedicabs (London) Act 2024

The Pedicabs (London) Act 2024 received Royal Assent on 25 April 2024. The act provides us with powers to regulate pedicabs in public places in Greater London to ensure the safety of customers, drivers and vehicles.

Before making regulations under the act, we are required to consult with whomever we consider appropriate. We are considering a potential regulatory framework for pedicabs and we will engage with the pedicab industry and customers before forming proposals ahead of a full public consultation.

Cycleways

In February, we introduced changes as an experiment to improve facilities for cycling and walking on Cycleway 50 between Finsbury Park and Nag's Head. On 22 May we launched a public consultation on these changes.

In May we also published a consultation report for the walking and cycling improvements between Wembley Central and Harlesden stations.

In June we launched 10 new Cycleways across London, adding another 35km to London's growing strategic cycle network. TfL and the boroughs' continued work to develop Cycleways in London means the strategic cycle network has more than quadrupled in size from 90km in 2016 to 390km in June 2024. These routes are designed to make cycling safer and easier for Londoners. Localised campaigns will inform residents, people cycling and those traveling to the area about the new infrastructure improvements and their benefits for cycling journeys.

Santander Cycles

Following procurement of 1,400 additional e-bikes, the first tranche of 460 new e-bikes have been delivered. The new e-bikes are a vital part of the Santander Cycles growth and revenue generation strategy, to attract new and retain existing customers. The bikes are being hired at around twice the rate of a classic bike, highlighting their popularity. The second and third tranche of 940 e-bikes will arrive and be deployed over the summer, taking the total to 2,000 e-bikes by the end of summer 2024.

To support customer growth, Santander Cycles are working in collaboration with the TfL Cycle Sundays initiative to attract new potential customers, including an offer of free hire on Sundays throughout June.

35km added to London's strategic cycle network in June 2024

IFS Cloud Cable Car
The mobilisation of the new operations and maintenance contract for the IFS Cloud Cable Car has been continuing with First Rail, with a smooth transition between them and Macro on 28 June. We continue to support First Rail to deliver their full transition plan and delivering their proposed operational improvements.

We have launched off-peak pricing and advanced purchase ticket discounts, which are aimed at increasing customer journey numbers and revenue. The new customer offering is being supported by an exciting and refreshed marketing campaign on display across our network at key interchanges and busy stations.

London River Services
We are seeking private investment to upgrade and reimagine our Greenwich and Festival piers and have launched early market engagement. This exciting opportunity invites potentially interested developers to submit their ideas to enhance and improve the piers, while retaining their primary function of serving customers for our river services. Interested developers were asked to complete an e-form questionnaire outlining their proposal, how it would be funded, how it aligns with the Mayor's and our aims and objectives by 28 June. Any responses will be assessed and, if deemed feasible, developers will be invited to discuss their proposal in more detail.

E-scooter rental trial
The Department for Transport trial has been operating for three years and there are now 10 boroughs taking part, with around 4,000 e-scooters available for hire. For the period ending 5 May 2024, 85,000 trips were made, bringing the total to 4.1 million trips. The average e-scooter trip duration is 12 minutes and the average distance travelled is 1.9km. The second phase of the trial will build on its existing success by gathering more data to inform policy on rental e-scooters and trialling further innovations. This includes trialling new technology using artificial intelligence to improve parking compliance and exploring the use of pavement riding detection technology and audible vehicle alerts.

Our agreement with Dott – one of our e-scooter trial operators – ended in April 2024. We continue to work closely with operators and participating boroughs to make improvements to the trial.

Connected London: 4G and 5G coverage on our network
We continue to introduce high-speed 4G and 5G mobile coverage on our network, enabling customers to stay connected with friends, family and colleagues as they travel around London – even below ground.

We are working with Boldyn Networks to deliver this coverage across the whole of the London Underground, DLR and Elizabeth line, and between Highbury & Islington and New Cross stations on the London Overground. All four mobile network operators – Three UK, EE, Vodafone and Virgin Media O2 – are taking part in the rollout.

Elizabeth line
Following the delivery of 4G coverage to all Elizabeth line stations in May, we are making progress on adding the tunnels. We have now delivered 4G and 5G coverage in the central section tunnels between Paddington and Liverpool Street and further sections towards Whitechapel will be connected in the coming weeks. The whole of the Elizabeth line will have mobile coverage by the end of summer.

Nearly **70%**
of all London Underground stations have mobile coverage

London Underground
Hyde Park Corner, Piccadilly Circus and Russell Square stations on the Piccadilly line have recently started to receive coverage. We expect further sections of the Northern, Bakerloo, Piccadilly and Victoria lines to go live in the coming month.

Across London, 38 Tube stations now offer mobile coverage to customers in the ticket halls, platform areas and interchanges, with many more, including the southern end of the Northern line, expected to go live by the end of the summer. This is around 30 per cent of Tube stations that are below ground. When combined with Tube stations above ground, this means nearly 70 per cent of all stations on the Tube network now have mobile coverage.

Supporting the emergency services
Expanding 4G and 5G coverage will also give rail and Tube colleagues better connectivity to pass on information and host the new Emergency Services Network (ESN). When fully operational, the ESN will give first responders immediate access to life-saving data, images and information in live situations and emergencies on the frontline.

Connecting London boroughs
Additionally, we have worked closely with the GLA's Connected London team to help provide the concession agreement to nine London boroughs. This has improved connectivity through the various grants available to them, with more than 200 connections already completed. This work not only improves connectivity to borough locations and improves CCTV coverage but also enhances connectivity in the local area.

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London Transport Museum

To celebrate Pride month, London Transport Museum teamed up with OUTbound, our LGBTQ+ colleague network group, to co-create an event for its Museum Late series. The evening event celebrated Londoners and transport workers from the LGBTQ+ community, and their experiences in the city.

The line-up for the evening included short talks and creative workshops, with visitors joining the leaders of OUTbound in conversation. For one night only, a striking Tube-themed gown co-designed and worn by Crossrail Programme Accountant Ervin Corzo-Rueda for the 2023 Pride march was on display in the museum's galleries.

We celebrated Pride month at the London Transport Museum

Toilet feasibility strategy

As we set out in Equity in Motion, increasing the number of customer toilets and making them more inclusive, available and pleasant to use is vital for some customers travelling on our network. This must be done in ways that take account of the challenges sometimes faced by operational colleagues when managing toilets.

Site surveys continue at the prioritised locations for new facilities – both for London Underground and London Overground. For London Underground, we have commenced local discussion with station colleagues. For London Overground, we are coordinating feasibility activity with our operational partners. We have completed prioritisation of stations requiring major mid-life upgrades. A delivery team involving project sponsors, engineers and operational colleagues has been established. We have determined the approach to procurement and set up project governance. Opportunities for improvements on other parts of the network, such as bus stations, are being investigated as a part of future work.

We have developed a good practice engineering design guide, which is already being used to influence the initial designs of new and upgraded facilities. This includes prevention measures to mitigate antisocial behaviour in toilets. We are also investigating how to enhance the cleaning and security of our most-used station toilets (through measures such as cleaning attendants). This will improve our ability to keep open toilets that are regularly closed because of antisocial behaviour.

We have developed and implemented an internal reporting tool, similar to that used for lift faults, that will allow us to record when a London Underground customer toilet is temporarily closed outside of usual opening hours. We are monitoring use of the tool to ensure it is being consistently used and once confident in the robustness of the information, we hope to publish the real-time status of toilets in TfL Go and on the status updates page on our website (similar to lift notices).

High-level plans have been discussed with relevant trade unions. We will also undertake more detailed, in-depth surveys at priority locations to confirm feasibility, thereby enabling installation work to commence. A programme of refurbishment works will also be starting.

London Overground line naming

Following a successful launch at Highbury & Islington station in February, where the Mayor of London officially announced the new names and colours for the London Overground lines, the project is in full delivery mode.

We have begun work on redesigning our suite of maps and customer information products, such as the Tube map and on-train maps. Our customer journey planning tools, such as TfL Go and Journey Planner, are in digital development. We are also working with our operator, Arriva Rail London, on readiness for the upcoming changes. This includes ensuring all frontline staff across our public transport services and other transport providers in the southeast are armed with the knowledge they will need to help customers with their journeys and provide excellent customer service when the line names come into use later this year.

Our collaboration and co-creation with groups the line names represent continues. During April, we held a series of stakeholder workshops – one per line name – with over 45 stakeholders in attendance, including the Football Association, Windrush Foundation, Mildmay hospital, London College of Fashion and the Fawcett Society.

The purpose of these workshops was to uncover the stories behind the new line names and generate ideas to inform our summer communications and engagement programme. The outcomes of the workshops have been inputted into a wider communications and engagement plan that will kick off in the summer and run until implementation later in the year. This campaign will help customers prepare for and understand the changes.

The project is on track to complete implementation by the end of 2024. The new names of the lines are Liberty, Lioness, Mildmay, Suffragette, Weaver, and Windrush. More information and the stories behind the names can be found on the TfL website

Marketing and behaviour change

On 18 June we launched a partnership with three trusted and well-known media outlets, Time Out, Metro and Secret London, to inspire Londoners to use public transport and make the most of London life. Each month, we will work with these partners to publish engaging content highlighting great things to do in London and how to get there using public transport. We will highlight our great value fares, as well as services and improvements to our network. This will motivate Londoners to travel more in the city and contribute to revenue growth.

This month also saw the launch of an exciting campaign for the IFS Cloud Cable Car. The campaign focused on the spectacular views of London from above that can be enjoyed while travelling on the cable car. The campaign encouraged people to book ahead for less busy days of the week through a new dynamic pricing system which offers discounts of up to 30 per cent on advance bookings for round-trip journeys. Paid social and poster activity alongside targeted emails supported the campaign to drive revenue. The cable car now has a dedicated organic social media channel which is managed by our in-house social media team.

In June, we launched a new message within our Travel Kind campaign. The campaign aims to encourage considerate behaviours between customers and educate them on behaviours which could make services less reliable. Recently we have seen an increase in incidents of customers pulling the passenger alarm when someone is ill on their train, which can cause delays. Our new poster educates customers that if someone is ill on their

We are updating our maps with the new London Overground line names train, they should help them onto the platform at the next stop, where we can provide the best care for them. This also enables us to help the customer in the best way possible and enables us to keep the network running.

Following the reduction in speed limits on the A406 North Circular Road, we launched a campaign on digital banners and digital audio. This was aimed at local drivers within the affected boroughs, to inform those most impacted by the change. The campaign completed on 17 June.

People and Places programme

In June, Poems on the Underground launched its second series of poems on trains. This series of poems covered several themes, including summer, with the traditional British song Sumer Is Icumen In and Don Paterson's poem Taste. Other poems include Azita Ghareman's A Glimpse, AE Houseman's The Isle of Portland, Nii Ayikwei Parkes' By Yourself Boy…, and Benjamin Zephaniah's We Refugees. The poems series was launched with Nii Ayikwei Parkes and Poems on the Underground's Imtiaz Dharker reading their works at Covent Garden station and recording poems over the public address system.

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Hardware donation to schools

We have donated more than 800 laptops, computers and iPads to 38 schools, helping thousands of students access digital learning in an initiative to reduce our environmental impact.

The programme started during the pandemic in 2020, initially to help schools that were lacking devices to teach students remotely and share online learning materials. Four years on, 38 London schools, including five special educational needs schools, have benefitted from greater access to digital learning using like-new equipment.

This is a major boost to schools when budgets are tight, removing the pressure to buy costly new devices.

These donations extend the life of devices that have no commercial value to TfL and would otherwise be sent for recycling or disposal. This initiative means our hardware and resources are being used more sustainably, minimising waste, raw material use, energy and carbon emissions. This supports our commitment and ambitions that are outlined in our Corporate Environment Plan.

Volunteers decommission older and out-of-use IT devices following standard security audits and check they are in good condition. The volunteers then prepare these devices for school learning before delivering them to schools. Active engagement and support from staff members, local businesses and communities at grassroots level has helped to develop and widen this programme, with more schools to be added over the next few months.

Additionally, Places for London colleagues have begun engaging with more schools in and around our commercial and housing development sites. This will see an increase in the total number of schools receiving the donated devices to more than 60. An estimated 6,000 more laptops, iPads and computers are expected to be donated to schools, which is a huge achievement.

We are providing computer equipment to help London schools

38
London schools supported since 2020 through donation of old TfL laptops, computers and iPads

Our colleagues

Making TfL a great place to work, where our people feel supported and empowered

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Creating a culture of inclusion
June was Pride Month, an annual event to raise awareness of LGBTQ+ issues and advocate for the freedoms that will enable everyone to live their lives on equal footing. At TfL, we are proud to be one of the official partners of Pride in London, with the parade taking place on Saturday 29 June. A new Pride bus wrap was installed for the parade.

Our OUTbound colleague network group hosted a range of engaging and informative events during June – from sharing sessions to film screenings, museum late-opening sessions at the London Transport Museum, and lived experience talks with keynote speakers who identify as members of the LGBTQ+ community.

We took a ride on a Pride-themed London Overground train

For the first time, our IFS Cable Car has had a Pride-themed makeover, with 10 gondolas wrapped in the ‘Every Story Matters’ 2024 design. I was at Mildmay Hospital on 25 June to celebrate Pride, and was offered the chance to ride on a specially wrapped train along with a bespoke Mildmay pin, sold for £5 each to raise funds for the hospital.

Following the success of the colleague artwork competition last year, we again invited colleagues to submit artwork to be displayed across our estate. There was a competition for colleagues to design the T-shirts worn by our people on the Pride in London parade and a series of group portraits of LGBTQ+ colleagues and volunteers to be displayed at several stations and on social media. Campaign activity included our zero tolerance to hate and our bystander intervention posters running across the network, a content partnership with Pink News reaching over 650,000 Londoners, and social media activity showcasing the impact of a TfL volunteer through ‘Get ready with me’ style content.

As representatives of the LGBTQ+ community in TfL, OUTbound provides LGBTQ+ colleagues and allies with opportunities to connect with one another to support them and help them develop. Working alongside charities and LGBTQ+ community interest groups, OUTbound is committed to championing colleagues to be authentic at work.

Further to celebrating LGBTQ+ History Month, we continue to promote our long-term Action on Inclusion strategy, whereby we are committed to being a fully inclusive employer across all roles, that represents the communities we serve, and where everyone can realise their potential. Our continued efforts to champion a safe and inclusive work environment remains prominent to ensure our LGBTQ+ colleagues can be authentic, celebrate who they are and enjoy equality of opportunity.

Employee relations

Extensive work has taken place across our operational teams to ensure we implemented mitigations to minimise disruption to our customers caused by industrial action, including the enhancement of additional services where possible.

We continue to engage with key stakeholders to ensure we prepare appropriately for any action and work to minimise the impact on our customers wherever possible, as well as learning lessons from previous disruptions to ensure our preparedness for future action.

I'm pleased that working closely with colleagues in Unite the Union, TfL have reached agreement on a range of measures to address pay issues for London Trams workers. This led to strike action on the tram network being suspended.

Carers Week

Carers Week, which took place from 10-16 June, is an annual campaign to raise awareness of caring, highlight the challenges unpaid carers face and recognise the contribution they make to families and communities throughout the UK. It also helps people who do not think of themselves as having caring responsibilities to identify as carers and access much-needed support.

This year the theme was 'Putting carers on the map', highlighting the invaluable contributions of carers across the UK and ensuring their voices are heard loud and clear.

Together we want to help increase the visibility of carers among politicians, employers and throughout our communities. By raising awareness, we hope they will better recognise the challenges unpaid carers face and help them access the support they deserve. Being carers, parents and guardians unites us and many of our colleagues and reminds us of our shared human experience.

Supporting everyone to achieve their work ambitions

Objective setting

All colleagues were asked to set their objectives for the year by 31 May. Performance objectives are key in supporting direction, while development objectives are aligned to career aspirations and support individual performance to help everyone to achieve their career ambitions.

The Executive Committee also set their objectives. These are to demonstrate where the Chief Officers will place their focus as a team to transform TfL, and help inform their individual objectives, which are then cascaded throughout the organisation.

> **We are reviewing how we attract people to our organisation, highlighting our rich history, exciting future and value-driven culture**

Based on our roadmaps, these cascaded objectives feature the steps we need to take to move in the right direction, helping everyone prioritise and be involved in our progress.

Provide a fair and attractive employee offer

Our employee value proposition for recruitment

Defining, refreshing, and publishing our employee value proposition is a key enabler of our Colleague strategy and one that we are committed to delivering. To achieve this, we are reviewing the material we use to attract people into our organisation and how we articulate our employee offer.

That story will help us create a brand for recruitment, focusing on our vision and purpose and what it means to work for TfL: an organisation with a rich history and an exciting future, that lives a value-driven culture, provides a great service for London, and that is actively tackling the climate emergency. Our employee value proposition will also positively set out what people can gain from employment with us: our development journey, our benefits offered, our inclusive workplace environment.

We have received iterations from our design agency on our narrative and branding and have engaged with the wider business on our proposition concepts. Following this, our external provider will continue to develop recruitment resources and style guides for roll-out.

Our reward strategy and changes to pay structures

Earlier in the year we took the decision to separate the timing for changes in pay structures between TfL and London Underground. The main reason for this was the significantly greater complexity and challenge surrounding this work within London Underground compared to TfL, and hence the longer timeframe needed. To realise the positive benefits for colleagues and the business alike as swiftly as possible, we are bringing forward implementation within TfL.

Our recent work on the development of a job families pay structure proposal has therefore primarily focused upon the TfL environment. We have now defined 21 job families for our non-operational business areas and a further eight within operational areas (excluding London Underground). We have already completed mapping of all TfL jobs to their job family, collation of relevant benchmarking and the development of pay ranges for each family. We are now working with senior business leads and engaging more widely with senior teams to further review and refine initial proposals.

Our work on job families is now sufficiently developed that we are ready to take our proposals through to consultation with trade unions as the next stage of implementation. The Reward and Employee Relations teams are working closely together on a plan for consultation on the reward strategy that will necessarily be tied in with TfL pay talks for 2024.

Safety, Health and wellbeing of our colleagues

Developing colleague safety and wellbeing plans

Our colleagues are at the centre of everything we do to ensure we deliver a safe, healthy and sustainable future for the city we serve. We are currently developing two documents to support this work and provide practical tools to colleagues.

First, the colleague safety plan, which will be launched in September, will set out what we are doing to ensure that everyone who works here goes home safely at the end of their working day; and how we are working towards our ambition that no colleague is killed or seriously injured at work by 2030. It will be a practical resource for all colleagues, including senior leaders and those who manage others, to support them in understanding their accountabilities and how they can act in line with them.

Intrinsic to the safety of our colleagues is their health and wellbeing. At TfL, we are on a journey to build a workplace where people want to work, build a career and feel healthy, motivated, included and able to achieve their potential and deliver for London. In the autumn, we will launch a colleague wellbeing plan which, in alignment with our wider Colleague strategy, will provide practical tools and guidance to support everyone in thriving at work in a way that is important to their own health and wellbeing.

Continually improving our safety management system

In June 2023, we re-launched our safety management system. This provides colleagues and people leaders with a central place where they can access all the tools and guidance they need to drive improvements in operational performance and to fulfil their safety, health and environment accountabilities.

Over the last year, as a result of colleague and trade union feedback, as well as key learnings from how the system is used (such as incident reporting), we have been implementing various improvements to the system including making colleague accountabilities even clearer and what actions they need to take, such as training.

The training our colleagues undertake is varied and often very specific but there are also courses that are focused on our wider safety culture. These courses ensure that everyone feels empowered to act in line with their accountabilities and that they feel safe to raise safety observations. In the last year colleagues completed 79,305 of these courses, actively contributing towards reductions in customer and colleague injury and ill-health.

Wellbeing interventions at Acton Depot

Following the success of health and wellbeing checks at the Railway Engineering Workshop in Acton in 2023, the Wellbeing team returned to the depot for both day and night shift colleagues in the last two weeks of June to deliver targeted support and advice. This involved several talks, educational and engagement sessions including mental health presentations for our colleagues, masterclasses for line managers, smoking cessation, health surveillance, nutrition, drugs and alcohol treatment services as well as Employee Assistance Programme sessions. Acton colleagues also had a chance to have further health and wellbeing checks to track their health changes.

The sessions proved to be incredibly positive with Acton depot colleagues praising the sessions for being practical, relatable, inspirational and engaging. On average, each talk or workshop was attended by 15-20 colleagues, both on day and night shifts and overall, we reached approximately 200 colleagues. People leaders took part in mental health masterclasses, and the measures collected before and after the training showed statistically significant improvements in confidence and ability to have mental health conversations, use relevant resources and signposting and recognise signs and symptoms of poor mental health.

InsideOut awards success

On 13 June, I was delighted to hear that we had triumphed in the Physical Wellbeing Initiative of The Year category, in recognition of the work we have been doing in association with weight-management specialists Roczen to support weight loss and, where appropriate, reverse metabolic conditions such as type 2 diabetes among at-risk colleagues.

World No Tobacco Day

On 31 May, we marked World No Tobacco Day. This annual event, which has taken place every year since 1987, aims to remind people of the dangers associated with using tobacco, highlight some of the more questionable business practices of tobacco companies, and draw attention to what the World Health Organisation is doing to counter these problems. We partnered with the organisation London Tobacco Alliance and Stop London Smoking who gave a presentation to colleagues on the impact of smoking on the body and the best ways to quit.

Our Wellbeing team celebrated success at the InsideOut awards

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The CIHT recognised the work of our colleagues

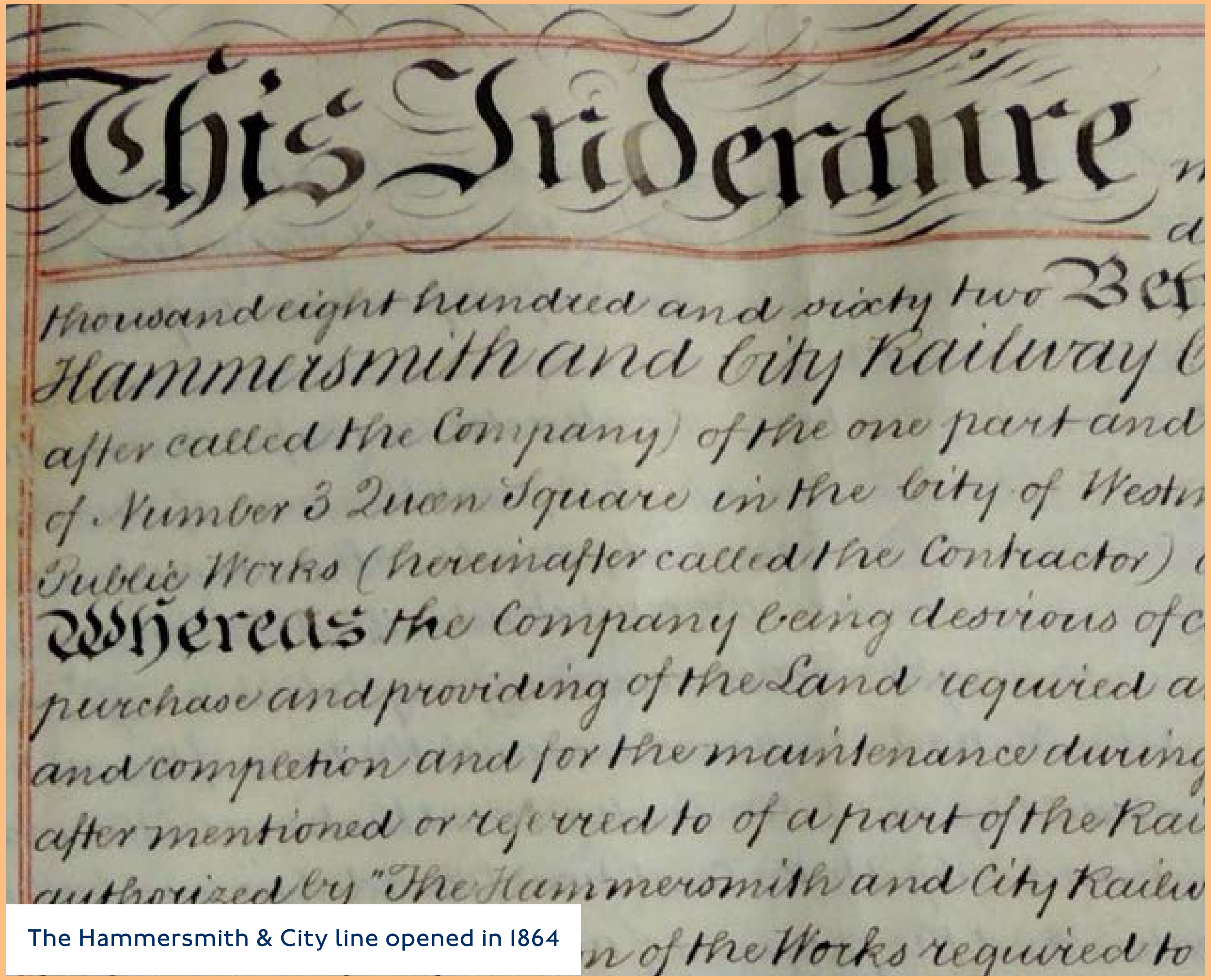
Chartered Institute of Highways and Transportation Awards

Several TfL projects and TfL colleagues were recognised at the annual Chartered Institute of Highways and Transportation Awards on 13 June. Senior Bus Safety Development Manager, Kerri Cheek, won Bus Person of the Year Award for her exceptional contribution within the bus transportation sector and our Network Management & Resilience Construction Advisory & Innovation Team won Team of the Year for their ability to work effectively under the challenges posed in the highways and transportation sector. Our Women in Bus and Coach programme which seeks to improve the representation of women in the bus industry won the Equality, Diversity & Inclusion Award.

Other notable highlights included Superloop receiving highly commended for Bus Initiative of the Year Award, our Carbon Literacy training programme receiving highly commended for the Sustainability Award and Bus Braking Analysis receiving highly commended for the Research Award. Our Bus Safety Strategy and First Responder Hazard Identification initiative were also shortlisted for awards.

Hammersmith & City line celebrates 160 years

On 13 June we celebrated 160 years of the Hammersmith & City line. Originally designed as a feeder to the Metropolitan line, it even shared the same colour on the map up to 1990. Our TfL archives featured on the Google Arts & Culture website with lots of interesting facts and images about the line. We ran a competition for colleagues to win Hammersmith & City line merchandise from the London Transport Museum and the Director of London Underground Customer Operations posted a video message to colleagues.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The Hammersmith & City line opened in 1864

Our green future

Creating a healthier, more sustainable city for the wellbeing of all Londoners

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Air quality

Ultra Low Emission Zone

The Ultra Low Emission Zone (ULEZ) was expanded London-wide on 29 August 2023 and has now been operational for coming up to a year. Early findings from the one-month report showed that over 95 per cent of vehicles comply with the ULEZ standards.

The London-wide ULEZ six-month report is due to be published in the coming weeks and will provide an update on the compliance rate of vehicles travelling in the zone alongside a preliminary analysis of pollutant concentrations. Fuller analysis of both emissions and concentrations will be reported in the one-year report. Alongside the London-wide ULEZ monitoring reports, we publish quarterly factsheets that provide a breakdown of the daily average number and proportion of vehicles detected in the ULEZ that were non-compliant. These figures are broken down by those who paid the charge and those who received a penalty charge notice or warning notice or were non-chargeable. The latest factsheet, covering the three-month period to the end of December 2023 (the latest was delayed due to the pre-election period), shows that 95.8 per cent of vehicles now comply with ULEZ standards.

The £210m scrappage scheme continues to support Londoners switch to cleaner, greener modes of transport. The most recent available data, up to and including 7 July 2024, shows that 53,351 applications have been approved and over £183m has been committed.*

* TfL ULEZ scrappage scheme fact sheet July 2024

95.8%
of vehicles in London comply with ULEZ standards

£183m
committed to replacing non-compliant vehicles through the scrappage scheme

259
vehicles accepted for donation to Ukraine through the scrappage scheme

Baker Street air filtration trial

We have a robust programme to tackle dust in our stations, focusing on enhanced cleaning, research and monitoring, as well as innovative technologies to reduce dust. Results from 2023 monitoring rounds have shown that dust levels on the London Underground have been falling over the last four years.

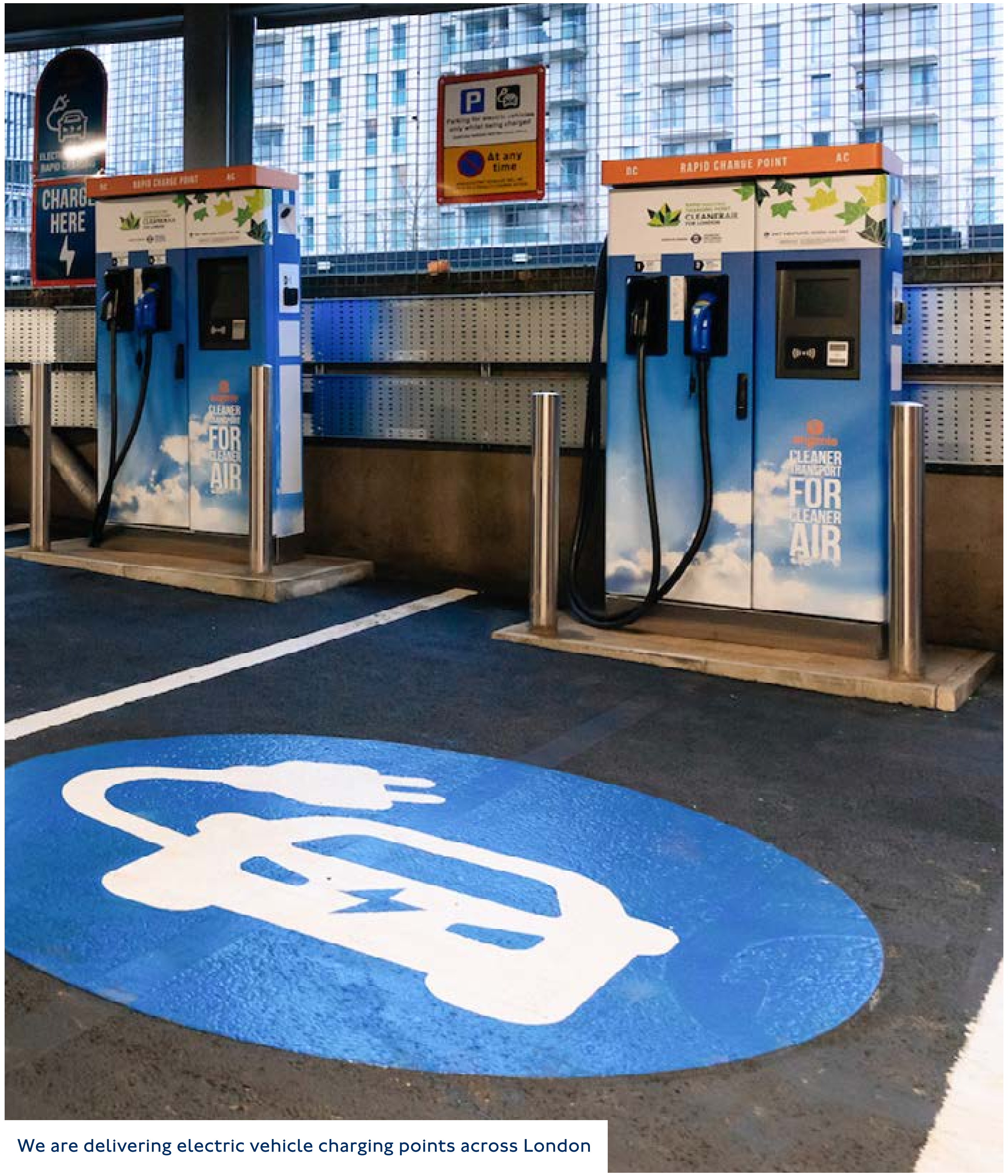
As part of this programme, a trial of air filtration units recently went live at Baker Street station and will run for around six months. The aim of the trial is to test the effectiveness and practicality of this type of technology at tackling dust on the Tube. We will monitor and collect data throughout the trial to ascertain the effectiveness of this technology.

Zero-emission buses

Currently, over 17 per cent of the bus fleet operates with zero-emission buses, and we exceeded our target of having 1,400 zero-emission buses by the end of March. This includes hydrogen, battery electric and 'opportunity charged' electric buses, which are topped up via a pantograph multiple times during the day.

London continues to have the largest zero-emission bus fleet in western Europe, which has increased to over 1,500 from just 30 buses in 2016. Since March, four further routes have converted to zero emission – namely routes 152, 276, 307 and 384. Our opportunity charging trial on route 358 that is being launched this summer will continue to build on the electric bus charging infrastructure network by using pantograph technology.

This commitment to environmentally friendly technologies continues to support our vision be a strong, green heartbeat for London.



We are delivering electric vehicle charging points across London

Electric vehicle infrastructure strategy and delivery

The number of public electric vehicle (EV) charge points in London continues to grow. London now has just over 20,000 public charge points, including 1,213 rapid charge points. To date, we have delivered more than 300 of these rapid charge points.

Our partner Zest continues to install new rapid charge points on our road network, with a target of 100 electric vehicle charging bays by June 2025. We also released a further 33 bays to the market on 7 June 2024, and expect to award a contract before the end of the calendar year. Work continues to assess suitable sites for further delivery phases. Places for London's tender for a joint venture partner to deliver and operate EV charging hub sites continues to be assessed. We expect to be able to announce the partner later this year. London boroughs continue to progress the delivery of slow to fast charging using the £35.7m from government via the Local EV infrastructure fund. We are working with London Councils and supporting boroughs on this, including managing a separate 'capability' funding pot which will include conducting research.

On 3 June 2024, we held an inclusive EV infrastructure workshop with London Councils, GLA and our infrastructure delivery teams. We heard from Helen Dolphin MBE, on her experience of using public charge points as a disabled driver, and from Motability Foundation and the Office for Zero Emission Vehicles on requirements of the PAS1899 accessible charging specification. We also discussed challenges that delivery teams have faced in London in delivering infrastructure that complies with PAS1899 and considered ways we could overcome these. This workshop will be followed by a workshop with borough officers to inform their charge point procurement and delivery. We will also engage with disabled drivers in London to better understand how they use public charge points and their requirements. The outcomes of this work will inform new commitments for our strategy to deliver accessible EV infrastructure in London.

Over **300**
electric vehicle rapid charging points delivered by TfL across London

Building decarbonisation

Building feasibility studies

In February 2024, we launched a Net Zero Matrix team to accelerate progress towards our decarbonisation commitments. In partnership with Arcadis, the team is exploring options to decarbonise our buildings through measures such as phasing out fossil fuel-based heating systems and improving building performance through energy efficiency measures.

The studies looked at 19 buildings, including depots, maintenance buildings, track offices and train crew accommodations. The studies are now complete and are being reviewed. A prioritisation exercise to determine which sites will be progressed to the next stage of design, is due to start in the next couple of weeks.

The results of this exercise will also help to inform which sites would be most suitable for a Phase 4 Public Sector Decarbonisation Scheme application, which is expected to be open for grant funding applications later in 2024.

Climate change adaptation

In line with our Climate Change Adaptation Plan, on 1 July we launched a tender for our tidal flood defences project, jointly funded by us and GLA Land and Property, the GLA's property subsidiary.

As landowners, we need to have a proactive programme in place to ensure that tidal flood defence structures on our land will be raised to required future levels where necessary. This tender is seeking to appoint consultants to help us determine which defences need intervention in the future.

All tidal flood defence structures on GLA family land will be surveyed for condition and current crest height. This will enable us to develop a programme of future improvement work in line with the Thames Estuary 2100 Plan.

London Climate Resilience Review

We are supporting London to become a more resilient city by working with the GLA and other organisations and local authorities, to develop the London Climate Resilience Review. The review was commissioned by the Mayor to make recommendations on how London can become more resilient to increased extreme weather events, in response to the heavy flooding in 2021 and the record-breaking heatwave of 2022. We have attended and contributed to a series of workshops, took part in an interview, and reviewed and provided feedback on draft reports.

Our Green Infrastructure and Biodiversity Plan and Transport Adaptation Steering Group are mentioned as exemplar work in this field. The review also strongly endorses our work for the London Surface Water Strategic Group, which is on track to produce an interim report in July 2024.

However, the review also identifies areas for improvement. Guided by our Climate Change Adaptation Plan to help us prioritise, we must proceed with retrofitting existing infrastructure to enable it to cope with the impacts of climate change. We must also accelerate our action to launch a pilot to identify weather as a contributing factor of asset degradation. Related to this work, we are piloting the integration of weather as contributory factor in London Underground electronic incident reporting ahead of a TfL-wide assessment of incident reporting systems.

Wildflower verges

Our Green Infrastructure and Biodiversity Plan sets out how we will support London to respond to the ecological crisis by protecting, connecting and enhancing green infrastructure in London. Wildflower verges encourage biodiversity and help wildflowers thrive, supporting pollinators such as bees and butterflies, as well as many other insects, birds and small mammals, by creating a supply of food, nectar and shelter. This spring we have met our target to double our wildflower verges from 130,000 square metres to 260,000 square metres, which is equivalent to 36 football pitches. We will continue to maintain these verges to ensure they remain safe for passing drivers but mowing will be limited to allow wildflowers to grow and thrive.

Our wildflower verges support London's biodiversity

25,031
street trees planted on our network since 2016

Planting street trees

Tree canopy, the area covered by trees' leaves, covers approximately 19 per cent of our estate and has an important role to play to support climate adaptation in London, such as reducing surface water flood risk and providing shade and cooling. We recently completed an assessment of the most suitable methodology and tools to use to model changes in tree canopy cover over time. We will next proceed with the modelling work which will help us identify tree planting opportunities and draft a Tree Canopy Cover Plan by March 2025. The plan will detail how we will increase tree canopy cover across our estate by 10 per cent by 2050, compared with the 2016 baseline. Our 2023/24 street tree-planting programme saw a net increase of 236, which takes our total to 25,031 street trees now planted across London. This means we have met the Mayor's target of a one per cent annual increase in the number of street trees planted since 2016.

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Office of Rail and Road review of environmental arrangements for railway licence holders

The Office of Rail and Road (ORR) has recently updated environmental guidance associated with licence conditions for railway licence holders. As part of its assurance process, the ORR has undertaken a review of this guidance, supported by infrastructure consultants AECOM. The review process has been ongoing since July 2023, with 60 licence holders reviewed, 30 of whom were sampled for a quality review and five were invited for interview. The results were positive for TfL, with the full report providing a useful quality matrix scoring guide and recommendations that we can use, review and take forward.

Carbon literacy

I am delighted to say that over 5,000 of our colleagues have now completed carbon literacy training since we began offering the course in July 2022. This milestone highlights our commitment to sustainability and the collective effort of our volunteer trainers and coordinators across the business. As I have mentioned previously, our commitment was recognised last year when we were announced as one of the winners of the 2023 Global Carbon Literacy Action Day Catalyst Award from the Carbon Literacy Project. Our Carbon Literacy training programme was Highly Commended at the Chartered Institute of Highways and Transport awards, in the sustainability category.

We fully intend to maintain the momentum that we have very quickly built-up as regards this training, which is so fundamental to our vision of becoming London's strong green heartbeat.

Over **5,000**
colleagues have completed carbon literacy training since July 2022

We are increasing the number of trees on London's streets

Our finances

Working to ensure financial stability for the long term

Financial performance
Our latest financial report covers the period to the end of Period 2 2024/25 (1 April to 25 May 2024). Our 2024 Business Plan set out our strategy for rebuilding our finances, improving efficiency and helping secure our future. We delivered an operating surplus in 2023/24, reinvesting this in maintaining and improving our network. Our 2024/25 Budget builds on this foundation, aiming to grow our surplus and increase our ability to invest. We will do this by continuing to deliver on our financial strategy.

Grow and diversify our revenue

Passenger journeys saw cumulative growth of four per cent compared to last year. We are targeting six per cent year-on-year journey growth over the full year, on top of the nine per cent we saw in 2023/24.

Despite growth on last year, journeys are 18 million lower than Budget. Total revenue is £28m, two per cent lower than Budget. It is standard to see variation between our forecasts and actual ridership. We continue to monitor trends closely and, as we have done in previous years, we will update our forecasts for the full year in due course.

Deliver recurring cost savings

Operating costs are one per cent lower than Budget, mainly from contingency held to mitigate risks on revenue. We are targeting £259m of savings this year, including £130m of recurring savings. We currently expect to deliver this, although there remain some risks.

Growing our operating surplus

We expect to deliver an operating surplus this year, but there are risks to revenue which need to be managed.

Fund our capital investment

Our operating surplus funds capital investment. Capital renewals are £142m in the year to date, £41m up on last year as we increase renewals investment to address the backlog of asset replacement. Renewals are £10m higher than Budget, from an early increase in spending. We expect to hit Budget over the full year. We continue to make the case to Government for a long-term funding settlement.

Maintain liquidity to protect us against shocks

Cash balances are just under £1.4bn, and lower than Budget, mainly from timing of an asset sale and adverse working capital.

We aim to maintain cash balances at around £1.3bn in line with our treasury policy. The GLA financing facility of £350m offers additional protection against shocks and risks.

New homes and Places for London

Limmo Peninsula

Earlier this year, we began our search for a new joint venture partner to work on developing the Limmo Peninsula in Newham. The partnership presents an opportunity to provide 1,200 new homes including affordable housing, alongside commercial space and improvements to the public realm such as a new cycle and pedestrian bridge and a new river walkway.

In June, the first stage of the tender was concluded, and Places for London is now working with four bidders. The contract is expected to be awarded in early 2025. The partnership is designed to enable us to develop other sites across east London. While Places for London continues its search to find a partner, it is looking to create a temporary installation at the Limmo Peninsula for up to four years to activate the space and make it a destination for the local community to visit and enjoy.

Upskilling London

In July, Places for London opened its third construction skills hub with The Skills Centre at Edgware, where it is developing proposals to transform the town centre in partnership with Ballymore. This development will include thousands of new homes, a cultural hub with retail and workspace and a new bus garage.

The hub at Edgware will provide a base for local people seeking to embark on a range of rewarding and varied careers in construction and the built environment. The centre is designed to offer a diverse range of training opportunities, including pre-employment training, dry-lining apprenticeships, retrofit and green skills bootcamps.

New retail openings on the Elizabeth line

The Elizabeth line has recorded over 350m passenger journeys since it opened, and Places for London is welcoming new businesses to our estate at stations that are benefiting from improved connectivity. In June, two staples of the high street, WHSmith and Marks & Spencer, opened at Ealing Broadway in west London, while in Woolwich we were delighted to announce the opening of Gail's Bakery's second shop on the estate following their first at Barons Court station.

We host over 1,500 businesses on our estate, in our arches, stations and on London's high streets, and Places for London is unlocking opportunity across the capital by offering workspaces and support to new businesses, young entrepreneurs and established brands. In September, Places for London is hosting a customer conference when businesses from across the estate will come together to celebrate their achievements.

£1.5m
invested in transforming grade II listed Victoria Arcade

Victoria Arcade

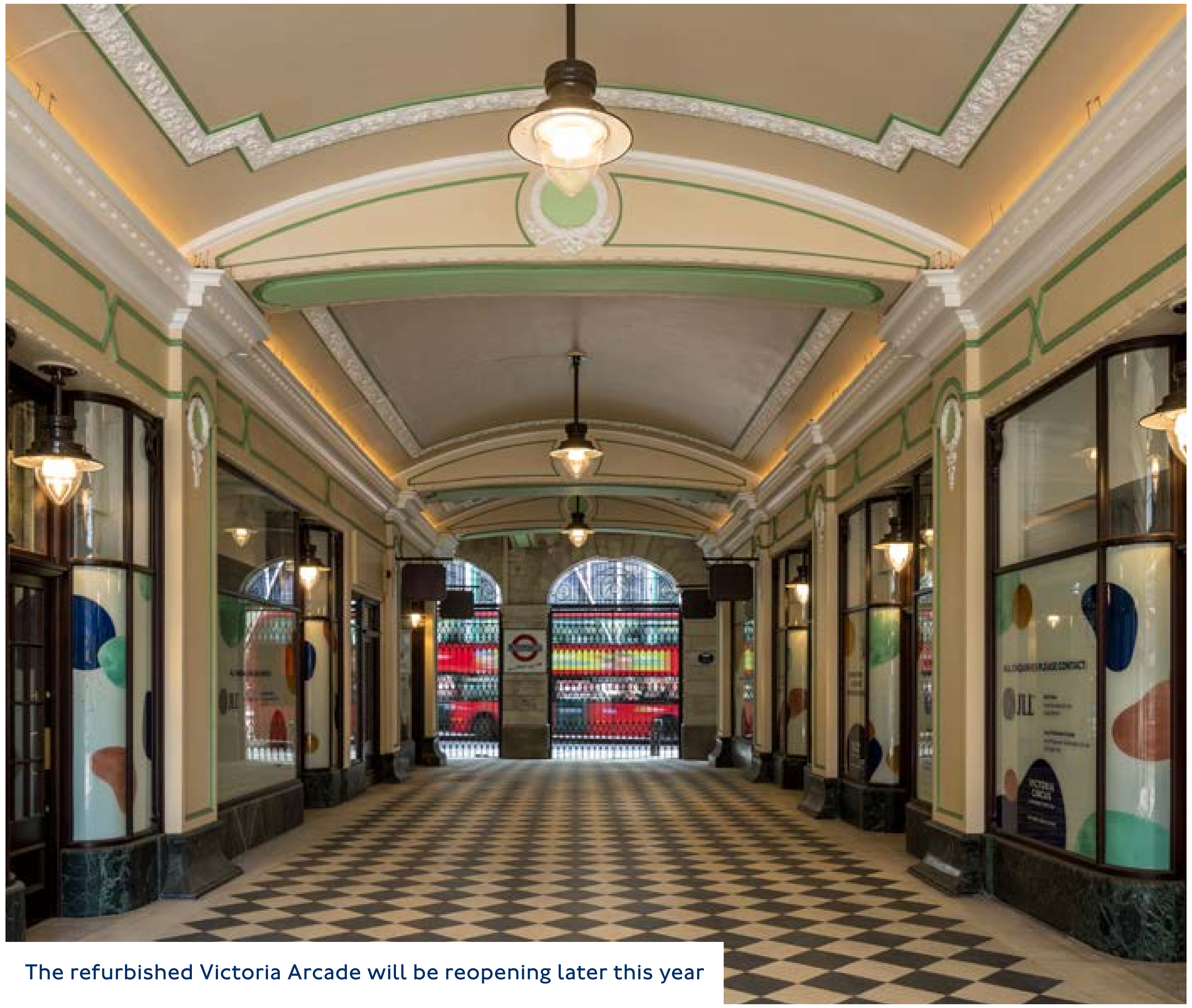
In June, businesses moving into Victoria Arcade began their shop installation. Later this year, the Arcade will reopen to the public for the first time since 2020 following a comprehensive refurbishment and restoration of its period features.

Places for London has invested around £1.5m in transforming the iconic, grade II-listed retail thoroughfare. Once complete, the arcade will support up to seven businesses in a highly-desirable location adjacent to Victoria's rail and Tube stations, and Victoria Market Halls – another successful business on Places for London's estate.

Kilburn Mews

Places for London is refurbishing 11 of the arches opposite Kilburn Tube station. In June, Morgan Sindall started the next phase of the project which includes pre-construction surveys, strip out and demolition works ahead of the refurbishment starting next year. Morgan Sindall will be maintaining close contact with the local community throughout the construction phase of the scheme, working closely with Places for London to offer apprenticeships, jobs and work experience to nearby residents.

This is the next phase of the Kilburn Mews project that has been designed by DK-CM Architects to enhance the existing infrastructure and characterful arches, connecting a renewed, accessible and vibrant commercial space to the high road and local area.



The refurbished Victoria Arcade will be reopening later this year

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.

July 2024

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Board

Date: **24 July 2024**

Item: **TfL Annual Report and Statement of Accounts for the Year Ended 31 March 2024**

This paper will be considered in public

1 Summary

1.1 This paper presents the draft Annual Report and TfL Group Statement of Accounts for the year ended 31 March 2024 and requests the Board's:

(a) approval of the Annual Report for the year ended 31 March 2024 and its publication;

(b) consideration of the Statement of Accounts for the year ended 31 March 2024 and delegation of its approval to the Audit and Assurance Committee;

(c) approval of the provision of an ongoing parent company guarantee by Transport Trading Limited (TTL) to a majority of TfL's subsidiary companies; and

(d) approval of the provision of a new, ongoing parent company guarantee by TTL to Crossrail Limited to enable it to be exempt from audit.

1.2 On 5 June 2024, Members of the Audit and Assurance Committee were updated on key accounting issues and progress of the audit for the Statement of Accounts for the year ended 31 March 2024.

2 Recommendation

2.1 **The Board is asked to:**

(a) approve the 2023/24 Annual Report, subject to any comments Members might have;

(b) authorise the Chief Customer and Strategy Officer to make any further design or editorial changes to the Annual Report as may be required;

(c) consider the Statement of Accounts and, recognising that a decision on approval of the Statement of Accounts cannot currently be made, delegate approval of the Statement of Accounts to the Audit and Assurance Committee and the provision of Standing Order 108 are disapplied for these purposes;

(d) subject to the approval of the Audit and Assurance Committee, agree that the statutory Chief Finance Officer will make any adjustments arising from the work prior to the auditors, Ernst & Young LLP, signing their opinion or from any comments made by the board of any Subsidiary company. Should any changes be required to the Statement of Accounts, he will seek the approval of the Audit and Assurance Committee to make these changes;

(e) note that the Chair of the Audit and Assurance Committee will sign and date the Statement of Accounts in due course;

(f) confirm overall approval of the provision of an ongoing guarantee by Transport Trading Limited of all the outstanding liabilities of those of its subsidiary companies listed below, such guarantee enabling those subsidiaries to be exempt from the need to have their accounts audited:

- **(i) Woolwich Arsenal Rail Enterprises Limited;**
- **(ii) City Airport Rail Enterprises Limited;**
- **(iii) London Underground Limited;**
- **(iv) LUL Nominee BCV Limited;**
- **(v) LUL Nominee SSL Limited;**
- **(vi) Docklands Light Railway Limited;**
- **(vii) Tube Lines Limited;**
- **(viii) Rail for London Limited;**
- **(ix) Rail for London (Infrastructure) Limited**
- **(x) Tramtrack Croydon Limited;**
- **(xi) London Buses Limited;**
- **(xii) London Bus Services Limited;**
- **(xiii) London River Services Limited;**
- **(xiv) Transport for London Finance Limited;**
- **(xv) Victoria Coach Station Limited; and**
- **(xvi) Crossrail Limited; and**

(g) note that, as a result of the application of IFRS 9 Financial Instruments, TfL's auditors, Ernst & Young LLP, requested that letters of financial support previously provided by Transport for London in respect of the liabilities of its subsidiaries be re-signed annually by TfL's statutory Chief Finance Officer. Board approval for the issue of such letters was granted when the subsidiaries were first established or acquired.

3 Background

3.1 TfL is required under section 161 of the Greater London Authority Act 1999 (the GLA Act) to produce a report on its achievements and the performance of its functions during the year. Approval of the Annual Report is a matter reserved to the Board under TfL's Standing Orders. The Annual Report includes the information that is required under the GLA Act.

3.2 TfL is also required, under the Accounts and Audit Regulations 2015 (the Regulations) to prepare a Statement of Accounts each year. The Regulations further require that the Statement of Accounts is approved by a resolution of a committee or by members meeting as a whole.

3.3 Under the Accounts and Audit (Amendment) Regulations 2022 the publication deadline for Statement of Accounts has been extend from 31 July to 30 September for financial years beginning in 2022 to 2027.

4 Statement of Accounts

4.1 The Statement of Accounts has been prepared in accordance with the provisions of the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 (the Regulations). The form, content and accounting policies followed in preparing the Statement of Accounts are as prescribed in the Regulations and by the Code of Practice on Local Authority Accounting which is developed and published by the CIPFA/LASAAC joint committee (the Code). The Code is based on International Financial Reporting Standards (IFRS).

4.2 The draft Statement of Accounts (unaudited) was certified by the statutory Chief Finance Officer and published on the tfl.gov.uk website on 14 June 2024. The period for exercise of public rights consequently commenced on 14 June and will conclude on 26 July 2024.

4.3 There are several matters which need to be resolved before the Statement of Accounts can be finalised and for the external audit completed. This includes an area of Ernst & Young LLP (EY) challenge on the treatment of long-term leases. The treatment has since been agreed and testing of the related leases is now being conducted by EY.

4.4 The Accounts and Audit Regulations 2015 provide that the Statement of Accounts need to be considered by way of committee or by the members of a board meeting as a whole and approved by a resolution of that committee or meeting. Should the Board agree to delegate approval of the Statement of Accounts to the Audit and Assurance Committee, the Chair of the Committee would be required to sign and date the accounts once they are approved in accordance with the Regulations as the person presiding at the Committee.

4.5 Approval of the Statement of Accounts is a matter ordinarily reserved to the Board under TfL’s Standing Orders, paragraph 99(c). To facilitate the proposed delegation to the Audit and Assurance Committee, it is also proposed that Standing Order 108 be disapplied.

4.6 Once the matters above have been concluded, the statutory Chief Finance Officer will again certify the Statement of Accounts and they, with the addition of the Independent Auditor’s Report, will be presented to the Audit and Assurance Committee for consideration and approval. This is anticipated to be at the 18 September 2024 Audit and Assurance Committee meeting, which will mean the Statement of Accounts are finalised ahead of the 30 September deadline set by the amended regulations.

5 Subsidiary Companies Audit Exemption

5.1 For the year ended 31 March 2014, the Group took advantage of changes under section 479A of the Companies Act 2006 that enable certain UK subsidiary companies to claim exemption from audit of their accounts.

5.2 The exemption is conditional on a parent undertaking giving a guarantee to its subsidiary in respect of all liabilities of that subsidiary outstanding at the balance sheet date, and on 5 June 2014, under authority delegated by the Board on 26 March 2014, the then Finance and Policy Committee agreed that, for the year ended 31 March 2014 and for future years until withdrawn, the holding company for TfL's trading subsidiaries, TTL, will offer the guarantee to a majority of its subsidiaries.

5.3 For the year ended 31 March 2024, this will be the first year that Crossrail Limited will claim the exemption from audit now that the requirement is no longer in place upon completion of the project.

5.4 For the year ended 31 March 2024, the majority of TTL's subsidiaries claimed exemption from audit.

6 Audit and Assurance Committee Review

6.1 On 5 June 2024, the Audit and Assurance Committee were updated on key accounting issues and progress of the audit for the Statement of Accounts for the year end 31 March 2024. The Committee also approved the Annual Governance Statement.

TfL's Statement of Accounts for the Year Ended 31 March 2024

6.2 The Committee noted the update on the progress of preparing the accounts and the audit.

6.3 The Committee noted that the Board would be asked to confirm its overall approval of the provision of an ongoing guarantee by TTL of all the outstanding liabilities of those of its subsidiary companies previously provided with a guarantee. While the accounts of TTL are audited, those subsidiaries given a guarantee are exempt from the need to have their accounts audited, which results in savings in audit fees.

6.4 The Committee noted that TfL Finance had worked to the original timetable to ensure that the statutory accounts were properly prepared in accordance with good practice, and this had been achieved thanks to the hard work and co-operation of TfL staff and EY during the challenging circumstances.

Review of Governance and the Annual Governance Statement for Year Ended 31 March 2024

6.5 The Committee welcomed the Annual Governance Statement and noted the overall assessment was similar to previous years.

6.6 The Committee approved the Annual Governance Statement for signing by the

Chair of TfL and the Commissioner, for inclusion in the 2023/24 Annual Report and Accounts.

6.7 The Committee also reviewed the progress against the Governance Improvement Plan 2023/24 and supported the improvement plan for 2024/25.

List of appendices to this report:

Appendix 1: Draft Annual Report and Statement of Accounts 2023/24 (provided as a separate printed document)

List of Background Papers:

Audit Exemption for Subsidiary Companies – Finance and Policy Committee paper June 2014.

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Email: PatrickDoig@tfl.gov.uk

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DRAFT

Annual Report and Statement of Accounts

2023/24 – XX September 2024

MAYOR OF LONDON

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

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Working to make transport greener and more affordable

London's transport network is the spine that our city is built around. It underpins so much of our success and making it greener, more affordable and more accessible for all Londoners will continue to be a priority for me and my administration.

I'm proud of the progress we have made over the last eight years. From opening the Elizabeth line to getting both the Superloop and the Night Tube up and running, we've made big strides in the direction of a fairer, more modern and more efficient transport system.

Keeping the cost of daily travel down helps to encourage more commuters to use public transport and makes London a more inclusive city. That's why, for this year, I decided to freeze TfL fares. Millions of Londoners will benefit from this decision, whether they are going to and from work, visiting our city, or taking advantage of London's many great attractions. By making travel cheaper, we're making it more attractive for people to come into the office and experience everything that our city has to offer. I was also delighted to introduce the new care leavers' concession, which will support young people leaving care to transition to independent living.

One of my highest priorities remains improving London's air quality and tackling the climate emergency. Expanding the Ultra Low Emission Zone (ULEZ) was a difficult decision, but a necessary one to save lives, protect the health of Londoners and safeguard our precious environment. The data is clear from the inner London expansion of ULEZ in that it has had a significant impact in reducing toxic pollution. Therefore, it was only right to take the same action in outer London, where the majority of premature deaths from poor air quality occur, in order to deliver cleaner air for around five million more people. We have supported Londoners to switch to cleaner vehicles and, in August 2023, I announced a massive expansion of the scrappage scheme to all Londoners with a non-compliant car or motorcycle, making it the largest ever scheme of its kind in the UK.

> 'By making travel cheaper, we're making it more attractive for people to come into the office and experience everything that our city has to offer'

Sadiq Khan
Mayor of London

We have also been improving public transport options for people in outer London. This is why we launched the new Superloop express bus service, a game-changing addition to our transport network, and one that provides a viable alternative to private cars and much better connections in outer London between stations, town centres, hospitals and transport hubs.

We have made huge progress on improving walking and cycling in our city, bringing real benefits for people's health and the environment. Work has been completed on extending Cycleway 9 between Kew Bridge and Watermans Park, as well as extensions to Cycleway 50 in Islington and Cycleway 23 in Hackney. Daily cycle journeys increased by 6.3 per cent between 2022 and 2023. Moreover, in March 2024, we launched the new Green Link Walk to improve Londoners' health and wellbeing, and enhance community access to green space and nature.

Reducing road danger is essential if we are to encourage more people to walk and cycle and I remain firmly committed to eliminating deaths and serious injuries on the network by 2041. We have created safer junctions in areas such as Islington and Battersea and taken bold action to reduce speed limits across the city where appropriate and launched a powerful new marketing campaign to tackle speeding.

In December 2023, the Government agreed to provide £250m in capital investment for TfL. As this was only half of the capital funding required to maintain the network, TfL had to make difficult decisions in its Business Plan to ensure it can continue to make vital upgrades to London's transport network. We will now begin discussions with the new Government with the aim to agree essential long-term funding to enable TfL to maintain and renew its network to deliver the service that London needs. Our city's world class transport system is crucial not only to our own success, but to supporting supply chains, economic growth and jobs and prosperity across our country.

With Andy Lord now in the role of Commissioner on a permanent basis, I look forward to building on the progress we've already made together and harnessing our transport system to create a fairer, greener and more prosperous city for everyone.

6.3%
increase in daily cycling journeys between 2022 and 2023

£250m
capital funding secured from Government to TfL

TfL is helping to support the capital's diverse communities

Andy Lord
Commissioner

Commissioner's foreword

We want to become London's strong, green heartbeat

Throughout 2023/24, we have delivered a number of vital transport improvements and taken important steps to make our city safer, more inclusive and more sustainable. I am particularly proud that for the first time in TfL's history, we met our target of being financially sustainable in our day-to-day operations, meaning we can now cover most of our costs. However, a prolonged and continuing period of uncertainty over long-term Government capital investment, and smaller levels of investment than needed, means we remain in a constrained environment. This requires us to make tough choices about what we can afford and what vital work can be done.

Safety is always our number one priority and we will never let up on our efforts to improve it. We have introduced a range of important new initiatives this year to further improve safety in London, including a new Bus safety strategy, lower speed limits and improvements to junctions at Battersea Bridge and elsewhere.

Putting customers first

We have remained laser-focused on customer experience and I am pleased that the number of customer journeys continues to grow, increasing by nine per cent from last year. One of the most exciting improvements has been the introduction of the Superloop, a network of express bus routes in outer London. It has been a great success, with demand growing above the network average level, supporting customers in all parts of the city to make quicker and more sustainable journeys. We have moved forward with our larger capital projects too, with the first newly built Piccadilly line train tested in November and work on the Old Street project nearing completion.

Significantly, May 2023 saw the first anniversary of the opening of the Elizabeth line and the introduction of the final operating timetable, a huge moment for London and for us. A few months later saw the substantial completion of the Crossrail project, the culmination of almost two decades of joint working with the Department for Transport. The organised and efficient finish to the project was an incredible achievement, and we can see the huge benefits that the Elizabeth line is bringing to our customers every day.

We launched Equity in Motion, our ambitious plan to create a more accessible and inclusive network. This is a vital piece of work, focused on taking tangible actions and making a difference to customers' daily journeys.

We have continued to deliver a range of improvements this year

Sustainable future

Sustainability has become core to everything we do as we play our role in tackling the climate emergency. I am delighted that more than 4,000 colleagues have now been trained in Carbon Literacy, raising awareness throughout the organisation of how we can all play a part in reducing carbon. We have met some key milestones this year in our work towards achieving net-zero carbon operations by 2030. We continued our rollout of LED lighting in Tube stations and at bus stops and in August 2023 we introduced the 1,000th zero-emission bus to our fleet. We continued to improve the biodiversity of our network, with more wildflower verges and sustainable urban drainage systems. Tackling poor air quality across the whole city remains a key priority and the expansion of the Ultra Low Emission Zone in August 2023 was a vital step towards this.

As always, none of this would be possible without our brilliant colleagues. While they make a difference every single day, I was particularly proud of the role they played in supporting the Coronation of Their Majesties King Charles III and Queen Camilla. This was a truly momentous occasion and colleagues across the organisation were at the heart of making it a success. As well as supporting our customers to get where they needed to be over the weekend, we marked the moment by wrapping our buses and Santander cycles, as well as adorning our stations with specially designed 'crowndels'.

> 'We have achieved a lot this year, which is testament to the commitment and dedication of all our colleagues and partners. I would like to extend my heartfelt thanks to everyone involved'

Funding boost

Finally, I was pleased to secure £250m of capital investment from Government in December 2023 for 2024/25. While it is only half of what we asked for, we have taken tough choices and succeeded in delivering our full Business Plan this year. However, the shortfall has only been mitigated in the near term and will reduce the amount of investment we can make in future years. We now stand ready to work together with Government to agree the long-term funding certainty London desperately needs to turbocharge the economy, unlock much-needed housing and play a central role in decarbonising our country.

We have achieved a lot this year, which is testament to the commitment and dedication of all our colleagues and partners. I would like to extend my heartfelt thanks to everyone involved.

4,000
colleagues have been trained in Carbon Literacy

9%
increase in customer journeys from 2022/23

We have seen many great events and celebrations this year

Background to this report

All our work is underpinned by our key pillars and the Mayor's priorities for London

Our values
Our mission is to be the strong, green heartbeat for London. To achieve this, we developed our strategy, which sets out our targets and ambitions over the years to 2030. It explains what we are doing to help turn the Mayor's Transport Strategy from an ambitious plan into London's reality. Our strategy is underpinned by three key values that we are focusing on to ensure that Every Journey Matters.

Caring
This means that we care about our colleagues, our customers and our work.

Open
This means that we are open to each other, and we are open to new ideas and ways of working.

Adaptable
We will adapt to the diverse needs of the organisation and we are willing to innovate.

Our Annual Report details our achievements and updates from the last financial year, which runs from 1 April 2023 to 31 March 2024. It shows the progress we have made against our scorecard targets.

As a publicly funded organisation, it is important that we are transparent with our finances, our investments and the work we are doing to help shape our city. This report outlines our achievements under a number of areas. Safety is our number one priority as we aim to get everybody home safely, every day. We also have a focus on the achievements of our people, and how we work to ensure that we are a great place to work for everybody.

Sustainability and our environmental impact are at the heart of our decisions and a key thread throughout everything we do.

Our reporting is also shaped by the ambitions of the Mayor's Transport Strategy, which acknowledges the key role transport plays in shaping London and making it a world leader for sustainable transport. It also emphasises the way that effective and well-planned transport projects and improvements can play a vital part in improving the health, opportunities and quality of life of those who live and work in our city. The central aim of the strategy is to create a place that is not only home to more people but is a better space for them to live, work and visit. This means a safer, healthier, cleaner, greener, more inclusive and better-connected city.

Achieving the Mayor's vision
All our work, from our daily running to our investment programmes, follows the key themes as set out in the Mayor's Transport Strategy. These are Healthy Streets and healthy people, a good public transport experience and new homes and jobs. We have showcased our achievements and project milestones against these key areas and reported on the progress we are making towards achieving the Mayor's vision for the future of London.

Healthy Streets and healthy people

We aim to improve the experience of being in the places where people live, work, spend time and travel. We will reduce traffic dominance and encourage people to walk, cycle and use public transport.

A good public transport experience

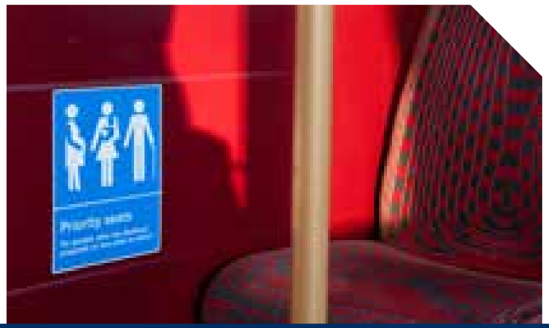
We will ensure public transport is an increasingly attractive alternative to the car, through whole-journey planning to help integrate public transport in our schemes and projects

New homes and jobs

Transport is vital for creating the new homes and jobs London needs. This includes creating communities where amenities are within walking and cycling distance.

Year at a glance

We have achieved a number of notable milestones and launched some game-changing initiatives during the year



April 2023
New priority seating installed on buses

May 2023
We supported visitors for the Coronation weekend events

June 2023
Order placed for 11 additional DLR trains

July 2023
Contracts issued for next phase of our rental e-scooter trial

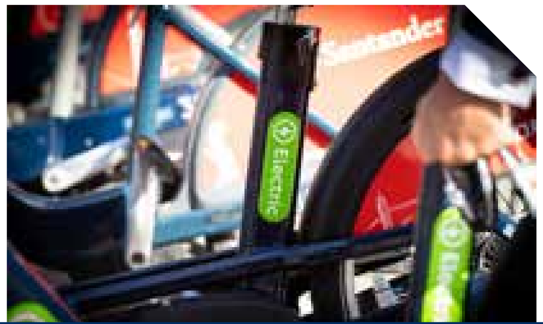
August 2023
Ultra Low Emission Zone expanded across all London boroughs

September 2023
Further rollout of 4G and 5G across Tube stations

October 2023
Places for London secures planning permission for Kilburn Mews

November 2023
Our licensed busking scheme celebrates 20 years

December 2023
First Elizabeth line stations get high-speed 4G and 5G coverage



January 2024
Santander Cycles day pass and more e-bikes announced for the summer

February 2024
New names for London Overground lines are revealed

March 2024
We completed the Superloop orbital bus loop

Our financial and performance overview

Rachel McLean
Chief Finance Officer

'Achieving our first operating surplus is testament to the hard work taking place every day to deliver a safe and reliable transport network. With a multi-year capital funding deal and a growing surplus, we could strengthen our national supply chains and deliver even better outcomes for lower costs'

With long-term capital funding, we could deliver more for London

Chief Finance Officer foreword

We continue to work hard to secure our financial future

SIGNATURE TO BE ADDED

Rachel McLean
Chief Finance Officer

We completed a remarkable turnaround in our finances, but our work to secure our financial future is not yet complete. For the first time, we can fully cover our day-to-day costs from our income, delivering an operating surplus of £138m, £59m above budget. Every penny of that is already committed to maintaining and improving our network and we will strive to further improve so that we can invest even more. I thank all of our colleagues and partners who played a part in enabling us to recover from the difficult financial position that arose as a consequence of the pandemic.

We have now met the test set by the last Government to achieve operational financial sustainability. As we exit the period of extraordinary funding support, we remain grateful for the financial support from the previous Government during the tough times, and for its recognition of our progress. We have started 2024/25 with a £250m contribution from the previous Government for our major capital investment programmes. In June 2024, the Government confirmed funding for 10 new Elizabeth line trains, which will enable us to increase capacity in the coming years.

Customer journeys grew by nine per cent from 2022/23, with 3.6 billion people travelling in 2023/24. This is an increase from 80 per cent of pre-pandemic levels to 88 per cent. Passenger income grew by 20 per cent, from £4.4bn to £5.2bn.

One strand of our roadmap to financial sustainability is to diversify and grow our income. Compared to pre-pandemic levels, our passenger income has grown by nine per cent, with other income sources growing by 27 per cent, and we drew our first dividend of £15m from Places for London Limited which launched in 2023.

As well as challenges like inflation, from 2024/25, we will no longer receive a revenue top-up from the Department for Transport. To mitigate this and keep transport affordable, we continuously work to control our costs and improve efficiency. Our savings programme reached its eighth year in 2023/24. We have reduced like-for-like costs from £5.8bn in 2021/22 to £5.6bn in 2021/22 prices. We made £138m of recurring savings in 2023/24, taking the total delivered since 2016 to £1.4bn. A further £130m of recurring savings is budgeted in 2024/25 contributing to our 2025/26 target of £650m. We have maintained cash reserves at an average of £1.2bn throughout 2023/24, so we can make payments and protect against shocks. This level is in line with Government conditions, our own assessment of need and was achieved while keeping the amount of outstanding borrowing stable year-on-year.

Although we are now delivering an operating surplus, like all major transport operators in the UK and around the world, we still need support from central Government to meet our major capital investment needs. We could deliver this investment more efficiently and effectively with a long-term capital funding settlement – as is in place for Network Rail, National Highways and other local authorities. We look forward to discussions with the new Government around the need for support for major investments and the opportunity to support growth throughout the UK from that investment.

Investing in London's infrastructure benefits more than just London. It means we can continue to support jobs and growth throughout the UK with our supply chain and open up new areas for development. We will continue to play our part for a more sustainable and green future and maintain London's position as a competitive global city which supports the national economy.

Our scorecard

We assess our progress against a range of agreed measures

The TfL scorecard is our primary tool for tracking progress against our strategic objectives and is structured around our vision and values. It provides a clear line of sight between the Mayor's Transport Strategy, our Business Plan and our Budget, and helps drive our in-year performance. The metrics are designed to be stretching and realistic. In 2023/24, we achieved 76.1 per cent against the scorecard target. The results reflect some notable achievements in a challenging economic and funding environment, and the highlighted areas to focus on next year.

In December 2023, we received £250m of Government capital funding, half of what we asked for, to enable us to deliver our investment programme and work with our supply chain towards our objectives. However, longer-term funding certainty is still needed to allow us to plan as effectively and efficiently as possible.

On safety and security, we made many improvements on the network, such as lowering speed limits on 183km of London's roads and improving bus safety. While our scorecard performance improved year-on-year, we fell short of our 2023/24 target. We are focused on working towards the Mayor's Vision Zero goal and while we didn't achieve the target, we are making progress.

Metrics related to our colleagues show engagement with our staff survey score increased, attendance went up compared with the previous year, and we improved representation at senior levels, meaning TfL is looking more like the city we serve. Highlights for colleagues have included launching a new flexible working approach, improved welfare facilities for our operational colleagues, and the launch of Action on Inclusion with its supporting training for all. We have made it easier to fill vacancies more quickly, embedded Our People Leaders Framework, and welcomed more graduates, apprentices and interns than in previous years.

We continued to deliver for customers, completing the Superloop bus network in outer London and the Elizabeth line, which is now the most popular railway line in the country. Naming London Overground routes will make navigating the network clearer, there's now 4G and 5G mobile coverage in around 25 per cent of stations across London, and we launched Equity in Motion to ensure our city is more fairly connected to accessible, affordable public transport services. Despite operational challenges on the Central line, we still surpassed our floor target for journey time on buses and beat our target for journey time on rail.

We have made strides in our green future with the expansion of ULEZ to all of Greater London and training more than 4,000 colleagues in Carbon Literacy, well above the 3,000 we were aiming for. We reduced carbon emissions from our assets by more than expected, which is great news for our decarbonisation journey, especially given our key role in driving the UK towards net zero. Our first Green Infrastructure and Biodiversity Plan set out how we care for environments across our 2,300-hectare estate and we beat our target for water run-off into sustainable urban drainage systems

On our finances, we achieved operational financial sustainability, with a healthy income of £8,970m that included £500m from new sources. Every penny is reinvested in the network and means we're able to fund most of our 2024/25 investment programme ourselves with the rest covered by the £250m capital funding we secured from Government. We reduced costs across the organisation and have plans for more next year. We now need to focus on growing an operating surplus each year to invest in delivering everything London needs.

4,000

colleagues trained in Carbon Literacy so far

£500m

of our income is now coming from new sources

25%

of our stations now have 4G and 5G mobile coverage

Measure	Results	Target	Floor target
Safety and security			
People killed or seriously injured on our roads (absolutes)	3,722	3,541	3,822
Customers killed or seriously injured (absolutes)	202	201	218
Colleagues killed or seriously injured (absolutes)	18*	22	23
Work-related violence and aggression incidents (absolutes)	10,493	n/a	n/a
Colleague			
Total engagement (%)	60	61	59
Attendance (%)	93.86	94.25	93.75
Women represented at senior leadership (%)	34	34.6	33.8
Black, Asian or minority ethnic people represented at senior leadership (%)	20	18.5	17.3
Disabled people represented at senior leadership (%)	6.47	6.45	5.8
People from minority faiths or beliefs represented at senior leadership (%)	12.6	12.2	11.6
LGBTQ+ people represented at senior leadership (%)	6.1	5.5	5.1
Customer			
Percentage of Londoners who agree we care about our customers (%)	54	55	5.1
Investment programme milestone delivery (%)	83	90	75
Customer journey time on London Underground (minutes)	28.3	27.9	28.9
Customer journey time on buses (minutes)	34.1	33.8	35.3
Customer journey time on rail (minutes)	25.8	26.9	27.9
Green			
Carbon dioxide emissions from our operations and buildings (ktonnes)	823	845	879
London-wide ULEZ delivery milestone (date)	29-Aug-23	29-Aug-23	29-Aug-23
Number of colleagues trained in Carbon Literacy	4.044	18-Mar-08	1,500
Finance			
Total income against budget, excluding extraordinary revenue grant (£m)	8,970	8,872	8,822
Operating surplus/deficit against budget (£m)	138	79	0
Capital expenditure against budget, excluding Crossrail and Places for London (£m)	1,871	1,879	2% + or -

Achieved Partially achieved Not achieved

* This measure is automatically marked as 'not achieved' in the event of a fatality. Owing to a contractor fatality, this measure displays as not achieved.

A sustainable future for London

We are working to ensure our priorities support a sustainable future for the capital

Page 75

We made significant progress across our sustainability objectives during 2023/24, but more still needs to be done. We have a mandatory requirement to report under the Task Force on Climate-related Financial Disclosures (TCFD), which is a pivotal framework for effective disclosure, and improves our management of climate risks and opportunities. Understanding these risks and opportunities, both now and in the future, is vital to making cost-effective decisions on investment, strategic planning and operations.

In September 2023, the Taskforce on Nature-related Financial Disclosures (TNFD) was released to assess nature-related risks and opportunities. While this is not yet mandatory, we are trialling reporting under both disclosures. More detail on both disclosures can be viewed in our Statement of Accounts on page XX.

We are preparing our assets and systems for a changing climate

Environment
In 2023/24, we took bold steps towards achieving net-zero operations by decarbonising our fleet, paving the way towards using 100 per cent renewable energy, and removing the use of fossil fuels in our buildings.

By March 2024, around 15 per cent of our bus fleet operated with zero-emission buses, and we reached the final stages of our first Power Purchase Agreement tender, which supports the increase in renewable energy supplying the national grid.

One year on from publishing our Climate Change Adaptation Plan, we continue our collaboration with regional, national and global groups to better understand how we prepare our systems and infrastructure for a changing climate. We have also created an additional 8,000 square metres of catchment draining into sustainable drainage systems, to help reduce surface water flood risk.

The expansion of the Ultra Low Emission Zone (ULEZ) means London is the first city in the world with a clean air zone of this size. The compliance rate for vehicles during the first month was 95.3 per cent, up from 91.6 per cent in June 2023 and 39 per cent in February 2017 when the changes associated with the ULEZ were introduced.

In 2023, we doubled our wildflower verges and have set ourselves a target to double this figure again in 2024. These wildflower verges are already attracting wildlife, including the brown hairstreak, one of the UK's rarest and most threatened butterflies, which was spotted in Hillingdon. In March 2024, we published our Green Infrastructure and Biodiversity Plan, which sets out our actions to green our city for people and wildlife.

95%
of bus shelters converted to LED lighting

67%
of street lighting on our roads uses LED lighting

43%
of Tube stations have been converted to LED

Climate-related financial disclosure

This year, we have developed our TCFD reporting and are now able to set out our approach to scenario analysis. We have made progress in all four areas over the past 12 months, and we have ambitious plans to continue this work in 2024/25.

Our green strategy

Our green strategy has three core priorities. Reducing carbon emissions and adapting to climate change, improving air quality, and protecting, connecting and enhancing our green infrastructure and biodiversity.

The four pillars of TCFD and TNFD

- Governance
- Strategy
- Risk and impact management
- Metrics and targets

Task Force on Climate-related Financial Disclosures

Governance

In 2023/24, we trained more than 4,000 colleagues in Carbon Literacy, achieving Bronze Accreditation from the Carbon Literacy Project. We secured funding to accelerate the rollout of LED lighting. We also secured £16.3m grant funding for heat decarbonisation and energy efficiency schemes. We established a Sustainability Working Group for Places for London, a net-zero matrix team for the organisation and formalised our Climate Change Adaptation Steering Group.

- Achieving Silver Accreditation with the Carbon Literacy Project
- Publishing a Sustainability Awareness toolkit to enable colleagues to raise awareness within teams
- Launching in-person pilot training for adaptation, green infrastructure and biodiversity, and environmental awareness for head office colleagues

End of 2024/25

Strategy

We have started work on our first scenario analysis. This is crucial for strategic and financial planning, owing to the many impacts of climate change on our operations, infrastructure and financial stability. Our scenarios and risks integrate into our existing business strategy and risk management. We have also delivered short-term actions from our Climate Change Adaptation Plan 2023, and expanded our climate budget to include adaptation, to support medium- and long-term actions.

- Expanding the climate budget to include scope 3 emissions
- Completing science-based target validation
- Phasing out all cars that are not zero-emission capable from our support fleet
- Rolling-out LED lighting across street assets, head office buildings and London Transport Museum
- Developing a Sustainability and Inclusivity Strategy for Places for London
- Reflect adaptation in our common outcome framework

End of 2024/25

Risk management

We are improving our understanding of physical climate risks and have analysed our upstream interdependencies. We have also completed our first physical climate risk assessment for London's highways. For scenario analysis, we used our climate risk assessment, to select two physical risks, four transition risks and one nature risk, and for transition risks and opportunities we created a long-list of factors that will affect us, and have scored these based on their financial impact.

- Publishing our fourth round submission of Adaptation Reporting Power
- Cascading our enterprise level risk on 'Environment including adaptation' to cover strategic and tactical risks
- Identifying and tagging all climate risks across our enterprise risk framework that link to climate

End of 2024/25

Metrics and targets

Limiting our impact on the environment, and protecting Londoners from climate risks is crucial. We have agreed a reduction target for scope 3 carbon emissions, as well as achieving our targets of reducing greenhouse gas emissions from our operations and buildings to 845 ktonnes. In terms of protecting London against flooding, we have created 8,000sqm of catchment draining into Sustainable Drainage Systems.

- Limiting greenhouse gas emissions from our operations and building to 773 ktonnes, with a floor target of 812 ktonnes
- Installing 9,000sqm of catchment draining into Sustainable Drainage Systems, with a floor of 5,000sqm
- Achieving 90 per cent of our Green milestones, with floor targets of 70 per cent
- Transitioning 500 more buses to zero emissions, bringing the total zero-emission fleet to 1,900
- Converting 15 Tube station, including King's Cross St Pancras, to LED lighting

End of 2024/25

Nature-related financial disclosure

We connect people to London's green spaces, interweaving communities and nature across the capital's landscape. As well as providing easy and accessible transport to areas of natural beauty, we are also responsible for managing around 2,300 hectares of land, almost a third of which is covered by vegetation. In order to responsibly and sustainably grow our business, we must assess the financial value of our natural assets and invest in outcomes that support nature.

Through our Natural Capital Account we have assessed key nature-related risks and opportunities and incorporated them into our strategic planning processes and future financial disclosure reporting. By applying the science-based framework to reduce our risks and take advantage of nature-positive opportunities, we can enhance our financial strategies to incorporate nature-based solutions, ensuring our reporting is globally relevant and accessible.

Our nature-related issue categories

Dependencies – How we are dependent on nature

Impacts – How we impact nature and biodiversity

Risks – What capital, operational and future business risks are caused by our dependencies and impacts

Opportunities – How we can benefit from positive impacts and mitigate against negative ones

Our key nature-related achievements

We manage our nature-related risks and opportunities using the TNFD framework.

	Key achievements 2023/24	Planned work in 2024/25
Governance	Oversight of the delivery of the Green Infrastructure and Biodiversity Plan by our Sustainability Executive Committee, through updating the terms of reference and membership to our Green Infrastructure Steering Group	Launch in-person pilot training for Adaptation, Green Infrastructure and Biodiversity
Strategy	Published our first organisation-wide Green Infrastructure and Biodiversity Plan	Publish a tree canopy cover plan, setting out how we will meet our canopy cover target
	Published a London-wide methodology for assessing the potential of Sites of Importance for Nature Conservation for biodiversity offsetting	Deliver and implement our Green Infrastructure and Biodiversity Plan actions
		Reassess the biodiversity baseline of our estate and develop a habitat bank to help meet our biodiversity net gain requirements
Risk	Published our first natural capital account	Review climate change-related green infrastructure risks as part of the fourth round of Adaptation Reporting Power
Metrics and targets	Set out a number of key targets in our Green Infrastructure and Biodiversity Plan	Start developing outcome-focused green-infrastructure targets
	Developed green cover and canopy cover maps to better manage natural resources sustainably, reduce impacts from climate change, conserve biodiversity, and promote human health and wellbeing	Model canopy cover change over time under different scenarios
	Commissioned work to understand the best method for modelling changes in tree canopy cover under different scenarios	Update our biodiversity baseline map

Scenario analysis

By testing our risks and opportunities against plausible climate scenarios, we can be more prepared for future uncertainties and create stronger risk management practices. This will help ensure London is more sustainable and resilient to the challenges. It will help us minimise future losses, maximise value and ensure our operations are viable in the long term.

Our scenario analysis is based over three stages: short-term (by 2030), medium-term (by 2050), and long-term (by 2080). We have done this to ensure we take advantage of the most accurate and latest data available, while producing results that can be easily applied when planning for our operational and financial future.

We built on existing contextual scenarios of agglomeration, green innovation, instability and rebalancing. These explore how London may evolve over the next two decades. We added climate-related detail from the Network of Greening the Financial System to expand the scenarios to focus on climate risk in the short, medium and long term and different degrees of warming.

Our proposed scenarios

	Low transition risks	High transition risks
Low physical risks	**Orderly transition** Warming levels of 1.5 degrees will see London thrive in a successful global transition to net zero.	**Disorderly transition** Warming levels of two degrees will see London's economy decline due to increased costs associated with a disorderly transition to net zero.
High physical risks	**Hot house world** Warming levels greater than three degrees as London booms with economic growth, until critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts.	**Too little too late** Warming levels between 2-3 degrees will see London suffer from increased costs from an uncoordinated transition to net zero, as well as tackling impacts from changing climate.

Selected climate- and nature-related risks and opportunities

	Costs	Revenue	External investment	Fines	Social impacts	Financial benefit
Tighter regulation leading to assets becoming prematurely obsolete or non-performing	Transition risks	Transition risks	Transition risks	Transition risks		
Early adoption of new and novel technologies for sustainability initiatives	Transition risks					Transition risks
Skills requirement misaligned with strategic sustainability ambitions and Mayoral commitments	Transition risks					
Changes to building energy efficiency on our Places for London commercial properties	Transition risks	Transition risks	Transition risks		Transition risks	Transition risks
Increasing legal and policy commitments for biodiversity net gain and green infrastructure	Nature				Nature	Nature
Extreme precipitation leading to flooding of London Underground tunnel shafts and portals	Acute physical risks	Acute physical risks				
Extreme high temperatures on transport and in buildings	Acute physical risks	Acute physical risks			Acute physical risks	

Transition risks Nature Acute physical risks

Safety

Creating a safer London for everyone

Lilli Matson
Chief Safety, Health and Environment Officer

'The safety of our customers and staff remains our top priority as we work towards our Vision Zero ambition and continue to tackle hate crime and violence against women and girls on our network'

Making London's transport safer

Our work to make London's transport network safer for all those who use it

Update on the Sandilands tragedy

Our thoughts remain with all those who lost their lives or were injured in the Sandilands tram tragedy in 2016, as well as their friends and families. The Sandilands tragedy continues to serve as a constant reminder of the need to put safety at the heart of everything we do.

The Office of Rail and Road prosecuted TfL and Tram Operations Limited (TOL), who are the operators of the tram services, for an offence under the Health and Safety at Work etc. Act 1974. TfL and TOL pleaded guilty at the earliest opportunity and on 27 July 2023, after a three day sentencing hearing, both were ordered to pay fines, which have been paid. Andy Lord and other members of our Executive Committee attended the three-day hearing and heard statements from victims and the families of those who lost their lives. Andy Lord issued an apology on behalf of everyone at TfL, which was read during the hearing.

Since the tragedy, we have made extensive industry-leading safety improvements to the tram network. Following the sentencing, we carried out a further safety review across the wider network to identify additional actions that would enable us to continue to learn and improve. We will never be complacent about safety and will continue to learn from incidents to ensure such a tragedy can never happen again.

The Sarah Hope line remains available to all those affected and continues to provide help with counselling and other support.

> 'The Sandilands tragedy will never be forgotten, and our thoughts remain with everyone affected. We are truly sorry and remain committed to providing support to anyone who needs it'

Andy Lord
Transport Commissioner

Safer streets in Islington

In April 2023, we started work on a number of safety improvements for vulnerable road users along Holloway Road and the surrounding areas. The improvements include new and upgraded pedestrian crossings at junctions, and upgraded bus stops. An initial consultation into changes in the area showed that 82 per cent of people who walk and 52 per cent of people who cycle thought the proposals would make them feel safer.

44
junctions improved as part of our Safer Junctions programme

Our strategy for safer buses

In September 2023, we published a new Bus Safety Strategy, which sets out the specific actions that need to be taken to achieve our safety objectives for the bus network.

The strategy outlines what we, together with the bus operators, are already doing and what more needs to be done to meet our Vision Zero goals for the bus network. We continue to work hard to achieve our target of nobody being killed or seriously injured on London's roads by 2041 and nobody killed in, or by, a bus by 2030.

Among the commitments outlined in the strategy are retrofitting technology onto the existing fleet, including fitting a further 1,800 buses with intelligent speed assistance, commissioning further research into how and why drivers press the wrong pedals, trialling fatigue detection technology, using data to look at how we can reduce passenger injuries, and ensuring safety improvements are inclusive for all those who work on, and use, the bus network.

1,000+
buses in our fleet already meet our Bus Safety Standard

65%
fewer people killed in collisions with buses in 2022 from 2005-09

Safety improvements at Battersea Bridge

In June 2023, we announced the next phase of our plans to reduce road danger for people walking and cycling on, and near, Battersea Bridge. This follows the first phase of work on the north side of the bridge that was completed in November 2021.

Following a consultation, we announced the next measures on the northern end of the bridge would include new push-button pedestrian crossings, dedicated cycle signals and a section of segregated cycle track, a new section of westbound bus lane, and banning left turns for some vehicles.

On the southern end of the bridge, we announced that we will install a new push-button pedestrian crossing, a bus gate, and new pedestrian crossing. There will also be an extended bus lane from Banbury Street northwards on Battersea Bridge Road to improve bus journey times. Work will start on site later in 2024.

140km

of 20mph roads that we have delivered across London

Lowering speed limits across the capital

In September 2023, we announced our plans to introduce 65km of new 20mph speed limits across roads in Greenwich, Kensington and Chelsea, Lewisham, Southwark, Wandsworth, Merton, Bromley and Lambeth. The new speed limits, which we introduced in stages during 2023, are helping to make London's streets safer for everyone.

The speed limits are supported by new signs and road markings, alongside banners on street lamps to increase driver awareness. We worked closely with the Metropolitan Police Service to ensure that drivers understand and comply with the new speed limits.

The new speed limits help make a large area of south London safer and more attractive for people in these communities to live and work in, supporting people to use active forms of travel such as walking and cycling.

Each year in London, more than 1,000 people are injured or killed by drivers exceeding the speed limit. Lowering speed limits is a key part of the Mayor's Vision Zero goal to eliminate death and serious injury from London's transport network and has positive safety benefits. Where we introduced 20mph on central London roads in 2020, collisions resulting in death or serious injury reduced by of 24 per cent against a background reduction across London of 10 per cent.

Spreading the word

As well as our work to lower speed limits, we also launched a powerful new road safety campaign to tackle speeding in September 2023.

The campaign aims to challenge socially accepted driving norms by reframing drivers' perception of what counts as speeding, particularly on lower speed limit roads.

It aims to motivate all drivers to change their behaviours by showing them that driving even slightly over the speed limit can have devastating consequences, particularly on those who walk, cycle and ride a motorcycle and who are the most likely to be impacted by a speed-related collision.

The campaign launched on radio and outdoor posters, with a new TV advert running in October 2023 in the lead up to Road Safety Week in November.

Supporting all Londoners

Creating spaces that ensure everyone can travel safely

All change at Catford

In April 2023 we launched a consultation to transform Catford Town Centre by reducing road danger and making the area easier and safer for people walking, cycling and using the bus.

Among the changes we set out in the consultation was moving the South Circular Road and removing the one-way system around Plassy Island, making it two-way.

We set out to create a new two-way segregated cycle lane, a wider northbound bus lane, wider footpaths, three new pedestrian crossings and improvements to the existing ones, and more trees planted in the town centre.

We also proposed to reduce speed limits to 20mph on stretches of our roads.

We will reduce road danger and improve the area around Catford

Emergency access

In May 2023, we wrote to all NHS Trusts in London and the emergency services to inform them that they could use bus lanes on London's main arterial roads on our road network while on duty when the general traffic lanes are congested, even when not dealing with an emergency.

The move followed a successful year-long trial with Guy's and St Thomas' Foundation Trust, when more than 150 non-blue light patient transport vehicles were given access to bus lanes in Lambeth, Southwark and Wandsworth. The trust reported fewer missed appointments and there were no negative impacts on bus journey times.

Allowing liveried emergency vehicles to access bus lanes means outpatients who rely on patient transport are less likely to miss appointments, which means knock-on savings for the NHS trusts themselves, and improved health outcomes for many patients.

8,000+
emergency service fleet vehicles use London's roads

Scooting ahead

In September 2023, we announced the next phase of our rental e-scooter trial, with contracts awarded to Dott, Lime and Voi, although Dott has since been withdrawn.

This phase will build on findings from the first phase, as well as providing operators with opportunities to test new onboard technologies, including pavement riding detection. This will ensure we continue to learn about e-scooters and the role they can play in London's transport network by reducing the impact of cars and in tackling carbon reduction.

Together with the London boroughs, we agreed a set of requirements for operators involved in the second phase. They will continue to be required to provide critical data to help understand the impact of e-scooters and inform legislation and policy and demonstrate how safe they are.

The rental vehicles in London have high safety standards, which go beyond national standards. The benefits include being zero-emissions at tailpipe, geo-fencing, speed limit of 12.5mph, larger wheels, and lights that are always on throughout any rental.

By providing a new alternative to cars for short journeys and improving access to public transport services, rental e-scooters can support public transport and active travel, and reduce the impact on road danger, congestion, air quality and climate change.

10
boroughs taking part in the rental e-scooter trial in London

4,000
e-scooter vehicles available for hire across the capital

'The trial has thrived since its launch two years ago, and we're excited to see what role e-scooters could play in ensuring a green and sustainable future for London'

Helen Sharp
E-scooter trial lead

Support for victims of serious road traffic collisions

In November 2023, we collaborated with the Mayor's Office for Policing and Crime, the police and charities Brake and RoadPeace to launch a new pilot victim support service to help improve support for victims of the most serious road traffic collisions in London.

The pilot service ensures families left bereaved and those catastrophically injured can access enhanced support, more easily.

Caseworkers have been recruited by Brake to provide trauma-informed emotional and practical support for each victim and their families. For the first time in London, this support is available face-to-face for those who need it.

RoadPeace offers long-term aftercare, specialising in support from people with experience of the devastation caused by road traffic collisions through support groups, a telephone befriending service and an eight-week trauma support programme for bereaved families.

Police directly refer victims to the service, meaning they no longer have to source help and initiate contact themselves.

The service is staffed by a dedicated London team of trained caseworkers, co-ordinators and volunteers, who use their training and experience to ensure that victims and others affected by incidents have access to high-quality support.

> ‘This is a really exciting development that helps Londoners to discover the brilliant cycleways network across our city and will make cycling in London safer and more enjoyable for all’

Hannah Fallows
Open Innovation
Partnerships Manager

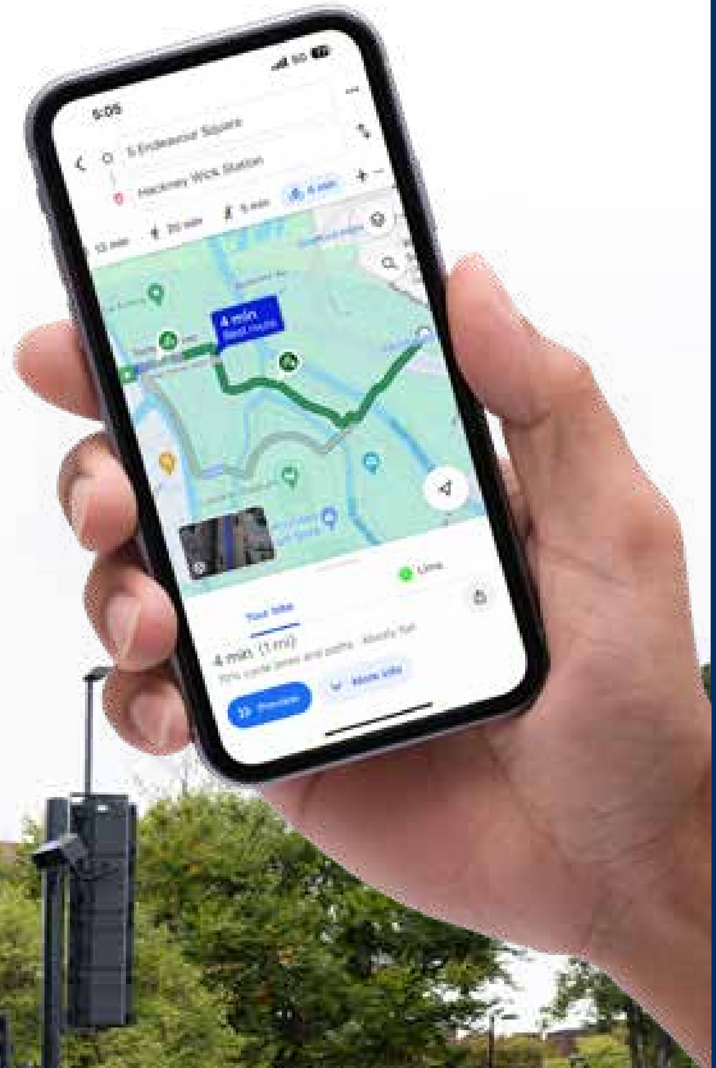
Safer cycling through Google Map collaboration

In October 2023, we teamed up with Google to help make cycling in London better by providing enhanced cycling navigation in Google Maps.

Our Open Innovation team and industry-leading experts worked with Google to update its algorithms to prioritise cycling on safer, quieter roads, making these routes easier to discover within Google Maps in London and beyond.

Google has introduced additional features, including immersive view for cycle routes in London, which lets users preview routes, including all the cycle lanes and junctions along the journey. This enables users to see at a glance what type of road they will be cycling on, such as a major road or a segregated cycle lane.

These updates help to make cycle journeys in the capital even safer and more comfortable for everyone who uses the app to navigate.



Our collaboration with Google will make cycling in London safer

Safety boost at bus shelters

In March 2024, we worked with the Metropolitan Police Service to launch a trial of CCTV at bus shelters across the capital to assess its impact in preventing and investigating crime and anti-social behaviour. CCTV cameras have been installed at Peckham, Finsbury Park, Turnpike Lane, Gants Hill and Stratford City. This initiative is an important part of our commitment to ending violence against women and girls in London.

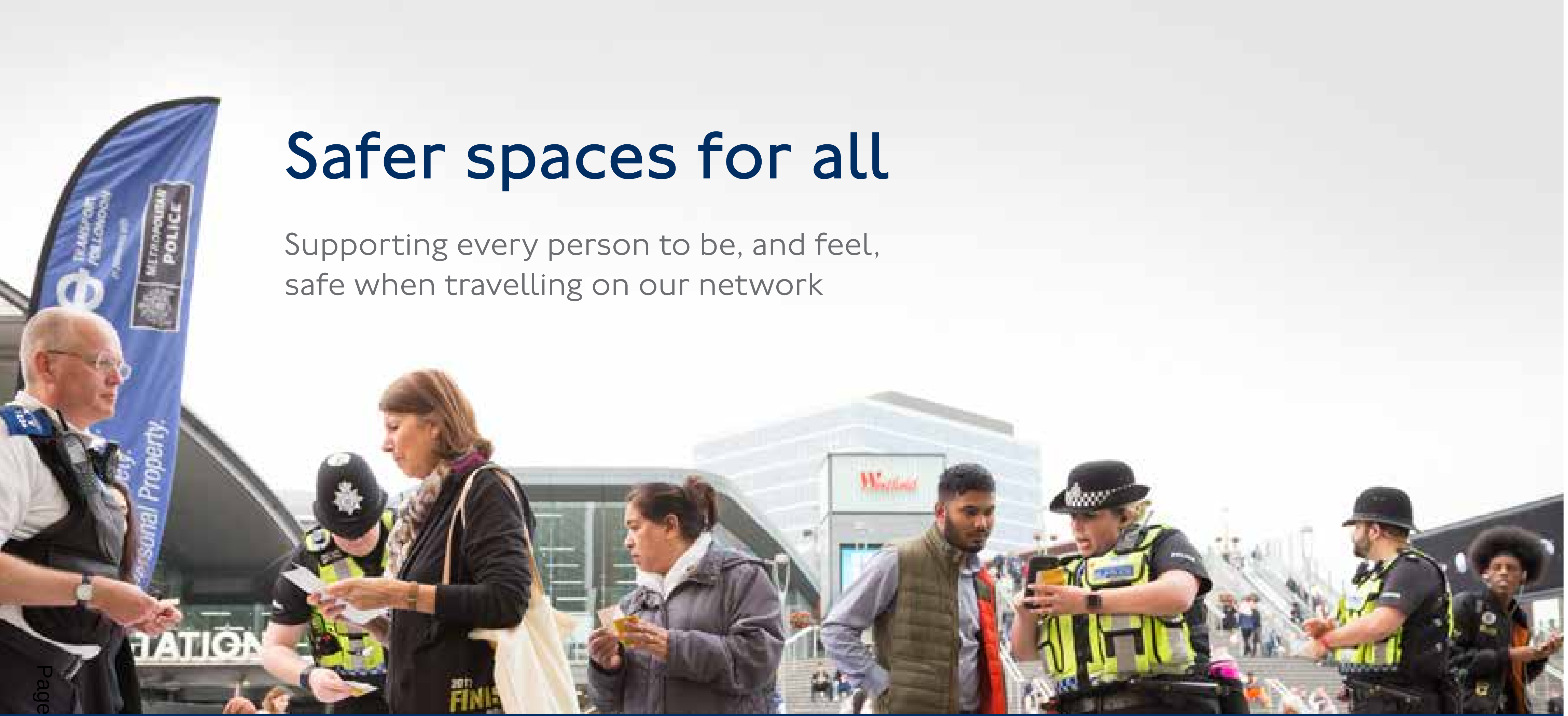
The cameras will be available for Metropolitan Police Service teams, including the Roads and Transport Policing Command, which is jointly funded by us and the Metropolitan Police Service, to view live, with recordings kept for 31 days to support police investigations and crime prevention.

As well as assessing the effectiveness of CCTV for crime prevention and investigation during the trial, we are gathering feedback from customers and stakeholders to see how the cameras affect the feeling of safety and security for bus customers.

20
bus shelters will have CCTV cameras installed during 2024

Safer spaces for all

Supporting every person to be, and feel, safe when travelling on our network



Taking action to tackle hate crime

In October 2023, we marked National Hate Crime Awareness Week by supporting training sessions to empower people to take action to prevent or reduce harm when they encounter hate crime.

Hundreds of places were offered to Londoners to take part in active bystander awareness training, developed and delivered by the charity Protection Approaches and its partners Britain's East and South East Asian Network.

The course was partly funded by the Mayor, and we contributed to this funding to expand the reach of the training to more Londoners, as part of our work to tackle hate crime.

The training explores what it means to be an active bystander or ally, how to safely stand up for victims and what people can do if they are the victim. More than 2,000 Londoners have already benefitted from the training, with participants giving consistently positive feedback and reporting increased confidence in dealing with hate crime incidents.

We also supported the police to run a series of events across the transport network, to raise awareness of hate crime and reassure those who may lack confidence to travel on public transport.

We sponsored podcasts My Time Capsule and Upfront to look at why tackling hate crime and staff abuse is so important, and worked with faith communities to offer support during the conflict in the Middle East.

Definition of hate crime

A hate crime is any crime perceived by the victim or any other person to be motivated by hostility on the grounds of race, religion, sexual orientation, disability or gender identity.

Standing by to help

In March 2024, we marked International Bystander Awareness Day with a series of engagement events to encourage our customers to be active bystanders against hate crime and violence against women and girls on public transport.

The event came amidst a rise in hate crimes across the UK, particularly antisemitic and Islamophobic incidents. We aimed to educate customers on how being an active bystander can help prevent or de-escalate incidents, which can also be beneficial for other incidents such as sexual harassment, where intervening safely can make a big difference.

In line with our bystander intervention campaign, we advised customers to follow three simple ways to diffuse a situation and support their fellow travellers if they feel safe to do so.

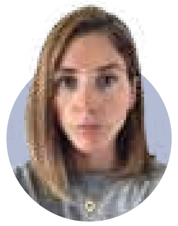
Distract with a question
If it is safe to do so, asking a small question such as 'do you have the time?' or 'what's the next stop?', can provide a distraction and help to defuse the situation.

Make a note
Record what has happened and any information about the offender and report these details to the British Transport Police or Metropolitan Police

Support
Always try to make sure the victim is okay following an incident.

Spotlight on our people

Supporting the safety of our people



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Nicola Vallins
Work-related Violence and Aggression Prevention Manager

Nicola Vallins has been leading on the roll-out of body-worn video cameras for our frontline staff. The cameras are part of our essential kit for all frontline customer-facing staff to ensure the safety and protection of customers and colleagues

Why is this such important work?
The safety of staff is our principal priority. Our people have the right to work without fear of being assaulted, abused, or threatened and we are committed to preventing violence and aggression against our people. This includes tackling the causes and providing the best support to those who experience it.

Body-worn video is a proven deterrent for staff assaults, reducing them by almost half. When used as police evidence, the footage also increases the likelihood that an offender will plead 'guilty', and a criminal conviction will be secured. These cameras are now mandated for our frontline colleagues, ensuring we can realise the protective and evidential benefits of them.

What are the challenges?
The project was very complicated. It impacted staff in London Underground, buses, Victoria Coach Station, river services and the Woolwich Ferry and needed support from a number of our back-office teams.

There has been a lot of collaboration. We have had to balance the technical requirements and operational needs while ensuring a consistent approach across the organisation. We are a new team so the knowledge and contacts we have gained will help inform future workplace violence and aggression initiatives.

Body-worn video deters aggression and can provide vital evidence

What are the next steps?
We are continuing to support different areas of the organisation to fully embed this change. We are also helping to promote any positive outcomes from court where body-worn video was part of the prosecution evidence and this helps underline the effectiveness of the equipment. We are also exploring other roles and business areas that could benefit from body-worn video cameras.

How else are you helping to protect our people?
Another focus for our workplace violence and aggression prevention team is to make sure our staff have the skills and confidence to deal with potentially abusive situations. We are rolling out mandated conflict management training to our operational customer-facing teams that are most at risk from workplace violence and aggression.

Creating a fairer city

Ensuring safety is embedded into all we do for every Londoner

Feeling the FORS

In January 2024, we reminded freight operators of the upcoming new requirements to improve vehicle safety in London. From April 2024, all Greater London Authority Group contracts worth more than £1m and involving vehicles must be Fleet Operator Recognition Scheme (FORS) Gold accredited or have an equivalent TfL approved scheme. Suppliers with contracts valued at and under £1m must be accredited to a minimum of FORS Silver, while their internal supply chains must be FORS Bronze accredited.

Within the FORS standard, heavy goods vehicles must be fitted with additional safety equipment to protect vulnerable road users, as well as embedding high-quality driver safety training. These changes aim to further enhance the safety standards of fleet services, helping them to reduce road danger for all, including vulnerable road users such as people walking and cycling.

4,700
companies in the UK are FORS accredited

Mapping deprivation and road safety

We launched our Vision Zero Inequalities Dashboard tool in January 2024, creating a new map of London that shows the stark levels of road traffic injury inequality in London.

The pioneering tool is the first of its kind in Europe and shows how deprivation is linked to higher road casualty levels, reinforcing the need to target investment and improvements to protect the most vulnerable.

Our research shows that there is a higher risk that someone travelling in the most deprived areas of London will be seriously injured or killed in a road traffic collision, with the 30 per cent most deprived postcodes having more than double the number of casualties per kilometre of road network compared with the least deprived 30 per cent.

The dashboard enables users to filter data on deprivation levels and road casualties by year, borough, casualty severity and mode of travel, while the mapping function makes it easier to explore areas of higher casualty or casualty location rates.

We will use the data from this dashboard to inform our investment priorities, while also providing information to boroughs to develop their Local Implementation Plans.

We shared the findings of this dashboard with the boroughs with the top five highest casualty rates and top five highest casualty location rates, We will continue to work with boroughs and stakeholders to analyse the cause of inequalities in road injury, help target future road danger reduction programmes and investment for infrastructure schemes.

'Protecting everyone on the road is a priority for us and we will continue to research how road risk varies for certain groups of Londoners and engage with boroughs, police and other stakeholders to reduce these inequalities'

Zoe Cotton
Safety Strategy Manager

Our dashboard enables us to identify issues in areas of deprivation

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Delivering for London's couriers

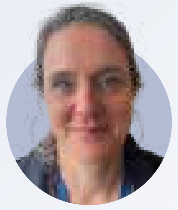
We launched a new Meal and grocery delivery company motorcycle road safety charter in September 2023, in collaboration with the meal and grocery delivery industry.

The charter consists of 10 road safety principles to keep motorcycle couriers and other Londoners safe on the roads. It was signed by Deliveroo, Getir, Just Eat, Stuart and Uber Eats.

In London, people riding motorcycles, mopeds and scooters represent only 2.6 per cent of vehicle kilometres driven, but tragically accounted for around 27 per cent of deaths and serious injuries between 2017 and 2021.

Road safety principles set out by the charter include a commitment to Vision Zero and eradicating deaths and serious injuries from London's roads, ensuring couriers meet the legal requirements for working and riding in the UK, supporting couriers in understanding how to ride safely and to ensure their vehicles are legally compliant and roadworthy.

'We are pleased to be working with some of the biggest names in the meal and grocery delivery industry to help create safer roads for everyone'



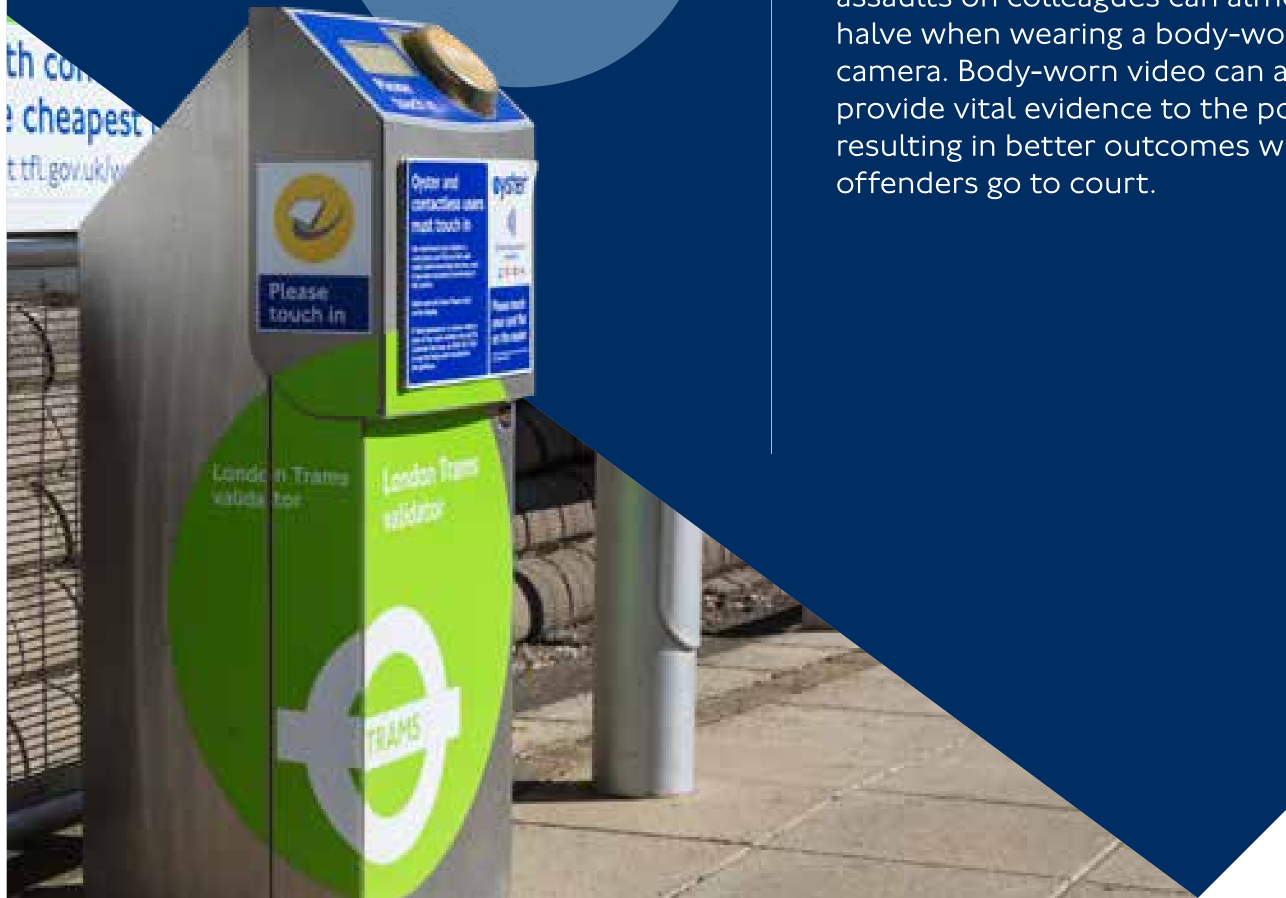
Dr Hannah Cordts von Lowis of Menar
Safety Strategy Manager

As part of committing to the charter, we asked meal and grocery delivery companies to attend six-monthly forums where we can discuss progress around implementing the commitments and new ideas to improve road safety.

19,614
people prosecuted for fare evasion in 2023

56%
more prosecutions for fare evasion in 2023 compared with 2022

£130m
per year estimated to be lost through fare evasion



Taking tougher action on fare evaders

In February 2024, we announced tougher action on fare evasion and staff abuse, with increased penalty fares and new essential safety kit for frontline staff.

The penalty fare increased from £80 to £100, reduced to £50 if paid within 21 days. The increase was approved by the Mayor on all TfL services following the Department for Transport's decision to increase the penalty fare to £100 across National Rail. This will ensure that there are clear and consistent rules and penalties across the different transport networks in London.

Fare evasion is often a trigger for violence and aggression towards our staff, which is why we made body-worn video cameras part of our essential kit for all our frontline customer-facing staff.

Research shows that the risk of assaults on colleagues can almost halve when wearing a body-word video camera. Body-worn video can also provide vital evidence to the police, resulting in better outcomes when offenders go to court.

Our people

Ensuring TfL is a great place to work for all

Fiona Brunskill
Chief People Officer

'We want this to be a great place to work where everyone can thrive by making sure our organisation is truly representative of the great city we serve. It's important that everyone who works here feels included, able to achieve their work ambitions, and that we have a fair and attractive employee offer'

The team works

Ensuring our workforce delivers for London at every level

Taking the reins

In June 2023, we announced that Andy Lord had been appointed as London's permanent Transport Commissioner, after covering the role on an interim basis since October 2022. The appointment by the TfL Board followed a rigorous search and selection process.

Andy joined TfL in November 2019 as Managing Director of London Underground and became Chief Operating Officer for all of our operations in 2022.

During his time as Commissioner, Andy's focus has been on attracting customers to public transport, rebuilding our finances, advancing our work to decarbonise and improve London's environment, and developing plans to further support our diverse staff and customers.

Andy has overseen the completion of the transformational Elizabeth line and Bank station upgrade, the development of the Superloop bus network and new cycleways. He also oversaw the delivery of TfL's first operating surplus in 2023/24, which will be reinvested into maintaining and improving our network.

'I look forward to continuing working with Andy as we build a safer, greener and more prosperous London for everyone – and a transport system that remains the envy of the world'

Sadiq Khan
Mayor of London

Improving representation

For the first time ever, we are now monitoring and measuring senior leader representation. By focusing on improving senior leader representation, and measuring our progress as part of our scorecard, we aim to make incremental and sustainable improvements over the coming years. Our aim is to half the distance to the economically active benchmark by 2030.

In relation to the five protected characteristics, we increased representativeness of our senior leader population. We met our scorecard targets in each group except women where we missed our target, despite improving the number of women in our organisation. Our senior leadership population is therefore more representative of London.

Positive moves

As a result of key appointments in 2023/24, our executive leadership team is now made up of more than 50 per cent women for the first time in our history. This is a notable achievement for an organisation of our size, particularly in the transport sector.

The changes within the Executive Committee saw Claire Mann returning to TfL in March 2024, after three years away, to become our new Chief Operating Officer. Fiona Brunskill was permanently appointed as Chief People Officer, a position she had held on an interim basis since October 2022. Andrea Clarke assumed the role of General Counsel on an interim basis pending permanent recruitment into that role following the retirement of Howard Carter. These changes are an important step to ensure our workforce reflects the diversity of London at all levels of our organisation.

Welcoming the next generation

We have continued to grow diverse talent through our graduate, apprenticeship and internship programmes.

This year, we welcomed our largest ever intake of 263 graduates, apprentices and interns. More than half (51 per cent) of our graduates and 43 per cent of our apprentices were from Black, Asian and minority ethnic backgrounds. These schemes create a diverse talent pipeline that we can draw upon in the future to help us achieve our longer-term ambition of having a workforce that reflects the city we serve.

20%
of our senior leaders are Black, Asian or minority ethnic

34%
of our senior leaders are women

Our people should feel safe to bring their authentic self to work

Making TfL a great place to work for everyone

In 2023, we launched our Colleague Strategy, which is a value driven approach to make TfL a great place to work for all our colleagues. We are concentrating on three key commitments: creating an inclusive culture; an attractive and fair employee offer; and supporting everyone to achieve their work ambitions.

Ultimately, we want to be recognised as one of the best companies to work for in the UK, with employee engagement better than the UK-wide benchmark, while also ensuring that our organisation is reflective of the diverse population of London. We started tracking this in our Scorecard and have made improvements in both areas.

Our senior leadership team is more representative of London for all five of the protected characteristics, and we are on track to halve the difference towards the economically active London benchmark.

Fair and flexible policies

As part of our commitment to ensure we have a fair and attractive employee offer, our 2023 pay talks have paved the way for us to start consulting on our reward strategy, which introduces job families, balancing affordability and fairness in similar roles across the organisation.

In March 2024, we introduced a new flexible working policy, which gives colleagues flexibility beyond the statutory legislation, helping them to better balance their work and home life and enabling more working parents and carers to remain in the workplace. Developing principle-based people policies is essential for making this a fairer place to work.

Taking action to become more inclusive

In June 2023, we launched our Action on Inclusion strategy, which sets out what we will do to make TfL a genuinely inclusive employer. It highlights the practical steps we are taking towards improving equity, diversity and inclusion in the workplace, including how we will work to help colleagues be mindful and supportive of each other, ensuring our workplace is a great place for everyone to work and thrive.

To support this, we designed and launched a new colleague-led training course, Inclusion Matters, using the real-life experiences of workplace behaviour of our colleagues to demonstrate the impact that a lack of inclusion can have. By the end of the year, almost 90 per cent of our people leaders and 47 per cent of all colleagues, around 13,500, had completed the course.

To better understand the barriers and issues faced by our disabled colleagues, we have launched an e-learning course called Inclusion Matters – Disability, which gives everybody a greater awareness of disability and the barriers that some disabled colleagues may face. Since it launched in December 2023, 67 per cent of our people leaders have completed the training, along with 32 per cent of all colleagues.

We must ensure we our workforce is as diverse as the city we serve

Supporting our people

This year, we launched our 'Leading the Future' group coaching programme, which aims to give mid-level management colleagues the leadership skills and confidence they need for any future leadership opportunities. More than 300 colleagues have already benefitted from this initiative. We also launched a mentoring hub to support colleagues with reflection and encouragement, giving them better confidence for future career progression opportunities.

This is alongside the work of our Colleague Network Groups, which celebrate our diversity and play an important role in helping employees from all backgrounds share ideas, support each other and feel properly represented in the workplace. The groups identify common issues for the organisation to address and enable colleagues to air views to help shape our equality, diversity and inclusion agenda

Building skills for the future

In September 2023, we welcomed 91 graduates, 156 apprentices and 16 interns across a range of development programmes. These were our most diverse cohort of gradates, apprentices and interns to date.

Steps into Work is a 12-month programme, delivered in partnership with the Shaw Trust, which offers work experience and employability training to people who are neurodivergent. People on this programme can complete three different work experience placements and are supported by a specialist job coach.

In October 2023, we launched our Graduate Summer placement, Year In Industry and Internship programmes, which start in September 2024. These programmes cover 143 roles across the organisation. We also ran a 12-week employability programme called Activate, which supports people who face barriers into employment. Of those who completed the course, 75 per cent are in employment, including roles with us. We also won the Times Graduate Employer of Choice for Transportation and Logistics.

We hosted our annual supply chain recruitment fair during National Apprenticeship Week in February 2024. We took part in 18 events to promote opportunities at TfL and we launched 189 apprenticeships ranging from Level 2 to Level 6 roles in various areas of the business including Engineering.

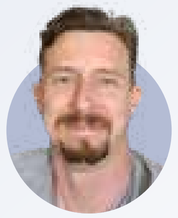
11
times we have won the Times Graduate Employer award

24
people joined our Steps into Work programme in September

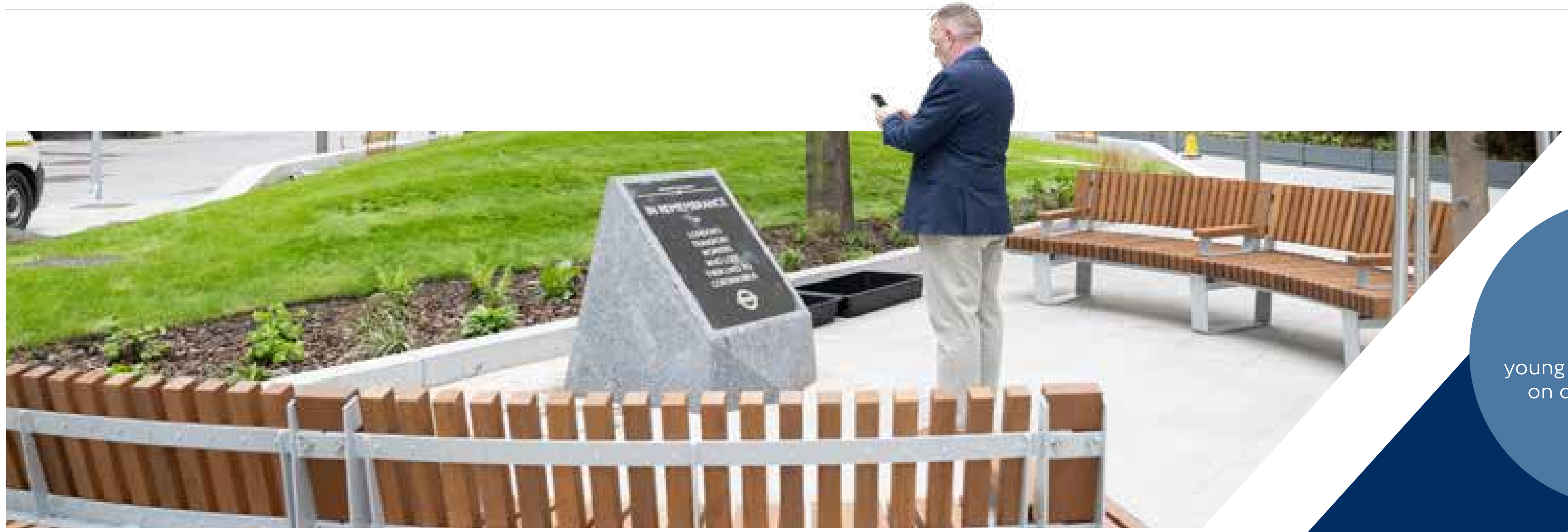
During National Careers Week in March 2024, we marked International Women's Day at our annual schools challenge final event, Innovate TfL, in association with Cleshar. This included a panel discussion chaired by Chief People Office Fiona Brunskill. The event sees young people come up with solutions to real challenges we face. The teams that made it to the final are invited to take part in work experience. In July 2023, we welcomed 14 students to our work experience programme and we are expecting a further 21 in July 2024.

In recognition of the work that we have done in building this diverse talent pipeline, The Times Graduate Recruitment Awards 2024 named us Graduate Employer of Choice for Transport and Logistics for another year running. This award recognises our commitment to early careers, nurturing talent, and fostering an environment where our graduates thrive. We have also been featured in the prestigious Top 100 Times Graduate Employers list for 2024 for the first time in seven years. This is based purely on graduate feedback, nominated by undergraduates in their final year, and is great recognition for all the work we have done.

> 'The participants on our programmes have demonstrated such diversity and creativity of thought, great potential and have made a huge impact – they are inspirational and reflect everything great about London'



James Lloyd
Skills and Employment Lead



Paying tribute

In April 2023, our colleagues came together with the Mayor and Commissioner, who were also joined by family, friends and colleagues of transport workers who tragically lost their lives to COVID-19 to unveil a new permanent memorial in their honour.

The memorial has been installed on a pedestrian square on Braham Street in Aldgate and features a plaque paying tribute to the transport workers alongside benches and new plants. The space includes a foxglove tree planted beside the memorial, which creates a space for quiet reflection and remembrance for friends, families and colleagues of those who passed away.

More than 100 transport workers, from our Tube, rail, bus, and taxi and private hires services, have sadly died from the virus since March 2020.

'When the entire nation was gripped by fear they did not waver. They ensured our phenomenal NHS workers could still care for our friends and family, our shopworkers and delivery drivers could still meet our basic needs and our care workers could still look after our most vulnerable'

Sadiq Khan
Mayor of London

30
young people volunteer on our Youth Panel

1/3
of London's population is under 25

Voices of youth

We brought together young people from across the capital in October 2023 to discuss a report by our Youth Panel that focuses on how we can make London's transport network more equitable, inclusive and environmentally sustainable.

The Tomorrow's TfL report sets out nine recommendations, covering everything from engagement and land use to climate change and inclusive travel.

Hundreds of young people gathered at London Transport Museum to celebrate and discuss the report at an event that included speeches by Shirley Rodrigues, Deputy Mayor for Environment and Energy, and Commissioner Andy Lord.

We set up an independent Youth Panel in 2009 to advise how we can improve London's transport network for young people. The panel consists of around 30 volunteers, aged between 16 and 25. In 2022, we challenged the panel to look at how we can make London's transport network more equitable, inclusive and sustainable.

Since 21 February 2024, a member of our Youth Panel has represented the views of young Londoners at our quarterly Safety, Sustainability and Human Resources Panel and Customer Service and Operational Performance Panel meetings. The young representatives work with the Youth Panel to review papers ahead of meetings and come up with questions and suggestions to put to our leaders and panel members.

We are supporting women to consider working in this industry

Women in Bus and Coach network launched

We are proud to be one of the founding members of the Women in Bus and Coach network, which launched in London in June 2023 and nationally in November 2023.

This important network has been established to challenge and eliminate barriers faced by women in the bus and coach profession, creating a more inclusive sector that is representative of our customers.

Working with operators, manufacturers, trade union representatives and other key industry stakeholders, we aim to effect real change that will encourage and support more women to work in the bus and coach industry at every level.

The network runs a spotlight series that showcases women working in the industry and the huge variety of careers that are available.

Attracting women to careers in transport

We marked International Women's Day in March 2024 with a range of activities and events to encourage more women to join the transport sector and engineering roles.

London Transport Museum hosted a Museum Late: Women on the Move event, which shone a spotlight on the jobs women do to keep London moving, the journeys they have taken to get there, and the diverse experiences of women travelling and working in the capital.

Our internal Women's Colleague Network Group hosted several events throughout the month to encourage more women to seek new opportunities in historically male-dominated areas such as engineering and technology.

We actively work to improve representation at all levels of our organisation, including providing and promoting initiatives that encourage women to enter the transport sector, as well as addressing any barriers that prevent women from advancing to senior and higher-paying positions, particularly in operational areas.

Spotlight on our people

Promoting women in bus and coach

Evie Carroll
Zero-Emission Bus
Development Manager

Having recently moved into the zero-emission buses team, **Evie Carroll** is at the heart of our work to decarbonise our bus fleet by 2034. She is also involved with the Women in Bus and Coach Network

What is your background in the bus industry?
I started working for First Bus across the UK on their Operations Graduate Scheme. I learnt a lot about the industry and was exposed to countless operational roles. I also got my bus licence and regularly drove customers. The skills and experience I acquired in these frontline roles regularly influence my day-to-day decision making around improving TfL's bus services for both drivers and customers.

I then progressed into a commercial projects role at First Bus, which was focussed on introducing new innovations and exploring ways of increasing revenue and driving down operational costs. I went on to work for a bus scheduling software company in a project management role before joining TfL.

What is your role on the Women in Bus and Coach network?
While more than half of bus customers in London are women, only 10 per cent of staff are. For that reason, TfL played a key part in establishing Women in Bus and Coach, a network to encourage more women to work in the sector at every level and to support women to stay in the industry. I'm passionate about supporting women's career growth and increasing the exposure of our sector. I knew I had to be involved.

I joined the London Working Group and the Communications and Engagement workstream, two groups of incredibly passionate men and women who want to make a difference in the industry. Communication and publicity is key to ensuring we get buy-in and momentum to continue to grow. Since the national launch in November 2023, we have already considerably grown the network, showcased the fantastic range of careers across the sector and have encouraged all followers to pledge a commitment to instigate change.

Our Women in Bus and Coach network is helping improve diversity

How have you found it being a women in the bus industry?
It can be challenging and there can be many barriers affecting recruitment, retention and inclusivity, particularly in frontline roles. The macho culture in garages, stereotypical comments and access to facilities were areas I found particularly challenging. Despite this, I have worked with many male and female allies who have pushed me to challenge myself and have supported me.

What are the future plans for the Women in Bus and Coach Network?
We will focus on the impact we are having through the commitments and pledges of our members and followers. These pledges focus on a variety of different topics from period poverty and improving facilities to recruitment and flexible working. Having commitments in place and showing progress will be important in driving tangible, quantifiable change as the network grows.

Working with our partners

Our successful initiative for forging stronger relationships with our partner groups

58%
of new apprentices in 2023 are Black, Asian or minority ethnic

14%
of our current spend is with SMEs, as we work to a target of 20%

Our events with LAIN promote best practice

Anchors away

As founding signatories of the London Anchor Institutions' Charter, we have continued to make progress in all areas of our work with the London Anchor Institutions' Network (LAIN) during 2023/24.

We took part in a Meet the Buyer event in June 2023 as we continued to take steps to ensure our purchasing power helps benefit Londoners and builds local economic resilience. Our buyers and contract managers met with small- and medium-sized enterprises and diverse businesses to share information on our procurement opportunities.

We continued to build employability and capability skills. We supported several mentorship programmes through work with charities and mentoring organisations that support disadvantaged young people to reach their full potential. To date, we have had 74 mentors sign up to volunteer to support young Londoners.

Our work to champion hiring and skills for graduates and apprentices continued, with £179,000 of our unspent apprenticeship levy funds being contributed to small- and medium-sized enterprises that support the Mayor's Good Work Standard, bringing our total funds pledged since November 2021 to £875,000.

In November 2023, we were invited to a renewable energy session with LAIN, hosted by the Greater London Authority, to share our expertise on Purchase Power Agreements, which are contracts for renewable energy on a large scale. It was an opportunity to demonstrate the benefits of opting for certain contracting structures and how to ensure suppliers buy into and support our aims.

In February 2024, we attended a London Anchor's Institutions' network conference to reflect on and celebrate our achievements over the past year.

Learning together

In November 2023, we joined forces with British Institute of Learning Disabilities (Bild) and People First to help understand the views of people with autism, learning disabilities or difficulties to ensure their experiences are considered when we develop customer initiatives.

The partnership launched with a survey to help discover what barriers people face when travelling around London and how we could improve our services.

The survey also sought the views of visitors to London or those who use the transport less regularly.

The results will help ensure our projects and policies make London a more accessible and attractive city for everyone.

Our innovation framework will help deliver for London's future

Collaborating for innovation

Our new Innovation Collaboration Framework addresses key transport challenges, such as achieving sustainability, making public transport safer, and helping ensure that services become more efficient and reliable.

In January 2024, Mercedes-Benz and Sopra Steria were appointed as partners for this four-year framework. We will work together to create new concepts and products to help improve how people move around and make London a better place to live.

The framework will help us build long-term, mutually beneficial partnerships with our partners and tap into valuable research and development investment, in return for access to our support to create solutions. It will enable the selected innovators to work on the most challenging problems as they emerge, taking a solution from concept to scale.

It will enable our partners to test new products on the network, allowing solutions to be assessed in a real-world environment. It will also provide a new, simplified route to bring in investment, new ideas and scale them to benefit Londoners.

Our partners will be able to reach out to other innovators including start-ups, academics, and small-to-medium enterprises so that we can harness their ideas and expertise.

The framework does not involve any cost to the taxpayer until the solutions are developed, and it creates potential for us to earn revenue from the innovations that result from it.

'The Innovation Collaboration Framework is a completely new way for us to work with the innovation marketplace and we're really excited to welcome Mercedes-Benz AG and Sopra Steria as partners on this exciting new journey'

Thomas Ableman
Director of Strategy and Innovation

Industrial action on the network

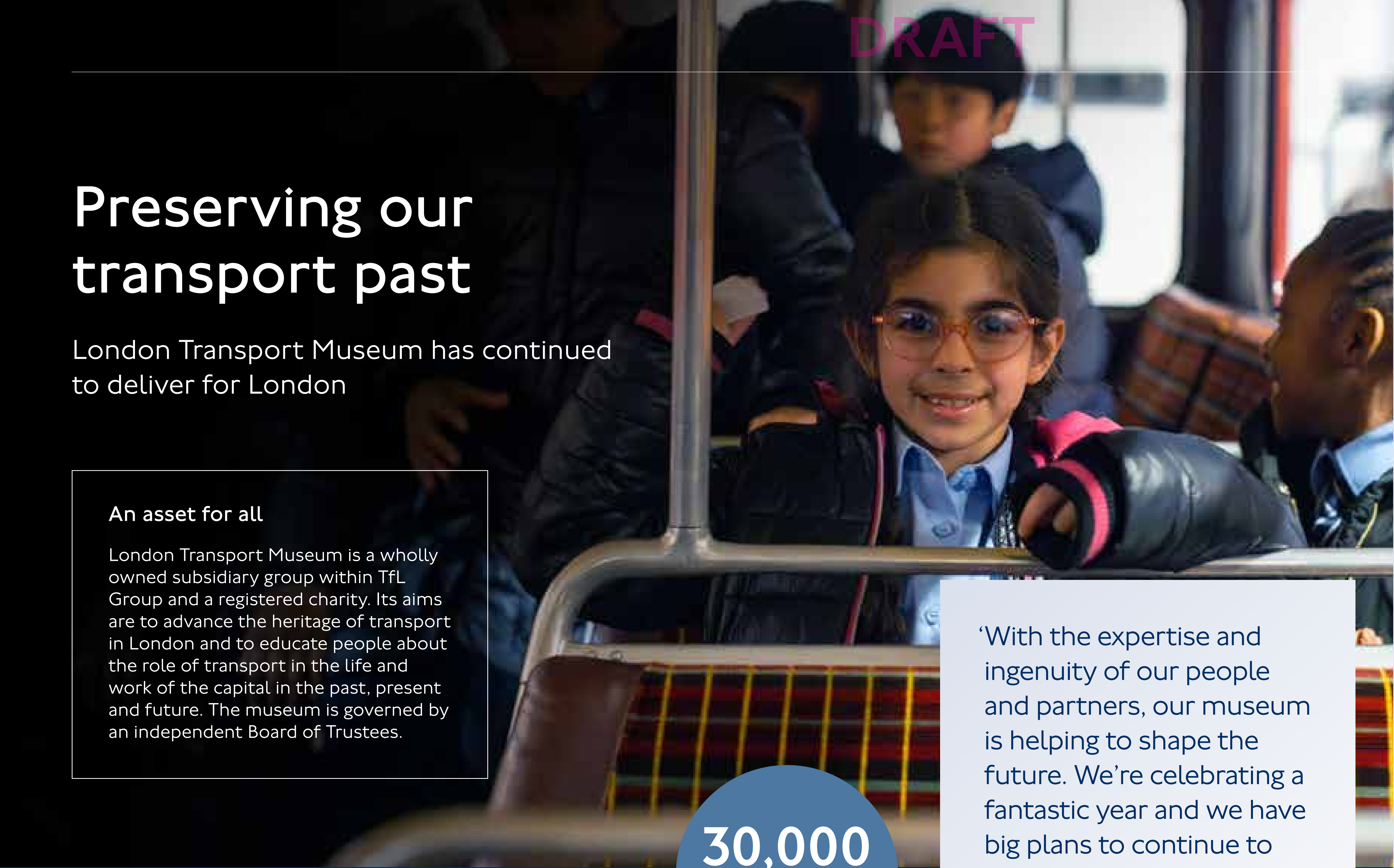
There have been challenges with industrial action being called across various parts of the network during 2023/24, but we have worked hard to minimise the impact to our customers wherever possible through positive conversations and negotiations with our trade unions.

Unfortunately, we have seen some bus strikes take place over the last year, owing to disputes between trade unions and individual bus operators. We also saw a 48-hour walkout on the DLR in November.

Strike action was called on the Tube network in July and October 2023, in disputes over organisational changes, as well as in January 2024 in a dispute over pay. Fortunately, our positive negotiations prevented any of these strikes taking place.

In addition, strikes were prevented on the London Overground in February 2024 after RMT members received an improved pay offer, while a strike on the Trams network was also suspended at the end of March 2024.

Industrial action has affected the National Rail network on a number of occasions over the past year. Our network has played an important role in helping affected customers to travel around London during these periods.



Preserving our transport past

London Transport Museum has continued to deliver for London

An asset for all

London Transport Museum is a wholly owned subsidiary group within TfL Group and a registered charity. Its aims are to advance the heritage of transport in London and to educate people about the role of transport in the life and work of the capital in the past, present and future. The museum is governed by an independent Board of Trustees.

Celebrating an Underground legacy

The Museum celebrated 160 years of London Underground with a year-long programme of public events, campaigns and product launches linked to the anniversary. This included February half-term family activities, a poster series in partnership with four prominent London cultural attractions, a Hidden London virtual tour, a Tube 160 product range collaboration with Wallace Sewell, a Depot Open Day event, the launch of a brand-new Hidden London tour of Baker Street station and a sold-out Tube 160 'birthday' heritage rail event.

30,000
young people engaged through the museum's schools programmes

19,776
Year 9 students engaged through the Project Guardian programme

'With the expertise and ingenuity of our people and partners, our museum is helping to shape the future. We're celebrating a fantastic year and we have big plans to continue to scale up our visitor offer and social impact'

Elizabeth McKay
Director and CEO, London Transport Museum

Record visitor numbers

During 2023/24, London Transport Museum welcomed its highest ever visitor numbers, with more than 427,000 people walking through the doors at its Covent Garden site to discover the story of London's transport history and heritage.

In October 2023, the museum opened a brand-new Global Poster Gallery. Set over two floors, this permanent space is dedicated to the museum's internationally significant collection of 20th century graphic art and design. Sponsored by media and entertainment group Global, the inaugural exhibition, How to Make a Poster, is on display until 2025.

Healthy Streets and healthy people

Supporting cleaner air and more active travel

‘Making our streets healthier will encourage more people to walk, cycle and use public transport, ensuring that even more people can breathe clean air. This will benefit the health and wellbeing of every Londoner’

Alex Williams
Chief Customer and Strategy Officer

Cleaning up more London air

Helping even more Londoners breathe cleaner air through our expanded Ultra Low Emission Zone and associated scrappage scheme

£210m
has been made available through the ULEZ scrappage scheme

£2,000
could be applied for by Londoners with an eligible non-compliant car

Expanding the benefits of cleaner air

The Ultra Low Emission Zone (ULEZ) was expanded across all London boroughs in August 2023 as part of our ambitious plans to clean up London's air.

The introduction of the ULEZ in central London in 2019 and the inner London expansion to all areas within – but not including – the North and South Circular roads in 2021, have already proved extremely successful in cleaning the air.

Just a year after the inner London expansion of the ULEZ, our data showed that nitrogen dioxide concentrations were estimated to be 46 per cent lower than they would have been in central London without the ULEZ, and 21 per cent lower in inner London.

However, air pollution across London remains an urgent health crisis, responsible for around 4,000 premature deaths in the capital each year. It is leading children to grow up with stunted lungs and adults to develop a host of illnesses, from asthma to heart disease, cancer and dementia.

Data from the London Atmospheric Emissions Inventory shows that the air across every London borough exceeds the World Health Organisation's guideline limits for air pollution. The London-wide ULEZ expansion is helping bring cleaner air to around five million more people in outer London. It plays an essential role in tackling the triple threats of air pollution, the climate emergency and traffic congestion.

We have helped London's drivers to convert to greener vehicles

Helping London's drivers go greener

Ahead of the ULEZ being expanded to cover all London boroughs in August 2023, we announced a scrappage scheme to help Londoners owning non-compliant vehicles to swap to cleaner alternatives.

We opened the capital's biggest-ever scrappage scheme in January 2023, giving priority to those most in need. This meant low-income and disabled Londoners, along with sole traders, micro-businesses and charities could apply for scrappage grants to transition to less-polluting vehicles.

The scrappage scheme opened to families receiving child benefit at the end of July 2023, as well as expanding the scheme to all businesses with fewer than 50 employees. In August 2023, the scheme was opened to all Londoners. Since March 2024, we have been working with British-Ukrainian Aid to donate vehicles that do not comply with ULEZ standards to Ukraine.

Alongside the scrappage scheme there are other third-party offers available, including savings on hire and subscription services for bikes, e-bikes, e-scooters and cargo bikes, and discounts on some car clubs.

Improving air quality on the Tube

We are committed to improving air quality on the Underground, with our extensive cleaning and monitoring continuing throughout the year. All underground networks around the world face issues with dust, and parts of our network are more than 160 years old.

Our 2023 monitoring shows that dust levels in the Tube have reduced by 19 per cent since 2020, with a 27 per cent reduction in dust levels in drivers cabs since 2019.

We continue to implement our dust action plan, which includes increasing our annual dust cleaning budget on the network by a third, to £2m a year. We have also allocated further funding for trials and innovation to improve air quality, with a pilot of air filtration systems starting soon at Baker Street station.

We have commissioned research to help better understand the potential health impacts related to air quality on the Tube, including two studies with Imperial College London into short-term and historic trends around staff sickness absence. The short-term study was published in March 2024. We welcome the results of this far-reaching study, which did not establish a causal relationship between exposure to dust on the Tube and sickness absence from work.

19%
reduction in dust levels on the Tube since 2020

Stepping up on active travel

We have worked to improve the provision of safe and attractive walking and cycling routes across London

170%
increase in the number of daily cycle journeys in London since 2000

360km
of strategic cycle network across London

1.26m
daily cycling trips in London

A positive cycle

In June 2023, we set out our vision to boost cycling by making it more diverse than ever with the launch of our Cycling action plan. This sets out our commitment to further increase cycling numbers across the capital and ensure that people cycling become more representative of London's diverse communities.

The Cycling action plan sets two major new targets that will help us, together with the boroughs, to build on recent successes. These are to grow the number of daily cycle journeys to 1.6 million by 2030, up by a third from 1.2 million in 2022, and ensure that 40 per cent of Londoners live within 400 metres of the strategic cycle network by 2030, up from 22 per cent in 2022.

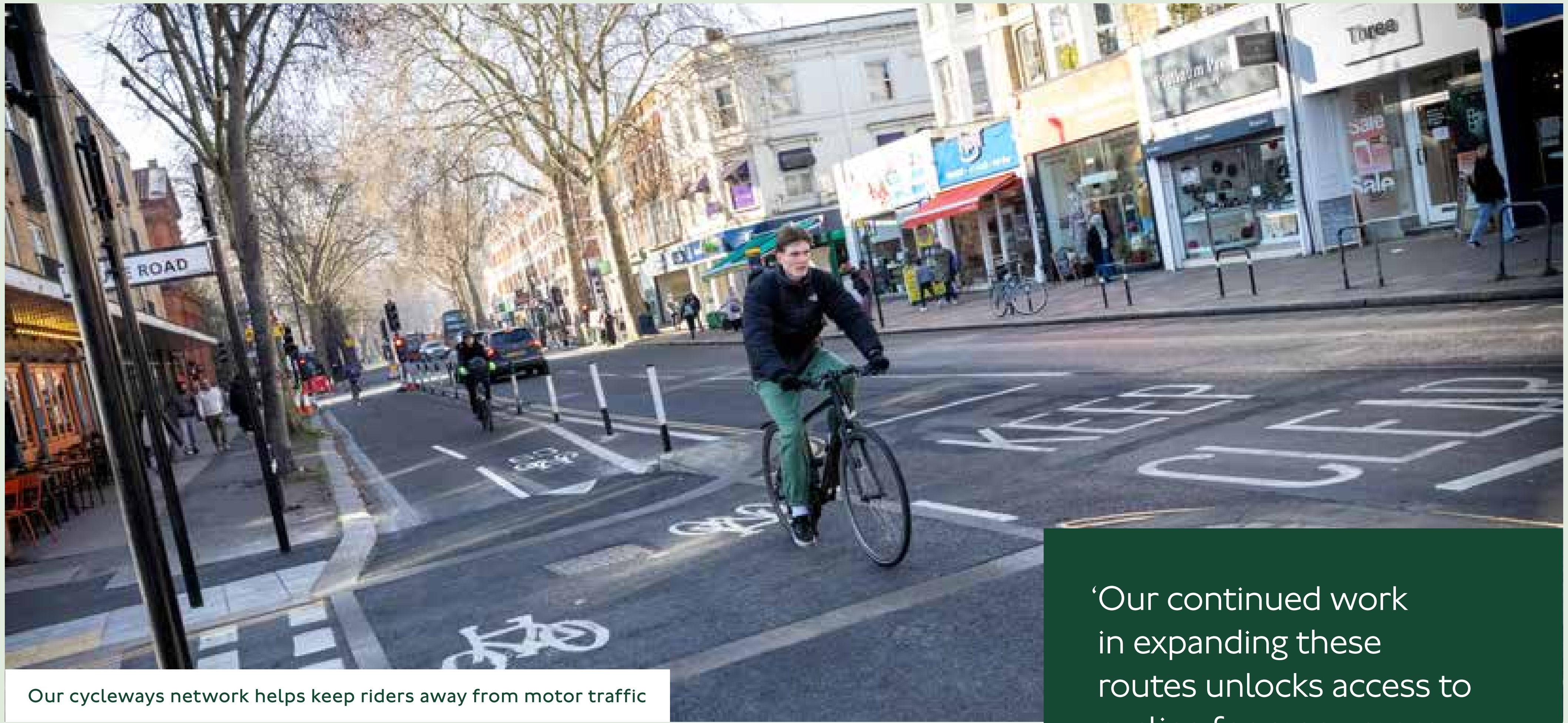
We made good progress against these targets in the past year, with 1.26 million daily cycle journeys recorded in 2023, up by 6.3 per cent on 2022, and 25 per cent of Londoners living within 400 metres of the network as of March 2024.

The plan outlines why it is essential to broaden the appeal of cycling to a more diverse range of Londoners to ensure cycling levels continue to increase and that everyone can benefit from the health and economic benefits of cycling.

The plan also includes ambitious targets for installing 42,000 secure residential cycle parking spaces by 2030 and supporting more community-led interventions to encourage more people to cycle.

'Cycling is on the rise and has a great untapped potential to improve people's health, reduce air pollution and make London's transport network greener, safer and more inclusive'

Ben Bost
Principal City Planner



Our cycleways network helps keep riders away from motor traffic

Creating safer cycling corridors

Our work to make cycling even more accessible reached another milestone in February 2024 when we completed construction work to extend Cycleway 50 and Cycleway 23

The new section of Cycleway 50 in Islington extends the route from Finsbury Park to Holloway Road, while work on Cycleway 23 has created a much safer cycling route through Lea Bridge Roundabout, connecting the existing route to Dalston.

The extended routes will play a vital role in enabling people living in, and travelling through, the area to travel affordably and sustainably.

The two routes were identified as having some of the highest potential for encouraging more people to cycle, while also making it safer for those who already do so. Cycling in London is already seeing positive results, with our data showing that the number of daily cycle journeys increased to 1.26 million in 2023, up by 6.3 per cent from 2022.

'Our continued work in expanding these routes unlocks access to cycling for many more thousands of Londoners, contributing to a greener and fairer city'

Helen Cansick
Head of Healthy Streets Investment

Cycling boost in west London

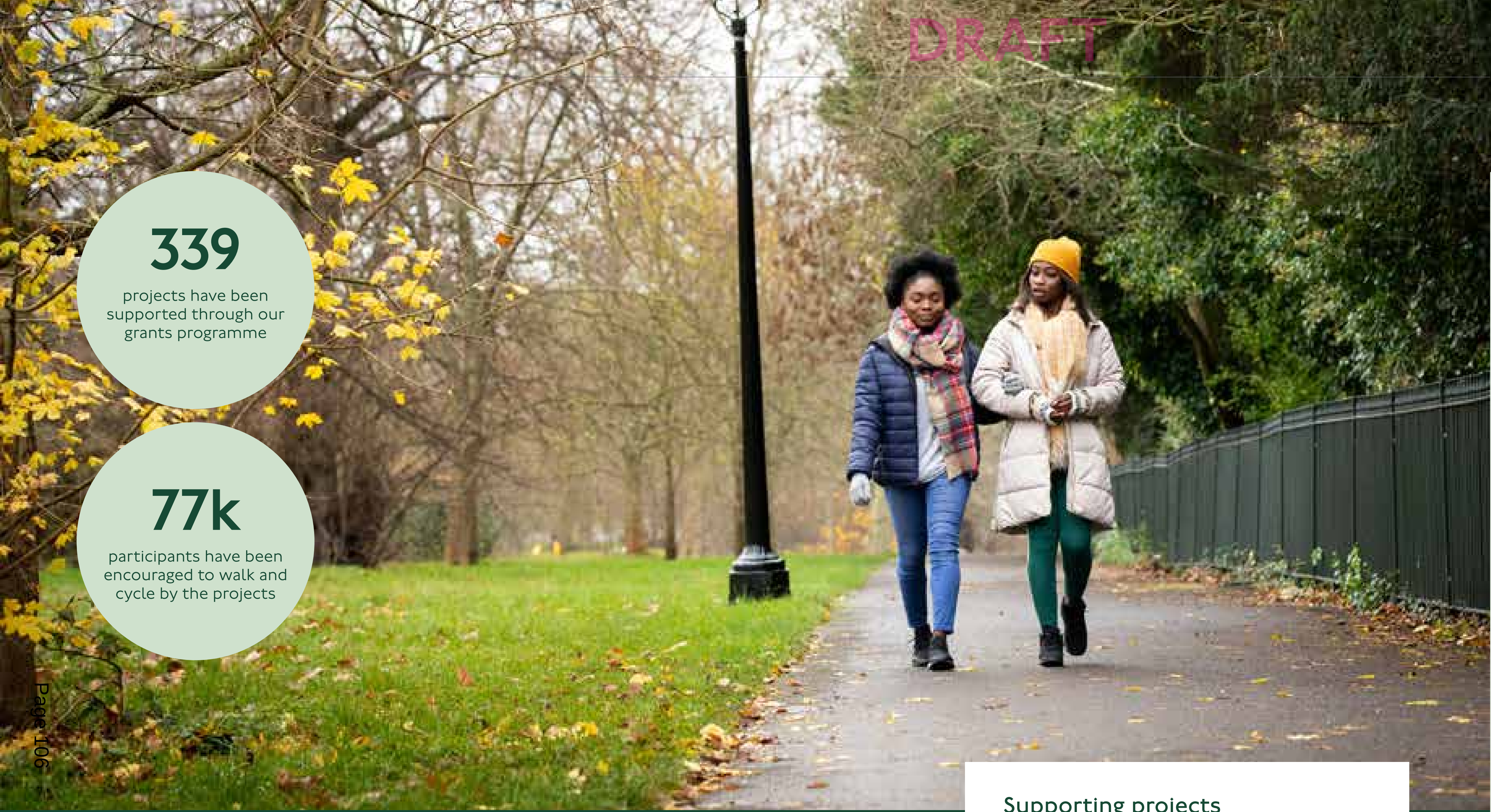
In October 2023, we completed work to extend Cycleway 9 between Kew Bridge and Watermans Park. The route also connects the area with Chiswick, Kew Bridge, Gunnersbury and Hammersmith.

Cycleway 9 is a major addition to our growing network of high-quality Cycleways, enabling thousands of improved walking and cycling journeys between Brentford, Kew, Chiswick, Hammersmith and beyond each week.

The changes include a further 253 metres of protected cycle lanes and a safe crossing for pedestrians and cyclists over the South Circular Road.

The work to complete the route is expected to be completed in August 2024, when it will connect Brentford with Chiswick and Hammersmith.


Cycleway 9 has proved popular



339

projects have been supported through our grants programme

77k

participants have been encouraged to walk and cycle by the projects

Funding boost for walking and cycling projects

We announced funding for 78 new community groups in December 2023 to help unlock some of the barriers to walking and cycling for Londoners.

Together with the London Marathon Foundation, we awarded more than £575,000 for the new projects, as well as a further 69 continuing projects run by community groups, as part of the Walking and Cycling Grants London programme.

The projects, which cover all London boroughs, give people the chance to connect with their local communities, learn new skills, get active and improve their physical and mental health.

The schemes target a range of traditionally underrepresented groups including disabled people, those from minority ethnic backgrounds, those who are financially disadvantaged, those experiencing homelessness, refugees, asylum seekers and those from the LGBTQ+ community.

The scheme is part of a five-year programme to inspire Londoners to cycle and walk, with many health benefits for people and communities.

Supporting projects

Among the projects we supported are:

Wellbeing Walkabouts, Enfield

Delivered by Express Tuition Ltd, this walking project aims to support ethnic minorities and disadvantaged women by delivering weekly guided walks to improve their physical, mental and social wellbeing.

Deaf Cycling, Newham and Redbridge

This cycling project, run by Empowering Deaf Society, aims to support deaf people to take part in cycle training sessions, group cycles and excursions with a British Sign Language interpreter.

Cycling improvements to the fore

In March 2024, we completed work on Cycleway 4, a major route between central London and Greenwich. Working with Southwark Council, we completed work on Lower Road, with the route enabling people to cycle safely all the way from London Bridge to Greenwich.

This new section of Cycleway 4 includes 1.3km of protected two-way cycle lanes, connecting the previously completed sections on Jamaica Road and Evelyn Street.

As well as the new Cycleway, a new signalised pedestrian crossing has been installed outside the entrance to Southwark Park, further improving pedestrian safety and accessibility.

Cycleway 4 now connects central London and Greenwich, with further connections to Cycleways 10 and 14, and has eight new and 28 upgraded pedestrian crossings along the route, as well as six Santander Cycles docking stations.

Way ahead for cycling in London

We opened 10 new low-traffic cycleways in July 2023, helping to make cycling accessible to even more people across the capital.

The new routes include a 10km route in Enfield, which forms part of London's longest continuous cycleway. This is more than 25km long, and connects town centres in Enfield, Haringey and Hackney.

The launch of the 10 sites was the most we have ever opened at one time, and built on three other cycleways that we launched in March 2023.

The cycleways are mainly on quieter roads, with data showing that they have already seen a significant boost in cycling. For example, on Tolpuddle Street in Islington there was a 96 per cent rise in cyclists on Cycleway 38 in just one year.

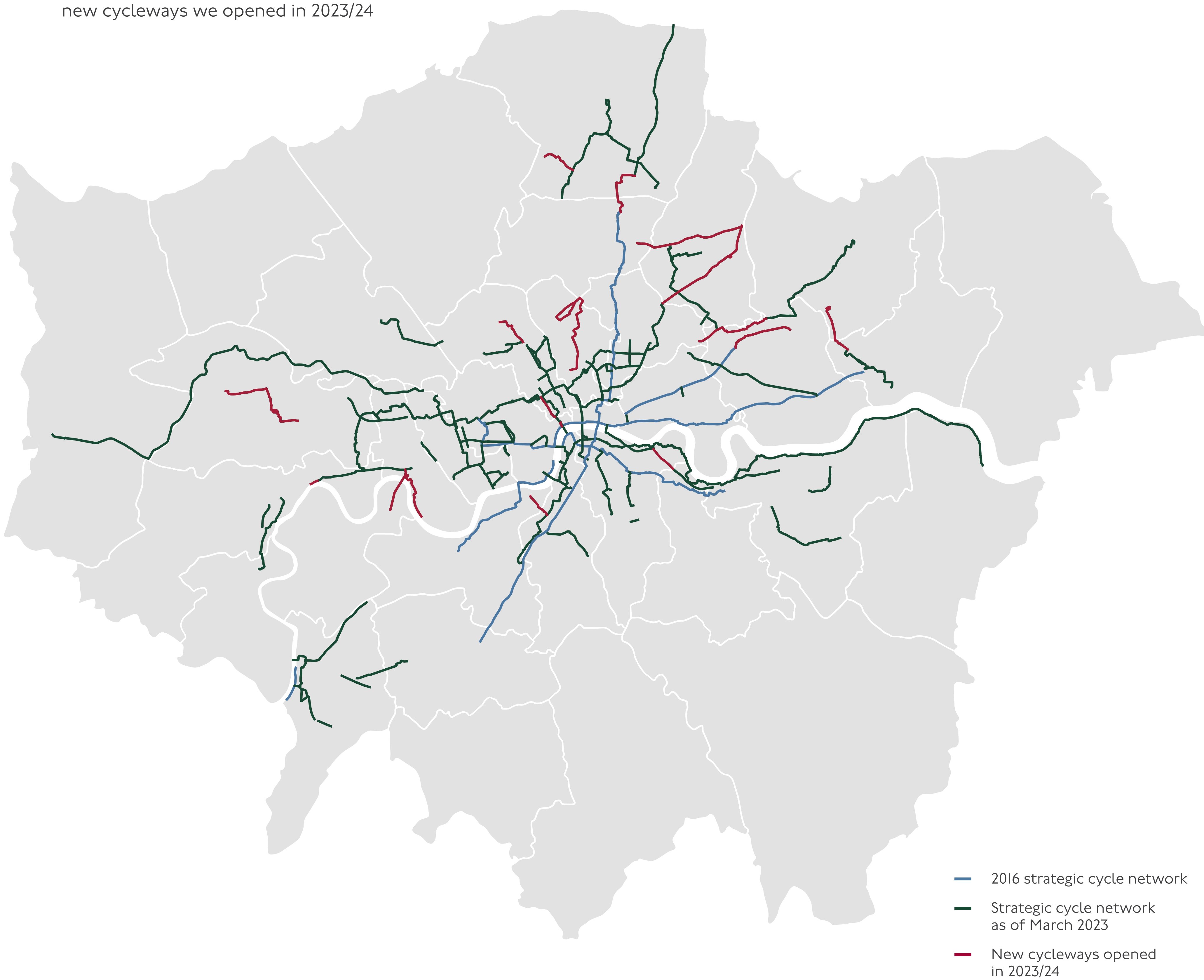
Delivering high-quality new cycleways will enable Londoners of all backgrounds and abilities to cycle safely, encouraging greater diversity in cycling.

4x
larger strategic cycle network compared to 2016

1/4
Londoners live within 400m of the strategic cycle network

Boosting cycling capacity

Our strategic cycleway network and the new cycleways we opened in 2023/24



The Walk London Network encourages people to walk and cycle

10%
increase in leisure walking in London since the pandemic

57%
of Londoners want to see more space dedicated to walking

Stepping up to support green spaces

In March 2024, we launched a new 24-kilometre walking route to connect more communities with green spaces and support people to enjoy more leisure walking.

Launched together with the City of London, Southwark, Islington, Hackney and Waltham Forest, the Green Link Walk became the eighth route in the Walk London Network and runs from Epping Forest to Peckham town centre.

It links almost 40 areas of green space, including Walthamstow Marshes, London Fields and Burgess Park, and five other Walk London routes.

The route was designed with accessibility in mind, with barriers such as bollards being removed. It also avoids streets without dropped kerbs and bridges with steep ramps and steps. As part of the launch, we also teamed up with the Local Buyers Club to offer customers a discount on an annual membership. The membership offers savings at hundreds of independent, local businesses in the capital, with many businesses along the route.

The Walk London Network is one of the largest walking networks in the world. The network features a number of different sections, including the Capital Ring, Green Chain, Jubilee Greenway, Jubilee Walkway, Lea Valley Walk, London Outer Orbital Path, and the Thames Path.

'London is already a great city to explore on foot and this new route will encourage Londoners to enjoy more of our beautiful green spaces across the capital. Leisure walking has a vital role to play in the health of everyone living in London and we'll continue to work with our partners to ensure everyone has access to high-quality walking infrastructure'

Christina Calderato
Director of Transport Strategy and Policy

Funding support for healthier and safer streets

In January 2024, we announced £80.4m in funding support for London's local authorities through our Local Implementation Plan programme to help make more streets safer and healthier for all.

The funding will help deliver a range of improvements in outer London to help support more active travel and support last year's expansion of the Ultra Low Emission Zone across London. The funds will help to deliver a number of new schemes on London's roads, including proposals for more than 150 new and upgraded pedestrian crossings and dedicated pedestrian signals at busy junctions in Barnet, Kensington & Chelsea and Enfield. There will also be 20mph speed limits introduced on roads in Barnet, Brent, Harrow, Redbridge, Waltham Forest, Enfield and Richmond, as well as junction and corridor improvement schemes that will make London's streets safer and better for active travel.

Bus priority schemes will also be funded, including creating new bus lanes that will help make bus services more reliable and attractive as an alternative to the car, contributing to London's target of building 25km of new bus lanes by March 2025.

The amount allocated was a 16 per cent increase from 2023/24, when boroughs were allocated £69m, with outer London boroughs continuing to receive a higher proportion of funding compared to those in inner London.

As part of this year's funding, we allocated an additional £5m for borough-led cycling schemes as there are significant plans for new cycling infrastructure on local roads. This will help boroughs to increase accessibility to cycling on local roads and make their networks safer for cyclists.


Our funding will help create safe, green spaces in the boroughs

'The Local Implementation Plan programme provides vital, localised investment in bus priority, walking and cycling schemes across the city and this investment will deliver huge benefits'


Penny Rees
Head of Healthy Streets Investment

89
new accessible bus stops created between 20219/20 and 2021/22

50km
of wider footways created between 2019/20 and 2021/22

500
School Streets across London

Spotlight on our people

Putting the best foot forward

Faith Martin
Principal Technical Specialist

With a key role in designing London's streets, **Faith Martin** works to ensure we deliver equitable street schemes for the benefit of all pedestrians. She has presented to school students to engage them in street design and inspire them to consider careers in the industry

How did you get involved in walking policy?
My background is in road safety engineering. I worked through the ranks from engineer, senior engineer to principal engineer, before moving into a role in walking policy. I soon realised that I had a unique role, and I needed to upskill on pedestrians as a specialism. I attended many courses specifically for pedestrians and their accessibility, which included many other courses, such as street lighting, drainage, trees and greening.

Design policy is important, especially for guiding others. Broadly, this is to ensure it is transferrable for applying to relevant locations; it will support road safety; and is inclusive. Inclusive design is our top output because if we design to include everyone, everyone benefits. For example, if there is level access at crossings it is easier for walking, if footway space is clear it is easier to move through, when we use colour contrast it helps to navigate places and spaces.

Why is it important to make our streets healthier and safer?
Studies have found that badly maintained streets have lower levels of walking. If streets are clean, look safe and feel safe to be in, they can be enjoyed. Other studies reveal that most people prefer walking, so we have a duty to provide streets to encourage that.

Our Healthy Streets indicators were devised through engagement with residents. This showed people want streets where people feel safe, people feel relaxed, there are places to rest, there is shade and shelter, streets are not too noisy, they include people from all walks of life, and where people want to walk and cycle.

Encouraging people to choose more sustainable travel and more walking can improve personal safety, which can help lower risks of potential crime too. By lowering vehicle speeds, drivers should become more aware of their reduced priority and their greater responsibility for safer driving behaviour.

What improvements have you seen in the last year?
I have always been impressed by traffic signals and the ingenuity that goes into balancing the demand in traffic movement. I am glad we now have green pedestrian authority at signal crossings, wherever possible. The switch of priority from vehicle traffic in favour of pedestrians is quite revolutionary.

I have seen where footways have now been made permanently wider following our mitigation techniques to provide space for social distancing. Better footway comfort has implications on road safety and personal security benefits too.

Where we have lower vehicle speeds, we also have calmer environments. Less vehicles mean less noise, so streets can be enjoyed. This is especially true at a local level, for neighbours to catch-up and children to walk to school. Our ULEZ programme has definitely been a beacon for bringing together travel and health to clean up our capital to create healthier streets.

What are you most proud of from your career?
I have always been proud to say I work for TfL and I am proud to have achieved more than 45 years of service in road safety engineering and designing for pedestrians.

If you have a career that you believe in, because it adds such great value, then it is a wonderful blessing. I believe the traffic industry is vocational, because it is challenging and demanding. I am proud of the pedestrian design principles I devised for TfL to guide on what designs should aim to achieve for the best walking outcomes.

I have always appreciated being a voice for people with protected characteristics and what we can achieve in our street design. I believe we are doing a great job on accessibility in London, especially compared to other cities.

Creating safe, green spaces is essential to encourage active travel

Tackling the climate emergency

Our projects and improvements play a key role in helping to reduce the impact of our services on climate change

Taking action on climate change

We continued our Carbon Literacy training course this year. More than 4,000 colleagues have been trained, surpassing our 2023/24 scorecard target of 3,000. The course aims to raise awareness of the carbon impacts of our everyday activities and how we can reduce emissions in our personal lives and at work.

Developing a low-carbon culture is crucial to achieving net-zero carbon operations by 2030, and becoming London's strong, green heartbeat.

4,000
colleagues trained in Carbon Literacy across the organisation

Reducing carbon emissions

We were awarded two grants, totalling more than £16m, from the Public Sector Decarbonisation Scheme in March 2024 to help reduce carbon emissions from our head offices and London Underground depots.

The grants will enable heat pumps, solar panels, LED lighting, improved glazing and wall insulation to be installed across eight sites. Palestra, our head office in Southwark, currently represents 45 per cent of all our head office gas use. Once the work funded by the grant is completed, we estimate this will be reduced to zero.

As well as saving energy, some changes at the depots will provide better insulated, more comfortable places to work.

Turning our red buses green

We celebrated a major milestone in August 2023 when we introduced the 1,000th zero-emission bus to our fleet, making it the largest zero-emission bus fleet in western Europe.

The milestone bus, which entered service on route 204, meant we remain on track to have a fully zero-emission fleet by 2034, which could be accelerated to 2030 with Government funding. As of 31 March 2024, there were 1,418 zero-emission buses in our fleet.

London's buses have the lowest levels of carbon dioxide emissions per passenger kilometres compared to other global cities including New York, Paris and Vancouver.

Converting London's bus fleet to zero-emission by 2034 will save an estimated 4.8m tonnes of carbon or an estimated 5.5m tonnes of carbon by 2030.

Since 2021, all new vehicles joining our fleet have been zero emission, while all of our other buses are low emission and meet, or exceed, Euro VI emission standards, which is the same emissions standard as the Ultra Low Emission Zone.

As well as being cleaner, all of the new buses will have enhanced customer features, such as improved flooring, seating, lighting and customer information, and will meet the industry-leading bus safety standard.

8,454+
zero-emission capable cabs on London's streets

57%
of London's taxi fleet is now zero-emission capable

'Making the taxi fleet cleaner and bringing more electric vehicle charging points to the capital are significant parts of the wider efforts we're making to help continue being London's strong, green heartbeat, cleaning London's air and helping get Londoners around the city in the greenest ways possible'

Helen Chapman
Director of Licensing and Regulation

Making black cabs greener

We reached a major milestone in December 2023, with more than half of the black cabs in London being zero-emission capable.

We helped bring about this step change by requiring that all new taxis licensed for the first time from 2018 to be zero-emission capable and providing taxi delicensing grants to drivers, which helped remove more than 4,000 older, more polluting vehicles from the fleet.

Further measures to reduce emissions from our black cab fleet include reducing the maximum age of the most polluting taxis from 15 to 12 years between 2020 and 2022 and introducing discounts and incentives to help drivers make the transition to new vehicles.

Most of the new zero-emission capable taxis in the capital are made by the London Electric Vehicle Company (LEVC), which manufactures its purpose-built, range-extended electric TX taxi at its state-of-the-art factory in Ansty, Coventry.

Improving our bus station in Kingston

In August 2023, work got under way to rebuild a state-of-the-art bus station at Kingston Cromwell Road, which will help make journeys by bus an easier and more attractive option. The project includes new, energy-efficient bus station buildings, while a new canopy will provide protection against the weather across the entire waiting area. It includes a green canopy edge.

We will install improved real-time travel information screens, fully accessible customer toilets, improved LED lighting and CCTV cameras, a new public announcement system, along with new retail units.

Before the work started, we told customers about the station closure and informed them of alternative travel options. We created two new temporary bus stops nearby to minimise disruption. Work on the bus station will continue until later in 2024.

Brightening up Oxford Circus

In October 2023, we completed work to upgrade the lighting at Oxford Circus station, with lighting throughout the station converted to LEDs, which use up to 60 per cent less energy than traditional lighting.

The new LED lights make the station brighter and more welcoming, giving customers a better experience as they travel to and from the West End.

More than 40 per cent of Tube stations, including Clapham North, Golders Green and Old Street, have been converted to LED lighting, with further stations planned for conversion in the coming years.

We aim to convert all stations to LED lighting by 2032 as part of our ambition to be net-zero by 2030.

Cable cars go green

In November 2023, we installed 89 new solar panels on the IFS Cloud Cable Car terminal buildings on both sides of the river.

The solar panels are expected to generate around 34MWh of renewable energy each year – which is the equivalent of 13 typical UK households.

The energy generated is being used to power the cable cars, with any excess energy generated from the South Terminal in Greenwich being fed back into the National Grid.

Lighting the way to energy efficiency

By the end of 2023/24, we achieved a significant landmark with 95 per cent of London's bus shelters being converted to use LED lighting. We also converted almost 70 per cent of all lamp columns on our roads to use LED lights.

The new lighting helps us reduce waste, energy consumption and associated carbon emissions.

Before and after testing showed that the new lighting uses around 57 per cent less energy, but provides 10 per cent brighter lighting, making the shelters both more welcoming and improving safety for customers, especially at night.

Once complete, the new lighting will have reduced our associated carbon emissions by more than 1,000 tonnes CO_2e annually.

In addition to bus shelters, we are working across the entire network to upgrade lighting to LEDs to help further reduce costs while improving customer benefits and minimising its long-term impact on the environment.

Customer lighting at tram stops served by London Trams has been converted to LED lighting, and work is also taking place to upgrade lighting at bus stations across London and the depot in Croydon. LED lighting has been installed at Upminster Tube depot, and is nearly complete at Hainault and Ruislip Tube depots. By the end of 2023/24, we had installed 60 per cent of the lighting at Stonebridge Park and 20 per cent of the lighting at King's Cross St Pancras station. Around 50 per cent of all lamp columns on our roads are also now LED lights.

Going greener

Creating spaces that support the nature and green spaces in our city

In full bloom

In May 2023, we announced the latest areas on our network to be managed as wildflower verges as part of our continuing work to encourage biodiversity, enhance green infrastructure within London's transport networks and mitigate against climate change for the overall benefit of our transport network.

The new sites, which included Gants Hill Roundabout in Redbridge, Clockhouse Roundabout in Feltham and the A21 Sevenoaks Road in Bromley, were selected following trials across north London, where we mowed the verges less often to encourage wildflowers to grow. The flowers create a supply of nectar and other food resources, plus shelter, for wildlife including bees, butterflies, birds and small mammals.

Wildflower verges take time to fully develop and are in bloom for a limited period of the year. We continue to maintain these verges, but they are mowed less frequently, with edges regularly mowed to ensure they remain safe for passing drivers. We have installed signs to help make it clear that these areas are being managed to encourage wildflowers.

In 2023/24, we doubled our total wildflower verges to 130,000 square metres, and we plan to double this again in 2024/25 to 260,000 square metres.

74k

square metres of wildflower verges created in 2023/24

Blooming marvellous

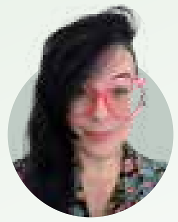
In May 2023, we brought some of the beauty of the Chelsea Flower Show to Latimer Road Tube station as part of a collaboration with Energy Garden, Kensington & Chelsea Council and the local community.

The garden from the world-famous show was rebuilt by the station entrance, giving the display materials and plants a second life.

The container garden was developed by landscape designers Amelia Bouquet and Emilie Bausager and is a celebration of sustainable gardening and the important role it plays in people's lives.

The project was funded by the Mayor's Future Neighbourhoods 2030 programme and maintained as part of the Energy Garden network. We continue to work with Energy Garden to enable local community groups to access some trackside spaces and create beautiful green spaces on London's railways.

'This garden is a great example of how we are working with our neighbours to reinvent spaces on our network through greening and planting. A little bit of nature makes stations more welcoming for all'



Ann Gavaghan
Customer Experience Manager

Creating a greener city

We published our new Green Infrastructure and Biodiversity Plan in March 2024 to protect, connect and enhance our green infrastructure and biodiversity.

The plan, which fully aligns with our 2021 Corporate Environment Plan, sets out how we will improve and care for green infrastructure and biodiversity across our estate and transport network.

The plan captures our existing relevant targets, legal requirements and policy commitments, while at the same time setting out the strategic actions we will take to deliver them. The plan was developed following a wide range of engagement within and outside TfL, including London's boroughs.

The targets include achieving a minimum of 10 per cent biodiversity net gain on applicable schemes from February 2024 and delivering a net gain in biodiversity across our estate by 2030, compared to the 2018 biodiversity baseline map.

We also committed to double the amount of wildflower verges to 260,000 square metres in 2024, and developing a longer-term plan to continue their introduction across London.

'A sustainable transport system is fundamental to London being an attractive, affordable and liveable city. By reducing our environmental impacts and maximising opportunities, like wildflower verges and sustainable drainage systems, we will be the strong, green heartbeat for London'

Dr Katherine Drayson
Senior Environment Manager

New look for Old Street

Work continued on transforming Old Street station and roundabout throughout the year, and is now almost complete. A new London Underground station entrance has been completed, along with two new passenger entrances and new lifts to improve accessibility.

The northwest arm of the roundabout has been permanently closed to traffic, creating a major new pedestrian space. Trees and plants have been added, along with benches and other street furniture to create an attractive and welcoming space.

New and improved crossings, as well as fully segregated cycle lanes, have been installed, creating better walking and cycling access for everyone.

The full transformation is due to be completed later this year.

A good public transport experience

Ensuring our network reflects our diverse city

Claire Mann
Chief Operating Officer

'We have continued to improve and expand London's transport network, to help ensure that every Londoner has access to safe, reliable and clean transport options'

Revolutionising bus travel

We are improving the experience for our bus customers, including the launch of our Superloop network of express bus routes across outer London

10
express bus routes make up the complete loop

138km
is the distance covered by the Superloop in one direction

6
million kilometres added to the bus network

'The Superloop is delivering more frequent and longer running bus services, with the express services circling the city, providing quicker links between transport hubs, town centres, schools and hospitals'

Seb Dance
Deputy Mayor for Transport

Launching the Superloop

In July and August 2023, we completed the first phase of the introduction of the new Superloop network of express bus services, by rebranding four existing routes. Route 607 became route SL8, route X68 was rebranded to SL6, route X26 became SL7 and route X140 was changed to SL9. Buses on these routes also became the first to showcase the Superloop branding, providing an instantly recognisable express bus service.

As part of the rebranding, the service features improved customer information, USB charging points on all buses and new stop names to better reflect their locations.

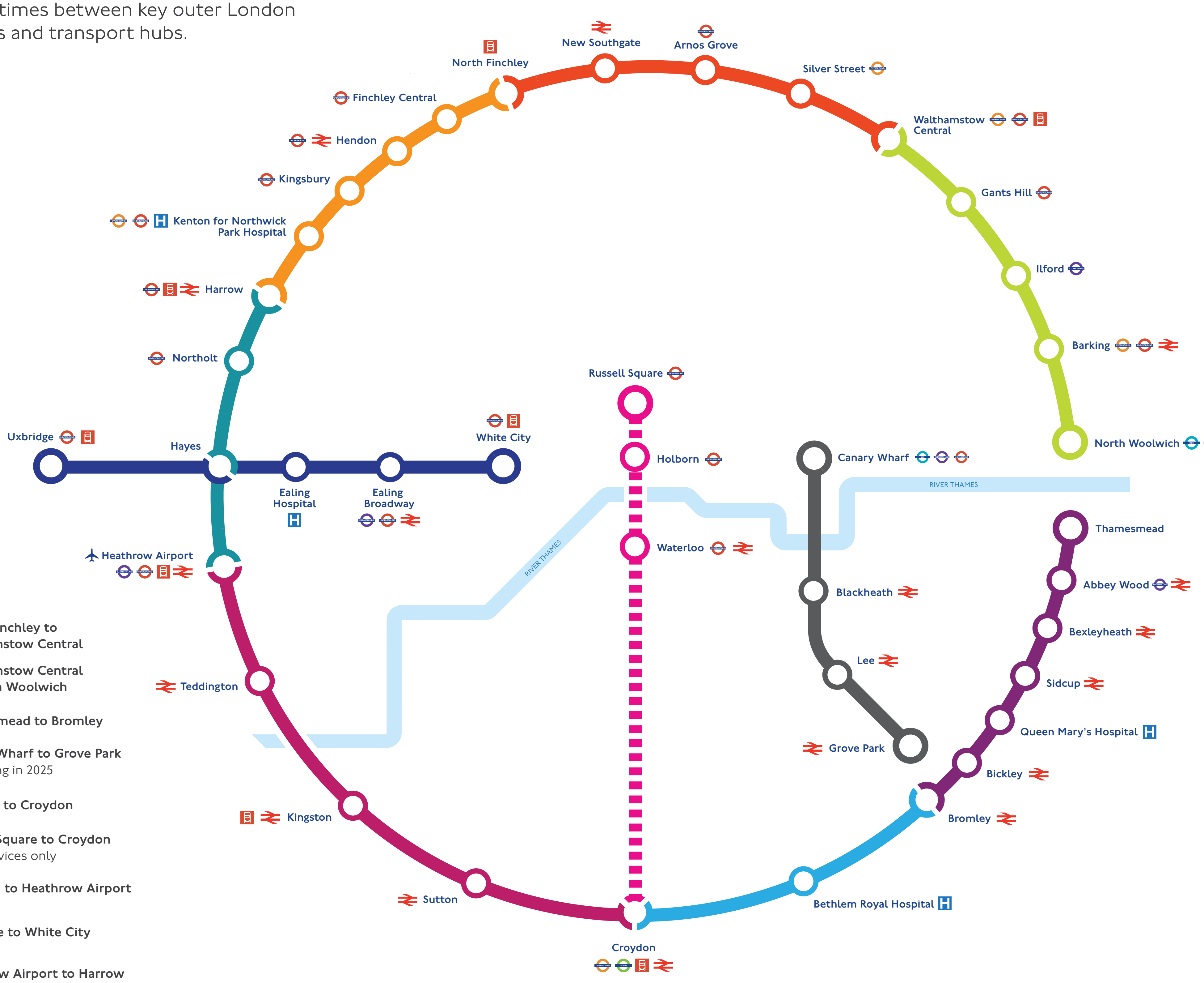
The changes for route SL8 included an extended timetable to provide more early morning and evening buses, and the frequency of the SL7 route doubled to a bus every 15 minutes.

Between November 2023 and March 2024, we launched five brand new routes – the SL1, SL2, SL3, SL5 and SL10 – to complete the 'loop'. The SL4 service will be introduced in 2025 once the Silvertown Tunnel opens.

This work marks a huge milestone in our commitment to connecting communities across outer London and giving people even better access to affordable and sustainable travel.

The full loop

The Superloop network will improve connections and journey times between key outer London town centres and transport hubs.



SL1	North Finchley to Walthamstow Central
SL2	Walthamstow Central to North Woolwich
SL3	Thamesmead to Bromley
SL4	Canary Wharf to Grove Park Launching in 2025
SL5	Bromley to Croydon
SL6	Russell Square to Croydon Peak services only
SL7	Croydon to Heathrow Airport
SL8	Uxbridge to White City
SL9	Heathrow Airport to Harrow
SL10	Harrow to North Finchley

New generation of iBus

In March 2024, we awarded a contract worth £160m over 10 years to INIT, to replace our iBus vehicle location system, which has been operating for 17 years. The contract will see the on-board hardware and back-office software replaced across our entire bus fleet.

The new iBus system will improve the reliability and accuracy of real-time passenger information and provide information on disruptions and diversions to routes, both on the bus customer information boards and our TfL Go app.

This will be particularly helpful for passengers with hearing or visual impairments who rely on accurate and up-to-date traffic information to use public transport.

Over the last year, we installed new bus countdown boards across every borough in London, with almost 3,000 boards in operation by the end of 2023/24.

'Priority Seating Week shows our commitment towards making travelling on the public transport network easier and more pleasant for everyone, especially for customers with visible and non-visible conditions'

Mark Evers
Chief Customer Officer

300
TfL buses now have new priority seating designs

1/5
bus customers have a visible or non-visible condition

New priority seating for London's buses

To mark Priority Seating Week in April 2023, we helped make bus travel more attractive, inclusive and accessible to all with new, prominent priority seating installed on our buses.

The specially designed seating makes travelling easier for people with a range of conditions, whose needs may not be immediately obvious. The design features an eye-catching moquette in distinctive colours, with a clear message showing it is a priority seat.

The design helps people who need a seat, including older and disabled customers and people with non-visible conditions to easily identify these seats, and serves as a helpful reminder to fellow passengers that there may be customers with a greater need for a seat.

The new seating designs build on our other successful campaigns since we first launched Priority Seating Week in 2017. More than 100,000 Please offer me a seat badges have been issued to disabled people and those with non-visible conditions since the campaign first launched.

New priority seating has also been introduced on London Overground and selected London Underground trains to encourage everyone to think about others who have a greater need.

The new priority seating is more recognisable for all customers

Better travel for all customers

We are working to ensure that our network works for all our customers

Life through the lens

In July 2023, we launched a trial of new NaviLens technology at DLR stations. The technology helps blind and partially sighted customers to navigate the network more easily.

Customers use their smartphone to access and locate information and interact with their environment. It is based on image recognition using augmented smart codes, placed along designated customer itineraries, and a smartphone app that provides voice guidance for visually impaired passengers.

Users can use voice assistance through the app to continue their journey, which includes practical information including descriptions of the physical element, guidance indications and real-time DLR arrivals and departures.

We will use the findings from this trial to inform our innovation challenge, which is focused on improving the travelling experience of disabled customers.

10k
new homes unlocked through the capacity increase on the DLR

99m
DLR journeys each year, making it the busiest light railway in the UK

Delivering more for the DLR

As part of our DLR train replacement programme, we placed an order for a further 11 new state-of-the-art trains in June 2023.

The trains, which are being funded through the Housing Infrastructure Fund, feature a walk-through design, latest audio and visual real-time travel information, air conditioning and mobile device charge points. They will help ensure customers can enjoy more frequent, reliable and comfortable journeys.

Designed and built by Construcciones y Auxiliar de Ferrocarriles (CAF), the new trains are in addition to 43 trains already ordered from CAF.

All 54 new trains will be introduced by the end of 2026, helping boost overall capacity on the network by more than 50 per cent. Each train will provide better facilities for those with mobility impairments with three multi-use areas, in addition to three dedicated wheelchair spaces. These multi-use areas can be used for wheelchairs, pushchairs, bicycles and luggage.

'These new DLR trains will transform the journeys of millions of existing customers but will also give us the opportunity to welcome many more as new jobs and homes are created in east London and the Docklands area'

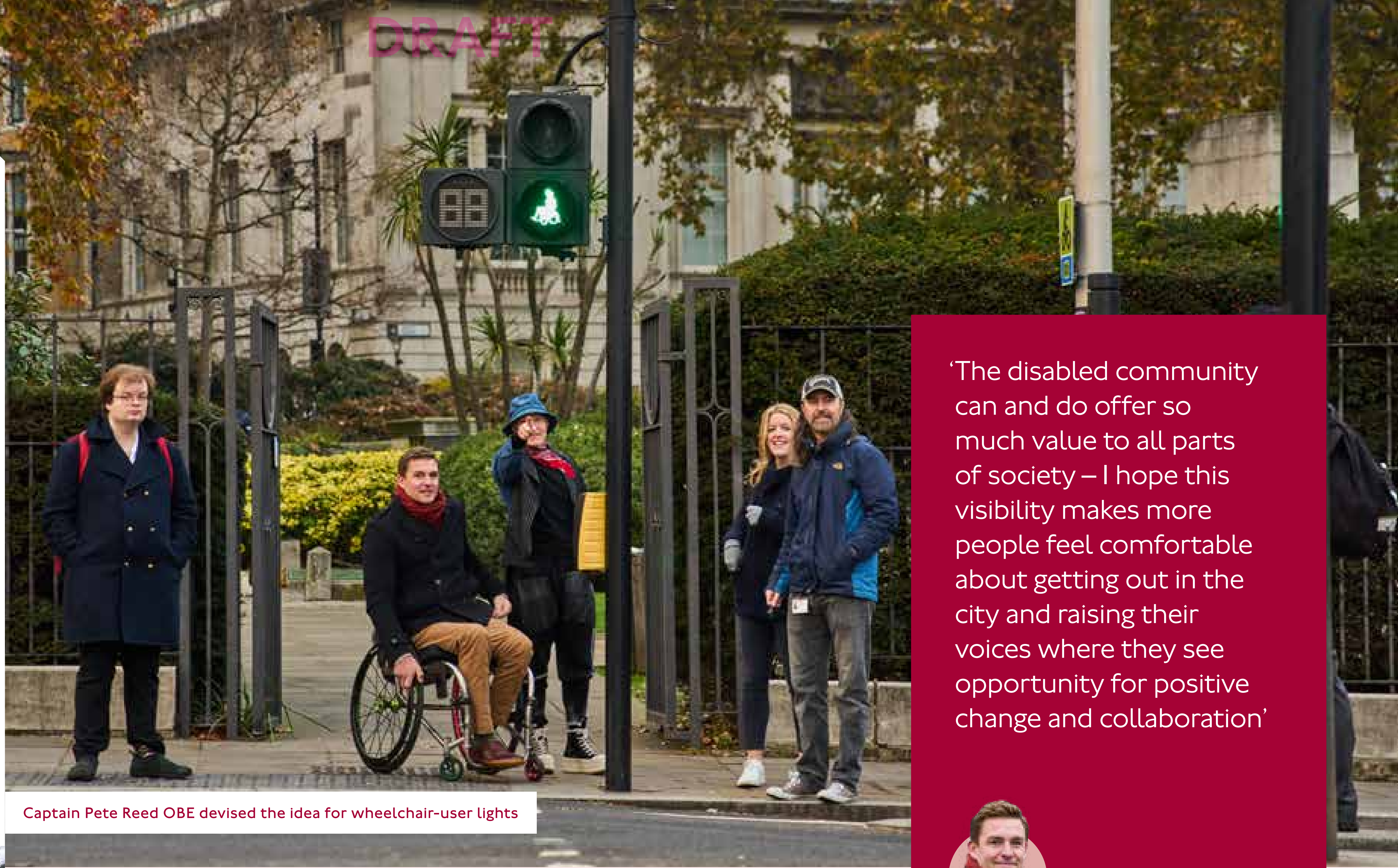
Tom Page
DLR General Manager

Street View goes Underground

In November 2023, we announced that Google's Street View technology would be provided in a number of our busiest stations to help customers better plan their journeys. The project captured 360-degree images in around 30 of our busiest central London interchange Tube stations, including Green Park, King's Cross St Pancras and Waterloo, to provide virtual representations of the stations.

By being able to show routes through some of London's key stations, we want to enable customers to map out their journeys in the same way they would for trips made by walking and cycling. In particular, the move was designed to help customers with accessibility needs or those who are unfamiliar with travelling in the capital.

We are displaying posters at stations to alert customers when Google is capturing the images, which is being done by a small team using a 360-degree backpack camera between 10am to 4pm to avoid peak hours. Google uses blurring technology to automatically blur identifiable faces.



Captain Pete Reed OBE devised the idea for wheelchair-user lights

'The disabled community can and do offer so much value to all parts of society – I hope this visibility makes more people feel comfortable about getting out in the city and raising their voices where they see opportunity for positive change and collaboration'

Captain Pete Reed OBE

30

Tube stations that had images captured for the Google project

Shining a light on disability

In December 2023, we worked with three-time Olympic and gold-medal winning rower Captain Pete Reed OBE to introduce wheelchair-user traffic signals ahead of International Day of Persons with Disabilities.

In 2019, Captain Pete Reed OBE experienced a spinal stroke that left him paralysed from the chest down. He approached us with the idea of having a wheelchair-user traffic signal to draw attention to the large disabled population in London and beyond, for whom access and ease of travel is essential to make the most of the city.

We worked closely with our Independent Disability Advisory Group and other key disability campaigners to ensure the signs best reflected wheelchair users. There are two designs showing a person using an independently controlled manual wheelchair and a someone using an electric wheelchair.

The specially designed symbols were installed at pedestrian crossings in Earl's Court, King's Cross, Liverpool Street, Tower Hill and Whitechapel. The locations were carefully selected based on their proximity to busy Tube stations that offer step-free access. They were installed by Yunex Traffic, which installed the signals at no cost.

Our work at Kentish Town will help future-proof the station

15k
moving parts on a typical 15-metre rise escalator

20
hours per day that our escalators will typically operate

Improvement works at Kentish Town

In June 2023, major works got under way at Kentish Town Tube station to replace both escalators at the station.

The works, which are due to be completed by September 2024, involve replacing both escalators with new, high-performing machines. The old escalators, which are the most unreliable on the Underground network, were installed in 1997 and are bespoke to the station, making it difficult to source parts for maintenance and repairs.

The new escalators are the same model as those used on the Elizabeth line and throughout the Tube network and are expected to last for around 40 years. They have more efficient motors and drivers, meaning they use less electricity. When not in use, they will run slower to save energy.

We have used the temporary closure to carry out a range of other station improvements at the same time, including removing the redundant ticket office and realigning the ticket barriers to provide more space for customers and additional ticket gates.

The station is also being painted and deep cleaned, with new floor and wall tiling and improved signage installed.

Seizing the night

In August 2023, we extended the operating hours for our vital free Dial-a-Ride service to enable older Londoners, and those with long-term disabilities, to socialise at night.

We further extended Dial-a-Ride services during the festive period to enable people to enjoy Christmas festivities for longer.

The extended hours, which means the service runs until midnight with last pick-ups at 11pm, have been introduced following engagement with users and partners, including Transport for All and Age UK London.

The move followed a drive to improve the service through the year, which saw us recruit 12 additional drivers to meet the increased demand for the services, as well as more staff to improve call waiting times.

We also introduced a simpler booking system to enable members to book trips online, as well as over the phone and via email.

Improving access for all

This year, we achieved a significant milestone in our rollout of mini ramps when we introduced them at 47 stations across the Tube network.

The rollout follows a trial in 2022 on the Jubilee line of the ramps, which can help people get on and off trains where there is a small step or gap between the platform and the train.

The mini ramps are particularly helpful for customers with mobility aids with small or swivel wheels, giving them additional comfort and reassurance.

The ramps were developed after feedback from customers that the gap can still be a barrier to them being able to get on and off Tube trains confidently, even at step-free stations.

4.5m
Central line journeys are made on average each week

30
UK manufacturers are supplying the parts for this project

All change for the Central line trains

In December 2023, the Mayor visited our depot in Hainault to see the first of our refurbished Central line trains, which feature more reliable motors, better accessibility, improved customer information and a new moquette design.

Each carriage is fitted with CCTV cameras and audio customer displays, which is the first time they have been installed on trains on the Central line.

The introduction of CCTV is a significant step in the continuing effort to ensure that Londoners feel, and are, as safe as possible when using the transport network.

Our project to improve the Central line is the most significant overhaul scheme our engineers have done in the history of the Tube. The trains, which are more than 30 years old, are some of the most unreliable on the network. We have experienced a high number of severe challenges with the fleet in recent months, which is why the overhaul work is so important. It will ensure the fleet continues to operate and extend their working life.

The first completely refurbished train has already entered customer service, with improvements being made to the entire fleet over the next few years.

Piccadilly line trains are put to the test

In November 2023, the first newly built state-of-the-art test train for the Piccadilly line was tested at Siemens Test and Validation Centre in Germany. The train was put through a rigorous programme, including tests for acceleration, braking, noise and vibration, as well as extreme weather endurance testing.

This testing programme continues ahead of the first train arriving in London for further testing and integration onto the network later in 2024.

The new trains will feature walk-through carriages with all-double doorways to help customers get on and off more easily, enhanced digital display screens for real-time information, air conditioning and on-train CCTV cameras.

Around 80 per cent of the trains will be assembled at Siemens brand-new manufacturing site in Goole, Yorkshire, with some of the parts, such as the LED lighting, coming from local suppliers in Yorkshire.

£200m
invested in developing the Siemens site in Goole

700
skilled jobs created through assembling the trains

Setting Equity in Motion

We published an ambitious new customer plan in February 2024 to help create a fairer, more accessible and inclusive transport network for everyone.

Our Equity in Motion plan sets out more than 80 commitments to cover key areas for improvements around improving customer experience, enhancing connectivity, keeping travel affordable and addressing health inequalities.

The key commitments in the plan include:

Accessible travel
Increasing the number of step-free Tube stations, introducing mini ramps, creating more spaces for wheelchair users and buggies, and looking at how we can improve customer toilet provision.

Safety
Expanding our Project Guardian school sessions on sexual harassment, making it easier for customers to report crime and safety concerns, and training staff to call out and help reduce all forms of harassment and to support victims.

Understanding customers
Creating a new inclusive Design Centre of Excellence, researching the needs of communities including LGBTQ+ people, and increasing the number of frontline staff who are disability equality trained.

Affordable travel
Studying how the cost of travel affects people with protected characteristics to inform our investment priorities.

Inclusive Information
Reviewing our approach to translating communications into different languages, including British Sign Language, adding virtual tools to the TfL Go app and website to help customers better understand the accessibility of the transport network, and introducing hundreds of new real-time information displays at bus stops and shelters.

Connectivity
Completing inclusivity audits at stations, researching the barriers to walking across protected characteristic groups, and expanding our electric cycle hire scheme.

> ‘Equity in Motion draws on the experiences and viewpoints of a range of Londoners, prioritising the areas they want to see improved to create tangible actions that drive forward change and help make London a truly fair city’

Alex Williams
Chief Customer and Strategy Officer

Making more stations step-free

As part of our commitment to accessibility, we are making more Tube and London Overground stations step-free.

This year, we started work at Colindale station where we aim to provide step-free access by autumn 2025, alongside other station improvements including an accessible toilet.

We are also creating step-free access at Knightsbridge Tube station and improved access to the Bakerloo line at Paddington station.

We are working on the detailed design for step-free access at Leyton and Northolt stations, ahead of construction work starting later in 2024 at Leyton and early in 2025 at Northolt.

There are nine more Tube stations being reviewed to understand the feasibility, cost and benefits of delivering step-free access. We have delivered 24 step-free stations since 2016.

100%
of our Elizabeth line stations are step-free

1/3
of our Tube stations are step-free

Spotlight on our people

Putting diversity to the forefront

Patricia Obinna
Director of Diversity and Inclusion

Patricia Obinna supports the organisation in creating an inclusive workplace culture for all, which includes embedding inclusion into our behaviour, decision making and all our practices

What have been your highlights from 2023/24?
I have particularly enjoyed having the opportunity to meet with, and speak to, lots of different people from around the organisation. Hearing about people's experiences, good and bad, informs the work that I'm doing. Attending Pride, Black Pride and Notting Hill Carnival with colleagues from across the organisation were all notable highlights.

The launch of Action on Inclusion in June 2023 also ranks right up there. Putting a clear diversity and inclusion strategy in place was a career highlight for me, as well as a highlight for 2023/24.

We also launched our new diversity and inclusion e-learning module, Inclusion Matters, which explains the importance of inclusion in the workplace in an engaging, non-preachy way. The course is delivered through colleagues' personal experiences, helping to bring to life what it feels like to be included or excluded.

Our diversity work will help improve services for all Londoners

Why is diversity and inclusion so important for TfL?
Having a clear Diversity and Inclusion agenda means that we recognise the need and business imperative to give this agenda our focused attention, and that we are committed to taking action to improve diversity and inclusion within our business.

There is significant evidence to show that diversity, especially at the most senior level of an organisation, leads to better decision making, greater productivity and more creative problem-solving, all of which leads to the organisation being more successful. Greater inclusion is better for peoples' physical and mental wellbeing, as they feel more respected and valued.

We need to have an agenda, with a clear action plan, to ensure we bring about real, sustainable change.

What does the future hold at TfL?
Our future plans involve making sure that inclusion is an integral part of everything we do, so that we create an environment in which diversity can thrive. This means implementing all of the plans, measures and initiatives set out in our strategy, consistently measuring our progress and, if necessary, adapting our approach to ensure we continue to move progressively towards our 2030 aims.

Santander Cycles get electric boost

In January 2024, we announced improvements to our Santander Cycles hire scheme by rolling out more e-bikes and a new day pass.

Our e-bikes fleet will expand from 600 to 2,000 bikes during the summer of 2024, making it even easier for Londoners to find an affordable e-bike. The additional bikes are distributed across key central London locations. They can be docked at any of the scheme's 800 docking stations and are serviced on the street by cargo bikes and electric vans, ensuring that the scheme is as sustainable as possible.

The new day pass, launched in March 2024, gives customers a daily rate of £3 for unlimited hires up to 30 minutes within 24 hours. Hires longer than 30 minutes incur an extra £1.65 for each additional 30 minutes. The scheme makes cycling even more accessible and affordable to Londoners.

Santander Cycles saw another record-breaking year for member hires in 2023, with 6.75 million hires taking place. This is the highest since the scheme began and highlights the popularity of the e-bikes and the membership options.

'Santander Cycles has played an important role in encouraging more people to cycle and we look forward to seeing more Londoners making use of the bikes to ensure a greener and healthier future for everyone in London'

David Eddington
Head of Cycle Hire

1,400
new e-bikes will be added to the overall fleet

Green light for station improvements

In December 2023, we announced that we had got the go-ahead to progress improvements at Colindale and Leyton Tube stations to make them both step-free for the first time, after £43.1m in funding was provided by Government.

At Colindale, which was projected to reach passenger capacity by 2026, the 1960s station entrance will be replaced with a new, landmark building that includes a spacious ticket hall and a lift.

Leyton station will also get a new ticket hall, which will be built adjacent to the existing one, two new staircases and two lifts making the station fully accessible for the first time. The work will also ensure the station has capacity to support future passenger demand. The construction contract is expected to be awarded in summer 2024.

The development at both stations will help enable thousands of new homes to be built as both areas serve their rapidly growing communities.

A London legacy

Supporting the transport services that will serve the capital for many generations to come

Search launched for next Elizabeth line operator

In February 2024, we announced a shortlist of four bidders to become the next operator of the Elizabeth line from May 2025, when the current contract with MTR Elizabeth line expires.

The next operator will build on the success of the Elizabeth line, collaborating with key partners to optimise reliability, as well as sustaining the high levels of customer satisfaction and growth.

700k
journeys made each weekday on the Elizabeth line

770k
journeys made on 14 Dec 2023, the busiest day of the year

Service boost marks Elizabeth line anniversary

A new timetable was announced for the Elizabeth line that saw frequencies increase from 22 trains per hour to 24 between Paddington and Whitechapel as the service celebrated its first anniversary in May 2023.

Services increased to 12 trains per hour between Canary Wharf and Abbey Wood during peak hours, with a train around every five minutes.

All-day services launched between Shenfield and Heathrow Airport Terminal 5 for the first time, with two trains per hour providing direct connectivity between Essex, east London and west London.

The new timetable has fewer pauses between trains, so customers can enjoy more frequent and reliable services.

The introduction of the new timetable marked the final milestone of the Crossrail project and ensured higher frequencies, greater connectivity and faster journey times for those using the Elizabeth line.

> ‘Delivering the Elizabeth line has been transformational for our city, with hundreds of thousands of Londoners and visitors now enjoying the fast and reliable trains each day’

Sadiq Khan
Mayor of London

Messages from Their Majesties

Their Majesties King Charles III and Queen Camilla recorded announcements that were played at railway stations across the country, as well as all Tube stations, during the Coronation weekend.

The message was recorded by our audio team, and included The King announcing the world-famous reminder to 'mind the gap'. Some of the other messages included King Charles III saying 'My wife and I wish you and your families a wonderful Coronation Weekend'.

Our crowning glory

To celebrate the Coronation of His Majesty King Charles III in May 2023, we unveiled specially designed 'crowndels' across the transport network.

The crowndels, which put a unique spin on the classic roundel design through the addition of the St Edward's Crown, were displayed at a number of Tube stations, as well as some Elizabeth line, London Overground and other key interchange stations.

We launched five commemoratively wrapped buses along routes passing iconic locations linked to the Royal Family, such as Horse Guards Parade and Westminster Abbey. Three bus shelters on Oxford Street were adorned with crowns so that customers on the top deck of buses or using bus stops in the area could spot them.

We also wrapped 20 Santander Cycles, including two e-bikes, with special designs and gave customers the chance to enjoy a free 30-minute cycle ride by using the code 'Coronation23'.

We decorated a number of our assets

'Public transport remained the best way to travel in London during the Coronation weekend and was at the heart of making this historic occasion a success, just like it did when London saw the 1953 Coronation of Elizabeth II'

Andy Lord
Transport Commissioner

A nod to the past

We produced a commemorative poster for the Coronation that paid homage to the one created in 1953 to celebrate the Coronation of Elizabeth II.

The poster was displayed across the network and available for customers to buy from London Transport Museum's shop.

There were also limited-edition travel advice leaflets, which again recreated the 1953 Coronation leaflet. These were available at Tube and bus stations, as well as National Rail stations, on the day of the Coronation.

The world is your Oyster

In June 2023, we launched a new limited-edition Oyster card to celebrate two decades of the iconic smartcard making travel on public transport quicker and easier for everyone.

The cards were available from ticket machines in Zone 1 Tube stations, as well as at Visitor Centres and Oyster Ticket Stops in central London.

Oyster is one of the world's most iconic transport smartcards, and more than 125 million people from around the world have benefited from more convenient travel in London since it launched.

The Oyster card has not just had an impact on how people travel in London, but also across the UK and even globally. The success of Oyster in London, which then paved the way for pay as you go with contactless as well, has led to more rail services across southeast England, and world cities, introducing similar pay as you go technology for travel.

The 20th anniversary design joined others that were created in previous years, such as for the launch of the Elizabeth line, the 2012 London Olympic and Paralympic Games, and Her Majesty Queen Elizabeth II's Diamond Jubilee.

'Oyster has cemented TfL's reputation for being at the forefront of innovation and paved the way for the use of contactless payments on public transport – not only in London, but across the world'

Shashi Verma
Chief Technology Officer

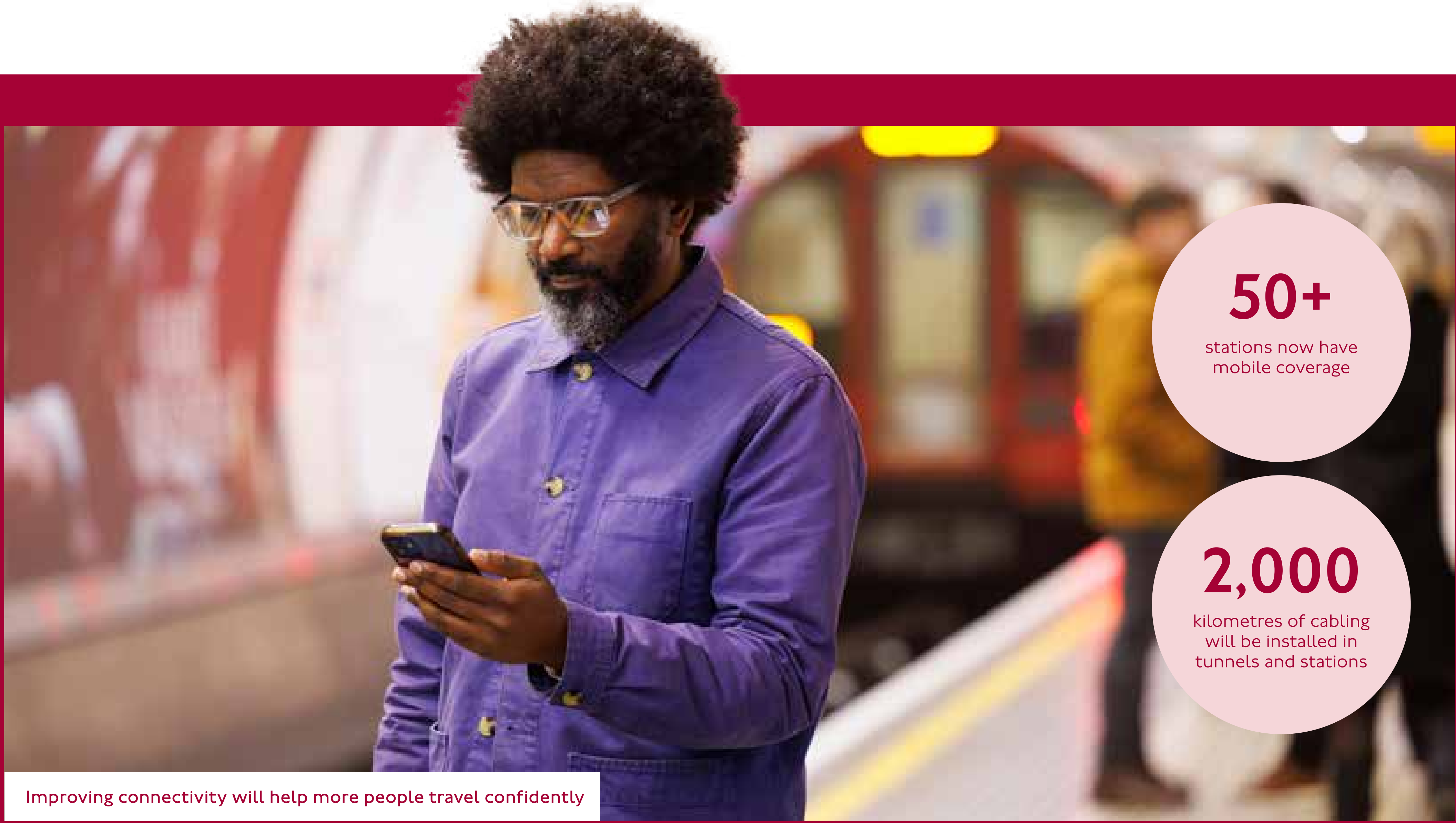
Pearls of wisdom

Other names were shortlisted before Oyster was chosen. In another world, Londoners could be carrying around Gem or Pulse cards to pay for their travel.

The Oyster system is designed to allow people to pass through ticket gates quickly and can process 40 people per minute passing through a gate – 15 more than with paper tickets.

Tapping through time

2003	2005	2007	2012 (May)	2012 (June)	2015	2018	2021
Oyster pay as you go is introduced on the Tube, bus and DLR	Daily capping on Oyster introduced	Oyster pay as you go is enabled across the new London Overground	Oyster online accounts introduced	London's Cable Car opens, offering pay as you go with Oyster	Oyster pay as you go extended to cover Thames Clipper river services	Pay as you go with contactless and Oyster extended to Heathrow Airport	Weekly capping on Tube and rail services extended from just contactless to include Oyster cards



Improving connectivity will help more people travel confidently

Mobile boost to stay better connected underground

There was a huge boost for connectivity in September 2023 when the first stations in the West End went live with 4G and 5G mobile coverage.

The Mayor was present as high-speed mobile coverage was brought to the Central line, including ticket halls and escalators between Oxford Circus and Tottenham Court Road. Since then, further stations across the West End on the Central and Northern lines, and the Elizabeth line, have gone live, meaning that around 25 per cent of stations across London that have underground platforms now have coverage.

All four mobile network operators – Three UK, EE, Vodafone, and Virgin Media O2 (VMO2) – are committed to covering the whole of the Tube network, as well as the Elizabeth line, DLR and key parts of the London Overground, making it easier for customers to stay connected as they travel around the city.

Connectivity is beginning to be delivered on the Piccadilly and Victoria lines, as well as the southern section of the Northern line. The Bakerloo line will also go live in 2024, bringing in non-fare incremental revenue for us. This technology will also host the Home Office's Emergency Service Network, which when fully operational, will give first responders immediate access to lifesaving data, images and information.

Better connectivity across London

In a further boost to customer connectivity, the first 100 EE and 3UK small cells have been rolled out and are live on street lighting columns along our roads, broadcasting a 4G and 5G signal around Old Street, Waterloo, Euston, King's Cross and Park Lane.

In these areas, there has been a significant boost to the network capacity, providing high-speed 4G and 5G connections in high-density areas.

To provide the infrastructure needed for the roll out of the small cells, 40 kilometres of fibre has been laid through our traffic management system. This network will significantly improve fixed and mobile connectivity in these areas.

The small cells boost connectivity

Celebrating diversity

Showing our support for the great diverse communities that we serve

Showing our Pride

In July, we teamed up with LGBTQ+ personalities, including Drag Race's Bimini, stylist Gok Wan, DJ and writer Nick Grimshaw and dancer Queen MoJo, to celebrate Pride across the capital's transport network.

The stars featured in a poster campaign telling their stories, alongside LGBTQ+ community stories. We also invited passengers to share their own stories under our #EveryStoryMatters theme.

The posters also featured our colleagues, with staff members expressing their Pride creativity through designs, poems and craftwork.

To further celebrate London's diversity, a number of our services, including a London bus, a London Overground train, an Elizabeth line train and an Underground engineering train, were wrapped in a unique and vibrant design.

The design, which was shaped by the lived experience of the LGBTQ+ community, reflects the diversity of London and was seen by people across London to as far as Essex and Reading.

The wrapped London Overground and Elizabeth line trains, engineering train and bus were funded by our partners Arriva Rail London, MTR Elizabeth line, Hayley Rail, Abellio and Global.

Joining the Carnival

We celebrated the culture and contributions of the Windrush generation at Notting Hill Carnival in August 2023, with a specially wrapped double-deck bus.

The vibrant bus, designed by artist Baraka Carberry, formed part of our parade at the carnival, themed to commemorate the 75th anniversary of the arrival of passengers on the SS Empire Windrush.

The bus, provided by Go Ahead London, formed the central part of our float, which we arranged in collaboration with Lagniappe Mas band and the Windrush Generation Legacy Association. The wrapped bus went into customer service after the carnival.

'Our transport network would not be the success it is today without the incredible contributions of the Windrush generation who answered the call to come here from the Caribbean to work, so Baraka Carberry's design is a fitting tribute'

Andy Lord
Transport Commissioner

Spotlight on our people

Celebrating a unique legacy

Chris Samson
Project Manager,
Chief Capital Officer

As well as his day job leading on people plan workstreams, **Chris Samson** was project manager for our activities to celebrate the 75th anniversary of the Windrush generation, including arranging our presence at Notting Hill Carnival

How did you get involved in our Windrush celebrations?
We regularly celebrate the anniversary and have been a part of Notting Hill Carnival in the past, but never at the same time. Project managing the event was rewarding and exciting because although it was a first for us, the success was down to strong leadership endorsement and the willingness of colleagues and suppliers to make it happen.

Why is it important to recognise this anniversary?
The Windrush generation has a very close relationship with transport and our nation. I would go as far as saying they shaped the transport network at a time when it was truly at its most vulnerable. The part played by those who came from other countries has been either poorly documented or part of hidden history. Recognition and celebration is not only an effective way of redressing that, but also helping to shape our future as a more inclusive society and workforce.

The poet and author Maya Angelou said: ‘You can’t really know where you’re going until you know where you have been’. It’s a powerful lesson for us all in all walks of life and it’s why we took the time to partner with a charity who continue to work with veterans of the Windrush generation, many of who are retired members of London transport.

How was the experience of being involved with the commemorations?
It was incredibly challenging and inspiring at the same time. The challenge was ensuring we showcased the impact of the Windrush legacy– the art, music, clothes, language, literature and food. There are very few events that bring all of that together better than the Notting Hill Carnival. We also have so many colleagues who play an active role in the carnival.

We celebrated the contributions of the Windrush generation

The inspiration came from collaborating with some amazing colleagues and organisations who not only gave their time, resources, energy and support – but also shared their experiences and the impact of the Windrush pioneers. It helped shape so much of what we achieved.

I was really humbled with the opportunity to visit some of the businesses and meet the people who were helping to get things done. In a world where online meetings have become the norm, it was really nice to meet in person and pass on my personal thanks. I’ve made some good friends and developed important relationships.

What was your highlight from the events?
Meeting the veterans, including some in their 90s, and members of the Windrush Generation Legacy Association. Like any real hero, they are all very humble. We made sure they realised they were much more than that on the day, along with the thousands of revellers who clapped and cheered them along the route.

My mum also took part. She spoke with so many of our veterans about shared experiences and she was made to feel special by so many colleagues. The feedback from customers was incredible. Events like this can spark curiosity and builds bridges, both generational and cultural. It’s what legacy is all about.

Celebrating Black History

We celebrated Black History Month in October 2023 with a series of events and performances to honour the Black people who have shaped the transport network and the city.

A leaflet of poems by Black poets was available at most Tube stations, bringing together works from our Poems on the Underground programme, including those by Benjamin Zephaniah, Lemn Sissay and Grace Nichols.

Brixton station hosted a photo series celebrating Black women members of staff working across TfL in a range of areas. The work, titled Saluting Our Sisters, sees each woman share their achievements and aspirations, both inside and outside the workplace.

The specially wrapped bus, featuring a design by artist Baraka Carberry, which was created for the Notting Hill Carnival, went into service throughout the month on route 40, between Clerkenwell Green and Dulwich.

There were also DJ sets on the London Overground, with Service Delivery Manager Bentley Brooks taking to the decks as Bentley B at Shoreditch High Street, Shepherd's Bush, White Hart Lane and Dalston Junction stations, playing a variety of music from Africa, the Caribbean and America.

Supporting the Poppy Appeal

In November 2023, we once again showed our support for the Royal British Legion by creating special poppy-themed roundels that were displayed at 10 Tube stations and five London Overground stations, as well as at some bus stations across the network.

We wrapped five buses in a special poppy design, which featured at Battersea Power Station and alongside Yeoman of the Guard at the Tower of London. Tube, DLR, Elizabeth line and London Overground trains, as well as trams, displayed poppies to mark their support. Poppy flags were raised over our piers along the Thames.

We further supported the cause, which raises money to support veterans and servicemen and women, by creating transport-inspired poppy pins, which could be purchased from the British Legion's Poppy Shop.

Voicing support

We teamed up with celebrities Jools Holland OBE, Ross Kemp and Britain's Got Talent winner, magician and serviceman Lance Corporal of Horse Richard Jones to help promote London Poppy Day and encourage people to donate to the Poppy Appeal, ahead of Remembrance Day in November 2023.

Jools Holland made a series of special station announcements that were played across the network to encourage people to donate to the appeal. Richard Jones tried his hand as a train driver on the Elizabeth line in the simulator at Old Oak Common.

Ross Kemp braved Storm Ciaran by travelling along the Thames in a Royal Marines landing craft to meet Transport Commissioner Andy Lord and members of the London Transport Old Comrades Association at Westminster Pier, before joining them for fundraising activity, which raised more than £1 million for the charity.

2,000+
volunteers help collect donations across our transport network

£1.3m
raised on our network each year through bucket collections

Jools Holland OBE was on hand to address our customers

Our Lost Property Office provides a vital service

Lost and found

In October 2023, our Lost Property Office celebrated its 90th anniversary with a move from South Kensington to a new permanent home in West Ham.

The relocation enables us to accommodate the increasing number of lost items being received. This, coupled with the existing lost property database, will make it faster and easier for people to be reunited with their belongings. In due course, it will also make it easier for black taxis to park when they need to drop off lost property.

The Lost Property Office was created in 1933 and based at 200 Baker Street. From there, staff reunited customers with belongings left on stops, stations and vehicles, including black cabs. It is now the largest facility of its kind in Europe.

257k

items were received at the Lost Property Office in 2023/24

11,401

items returned to their owners in 2023/24

In safe hands

Our Lost Property Office keeps hold of recovered items for three months, while attempts are made to reunite them with customers by using information found inside the property or matching items to descriptions provided by customers.

After three months, any unclaimed items will have personal data removed and securely destroyed, before being either donated to charity, recycled or auctioned.

Any revenue generated from unclaimed items contributes to the cost of running the Lost Property Office.

New Labyrinth artworks unveiled

As part of our celebrations for the 160th anniversary of the London Underground, we unveiled two new Labyrinth art installations at Battersea Power Station and Nine Elms stations in September 2023.

The artworks form part of a project commissioned by Art on the Underground from artist Mark Wallinger, who created a unique Labyrinth for each station on the Tube, with the first piece unveiled 10 years ago.

Wallinger, who was first commissioned for the project in 2013, chose the ancient symbol of the Labyrinth, with its single path, as the theme of the expansive work.

Each Tube station has its own unique Labyrinth design, emblazoned in black and white on a single enamel panel, representing the journey through the network taken by millions of individuals each year.

The two stations joined the London Underground network in September 2021 when the extension of the Northern line opened.

The Labyrinth at Nine Elms features nine concentric circles to hint at the station's name while Battersea Power Station has a four-cornered structure within the circular outline, a nod to the location's famous four-chimney landmark.

London Underground enthusiasts were the first to see the new Labyrinths at Battersea and Nine Elms stations be unveiled. The Labyrinths are located in each stations' ticket hall and are now on permanent display.

Music to your ears

Our busking scheme celebrated 20 years since opening in 2023. We celebrated this milestone by launching a portrait exhibition at Victoria station featuring 20 licensed buskers, all sharing their stories of their time on the Underground.

Buskers perform at more than 40 pitches on our network. Last year, the first ever pitches opened on the Elizabeth line, with buskers bringing their talents to two spots at Bond Street station. More pitches are planned for the Elizabeth line in 2024.

Talented musicians have been performing on London's transport network since 2003 through the London Underground Licensed Busking Scheme. The performances help brighten people's journeys with genres from rock, to classical and pop for 364 days-a-year.

'From the Jam to The Kinks' 'Waterloo Sunset', London has a long history of inspiring and celebrating music, and as we enter our busking programme's twentieth year, I can't wait to hear the songs of a whole new generation of buskers'

Chris Steer
Area Manager, Green Park and Euston Victoria Line

Sing when you're winning

Auditions for the latest cohort of buskers on our network got under way in February 2024, as London's finest musical talent looked to book themselves a pitch.

Around 280 musicians from all genres performed to a panel of judges at Bank, Blackfriars, Canary Wharf, Farringdon and Southwark stations, shortlisted from around 600 applicants.

Each prospective busker had a 10-minute slot to convince a panel, which included a professional musician and station staff. The auditions were designed to assess the musician's repertoire, musical ability, and performance styles.

200
existing buskers performing across our transport network

40+
busking pitches on the Tube, Overground and Elizabeth line networks

Building our brand

In May 2023, we announced a multi-year deal with internationally renowned licensing agency IMG to expand our brand engagement and licensing programme, within both the UK and across the world.

IMG will manage and build on our existing licensing programme, which has seen major collaborations with brands in recent years such as Arsenal Football Club, Kurt Geiger and Uniqlo.

Working together, we are looking to extend our internationally recognised brand across new markets, with a special focus on engaging children and supporting wellness and active travel products. These include apparel and accessories, home, gift and stationery, publishing, food and beverage, toy and games, and experiential experiences.

The partnership will help brands access our assets, as well as iconography for rail and river services, buses, active travel modes such as walking and cycling, as well as the Elizabeth line.

274
Tube and Elizabeth line stations were renamed for the map

Engineering a new look

In November 2023, we partnered with the Royal Academy of Engineering to launch a special-edition of the Tube map, which replaced the 274 Tube and Elizabeth line station names with leading engineers.

The launch of the Engineering Icons map coincided with National Engineering Day, which recognises the achievements and contributions of engineers and aims to inspire people from all backgrounds to pursue careers in engineering.

The map saw stations renamed in honour of notable engineers. Oxford Circus was renamed as Harry Beck, who was an electrical draughtsman and created the iconic London Underground Tube map in 1933.

Shepherd's Bush became Professor Dame Ann Dowling, who was the first female President of the Royal Academy of Engineering and worked on pioneering noise-reduction research on Concorde.

Ealing Common honoured Isambard Kingdom Brunel, who is the most celebrated civil engineer of the nineteenth century, while Warren Street became Ada Lovelace, who is considered the world's first computer programmer.

Talk of the Tube

In December 2023, as part of the celebrations to mark 160 years of the London Underground, we launched a podcast series to showcase what makes the service so iconic.

Presented by railway historian, broadcaster and lifelong Tube enthusiast Tim Dunn, the four-part 'Mind the Gap' series shines a light on the iconic transport network, looking at the architecture and history of stations, innovation in transport and how public transport connects people and places.

Each episode features people who have a special connection to the Underground, including Wayne Hemingway, the world-renowned designer who created the uniforms for London Underground frontline staff, Night Czar Amy Lamé, along with other experts and TfL staff.

There was a special festive episode that saw Tim meet up with – and journey with – one of his broadcasting heroes and fellow self-professed Tube fan Rylan Clark. The pair travelled from central London towards Rylan's hometown in Essex.

Tim Dunn spoke with Amy Lamé

We have helped people to enjoy the best of London's nightlife

Friday is the new Friday

In March 2024, we introduced a three-month trial of off-peak fares on the Tube and rail networks every Friday to encourage more people to enjoy London for less.

The trial, which applied to all pay as you go journeys using contactless or Oyster, was designed to encourage people onto the network and support London's wider economic recovery.

The daily cap was also amended to cap at an off-peak rate on Friday, helping those who make multiple journeys through the day to save even more.

To further support the trial, we teamed up with London & Partners, the capital's business growth and destination agency, to create a new webpage to showcase a range of offers available on Fridays during the trial. We also worked with Business Improvement Districts and key stakeholders, to identify a range of deals to further encourage people to make the most of their Fridays.

We also announced a headline partnership with OpenTable, which offered customers special menus across a range of restaurants in the capital, with different deals available each off-peak Friday.

Concessions for care leavers

Applications for travel concessions for young care leavers opened in February 2024 to enable them to benefit from half-price bus and tram travel in London.

The concession will support around 15,500 care leavers aged 18 to 25 who can apply for the travel concession, enabling them to be able to travel more affordably while they transition into independent living.

London's children in care can face many obstacles once they leave the care system. This means fewer care leavers go onto further training or university and may have to deal with complex challenges after they leave care.

Studies by the Children's Society suggests that nationally, nearly 42 per cent of care leavers aged 19 to 21 are not in education, employment, or training, compared to around 11 per cent of all 19 to 21-year-olds.

The new concession sits alongside our other travel concessions, aimed at everyone from young people to older people and those seeking employment.

15,500
care leavers will be supported by the new concession

Artistic flair

We have showcased some of the great creative talent that London has to offer through a range of initiatives

Colour mapped out

A new pocket Tube map, which launched in December 2023 with a cover featuring a photographic collage by artist Joy Gregory, was inspired by more than 100 years of cultivated gardens on the transport network.

Gregory, who works primarily in photography, took inspiration from our annual staff gardening competition 'In Bloom', which recognises staff for cultivating gardens in unlikely station environments. Having visited and documented gardens across our network, Gregory was inspired by Morden station's garden and fruit and vegetables, naming the piece after what the station's customer service manager calls 'a little slice of paradise'.

The artwork was the 39th piece commissioned by Art on the Underground to adorn the cover of a pocket Tube map. Since 2004, there have been two new covers every year, with previous artists including Joy Labinjo, Larry Achiampong and Phyllida Barlow.

The Tube map was available for free at all stations across our network.

Declaration of independence

Throughout spring and summer 2023, London-based artist Barby Asante worked with our staff on a new performative artwork project, titled 'Declaration of Independence'.

The work brought together Black women and people of colour and culminated in a performative piece at Stratford Tube station in September 2023, with visual outcomes at Stratford, Bethnal Green and Notting Hill Gate.

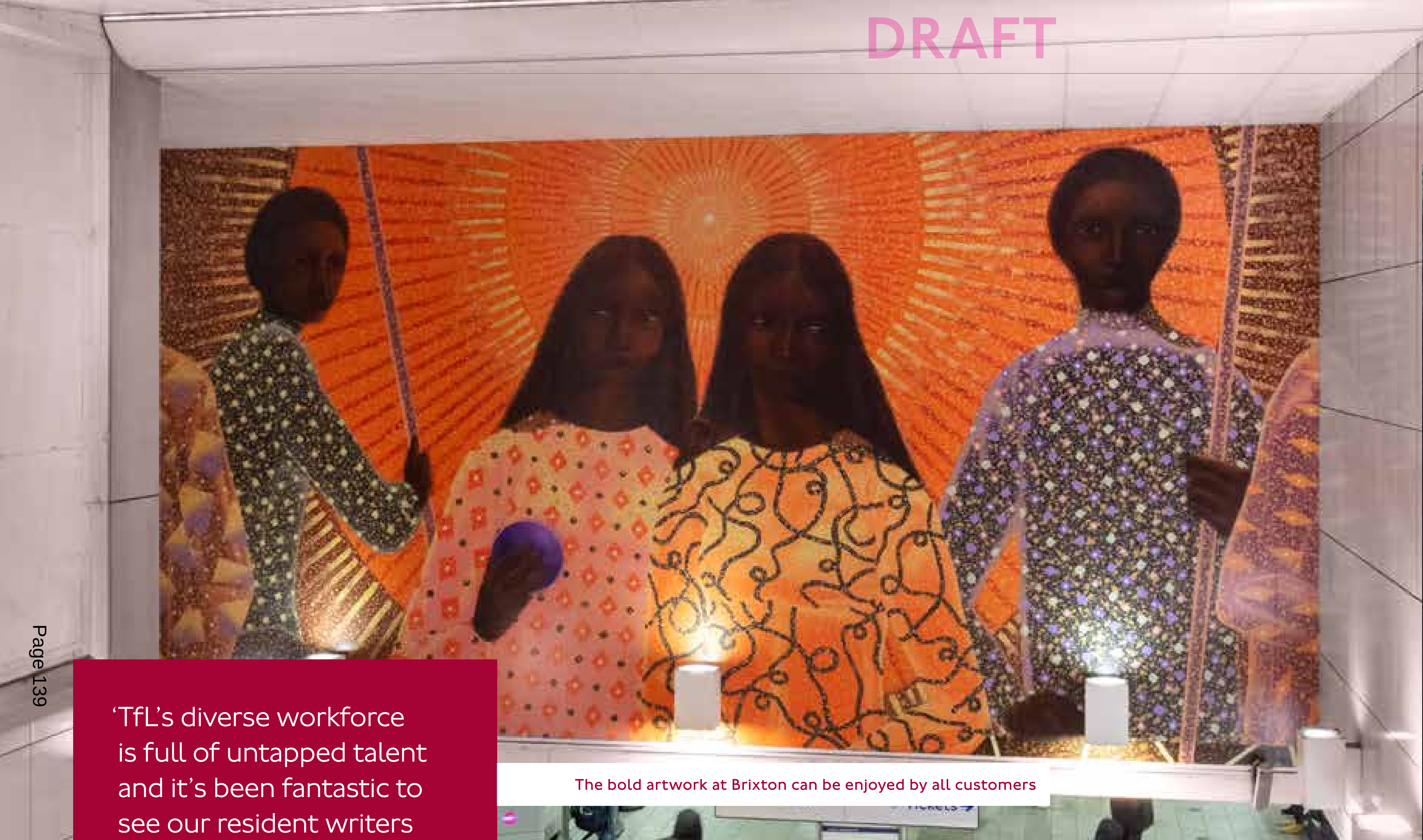
The process of this project also drew on research into our photography archives, connecting histories of Black, Asian and minority ethnic women workers to our current moment to reflect on how histories also inform the present.

Commissioned by Art of the Underground, this work was Asante's first major piece in a public space.

> 'The most beautiful and rewarding part of working on this commission was seeing the positive impact these gardens had on the lives of people using the transportation system'

Joy Gregory
Artist

Image credit: Benedict Johnson



The bold artwork at Brixton can be enjoyed by all customers

‘TfL’s diverse workforce is full of untapped talent and it’s been fantastic to see our resident writers showcase their writing skills alongside their operational roles’

Eleanor Pinfield
Head of Art on the Underground

Art is reborn in Brixton

In November 2023, Art on the Underground unveiled a new artwork by Jem Perucchini at Brixton Tube station, marking the Italian artist’s first major commission.

Titled ‘Rebirth of a Nation’, the large-scale public artwork is the latest in a series of commissions for the station, following on from the work of artists including Njideka Akunyili Crosby and Joy Labinjo.

Initiated in 2018, the programme invites artists to respond to the diverse narratives of the area, in recognition of the local murals painted in Brixton in the 1980s.

Perucchini’s work captures ethereal figures with luminous light in which the past, embodied by a female figure, and the future, her mirror image, meet. Drawing from Brixton, one of London’s most distinctive areas, Perucchini’s work responds to an environment shaped by its diverse residents and their histories.

Pond life

In May 2023, Art on the Underground unveiled a large-scale installation on the disused platform at Gloucester Road station by Monster Chetwynd.

Her installation, titled ‘Pond Life: Albertopolis and the Lily’, reveals the entwined histories of the station and the vast programme of cultural redevelopment that followed the Great Exhibition of 1851 in Hyde Park.

Chetwynd created a series of five four-metre diameter disc-shaped sculptures along the length of a platform. Each sculpture was populated with creatures – beetles, dragonfly larvae, tadpoles and tortoises – that appear to be constructing sections of the Crystal Palace.

Image credits: Angus Mills / GG Archard

400+
maps that have been digitised for the collection

2,000+
documents and images now available on Google Arts & Culture

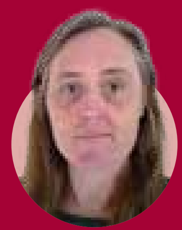
Sharing our culture

In February 2024, we collaborated with Google Arts & Culture to share our collection and stories online with the world for free.

Many of these documents are available online for the first time, and cover everything from the first London Underground line opening in 1863 to the modern day services. Among our collection are maps prepared for the 1937 and 1953 coronations, cartoons by Tube map designer Harry Beck, and extracts from oral histories with people who sheltered in the Tube during World War II.

The collection has been sourced from our Corporate Archives, which is responsible for safeguarding the corporate memory of TfL and our predecessor companies. It will be regularly updated to keep material relevant and ensure that our innovative projects are equally preserved for the future.

'This collaboration is a real step forward in preserving culture, making our collection more accessible, and helping to open never before seen content to a wider audience'



Tamara Thornhill
Corporate Archivist

Poetry in motion

In March 2024, we unveiled a poem by Harrow-on-the-Hill station customer service manager Anthony Okolie at St James's Park station, as part of Art on the Underground's writer in residence scheme.

Okolie's poem 'Ode to the Mother' is inspired by the large-scale public artwork by Jem Perucchini above the entrance to Brixton Underground station.

The poem was launched as an artwork poster on the platform at St James's Park station, with the 45-line work arranged across four panels.

The Writer in Residence scheme was established in 2022 to highlight and amplify the creative voices of our staff, creating engaging responses to art across the network.

Poet Anthony Okolie with his work

New homes and jobs

Helping business thrive and building new homes

Graeme Craig
Chief Executive,
Places for London

'We're moving London forward with thriving, connected places by unlocking the full potential of TfL's land to deliver new, sustainable and affordable homes, support Londoners and businesses to thrive, and boost the regional and national economy'

Introducing Places for London

Our property company is creating spaces that will help support London's growth and development

Going places

For decades, we have kept London moving and been one of the city's biggest innovators. In April 2022, a financially independent property company was established in TfL. In September 2023, this company was unveiled as Places for London, becoming one of our newest and most important innovations.

Places for London was created to help solve some of the capital's biggest challenges and meet its wider needs, including building new affordable housing, delivering new workspaces, and helping create a more sustainable city. It does this without diverting any funding from transport, while all operating profits from recurring revenue are returned to TfL as a dividend and reinvested into the transport network.

By 2031, Places for London will have started delivering more than 20,000 homes, half of which will be affordable. It has already completed more than 940 homes, and has started on further sites that will provide more than 3,400 homes across the capital.

There are more than 1,500 businesses on the Places for London estate, in stations, on high streets and in arches under railway lines. That number is set to grow as we create more than 250 more spaces for London's entrepreneurs. Places for London is also introducing flexible workspaces in key central London locations, by upgrading existing spaces and building new offices.

95%
of businesses on our estate are small and medium enterprises

20k
new homes started on by 2031

Places for London's approach is focused on partnership and inclusion, taking the role of a long-term steward across its sites.

As well as developing and managing buildings and spaces, Places for London wants to support the capital to prosper and be more sustainable. It is driving positive social impact, promoting economic development and embodying environmental stewardship across all its developments. As a member of the Better Buildings Partnership, Places for London has published a Net-Zero Carbon Roadmap for its portfolio.

Places for London's construction skills programme is helping Londoners take their first steps into the construction industry and is equipping them with vital skills. In the last four years, 2,775 people have gone through this construction skills programme and moved into employment in the built environment, with more than half of those coming from minority ethnic backgrounds.

> 'Places for London is a dynamic and diverse place to work, and I'm thrilled to be a part of it. I am excited to have the opportunity to deliver more of the space that Londoners want and need across the capital'

Frances Fok
Assistant Lettings Manager

50
new homes will be created

35%
of new homes will be affordable housing

Living in London

Our plans for moving forward and growing our asset base

Restoring South Kensington Tube station

Alongside our partner Native Land, Places for London obtained planning permission for the redevelopment of property around South Kensington Tube station that respects the unique heritage of the area.

The plans will see a key cultural quarter of London served by a modern and accessible station by completing step-free access to the Circle and District lines at the station and a new accessible station entrance with lifts to the ticket hall and the subway under Exhibition Road. The plans will help preserve and restore the historic arcade within the Grade-II listed station building.

The development will also provide 50 new homes around the station, of which 35 per cent will be affordable, as well as high-quality retail and workspaces.

Building a successful partnership

In April 2023, we announced that Places for London had appointed Barratt London as its joint venture partner to deliver thousands of new homes across west London.

Bollo Lane in Acton is the first site of the West London Partnership to come forward and is set to deliver up to 900 new homes, including 50 per cent affordable housing. The proposals will also provide other community benefits, including green areas, playgrounds, and spaces for businesses to thrive and grow.

Together, Places for London and Barratt London will create new educational and job opportunities for those considering a career in the construction industry, including people who live locally through apprenticeships and training programmes.

Places for London has successfully partnered with Barratt London to complete Blackhorse View, comprising 350 new homes, all of which are sold. The partnership is also making great strides, delivering 454 homes including 40 per cent affordable housing, at Wembley Park in Brent.

A thriving London

Working together to improve our estate and drive progress

> 'We have more than 900 arches across our estate, which are home to hundreds of small- and medium-sized businesses, from swimming pools to art studios. We are determined to unlock more of the spaces for businesses to set up, grow and thrive – starting at Kilburn Mews'

Jo Fisher
Head of Arches,
Places for London

Mewsing on improvements

In October 2023, Places for London announced it had secured planning permission to improve 11 arches along Kilburn Mews. The new development will open the mews to Kilburn High Street, creating a gateway to the area that has been shaped by local people and is accessible.

In collaboration with architect DKCM, the work will enhance the infrastructure of the historic and characterful arches, bridges and surrounding external space to create a new public space off the busy high street. The plans include new frontages and improved energy efficiency for the arches by using air source heat pumps to provide heating and cooling, helping to lower operating utility costs for tenants.

The proposal includes planters and tree pits, which will support sustainability and improve the ambience of the area.

Throughout the development of the designs, Places for London listened to the local community to ensure their needs were prioritised. This included hosting sessions in person and online, working with a local youth centre and running activities with a nearby secondary school.

The safety of women and girls is central to the plans, with the development focusing on how the area can be shaped and designed to ensure they feel safer. This includes improving the general lighting and security along the mews by installing CCTV cameras and mitigating potential hotspots for antisocial behaviour.

Learning together

As one of the capital's largest landowners, Places for London provides a home to a range of businesses including florists, cafés, construction companies and garages located in arches, high streets and stations across London.

In March 2024, Places for London announced a pilot of a new business skills training programme for tenants across our estate, as part of its commitment to be a responsible and sustainable landlord that promotes an inclusive economy.

Working with Heart of the City, the year-long programme offers up to 40 tenants the chance to learn responsible business skills, where they will receive a range of training and support at no cost.

The training includes online learning modules, webinars, insight sessions with experts, responsible business health checks and one-to-one sessions with advisors. There is also the chance for businesses to meet other like-minded tenants from across our estate, so they can exchange ideas, learnings and collaborate.

As well as learning skills like protecting mental health and wellbeing, and understanding more about accessibility and inclusion, tenants will also learn how to make a wider impact on their communities, such as through community investment, volunteering and by learning how to measure their carbon footprint and create a net-zero action plan.

Inspiring the next generation

In February 2024, we announced Construction Youth Trust as the delivery partner for the Educational Engagement Programme. The programme aims to inspire the next generation of young people to consider working in the built environment.

The Educational Engagement Programme will bring together schools, young people and employers, so that students, teachers and parents can learn more about the construction industry and the impact it has. Over the next three years, the programme aims to reach 6,750 young Londoners through a range of workshops and intensive programmes to help young people progress into the built environment.

Places for London and its partners will directly support 250 young people to progress into an education, training or employment outcome related to the built environment. This could be an 18-year-old starting a degree level apprenticeship, or a 16-year-old going onto study a construction T-Level.

‘We’re inspiring young people to get into the built environment industry through our Educational Engagement Programme and, by working with our partners, connecting them to opportunities created by our pipeline’

Tom Glover
Educational Engagement Programme Lead at Places for London

167k
plug-in electric cars and vans already registered in the capital

19,500
charge points installed across London

300
electric vehicle charging points that we have delivered

Charging ahead with joint partnership

In November 2023, we announced that Places for London had set out to secure a joint venture partner to help bring forward a number of new ultra-rapid electric vehicle charging hubs across our estate.

The partnership aims to create new off-street charging hubs.

Five locations have been identified as initial seed sites. These sites are at Hanger Lane, Canning Town, Tottenham Hale, Hillingdon Circus and Hatton Cross Tube station. In the coming years, Places for London expects to deliver up to 60 further charging hubs across the capital.

Each site will deliver at least six publicly accessible ultra-rapid charging bays, including at least one bay for those with accessibility needs. The ultra-rapid charging facilities will enable drivers to charge their vehicles in up to 30 minutes.

Creating a long-term joint venture partnership will enable Places for London to directly shape the design and delivery of the hubs, ensuring the highest standards of service, while generating long-term revenue that can be reinvested back into the transport network.

Designing spaces for every Londoner

We have welcomed the first residents to the development at Kidbrooke Station Square and are expecting to complete the first phase later in 2024.

To help engage everyone in the development and improve safety for women and girls, a sustainable development framework looking at the design of teenage playspaces was developed. Together with joint venture partner, Notting Hill Genesis, Places for London engaged teenage girls from Thomas Tallis School, who reviewed and suggested improvements to the designs.

Spotlight on our people

Building a successful career path

Kelly Lopez
Senior Property
Development Manager

Working for Places for London, **Kelly Lopez** is responsible for unlocking the potential of our land, leading on a portfolio of projects from feasibility stage to completion

What does your role involve?

I lead on a portfolio of projects from feasibility stage to completion. I manage a high-performing multi-disciplinary team from across Places for London and third parties to meet key objectives, which includes affordable housing, sustainability credentials and providing a financial return that can be reinvested into public transport.

How did you get involved in property development?

I have always had a passion for property and have worked in the property development sector for more than 15 years. Before joining TfL to work on property, I spent most of my time in the registered provider sector, where I would ensure a social purpose was always considered in any project.

After seeing an advert on LinkedIn, I applied for the role as Senior Property Development Manager and I have enjoyed every minute of being part of the team, which has grown to around 75 people all with a key objective to help delivering the quality, sustainable homes that London needs.

Why is it important to build new homes and workplaces?

With London's growing population, significant housing shortage and the homelessness crisis, delivering and managing new homes and workplaces is critical. Creating employment opportunities, which construction does, will also contribute to London's cultural richness and vibrancy, and generate economic growth. By doing this, Places for London is able to create a dividend that helps TfL to reinvest in the transport network, enabling it to become more and more accessible to all.

What is the highlight of your career so far?

My highlight would be playing an integral part with our joint venture partners in delivering new homes that include 50 per cent genuinely affordable homes coming out of the ground and being let to residents in locations such as Kidbrooke.

Balancing all the different stakeholder demands is always challenging, and I pride myself on my ability to bring people together, to represent Places for London's views and deliver inclusive, sustainable homes. People have already started to move into Kidbrooke, and we are expecting to complete the remainder of phase one at Kidbrooke in 2024 – I can't wait to see Londoners benefit from their new homes and community.

The developments at Kidbrooke are providing vital new housing

What are your future plans?

In Places for London, we have a target to start on the sites that will provide 20,000 homes by 2031, with 50 per cent of those being affordable. These won't just be homes, but they will unlock the full potential of land with mixed-used developments, with some proposals set to include workspace, light-industrial units, logistics hubs and retail for the future.

We value design highly and want to leave a positive legacy in the places we create for Londoners to enjoy. This could be achieved by completing step-free access at Tube stations or designing public realm that is green and beautiful, with input from the local community. The buildings and places we deliver will be there much longer than the people behind them, and I want to see good, quality design shine through and sustain for many years improving the areas in and around the wonderful stations and transport assets we have across London.

Economic boost

Our investments are having a positive impact on the wider UK economy, supporting jobs across our supply chain and partners

£6.5bn
that we invested in projects throughout 2022/23

2,000+
suppliers involved in our supply chain

93%
of our suppliers are based in the UK

A boost beyond our borders

In October 2023, we published a major independent report, which outlines the powerful economic effect that sustained investment in our public transport system can have across the whole country.

The report, by global engineering, project management and professional services firm Hatch, showed how our investment has a huge benefit for our UK-wide supply chain, which in turn delivers wider benefits for the economy of the local areas where the suppliers are based, further supporting jobs and economic growth.

During 2022/23, our investments led to a total economic output of £5.9bn in gross value added to the UK economy, and supported 100,000 direct and indirect jobs across the UK.

Analysis of our supply chain shows that two-thirds of our suppliers are based outside of London, with large numbers in the North West and West Midlands.

More broadly across the UK, our supply chain supports a wide range of small and medium-sized enterprises, such as MDS ltd, which is based in Bedford and supply the London Underground with fabricated escalator steps. We also have AJ Wells and Sons Ltd, which is based on the Isle of Wight and provides station signs and roundels across our network.

The analysis showed that for every £1m that we spend, 16 jobs are supported in the wider economy.

'London is the engine room of the UK, and this research demonstrates not only how great TfL's impact on the wider UK economy is, but also how much London needs the expertise from around the country that isn't available in our capital'

Sadiq Khan
Mayor of London

Unlocking Thamesmead and Beckton Riverside

In June 2023, we submitted plans to the Government to deliver new transport links, homes and general regeneration of Thamesmead and Beckton Riverside, with a particular focus on extending the DLR in this area.

As part of our Strategic Outline Case, which we worked on with our partners, we would deliver huge improvements through the Thamesmead & Beckton Riverside Public Transport Programme.

This includes a DLR extension from Gallions Reach to Thamesmead via Beckton Riverside, including a new DLR station at Beckton Riverside, with a tunnel under the Thames linked to another new DLR station at Thamesmead.

There would also be a bus transit scheme to provide reliable, accessible and frequent connections to the Elizabeth line and DLR, to help tackle bottlenecks and deliver improvements ahead of the extension.

The DLR extension to Thamesmead would build on experience from 2009 when the DLR was extended to Woolwich Arsenal tunnelling beneath the River Thames, unlocking significant housing growth in areas including Woolwich, Canning Town, Pontoon Dock and West Silvertown.

We have continued to develop the cases for West London orbital, which would extend the London Overground from Hounslow towards Hendon and West Hampstead, and the Bakerloo line extension.

Extending the DLR will help support vital new homes and jobs

‘We’ve seen what can be achieved with investment in public transport bringing transformational change over the past few years with the Elizabeth line, the Northern line extension to Battersea and the London Overground extension to Barking Riverside. This Strategic Outline Case is the next step on the way to making this scheme a reality’

David Rowe
Director of Investment Delivery Planning

30k
new homes could be delivered by unlocking the area

10k
jobs could be created through the support of the extended DLR

Page 148

London's major stations

We are working in partnership with London Legacy Development Corporation, Network Rail, and Newham Council to look at long-term solutions for forecasted congestion and delays at Stratford station and to support planned growth.

In July 2023, we set out an initial Strategic Outline Case for investment and the need for a long-term solution. This case will be developed further over the coming year.

We are also working with Network Rail and Westminster City Council on the potential redevelopment of Victoria station and the surrounding area. These plans would seek to improve the transport interchange and customer experience, and increase capacity at the station, as well as transforming the local area.

We have supported work led by Network Rail and Lambeth Council to develop Waterloo station, which was published in March 2024. This is a vision for the station and surrounding Waterloo and South Bank areas.

Together with Network Rail we own a combined 14,000 acres of land in the capital. Having signed a collaboration agreement in 2023, we are committed to working together to unlock the housing, jobs and new infrastructure through joint development at these and many more across London.

Positive influence

During 2023/34, we worked with more than 16 boroughs to help embed sustainable transport in their local plan policies.

We also attended two local plan examinations where we challenged policies that undermined our key objectives. As a result, we managed to make changes so that the plans better align with the London Plan. We have also shaped more than 10 supplementary planning documents that cover more detailed planning for particular areas.

2,600
planning applications were received in 2023/24

Sustainable drainage schemes will help prepare for climate change

Developing brownfield sites

We have worked closely with the Department for Levelling Up, Housing and Communities to secure transport infrastructure funding to support new housing. Recent successes include the DLR and London Overground upgrade projects and the Levelling-Up Fund projects at Colindale and Leyton.

In 2023/24, this work continued with the Brownfield, Infrastructure and Land fund.

In November 2023, the Thamesmead Bus Transit was allocated £23m, subject to business case approval, to link existing communities and key development sites in Thamesmead with local town centres and the Elizabeth line.

We are also working on a potential allocation to Pontoon Dock station, which is needed to enable the delivery of more than 6,000 homes at Silvertown Quays.

DRAFT

London Overground

Naming the future

We revealed six new names and colours for the London Overground in February 2024, representing a significant update to London's world-famous Tube map

London's latest legacy

Reflecting our past for the future

The new names and colours will make it easier for customers, while acknowledging our heritage

160
kilometres of railway

In February 2024, we unveiled the new names and colours that will help make navigating the network easier, while celebrating London's rich history. The much-loved orange roundel will continue to be used across the whole of the London Overground.

Research showed that some customers find the London Overground network confusing and would find it easier to navigate if it wasn't one single colour and name. This also brought a unique opportunity to honour and celebrate different parts of London's history and culture, creating new identities that will stand the test of time.

Starting off

We created the London Overground after taking over under-used suburban lines.

2007

A new addition

A new line between Dalston Junction and West Croydon was opened, with branches to New Cross and Crystal Palace. We used the old Underground East London line and disused railway in the north, as well as existing tracks to the south.

2010

Spreading further

We took over the suburban rail routes connecting Liverpool Street with Chingford, Enfield Town and Cheshunt, and services operating between Romford and Upminster.

2015

Better connected

The Barking Riverside extension was completed, connecting passengers to central London in as little as 22 minutes and to Barking in seven minutes.

2022

113
stations across the network

60+
London Overground stations have step-free access

There are now more than three million passengers using the service each week, connecting some of London's most historic and diverse neighbourhoods. The lines are named to help customers navigate the network and to celebrate different parts of London's history and culture.

2024

'Many of us didn't realise the history of the areas around the lines we drive, so it's been really interesting to learn about. It's brilliant to see the diverse history of London and its achievements recognised, leaving a lasting legacy. Customers have clearly been kept at the heart of this change and that shines through'

Samantha Ashman
London Overground train driver

Positive engagement

Emma Strain
Customer Director

Engaging with a range of people was key to selecting the line names, as **Emma Strain** explains

Why was there a need for line names?

We want to give customers more confidence to travel around London, especially those unfamiliar with the network. The new colours and names will make these lines much more recognisable.

Making this part of the network more accessible could see more people choosing to travel sustainably, which would benefit the whole city and wider network. At the same time, this is a great chance to honour and reflect our diverse communities and histories through the names.

How were the names chosen?

Working alongside our expert partner, creative agency DNCO, we engaged with stakeholders, customers, historians, industry experts, communities and our staff to discover shared local histories and stories, and suggestions for new names.

This was key, as London's diverse history, culture and communities have always played a significant role in shaping the city, and we wanted the names to reflect and celebrate this important aspect. We then took those suggestions through a rigorous refinement process looking at operational, legal and the customer experience to result in the final set of six names.

What were the challenges involved?

In the first phase of the project, the challenge lay in reaching out, and listening to, London's diverse communities.

The even trickier part was then capturing and translating all that incredible shared history and passion into a single and cohesive set of six names. Add in the fact that they all needed to work operationally, pass legal tests and be customer friendly, and you have a significant number of hurdles to jump.

Now the challenge is updating our expansive network to reflect the new names. We'll be changing signs at 113 stations, updating all the information on our London Overground trains, bringing all our external partners along the journey and ensuring they're kept abreast of progress. We will also work with all partners impacted to reflect the changes in their digital information systems, all while trying to minimise confusion for customers as we make the big transition.

How will the branding change?

It is important to note that the London Overground modal identity or brand will not change, and there will still be the familiar orange 'London Overground' roundels displayed outside all stations and on platforms. This is because the distinct orange branding is highly recognisable and much loved by our customers. London Overground will remain the umbrella brand and the stations will retain their names.

How did it go at the launch event and what's next?

The event was a great success with Highbury & Islington station a hive of activity as Mayor Sadiq Khan officially announced the names. The Mayor was joined by Director of Rail and Sponsored Services Trish Ashton and me, along with representatives from communities and organisations reflected in the names. We're aiming to launch the new lines operationally by the end of 2024.

We'll work with our colleagues and local community groups over the summer to showcase the line stories and bring them to life, leading up to the moment when the new line names and colours go live across the network.

Liberty line

This line runs between Romford and Upminster

Lioness line

This line runs between Watford Junction and Euston

Mildmay line

This line runs between Richmond/Clapham Junction and Stratford

Suffragette line

This line goes between Gospel Oak and Barking Riverside

Weaver line

This line runs between Liverpool Street and Enfield Town/Cheshunt/Chingford

Windrush line

This line runs between Highbury & Islington and New Cross/Clapham Junction/Crystal Palace/West Croydon

Liberty line

The Liberty line celebrates the freedom that is a defining feature of London, and references the motto of the London Borough of Havering and its historic status as a royal liberty

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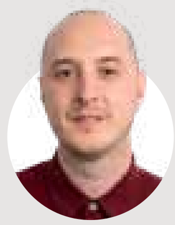
Romford — Upminster

The line, which runs from Romford to Upminster, travels through the London Borough of Havering. The name reflects the independent spirit of the Havering community, looking back at its historic status as a royal liberty, which continues to be celebrated today. It gives its name to the Royal Liberty School in Gidea Park and the Liberty Shopping Centre in Romford, as well as being the motto of the London Borough of Havering.

It also celebrates how this London Overground line links its residents to the rest of the city, including by connecting it to the Elizabeth line, giving them the freedom to explore everything London has to offer. It enables residents to enjoy the freedom and independence that public transport provides, as well as by signifying the truly unique independence of the area, reflecting its past, present and future.

My connection to the line



Peter Fletcher
Community Partnerships Lead

'My team is responsible for managing our relationship with London's boroughs, their political leadership and local community groups. Havering is a particularly interesting borough for us, as it's the only one in the entirety of London where a high proportion of councillors come from residents' associations. In the 2022 local elections they won the most seats on the council, and now run the borough. It goes to show that the citizens of Havering are politically independent minded and care about their community'

Lioness line

The name honours the legacy and achievements of the England women's football team, which continues to inspire the next generation of women and girls in sport

Watford Junction — Euston

The line runs through the heart of Wembley, which in 2023 the team's manager, Sarina Wiegman, described as a 'very special place for us'. It was where the Lionesses enjoyed their greatest triumph when they won UEFA Women's EURO 2022, attended by more than 87,000 people. It set the UK record for the highest ever attendance in a women's football game.

Following their triumph at the UEFA Women's EUROs in 2022 and reaching the World Cup final the following year, the Government set aside £30m to fund brand-new pitches and facilities. The team has also successfully campaigned for girls in England to get equal access to all school sports, and in 2023 the Government committed £600m in funding.

The team have attracted millions of fans and had a significant impact on what has traditionally been a male-oriented sport, creating a lasting legacy that continues to inspire and empower the next generation of women and girls in sport.

My connection to the line

Surekha Griffiths
Operational Strategy Officer and FA referee

'As a woman in football I am thrilled to experience the acceptance and growth that was triggered by the Lionesses. As someone who works in grassroots football, it is a joy to see that passion transfer to the younger generation. Each of those women we saw raise that trophy would have started their journey on a muddy field at a local club. Despite the differences between men and women, in sport we are all equal and there is a place for everyone to get involved and the impact of that is so powerful'

Mildmay line

This name honours the work of the Mildmay NHS hospital during the HIV/AIDS crisis, making it the valued and respected place for the LGBTQ+ community it is today

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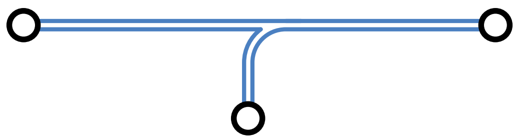


This line honours the tenacity of the NHS and its smaller healthcare centres in caring for all Londoners. The Mildmay hospital first opened in the 1860s to help nurse people in the East End's poorest slums. It played a key role in providing vital care when cholera broke out in 1866.

Following a short closure, Mildmay reinvented itself in the 1980s to play a pivotal role in the HIV/AIDS crisis, becoming Europe's first hospital for people with HIV- and AIDS-related illnesses. It was visited by Princess Diana a total of 17 times, and press coverage of some of these visits helped break the stigma at the height of the HIV/AIDS crisis.

The name cherishes the role of the NHS and its smaller healthcare centres in caring for all Londoners. To this day, Mildmay is still an internationally renowned centre for the rehabilitation of and care for patients with complex HIV, making it a valued and respected place for London's LGBTQ+ community.

My connection to the line

Claire Alleguen
Head of our OUTbound Colleague Network Group

'The Mildmay Hospital offered hope for people desperately in need. The photos of Princess Diana visiting the hospital showed the world that the LGBTQ+ community weren't to be feared. Those themes of trailblazing, compassion, hope and care are an inspiring legacy to offer. It is only right to celebrate an institution that has done so much to support the community. London has such a brilliant LGBTQ+ population, so it is good to reflect that in the line naming – as well as the hugely important work that the NHS does every day'

Suffragette line

The name celebrates this movement, with its London links, that fought for votes for women and paved the way for women's rights

Gospel Oak — Barking Riverside

The line's name pays particular homage to the East London Federation of Suffragettes, which was a largely working-class suffragette movement in the East End. They campaigned for the rights of working-class women, and held public marches, produced a newspaper and formed a small People's Army to defend themselves from police violence.

The suffragette movement played a vital role in transforming Britain's democracy for the better. The term was derived from the first wave of the campaign for women's votes – the Suffragists. Together with the suffragettes, they paved the way for women's rights, giving women a voice and campaigning for the opportunity to vote.

A key member of the movement was Annie Huggett, who lived, campaigned and died in Barking at the age of 103, making her the longest surviving suffragette. Huggett was a pioneer who fought for votes when she was just a teenager, and even held tea for the Pankhursts, a family of leading suffragettes, at her home on King Edward's Road. She organised meetings from the former George Inn in Barking Broadway – then the Three Lamps – a spot favoured by trade unionists and suffragettes. Her work helped empower women to have a significant impact on society, in the past, present and continuing into the future.

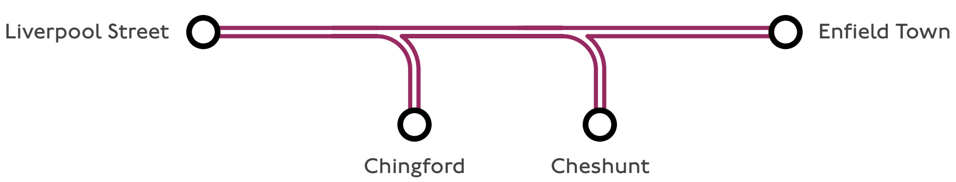
My connection to the line

Sarah Hargest
Chair of our Women's Colleague Network Group

'The suffragettes showed amazing courage at a time when it was very dangerous to make a stand against societal norms. I think TfL's choice of name for the Suffragette line will resonate with Londoners and remind them of the courageous actions taken to create a more equitable society that everyone benefits from today. To me it demonstrates a commitment by TfL to continue to foster positive impactful change and support women including its customers, its employees and London's community, as ultimately all are affected'

Weaver line

The name celebrates an area of London known for its textile trade, which has been shaped over the centuries by a diverse group of migrant communities and individuals



The Weaver line winds through Liverpool Street, Spitalfields, Bethnal Green and Hackney, and then heads up to Walthamstow, the home of designer William Morris. It speaks to the diverse mix of migrant communities and individuals who have driven London's success over the centuries as a centre of fashion and textile innovation.

The area around Liverpool Street, Spitalfields, Bethnal Green and Hackney is known for the textile trade, which has been shaped by different migrant communities. It started with the Huguenots in the 17th century, who established a flourishing silk trade and were joined the next century by Irish weavers searching for work after the collapse of the Irish linen trade. At the end of the 19th century and during the Second World War, Jewish families fleeing antisemitism moved to the area and revitalised the garment industry, maintaining the famous market at Petticoat Lane. By the 1960s, Bangladeshi immigration brought their culture to Brick Lane, with the area becoming a cultural melting pot and popular centre for fashion and food.

The line weaves up to Walthamstow, home to William Morris. His vision was for accessible art for all, selling low-cost furniture and embroidery sets to those who were less well off.

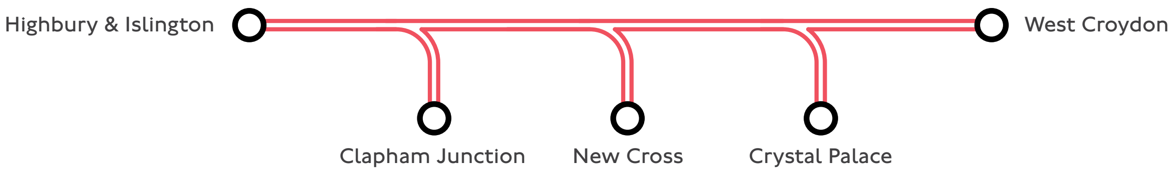
My connection to the line

Paul Marchant
Product and Industrial Design Manager

'I was part of the team that created the London Overground identity in 2007, specifically the colours, materials and finishes on the trains, including the moquette fabric. Although the Weaver line is a tribute to artisans and crafts people in East London more than 300 years ago, some of the processes used to produce a train are still pertinent today. The fabric, with its unique repeating pattern design, the dyeing of yarn, the use of looms, the pattern making and the upholstery would all be familiar to previous generations'

Windrush line

This name recognises the contribution of the Windrush generation, who continue to shape and enrich London's cultural and social identity today



The line runs through areas with strong ties to Caribbean communities today, such as Dalston Junction, Peckham Rye and West Croydon. The name recognises the migrants who came to live in Britain between 1948 and 1971, often referred to as the Windrush generation in honour of the Empire Windrush, which docked in Tilbury in June 1948.

Often met with discrimination and racism, the Windrush generation paved the way for future migration. They were frequently denied access to housing, shops, pubs, clubs and even churches on account of their race, yet these communities played an important part in our vibrant, multicultural city that we celebrate today. From ska, reggae, jazz and blues to an eclectic range of Latin music, Caribbean communities enriched and expanded London's music scene at the time, and influenced more recent genres such as hip hop, rap and grime. Writers such as Sam Selvon, author of The Lonely Londoners, blended his own language and rhythms with English, inventing a creolised English that is still used by writers such as Zadie Smith today.

The new line celebrates the Windrush generation and the wider importance of migration in creating a lasting legacy that continues to shape and enrich London's identity today.

My connection to the line

Ashley Mayers
Bus Customer Development Manager

'My grandfather was a bus driver in Barbados and was recruited by London Transport in the 1950s. My dad worked for a bus operator in the 1990s, so I have three generations of buses in my family. I think the naming is so appropriate considering the area it serves is home to large Caribbean communities. Without the Windrush generation, transport and health services would have ground to a halt. These brave men and woman came to this country, after being invited, and played a vital role in keeping our public services afloat'

Statement of Accounts

Outlining our financial overview

Patrick Doig
Statutory Chief
Finance Officer

'We have seen a remarkable turnaround in our finances in 2023/24 following the impact of the pandemic and we are working hard to ensure this continues'

Statement of Accounts – contents

Narrative Report and Financial Review

Overview

During 2023/24, we saw the completion of a remarkable turnaround in TfL's finances.

Before the outbreak of the pandemic, we had been close to reaching financial sustainability in terms of our operational activities without the need for direct Government grant, which had been phased out from April 2016 and was removed entirely from April 2018. Between 2015/16 and 2019/20 we focused on improving our financial position and resilience. We reduced the net cost of operations, excluding Government funding, by almost £1bn over that period, and we increased cash reserves to more than £2bn, giving ourselves a cash buffer that proved crucial to continue operating in the first phase of the pandemic while Government support was negotiated.

However, the pandemic devastated our fares income, which meant that, since March 2020, we required extraordinary funding support from Government under a series of funding agreements from the Department for Transport (DfT). On 30 August 2022, the TfL Board approved a 20-month funding settlement with the DfT until 31 March 2024. This funding settlement provided £1.2bn of Government funding along with the guaranteeing of passenger revenue over the period.

A key term under this settlement was for TfL to become financially sustainable, which means we are able to cover the cost of operating, renewing, and financing our existing network from TfL and Mayoral income sources – without relying on Government support. In 2023/24, we achieved the historic milestone of delivering an operating surplus, delivering on the Government's target for TfL becoming operationally financially sustainable.

We achieved our target growth in passenger journeys of six per cent from the end of 2022/23 and continue to explore new ways to attract customers to our services. In 2023/24, we saw the introduction of end-to-end running on the Elizabeth line, the launch of the full Superloop service and the 'Off-peak Fridays' trial. The Mayor's decision to freeze TfL fares until March 2025 further helps to support Londoners struggling with the cost of living and also diversifies TfL's income sources as it was funded by additional Mayoral funding to TfL.

Although we have achieved operational financial sustainability, like transport authorities around the world, we still require Government funding for new major projects and replacing significant assets such as rolling stock, signalling and major road structures. In 2023/24, we received base Government funding of £565m from the 30 August 2022 settlement, which was used solely for capital investment. In December 2023, we secured £250m additional funding from Government, of which £245m was received during 2023/24, to support our capital investment for 2024/25. We are working with Government to secure longer-term capital funding so we can invest in the capital's infrastructure with more efficiency and effectiveness.

Investing in London's infrastructure means we can continue to support jobs and growth throughout the UK with our supply chain and open up new areas for development. We will continue to play our part for a more sustainable and green future, and maintain London's position as a competitive global city that supports the national economic recovery.

Organisational overview

TfL is a statutory corporation established by section 154 of the Greater London Authority Act 1999 (GLA Act 1999). It is a functional body of the Greater London Authority (GLA) and reports to the Mayor of London.

We are the integrated body responsible for the capital's transport system. We implement the Mayor of London's Transport Strategy and manage transport services across the capital. We aim to deliver safe, reliable and integrated transport to those who live in, work in or visit London.

Governance

Our governance and decision-making arrangements ensure we manage the organisation responsibly and effectively and to high standards of business conduct (see TfL's Annual Governance Statement on page xx). This includes operating within the requirements of relevant legislation (including Local Authority legislation), as well as understanding our responsibilities to spend public funds efficiently and manage risks effectively. We conduct, at least annually, a review of the effectiveness of its governance framework including the system of internal control, which is reported to the Audit and Assurance Committee. There is also an annual Board Effectiveness Review.

The opinion for the year ending 31 March 2024 concluded that TfL's governance framework was satisfactory for TfL's needs and operated in an effective manner. The opinion highlighted the progress against the 2023/24 improvement plan.

We have established a Committee and Panel structure to which we delegate detailed scrutiny of key areas of our responsibilities. We have ensured the TfL Board has the right range and depth of knowledge, skills, and experiences to run the organisation effectively. We refreshed our Board membership, in line with best practice, so it remained relevant and up to date (the list of our members is on pages xx to xx). At the date of this report, 50 per cent of our Board members are women. We understand the benefits of diversity and are continually seeking to improve this across our Board and executive teams.

We also have a series of policies and guidance setting out expected standards of behaviour and conduct. These include the TfL Code of Conduct, anti-fraud and corruption policy and the whistleblowing policy.

In an organisation as large as TfL, we partly fulfil our duties by delegating day-to-day decisions to employees within our governance framework.

Narrative Report and Financial Review (continued)

Operating model
We are led by the TfL Executive Committee which is responsible for setting the strategy and direction for the whole organisation. Members of the committee have clear individual accountabilities and objectives for the businesses they run directly and also collective objectives and accountabilities to be delivered by the organisation as a whole.

The TfL Executive team have worked to define the highest-level process that describes what we do and how we do it and create our value chain. Our value chain is:

- Strategise and plan
- Fund and procure
- Build and maintain
- Operate and optimise
- Enable and support

The value chain helps us make sure work isn't duplicated and that we have clear accountabilities in each part of the business. The TfL Executive Committee is organised around the principles of the value chain, with the following roles:

- TfL Commissioner – Andy Lord
- Chief Customer and Strategy Officer – Alex Williams
- Chief Finance Officer – Rachel McLean
- Chief Capital Officer – Stuart Harvey
- Chief Operating Officer – Clare Mann
- Chief People Officer – Fiona Brunskill
- Chief Officer – Pensions Review – Tricia Wright
- Chief Safety, Health and Environment Officer – Lilli Matson
- General Counsel – Andrea Clarke
- Director of Communications and Corporate Affairs – Matt Brown

Strategy and resource allocation
The Mayor's Transport Strategy sets out plans to transform London's streets, improve public transport and create opportunities for new homes and jobs. This strategy is developed in consultation with our stakeholders, to improve the services we provide to our passengers. This includes how we engage and work with suppliers, communities, and our people.

Key priorities in the Mayor's Transport Strategy are creating Healthy Streets and healthy people, creating a good public transport experience, and delivering new homes and jobs. (See page x of the Annual Report).

We produce a Business Plan, approved by the TfL Board, which sets out the medium-term plan for the organisation, demonstrating how we will achieve the Mayor's Transport Strategy. In December 2023, the TfL Board approved the 2024 TfL Business Plan, which laid out our plans and investment priorities for 2023/24 to 2026/27.

The first full year of the Business Plan is used as the basis for an annual budget, which allocates resource to individual departments and projects for the year ahead. In March 2024, the Finance Committee approved the 2024/25 TfL Budget, under authority delegated by the Board.

Interests of the Group's employees
We strive to create a workplace that is safe, secure and contributes to an engaged workforce.

Our vision and values are a culmination of what our people said our future should look like and how they said we should work together to achieve it. This includes our organisational values – caring, open and adaptable.

Our colleague strategy sets out how we will deliver our ambition to be a great place to work for everyone to thrive. We have introduced a new approach to managing talent and career progression, supporting everyone to have regular conversations about their role and their development.

While the majority of our colleagues are in roles that require them to be at an operational or project location, for our office-based colleagues we are operating a hybrid-working approach, which offers flexibility and is valued by them.

Those who are hybrid working are expected to spend a maximum of 50 per cent of their time working at home per period on average, for the purpose of what we call the three Cs: Collaboration, Culture and Coaching.

The wellbeing of our employees remains a priority and we continue to offer a range of services and resources to support physical and mental health.

In June 2023, we launched our new workforce diversity and inclusion strategy, Action on Inclusion. This ambitious seven-year strategy is our long-term promise to our people, setting out how we can become a truly inclusive organisation that reflects the city we serve. We want to create and embed a culture where everyone feels a sense of belonging.

To truly meet the needs of our customers, we must have a workforce that represents Londoners, through inclusive leadership, culture, behaviours, and ways of working. While diversity has always been an important focus for us, this strategy prioritises inclusion to positively impact our organisation for years to come.

Our 2023 pay gap report showed our overall gender pay gap had reduced. We continue to work to improve gender representation at all levels, providing and promoting initiatives that encourage women to enter the transport industry, as well as addressing barriers that may prevent women from advancing to more senior and higher-paid positions. We published our Pay Gap Action Plan, which outlines how we will work to further reduce our pay gaps, ensuing equity for all. Our efforts to build an inclusive workplace, increase the voices of colleagues from under-represented groups and review organisational policies, practices and guidelines are among our key deliverables.

Narrative Report and Financial Review (continued)

Ensuring we hear the voice of our employees remains important to us. While our Trade Union relationships – with local, functional, and company-level meetings taking place across different parts of the organisation – play a significant role in achieving this, our Colleague Network Groups provide employees the chance to share ideas and support each other in developing our equality agenda in all areas of employment.

Performance

Summary of financial performance for the TfL Group

Total revenues, excluding grant funding, for the year came in at £6,714m, compared with a total of £5,804m for 2022/23, reflecting recovering fares revenues as passengers continue to return to the network.

Gross expenditure of £9,010m has increased from the prior year total of £8,490m primarily from higher staff costs following base pay increases, inflationary pressures and service expansion.

In 2023/24, our net financing and investment expenditure decreased from £647m to £538m, primarily reflecting investment property valuations losses of £108m which decreased from prior year losses of £155m, due to ongoing fluctuations in the property market. Net gains on disposals of investment properties also decreased from £22m to £16m.

Grant income remains steady at £3,505m, consistent with last year. In 2023/24, the DfT contributed £810m to support our capital programme.

These items combined with Corporation tax of £50m results in an overall Group surplus after tax for the year of £563m compared to a prior year surplus of £74m. After reserves transfers, this translated to an increase in usable reserves from £203m as at 31 March 2023 to £448m at 31 March 2024.

Reconciliation from management reports to statutory accounts (£m)

Year ended 31 March	2024
Operating surplus per management reports	**138**
Adjustments between internal management reports and statutory accounts	
Depreciation, amortisation and impairments on property, plant & equipment and intangibles	(1,298)
Change in fair value on investment properties	(108)
Difference in payments under PFI and lease arrangements and depreciation and interest under IFRS 16	(74)
Group share of loss from associate and joint ventures	(58)
Capital grant income excluded from the management accounts operating surplus	1,005
Capital renewals treated as operating expenditure in the management accounts	763
Difference in pension payments charged to management accounts and pension service costs and interest under IAS 19	123
All other items	72
Group surplus after tax per the Comprehensive Income and Expenditure Statement	**563**

A detailed segmental analysis is provided in Note 2.

In addition to £763m (2022/23 £624m) of spend on renewals works, capital spend included new investment of £50m (2022/23 £188m) on the Crossrail project and £1,316m (2022/23 £1,234m) on other investment projects. Capital projects progressed in the year included the Piccadilly line upgrade, DLR rolling stock and systems integration, Four Lines Modernisation, improving air quality and the environment through safe and healthy streets, Silvertown Tunnel, and transformative developments such as at Old Street roundabout.

Narrative Report and Financial Review (continued)

Funding sources

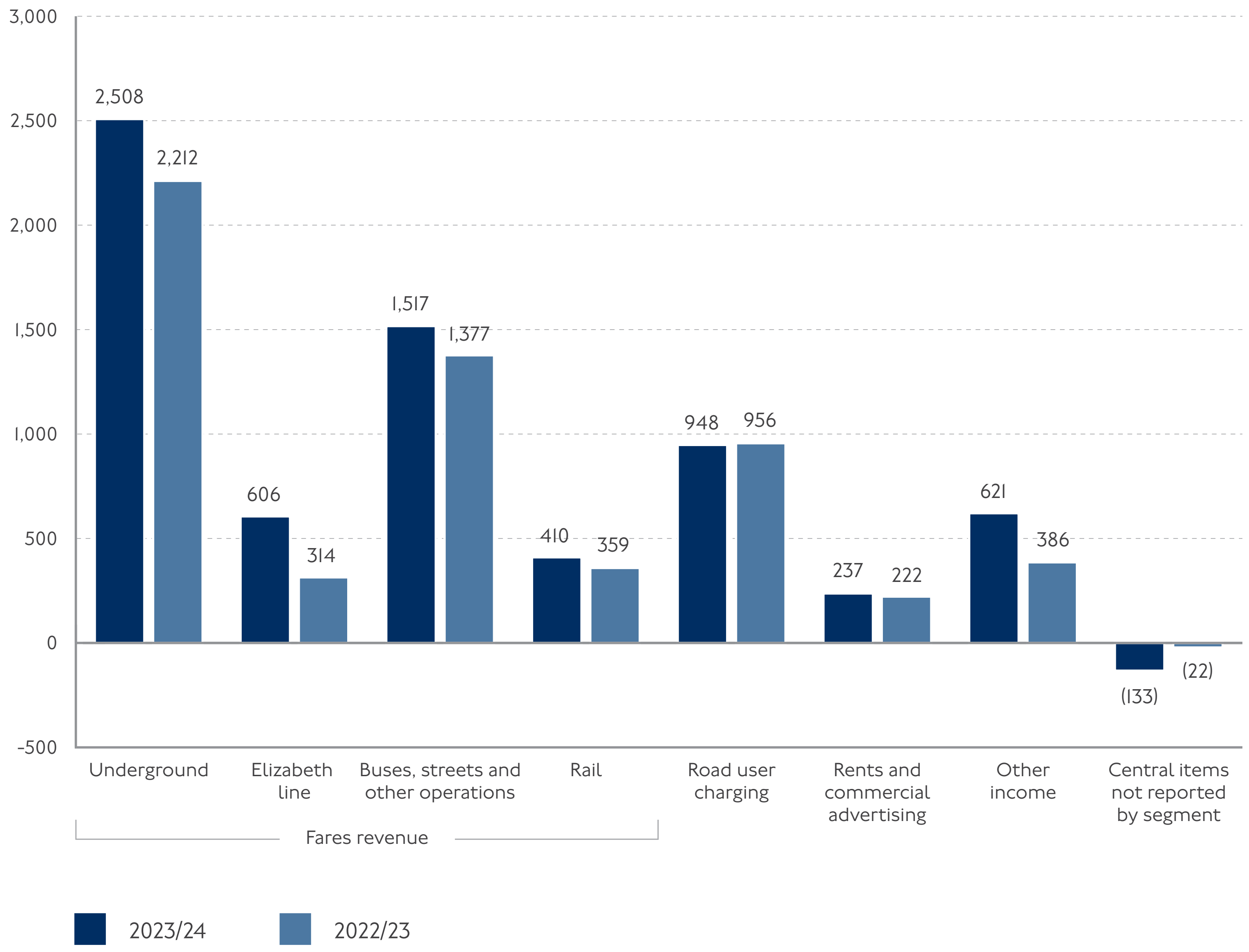
Our activities are funded from four main sources:

- Passenger fares income – the largest single source of our income
- Other income, including commercial activity and income from the Congestion Charge scheme and the Low Emission Zone / Ultra Low Emission Zone schemes
- Grant income, including a share of London Business Rates passed down to TfL from the GLA and grants from the DfT
- Prudential borrowing and cash reserves

Our Business Plan is financially balanced over the medium term, with planned funding sources sufficient to meet planned expenditure. Short-term timing differences between expenditure and funding are managed through transfers to or from our cash reserves. Government recognises that we may require further capital funding beyond the current funding settlement.

Gross service income

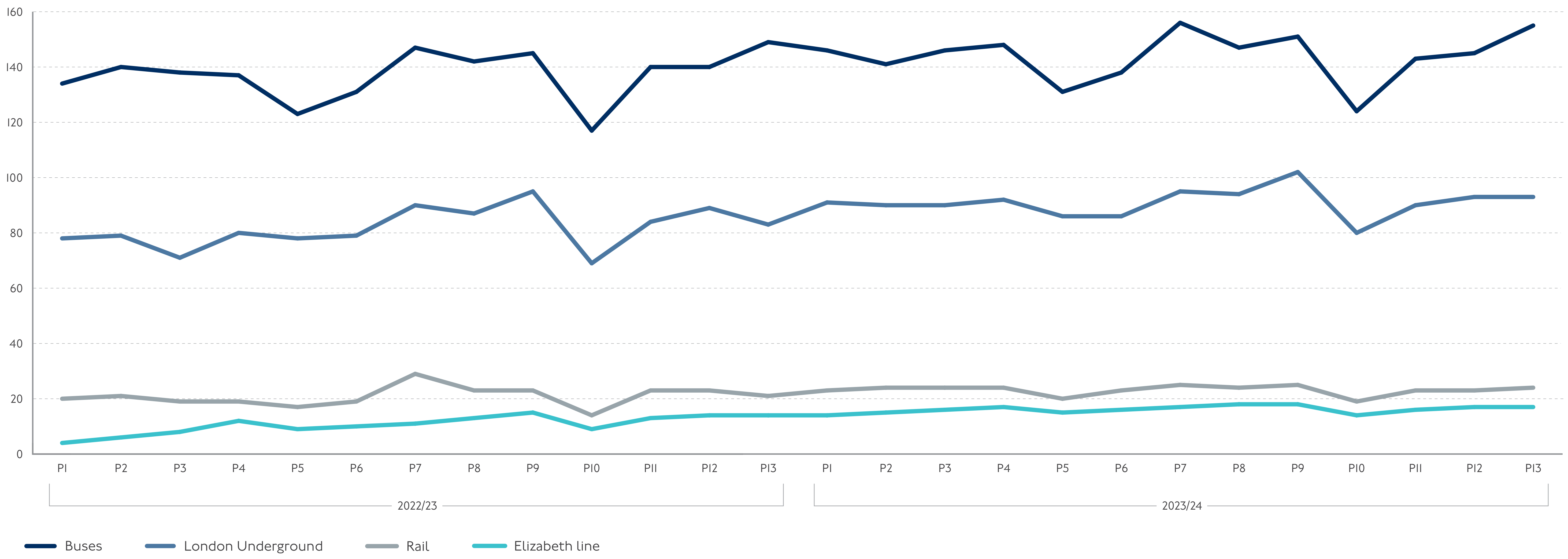
Gross service income breakdown by type (£m)



Total gross service income increased by 16 per cent from £5,804m in 2022/23 to £6,714m in 2023/24, reflecting our commitment to explore new ways of actively growing passenger demand and creating new sources of revenue to reduce our reliance on fares income.

Our primary source of income comes from passenger fares income. Currently fares make up around 75 per cent of our gross service income (exclusive of grant revenue). Fares income have increased from £4,241m in 2022/23 to £5,045m in 2023/24, a growth of 19 per cent. Passenger journeys are relatively steady at 90 per cent of pre-pandemic levels, up from 85 per cent at the end of 2022/23, as full-year figures show 3,560 million journeys have been completed, compared with 3,252 million last year.

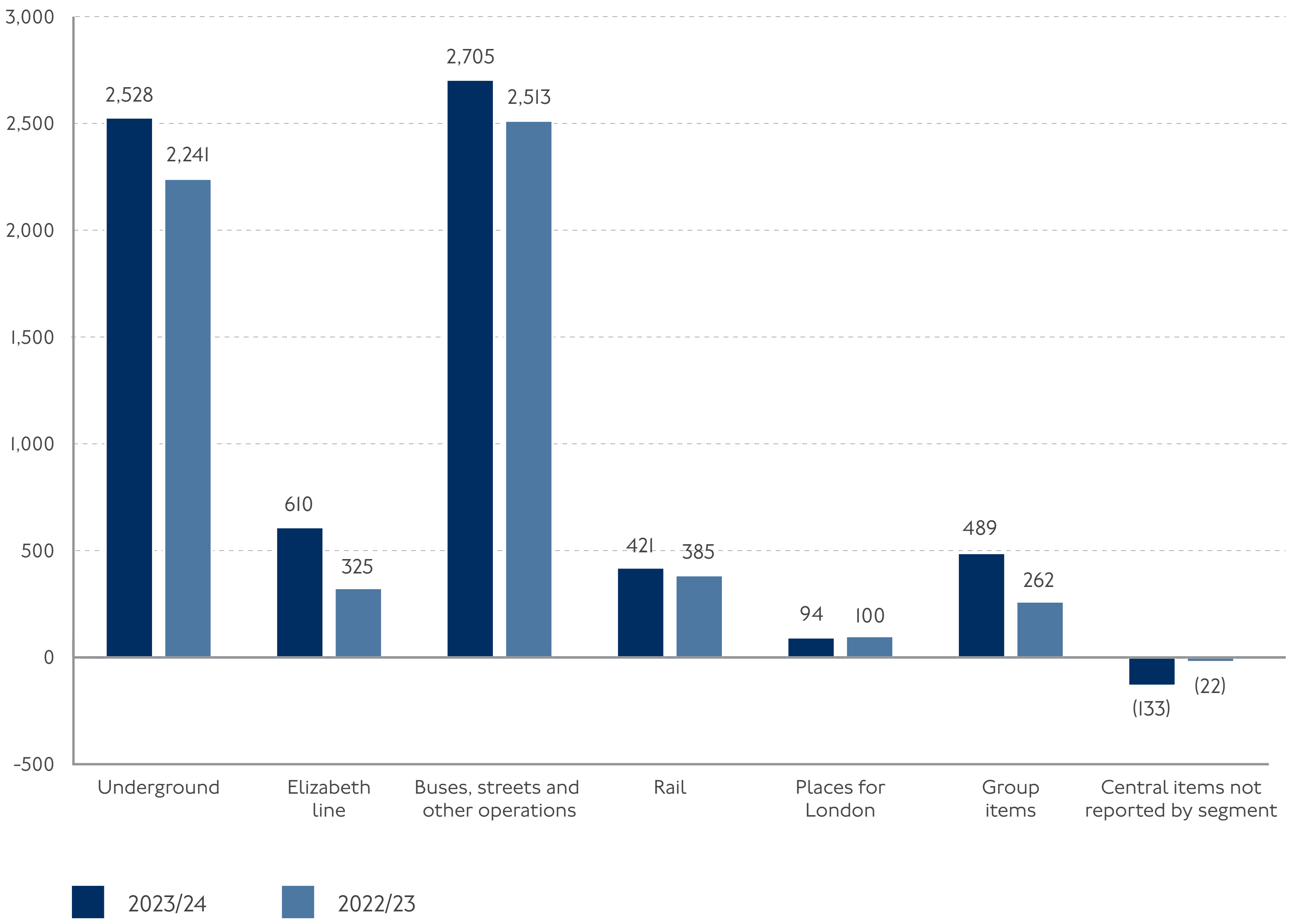
Passenger journeys per period (millions)



As well as the increase in passenger journeys, passenger revenues also reflect fare levels. TfL fares decisions are taken annually by the Mayor who, following five years of fare freezes and taking into account the requirements of Government funding agreements, increased fares initially in March 2021, and again in March 2022 by an average of 4.8 per cent (reflecting retail price index (RPI) plus one per cent) and in March 2023 by 5.9 per cent in line with National Rail fares. In March 2024, the Mayor announced a freeze on all fares under his control from March 2024.

Narrative Report and Financial Review (continued)

Total gross service income by operating division (£m)



Total gross service income for the Underground was £2,528m, which is £287m higher than 2022/23. The fares component made up the majority of this increase as a result of the increase in passenger journeys from 1,063 million to 1,181 million in 2023/24 (an 11 per cent increase).

Gross service income for the Elizabeth line increased by 88 per cent from £325m in 2022/23 to £610m in 2023/24. Within this total, passenger income increased from £314m to £606m. In 2023/24, the Elizabeth line saw 210 million passenger journeys. This is an increase of 72 million over the previous year and passenger journeys on the Elizabeth line are now averaging around four million journeys every week.

Income from Buses, streets and other operations rose eight per cent from £2,513m in 2022/23 to £2,705m in 2023/24. Within this total, passenger income for buses, at £1,517m, was £140m more than the previous year. London's bus network saw an increase in passenger journeys of 87 million with demand steadily improving during the year, along with the launch of the Superloop service which has also added additional bus kilometres to the capital's bus network, helping to drive ridership. Fares income from the IFS Cloud Cable Car, at £10m for the year, was £1m higher than the prior year.

Road user charging income, at £948m, was £8m lower than 2022/23 levels as we continue to see high levels of compliance.

In the Rail division, income at £421m was nine per cent above prior year levels. Within this, passenger income of £410m was £51m above the 2022/23 total. Rail journeys, including London Overground, DLR and London Trams, were 30 million higher than this time last year, showing rising demand on the network from 270 million in 2022/23 to 300 million in 2023/24.

Places for London income has decreased by six per cent from £100m in 2022/23 to £94m in 2023/24, mainly owing to lower dividend payments from joint ventures.

Income from Group items relates to a variety of activities, including media, estates management and travelcard administration.

Government grants and other funding

During 2023/24, the DfT contributed grant funding totalling £188m (2022/23 £135m) to protect our growing passenger income against any demand shocks, and £nil (2022/23 £808m) towards running our day-to-day operations. Although we have achieved operating financial sustainability, TfL still requires Government funding for major capital expenditure and in 2023/24, the DfT contributed £810m to support our capital programme. In addition, we continued to receive funding from the GLA as part of local authority devolved arrangements. The Mayor retains a share of London's business rates and then allocates a proportion of this to us as a resource grant.

Other sources of grant income included specific capital grant from the GLA for Housing Infrastructure projects, such as DLR train replacement and the East London Line, Levelling-up funding for step free access at Leyton and Colindale stations, Home Office funding for communication networks on the Underground, and other contributions from third parties.

The total of resource and capital grants receivable by us in 2023/24 amounted to £3,505m (2022/23 £3,523m).

Narrative Report and Financial Review (continued)

Prudential borrowing

Movements in borrowing during 2023/24 (£m)

Opening borrowing at 1 April 2023 per the accounts	12,910
Green Finance Fund loan from GLA – £100m due in 2027	100
Issuance of rolling short-term Commercial Paper	88
Repayments on Public Works Loan Board (PWLB) and European Investment Bank (EIB) loans	(129)
Repayment of DfT Crossrail loans	(35)
Fair value movements, issue premia/discounts and fee adjustments	2
Closing borrowing at 31 March 2024 per the accounts	**12,936**

The authorised limit for direct borrowings for the Corporation set by the Mayor for 2023/24 was £14,108.5m.

In addition to these sources of financing, other sources include Private Finance Initiative contracts (PFIs) (note 28 to the accounts) and other leasing arrangements which are discussed in more detail in note 14 to the financial statements.

Gross expenditure

Gross expenditure, which includes day-to-day operating costs as reported to management (see note 2 to the financial statements) and central items not reported on a segmental basis (including depreciation and amortisation) increased by six per cent from £8,490m in 2022/23 to £9,010m in 2023/24.

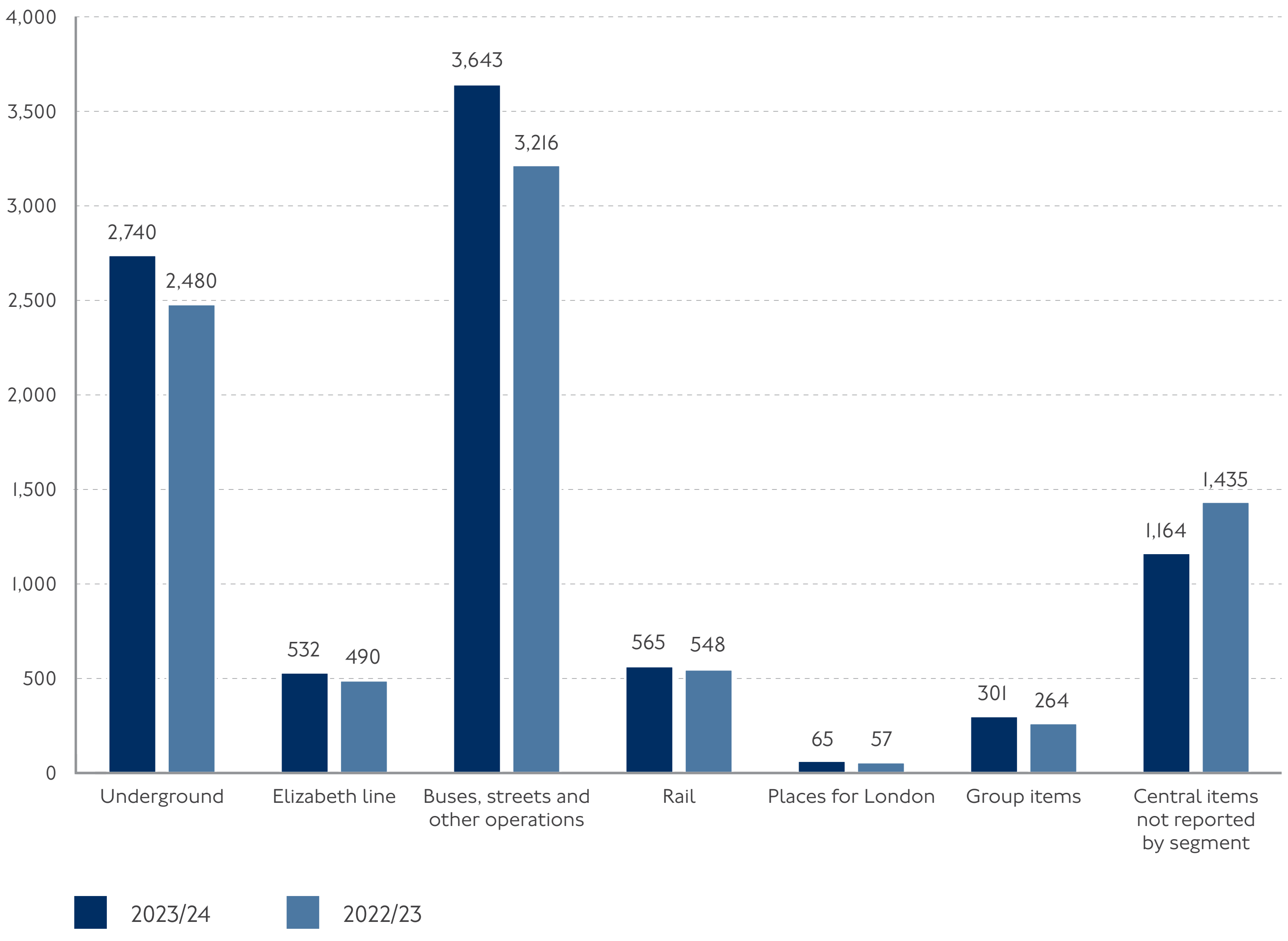
Year-on-year costs of operations (£m)

	2023/24	2022/23	**2021/22**
Cost of operations as per internal management reports	**(7,846)**	**(7,055)**	**(6,478)**
Adjust for one-off items incurred	42	44	35
Adjust for investment programme operating costs included in operating expenditure	312	146	157
Adjust for Elizabeth line direct operating costs	519	477	422
Adjust for other new services	253	177	85
Accounting and other changes	(16)	(25)	-
Cost of operations (like-for-like basis)	**(6,736)**	**(6,236)**	**(5,779)**
Adjust for RPI at 12.9% in 2022/23	**710**	710	-
Adjust for RPI at 7.5% in 2023/24	**469**	-	-
Cost of operations (like-for-like basis) in real terms (2021/22 prices)	**(5,557)**	**(5,526)**	**(5,779)**
Like-for-like cost decrease compared to 2021/22	**222**		
Like-for-like cost decrease as a percentage compared to 2021/22	**-3.8%**		

Like-for-like costs have reduced from £5.8bn in 2021/22 to £5.6bn in 2023/24 (in 2021/22 prices). We made £138m of recurring savings in 2023/24, taking total recurring savings delivered since 2016 to £1.4bn. We remain focused on right control of expenditure and reducing our core costs where possible.

Narrative Report and Financial Review (continued)

Gross expenditure by operating division (£m)



Operating costs across the Group were impacted by the pay deals for 2023/24 which consisted of a five per cent increase in base pay plus a £1,000 consolidated payment, with further consolidated payments for our lowest earners.

On the Underground, costs increased by £260m (10 per cent) in the year.

Total operating expenditure on the Elizabeth line at £532m was £42m (nine per cent) higher than the prior year figure of £490m with higher maintenance and operations costs following the introduction of the full peak timetable on 21 May 2023,

The cost of operating Buses, streets and other operations at £3,643m increased by 13 per cent on the prior year figure of £3,216m.

Operating expenditure for the Rail division increased by three per cent from £548m in 2022/23 to £565m in 2023/24 with lower costs in London Overground (£54m) offset by higher costs in Trams (£50m).

Property costs have increased during the year – from £57m to £65m, partly a result of catching up on the maintenance underspend in the prior year.

Operating costs included within Group items reflect the fact that the internal management recharge of central overheads to divisions includes elements of income (including amounts for taxi and private hire licencing, estates management and travelcard administration). At the total Group level, for management reporting purposes, this income is shown as an element of 'total income'. However, in the divisional analysis of performance, this income is included in the management recharge of net central overheads in the indirect operating cost of individual divisions.

As set out in Note 2, Central items not reported on a segmental basis primarily represent charges not included in internal management reporting. The most significant line item within this balance comprises depreciation, amortisation and impairment charges recognised in relation to property, plant and equipment and intangible assets. The total of these charges increased from £1,524m in 2022/23 to £1,628m in 2023/24. This category also absorbs the difference between the accounting methodologies used in the statutory versus the management accounts. The most significant of these relate to the treatment of defined benefit pension schemes, and to the treatment of former operating lease payable arrangements. In our management accounts the costs of these items are recognised within operating expenditure based on cash flows, whereas in the statutory financial statements, as set out in the Accounting Policies notes to the accounts, IFRS 16 Leases and IAS 19 Employee Benefits are applied.

Narrative Report and Financial Review (continued)

Net interest and finance income/charges
Gross financing and investment expenditure for the year was £623m, £126m below the prior year.

This decrease was primarily a reflection of valuation losses of £108m recognised in relation to the Group's investment property portfolio. In 2022/23, £155m of valuation losses had been recognised within financing and investment income.

Also within this overall total, interest payable on direct borrowings increased by five per cent from £444m to £466m. This increase was primarily due to the prevailing interest rates on variable rate borrowing during the year and on borrowing refinanced during 2023/24. As at 31 March 2024, TfL had a nominal £12.961bn of borrowings, of which around £0.6bn was short-term borrowing under the Commercial Paper programme. The weighted average interest rate was 3.5 per cent and the borrowings had a weighted average remaining life to maturity of 18.6 years.

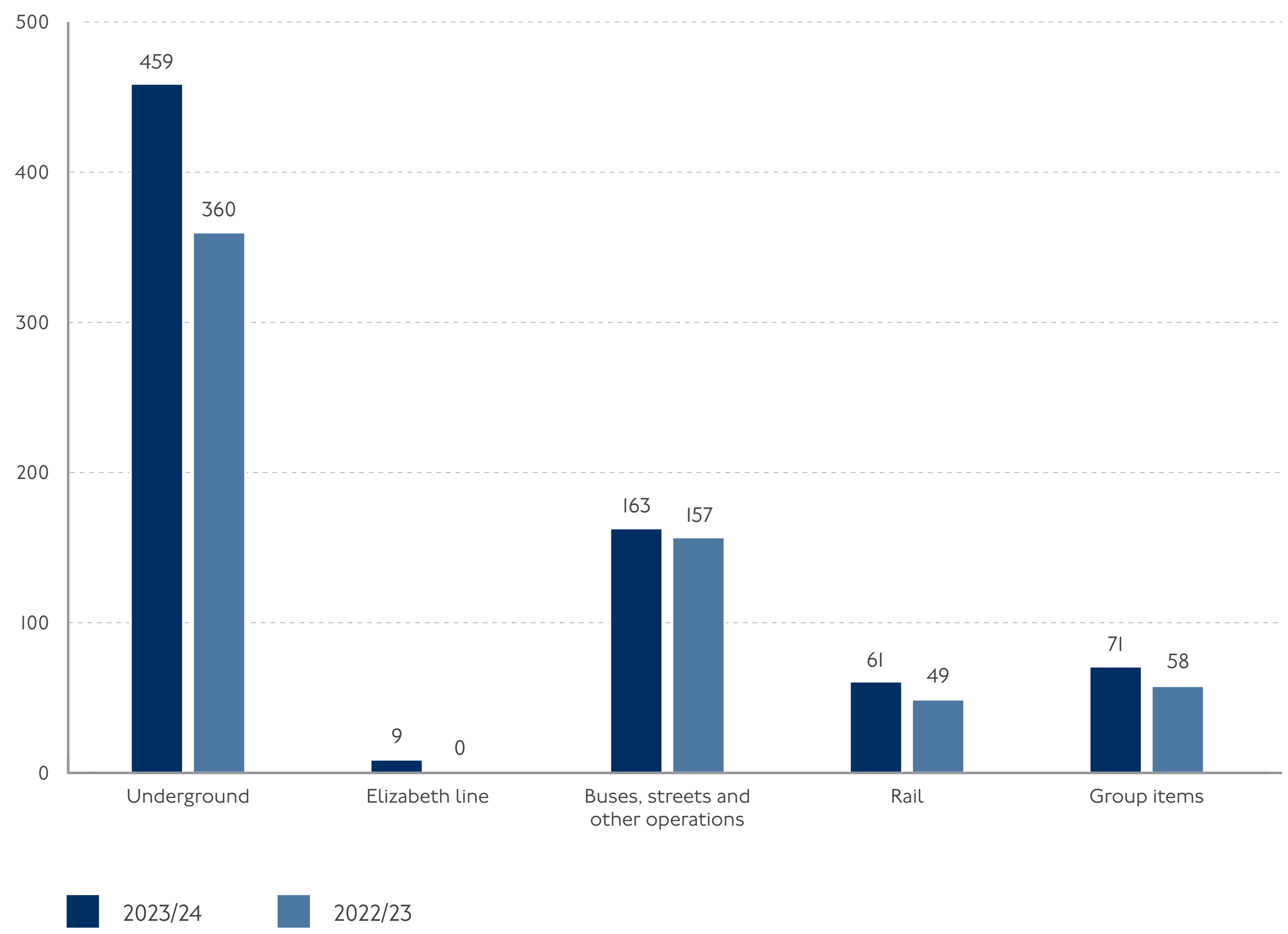
Interest payable on borrowings was offset, to a degree, by the amount of interest capitalised into the cost of qualifying property, plant and equipment. Interest capitalised in 2023/24 totalled £12m (£32m in 2022/23).

Interest payable on leases, including contingent rentals in respect of PFIs, increased from £93m in 2022/23 to £136m in 2023/24, reflecting a portion of lease contracts that are impacted by increasing interest rates. The Group's net interest income in respect of its defined benefit pension scheme obligations increased from an expense of £79m in 2022/23 to income of £80m in 2023/24.

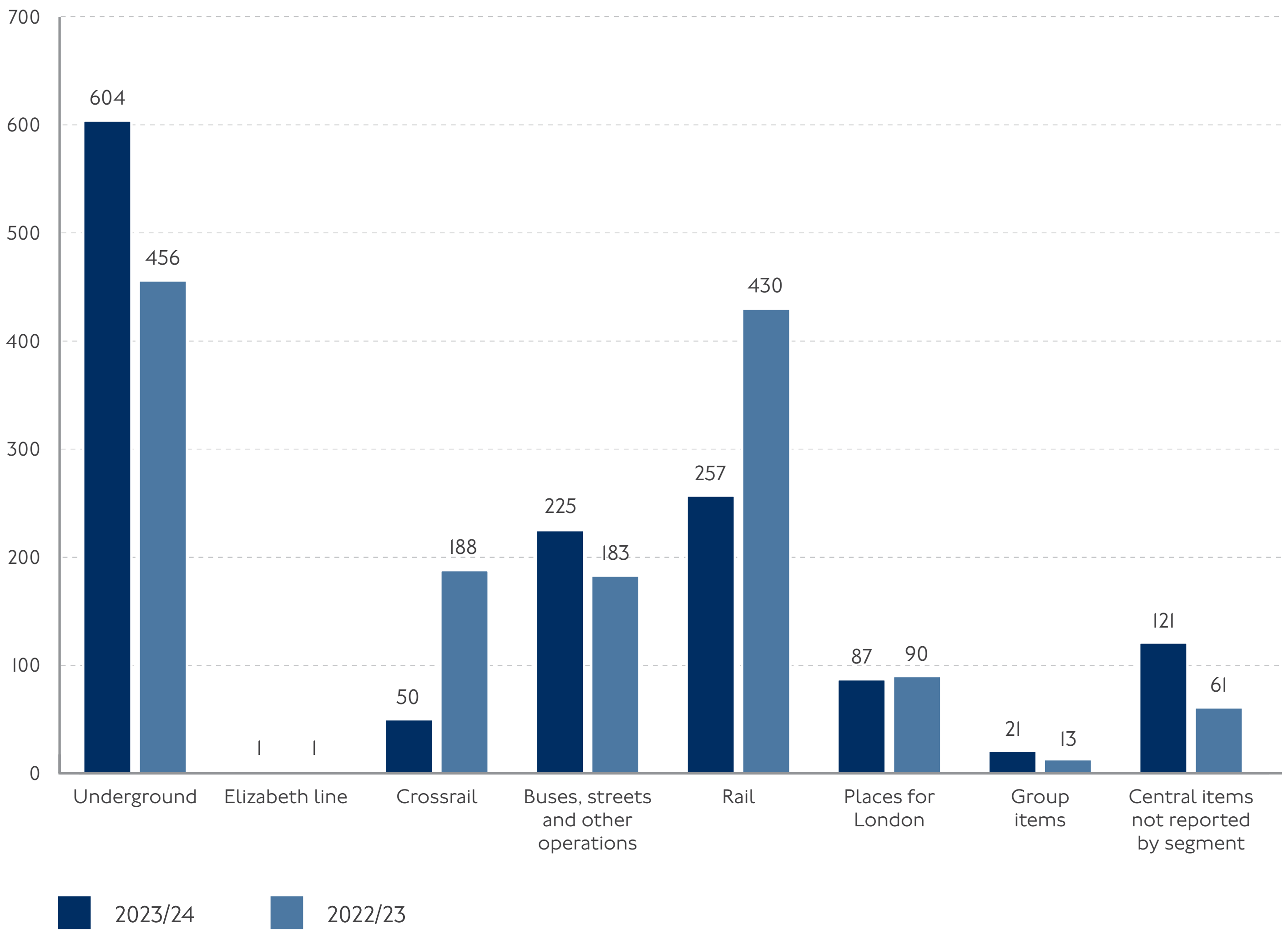
Gains from the disposal of investment properties decreased from £22m in 2022/23 to £16m in 2023/24.

Capital expenditure
Total Group capital expenditure for the year, including property, plant and equipment intangibles, investment in associates and investment properties totalled £2,129m (2022/23 £2,046m). Within this total £763m was spent on capital renewals (2022/23 £624m).

Capital renewals by business area (£m)



New capital investment by business area (£m)



On the Underground, capital expenditure totalled £1,063m, an increase of £247m from £816m in the prior year. This included £604m of new capital investment and £459m of asset renewals.

The Piccadilly line upgrade continues to progress with a further £445m invested this year. During 2023/24, a rephased schedule of payments and delivery was agreed under the contract with Siemens Mobility, which is currently building the new, higher capacity walk-through trains. This enables us to better align the introduction of the new trains with the refurbishment of our depots.

The delivery of the first train to London remains on target for 2024, ahead of entering service in 2025. The revised schedule means that up to 80 per cent of the new trains will now be built in the UK at the Siemens' factory in Goole, Yorkshire, surpassing the 50 per cent target originally planned. Siemens is investing up to £200m and creating up to 700 jobs at the Goole factory, with up to 1,700 new jobs in the supply chain.

Modifications are under way within the existing depots to provide initial maintenance facilities for the first new trains. The construction of three new stabling and reversing sidings at Northfields is substantially complete, with final commissioning planned for October 2024. At Cockfosters depot, site preparation and enabling works are under way for the new wheel lathe facility, and a contract has been awarded for building construction.

We continue to make progress on modernising the Circle, District, Hammersmith & City and Metropolitan lines with £99m being spent on the project in 2023/24. New signalling is being progressively installed on sections of the railway known as signal migration areas (SMAs).

We reached a significant milestone when the installation of the trackside signalling assets was finished at the end of March 2024. With these trackside assets in place, each SMA is tested with the new software before it is ready to go live with the new signalling system.

In 2023, we successfully commissioned SMA 6 (Stepney Green to Becontree) and SMA 7 (Dagenham East to Upminster), increasing the area operating under the new automated signalling system to 62 stations. This includes the entire Circle and Hammersmith & City lines, leaving just the Metropolitan line and parts of the District line to be completed.

Total capital expenditure within the Buses, streets and other operations division of £388m is £48m higher than in 2022/23. Within this total, the amount spent on renewals increased from £157m to £163m and on new capital investment from £183m to £225m.

Narrative Report and Financial Review (continued)

Work continues on the Silvertown Tunnel, a new 1.4km long twin-bore public transport focused road tunnel linking the A102 Blackwall Tunnel Approach on the Greenwich Peninsula to the Tidal Basin Roundabout in the Royal Docks area. Construction of the permanent wall to the tunnel portal approach is progressing well. Building of the tunnel domes in the area that was previously excavated has been completed, with backfilling started. At Greenwich, similar work has commenced to allow waterproofing of the tunnel domes prior to backfilling.

Another milestone was reached with the completion of cable tray installation throughout the entire 1.1km stretch of tunnels and cross passages. Cable pulling has now started within the tunnel, including the first tranche for lighting, following which around 75km of electrical cable will be fitted.

Following several productive weekend closures, works have progressed well at the A102, including the installation of gantries across the carriageway, construction of a new overbridge and resurfacing. This progress has negated the need to utilise proposed contingency weekends.

Total capital expenditure within the Rail division of £318m is £161m lower than in 2022/23 which included the purchase of the London Overground class 378 fleet (£281m).

Work continues on the DLR rolling stock replacement programme, 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. £223m was spent this year, an increase of £90m, with the manufacture of 30 trains completed in Spain.

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 in 2024/25.

On the London Overground, we are upgrading Surrey Quays station and improving our signalling and power infrastructure to enable us to increase train frequencies on the core section of this line. Following successful preparatory works in January, we have now installed a tower crane within the main works compound to support critical lifting activity for construction work over the coming months.

Our property company, Places for London, is creating the spaces that are vital for London's growth and development and invested £87m during 2023/24. To date, Places for London has started building more than 4,000 homes, as part of its ambition to deliver 20,000 new homes, including 50 per cent affordable housing.

During the year, £50m was spent on the Crossrail project. The full Elizabeth line peak timetable was introduced on 21 May 2023. This timetable change saw the railway move to a peak service of 24 trains per hour in the central section, an increase from 22 trains per hour, and increased connectivity and reduced journey times.

Cash and investments

Total cash, cash equivalents and investments with maturities greater than three months held by the Group at 31 March 2024 amounted to £1,494m, an increase of £92m since the end of 2022/23. Of the total cash balance, £142m is held for the Crossrail project, London Transport Museum Limited (LTM), London Transport Insurance (Guernsey) Limited (LTIG) and Places for London Limited.

Our liquidity policy requires that we aim to maintain cash reserves equivalent to at least 60 days' worth of forecast annual operating expenditure, on average (around £1.3bn for 2023/24). Our cash reserves remained on average around this level. This was in line with the long-term funding settlement agreed with Government in August 2022.

The average yield from TfL's cash investments for 2023/24 was 5.03 per cent, an increase from 2.21 per cent in 2022/23. The increased investment yield reflects the recent interest rates environment.

Pensions

As at 31 March 2024, most TfL employees were members of the TfL Pension Fund. Every three years, the TfL Pension Fund actuary makes valuations and recommends the level of contributions to be made by the participating employers to ensure the long-term solvency of the Fund. The latest available valuation of the Fund was carried out as at 31 March 2021 by the Actuary, a partner of consulting actuaries Willis Towers Watson, using the projected unit method. A revised Schedule of Contributions was agreed between the Trustee and the employers following the formal funding valuation of the Public Sector Section.

Under the valuation report, the Fund held a surplus of £179m as at 31 March 2021. Assets totalled £13,085m and the defined benefit obligation totalled £12,906m. A revised Schedule of Contributions was agreed between the Trustee and the employers following the formal funding valuation. This set out a future service contribution rate of 27.3 per cent for the employers and five per cent for members.

A separate valuation of the TfL Pension Fund has been prepared, by actuaries at the XPS Pensions Group, for accounting purposes on an IAS 19 basis as at 31 March 2024. The assumptions used by the actuaries are the best estimates chosen from a range of possible actuarial assumptions, while the present value of the schemes' defined benefit obligation is derived from cash flow projections. Due to the timescale covered, neither the assumptions nor the cash flow projections may necessarily be borne out in practice.

On this IAS 19 basis, the Public Sector Section's net deficit/surplus increased from a £1,630m surplus at the start of the year to a £2,342m surplus at the end of the year, as a result of a change in the financial assumptions adopted. The increase in discount rate reduced the value of the liabilities over the accounting period.

The total net surplus recognised in respect of all funded and unfunded pension arrangements at 31 March 2024 amounted to £2,269m (2023 £1,543m surplus).

Narrative Report and Financial Review (continued)

Prospects, outlook, and principal risks

Government funding

TfL is one of the only major authorities in Europe not to receive a regular central Government grant to cover day-to-day operations. The pandemic devastated our finances and exposed the inadequacy of our current funding model. Our high fixed cost base and our dependence on revenue from passenger fares meant that we were particularly susceptible to the significant alterations in travel patterns arising from Government-mandated lockdowns and the resulting of 'new-normal' changes to post-Coronavirus passenger behaviour.

We are grateful for the various Funding Settlements that central Government provided to TfL since the onset of the pandemic, enabling TfL to continue to provide services to Londoners and deliver its programme of capital investment, culminating in the August 2022 settlement, which expired on 31 March 2024. In December 2023, the Government agreed to a further £250m of capital funding to support the delivery of our rolling stock and signalling replacement projects for the 2024/25 financial year.

In 2023/24, TfL has delivered strong results that show we are successfully implementing our financial strategy. We are actively growing passenger demand and creating new sources of revenue to reduce our reliance on fares income, delivering recurring savings and maintaining solid and effective cost control. In 2023/24, we achieved operational financial sustainability, generating an operating surplus for the first time and no longer relying on Government funding to support our day-to-day operations. Our focus is now firmly on maintaining and building on this sustainability as the financial foundation of our ambitious plans.

The latest TfL Budget, published in March 2024, shows us delivering an increased operating surplus in 2024/25 of £161m and every penny of this surplus will be re-invested to help fund our capital programme.

However, despite this increased surplus, looking ahead this will not be enough to ensure TfL can deliver on all our plans. The 2024 TfL Business Plan assumes that further Government capital funding is provided from April 2025 onwards to contribute towards major projects and asset replacement. Based on our latest business plan, in 2025/26, we are able to fund around 80 per cent of the total £1.9bn of capital investment, but a Government funding contribution of £350m is assumed.

The Government continues to recognise that TfL is not expected to fund major projects and asset replacement through its own operating income, and we look forward to continuing the constructive conversations we are having with Government about the need for a longer-term funding settlement that will enable us to commit to the projects that will better serve this great city.

Passenger income

Rebuilding our ridership is still a key area of focus, after the pandemic. Our colleagues have continued to work tirelessly to attract customers back onto our network, including by delivering exceptional customer service, and creating a safe and clean environment on our buses, trains and in stations through an enhanced cleaning regime. In 2023/24 our demand rose by six per cent from the end of 2022/23 – representing a nine per cent annual average growth. Passenger demand is expected to return to pre-pandemic levels of four billion journeys by the end of 2026/27.

In March 2024, the Mayor announced a freeze on all fares under his control from March 2024. TfL was compensated by the Mayor for the foregone revenue. Nationally regulated fares rose by an average of 4.9 per cent in March 2024 and we continue to plan on the basis that all fares are uplifted by average annual RPI from March 2025, subject to a Mayoral decision for non-regulated fares.

Commercial development activity

On 20 June 2023, TTL Properties Limited (TTLP) was renamed to Places for London Limited. On 1 April 2022, Places for London was financially separated from TfL as a fully self-financing commercial property company. It has the twin objectives of supporting TfL's financial sustainability through delivering an increasing annual income stream and helping London's post-pandemic recovery, including through building thousands of new homes. Places for London's funding will come from a combination of receipts from property disposals and commercial debt.

Other income sources

Other operating income initially increases over the course of this Business Plan, based on the London-wide Ultra Low Emission Zone (ULEZ) scheme, which went live on 29 August 2023 and was supported by the Mayor's Scrappage Scheme for more polluting vehicles, before falling as policy outcomes of reducing polluting cars are achieved. We are also seeking to grow our non-fares revenue through a number of commercial media and partnership activities. Other revenue grants include the Mayor's proposal for an increase in band D council tax precept by £20 in 2024/25, and the funding from the Mayor for the Scrappage Scheme is also included here.

Narrative Report and Financial Review (continued)

Operating expenditure
Achieving financial sustainability in 2023/24 was a key aim for us. To do this at the same time as reducing our reliance on fares income, and during time of high inflation, has meant a strong focus on our operating costs has been a core part of our strategy.

In the 2023 Business Plan we committed to £600m of recurring operating savings by 2025/26, adding to the £1.1bn of savings already delivered between 2016/17 and 2021/22. The 2024 Business Plan stretched that target to £650m to help us achieve our 2030 strategy of growing our costs by inflation less two per cent.

Savings will be delivered through a number of measures including improved working practices, optimising our procurement and commercial approach to deliver savings across our third-party expenditure (including our operational concessions), other key operating and maintenance contracts, and our head office accommodation. We will also maintain tight controls on recruitment and overtime. Creating a whole-life assets approach and working effectively across our value-chain creates the opportunity to deliver, maintain and renew our assets more efficiently.

To build a new programme of savings initiatives to 2030 will require us to embrace the benefits of innovation and new technology. We will use our innovation team to identify opportunities and run trials that can develop into a new programme of savings initiatives, which we can deliver over the second half of this decade.

Service levels
With the change in the post-pandemic travel patterns, we are seeking to adjust service levels to better reflect the changing needs of passengers while balancing the need to make savings and efficiencies and to respond to new Mayoral policies such as the expansion of the existing ULEZ London-wide in August 2023.

In March 2023, the Mayor announced plans for the Superloop, a transformative network of 10 express bus services linking outer London's town centres, hospitals, schools and transport hubs. The new Superloop network is adding more than six million scheduled bus kilometres each year to outer London's bus network and maximising the benefits of the London-wide ULEZ expansion, while also helping deliver the faster journeys, improved connections and customer experience set out in our Bus action plan.

Over the course of this Business Plan, we are aiming for an overall increase of four per cent in outer London scheduled bus kilometres to offer more alternative sustainable transport options to key amenities such as shopping centres and hospitals. This will make journeys easier and more reliable for customers and generate more revenue that can be reinvested into the public transport network.

The Elizabeth line's full peak timetable started in May 2023, marking the final milestone of the Crossrail project. There are now up to 24 trains running every hour between Paddington and Whitechapel at peak times, roughly a train every two and a half minutes. The Elizabeth line has already become one of the most used railways in the country, supporting more than 250 million journeys since its launch, and regularly enabling more than 700,000 journeys every day. The improved connectivity it enables across London, Berkshire, Buckinghamshire and Essex, including to Heathrow Airport, provides a real boost for new housing, workspaces, retail and economic growth.

The Elizabeth line has also transformed accessibility on our transport network, with 41 step-free stations unlocking new journeys for disabled and older customers, as well as those with buggies or luggage.

Pay, benefits and pensions
We will continue to keep our reward strategy, including the pension arrangements offered to all TfL employees, under review to ensure the reward package is affordable while remaining fair and competitive: both attracting and retaining the best talent.

In December 2023, the Mayor provided funding for an improved pay offer for London Underground colleagues for the 2023/24 year. TfL's reward strategy has aimed to bring pay settlements for both operational and non-operational colleagues closer together. Therefore, the same pay deal was also offered to colleagues on TfL contracts 2023/24, which was accepted.

In April 2024, TfL confirmed that it had delivered against the targets set in its annual scorecard, and therefore will proceed with the payment of performance awards for the 2023/24 financial year.

Narrative Report and Financial Review (continued)

Enterprise Risk Management Framework
The TfL Board has overall accountability for risk management. TfL's risk appetite and tolerance approach is agreed by the Executive Committee and endorsed by the Board. Our Enterprise Risk Management Framework (ERMF) supports a broader and more integrated approach to managing risks across the organisation, enabling a co-ordinated and less siloed process including the provision of governance and assurance activities. Risk Management activities are aligned with the vision and values themes; Safety and Security, Customer, Colleague, Green, and Finance, to help deliver our objectives. The ERMF has been updated to reflect these themes. An extract of the ERMF is shown below covering the rnablers to risk management, TfL's risk hierarchy and governance and assurance overview.

Our Strategic Risks are directly categorised by the vision and values themes and the enterprise level risks have been mapped to a relevant theme. The enterprise level risks have been assigned to an appropriate panel or committee and continue to be presented annually for scrutiny. Our Executive Committee reviews and discusses the enterprise risks on a quarterly cycle once a full assessment of each enterprise risk has been carried out. Emerging risks are reported to the Executive Committee on a six monthly basis.

The governance process has been strengthened in the last 12 months with the introduction of thematic Executive Committee sub groups. The Audit and Assurance Committee is updated on key risk management activities every quarter.

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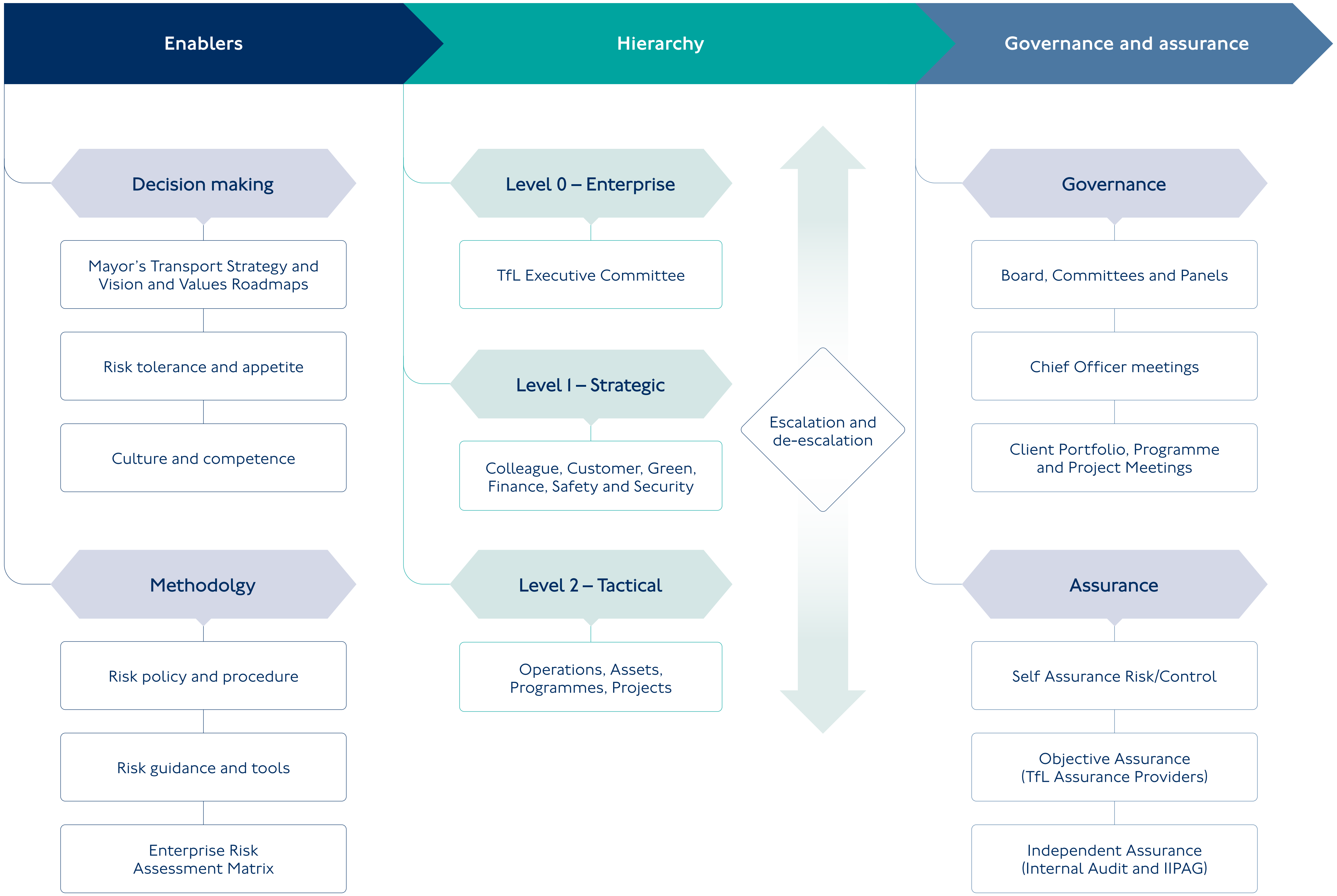

TfL's enterprise risks

TfL's enterprise risks, as well as the top three key mitigations for each risk, are detailed in the table below.

Risk	Title	Key mitigations
ER01	Inability to deliver safety objectives and obligations	• Safety, health and environment culture • Safety management system • Safety governance
ER02	Attraction, retention, wellbeing and health of our employees	• Delivery of the Colleague Wellbeing Plan • Strategic Workforce Plan • Reward Strategy
ER03	Environment including climate adaptation	• Safety, health and environment management system and assurance measures • Environmental governance and oversight
ER04	Significant security incident, including cyber security	• Security Governance and Culture programme • Cyber Security Improvement Programme • Security governance
ER05	Efficient and high performing supply chains and effective procurement	• Pan-procurement and commercial risk management process • Supply chain management and risk management analytics • Financial monitoring

Risk	Title	Key mitigations
ER06	Deterioration of operational performance	• Long-term asset degradation control • Short-term asset degradation controls • Delivery planning optimisation (longer term)
ER07	Financial resilience	• Maintaining minimum cash reserves (liquidity control) • Demand forecasting (systematic control) • Periodic analysis against budget (operating control)
ER08	Delivery of TfL key investment programmes and projects	• Supply chain engagement • Capital Efficiencies Plan • Project management community
ER09	Changes in customer demand	• Business planning and budgeting • Scenario and risk-based planning • Delivery of the customer strategy
ER10	Governance and controls suitability	• Privacy and security • Management system • Governance Framework including the TfL Board, panels and committees

Narrative Report and Financial Review (continued)

Streamlined Energy Carbon Reporting
Streamlined Energy and Carbon Reporting helps businesses across the UK in scope of the 2018 Regulations to comply with their legal obligations in respect of energy usage and carbon emissions reporting.

We have used invoiced consumption and metered data and have calculated emissions using government conversion factors for company reporting of greenhouse gas emissions 2024. District heating and cooling factors are specific to the Olympic Park district heating system.

Streamlined energy and carbon reporting 2023/24

Description	Amounts	Units	2022/23 comparison
Total energy consumption	1,624,045,920	kWh	1,572,490,169
Total gas consumption	59,441,884	kWh	83,309,200
Total fuel for company fleet	1,204,272	litres	1,245,548
Purchased district heating and cooling	3,405,746	kWh	3,449,667

Emissions breakdown	Amounts	Units	Conversion factor ($kgCO_2e$)
Scope 1 – emissions from combustion of gas	10,874	tCO_2e	0.183 (natural gas)
Scope 1 – emissions from combustion of fuel for transport purposes	2,973	tCO_2e	2.512 (diesel) 2.097 (petrol)
Scope 2 – emissions from purchased electricity	336,298	tCO_2e	0.207 (UK grid electricity)
Scope 2 – emissions from purchased heating and cooling	434	tCO_2e	0.202 (district heating) 0.053 (district cooling)
Total gross CO_2e based on the above	**350,579**	**tCO_2e**	
Total gross CO_2e including energy/fuel purchased by public transport service operators	**820,847**	**tCO_2e**	

Intensity metric	Amounts	Units
Operated train kilometres	101,221,263	3.46kgCO2e/operated train km
Average headcount	26,344	13.31 tCO2e/employee

Narrative Report and Financial Review (continued)

Our financial disclosure on climate change

Our central purpose is to keep London moving to make the city as safe, sustainable, and inclusive as possible.

The Mayor's Transport Strategy outlines how TfL should approach the delivery of a safe and sustainable transport system, and the London Environment Strategy combines policy and action to deliver environmental benefits to London, including improving air quality. This year we are trialling our first Taskforce on Nature-related Financial Disclosures (TNFD) report alongside Task Force on Climate-related Financial Disclosures (TCFD) reporting. Combining both reports, TCFD and TNFD will be covered under the four key areas: governance, strategy, risk and metrics and targets.

Our sustainability governance

Responsibility for managing climate risk sits with our Executive Committee, overseen by the Board. Environmental management is embedded across the organisation, with all areas represented at our Executive Committee Sustainability Group. The Executive Committee Sustainability Group which meets at least six times a year, oversees the strategic and operational direction on our behalf by ensuring we align between the vision, purpose, and corporate plans relating to climate risks and opportunities.

Governance structure for sustainability

Group	Role
TfL Board	• The Board has overall responsibility for the oversight of TfL's sustainability-related strategies and management guidelines. TfL's environmental initiatives are scrutinised by the Board's Finance Committee and Safety, Sustainability Human Resources (SSHR) Panel, who meet quarterly to scrutinise and support environmental initiatives • The Board meets a minimum of six times a year • The SSHR Panel considers wide-ranging issues including policy, strategy and the implementation of the Mayor's Transport Strategy and operating business performance in relation to safety and sustainability considerations for TfL services, this includes climate • In the last 12 months the SSHR Panel have discussed: implementation of the Corporate Environment Plan for capital and operations, Environment including Enterprise Risk update, progress on Climate Change Adaptation Plan 2023, and approval and endorsement for the Green Infrastructure and Biodiversity Plan 2024
Executive Committee	• TfL's Commissioner and Chief Officers are responsible for fulfilling the priorities and objectives set out in the Mayor's Transport Strategy and TfL Business Plan • The Executive Committee is responsible for the management of TfL's Enterprise-level environmental risk • The Executive Committee meets on a weekly cadence and has performance and strategic meetings every four weeks
Executive Committee Sustainability Group	• The Executive Committee Sustainability Group is responsible for the co-ordination of cross-organisational environmental and sustainability issues and work-programmes, on behalf of the Executive Committee • The group is chaired by TfL's Chief Safety, Health and Environment Officer and Chief Capital Officer, and includes representation from all TfL business units The Executive Committee Sustainability Group meets at least six times a year and its role includes: • Agreeing the strategy for environmental management, including setting targets, monitoring, and reporting on performance • Providing central oversight of the Group's management of climate impact to ensure that climate chance informs strategic planning and decision making across all TfL activities • Overseeing management practices that ensure that these exposures are controlled in line with TfL's risk appetite and Corporate Environment Plan • Promoting internal awareness and understanding of climate- related threats and opportunities • Ensuring actions and responses to climate are proportionate

Narrative Report and Financial Review (continued)

Integrating sustainability across TfL
To meet our sustainability-related legal requirements and policy commitments, we have set out clear accountabilities and actions for our leadership and business areas. We have mapped out high level environmental accountabilities within the Chief Officer areas and across the value chain, to ensure that climate and nature-related impacts and dependencies are considered, while our risks are managed and opportunities are taken up to improve our climate, decarbonise our network and enhance our green infrastructure and biodiversity.

During 2023/24:

- The Green Infrastructure Steering Group was formed to deliver on our nature-related actions. The group leads on the short-, medium- and long-term actions in our Green Infrastructure and Biodiversity Plan and work to ensure resources and funding for the work

- We formalised our Adaptation Steering Group, which is responsible for delivering the Climate Change Adaptation Plan. The responsibilities of this cross-functional group are to identify key strategic actions and decisions on adaptation, share knowledge and best practice, embed considerations of climate risk and adaptation work across the organisation, improve our understanding of climate risk, and identify adaptation-related projects that require funding

- The Net Zero Matrix team was established to support and accelerate delivery of net zero commitments

  The team manage setup, delivery and oversight of specific programmes and projects, as well as other initiatives, with the primary objective of reducing TfL's operational carbon emissions to net zero by 2030

- Following all the Executive Committee completing sustainability awareness training in 2022/23, more than 90 per cent of our directors completed the same training in 2023/24

- In September 2023, we also hosted a five-day Sustainability Summit for all TfL colleagues, which included more than a dozen events attended by more than 2,000 colleagues

- Through our Carbon Literacy Programme, we trained more than 75 colleagues as certified, volunteer Carbon Literacy trainers and nearly 20 volunteer coordinators. This network of colleagues facilitated the training of more than 4,000 colleagues from all areas of TfL in 2023/24. This was supplemented with a three-part online Carbon Management training course, targeted at enabling project managers, sponsors and engineers to use the carbon modelling tool to assess and reduce their project's carbon footprint

- TfL received the Bronze Accreditation from the Carbon Literacy Project in February 2024, and was shortlisted for the 2024 Chartered Institution of Highways and Transportation Sustainability Award. Of those who attended, 93 per cent of colleagues became certified in Carbon Literacy with the Carbon Literacy Project. At the close of 2023/24, 3,135 people of the around 88,384 people certified globally were trained at TfL, meaning 3.5 per cent of all people certified globally in Carbon Literacy were trained at TfL

- In September 2023, we launched Sustainability Apprenticeship and Sustainability Graduate schemes, to promote the skills pipeline for sustainability expertise. We recruited five sustainability graduates and five sustainability apprentices and a further five sustainability graduates will join TfL in September 2024

- More than 30 per cent of the capital's population – nearly three million people – is under 25 years old. Therefore, we work with young people and organisations representing young people to ensure these views inform our work. One example is the TfL Youth Panel, made up of 30 volunteers aged 16 to 25, who travel in London. In October 2023, the TfL Youth Panel concluded a 12-month exploration into sustainability at TfL and published its report with nine recommendations. In February 2024, we responded to the recommendations and have already begun to put these into action, including appointing a youth representative to attend some of the TfL Board level meetings such as the SSHR Panel and the Customer Service and Operational Performance Panel

Managing our Green Estate
The development of the first Natural Capital Account (NCA) involved a wide range of internal stakeholders, including senior managers, to gain full understanding of the nature-related impacts and dependencies, as well as risks and opportunities within TfL. The baseline NCA (2022) includes our top impacts and dependencies, risk and asset register, and identifies gaps and opportunities for the future. Managing the risks identified in the NCA is critical for the safe running of our transport network. Our green infrastructure provides many wide-ranging benefits, which, when managed correctly, provide safer, more attractive, comfortable, and adaptable spaces for Londoners to live, visit and work in.

From February 2024, the Environment Act 2021 required that developments going through planning leave the land in a measurably better position than it was before. To prepare for this requirement, in 2023/24, we established the Biodiversity Net Gain (BNG) steering group with key stakeholders across the business, to address these BNG requirements. The aim of the group is to identify projects that need to comply with BNG and establish the overall strategic BNG position. Failing to comply with this piece of legislation could result in financial, reputational, and legal risks to the business. Early engagement with key stakeholders aids us in identifying and understanding scheme viability, the costs of providing BNG, and future funding options.

Narrative Report and Financial Review (continued)

In 2024/25, we will be exploring options such as the Habitat Bank project; to identify potential Habitat Bank sites within TfL boundaries to provide off-site biodiversity gains. This project has the potential for key lessons learned for TfL, as well as other future parties who wish to adopt similar projects and initiatives.

In 2024/25, we plan to update our biodiversity baseline to understand the changes in biodiversity from our last assessment, which was conducted in 2019. The data for green infrastructure and biodiversity, which is to be improved and updated in this baseline, will be employed by our Geographical Information System (GIS) team to improve our surveying, monitoring and asset management. At the same time, we will investigate the data requirements for BNG and procurement of further management systems.

Integrating sustainability across London's communities

Our natural assets provide wide ranging benefits to London's communities, and to the people living in, working in, and visiting the city. As these benefits are so impactful at the community level, we will continue to collaborate with stakeholders across London and more widely. We look to share best practices, provide inspiration, and support London in unlocking opportunities to maximise our positive impact on nature and sustainability. We collaborate with external stakeholders on climate and nature-related risks and opportunities. This work includes projects with community groups at various locations across our network. For example, in 2023/24, teams at Hatch End and South Tottenham London Overground stations, collaborated to continually improve their thriving community hub. Hatch End station is renowned for its gardens and floral displays, as well as its annual community events. The team at South Tottenham also aims to create a greener London while building valuable relationships with the local community, which in turn provides an enhanced level of customer service.

We are also active members of various industry-lead nature related working groups (for example, the RSSB Nature Value working group) to contribute to and learn from the community, as well as tackle various challenges collaboratively. Internally, gardening enthusiasts across TfL hold an annual In Bloom competition. This more than 100-year-old competition extends to all parts of the network, including stations, depots, service control rooms and offices. In 2024/25, the theme is sustainability and future-focused: gardens are expected to represent what gardens of the future would be like.

As a transport authority, we acknowledge that improving green infrastructure and providing sustainable travel access will also help reduce social and environmental inequalities as follows:

- Our Leisure Walking Plan seeks to enhance and improve the Walk London Network. In 2023/24, we continued to deliver actions to upgrade existing routes and improving communities' access to green spaces
- Marginalised and vulnerable groups are more likely to experience climate change impacts. TfL's work on green infrastructure ensures equitable access to active travel opportunities. For example, walking is the most common transport option for older Londoners, as stated in our 2019 report: Understanding London's diverse communities. We are continuing to work with community groups, to improve the walking environment for everyone

Our sustainability strategy

To deliver the Mayor's Transport Strategy, we work with many partners, including other parts of the GLA and London's 32 boroughs and the City of London. In 2023/24, we developed our internal strategy, which sets out how we will deliver our vision of being a strong, green heartbeat for London and our values, which describe the culture we are building and how we work.

This strategy is broken down into five key themes, which cover customers, safety and security, our green future, colleagues and finance. Within these areas, we have key priorities to help shape our plans and ensure we can secure the best future for London's transport network as we support the capital's growth and development.

Progress against our strategic targets is tracked using our TfL scorecard and Mayor's Transport Strategy progress reporting. Structured to clearly align to our vision, values and strategy, it plays an important role in keeping us on track and helping us to maintain momentum.

To deliver our vision to be a strong, green heartbeat for London, we need to turn the Mayor's Transport Strategy into day-to-day reality. Centring around creating a fairer, greener, healthier, and more prosperous city by changing how people get around, this requires us to deliver a huge array of projects and initiatives across our business over the coming two decades.

The TfL scorecard is structured according to the themes of our vision and values and strategy – with our environmental priorities driven through the theme of 'Our Green Future'. We continually track our progress against metrics aligned to these, giving us an objective view of our performance. This helps us to manage our resources and informs the decisions we make as we run our organisation responsibly.

There are also local scorecards which feed into the overarching TfL view and further specify areas of focus to ensure the day-to-day delivery of key targets. This ensures that our environmental priorities are delivered with responsibility held in the Chief Officer area including Customer and Strategy, Capital, and Operations.

The 'Our Green Future' theme focuses on delivering three priorities and outcomes:

- Reduce carbon emissions and adapt to climate change;
- Improve air quality; and
- Protect, connect, and enhance green infrastructure and biodiversity

Narrative Report and Financial Review (continued)

Our annual Green Roadmap sets out the quarterly actions we will progress against these priorities. The Green Roadmap ultimately sets TfL on the path to achieve our 2030 success measures:

- Net zero operations by the end of December 2030;
- Reduce nitrogen dioxide concentrations to less than 26 micrograms per cubic meter in central London, less than 22 in inner London and less than 19 in outer London;
- Add 40,000 square meters of catchment area draining into sustainable drainage systems (SuDS) to our network

Nature-related dependencies, impacts, risks and opportunities the organisation has identified

Our first natural capital assessment (carried out in 2022, in line with BS:8632 Natural Capital Accounting for Organisations) focused on the nature-related impacts and dependencies related to the physical attributes of TfL owned and managed land. The purpose of the Natural Capital Account is to show the benefits provided by the natural capital assets that the organisation owns, manages, or depends on over the future time period. We held internal workshops to identify the area of focus for scenario analysis. We decided upon:

- Meeting legal and policy commitments for biodiversity net gain and green infrastructure leading to increased expenditure. In the scenario analysis, we will be focussing on the risks and opportunities of delivering our commitment to street tree planting

As part of the materiality assessment, the following impacts and dependencies were concluded:

Impacts	• Air pollutants • Greenhouse gas emissions • Biodiversity loss • Disturbances • Use of fossil fuels
Dependencies	• Erosion and soil regulation • Use of fossil fuels • Solid waste • Flood attenuation • Land availability

The six highest rated impacts and dependencies are:

1. Greenhouse gas emissions
2. Use of fossil fuels
3. Air pollutants
4. Biodiversity loss
5. Use of materials
6. Flood attenuation

This Natural Capital Approach uses qualitative, quantitative, and monetary data to assess impacts and dependencies. The final account tables tend to be in monetary units.

Extract from TfL natural capital balance sheet, PV60 £m

Produced at: February, 2022 Year-on-year costs of operations	Valuation metric	Value to TfL	Value to London	Value to global society	Total
Asset values (monetised)					
Carbon Sequestration	Value of CO_2e sequestered by woodland, semi-improved grassland, and shrub			18.0	18.0
Air Quality Regulation	Value of PM2.5 removal by woodland		65.0		65.0
Flood risk and Water Management	Avoided volumetric charge, energy cost and greenhouse gas emissions from water treatment	0.3			0.3
Recreation	Income from land rents	2.5			2.5
	Welfare value of recreational visits		130.0		130.0
Physical health	Avoided medical treatment costs		112.0		112.0
Volunteering	Value of volunteer time	0.2			0.2
Total gross asset value	**Mix of values**	**3.0**	**307.0**	**18.0**	**328.0**
Asset values (non-monetised)					
Biodiversity	Biodiversity score of natural capital assets: 8,171BUs				
	Number of hibernating bats species: 44				
	Area of wildflower verges: 7 hectares				
Visual screening	Potential visual screening provided by trees: 147 hectares				
Shading	Potential shading of passengers at TLRN transport nodes provided by trees: 0.08 hectares				
Unquantified material benefits					
Mental Health					
Education					
Liabilities*					
Production costs					
Natural capital maintenance costs					
Total gross asset maintenance costs					
Total net asset value (monetised)					

* Certain items are not disclosed and these lines have been left blank in the table above

In 2023/24, we used the results from the NCA to apply to projects, decision making and investment. In 2024/25, we will use the information to set targets for green canopy cover.

Asset Location for Green Infrastructure

In March 2024, as part of our Green Infrastructure and Biodiversity Plan, we published the locations of sites of importance for nature conservation areas on our network. We identified intersections between our estate and two Special Areas of Conservation, six Sites of Special Scientific Interest, eight Local Nature Reserves and 139 Sites of Importance for Nature Conservation. This work also included our previous habitat and biodiversity assessments, which identified more than 1,000 animal species and 700 plant species.

In 2024/25, we will conduct a re-assessment of our entire network's biodiversity potential. This will track changes over time when compared to the previous biodiversity baseline assessment conducted in 2019. This will meet our latest BNG requirement, and inform further locations for biodiversity offsetting, as well as which are priority locations within TfL's value chains.

Narrative Report and Financial Review (continued)

Risks and opportunities over the short, medium and long-term

In 2023/24, we began our first scenario analysis in collaboration with the Government Actuary's Department (GAD). Our aim is to pilot scenario analysis with a sample of risks and opportunities, covering transition, physical and nature related risk and opportunities to align with both TCFD and TNFD. For this years annual report, we have identified seven risks, and selected scenarios. Each of these risks link to a number of existing risks within our Enterprise Risk Framework, the modelling completed through scenario analysis, will be embedded into existing risk profiles. In 2024/25, we will further the analysis by conducting a qualitative and quantitative assessment of our sample risks.

We have chosen three timeframes for analysis, and they are short-term (to 2030), medium-term (to 2050) and long-term (to 2080). The financial impacts within climate scenarios are time- sensitive. For example, transition risks may be a dominant influence in the short term, but physical risks might dominate in the longer term. We have chosen these timeframes to align with TfL, Mayoral, Governmental and International climate time horizons. We have done this to ensure our scenario analyses take advantage of the best, most current data available, while producing results we can then use when planning for our operational and financial future.

- Short term – to align with TfL Strategy which sets out our path over the coming years to 2030
- Medium term – to align with London Environment Strategy, which sets out the plan until 2050. Also aligning with our medium time horizon within our Climate Risk Assessment
- Long term – to align with the long-term time horizon within our Climate Risk Assessment

To select physical risks for scenario analysis, we used our Climate Risk Assessment, which was published in 2021. This risk assessment covered risks to assets and people from chronic and acute climate change. This risk assessments covers 333 risks, and they are rated minor, moderate, major and severe, over three timeframes 2021, 2050 and 2080. We consolidated our risks, to group together similar risks to aid in prioritisation. We chose two physical risks to complete scenario analysis on in 2024/25. These risks are both acute risks, and they are rated as major and severe over the timeframes. We will explore a wider range of physical risks, in future scenario analysis. The physical risks we chose were:

- Extreme precipitation leading to flooding London Underground stations, shafts and portals. This risk was chosen as it is rated as a major and severe risk for TfL due to the potential impact to services and high likelihood of significant asset and infrastructure damage
- Extreme high temperatures on transport and in buildings. This was chosen as it is rated as major and severe for TfL due to the health, safety and wellbeing impacts on staff, tenants, and customers

To prioritise transition risks, we worked with GAD to identify a long list of transition risks which were relevant to us. This list contained 44 transition risks covering policy and legal, market, reputational, technology, resilience, resource efficiency, energy sources, and products and services. We held workshops with colleagues from across business areas to decide upon risk ratings for each risk, and to determine the financial impact route. Through this process, we prioritised four transition risks and opportunities for scenario analysis this year:

- Tighter regulation leading to higher capital expenditure for TfL due to assets becoming prematurely obsolete or non-performing
- Early adoption of new and novel technologies for sustainability initiatives leading to increased capital and operational expenditure
- Skills requirement relating to TfL strategic sustainability ambitions and Mayoral commitments becoming misaligned to our skills profile
- Improved building efficiency for Places to London leading to higher income from tenants

The financial impact routes for the above climate and nature-related risks and opportunities are as follows:

Seven selected climate- and nature-related risks and opportunities

Risk type	Description	Risks financial impact route	Opportunities financial impact route	Management of risks and opportunities and strategic response
Nature	Increasing legal and policy commitments for biodiversity net gain and green infrastructure	• Increased expenditure for sourcing stock and materials • Increased costs of maintenance • Increased public interest and transparency • Reputational consequences	• Health and wellbeing benefits • Air quality benefits • Co-benefits with adaptation and mitigation • Increased wildlife and habitat in urban environment • Carbon sequestration benefits	Our Green Infrastructure and Biodiversity Plan sets out the actions to deliver our commitments to improve biodiversity and maximise the benefits of TfL's green infrastructure. Projects to deliver commitments are included in TfL's budget.
Physical	Extreme precipitation leading to flooding of London Underground tunnel shafts and portals	• Increased asset repair costs • Revenue loss from closures, reduced service or reduced customer confidence. • Capital costs associated with replacement of damaged assets • Compensation payments to tenants due to station closures • Increased insurance claims, leading to higher insurance premiums		We manage climate risk through the implementation of the Climate Change Adaptation Plan. We are incorporating adaptation requirements into asset strategies and engineering standards. We use research and modelling to better under our future risk and what interventions might be most suitable. We collaborate with industry partners and stakeholders to share best practice on adaptation measures.
Physical	Extreme high temperatures on transport and in buildings	• Increased health, safety and wellbeing incidents • Overtime costs to cover staff illness • Increased investment in portable cooling systems • Revenue loss from customers choosing not to travel during hot periods • Increased asset repair costs • Revenue loss from closures, reduced service or customer comfort. • Capital costs associated with replacement of damaged assets • Compensation payments to tenants due to station closures • Increased insurance claims, leading to higher insurance premiums		We manage climate risk through the implementation of the Climate Change Adaptation Plan. We are incorporating adaptation requirements into asset strategies and engineering standards. We use research and modelling to better under our future risk and what interventions might be most suitable. We collaborate with industry partners and stakeholders to share best practice on adaptation measures.
Transition	Tighter regulation leading to assets becoming prematurely obsolete or non performing	• Third party external investment more difficult to secure due to asset obsolescence • Slower development resulting in increased costs and lower revenue • Fines or penalties for not complying with new regulation • Increased capital costs to upgrade or replace assets to adhere to new regulation • Reputational consequences from negative media attention	• Lower maintenance and replacement costs as assets may be more efficient	Active management with Government, and the GLA enables us to be aware of upcoming regulation. Known regulation is included in TfL asset strategies with plans to avoid assets becoming prematurely obsolete.

Narrative Report and Financial Review (continued)

Risk type	Description	Risks financial impact route	Opportunities financial impact route	Management of risks and opportunities and strategic response
Transition	Early adoption of new and novel technologies for sustainability initiatives	• Increased capital expenditure to buy new technologies • Increased obsolescence costs of current assets • Increased costs of new technology due to price increases, caused by high demand and low supply in the market • Costs incurred from new technologies being superseded quickly • Costs of asset write offs, before time expiry • New technologies incurring increased maintenance costs • New technologies requiring additional integration costs	• New technologies bringing reliability benefits, lowering operational expenditure • New technologies being more energy efficient and having lower running costs, lowering operational expenditure	New technology is budgeted into financial accounting in line with business strategy. TfL has a strategy to decarbonise the network which includes adoption of new technologies, risks associated with this is included in our risk management.
Transition	Skills requirement misaligned with strategic sustainability ambitions and Mayoral commitments	• Increased costs of outsourcing and reliance and contractors and non-permanent labour • Increased training costs to meet new technical skills • Increased resource costs, due to high demand for sustainability skills across UK • Skills shortages causing slower transition to net zero • Increased costs of culture change associated with embedding sustainability across business areas • Costs associated with sustainability skills retention		TfL has a skills pipeline including critical role identification. In addition to this, we are actively reviewing reward management, talent management and strategic resourcing to align skills profile with skills requirements.
Transition	Changes to building energy efficiency on our Places for London commercial properties	• Increased capital investment to improve building efficiency • Decreased income if building energy efficiency is not improved	• Higher income on our commercial properties • Better quality properties leading to improved wellbeing for tenants • Lower operational expenditure due to increased energy efficiency • Increased attractiveness for third party investment	Places for London have a sustainability strategy which covers improving building efficiency. We continually evaluate our real estate portfolio to ensure our premises are suitable for clients.

Through scenario analysis, we will be analysing the scale of financial impact for each scenario under the three timeframes we have set out. The results of scenario analysis will be used for business strategy and financial planning.

We have developed four scenarios which can be used for scenario analysis. These link to existing internal TfL scenarios: Green Innovation, Rebalancing, Agglomeration and Instability. We have mapped climate related factors to existing scenarios to produce relevant and plausible scenarios that are relevant to TfL. In 2023/24, we short-listed our risks for scenario analysis, based on risks that are most material to us, we have also agreed our scenarios. The focus of 2024/25 will be to further our work by completing quantitative and qualitative analysis for the seven risks and opportunities we have identified.

Narrative Report and Financial Review (continued)

For TCFD, scenarios must be plausible, distinctive, consistent, relevant and challenging.

- Plausible: we used the scenarios set out by NGFS (Network of Greening the Financial System) as a baseline. We have then linked these with existing TfL internal scenarios which we use for business planning to create realistic, credible and believable scenarios
- Distinctive: we focused on a combination of key factors which are differentiated under each scenario. The factors we consider for our scenarios are:
  - Global climate action
  - Global climate conditions
  - Macro-economic trends
  - Low carbon technology
  - Energy costs and mix in the UK
  - Natural environment in the UK
  - Sustainability regulation in the UK
  - Socioeconomic London
  - Climate action and sustainable behaviours in London
  - Level of Government spending on transport
  - Level of private investment appetite for sustainable projects
  - TfL supply chains
  - Skills of the workforce
  - Modal and customer preferences
- Consistent: each scenario aligns with industry best practice, as well as using internal scenarios and datasets
- Relevant: each scenario has a narrative that is consistent with potential futures for London. We have related the scenarios to the strategic and financial implications of climate: related TfL risks and opportunities
- Challenging: the scenarios cover a range of factors, which challenge the conventional wisdom and simplistic assumptions about the future

	Low transition risk	High transition risk
Low physical risk	**Orderly transition** Coordinated global climate action aims for net zero emissions by 2050, limiting warming to 1.5°C by the end of the century and largely avoiding the most severe physical impacts of climate change. London thrives through its booming environmental technology sector, achieving net zero emissions ahead of the global target, by 2030. Coordinated public and private investment focuses on decarbonisation, adaptation and nature. Widespread behavioural change leads to sustainable travel practices, low carbon technologies and products becoming the norm. A fall in commuting to central London is balanced with increased off-peak and recreational travel. Walking and cycling are popular. Regulations monitor sustainability and penalise non-compliance.	**Disorderly transition** Global climate action is limited in the short term but there is a race to decarbonise from 2030 onwards, and aggressive global climate action is taken, effectively reducing global emissions and limiting warming to 2°C by the end of the century. In London, the population ages, growth stagnates, and the city loses its world-leading reputation causing travel demand within central London to decline. Investment in transport and technologies becomes available but is often erratic and lacks coordination. Growing individual responsibility, drives a shift to local and sustainable travel options. Effective adaptation planning addresses climate impacts in the medium-to-long term and London's economy and population recover.
High Physical Risk	**Hot House World** Global climate action has stalled, non-binding pledges do not all materialise. Emissions continue rising until 2080, pushing global warming beyond 3°C by the end of the century. In London, extreme weather events intensify and become more frequent, leading to significant losses and disruption. Although London's economy booms in the short term with an increasing population driving increased demand for public transport, in the long-term London's economic growth declines as it experiences more frequent extreme weather events. Investment in mitigation and adaptation lags, adoption of sustainable behaviours is slow and increased exposure to climate hazards stress natural habitats.	**Too little too late** London's economy suffers and demand for public transport decreases. Uptake and development of low carbon technologies is slow and fossil fuels dependency persists. Geopolitical shocks affect energy costs and inequality persists. Environmental degradation worsens and biodiversity, water quality, and soil health decline. There is little appetite for low carbon investment in the short term. Spending on adaptation is necessary in the long term.

Narrative Report and Financial Review (continued)

We have aligned our climate scenarios with TfL's strategic scenarios, which are used to help the business make plans and agree priorities which are resilient to multiple futures. Using our climate scenarios we anticipate increased transition risks and opportunities in the shorter term, as we decarbonise across TfL. We have clear plans to decarbonise, which is detailed in our Corporate Environment Plan (2021). In the longer term, we anticipate increased physical risks, which we are planning for through the implementation of our Adaptation Plan. In addition to managing physical risk, we have robust operational emergency response in place for extreme weather across our operation managed through our Control Centres.

Our sustainability risks

Enterprise Risk Management (ERM) refers to the holistic management of risks across all areas of the business (threats and opportunities) that may impact the achievement of TfL's objectives. The TfL Enterprise Risk Management Framework (ERMF) provides a structured and consistent approach to risk management across the organisation. The TfL Board has overall accountability for risk management, and the Audit and Assurance Committee (AAC) reviews risk management activities on a quarterly basis on behalf of the Board. The ERMF applies to all categories of risk including sustainability, climate and adaptation risks at three levels Enterprise (Level 0), Strategic (Level 1) and Tactical (Level 2). The Framework also covers governance and assurance which includes reporting at Panels and Committees (Safety Sustainability and Human Resources Panel), Executive Committee and Sustainability Executive Committee.

There is a dedicated Enterprise level risk ER03 Environment, including climate adaptation. ER03 is subject to an annual deep dive review at Sustainability Executive Committee, main Executive Committee and Safety, Sustainability and HR panel. This covers risks associated with not meeting environmental commitments and compliance, including transition to net zero, adaptation to long-term climate change and extreme weather events, and nature-related risks. Risk owners provide details of the risk assessments including financial impacts, key risk indicators and key mitigations to manage the risks. In the last 12 months, the Level 1 environment and climate Strategic risks feeding into ER03 have been developed and presented at Sustainability Executive Committee.

Climate risks at the Enterprise, Strategic and Tactical levels are captured in TfL's risk database, Active Risk Manager. This allows climate and / environment risks to be tagged enabling visibility of the risk cascade. Interdependencies between risks are also considered, for example, there are clear linkages between our supply chain and climate risks. Climate change is recognised as a potentially significant future supply chain disruptor that needs to be actively monitored and mitigated.

Since last year's report, we have made progress on climate risk development. We have included our seven sample risks and opportunities for scenario analysis, in our Enterprise Risk Framework at Level 2, to ensure they are embedded into our business risk processes. In 2023/24, we inputted environmental risks into the Enterprise Risk Framework at Level 1. This gives accountability and more specific risk detail to risk owners and responsible managers. In 2024/25, we will continue to embed environmental risks into the Enterprise Risk Framework at strategic and tactical level.

Climate risks at the Enterprise, Strategic and Tactical levels are captured in TfL's risk database, Active Risk Manager. This allows climate/ environment risks to be tagged enabling visibility of the risk cascade. Interdependencies between risks are also considered, for example, there are clear linkages between our supply chain and climate risks. Climate change is recognised as a potentially significant future supply chain disruptor that needs to be actively monitored and mitigated.

We have introduced processes by which projects must assess the impact they make on the natural environment. Initially sponsors, along with project managers, identify how planned developments pose a risk to the natural environment. Projects then manage and mitigate impacts with relevant measures outlined in Pathway (TfL's delivery methodology for projects and programmes) and create appropriate biodiversity reinstatements to meet legal (BNG), and other corporate requirements. Pathway is part of our management system, within Pathway's toolkit, we have a tool called the Environmental Evaluation, which is accessible to all sponsors and project managers. It is a rigorous process to establish the monitoring of nature-related risks, biodiversity progress, carbon impacts and climate risk.

Since last year's report, we have made progress on climate risk development. We have included our seven sample risks and opportunities for scenario analysis, in our Enterprise Risk Framework at Level 2, to ensure they are embedded into our business risk processes. In 2023/24, we inputted environmental risks into the Enterprise Risk Framework at Level 1. This gives accountability and more specific risk detail to risk owners and responsible managers. In 2024/25, we will continue to embed environmental risks into the Enterprise Risk Framework at strategic and tactical level.

We are continually improving our understanding of our physical climate risks. In 2023/24, we began work on Adaptation Reporting Power (ARP) fourth round. This involved updating our risk assessment from ARP3 (2022) and including additional transport modes and business areas that were not captured previously. This work also involved engagement with London Boroughs, developing the first borough climate risk assessment for London's road network. In addition to this, we also explored risks through understanding a multitude of organisational interdependencies and their associated risks for the land-based transport sector, this included working with all key infrastructure owners in London. We will continue to finalise our risk assessments and publish the results in December 2024.

In our Green Infrastructure and Biodiversity plan published for the 2023/24 period, we established that NCA will be updated every four years. Methodology for this update will be informed by latest industry recommendations, and we will take any lessons learned from the first Account into consideration. The first NCA did not include any upstream or downstream value chain assessments, however our intention is to include these in the next evaluation. We will also focus on identifying the most innovative methodology and software to use for these projects, which will be tailored to assess green infrastructure and canopy cover within our network.

Our sustainability metrics and targets

Carbon emissions from TfL's operations is measured on TfL's scorecard, we annually report on our carbon emissions and energy usage in accordance with Streamlined Energy and Carbon Reporting (SECR).

Our target set out in the Mayor's Climate Budget is to be net-zero carbon by 2030 for our operational emissions. This target covers all Scope 1 and 2 emissions, as well as Scope 3 Purchased Goods And Services emissions associated with operating some TfL services, such as Buses and rail franchises. We publish our forecast of carbon emissions to 2030 in the Mayors Budget, as well as setting internal performance targets (scorecard) for carbon emissions, which are aligned to the 2030 Mayors Budget forecast.

In 2023/24, we committed to setting science-based targets for all emissions scopes, including scope 3 categories material to TfL's activities. We have undertaken emissions calculations for scope 1, 2 and 3 emissions in line with the GHG Protocol. External validation of these targets will continue in 2024/25 so that we are working towards validated science-based targets for carbon emissions from 2024/25.

In 2024/25, our targets include achieving 70 per cent of our Green milestones, transitioning 500 more buses to zero emissions, bringing the total to 1,900 and converting 15 Tube stations, including Kings Cross to LED lighting.

TfL's Green Infrastructure and Biodiversity Plan sets out short-, medium- and long-term nature-related targets:

- From February 2024, we aim to achieve 10 per cent biodiversity net gain on applicable schemes (for example, planning system projects and nationally significant infrastructure projects)
- Deliver a net gain in biodiversity across TfL's estate by 2030, compared to the 2019 biodiversity baseline map
- Increase TfL-wide tree canopy cover by 10 per cent by 2050 compared with the 2016 baseline
- Increase TfL's street-tree numbers by one per cent every year between 2016 and 2025
- Double the area of our wildflower verges to 260,000 square metres in 2024
- Deliver an additional 5,000 square meters of catchment draining into TfL highways SuDS every year, as laid out in our Adaptation Plan, this measure is included in our TfL scorecard

To embed green infrastructure and biodiversity targets into our processes and projects, we include requirements in our Environmental Evaluation for Pathway, which is the system used for project and programme management. As discussed above, the Mayor's Transport Strategy included a target of a one per cent increase in street trees each year, from 2016 to 2025. While there have been annual fluctuations in the achievement of this target due to climate, resources, and external variables, we are still on track to meet this target.

Since the completion of a successful trial of wildflower verges on our road network, we are now positioned to double the wildflower road-verge area this year. This work showcases the excellent symbiosis between our enhanced management approaches in our strategy, and tangible biodiversity benefits. Further expansion and exploration of our wildflower verges will also identify future potential for the delivery of biodiversity net gain; this has the added benefit of meeting the newly released legal requirements for BNG.

Narrative Report and Financial Review (continued)

External audit

Appointment, re-appointment and assessment of effectiveness

In July 2016, the Secretary of State specified Public Sector Audit Appointments Limited (PSAA) as an appointing person under the Local Audit and Accountability Act 2014. This meant that for audits of accounts from 2018/19, PSAA was responsible for appointing an auditor to, and setting the level of audit fees for, relevant bodies that have chosen to opt into its national auditor appointment scheme. TfL has opted into this scheme.

In order for an audit firm to be eligible to tender for an audit contract with PSAA, the firm must appear on the Institute of Chartered Accountants in England and Wales (ICAEW) register of Local Auditors, having fulfilled the criteria determined by legislation as evaluated by the ICAEW (The Recognised Supervisor Body). Contracts were awarded after a competitive tender that balanced audit quality with price. The primary consideration in allocating proposed appointments to individual opted-in bodies was to ensure independence. TfL's appointed external auditor is Ernst & Young LLP.

During the year Ernst & Young LLP was appointed by the PSAA as auditor of TfL for the duration of the five-year appointing period, covering the audit of the accounts from 2023/24 to 2027/28.

TfL's Audit and Assurance Committee, through the use of questionnaires and reports, formally reviews the performance of the external auditors at least annually against the four criteria of:

- Qualification
- Expertise and resources
- Effectiveness
- Independence

The Audit and Assurance Committee remains satisfied with the quality, integrity and the effectiveness of the work undertaken by Ernst & Young LLP. The Committee carries out regular reviews to ensure that auditor objectivity and independence is maintained at all times.

Non-audit services

Under guidance issued by Financial Reporting Council in December 2019, only non-audit work that is closely related to the statutory audit may be undertaken by an entity's auditor. Furthermore, total fees for non-audit services provided is limited to no more than 70 per cent of the average of the fees paid in the last three consecutive financial years for the audit of the audited entity and of its controlled undertakings and of the consolidated financial statements of that group of undertakings.

Under TfL's policy on external audit services, Ernst & Young LLP is required to report to the Committee every six months on fees billed for non-audit services. During 2022/23, the non-audit services provided by Ernst & Young LLP were in respect of audit-related services provided in relation to the use of grant monies received and for procedures relating to regulation 4 of the Railway Safety Levy Regulations 2006. Total non-audit fees for the TfL Group represented one per cent of the total statutory audit fees paid in respect of the combined audit for the TfL and Transport Trading Limited (TTL) Groups, and seven per cent of the audit fee of the Corporation as a single entity for 2023/24.

Accounting statements

TfL is a statutory corporation established by section 154 of the GLA Act 1999. It is a functional body of the GLA and reports to the Mayor of London.

The legal structure is complex in comparison to that of most local authorities and comprises:

- The Corporation, which is made up of London Streets, Taxi and Private Hire, and the corporate centre which, for legal and accounting purposes, constitutes TfL
- The TfL Group, which is made up of the Corporation and its subsidiaries, joint ventures and associated undertakings as set out in notes 17, 18 and 19

Under the GLA Act 1999, the Corporation is treated as a Local Authority for accounting purposes and the Statement of Accounts, which includes the individual financial statements of the Corporation as well as those of the TfL Group, has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code), which is based on approved accounting standards issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee, except where these are inconsistent with specific statutory requirements.

Our subsidiaries are subject to the accounting requirements of the Companies Act 2006 and separate statutory accounts are prepared for each subsidiary and for the TTL Group. These accounts are prepared under International Financial Reporting Standards as adopted by the UK. Appropriate adjustments are made to the accounting policies of the subsidiaries upon consolidation into the TfL Group financial statements to ensure they are aligned to the requirements of the Code.

The financial statements for the TfL Group, which consolidate the accounts of the Corporation, its subsidiaries, and the Group's share of the results and net assets of its joint ventures and associated undertakings on the basis set out in the Statement of Accounting Policies (paragraph c) are here presented alongside the financial statements of the Corporation. The Statement of Accounts comprises:

- The Group and Corporation Comprehensive Income and Expenditure Statements, Balance Sheets, Cash Flow Statements and the Movement in Reserves Statements
- The Statement of Accounting Policies
- The Statement of Responsibilities for the Accounts
- Notes to the Group and Corporation financial statements

References to the 'Corporation' relate to the transactions, assets and liabilities of TfL. References to the 'Group' relate to the accounts of TfL and its subsidiaries.

Narrative Report and Financial Review (continued)

Purposes of major schedules within the financial statements
The nature and purpose of the primary schedules included within the financial statements are set out below:

Comprehensive Income and Expenditure Statement
This statement shows both the revenue received and the costs incurred in the year of providing services, in accordance with Generally Accepted Accounting Practices. Other comprehensive income and expenditure comprises unrealised gains and losses including revaluation gains on property, plant and equipment, fair value movements on derivative financial instruments and remeasurement gains or losses on defined benefit pension schemes.

The Balance Sheet
The Balance Sheet shows the value as at the balance sheet date of the assets and liabilities recognised by TfL. The net assets of TfL (assets less liabilities) are matched by the reserves held by TfL. Reserves are reported in two categories. The first category is usable reserves, being those reserves that TfL may use to provide services, subject to the need to maintain a prudent level of reserves. The second category is those reserves that TfL is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets were sold, and reserves that hold timing differences shown in the movement in reserves statement line 'Adjustments between accounting basis and funding basis under regulations'.

The Cash Flow Statement
The Cash Flow Statement shows our changes in cash and cash equivalents during the financial year. The statement shows how we generate and uses cash and cash equivalents by classifying cash flows as derived from operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which our operations are funded by way of passenger income and grants. Investing activities represent the extent to which cash outflows have been made for resources that are intended to contribute to our future service delivery.

Movement in Reserves Statement
This statement shows the movement in the year on the different reserves we held, analysed into usable reserves and other reserves. The surplus or deficit on the provision of services is different from the statutory amounts required to be charged to the General Fund balance. The net increase/decrease before transfers to Earmarked Reserves line shows the statutory General Fund balance before any discretionary transfers to or from Earmarked Reserves.

Statement of Responsibilities for the Accounts

Statutory Chief Finance Officer certification
The Corporation is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the Statutory Chief Finance Officer) has responsibility for the administration of those affairs
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- Approve the Statement of Accounts

The Statutory Chief Finance Officer is responsible for the preparation of the Statement of Accounts for the Corporation and the Group in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Statutory Chief Finance Officer has:

- Selected suitable accounting policies and then applied them consistently
- Made judgements and estimates that were reasonable and prudent
- Complied with the Code
- Kept proper accounting records that were up to date
- Taken reasonable steps for the prevention and detection of fraud and other irregularities

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Corporation and Group at the accounting date and of the income and expenditure for the year ended 31 March 2024.

SIGNATURE

Patrick Doig
Statutory Chief Finance Officer
XX September 2024

Independent Auditor's Report to the Members of Transport for London

CONTENT TO BE SUPPLIED

Group Comprehensive Income and Expenditure Statement

Year ended 31 March	Note	Gross service income 2024 £m	Gross expenditure 2024 £m	Net income/ (expenditure) 2024 £m	Gross service income 2023 restated* £m	Gross expenditure 2023 £m	Net income/ (expenditure) 2023 restated* £m
Operating segment							
London Underground		**2,528.0**	**(2,740.0)**	**(212.0)**	2,241.0	(2,480.0)	(239.0)
Elizabeth line		**610.0**	**(532.0)**	**78.0**	325.0	(490.0)	(165.0)
Buses, streets and other operations		**2,705.0**	**(3,643.0)**	**(938.0)**	2,513.0	(3,216.0)	(703.0)
Rail		**421.0**	**(565.0)**	**(144.0)**	385.0	(548.0)	(163.0)
Places for London		**94.0**	**(65.0)**	**29.0**	100.0	(57.0)	43.0
Other group items		**489.0**	**(301.0)**	**188.0**	262.0	(264.0)	(2.0)
	2	**6,847.0**	**(7,846.0)**	**(999.0)**	5,826.0	(7,055.0)	(1,229.0)
Central items not reported on a segmental basis (restated)*	2	**(133.1)**	**(1,163.9)**	**(1,297.0)**	(22.1)	(1,435.2)	(1,457.3)
Net cost of services	2	**6,713.9**	**(9,009.9)**	**(2,296.0)**	5,803.9	(8,490.2)	(2,686.3)
Other net operating expenditure	7			**(0.8)**			(86.4)
Financing and investment income (restated)*	8			**85.9**			102.1
Financing and investment expenditure	9			**(623.4)**			(749.6)
Grant income	10			**3,504.6**			3,522.5
Surplus on the provision of services				**670.3**			102.3
Group share of profit before tax of joint ventures	18			**0.1**			8.8
Group share of loss before tax of associated undertakings	19			**(58.3)**			(41.5)
Group surplus before tax				**612.1**			69.6
Taxation	11			**(49.5)**			4.8
Group surplus after tax				**562.6**			74.4

Year ended 31 March	Note	Gross service income 2024 £m	Gross expenditure 2024 £m	Net income/ (expenditure) 2024 £m	Gross service income 2023 restated* £m	Gross expenditure 2023 £m	Net income/ (expenditure) 2023 restated* £m
Group surplus after tax				**562.6**			74.4
Other comprehensive income and expenditure							
Items that will not be subsequently reclassified to profit or loss							
(Deficit)/surplus on the revaluation of property, plant and equipment*	13			**(11.4)**			1.6
Surplus on the valuation of newly created investment properties	16			**-**			6.0
Deferred tax on the surplus on valuation of newly created investment properties	11			**-**			-
Net remeasurement gain on defined benefit pension schemes*	34			**602.4**			5,087.3
				591.0			5,094.9
Items that may be subsequently reclassified to profit or loss							
Movement in fair value of derivative financial instruments**	36			**(44.0)**			17.6
Derivative fair value loss reclassified to income and expenditure**	36			**1.1**			9.4
Discontinued hedging relationship	36			**-**			13.5
				(42.9)			40.5
				548.1			5,135.4
Total comprehensive income and expenditure (restated)*				**1,110.7**			5,209.8

* Details of restatement are included within Note 43

** There is no tax effect of these items on other comprehensive income and expenditure in the years ended 31 March 2024 or 2023 (see note 11)

Group Balance Sheet

	Note	31 March 2024 £m	31 March 2023 restated* £m
Long-term assets			
Intangible assets	12	**271.9**	257.1
Property, plant and equipment	13	**45,261.2**	44,588.5
Right-of-use assets	14	**1,970.4**	1,954.5
Investment property (restated)*	16	**1,615.1**	1,573.4
Investment in joint ventures	18	**78.8**	79.7
Investment in associated undertakings	19	**114.3**	166.7
Other investments	24	**1.2**	-
Derivative financial instruments	31	**28.6**	26.2
Finance lease receivables (restated)*	20	**18.2**	24.5
Retirement benefit surplus	34	**2,352.7**	1,631.4
Debtors	22	**28.9**	60.2
		51,741.3	50,362.2
Current assets			
Inventories	21	**101.4**	78.7
Debtors	22	**608.2**	696.3
Assets held for sale	23	**-**	53.7
Derivative financial instruments	31	**0.7**	1.7
Finance lease receivables (restated)*	20	**7.1**	5.4
Other investments	24	**5.8**	15.0
Cash and cash equivalents	25	**1,488.3**	1,387.5
		2,211.5	2,238.3
Current liabilities			
Creditors	26	**(2,022.0)**	(2,062.9)
Capital grants received in advance	26	**(34.6)**	(43.4)
Borrowings	27	**(864.0)**	(693.7)
Right-of-use lease liabilities	14	**(275.4)**	(299.6)
PFI liabilities	28	**(15.5)**	(14.3)
Other financing liabilities	29	**(20.5)**	(6.6)
Derivative financial instruments	31	**(10.8)**	(3.4)
Provisions	30	**(156.8)**	(175.1)
		(3,399.6)	(3,299.0)

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	Note	31 March 2024 £m	31 March 2023 restated* £m
Long-term liabilities			
Creditors (restated)*	26	**(316.7)**	(199.7)
Capital grants received in advance	26	**(3.2)**	(4.1)
Borrowings	27	**(12,071.6)**	(12,216.6)
Right-of-use lease liabilities	14	**(2,029.2)**	(1,915.9)
PFI liabilities	28	**(61.2)**	(76.7)
Other financing liabilities	29	**(94.7)**	(115.1)
Derivative financial instruments	31	**(48.6)**	(10.1)
Deferred tax liabilities	11	**(422.4)**	(370.4)
Provisions	30	**(55.1)**	(49.9)
Retirement benefit obligation	34	**(83.9)**	(88.1)
		(15,186.6)	(15,046.6)
Net assets		**35,366.6**	34,254.9
Reserves			
Usable reserves (restated)*		**448.4**	202.9
Unusable reserves (restated)*	36	**34,918.2**	34,052.0
Total reserves		**35,366.6**	34,254.9

* Details of restatement are included within Note 43

The notes on pages XX to XX form part of these financial statements. These financial statements were approved by the Audit and Assurance Committee acting on behalf of the Board on XX September 2024 and signed on its behalf by:

SIGNATURE

Mark Phillips
Chair, Audit and Assurance Committee
XX September 2024

Group Movement in Reserves Statement

	Note	General Fund £m	Earmarked Reserves £m	**General Fund and Earmarked Reserves £m**	Street Works Reserve £m	Capital grants unapplied account £m	**Usable reserves £m**	Corporation unusable reserves £m	**Total Corporation reserves £m**	Share of Group Unusable reserves £m	**Total reserves £m**
At 1 April 2022 (as previously reported)		500.0	108.9	**608.9**	25.2	-	**634.1**	13,516.4	**14,150.5**	14,996.4	**29,146.9**
Prior period correction in respect of property leases*		(7.5)	(108.9)	**(116.4)**	-	-	**(116.4)**	13.2	**13.2**	1.2	**(103.2)**
At 1 April 2022 (restated)*		492.5	-	**492.5**	25.2	-	**517.7**	13,529.6	**14,163.7**	14,997.6	**29,043.7**
Movement in reserves during 2022/23			-								
Group surplus after tax		1,889.8	-	**1,889.8**	-	-	**1,889.8**	-	**1,889.8**	(1,815.4)	**74.4**
Other comprehensive income and expenditure		-	-	**-**	-	-	**-**	5,039.9	**5,039.9**	95.5	**5,135.4**
Total comprehensive income and expenditure		1,889.8	-	**1,889.8**	-	-	**1,889.8**	5,039.9	**6,929.7**	(1,719.9)	**5,209.8**
Adjustments between group and authority accounts		(2,058.1)	-	**(2,058.1)**	-	-	**(2,058.1)**	-	**(2,058.1)**	2,058.1	**-**
Net (decrease)/increase before transfers		(168.3)	-	**(168.3)**	-	-	**(168.3)**	5,039.9	**4,871.6**	338.2	**5,209.8**
Derivative fair value loss reclassified to the Balance Sheet	36	-	-	**-**	-	-	**-**	-	**-**	0.6	**0.6**
Adjustments between accounting basis and funding basis under statutory provisions	37	(250.3)	-	**(250.3)**	2.0	102.2	**(146.1)**	146.0	**(0.1)**	0.1	**-**
(Decrease)/increase in 2022/23 (restated)*		(418.6)	-	**(418.6)**	2.0	102.2	**(314.4)**	5,185.9	**4,871.5**	338.9	**5,210.4**
Balance at 31 March 2023 (restated)*		**73.9**	**-**	**73.9**	**27.2**	**102.2**	**203.3**	**18,715.5**	**19,035.2**	**15,336.5**	**34,254.1**
Movement in reserves during 2023/24			-								
Group surplus after tax		2,262.1	-	**2,262.1**	-	-	**2,262.1**	-	**2,262.1**	(1,699.6)	**562.5**
Other comprehensive income and expenditure			-	**-**	-	-	**-**	600.2	**600.2**	(52.1)	**548.1**
Total comprehensive income and expenditure		2,262.1	-	**2,262.1**	-	-	**2,262.1**	600.2	**2,862.3**	(1,751.7)	**1,110.6**
Adjustments between group and authority accounts		(1,767.1)	-	**(1,767.1)**	-	-	**(1,767.1)**	-	**(1,767.1)**	1,767.1	**-**
Net increase before transfers		495.0	-	**495.0**	-	-	**495.0**	600.2	**1,095.2**	15.4	**1,110.6**
Derivative fair value loss reclassified to the Balance Sheet		-	-	**-**	-	-	**-**	-	**-**	0.5	**0.5**
Adjustments between accounting basis and funding basis under statutory provisions		(324.6)	-	**(324.6)**	4.8	69.8	**(250.0)**	250.0	**-**	-	**-**
Increase in 2023/24		170.4	-	**170.4**	4.8	69.8	**245.0**	850.2	**1,095.2**	15.9	**1,111.1**
Balance at 31 March 2024		**244.3**	**-**	**244.3**	**32.0**	**172.0**	**448.3**	**19,565.7**	**20,014.0**	**15,352.4**	**35,366.4**

* Details of restatement are included within Note 43

Group Movement in Reserves Statement (continued)

Earmarked Reserve have been established to finance future projects and form part of the overall funding available for the Investment Programme and revenue projects. Application of funds against specific projects is dependent on the level and mix of other sources of funding also available to fund TfL's Investment Programme.

Capital receipts received in the Corporation are fully applied during the year and a Capital Receipts Reserve has not been shown in this statement. Refer to Note 38.

Adjustments between group and authority accounts represent intra-group transactions between the Corporation and subsidiaries. This includes capital and revenue grants and interest income. The balance is adjusted against the Group deficit after tax.

Group Statement of Cash Flows

Year ended 31 March	Note	2024 £m	2023 £m
Surplus on the provision of services		**670.3**	101.7
Adjustments to the surplus on the provision of services for non-cash movements	35 b	**2,076.5**	2,159.4
Adjustments to the surplus on the provision of services for investing or financing activities	35 c	**(1,880.2)**	(2,147.9)
Net cash flows from operating activities		**866.6**	113.2
Investing activities	35 d	**(510.9)**	283.7
Financing activities	35 e	**(254.9)**	(399.6)
Increase/(decrease) in net cash and cash equivalents in the year		**100.8**	(2.7)
Net cash and cash equivalents at the start of the year		**1,387.5**	1,390.2
Net cash and cash equivalents at the end of the year	25	**1,488.3**	1,387.5

Our transport network is integral to London's growth

Corporation Comprehensive Income and Expenditure Statement

Year ended 31 March	Note	2024 £m	2023 restated* £m
Highways and Transport Services			
Gross service income (restated)*	1	**1,175.7**	1,160.2
Gross expenditure	4	**(1,735.4)**	(1,817.7)
Net cost of services		**(559.7)**	(657.5)
Other net operating expenditure	7	**(11.4)**	(0.3)
Financing and investment income (restated)*	8	**565.2**	490.1
Financing and investment expenditure	9	**(420.3)**	(559.2)
Grant income	10	**3,468.5**	3,475.6
Grant funding of subsidiaries		**(2,547.3)**	(2,917.0)
Surplus/(deficit) on the provision of services		**495.0**	(168.3)
Other comprehensive income and expenditure			
Items that will not be subsequently reclassified to profit or loss			
Deficit on the revaluation of property, plant and equipment	13	**-**	(1.1)
Net remeasurement gain on defined benefit pension schemes	34	**600.2**	5,040.8
		600.2	5,039.7
Total comprehensive income and expenditure		**1,095.6**	4,871.4

* Details of restatement are included within Note 43

Corporation Balance Sheet

	Note	31 March 2024 £m	31 March 2023 restated* £m
Long-term assets			
Intangible assets	12	**190.8**	167.6
Property, plant and equipment	13	**4,519.6**	4,379.6
Right-of-use assets	14	**319.4**	339.8
Investment property	16	**117.8**	86.9
Investments in subsidiaries	17	**13,062.5**	13,062.5
Other investments	24	**0.2**	-
Finance lease receivables (restated)*	20	**13.0**	13.0
Retirement benefit surplus	34	**2,349.2**	1,630.0
Debtors	22	**12,220.2**	12,326.9
		32,792.7	32,006.3
Current assets			
Debtors	22	**422.4**	389.4
Assets held for sale	23	**-**	3.0
Finance lease receivables (restated)*	20	**0.2**	0.2
Cash and cash equivalents	25	**1,294.2**	1,131.3
		1,716.8	1,523.9
Current liabilities			
Creditors	26	**(715.1)**	(823.3)
Capital grants received in advance	26	**(18.8)**	(24.3)
Borrowings	27	**(864.0)**	(693.7)
Right-of-use lease liabilities	14	**(25.6)**	(27.0)
PFI liabilities	28	**(15.5)**	(14.3)
Provisions	30	**(108.2)**	(113.0)
		(1,747.2)	(1,695.6)

	Note	31 March 2024 £m	31 March 2023 restated* £m
Long-term liabilities			
Creditors (restated)*	26	**(169.3)**	(167.6)
Capital grants received in advance	26	**-**	(0.9)
Borrowings	27	**(12,075.6)**	(12,221.5)
Right-of-use lease liabilities	14	**(324.1)**	(341.1)
PFI liabilities	28	**(61.2)**	(76.7)
Provisions	30	**(34.3)**	(20.3)
Retirement benefit obligation	34	**(83.9)**	(88.1)
		(12,748.4)	(12,916.2)
Net assets		**20,013.9**	18,918.4
Reserves			
Usable reserves (restated)*		**448.4**	202.8
Unusable reserves (restated)*	36	**19,565.5**	18,715.6
Total reserves		**20,013.9**	18,918.4

The notes on pages XX to XX form part of these financial statements. These financial statements were approved by the Audit and Assurance Committee acting on behalf of the Board on XX September 2024 and signed on its behalf by:

SIGNATURE

Mark Phillips
Chair, Audit and Assurance Committee
XX September 2024

* Details of restatement are included within Note 43

Corporation Movement in Reserves Statement

	Note	General Fund £m	Earmarked Reserves £m	**General Fund and Earmarked Reserves £m**	Street Works Reserve £m	Capital grants unapplied account £m	**Usable reserves £m**	Unusable reserves £m	**Total reserves £m**
At 1 April 2022 (as previously stated)		500.0	108.9	**608.9**	25.2	-	**634.1**	13,516.4	**14,150.5**
Prior period correction in respect of property leases*		(7.5)	(108.9)	**(116.4)**	-	-	**(116.4)**	13.2	**(103.2)**
At 1 April 2022		492.5	-	**492.5**	25.2	-	**517.7**	13,529.6	**14,047.3**
Movement in reserves during 2022/23									
Deficit on the provision of services (restated)*		(168.3)	-	**(168.3)**	-	-	**(168.3)**	-	**(168.3)**
Other comprehensive income and expenditure		-	-	**-**	-	-	**-**	5,039.9	**5,039.9**
Total comprehensive income and expenditure		(168.3)	-	**(168.3)**	-	-	**(168.3)**	5,039.9	**4,871.6**
Adjustments between accounting basis and funding basis under statutory provisions	37	(250.3)	-	**(250.3)**	2.0	102.2	**(146.1)**	146.1	**-**
(Decrease)/increase in 2022/23 (restated)*		(418.6)	-	**(418.6)**	2.0	102.2	**(314.4)**	5,186.0	**4,871.6**
Balance at 31 March 2023 (restated)*		**73.9**	**-**	**73.9**	**27.2**	**102.2**	**203.3**	**18,715.6**	**18,918.9**
Movement in reserves during 2023/24									
Surplus on the provision of services		495.0	-	**495.0**	-	-	**495.0**	-	**495.0**
Other comprehensive income and expenditure		-	-	**-**	-	-	**-**	600.2	**600.2**
Total comprehensive income and expenditure		495.0	-	**495.0**	-	-	**495.0**	600.2	**1,095.2**
Adjustments between accounting basis and funding basis under statutory provisions	37	(324.6)	-	**(324.6)**	4.8	69.8	**(250.0)**	250.0	**-**
Increase in 2023/24		170.4	-	**170.4**	4.8	69.8	**245.0**	850.2	**1,095.2**
Balance at 31 March 2024		**244.3**	**-**	**244.3**	**32.0**	**172.0**	**448.3**	**19,565.8**	**20,014.1**

Earmarked Reserves have been established to finance future projects and form part of the overall funding available for the Investment Programme and revenue projects. Application of funds against specific projects is dependent on the level and mix of other sources of funding also available to fund TfL's Investment Programme.

Capital receipts received in the Corporation are fully applied during the year and a Capital Receipts Reserve has not been shown in this statement. Refer to Note 38.

* Details of restatement are included within Note 43

Corporation Statement of Cash Flows

Year ended 31 March	Note	2024 £m	2023 £m
Surplus/(deficit) on the provision of services		**495.0**	(168.8)
Adjustments to surplus on the provision of services for non-cash movements	35 b	**113.8**	823.1
Adjustments to surplus on the provision of services for investing or financing activities	35 c	**(1,851.2)**	(2,095.5)
Net cash flows from operating activities		**(1,242.4)**	(1,441.2)
Investing activities	35 d	**1,423.3**	1,437.4
Financing activities	35 e	**(18.0)**	(96.7)
Increase/(decrease) in net cash and cash equivalents in the year		**162.9**	(100.5)
Net cash and cash equivalents at the start of the year		**1,131.3**	1,231.8
Net cash and cash equivalents at the end of the year	25	**1,294.2**	1,131.3

Our projects are helping transform and connect areas of London

Accounting Policies

a) Code of practice
TfL is required to prepare an annual Statement of Accounts under Section 3 of the Local Audit and Accountability Act 2014, and by the Accounts and Audit Regulations 2015 (the 2015 Regulations). The 2015 Regulations require the Statement of Accounts to be prepared in accordance with proper accounting practices. The Statement of Accounts have therefore been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code), developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) Code Board under the oversight of the Financial Reporting Advisory Board. The Code constitutes proper accounting practice for the purpose of the 2015 Regulations.

The Code for 2023/24 is based on UK-adopted international accounting standards (hereafter the 'Adopted IFRS') and interpretations of the International Financial Reporting Interpretations Committee, except where these are inconsistent with specific statutory requirements. It requires that local authorities prepare their financial statements in accordance with the International Accounting Standards Board (IASB) 'Conceptual Framework for Financial Reporting' as interpreted by the Code.

CIPFA/LASAAC announced its plans to delay mandatory implementation of IFRS 16 Leases in the Code until 1 April 2024. IFRS 16 Leases (mandatory for years beginning on or after 1 January 2019 under Adopted IFRS) replaces the previous guidance in IAS 17 on leases. However, as a significant proportion of the Group's activities are conducted through subsidiary companies, which were obliged, under Adopted IFRS, to apply IFRS 16 from 1 April 2019, CIPFA included a provision in the Code that permits TfL to adopt IFRS 16 from the same date. The Group has therefore adopted IFRS 16 in its financial statements from 1 April 2019.

The areas where the Code differs materially from Adopted IFRS are listed below:

Capital grants and contributions
Capital grants and contributions are recognised immediately in the Comprehensive Income and Expenditure Statement once there is reasonable assurance that all conditions relating to those grants have been met. Under Adopted IFRS capital grants and contributions are recorded as deferred income and recognised in the Comprehensive Income and Expenditure Statement over the useful life of the assets funded by that grant.

FRS 102 The Financial Reporting Standard: Heritage assets
The Code has adopted the requirements of FRS 102 in respect of its rules on accounting for heritage assets. The Group has taken the exemption available under the Code to hold heritage assets at historical cost less any accumulated depreciation or impairment losses and has made additional disclosures on its heritage assets as required by the standard. There is no equivalent standard for accounting for heritage assets under Adopted IFRS.

IAS 36 Impairment of Assets
The Code requires that impairments be accounted for in accordance with IAS 36 Impairment of Assets, except where interpretations or adaptations to fit the public sector are detailed. Consequently, these financial statements have been prepared in accordance with the guidance contained in IPSAS 21 Impairment of Non-Cash-Generating Assets and IPSAS 26 Impairment of Cash-Generating Assets. This guidance stipulates that where an asset is not held primarily with the intention of generating a commercial return, that asset's value in use should be regarded as the present value of its remaining service potential, rather than the present value of the future cash flows that are expected to be derived from it.

Peppercorn rents
The Code includes an adaptation to IFRS 16 Leases in respect of the accounting for peppercorn lease arrangements for lessees. Leases with payments at peppercorn or nominal consideration that are provided at substantially below market terms, and leases for nil consideration, are accounted for as follows:

a. Any portion of the lease that is payable is accounted for in the same way as other lease obligations under IFRS 16 Leases;

b. The difference between the present value of any future lease payments due and the fair value of the lease on initial recognition is recognised as a fair value right-of-use asset on the Balance Sheet, with a corresponding gain recognised in grant income within the surplus or deficit recognised on the provision of services.

TfL has a number of leases over property and other transport infrastructure under which it pays £nil or peppercorn rents. The majority of these leases were held at peppercorn rents by a previous lessee prior to the leases being taken on by TfL. An exercise was undertaken to assess the fair value of the assets leased under these arrangements and it was concluded that they have no material value. No amounts have therefore been recorded in these financial statements in respect of these leases.

b) Basis of preparation
The accounts are made up to 31 March 2024. The Corporation is a single service authority and all expenditure is attributable to the provision of highways, roads and transport services. The Corporation has granted a standing delegation in its Standing Orders by which each wholly owned subsidiary (Subsidiary Entity) is delegated power to discharge any functions of TfL relevant to that Subsidiary Entity's role and responsibilities within the Group, except those functions reserved to the TfL Board. Those subsidiaries therefore directly discharge TfL's statutory functions and do so within the scope of the same statutory arrangements that apply to TfL itself.

The accounting policies set out below have been applied consistently across the Group and to all periods presented in these financial statements.

Accounting Policies (continued)

The financial statements have been prepared under the accruals concept and in accordance with the historical cost accounting convention, modified by the revaluation of certain categories of non-current assets and financial instruments.

Where items are sufficiently significant by virtue of their size or nature, they are disclosed separately in the financial statements in order to aid the reader's understanding of the Corporation's and Group's financial performance.

c) Basis of consolidation

The Code requires local authorities with, in aggregate, material interests in subsidiary and associated companies and joint ventures, to prepare group financial statements.

The Group financial statements presented with the Corporation's financial statements consolidate the individual financial statements of TfL and its subsidiary undertakings. A subsidiary undertaking is an undertaking controlled by the Corporation. Control is achieved when the Corporation: has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Corporation reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control.

The Group incorporates its share of the profits or losses and its share of the net assets of associated undertakings and joint ventures using the equity accounting method. Associate undertakings are those where the Group is considered to have the power to significantly influence, but not control, the financial and operating policies of the investee. Joint ventures are those where the Group has an interest in the net assets of an investee and has joint control over its financial and operating policies.

The acquisition method of accounting has been adopted for acquisitions or disposals into the Group of subsidiary undertakings. Under this method, the identifiable assets and liabilities of an acquired entity are recorded at their fair values at the date of acquisition. Costs of acquisition are expensed in line with IFRS 3 (revised) Business Combinations. The results of subsidiary undertakings acquired or disposed of are included in the Group Comprehensive Income and Expenditure Statement from the date of acquisition until the date of disposal.

The Corporation is required to make adjustments between the accounting basis and funding basis under statutory provisions. Further detail regarding these adjustments is included within Note 37 For the alignment of accounting policies for the purposes of Group accounts, the Group transfers amounts between the Retained Earnings Reserve in its subsidiaries and the Group Capital Adjustment Account on the same basis as if those statutory provisions applied to its subsidiaries. Further details regarding this alignment is included within Note 36.

d) Going concern

The financial statements have been prepared on a going concern basis as the Board remain confident that TfL will continue in operational existence from the date of signing these financial statements for the period ending 31 March 2026 (i.e. the remainder of 2024/25 and 2025/26 financial years), which is the going concern assessment period, and will meet its liabilities as they fall due for payment. In making this assessment, the Board has had regard to Practice Note 10: Audit of financial statements of public sector bodies, which sets out that a public sector entity is presumed to be a going concern unless there is a clearly expressed Parliamentary intention to discontinue the provision of services that the entity provides.

In the 2022/23 accounts, Management highlighted two key areas that represented a level of judgement to the going concern position for TfL:

a. The dispute mechanism in the 30 August 2022 funding settlement to 31 March 2024 remained, with outstanding funding of £85m at the date of approving the 2022/23 TfL accounts

b. The Government capital funding contribution of £475m assumed in the 2023 Business Plan for 2024/25, which was not confirmed at the date of approving the 2022/23 TfL accounts

These two areas of judgement have been resolved. The 30 August 2022 funding settlement with Government has now concluded, with no disputes being raised by Government and the funding outstanding has been received. A capital funding settlement for 2024/25 was agreed with Government on 18 December 2023, which provided £250m of further capital funding. The shortfall in the amount compared to the 2023 TfL Business Plan was mitigated in the 2024 TfL Business Plan.

The December 2023 capital funding settlement expires on 31 March 2025 and there is no certainty on future capital funding support from Government. In its funding settlement letters, the Government has consistently recognised that TfL – similar to transport authorities around the world – cannot solely finance investment in major capital projects and asset replacement from its own operating incomes.

Based on these statements, and the track record of Government providing TfL funding since the start of the pandemic, TfL's 2024 Business Plan assumes £350m of further Government capital funding is provided in 2025/26 to contribute towards major capital projects and asset replacement, with TfL able to fund the other three-quarters of its circa £2bn capital investment.

The level of funding support assumed alongside our strategy to rebuild our finances are sufficient to create a balanced budget for the going concern assessment period ending 31 March 2026.

Accounting Policies (continued)

Management has mitigations available to support continuation of its capital programme over the going concern period, which include:

1. Descoping and deferring planned capital investment in its 2025 Business Plan, due to be published in December 2024 including delaying those elements of the programme that are not subject to contractual delivery commitments into future periods beyond 31 March 2026. This would require approval from the Board and assessment against contracts but is within TfL's control

2. Accelerating planned borrowing from beyond March 2026. This reduces available funding in future years, but could enable TfL to continue to meet its contractual commitments as they fall due over the going concern period. TfL has headroom against its Authorised External Debt Limits, which can be accessed at short notice from a number of sources including the PWLB for capital expenditure purposes

3. Completing asset disposals, which would take longer to deliver and offer poor value. This would only be utilised in a severe downside case scenario should multiple risks highlighted above crystallise. This would require approval from the Board and assumes a buyer can be found

On this basis, management has a reasonable expectation that they will have adequate resources to continue in operational existence throughout the going concern period ending 31 March 2026 maintaining the provision of its services without significant amendment or reductions. For this reason, alongside the statutory guidance, we continue to adopt the going concern basis in preparing these financial statements.

e) The application of new and revised standards

The Group applied the following amendments related to IAS 12 'Income Taxes' for the first time for the financial period beginning 1 April 2023:

- Amendments to IAS 12 'Income Taxes' International Tax Reform – Pillar Two Model Rules. The Group applied the relief from deferred tax accounting for Pillar Two top-up taxes upon the release of the amendments in May 2023. The Group have also provided new disclosures about its exposure to these taxes. See note 11 for further information

- The group has adopted the amendments to IAS 12 for the first time in the current year. The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes

The following standards, effective for the Group for the financial period beginning 1 April 2023, were considered and were concluded that they are either not relevant to the Group or that they do not have a significant impact on the Group's financial statements:

- IFRS 17 'Insurance Contracts'

- Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgements' on the disclosure of accounting policies

- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' on the definition of accounting estimates

- Amendments to IAS 12 'Income Taxes' on Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

- Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' on the sale or contribution of assets between an investor and its associate or joint venture

f) Accounting standards that have been issued but have not yet been adopted

The following standards and revisions will be effective for future periods:

- Amendments to IFRS 16 'Leases' on lease liability in a sale and leaseback

- Amendments to IAS 1 'Presentation of Financial Statements' on the classification of liabilities as current or non-current

- Amendments to IAS 1 'Presentation of Financial Statements' on non-current liabilities with covenants

- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosure' on supplier finance arrangements

- Amendments to IAS 21 'Effects of Changes in Foreign Exchange Rates' on lack of exchangeability

The Group has considered the impact of the remaining above standards and revisions and have concluded that they will not have a significant impact on the Group's financial statements.

Accounting Policies (continued)

g) Discontinued operations
A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative Comprehensive Income and Expenditure Statement is re-presented as if the operation had been discontinued from the start of the comparative period.

h) Uses of estimates, judgements and errors
The preparation of financial statements in conformity with the Code requires the use of certain critical accounting estimates, which by definition, will seldom equal the actual results. Management additionally exercise judgement in applying the Group's accounting policies.

Outlined below is a summary of areas that involve a higher degree of judgement or complexity, and items that are more likely to be materially adjusted due to estimates and assumptions changing. Detailed information about the sensitivity of such judgement is including within the relevant note.

Use of Estimates

Taxes
Deferred tax assets are recognised for unused tax losses only to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has tax losses carried forward with a tax value of £301.6m (2023 £596.8m). These losses relate to subsidiaries that have a history of losses, do not expire, and may be used to offset future taxable income in those subsidiaries. If the Group was able to recognise all unrecognised deferred tax assets, profit and equity would have increased by £304.7m (2023 £600.0m).

Defined benefit plans
The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality.

Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates.

Further details about pension obligations are provided in note 34.

Use of Judgements

Determining whether an arrangement contains a lease
In determining whether an arrangement contains a lease, as required by IFRS 16 Leases, there is a significant judgement in determining whether the arrangement conveys the right to control the use of an identified asset and in determining the lease term, particularly in respect of whether the Group is reasonably certain to exercise extension options or renewal options.

Determining whether a lease is an operating lease or a finance lease as the lessor
In determining whether a lease is an operating or finance lease under IFRS 16 Leases, there is a significant judgement in determining whether the lease transfers from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the asset. Particularly in respect of whether the Group, as the lessor, is subject to a variable income stream or market rates related to the performance of the asset in the lease.

Determining whether the Group has an unconditional right to a refund of surplus pension assets
After consideration of the Trust Deed and Rules, the Group has assessed that under IFRIC 14 TfL has an unconditional right to a refund of surplus assets for accounting purposes assuming the gradual settlement of plan liabilities for the Crossrail Shared Cost Section of the Railways Pension Scheme (Crossrail Section) and the Public Sector Section of the TfL Pension Fund. As a result, the net pensions surplus has been recognised in full.

For the London Pension Fund Authority Pension Fund (Local Government Pension Fund) the recognition of a surplus has been limited to the lower of the surplus in the defined benefit plan and the asset ceiling, being the present value of any economic benefit available to the Group in the form of reduction in future contributions to the plan.

Accounting Policies (continued)

i) Revenue recognition
Revenue includes income generated from the provision of travel, other fees and charges, the letting of commercial advertising space and the rental of commercial properties.

Revenue is measured after the deduction of value added tax (where applicable).

Fares revenue
Revenue from annual or periodic tickets and Travelcards is recognised in the Comprehensive Income and Expenditure Statement on a straight-line basis over the period of validity of the ticket or Travelcard as TfL has a stand ready obligation to provide unlimited travel over the period of validity of the ticket or Travelcard. Oyster pay as you go revenue is recognised on usage and one-day Travelcards and single tickets are recognised on the day of purchase.

Revenue received in advance is not recognised in the Comprehensive Income and Expenditure Statement and is recorded on the Balance Sheet within current liabilities as contract liabilities. Contract liabilities represent receipts in advance for Travelcards, bus passes and Oyster cards.

Revenue in respect of free and reduced fare travel for older customers and disabled customers
Revenue from the London Borough Councils in respect of free travel for older and disabled customers is recognised on a straight-line basis over the financial year to which the settlement relates, as TfL has a stand ready obligation to provide unlimited travel over the financial year to which the settlement relates.

Congestion Charging
The standard daily Congestion Charge, including those paying through auto-pay, is recognised as income on the day the eligible vehicle enters the Congestion Charge zone.

Income from penalty charge notices is recognised at an amount adjusted for the probability of cancellation, as payment becomes due. Each increase in charge results in income being recognised in full at the date the increase is applied.

Road network compliance
Income from penalty charge notices for traffic and parking infringements on red routes is recognised as it becomes due. Each increase in charge results in income being recognised in full at the date the increase is applied.

Taxi licensing
Income from taxi and private hire licences is recognised on a straight-line basis over the term of the licence.

Commercial advertising
TfL grants a concessionaire partner control over certain advertising assets to facilitate the generation of advertising income across its estate and receives income from this arrangement. This is considered a lease arrangement for accounting purposes.

Where the arrangement is viewed as an operating lease under IFRS 16, revenue is recognised on a straight-line basis over the term of the contract.

Where the arrangement is viewed as a finance lease (where the lease transfers substantially all the risks and rewards of ownership of the underlying asset to the third party), a lease receivable is recognised. Finance income is recognised over the term of the lease, based on a pattern reflecting a constant periodic rate of return on the lease receivable. Lease receipts are allocated between reducing the principal balance and interest income.

TfL, through its concessionaire partner, also sells advertising space to customers and receives income from such arrangements under a revenue share agreement with its concessionaire. Revenue share income is dependent upon the revenue generated by the concessionaire and is therefore contingent in nature. Such revenue is recognised in the period when it is earned.

The Group receives performance monitoring credits when certain performance standards are not met. The performance monitoring credits are recognised as revenue when they are earned.

Rental income
Rental income from operating leases of properties, ATMs and car parks is recognised on a straight-line basis over the term of the lease. Rent-free periods, incentives, or fixed annual increases in the lease payments are spread on a straight-line basis over the lease term. Any inflation linked annual increases in rentals are treated as contingent rents and are recognised as income when they occur. Rental income based on tenant turnover is considered to be variable income and is therefore recognised as income in the period in which it is earned.

For finance leases, where the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset to the customer, a lease receivable is recognised. Finance income is recognised over the term of the lease, based on a pattern reflecting a constant periodic rate of return on the lease receivable. Lease receipts are allocated between reducing the principal balance and interest.

Third party contributions to operating costs
Revenue from third-party contributions to operating costs is earned on services performed by TfL in conjunction with other organisations or Government in relation to works such as dropping curbs, building roundabouts, installing traffic lights, installing shelters, escalators or elevators in stations, installing bus shelters, etc.

Revenue from third-party contributions is measured on the basis of progress towards completion, calculated using the proportion of costs incurred to date in relation to the total costs to be incurred on the entire project.

Revenue from telecoms concessionaire arrangements
Revenue from the concessionaire arrangements relates to the exclusive right granted to the concessionaire to access TfL's broader asset base to install and maintain its new telecommunications assets. The Fixed Concession Fee is recognised on a straight-line basis over the period of the concessionaire term. Revenue share fees are recognised as income when they occur.

Accounting Policies (continued)

Cycle hire scheme revenues

Sponsorship revenue is recognised on a straight-line basis over the term of the contract as it represents an obligation to provide branding promotion to the customer during the period of the contract.

Annual memberships scheme revenue is recognised on a straight-line basis over the membership period, as it represents an obligation to provide specific numbers of memberships to clients during the membership period.

Daily access fees are recognised upon providing the customer with access to the bicycles.

Museum income

Store sales

Revenue from store sales is recognised at the point of sale to the customer.

Venue hire revenue

Revenue from venue hire is recognised on the date when the space is provided to the customer.

Venue hire catering commission

Venue hire catering commission is recognised upon completion of the event based on the estimated consideration receivable from the customer.

Corporate membership scheme

Corporate membership scheme revenue is recognised on a straight-line basis over the period of membership, as it represents a stand-ready obligation to provide unlimited entry during the period of membership.

Café concessionaire commission

Revenue from café concessionaire commission income is recognised over the term of the concessionaire contract and measured based on the estimated consideration receivable from the concessionaire in each period.

Ticket and photocard commission income

Revenue from ticket and photocard commission income is recognised upfront when the ticket or photocard is issued.

j) Segmental reporting

In accordance with the Code, the Group's operating segments have been determined by identifying the segments whose operating results are reviewed by the Board, when making decisions regarding the allocation of resources and for the assessment of performance.

The operating segments of the Group and their principal activities are as follows:

- Underground – Provision of passenger rail services on the London Underground and refurbishment and maintenance of certain parts of the rail network
- Elizabeth line – Delivery of passenger rail services on the Elizabeth line
- Buses, streets and other operations – Provision of bus services; maintenance of London's roads and cycle routes; and provision of other operations, including Dial-a-Ride, London River Services, Taxi and Private Hire, Santander Cycles, Victoria Coach Station and the IFS Cloud Cable Car
- Rail – Provision of passenger rail services through contracted third-party operators on the DLR, London Overground and London Trams
- Places for London – Investment in our commercial and residential estate and building portfolio

Amounts included in TfL Group level management reporting, but excluded from divisional breakdowns are referred to as 'Group items'.

TfL's management reports to the TfL Board are presented using a basis of preparation that differs to the accounting requirements of the CIPFA Code. A reconciliation between the operating performance of the Group as reported to the Board to amounts included in the Group Comprehensive Income and Expenditure Statement is set out in note 2.

k) Exceptional items

Exceptional costs are costs that are unusual, infrequent and which do not occur in the normal course of operations. An unusual event or transaction has a high degree of abnormality and is clearly unrelated to (or only incidentally related to) the ordinary activities of the organisation, taking into account the operating environment. Infrequent refers to events and transactions that would not reasonably be expected to recur in the foreseeable future, taking into account the operating environment.

l) Grants and other funding

The main source of grant funding during 2023/24 and 2022/23 was the Extraordinary Funding Support Grant from the DfT and share of Business Rate Retention received from the GLA, which is classified as a resource grant; and specific capital grants from the GLA for the Crossrail project.

In the accounts of the Corporation and Group, all non-specific grants are credited to the Comprehensive Income and Expenditure Statement upon receipt or when there is reasonable assurance that the grant will be received. If a capital grant is received but certain conditions remain before it may be applied, it will be held, in the first instance, as capital grant received in advance, within the payables section of the Balance Sheet. Once any relevant conditions have been met, the capital grant is credited to the Comprehensive Income and Expenditure Statement.

Where expenditure on property, plant and equipment is financed either wholly or partly by capital or non-specific grants or other contributions, the amount of the grant applied is credited to the Capital Adjustment Account through the Movements in Reserves Statement. Amounts not utilised in the year are credited to the Capital Grants Unapplied Account, a usable reserve, for application in future periods.

Amounts of non-specific grants not used in the year are credited to the General Fund balance or to an Earmarked Reserve for specific use in future periods, where appropriate.

Accounting Policies (continued)

m) Overheads
Overheads are recognised in the Comprehensive Income and Expenditure Statement on an accruals basis.

n) Financing and investment income and expenses
Financing and investment income comprises interest income on funds invested, interest received in relation to finance leases, and premia received on the early settlement of borrowings. Interest income is recognised in the Comprehensive Income and Expenditure Statement as it accrues, using the effective interest rate method.

Financing and investment costs comprise the interest expense on borrowings and lease liabilities and the net financing cost on defined benefit pension obligations. Also included are premia paid on the early settlement of borrowings and interest rate derivatives. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Comprehensive Income and Expenditure Statement using the effective interest rate method (see also Accounting Policy z) Borrowing costs).

Also included within financing and investment income or expenditure are fair value gains or losses recognised in relation to the revaluation of investment properties, and any profits or losses recognised on disposal of investment properties.

o) VAT
VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

p) Taxation
In July 2023, the Finance (No.2) Act 2023 was enacted in the UK, which implemented the global minimum tax rules, commonly referred to as Pillar Two. The rules implement a domestic top-up tax and a multinational top-up tax in the UK that will apply to the Group with effect from 1 April 2024. The rules will require the Group to pay top-up taxes on any 'excess profits' in the UK in respect of any operations in territories where a minimum effective tax rate of 15 per cent has not been met. Where overseas jurisdictions in which the Group operates have implemented qualified domestic minimum top-up tax rules, any top-up tax due may be payable in that jurisdiction in part or in full.

The Group has assessed the impact of Pillar Two to estimate its exposure to top-up taxes arising from 1 April 2024 and the impact is expected to be negligible. The Group will continue to closely monitor further developments in respect of Pillar Two to assess the impact on financial performance.

The Group has applied the exception to IAS 12 in respect of recognising and disclosing information relating to deferred tax assets and liabilities arising in respect of Pillar Two, as provided in the amendments to IAS 12 issued in May 2023.

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the Comprehensive Income and Expenditure Statement except to the extent that they relate to a business combination, or to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are disclosed net to the extent that they relate to taxes levied by the same authority and the Group has the right of offset.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

q) Business combinations
On the acquisition of a business, fair values are attributed to the identifiable assets and liabilities and contingent liabilities unless the fair value cannot be measured reliably in which case the value is subsumed into goodwill. Where fair values of acquired contingent liabilities cannot be measured reliably, the assumed contingent liability is not recognised but is disclosed in the same manner as other contingent liabilities. Contingent assets acquired as part of a business combination are not recognised.

Goodwill is the difference between the fair value of the consideration payable and the fair value of net assets acquired.

r) Intangible assets
Goodwill
Where the cost of a business combination exceeds the fair values attributable to the net assets acquired, the resulting goodwill is capitalised and tested for impairment at each Balance Sheet date. Goodwill is allocated to income-generating units for the purpose of impairment testing.

Accounting Policies (continued)

Other intangible assets
Software costs are measured at cost less accumulated depreciation and accumulated impairment losses.

Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives, they are recognised separately.

Amortisation is charged to the Comprehensive Income and Expenditure Statement on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, unless such lives are indefinite.

The useful lives and amortisation methods for software costs are as follows:

Software costs Straight-line Up to 10 years

s) Property, plant and equipment

Recognition and measurement
Infrastructure consists of roads, tunnels, viaducts, bridges, stations, track, signalling, bus stations and stands; properties attached to infrastructure which are not separable from infrastructure; and properties attached to infrastructure that are used to facilitate the service provision but are limited in use by operational constraints. Some of these properties generate revenues which are considered to be incidental to the Group's activities.

Infrastructure, plant and equipment and rolling stock are measured at cost less accumulated depreciation and accumulated impairment losses. Assets under construction are measured at cost less any recognised impairment loss.

Owner-occupied office buildings are valued at existing use value by external, professionally qualified surveyors in accordance with RICS Guidelines. Existing use value is the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction disregarding potential alternative uses and any other characteristics of the asset that would cause its market value to differ from that needed to replace the remaining service potential at the measurement date. In determining the existing use value, the capitalisation of net income method and the discounting of future cash flows to their present value has been used. This is based upon various assumptions including the anticipated future rental income, maintenance costs and the appropriate discount rate, making reference to market evidence of transaction prices for similar properties. A deduction is made to reflect purchaser's acquisition costs.

Valuations are performed annually. Movements in the value of the property are taken to the Revaluation Reserve, with the exception of permanent diminutions in value which are recognised in profit or loss.

The cost of certain items of property, plant and equipment was determined by reference to a revalued amount determined under a previous accounting regimen. The Group elected to apply the optional exemption to use this previous valuation as deemed cost at 1 April 2009, the date of transition to IFRS.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, borrowing costs on qualifying assets for which the commencement date for capitalisation is on or after 1 April 2009, and any other costs directly attributable to bringing the assets to a working condition for their intended use. Where there is a legal obligation to remove the asset and/or restore the site on which it is located at the end of its useful economic life, the costs of dismantling and removing the items and restoring the site on which they are located are also included in the cost of the asset. Proceeds generated from an asset prior to its intended use are not deducted from the cost of the asset and area instead charged to the Comprehensive Income and Expenditure Statement as generated.

Where major components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. When components are replaced, the costs of the overhaul are capitalised as additions and the carrying amounts of the replaced components are written off to profit or loss.

Where there are similar assets with identical useful lives e.g. cabling, these assets are accounted for as pooled items of property, plant and equipment and are depreciated over their useful lives. When pooled items are fully depreciated the gross acquisition value and accumulated depreciation are derecognised.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal along with the costs of disposal with the carrying amount of the item and are recognised net within other gains and losses in the Comprehensive Income and Expenditure Statement.

Depreciation
Depreciation is calculated on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less the expected residual value at the end of its useful economic life.

Depreciation is recognised in the Comprehensive Income and Expenditure Statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

Accounting Policies (continued)

The estimated useful lives for the current and comparative periods are as follows:

Tunnels and embankments	up to 120 years
Bridges and viaducts	up to 120 years
Track	up to 120 years
Road pavement	up to 40 years
Road foundations	up to 50 years
Signalling	up to 40 years
Stations	up to 120 years
Other property	up to 120 years
Rolling stock	up to 50 years
Lifts and escalators	up to 40 years
Plant and equipment	up to 75 years
Computer equipment	up to 15 years

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Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate, the effect of such adjustment being prospectively recognised as a change of estimate.

t) Heritage assets
Property, plant and equipment includes a number of assets classified as heritage assets in accordance with the Code. Heritage assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental or historical associations. These provisions apply to the collection of transport-related artefacts held at London Transport Museum. Due to the diverse nature of the assets held and the lack of comparable market values, the cost of obtaining a valuation of TfL's heritage assets is such that it would not be commensurate with the benefits provided to users of the financial statements. TfL has therefore taken the exemption available under the Code to hold its heritage assets at historical cost less any accumulated depreciation or impairment losses.

u) Investment property
Investment property is property held solely either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the supply of services or for administrative purposes.

Investment property is measured initially at cost, including transaction costs, and subsequently measured at fair value with any change therein recognised in profit or loss within financing and investment income or expenditure. During 2020/21, 2021/22 and 2022/23, as part of an exercise undertaken by management to create a consolidated commercial property portfolio, new lease structures created allowed the recognition of newly separable investment property assets which were recorded within investment property at fair value at the date of creation of the lease structure. These valuation gains were recognised directly within other comprehensive income in accordance with IAS 40. Movement in the fair values of existing investment properties continued to be recognised within financing income or expenditure.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting. Investment properties held at fair value are not subject to depreciation.

Investment properties are valued annually at fair value by external, professionally qualified surveyors in accordance with RICS Guidelines. Fair value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The methodology assumes the valuation is based on the highest and best use of the asset. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value has been used. This is based upon various assumptions including the anticipated future rental income, maintenance costs and the appropriate discount rate, making reference to market evidence of transaction prices for similar properties. A deduction is made to reflect purchaser's acquisition costs. Properties are therefore categorised as Level 3 in the fair value hierarchy, as the measurement technique uses significant unobservable inputs to determine the fair value measurements.

Revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund balance. Any such gains and losses recognised by the Corporation are therefore reversed out of the General Fund balance in the Movement in Reserves Statement and transferred to the Capital Adjustment Account.

v) Investment in joint ventures
A joint venture is a type of joint arrangement wherein the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recognised on the Balance Sheet at cost and is thereafter adjusted to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture.

w) Investment in associated undertakings
An associate is an entity over which the Group has significant influence, but not control. The results and assets and liabilities of associates are incorporated in these consolidated accounts using the equity method of accounting from the date on which the investee becomes an associate. Under the equity method, the investment is initially recognised on the Balance Sheet at cost and is thereafter adjusted to recognise the Group's share of the profit or loss and other comprehensive income of the associate.

Accounting Policies (continued)

x) Inventories

Inventories consist primarily of fuel, uniforms, and materials required for the operation of services and maintenance of infrastructure. Equipment and materials held for use in a capital programme are accounted for as inventory until they are issued to the project, at which stage they become part of assets under construction.

Inventories are carried at lower of cost and net realisable value. Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

y) Assets held for sale

Long-term assets (and disposal groups comprising a group of assets and potentially some liabilities that an entity intends to dispose of in a single transaction) are classified as held for sale if; their carrying amount will be recovered principally through sale rather than continuing use, they are available for immediate sale and sale is highly probable.

On initial classification as held for sale, long-term assets or disposal groups are measured at the lower of their previous carrying amount and fair value less costs to sell. No amortisation or depreciation is charged on long-term assets (including those in disposal groups) classified as held for sale.

z) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (those necessarily taking a substantial period of time to get ready for their intended use) are added to the cost of those assets, until such time as the assets are ready for their intended use.

All other finance and borrowing costs are recognised in the Comprehensive Income and Expenditure Statement in the period in which they are incurred.

aa) Provisions

Provisions are recognised on the Balance Sheet when a present legal or constructive obligation exists for a future liability in respect of a past event and where the amount of the obligation can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the Balance Sheet date and are discounted to present value where the effect is material.

ab) Foreign currencies

Transactions in currencies other than sterling are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (see Accounting Policy aj) below for hedging accounting policies).

ac) Leases (the Group as lessee)

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

The lease liabilities arising from a lease are initially measured on a present value basis comprising the following lease payments:

- Fixed payments (including in-substance fixed payments) less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option
- Lease payments to be made under reasonably certain extension options

The lease payments are discounted using the TfL Group's incremental borrowing rate, being the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

For the current year, TfL's incremental borrowing rate for each tenor consists of PWLB as this is the source of borrowing we have used during the pandemic.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate takes effect, then the lease liability is re-measured using the changed cash flows and changed discount rate. Further, a corresponding adjustment is also made to the right-of-use asset.

Lease payments are allocated between the repayment of principal and a finance cost. The finance cost is charged to the Comprehensive Income and Expenditure Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Accounting Policies (continued)

The right-of-use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability
- Any lease payments made at or before the commencement date, less any lease incentives received
- Any initial direct costs
- Restoration costs

The right-of-use assets are generally depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. If it is reasonably certain that the Group will exercise a purchase option, then the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and with low-value assets are recognised on a straight-line basis as an expense in the Comprehensive Income and Expenditure Statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

IFRS 16 permits the use of a practical expedient that permits lessees to make an accounting policy election, by class of underlying asset, to account for each separate lease component of a contract and any associated non-lease components as a single lease component. Contracts for bus services contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. TfL's accounting policy is to apply this expedient to other equipment as a class of underlying asset. If the non-lease components over the contract duration total less than five per cent of the total contract value or £500,000, whichever is lower, then the non-lease and lease components are treated as a single lease.

Peppercorn leases

Leases with payments at peppercorn or nominal consideration that are provided at substantially below market terms, and leases for nil consideration, are accounted for as follows:

- Any portion of the lease that is payable is accounted for in the same way as other lease obligations under IFRS 16 Leases
- The difference between the present value of any future lease payments due and the fair value of the lease on initial recognition is recognised as a fair value right-of-use asset on the Balance Sheet, with a corresponding gain recognised in grant income within the surplus or deficit recognised on the provision of services

The Group has a number of leases over property and other transport infrastructure under which it pays £nil or peppercorn rents. It has undertaken an exercise to assess the fair value of the assets leased under these arrangements and has concluded that they have no material value. No amounts have therefore been recorded in the financial statements in respect of these leases.

ad) Leases (the Group as lessor)

Lease income from operating leases is recognised as income on a straight-line basis over the lease term. Rent free periods, incentives, or fixed annual increases in the lease payments are spread on a straight-line basis over the lease term. Any inflation linked annual increases in rentals are treated as contingent rents and are recognised as income when they occur. Rental income based on turnover is considered variable and therefore is recognised in the period in which it is earned. The respective leased assets are included in the Balance Sheet within investment properties. Any lease modifications are treated as new leases from the date of modification.

Lease income from finance leases is recognised over the lease term at an amount that produces a constant periodic rate of return on the remaining balance of the net investment in the lease. The net investment in the lease is the sum of lease payments receivable during the lease term discounted at the interest rate implicit in the lease.

Lease income in respect of property leases has been adversely impacted by the coronavirus pandemic. Bespoke support has been provided to tenants on a case-by-case basis and includes the grant of rent-free periods and other arrangements reflecting the position of each customer. The accounting treatment for the tenant support, which results in some divergence between net rental income on a reported basis and cash flow basis, is as follows:

- Rent-free periods are generally considered to constitute a lease modification under IFRS 16, with the lease incentive deferred over the remaining lease term. The lease incentive balance will be assessed for impairment at each reporting date. If the level of tenant failures is higher than expected, the impairment of tenant incentives and bad debt expense is also expected to increase
- Lease income from finance leases is recognised over the lease term at an amount that produces a constant periodic rate of return on the remaining balance of the net investment in the lease. The net investment in the lease is the sum of lease payments receivable during the lease term discounted at the interest rate implicit in the lease
- On lease commencement the carrying value of the asset is derecognised, the net investment in the lease is recognised as a finance lease receivable and any selling profit or loss is recognised in the Comprehensive Income and Expenditure Statement

Accounting Policies (continued)

ae) Private Finance Initiative (PFI) transactions and similar contracts
The Code requires the Group to account for infrastructure PFI schemes where it controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement. TfL therefore recognises such PFI assets as items of property, plant and equipment together with a liability to pay for them. The fair values of services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a. The service charge

b. Repayment of the capital

c. The interest element (using the interest rate implicit in the contract)

Services received
The fair value of services received in the year is recorded under the relevant expenditure headings within 'gross expenditure'.

Assets
Assets are recognised as property, plant and equipment or intangible assets when they come into use. The assets are measured initially at fair value in accordance with IPSAS 32 Service Concession Arrangements – Grantor (IPSAS 32).

Where the operator enhances assets already recognised in the Balance Sheet the fair value of the enhancement in the carrying value of the asset is recognised as an asset.

Liabilities
A PFI liability is recognised at the same time as the assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IFRS 16.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the year and is charged to financing and investment expenditure within the Comprehensive Income and Expenditure Statement.

The element of the unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

Life cycle replacement
Components of the asset replaced by the operator during the contract (lifecycle replacement) are capitalised where they meet the Group's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

af) Impairment of non-financial assets
Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Other intangible assets, property, plant and equipment and investments in subsidiaries, joint ventures and associates are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. In assessing whether impairment indicators exist Management have considered climate change risks and the impact of any commitments under the Group's Climate Change Adaptation Plan.

Impairment occurs when an asset's carrying value exceeds its recoverable amount. An asset's recoverable amount is the higher of its value in use and its fair value less costs to sell.

Where an impairment loss is reversed subsequently, the reversal is credited to the Impairment line of the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

In accordance with the Code, when an asset is not held primarily for the purpose of generating cash flows but for service provision, value in use is the present value of the asset's remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. This is the case for the majority of the Group's assets.

ag) Employee benefits
Defined benefit pension plans
The majority of the Group's employees are members of the Group's defined benefit plans, which provide benefits based on final pensionable pay. The assets of schemes are held separately from those of the Group.

On retirement, members of the schemes are paid their pensions from a fund which is kept separate from the Group. The Group makes cash contributions to the funds in advance of members' retirement.

Every three years the Group's schemes are subject to a full actuarial funding valuation using the projected unit method. Separate valuations are prepared for accounting purposes on an IAS 19 basis as at the Balance Sheet date. Pension scheme assets are measured using current market bid values. Pension scheme defined benefit obligations are measured using a projected unit credit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the defined benefit obligation.

Accounting Policies (continued)

The difference between the value of the pension scheme assets and pension scheme liabilities is a surplus or a deficit. A pension scheme surplus is recognised to the extent that it is recoverable and a pension scheme deficit is recognised in full. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which it occurs. Remeasurement recognised in other comprehensive income will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit obligation or asset. Defined benefit costs are categorised between; (a) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), (b) net interest expense or income, and (c) remeasurement. The Group presents the first two components in profit or loss within the surplus on the provision of services before tax. Curtailment gains and losses are accounted for as past service costs.

Multi-employer exemption

For certain defined benefit schemes, the Corporation and/or the Group is unable to identify its share of the underlying assets and defined benefit obligations of the scheme on a consistent and reasonable basis. As permitted by the multi-employer exemption in the Code, these schemes are accounted for as defined contribution schemes. Contributions are therefore charged to the Comprehensive Income and Expenditure Statement as incurred.

Group schemes under common control

The Corporation and certain of its subsidiaries are members of a Group defined benefit plan wherein risks are shared between the entities under common control. There is no contractual arrangement in place to apportion the net defined benefit cost across the member entities. Accordingly, in line with the provisions of IAS 19, the total net defined benefit obligation is recognised in the individual financial statements of the sponsoring employer, the Corporation.

Unfunded pension schemes

Ex gratia payments are made to certain employees on retirement in respect of service prior to the establishment of pension funds for those employees. Supplementary payments are made to the pensions of certain employees who retired prior to the index linking of pensions. The Group also augments the pensions of certain employees who retire early under voluntary severance arrangements. In addition, certain employees also accrue benefits under an unfunded pension arrangement. These unfunded pension liabilities are provided for in the Balance Sheet.

Defined contribution plans

Some employees are members of defined contribution plans. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the Comprehensive Income and Expenditure Statement in the periods during which services are rendered by employees.

Other employee benefits

Other short- and long-term employee benefits, including holiday pay and long service leave, are recognised as an expense over the period in which they accrue.

ah) Reserves

Reserves consist of two elements, usable and unusable.

Usable reserves are those that can be applied to fund expenditure. They are made up of the General Fund, Earmarked Reserves, the Capital Grants Unapplied Account and the Street Works Reserve. Amounts in the Street Works Reserve represent the net income/expenditure generated from lane rental revenues. These net revenues may only be employed in funding the reduction of disruption and other adverse effects caused by street works.

Unusable reserves cannot be applied to fund expenditure as they are not cash backed. They include the Capital Adjustment Account, Pension Reserve, the Hedging Reserve, the Financial Instruments Revaluation Reserve, the Financial Instruments Adjustment Account, the Retained Earnings Reserve in subsidiaries and the Fixed Asset Revaluation Reserve.

Management has determined that the Retained Earnings Reserve in subsidiaries are unusable unless the subsidiary declares a dividend to the Corporation, and they are able to fund these via their own cash reserves. The majority of assets held in subsidiaries are related to transport infrastructure and are not readily convertible to cash.

The Group's investment property assets are held within a separate property investment vehicle for the purpose of creating an estate of commercial, income-producing assets and development opportunities. They are not available to fund the expenditure of the Corporation.

Accounting Policies (continued)

ai) Financial instruments
Financial instruments within the scope of IFRS 9 Financial Instruments (IFRS 9) are classified as:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other Comprehensive Income and Expenditure (FVTOCI)
- Financial assets measured at fair value through the Comprehensive Income and Expenditure Statement (FVTPL)
- Financial liabilities measured at amortised cost
- Financial liabilities at fair value through the Comprehensive Income and Expenditure Statement (FVTPL)

The Group determines the classification of its financial instruments at initial recognition. Financial assets may be reclassified only when the Group changes its business model for managing financial assets, at which point all affected financial assets would be reclassified. Financial liabilities are not reclassified subsequent to initial recognition.

When financial instruments are recognised initially, they are measured at fair value, being the transaction price plus any directly attributable transaction costs. The exception to this is for assets and liabilities measured at fair value through the Comprehensive Income and Expenditure Statement, where transaction costs are immediately expensed.

The subsequent measurement of financial instruments depends on whether they are financial assets or financial liabilities and whether specified criteria are met.

Financial assets are measured at amortised cost if:

- it is the objective of the Group to hold the asset in order to collect contractual cash flows; and
- the contractual terms give rise to cash flows, which are solely repayments of a principal value and interest thereon.

After initial recognition, these assets are carried at amortised cost using the effective interest rate method if the time value of money is significant. Gains and losses are recognised in the Comprehensive Income and Expenditure Statement when the asset is derecognised or a loss allowance applied, as well as through the amortisation process.

Financial assets are measured at FVTOCI if:

- assets are non-derivative and held within a business model whose objective is to realise their value through either the collection of contractual cash flows or selling of the financial assets; and
- the contractual terms of the financial asset give rise to periodic cash flows that are the payment of principal and interest.

After initial recognition, interest is taken to the Comprehensive Income and Expenditure Statement using the effective interest rate method and the assets are measured at fair value with gains or losses being recognised in Other Comprehensive Income and Expenditure (and taken to the Financial Instruments Revaluation Reserve), except for impairment gains or losses, until the investment is derecognised, or reclassified at which time the cumulative fair value gain or loss previously reported in reserves is included in the Comprehensive Income and Expenditure Statement. For equity instruments, unlike debt instruments, there is no transfer of accumulated amounts in Other Comprehensive Income to the Comprehensive Income and Expenditure Statement.

Financial assets are measured at FVTPL if they are:

- Derivatives
- Not held as amortised cost or at FVTOCI
- Financial assets that were elected to be designated as measured at FVTPL

After initial recognition, assets are carried in the Balance Sheet at fair value with gains or losses recognised in the Comprehensive Income and Expenditure Statement.

Financial liabilities are measured at amortised cost if they are non-derivative with limited exceptions.

After initial recognition, non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are measured at FVTPL if they are:

- Derivatives
- Other liabilities held for trading
- Financial liabilities that were elected to be designated as measured at FVTPL

Loans to subsidiaries
Loans to subsidiaries are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Loans are classified as amortised cost.

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Cash and cash equivalents are classified as financial assets at amortised cost.

Accounting Policies (continued)

Other investments
Short-term investments with an outstanding maturity, at the date of acquisition, of greater than three months and less than or equal to a year, are classified as short-term investments on the basis that they are not readily convertible to cash. Short-term investments are classified as financial assets at amortised cost.

Long-term investments with an outstanding maturity, at the date of acquisition, of greater than a year, are classified as long-term investments. Long-term investments are classified as fair value through profit and loss.

Trade and other receivables
Trade and other receivables are recognised initially at fair value and subsequently classified as financial assets at amortised cost.

Finance lease receivables
Finance lease receivables are recognised initially at fair value and subsequently classified as financial assets at amortised cost.

Trade and other creditors
Trade and other creditors are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method.

Interest bearing loans and borrowings
All loans and borrowings are classified as financial liabilities measured at amortised cost.

Obligations under leases and PFI arrangements
All obligations under leases and PFI arrangements are classified as financial liabilities measured at amortised cost.

Other financing liabilities
Other financing liabilities are classified as financial liabilities measured at amortised cost.

Financial derivative instruments
The Group uses financial derivative instruments to manage certain exposures to fluctuations in foreign currency exchange rates and interest rates. The Group does not hold or issue derivative instruments for speculative purposes. The use of derivatives is governed by the Group's Treasury Management policies, approved by the Board.

Derivative assets and derivative liabilities are classified as FVTPL. Such financial derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated in an effective as a hedge relationship, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of the foreign currency risk of firm commitments (cash flow hedges).

The fair value of derivatives are classified as a long-term asset or a long-term liability if the remaining maturity of the derivative contract is more than 12 months and as a short-term asset or a short-term liability if the remaining maturity of the derivative contract is less than 12 months.

Hedge accounting
In order to qualify for hedge accounting, at inception of the transaction the Group formally designates and documents the hedging relationship, which includes the Group's risk management strategy and objective for undertaking the hedge, identification of the hedging instrument, the hedged item, the ratio between the amount of hedged item and the amount of hedging instrument, the nature of the risk being hedged and how the Group assesses that the hedging instrument is highly effective including analysis of potential sources of hedge ineffectiveness.

At the inception of the hedge relationship and prospectively on an ongoing basis, the Group assesses three criteria in determining the hedge is effective and qualifies for hedge accounting, namely:

- An economic relationship exists such that the fair value or cash flows attributable to the hedged risk will be offset by the fair value of the hedged instrument
- Credit risk does not dominate changes in the value of the hedging instrument or hedged item
- The hedge ratio used for hedge accounting purposes is the same as that used for risk management purposes and is to be maintained as initially set throughout the hedge relationship

Where derivatives or portions of hedges do not qualify for hedge accounting, they are recorded at fair value through the Comprehensive Income and Expenditure Statement and any change in value is immediately recognised in the Comprehensive Income and Expenditure Statement.

Cash flow hedges
Hedge relationships are classified as cash flow hedges when they hedge the Group's exposure to variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit or loss. Derivative instruments qualifying as cash flow hedges are principally interest rate swaps (where floating rate interest is swapped to fixed) and foreign currency forward exchange contracts.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred in reserves. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Accounting Policies (continued)

Amounts deferred in reserves are recycled to profit or loss in the periods when the hedged items (the hedged asset or liability) affect the Comprehensive Income and Expenditure Statement. When the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously accumulated in reserves are transferred from reserves and are included in the initial measurement of the cost of the related asset or liability. For transaction-related hedged items, this will occur once the hedged transaction has taken place. For time-period related hedged items, the amount that is accumulated in reserves is amortised on a systematic and rational basis as a reclassification adjustment.

Hedge accounting is discontinued when the hedging instrument expires, is sold, terminated, exercised or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in reserves at that time remains in reserves and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in reserves is recognised immediately in profit or loss.

Fair value measurement of financial instruments

The fair value of quoted investments is determined by reference to bid prices at the close of business on the Balance Sheet date, within Level 1 of the fair value hierarchy as defined within IFRS 13.

Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length transactions; reference to the current market value of another instrument which is substantially the same; and discounted cash flow analysis and pricing models.

In the absence of quoted market prices, derivatives are valued by using quoted forward prices for the underlying commodity/currency and discounted using quoted interest rates (both as at the close of business on the Balance Sheet date). Hence, derivatives are within Level 2 of the fair value hierarchy as defined within IFRS 13.

Impairment of financial assets

At each reporting date, the Group assesses whether the credit risk on a significant financial asset measured at amortised cost or FVTOCI has increased significantly since initial recognition and subsequently measures an expected credit loss allowance for that financial instrument.

The expected loss allowance is a measurement based on the probability of default over the lifetime of the contract for trade receivables, lease receivables or contract assets in scope of IFRS 15. For other financial assets, the allowance is based on the probability of default occurring in 12 months providing credit risk is assessed as low.

The expected credit loss is based on a forward-looking, probability-weighted measure considering reasonable and supportable information on past events, current conditions and the time value of money. Where financial assets are determined to have shared risk characteristics they are assessed collectively, otherwise, they are reviewed on an individual basis.

No loss allowance for expected credit loss is recognised on a financial asset where the counterparty is central government or a local authority and where relevant statutory provisions prevent default. Expected credit loss allowances are recognised in the Comprehensive Income and Expenditure Statement.

Embedded derivatives

Derivatives that are embedded in other financial instruments or other host contracts are treated as separate derivatives when:

- the host contract is a financial liability or an asset not within the scope of IFRS 9; and
- the derivative's risks and characteristics are not closely related to those of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the host contracts are not carried at fair value

In such cases, an embedded derivative is separated from its host contract and accounted for as a derivative carried on the Balance Sheet at fair value from inception of the host contract.

Unrealised changes in fair value are recognised as gains/losses within the Comprehensive Income and Expenditure Statement during the period in which they arise.

aj) Climate change

In preparing the Group's financial statements, consideration has been given to the impact of both physical and transition climate change risks as described within the Task Force on Climate Related Financial Disclosures (TCFD) section of the Narrative Report, and how these impact the financial statements. Management have considered the commitments made under the Group's Climate Change Adaptation Plan and other external commitments and have concluded that there is no material impact to the Group's financial statements.

Accounting Policies (continued)

Impact of climate change on the Group's judgements and estimates

In assessing the Group's judgements and sources of estimation uncertainty, consideration has been given to the impact of climate change risk on these. It is not considered that climate change risks have any material impacts on the Group's judgements or sources of estimation uncertainty for the following reasons:

Estimate/judgement	Explanation
Useful economic lives	• In assessing assets for impairment, Management did not identify any material assets for which there would be climate-related obsolescence or indicators that an asset's useful economic life would be restricted • In particular, in light of the Group's commitment to a net-zero bus fleet by 2034, Management considered whether any right-of-use assets had restricted useful lives. All lease terms were confirmed to expire prior to transition therefore no material impairments were identified
Asset carrying values	• In carrying out impairment assessments, Management considered future committed cashflows in relation to climate in determining the asset's value in use. There were no material climate-related asset impairments identified
Goodwill	• In carrying out their annual impairment assessment of Goodwill, Management ensured that the value-in-use forecasts included climate-related future committed expenditure and appropriate stress testing for climate-related risks and opportunities
Going concern	• Going concern analysis covers the period from the date of signing of these financial statements until the period ending 31 March 2026. Climate events materially impacting the carrying value of reported assets and liabilities are not expected to occur within this period
Post retirement benefits	• Each year Management obtain an IAS 19 valuation of the TfL Pension Fund from actuaries at the XPS Pensions Group. It is not expected that there are climate factors that would materially impact the valuation of the Fund of the assumptions used therein

Policies and market changes in response to climate change are continually developing and therefore the financial statements cannot capture all possible outcomes as these are not yet known. The degree of uncertainty of these changes may also mean they cannot be considered in the determination of asset and liability valuations and the timing of future cashflows.

We must prepare our assets for a changing cliimate

Notes to the Financial Statements

1. Gross service income

a) Group gross service income

Year ended 31 March	2024 £m	% of total	2023 restated* £m	% of total
Passenger income	4,843.1	72.1	4,046.6	69.7
Revenue in respect of free travel for older and disabled customers	202.0	3.0	194.2	3.3
Congestion Charging	345.9	5.2	358.1	6.2
Direct Vision Scheme income	14.4	0.2	-	-
Ultra Low Emission Zone charges	534.5	8.0	479.9	8.3
Low Emission Zone charges	67.7	1.0	118.2	2.0
Charges to London Boroughs and Local Authorities	13.6	0.2	14.2	0.2
Charges to transport operators	77.8	1.2	53.1	0.9
Road Network compliance income	89.3	1.3	86.5	1.5
Commercial advertising receipts	154.0	2.3	144.9	2.5
Rents receivable (restated)*	82.9	1.2	77.4	1.3
Contributions from third parties to operating costs	62.2	0.9	30.8	0.5
Taxi licensing	37.7	0.6	37.9	0.7
Ticket and photocard commission income	16.3	0.2	14.9	0.3
General fees and charges	55.1	0.8	16.6	0.3
ATM and car parking income	16.7	0.2	16.6	0.3
Museum income	15.3	0.2	13.0	0.2
Training and specialist services	29.3	0.4	22.9	0.4
Cycle hire scheme	10.2	0.2	14.5	0.2
Other	46.0	0.8	63.6	1.2
	6,714.0	100.0	5,803.9	100.0

b) Corporation gross service income

Year ended 31 March	2024 £m	% of total	2023 restated* £m	% of total
Congestion Charging	345.9	29.4	358.1	30.9
Direct Vision Scheme income	14.4	1.2	-	-
Ultra Low Emission Zone charges	534.5	45.5	479.9	41.4
Low Emission Zone charges	67.7	5.8	118.2	10.2
Charges to London Boroughs and Local Authorities	12.5	1.1	12.9	1.1
Road Network compliance income	89.3	7.6	86.5	7.5
Rents receivable (restated)*	0.3	-	0.3	-
Contributions from third parties to operating costs	33.8	2.9	29.5	2.5
Taxi licensing	37.7	3.2	37.9	3.3
General fees and charges	4.3	0.4	4.4	0.4
Training and specialist services	18.7	1.6	15.4	1.3
Other	16.6	1.3	17.1	1.4
	1,175.7	100.0	1,160.2	100.0

* Details of restatement are included within Note 43

Notes to the Financial Statements

1. Gross service income (continued)

c) Congestion Charging

Year ended 31 March	**Group and Corporation 2024 £m**	Group and Corporation 2023 £m
Income	**345.9**	358.1
Toll facilities and traffic management	**(107.7)**	(133.2)
	238.2	224.9
Administration, support services and depreciation	**(2.6)**	(2.4)
Net income from Congestion Charging	**235.6**	222.5

Net income from the Congestion Charge (above), Low Emission Zone and Ultra Low Emission Zone (below) is spent on delivering the Mayor's Transport Strategy.

d) Combined Emission Zone Charging

Year ended 31 March	**Group and Corporation 2024 £m**	Group and Corporation 2023 £m
Income	**602.2**	598.1
Toll facilities and traffic management	**(408.9)**	(373.8)
	193.3	224.3
Administration, support services and depreciation	**(23.3)**	(15.7)
Net income	**170.0**	208.6

Emission zone charging comprises the Low Emission Zone (LEZ) and Ultra Low Emission Zone (ULEZ).

e) Direct Vision Standard and HGV Safety Permit Scheme

Year ended 31 March	**Group and Corporation 2024 £m**	Group and Corporation 2023 £m
Income	**14.4**	-
Toll facilities and traffic management	**(6.7)**	-
Net income recognised within net cost of services	**7.7**	-

f) Street works

Year ended 31 March	**Group and Corporation 2024 £m**	Group and Corporation 2023 £m
Income	**12.8**	10.6
Allowable operating costs of managing the lane rental scheme	**(2.6)**	(2.4)
Application of Street Works Reserve to projects reducing the adverse effects caused by street works	**(5.4)**	(6.2)
Net income recognised within net cost of services	**4.8**	2.0
Net income for the year transferred to the Street Works Reserve	**4.8**	2.0

Under the London lane rental scheme, introduced in 2012, TfL receives payments where utilities carry out certain street works in circumstances significantly affecting traffic. The legislation (SI 2012/425) requires TfL to apply the net proceeds of these payments to reducing the adverse effects caused by street works. The net income shown above has been transferred to the Street Works Reserve.

Notes to the Financial Statements
2. Segmental analysis

2a) Segmental analysis
The breakdown of performance reporting by segment is presented in the Expenditure and Funding Analysis in Note 3. The analysis only shows Group segmental information and no disclosures are included for the Corporation. This is because the Corporation's results are not reported to the TfL Board on a segmental basis.

No Balance Sheet information is reported internally by segment and there is accordingly no requirement under the Code to disclose segmental Balance Sheet information in the Statement of Accounts.

2b) Reconciliation of the internal management reports income statement to the Group Comprehensive Income and Expenditure Statement
The segmental information presented in the Expenditure and Funding Analysis reflects the presentation of the internal management reports income statement, published on TfL's website in the form of Quarterly Performance Reports.
The methodology for preparation and the presentation of figures within the internal management reports differs in several respects from the Group Comprehensive Income and Expenditure Statement as presented in these financial statements. To aid understanding of TfL information as reported in Quarterly Performance Reports, a reconciliation to the Group Comprehensive Income and Expenditure Statement is presented on the following pages.

Our investments help keep London moving

Notes to the Financial Statements
2. Segmental analysis (continued)

Reconciliation of internal management reports to the Group Comprehensive Income and Expenditure Statement (CI&E)

Year ended 31 March 2024	Internal management reports Income Statement £m	Items included in the CI&E but excluded from management reports £m	Items included in management reports but excluded from the CI&E £m	Reclassifications between line items £m	Items with different accounting treatment (see note 2c) £m	Group Comprehensive Income and Expenditure Statement £m
Gross external income/(total operating income)	6,847.0	-	-	(131.6)	(1.5)	6,713.9
Gross expenditure/(operating cost)	(7,846.0)	(1,920.1)	726.6	(56.7)	86.3	(9,009.9)
Net cost of services (divisional net operating deficit excluding grant income)	(999.0)	(1,920.1)	726.6	(188.3)	84.8	(2,296.0)
Other net operating expenditure	-	(0.8)	-	-	-	(0.8)
Grant income	2,311.0	-	-	188.3	1,005.3	3,504.6
Group share of profit before tax of joint ventures	-	0.1	-	-	-	0.1
Group share of loss before tax of associated undertakings	-	(58.3)	-	-	-	(58.3)
(Capital renewals)	(763.0)	-	763.0	-	-	-
(Operating surplus before interest)	549.0	(1,979.1)	1,489.6	-	1,090.1	1,149.6
Financing and investment income	-	16.2	-	69.7	-	85.9
Financing and investment expenditure	-	(151.5)	-	(480.7)	8.8	(623.4)
(Net interest costs)	(411.0)	-	-	411.0	-	-
Group surplus before tax/(operating surplus)	138.0	(2,114.4)	1,489.6	-	1,098.9	612.1
Taxation	-	(49.5)	-	-	-	(49.5)
Group surplus after tax	138.0	(2,163.9)	1,489.6	-	1,098.9	562.6

Notes to the Financial Statements

2. Segmental analysis (continued)

Reconciliation of internal management reports to the Group Comprehensive Income and Expenditure Statement (CI&E)

Year ended 31 March 2023	Internal reports as reported to management £m	Items included in the CI&E but excluded from the internal reports £m	Items included in the internal reports but excluded from the CI&E £m	Reclassifications between line items £m	Items with different accounting treatment (see note 2c) £m	Group Comprehensive Income and Expenditure Statement restated* £m
Gross external income/(total operating income)(restated)*	5,826.0	–	–	–	(22.1)	5,803.9
Gross expenditure/(operating cost)	(7,055.0)	(2,106.2)	711.5	–	(40.5)	(8,490.2)
Net cost of services (divisional net operating deficit excluding grant income)	(1,229.0)	(2,106.2)	711.5	–	(62.6)	(2,686.3)
Other net operating expenditure	–	(86.4)	–	–	–	(86.4)
Grant income	2,898.0	–	–	–	624.5	3,522.5
Group share of profit before tax of joint ventures	–	8.8	–	–	–	8.8
Group share of loss before tax of associated undertakings	–	(41.5)	–	–	–	(41.5)
(Capital renewals)	(624.0)	–	624.0	–	–	–
(Operating surplus before interest)	1,045.0	(2,225.3)	1,335.5	–	561.9	717.1
Financing and investment income (restated)*	–	69.0	–	33.1	–	102.1
Financing and investment expenditure	–	(295.4)	–	(457.1)	2.9	(749.6)
(Net interest costs)	(424.0)	–	–	424.0	–	–
Group surplus before tax/(operating surplus)	621.0	(2,451.7)	1,335.5	–	564.8	69.6
Taxation	–	4.8	–	–	–	4.8
Group surplus after tax	621.0	(2,446.9)	1,335.5	–	564.8	74.4

Where line item descriptors differ between the internal reports and the Comprehensive Income and Expenditure Statement, those used in the internal reports are shown within parentheses in the above tables.

* Details of restatement are included within Note 43

Notes to the Financial Statements

2. Segmental analysis (continued)

2c) Detailed reconciliation of segmental information reported in internal management reports to amounts included in the Group (deficit)/surplus

The segmental analysis is prepared using internal management reporting accounting methodologies. In some cases, these methodologies are different from the accounting policies used in the financial statements. Where there are accounting policy differences between management reports and the statutory accounts, statutory accounting adjustments are not recorded by segment in the underlying accounting records. It is not therefore possible to produce a segmental breakdown of the Group financial statements on a statutory basis of reporting. Differences between the methodologies are explained in the paragraphs and table below.

- Depreciation, amortisation of intangibles and impairment charges are not included in the segmental analysis

- The cost of retirement benefits is recognised within gross expenditure in the internal management report's Income Statement as a charge based on cash contributions paid during the year, rather than the pension service cost and net interest charge on defined benefit pension obligations recognised in the Comprehensive Income and Expenditure Statement. This better reflects the actual charge made to the General Fund in respect of pension costs which is calculated based on actual contributions paid as opposed to the charges flowing through the Comprehensive Income and Expenditure Statement as calculated under IAS 19

- The internal management report's Income Statement excludes the net gain on disposal of investment properties and the change in fair value of investment properties that are included within financing and investment income in the Comprehensive Income and Expenditure Statement. Fair value movements are excluded from management reporting as these gains or losses are unrealised. The net proceeds from disposals, meanwhile, are included in the Capital Account for management reporting purposes, as these income streams may only be employed by the Corporation to fund capital expenditure and do not represent an ongoing revenue stream that can be employed to meeting the day-to-day operating costs of the network

- Similarly, the internal management report's Income Statement excludes gains and losses on the disposal of property, plant and equipment and intangible assets recognised within other operating expenditure, and instead includes the net proceeds from these disposals in the Capital Account

- Internal management reporting includes a charge within operating expenditure for the costs of right-of-use leases, based on cash payments made in the period in relation to those leases. In the net cost of services in the Comprehensive Income and Expenditure Statement, this charge has been stripped out and replaced with the amortisation charge in respect of right-of-use assets within net cost of services and a financing charge included within financing and investment expenditure

- The internal management report's Income Statement includes a charge for capital renewals expenditure which, in the statutory financial statements, is included within additions to property, plant and equipment. Renewals expenditure is included for management reporting purposes to present the ongoing, full, day-to-day cost of running and maintaining our existing network

- The internal management report's Income Statement excludes the adjustment to financing expenditure made in respect of borrowing costs capitalised into qualifying assets (see note 9). Instead this charge is left within net interest costs so that amounts charged to the internal management report's Income Statement reflect the full cost to the Group of financing its debt

- Certain grants received are treated as capital grant for management reporting purposes and are thus excluded from the internal management report's Income Statement (being instead included in the Capital Account). For statutory reporting purposes, however, all grant is recognised as income in the Comprehensive Income and Expenditure Statement. Moreover, certain grants badged as 'capital grant' for management reporting purposes, under law constitute resource grants, and may only be classified as capital grant where they have been applied to fund capital expenditure during the year

- The results of joint ventures and associated undertakings are excluded from the internal management report's Income Statement as the TfL Group does not hold a controlling interest in these undertakings

- Other minor differences between the Comprehensive Income and Expenditure Statement and the internal management reports are collectively referred to as Central items and are not included in reports to management

Notes to the Financial Statements

2. Segmental analysis (continued)

Detailed reconciliation of net cost of operations per management reports to net cost of services per the Comprehensive Income and Expenditure Statement

	Note	2024 £m	2024 £m	2023 restated* £m	2023 restated* £m
Operating surplus per internal management reports			138.0		621.0
Adjustments between management and statutory reports:					
Add amounts included in the Comprehensive Income and Expenditure Statement not reported in management reports					
Depreciation	4	(1,228.1)		(1,133.9)	
Amortisation of right-of-use assets	4	(330.6)		(357.5)	
Amortisation of software intangibles	4	(70.0)		(59.9)	
Impairment	4	0.5		27.8	
Pension service costs including scheme expenses	34	(291.9)		(582.7)	
			(1,920.1)		(2,106.2)
Other net operating expenditure	7		(0.8)		(86.4)
Group share of profit before tax of joint ventures	18		0.1		8.8
Group share of loss before tax of associated undertakings	19		(58.3)		(41.5)
Premium receivable on settlements	8	-		46.3	
Net gain on disposal of investment properties	8	16.2		22.4	
			16.2		68.7
Net interest on defined benefit obligation	9	80.4		(79.3)	
Interest payable on lease and PFI liabilities (restated)*	9	(121.4)		(81.4)	
Contingent rentals on PFI liabilities	9	(14.4)		(11.2)	
Change in fair value of investment properties included in financing and investment expenditure	9	(107.9)		(155.0)	
Amounts capitalised into qualifying assets	9	11.8		31.8	
			(151.5)		(295.1)
Tax	11		(49.5)		4.8
			(2,163.9)		(2,446.9)

	Note	2024 £m	2024 £m	2023 £m	2023 restated* £m
Less items included in the management reports but excluded from the Comprehensive Income and Expenditure Statement					
Cash payments under PFI and lease arrangements		392.0		392.0	
Pension payments charged to operating costs		334.6		319.5	
			726.6		711.5
Capital renewals			763.0		624.0
			1,489.6		1,335.5
Amounts subject to differing accounting treatment between management reports and the Comprehensive Income and Expenditure Statement					
Specific grant income			1,005.3		624.5
Central items			93.6		(59.7)
			1,098.9		564.8
Group surplus after tax per the Comprehensive Income and Expenditure Statement			562.6		74.4

* Details of restatement are included within Note 43

Notes to the Financial Statements
3. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how the Group's annual expenditure is used and funded from its resources (including grants and business rates) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how the Group has allocated this expenditure for decision making purposes between TfL's operating segments.

Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Net expenditure chargeable to the General Fund £m	**Adjustments***	**Net expenditure in the Comprehensive Income and Expenditure Statement £m**	Net expenditure chargeable to the General Fund restated** £m	Adjustments*	Net expenditure in the Comprehensive Income and Expenditure Statement £m
London Underground	**(212.0)**	**-**	**(212.0)**	(239.0)	-	(239.0)
Elizabeth line	**78.0**	**-**	**78.0**	(165.0)		(165.0)
Buses, streets and other operations	**(938.0)**	**-**	**(938.0)**	(703.0)	-	(703.0)
Rail	**(144.0)**	**-**	**(144.0)**	(163.0)	-	(163.0)
Places for London	**29.0**	**-**	**29.0**	43.0	-	43.0
Group items	**188.0**	**-**	**188.0**	(2.0)	-	(2.0)
Central items not reported on a segmental basis	**545.1**	**1,842.2**	**(1,297.1)**	1,113.7	2,571.0	(1,457.6)
Net cost of services	**(453.9)**	**1,842.2**	**(2,296.1)**	(115.3)	2,571.0	(2,686.6)
Other income and expenditure	**624.3**	**(2,234.3)**	**2,858.6**	(303.3)	(3,064.0)	2,760.4
Surplus/(deficit) after tax	**170.4**	**(392.1)**	**562.5**	(418.6)	(493.0)	73.8
Opening general fund and earmarked reserves balance	**73.9**			492.5		
Surplus/(deficit) on the general fund	**170.4**			(418.6)		
Closing general fund and earmarked reserves balance	**244.3**			**73.9**		

* Management has concluded that the Expenditure and Funding Analysis presents a true and fair view of the Group's financial performance. Central items are not reported to management or maintained on a segmental basis. The effect of this is presented on a separate line item and disclosed in Note 2

** Details of restatement are included within Note 43

Notes to the Financial Statements

3. Expenditure and Funding Analysis (continued)

For the year ended 31 March 2024	Capital adjustments £m	Pension adjustments £m	Other statutory adjustments £m	**Total statutory adjustments £m**	Non-statutory adjustments £m	**Total adjustments £m**
London Underground	–	–	–	–	–	–
Elizabeth line	–	–	–	–		–
Buses, streets and other operations	–	–	–	–	–	–
Rail	–	–	–	–	–	–
Other segments	–	–	–	–	–	–
Group items	–	–	–	–	–	–
Central items not reported on a segmental basis	230.5	(123.3)	(1.3)	105.9	1,736.3	1,842.2
Net Cost of Services	**230.5**	**(123.3)**	**(1.3)**	**105.9**	**1,736.3**	**1,842.2**
Other income and expenditure	(348.9)	–	(81.6)	(430.5)	(1,803.8)	(2,234.3)
(Deficit)/surplus after tax	**(118.4)**	**(123.3)**	**(82.9)**	**(324.6)**	**(67.5)**	**(392.1)**

For the year ended 31 March 2023	Capital adjustments £m	Pension adjustments £m	Other statutory adjustments £m	**Total statutory adjustments £m**	Non-statutory adjustments £m	**Total adjustments £m**
London Underground	–	–	–	–	–	–
Elizabeth line	–	–	–	–	–	–
Buses, streets and other operations	–	–	–	–	–	–
Rail	–	–	–	–	–	–
Other segments	–	–	–	–	–	–
Group items	–	–	–	–	–	–
Central items not reported on a segmental basis	205.4	340.1	(3.4)	**542.1**	2,028.9	**2,571.0**
Net Cost of Services	**205.4**	**340.1**	**(3.4)**	**542.1**	**2,028.9**	**2,571.0**
Other income and expenditure	(678.7)	–	(113.9)	(792.6)	(2,271.4)	(3,064.0)
(Deficit)/surplus after tax	**(473.3)**	**340.1**	**(117.3)**	**(250.5)**	**(242.5)**	**(493.0)**

Notes to the Financial Statements
4. Gross expenditure

Gross expenditure recognised in the Comprehensive Income and Expenditure Statement comprises:

Year ended 31 March	Note	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Staff costs:					
Wages and salaries*		1,676.7	1,524.0	476.7	404.7
Social security costs		197.0	187.1	54.4	49.1
Pension costs	34	281.9	564.5	38.6	335.5
		2,155.6	2,275.6	569.7	789.3
Other service expenditure**		4,779.7	4,245.8	483.3	390.1
Credit loss expense		445.8	445.3	451.9	432.9
Depreciation	13	1,228.1	1,133.9	163.2	151.2
Amortisation right-of-use assets	14	330.6	357.5	29.1	29.1
Amortisation of software intangibles	12	70.0	59.9	38.2	34.7
Impairment***	13	(0.5)	(27.8)	-	(9.6)
		9,009.9	8,490.2	1,735.4	1,817.7

* Wages and salaries include amounts provided for the cost of voluntary severance

** Included in the Corporation's other service expenditure is £99.2m (2022/23 £71.3m) relating to financial assistance to London Boroughs and other third parties (see note 40 for detailed analysis

*** Impairment includes impairment reversals where management have determined assets are no longer impaired

The average number of persons employed in the year was:

Year ended 31 March	Group 2024 Number	Group 2023 Number	Corporation 2024 Number	Corporation 2023 Number (restated)*
Permanent staff (including fixed term contracts)	26,306	26,044	7,991	7,530
Agency staff	2,195	1,962	1,578	1,371
	28,501	28,006	9,569	8,901

* Restated to reflect employees not deemed to have transferred to Places for London Limited from 1 April 2022

Notes to the Financial Statements
5. External audit fees

External audit fees are made up as follows:

Year ended 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Auditor's remuneration:				
for statutory audit services	2.1	1.8	0.3	0.1
for non-audit services*	-	-	-	-
	2.1	1.8	0.3	0.1

* The Audit and Assurance Committee reviews and notes the nature and extent of non-audit services provided by TfL's external auditor to ensure that independence is maintained

Notes to the Financial Statements
6. Remuneration

a) Number of employees receiving total remuneration of more than £50,000
The Code requires the disclosure of remuneration for the Corporation's employees whose total remuneration in the year was £50,000 or more, grouped in rising bands of £5,000. The impact of the transfer of employees into and out of the Corporation from subsidiaries can cause distortion for year on year comparison purposes. Consequently, an additional voluntary disclosure for the Group is provided that shows the combined employee bands for TfL and its subsidiaries. This includes salaries, fees, performance-related pay, benefits in kind, lump sums and termination payments, but excludes pension contributions paid by the employer. All information is subject to audit.

Remuneration (£)	Group 2024	Group 2023	Corporation 2024	Corporation 2023
50,000 - 54,999	1,597	1,810	537	715
55,000 - 59,999	2,137	2,224	782	667
60,000 - 64,999	4,207	4,471	672	570
65,000 - 69,999	2,480	2,310	574	503
70,000 - 74,999	1,571	1,474	479	445
75,000 - 79,999	1,318	1,181	423	306
80,000 - 84,999	1,001	814	328	200
85,000 - 89,999	762	603	242	123
90,000 - 94,999	582	417	185	69
95,000 - 99,999	458	352	136	70
100,000 - 104,999	333	244	96	47
105,000 - 109,999	252	136	68	18
110,000 - 114,999	172	102	50	24
115,000 - 119,999	147	54	47	17
120,000 - 124,999	88	48	26	7
125,000 - 129,999	68	34	23	9
130,000 - 134,999	39	23	14	8
135,000 - 139,999	45	21	17	7
140,000 - 144,999	24	15	9	2

Remuneration (£)	Group 2024	Group 2023	Corporation 2024	Corporation 2023
145,000 - 149,999	21	15	7	6
150,000 - 154,999	23	11	9	6
155,000 - 159,999	14	7	5	4
160,000 - 164,999	9	9	3	3
165,000 - 169,999	11	6	6	2
170,000 - 174,999	5	3	2	2
175,000 - 179,999	6	6	2	1
180,000 - 184,999	7	2	2	-
185,000 - 189,999	9	5	6	3
190,000 - 194,999	5	1	3	-
195,000 - 199,999	5	2	1	2
200,000 - 204,999	1	1	1	1
205,000 - 209,999	1	-	1	-
210,000 - 214,999	2	-	2	-
215,000 - 219,999	3	1	2	-
220,000 - 224,999	1	-	1	-
225,000 - 229,999	1	2	1	1
230,000 - 234,999	1	2	1	2
235,000 - 239,999	2	1	1	1

Notes to the Financial Statements
6. Remuneration (continued)

Remuneration (£)	Group 2024	Group 2023	Corporation 2024	Corporation 2023
240,000 - 244,999	4	2	2	2
245,000 - 249,999	-	1	-	1
250,000 - 254,999	1	2	-	1
255,000 - 259,999	1	1	1	1
260,000 - 264,999	-	1	-	-
265,000 - 269,999	-	1	-	-
270,000 - 274,999	1	-	1	-
275,000 - 279,999	2	-	2	-
285,000 - 289,999	2	-	1	-
290,000 - 294,999	-	1	-	1
295,000 - 299,999	2	1	1	1
300,000 - 304,999	1	1	1	-
305,000 - 309,999	1	-	1	-
315,000 - 319,999	1	-	1	-
325,000 - 329,999	1	-	1	-
335,000 - 339,999	2	1	2	1
345,000 - 349,999	1	-	-	-
355,000 - 359,999	1	-	1	-
360,000 - 364,999	-	1	-	1
375,000 - 379,999	1	-	1	-
480,000 - 484,999	-	1	-	1
495,000 - 499,999	1	1	1	-
520,000 - 524,999	1	-	1	-
Total	**17,432**	**16,422**	**4,782**	**3,851**

b) Remuneration for senior employees
The Accounts and Audit Regulations 2015 require disclosure of individual remuneration details for senior employees with a base salary of £150,000 or more, calculated on a full-time equivalent basis for those working part-time.

Disclosure is made for each financial year under various categories and set out in the tables below.

Employer's pension contributions include the contribution in respect of future benefit accrual. Member contributions are payable by employees at a fixed rate of five per cent of pensionable salary.

Salary, fees and allowances are disclosed on an earned basis. Performance-related pay is reported on a cash paid basis as it may not be determined for many months after the end of the relevant year.

Notes to the Financial Statements

6. Remuneration (continued)

Employees receiving a base annual salary of £150,000 or more (£)

Name	Notes	Salary (including fees and allowances) 2023/24	Performance -related pay and retention payments paid in the year 2023/24**	Compensation for loss of employment 2023/24	Benefits in kind 2023/24	Total remuneration excluding pension contributions 2023/24	Employer's contribution to pension 2023/24	Salary (including fees and allowances) 2022/23	Performance -related pay and retention payments paid in the year 2022/23	Total remuneration excluding pension contributions 2022/23***
Andy Lord, Commissioner	a	*424,416	99,204	-	2,150	525,770	-	*361,453	-	363,680
Glynn Barton, Chief Operating Officer		245,050	51,451	-	1,666	298,167	44,974	185,633	-	187,373
Fiona Brunskill, Chief People Officer	b	244,247	83,319	-	2,132	329,698	49,629	208,584	17,500	228,311
Andrea Clarke, General Counsel	c	206,812	94,337	-	1,666	302,815	50,558	167,793	28,548	198,081
Stuart Harvey, Chief Capital Officer		*336,101	159,296	-	1,666	497,063	-	*336,106	-	337,846
Lilli Matson, Chief Safety, Health and Environment Officer	d	199,115	73,053	-	1,666	273,834	52,667	200,000	-	201,740
Rachel McLean, Chief Finance Officer		302,131	71,434	-	1,666	375,231	55,827	261,348	34,950	298,045
Alex Williams, Chief Customer and Strategy Officer	e	*309,655	49,303	-	-	358,958	-	*252,173	-	252,173
Tricia Wright, Chief Officer - Pensions Review	f	*255,007	84,267	-	759	340,033	-	*244,506	-	245,777
Thomas Ableman, Director of Strategy and Innovation		160,000	16,666	-	1,666	178,332	41,784	147,425	-	149,165
Trish Ashton, Director of Rail and Sponsored Services	g	171,278	11,046	-	751	183,075	33,958	146,198	-	146,983

* salary, fees and allowances include an allowance paid as a result of the individual opting out of part or all of the benefits provided by the TfL Savings for Retirement Plan or TfL Pension Fund. The allowance is paid at the rate of the employer contribution foregone, discounted by the employer rate of National Insurance to ensure no additional employer cost is incurred. It also includes an allowance available to those employees who are employed on fixed-term contracts and who choose to join a defined contribution scheme rather than the TfL Pension Fund

** the payment of performance awards for 2021/22 and 2022/23 was subject to TfL achieving the financial overlay trigger which was confirmed as met in June 2023, with payments made for both years in 2023/24

*** total remuneration for 2022/23 also includes benefits in kind as reported in last year's Statement of Accounts

a Commissioner forwent any performance award in 2021/22 when he was in previous role of Managing Director, London Underground. Performance award disclosed relates to 2022/23 only. Base salary increase to £395,000 on 7 June 2023 on permanent appointment

b salary sacrificed for holiday buy of £1,080 (2022/23 £nil). Performance-related pay disclosed includes retention payment

c salary sacrificed for holiday buy of £3,577 (2022/23 £809). Performance-related pay disclosed includes retention payment

d salary sacrificed for holiday buy of £885 (2022/23 £nil)

e salary sacrificed for Cycle to Work scheme of £3,195 (2022/23 £nil)

f member of the TfL unfunded unapproved pension scheme. Salary sacrificed for pension of £10,225 (2022/23 £9,058)

g salary sacrificed for childcare vouchers of £1,456 (2022/23 £1,456) and holiday buy of £752 (2022/23 £nil)

Notes to the Financial Statements

6. Remuneration (continued)

Name	Notes	Salary (including fees and allowances) 2023/24	Performance-related pay and retention payments paid in the year 2023/24**	Compensation for loss of employment 2023/24	Benefits in kind 2023/24	Total remuneration excluding pension contributions 2023/24	Employer's contribution to pension 2023/24	Salary (including fees and allowances) 2022/23	Performance-related pay and retention payments paid in the year 2022/23	Total remuneration excluding pension contributions 2022/23***
Matt Brown, Director of Communications and Corporate Affairs		178,500	51,900	-	-	230,400	44,974	161,616	-	161,616
Christina Calderato, Director of Transport Strategy and Policy		157,914	35,384	-	1,666	194,964	38,459	140,012	-	141,752
George Clark, Technical Director		179,150	32,683	-	1,666	213,499	-	171,600	-	173,340
Isabel Coman, Director of Engineering and Asset Strategy	h	189,000	10,463	-	751	200,214	47,722	102,575	-	103,010
Michael Cooper, Director of Programme Management Office		167,235	22,621	-	1,666	191,522	40,852	153,378	-	155,118
Graeme Craig, Director and Chief Executive, Places for London		202,020	35,461	-	1,666	239,147	51,132	192,400	-	194,140
Nick Dent, Director of Customer Operations - London Underground		196,560	46,616	-	1,666	244,842	49,701	187,200	-	188,940
Patrick Doig, Group Finance Director		*267,254	70,528	-	1,666	339,448	-	*238,543	-	240,283
Nick Fairholme, Director of Capital Delivery – Systems		180,514	39,740	-	1,665	221,919	33,568	159,331	-	161,071
Stephen Field, Director of Pensions and Reward	i	*212,604	97,000	-	1,666	311,270	-	*203,004	28,088	232,832
Jonathan Fox, Director of Rail and Sponsored Services	j	167,629	28,156	-	1,666	197,451	39,697	159,681	-	161,421
Lester Hampson, Director of Property Development, Places for London		195,094	125,286	-	1,666	322,046	48,272	186,069	-	187,809

* salary, fees and allowances include an allowance paid as a result of the individual opting out of part or all of the benefits provided by the TfL Savings for Retirement Plan or TfL Pension Fund. The allowance is paid at the rate of the employer contribution foregone, discounted by the employer rate of National Insurance to ensure no additional employer cost is incurred. It also includes an allowance available to those employees who are employed on fixed-term contracts and who choose to join a defined contribution scheme rather than the TfL Pension Fund

** the payment of performance awards for 2021/22 and 2022/23 was subject to TfL achieving the financial overlay trigger which was confirmed as met in June 2023, with payments made for both years in 2023/24

*** total remuneration for 2022/23 also includes benefits in kind as reported in last year's Statement of Accounts

h entered service 5 September 2022

i member of the TfL unfunded unapproved pension scheme. Salary sacrificed for pension of £9,011 (2022/23 £8,547). Performance-related pay disclosed includes retention payment

j currently on secondment with Network Rail and all costs recovered from Network Rail

Notes to the Financial Statements

6. Remuneration (continued)

Name	Notes	Salary (including fees and allowances) 2023/24	Performance -related pay and retention payments paid in the year 2023/24**	Compensation for loss of employment 2023/24	Benefits in kind 2023/24	Total remuneration excluding pension contributions 2023/24	Employer's contribution to pension 2023/24	Salary (including fees and allowances) 2022/23	Performance -related pay and retention payments paid in the year 2022/23	Total remuneration excluding pension contributions 2022/23***
Michael Hardaker, Director of Capital Delivery - Infrastructure		196,779	45,590	-	116	242,485	49,183	187,889	-	190,116
Joanna Hawkes, Corporate Finance Director	k	*234,336	54,115	-	-	288,451	-	*217,862	37,440	255,302
Geoff Hobbs, Director of Public Transport Service Planning		*166,557	35,060	-	-	201,617	34,633	*169,283	-	169,283
Lorraine Humphrey, Director of Risk and Assurance	l	161,753	33,558	-	751	196,062	41,128	153,980	-	154,764
Maureen Jackson, Director of Business Services	m	165,796	47,363	-	1,666	214,825	39,697	148,021	-	149,761
Siwan Lloyd-Hayward, Director of Security, Policing and Enforcement		163,013	27,656	-	1,666	192,335	40,921	144,666	-	146,406
Stewart Mills, Director of Infrastructure, Crossrail	n	198,260	-	-	1,666	199,926	19,269	178,509	-	180,135
Peter McNaught, Director of Operational Readiness		*231,651	56,013	-	1,666	289,330	-	*221,760	28,080	251,225
Andrew Morsley, Director of Operational Planning		152,250	26,740	-	1,666	180,656	38,105	138,982	-	140,722

* salary, fees and allowances include an allowance paid as a result of the individual opting out of part or all of the benefits provided by the TfL Savings for Retirement Plan or TfL Pension Fund. The allowance is paid at the rate of the employer contribution foregone, discounted by the employer rate of National Insurance to ensure no additional employer cost is incurred. It also includes an allowance available to those employees who are employed on fixed-term contracts and who choose to join a defined contribution scheme rather than the TfL Pension Fund

** the payment of performance awards for 2021/22 and 2022/23 was subject to TfL achieving the financial overlay trigger which was confirmed as met in June 2023, with payments made for both years in 2023/24

*** total remuneration for 2022/23 also includes benefits in kind as reported in last year's Statement of Accounts

k salary sacrificed for Cycle to Work scheme of £803 (2022/23 £936) and for holiday buy of £3,518 (2021/22 £796). Performance-related pay disclosed includes retention payment

l salary sacrificed for holiday buy of £2,932 (2022/23 £2,020)

m salary sacrificed for holiday buy of £2,834 (2022/23 £2,779)

n entered service 25 April 2022

Notes to the Financial Statements

6. Remuneration (continued)

Name	Notes	Salary (including fees and allowances) 2023/24	Performance -related pay and retention payments paid in the year 2023/24**	Compensation for loss of employment 2023/24	Benefits in kind 2023/24	Total remuneration excluding pension contributions 2023/24	Employer's contribution to pension 2023/24	Salary (including fees and allowances) 2022/23	Performance -related pay and retention payments paid in the year 2022/23	Total remuneration excluding pension contributions 2022/23***
Digby Nicklin, Chief Finance Officer, Places for London	o	89,507	-	-	828	90,335	22,731	-	-	-
Patricia Obinna, Director of Diversity and Inclusion	p	156,931	32,876	-	1,666	191,473	34,531	132,748	13,200	147,688
Howard Smith, Director of the Elizabeth line	q	*199,658	53,267	-	1,666	254,591	-	*189,750	70,000	261,490
Emma Strain, Director of Customer	r	152,533	-	-	733	153,266	38,313	-	-	-
Sue Taylor, Director of Business Partnering and Employee Relations	s	163,509	22,001	-	1,666	187,176	33,936	124,550	-	126,290
Lucinda Turner, Director of Spatial Planning	t	170,868	44,745	-	1,666	217,279	38,459	154,995	-	156,735
Shashi Verma, Chief Technology Officer		234,604	55,350	-	751	290,705	66,719	243,604	-	244,388
Jonathan Wharfe, Director of Procurement and Commercial - Operations		173,250	35,640	-	1,666	210,556	43,601	168,639	-	170,379

* salary, fees and allowances include an allowance paid as a result of the individual opting out of part or all of the benefits provided by the TfL Savings for Retirement Plan or TfL Pension Fund. The allowance is paid at the rate of the employer contribution foregone, discounted by the employer rate of National Insurance to ensure no additional employer cost is incurred. It also includes an allowance available to those employees who are employed on fixed-term contracts and who choose to join a defined contribution scheme rather than the TfL Pension Fund

** the payment of performance awards for 2021/22 and 2022/23 was subject to TfL achieving the financial overlay trigger which was confirmed as met in June 2023, with payments made for both years in 2023/24

*** total remuneration for 2022/23 also includes benefits in kind as reported in last year's Statement of Accounts

o entered service 25 September 2023. Salary sacrificed for Cycle to Work scheme of £862 (2022/23 £nil)

p performance-related pay disclosed includes retention payment

q member of the TfL unfunded unapproved pension scheme. Salary sacrificed for pension of £8,750 (2022/23 £8,487)

r entered service 3 April 2023

s salary sacrificed for holiday buy of £2,226 (2022/23 £1,951)

t salary sacrificed for holiday buy of £2,832 (2022/23 £nil)

Notes to the Financial Statements

6. Remuneration (continued)

Name	Notes	Salary (including fees and allowances) 2023/24	Performance -related pay and retention payments paid in the year 2023/24**	Compensation for loss of employment 2023/24	Benefits in kind 2023/24	Total remuneration excluding pension contributions 2023/24	Employer's contribution to pension 2023/24	Salary (including fees and allowances) 2022/23	Performance -related pay and retention payments paid in the year 2022/23	Total remuneration excluding pension contributions 2022/23***
Former employees										
Howard Carter, General Counsel	u	*133,168	89,052	-	1,102	223,322	-	*257,578	-	259,805
Louise Cheeseman, Director of Buses	v	173,833	36,767	-	1,296	211,896	37,833	216,355	-	218,095
Chris Hobden, Project Director, Four Lines Modernisation	w	95,534	18,512	-	1,021	115,067	24,040	156,000	22,500	180,240
Stacey Kalita, Finance Director, Crossrail	x	43,671	-	131,731	58	175,460	2,425	150,230	-	151,014
Esther Sharples, Director of Asset Performance and Facilities	y	68,587	42,633	-	293	111,513	17,829	176,800	-	177,584
Jadon Silva, Director of Procurement and Commercial - Capital	z	119,147	32,400	-	580	152,127	30,050	155,648	-	156,432

* salary, fees and allowances include an allowance paid as a result of the individual opting out of part or all of the benefits provided by the TfL Savings for Retirement Plan or TfL Pension Fund. The allowance is paid at the rate of the employer contribution foregone, discounted by the employer rate of National Insurance to ensure no additional employer cost is incurred. It also includes an allowance available to those employees who are employed on fixed-term contracts and who choose to join a defined contribution scheme rather than the TfL Pension Fund

** the payment of performance awards for 2021/22 and 2022/23 was subject to TfL achieving the financial overlay trigger which was confirmed as met in June 2023, with payments made for both years in 2023/24

*** total remuneration for 2022/23 also includes benefits in kind as reported in last year's Statement of Accounts

u left service 29 September 2023. Member of the TfL unfunded unapproved pension scheme. Salary sacrificed for pension of £5,507 (2022/23 £9,061)

v left service 2 January 2024

w left service 3 November 2023

x left service 28 April 2023

y left service 14 August 2023

z left service 31 December 2023

Notes to the Financial Statements

6. Remuneration (continued)

c) Severance payments
The Code requires the separate disclosure of the number and cost of compulsory and voluntary severance termination packages agreed during the year. This is fully in line with the Code and our policy on severance can be seen on page XX.

Termination payments disclosed in the table below are reported on a cash paid basis to provide certainty on the amounts reported, and include pension contributions in respect of added years, ex-gratia payments and other related costs.

Termination payments	Group 2024 (number)	Group 2024 (£m)	Corporation 2024 (number)	Corporation 2024 (£m)	Group 2023 (number)	Group 2023 (£m)	Corporation 2023 (number)	Corporation 2023 (£m)
Non-compulsory exit packages (£)								
0 - 20,000	14	0.2	1	–	29	0.4	4	0.1
20,001 - 40,000	25	0.8	1	–	37	1.1	4	0.1
40,001 - 60,000	13	0.6	3	0.1	19	0.9	1	–
60,001 - 80,000	4	0.3	–	–	11	0.8	1	0.1
80,001 - 100,000	10	0.9	–	–	3	0.3	–	–
100,001 - 150,000	10	1.3	2	0.2	21	2.6	7	0.9
150,001 - 200,000	4	0.7	1	0.2	8	1.3	3	0.5
250,001 - 300,000	1	0.3	–	–	–	–	–	–
350,001 - 400,000	–	–	–	–	1	0.4	1	0.4
Total non-compulsory exit packages	**81**	**5.1**	**8**	**0.5**	**129**	**7.8**	**21**	**2.1**
Compulsory exit packages (£)								
0 - 20,000	–	–	–	–	1	–	–	–
Total	**81**	**5.1**	**8**	**0.5**	**130**	**7.8**	**21**	**2.1**

All information is subject to audit.

Notes to the Financial Statements

7. Other operating expenditure

Year ended 31 March	**Group 2024 £m**	Group 2023 £m	**Corporation 2024 £m**	Corporation 2023 £m
Net loss on disposal of investment property	**1.2**	0.1	**-**	0.1
Net gain on termination of right of use assets	**-**	(13.7)	**-**	-
Fair value loss on office buildings	**4.1**	1.7	**-**	-
Net loss on disposal of property, plant and equipment	**15.2**	98.3	**11.4**	0.2
Net gain on disposal of intangibles	**(19.7)**	-	**-**	-
Total other operating expenditure	**0.8**	86.4	**11.4**	0.3

8. Financing and investment income

Year ended 31 March	**Group 2024 £m**	Group 2023 restated* £m	**Corporation 2024 £m**	Corporation 2023 restated* £m
Interest income on bank deposits and other investments	**64.7**	27.9	**59.5**	26.6
Interest income on loans to subsidiaries	**-**	-	**434.4**	403.5
Change in fair value of investment properties (including those classified as held for sale)	**-**	-	**55.6**	-
Net gain on disposal of investment properties	**16.2**	22.4	**6.1**	11.5
Premium receivable on settlements	**-**	46.3	**-**	46.3
Interest receivable on finance lease receivables (restated)*	**0.4**	1.2	**0.2**	0.2
Dividends receivable from subsidiaries	**-**	-	**7.5**	-
Other investment income	**4.6**	4.4	**1.9**	1.9
	85.9	102.2	**565.2**	490.0

* Details of restatement are included within Note 43

9. Financing and investment expenditure

Year ended 31 March	Note	**Group 2024 £m**	Group 2023 £m	**Corporation 2024 £m**	Corporation 2023 £m
Interest payable on loans and derivatives		**465.9**	443.7	**471.1**	435.6
Interest payable on right-of-use lease liabilities		**117.4**	77.3	**10.2**	10.4
Interest payable on PFI liabilities		**4.0**	4.4	**4.0**	4.4
Contingent rentals on PFI contracts		**14.4**	11.2	**14.4**	11.2
Change in fair value of investment properties (including those classified as held for sale)	16	**107.9**	155.0	**-**	14.0
Net interest on defined benefit obligation	34	**(80.4)**	79.3	**(80.4)**	78.2
Other financing and investment expenditure		**6.0**	10.5	**1.0**	5.4
		635.2	781.4	**420.3**	559.2
Less: amounts capitalised into qualifying assets	13	**(11.8)**	(31.8)	**-**	-
		623.4	749.6	**420.3**	559.2

Notes to the Financial Statements

10. Grant income

Year ended 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Non ring-fenced resource grant from the DfT used to fund operations	188.3	942.6	188.3	942.6
Non ring-fenced Business Rates Retention from the GLA used to fund operations	1,030.8	205.3	1,030.8	205.3
Other revenue grant received	268.4	137.9	267.3	137.1
Council tax precept	178.2	114.0	178.2	114.0
Total grants allocated to revenue	**1,665.7**	**1,399.8**	**1,664.6**	**1,399.0**
Ring-fenced grant from the GLA used to fund capital expenditure relating to Crossrail	-	271.0	-	271.0
Non ring-fenced Business Rates Retention from the GLA used to fund capital	882.8	1,613.7	882.8	1,613.7
Non ring-fenced grant from DfT used to fund capital	810.0	-	810.0	-
Other capital grants and contributions received	146.1	238.0	111.1	191.9
Total grants allocated to capital	**1,838.9**	**2,122.7**	**1,803.9**	**2,076.6**
Total grants	**3,504.6**	**3,522.5**	**3,468.5**	**3,475.6**

Allocation of capital grants

Year ended 31 March	Note	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Capital grant funding of subsidiaries*		-	-	1,484.0	1,342.3
Applied capital grants	36	1,769.1	2,020.5	250.1	632.1
Transfer from unapplied capital grants	37	69.8	102.2	69.8	102.2
Total capital grants		**1,838.9**	**2,122.7**	**1,803.9**	**2,076.6**

* Capital grant funding of subsidiaries in the Corporation represent revenue expenditure funded from capital under statute (REFCUS). The sources of finance are all applied during the year. Refer to Note 38

11. Taxation

TfL Corporation is exempt from Corporation Tax, but its subsidiaries are assessable individually to taxation in accordance with current tax legislation.

a) Corporation Tax
The Group tax expense for the year, based on the rate of Corporation Tax of 25 per cent (2022/23 19 per cent) comprised:

Year ended 31 March	Group 2024 £m	Group 2023 £m
UK Corporation Tax – current year charge	-	-
UK Corporation Tax – adjustments in respect of prior years	(2.5)	-
Total current tax income	**(2.5)**	**-**
Deferred tax – current year charge/(credit)	**52.0**	**(4.8)**
Total tax charge/(credit) for the year	**49.5**	**(4.8)**

Reconciliation of tax expense

Year ended 31 March	Group 2024 £m	Group 2023 restated* £m
Surplus on the provision of services before tax	612.1	69.6
Surplus on the provision of services before tax multiplied by standard rate of Corporation Tax in the UK of 25% (2022/23 19%)	153.0	13.2
Effects of:		
Non-taxable income/non-deductible expenses	(200.8)	(70.4)
Prior period adjustments	(2.5)	-
Permanent difference in TfL Corporation	(93.5)	(35.0)
Amount charged to current tax for which no deferred tax was recognised	148.7	89.1
Recognition of previously unrecognised deferred tax	47.9	-
Utilisation of tax losses carried forward for which no deferred tax was recognised	(1.3)	(0.9)
Overseas earnings	(2.0)	(0.8)
Total tax charge/(credit) for the year	**49.5**	**(4.8)**

* Details of restatement are included within Note 43

Notes to the Financial Statements

11. Taxation (continued)

b) Unrecognised deferred tax assets

The Group has a potential net deferred tax asset of £304.7m (2023 £600.0m) in respect of the following items:

	Group 2024 £m	Group 2023 £m
Deductible temporary differences	**3.1**	3.2
Tax losses	**301.6**	596.8
Unrecognised deferred tax asset	**304.7**	600.0

No net deferred tax asset has been recognised in respect of the above as it is not considered probable that there will be sufficient future taxable profits available against which the unused tax credits can be utilised. The tax losses and the deductible temporary differences do not expire under current tax legislation.

The net deferred tax asset excludes any amounts connected to the pension deficit.

c) Movement in recognised deferred tax assets and liabilities during the year

Deferred tax assets have been recognised only to the extent that they are considered available to offset deferred tax liabilities as at the Balance Sheet date. Their movements during the year were in respect of the following items:

For the year ended 31 March 2024	Balance at 1 April 2023 £m	Movement in the provision of services £m	Movement in other comprehensive income during the year £m	Balance at 31 March 2024 £m
Deferred tax assets				
Tax losses	781.8	305.7	–	**1,087.5**
Derivative financial instruments	4.6	10.7	–	**15.3**
Total	786.4	316.4	–	**1,102.8**
Deferred tax liabilities				
Investment properties	(361.1)	(2.7)	–	**(363.8)**
Assets held for sale	(12.7)	12.7	–	**-**
Property, plant and equipment	(783.0)	(378.4)	–	**(1,161.4)**
Total	(1,156.8)	(368.4)	–	**(1,525.2)**
Net deferred tax liability	(370.4)	(52.0)	–	**(422.4)**

Notes to the Financial Statements

11. Taxation (continued)

c) Movement in recognised deferred tax assets and liabilities during the year (continued)

For the year ended 31 March 2023	Balance at 1 April 2022 £m	Movement in the provision of services £m	Movement in other comprehensive income during the year £m	Balance at 31 March 2023 £m
Deferred tax assets				
Property, plant and equipment	59.0	(59.0)	-	-
Tax losses	-	781.8	-	781.8
Derivative financial instruments	11.6	(7.0)	-	4.6
Total	70.6	715.8	-	786.4
Deferred tax liabilities				
Investment properties	(429.4)	68.3	-	(361.1)
Assets held for sale	(16.4)	3.7	-	(12.7)
Property, plant and equipment	-	(783.0)	-	(783.0)
Total	(445.8)	(711.0)	-	(1,156.8)
Net deferred tax liability	(375.2)	4.8	-	(370.4)

The key movements in the period were due to the following:

- The deferred tax liability arising on investment properties, including those classified as assets held for sale, has decreased due to the revaluation movements recognised in financing and investment income and Other Comprehensive Income during the year
- Certain properties that had not previously been held at a value were reclassified as investment property and valued at open market value prior to transfer to Places for London Limited (formerly TTL Properties Limited), a subsidiary of the Corporation, during the year. It is not considered that sufficient deferred tax assets will be available to offset this deferred tax liability in full
- The property, plant and equipment deferred tax balance has changed in the period due to a change in methodology for calculating the tax base of certain assets held in subsidiary companies. Other movements in the year arise due to assets acquired in the year, movements in the market value of assets held and capital allowances claimed
- Included in the deferred tax balances for property, plant and equipment is the deferred tax movement on revaluation gains recognised in Other Comprehensive Income
- The deferred tax asset arising in respect of derivative financial instruments has increased during the year due to movement in the fair value of derivatives

UK Corporation Tax is calculated at a rate of 25 per cent (2022/23: 19 per cent). The main rate of Corporation Tax increased to 25 per cent with effect from 1 April 2023.

Notes to the Financial Statements
12. Intangible assets

a) Group intangible assets

	Note	Software costs £m	Intangible assets under construction £m	Goodwill £m	Total £m
Cost					
At 1 April 2022		509.9	28.1	351.8	889.8
Additions		33.0	7.4	-	40.4
Net transfers from property, plant and equipment	13	17.2	2.9	-	20.1
Transfers between asset classes		18.9	(18.9)	-	-
Disposals		(8.1)	-	-	(8.1)
Write offs		(0.9)	-	-	(0.9)
At 31 March 2023		570.0	19.5	351.8	941.3
Additions		**41.1**	**10.5**	**-**	**51.6**
Net transfers from property, plant and equipment	13	**-**	**33.3**	**-**	**33.3**
Transfers between asset classes		**48.4**	**(48.4)**	**-**	**-**
Disposals		**(34.8)**	**-**	**-**	**(34.8)**
At 31 March 2024		**624.7**	**14.9**	**351.8**	**991.4**
Amortisation and impairment					
At 1 April 2022		284.1	-	349.2	633.3
Amortisation charge for the year	4	59.9	-	-	59.9
Disposals		(8.3)	-	-	(8.3)
Write offs		(0.7)	-	-	(0.7)
At 31 March 2023		335.0	-	349.2	684.2
Amortisation charge for the year	4	**70.0**	**-**	**-**	**70.0**
Disposals		**(34.7)**	**-**	**-**	**(34.7)**
At 31 March 2024		**370.3**	**-**	**349.2**	**719.5**
Net book value at 31 March 2024		**254.4**	**14.9**	**2.6**	**271.9**
Net book value at 31 March 2023		235.0	19.5	2.6	257.1

Intangible assets under construction comprise software assets under development by the Group.

b) Corporation intangible assets

	Note	Software costs £m	Intangible assets under construction £m	Total £m
Cost				
At 1 April 2022		318.5	12.2	330.7
Additions		9.9	5.4	15.3
Net transfers from property, plant and equipment	13	0.5	2.2	2.7
Transfers between asset classes		8.7	(8.7)	-
Disposals		(0.9)	-	(0.9)
At 31 March 2023		336.7	11.1	347.8
Additions		**28.2**	**9.5**	**37.7**
Net transfers from property, plant and equipment	13	**-**	**23.7**	**23.7**
Transfers between asset classes		**32.5**	**(32.5)**	**-**
Disposals		**(27.8)**	**-**	**(27.8)**
At 31 March 2024		**369.6**	**11.8**	**381.4**
Amortisation and impairment				
At 1 April 2022		146.2	-	146.2
Amortisation charge for the year	4	34.7	-	34.7
Write offs		(0.7)		(0.7)
At 31 March 2023		180.2	-	180.2
Amortisation charge for the year	4	**38.2**	**-**	**38.2**
Disposals		**(27.8)**	**-**	**(27.8)**
At 31 March 2024		**190.6**	**-**	**190.6**
Net book value at 31 March 2024		**179.0**	**11.8**	**190.8**
Net book value at 31 March 2023		**156.5**	**11.1**	**167.6**

Intangible assets under construction comprise software assets under development by the Corporation.

Notes to the Financial Statements
13. Property, plant and equipment

a) Group property, plant and equipment at 31 March 2024 comprised the following elements:

	Note	Office building £m	Infrastructure £m	Rolling stock £m	Plant and equipment £m	Assets under construction £m	Total £m
Cost or valuation							
At 1 April 2023		271.5	50,856.6	5,447.3	1,975.8	2,912.8	61,464.0
Additions		0.3	256.2	21.2	51.1	1,652.3	1,981.1
Transfers to intangible assets	12	-	-	-	-	(33.3)	(33.3)
Transfers to investment properties	16	0.3	-	-	-	(18.7)	(18.4)
Transfers between asset classes		12.5	202.0	10.2	43.6	(268.3)	-
Disposals		-	(256.3)	(38.2)	(119.8)	-	(414.3)
Reversal of impairments		-	-	-	-	0.5	0.5
Write offs		-	(3.5)	(6.1)	(10.9)	(3.9)	(24.4)
Revaluation		(23.3)	-	-	-	-	(23.3)
At 31 March 2024		261.3	51,055.0	5,434.4	1,939.8	4,241.4	62,931.9
Depreciation and impairment							
At 1 April 2023		52.1	12,866.6	2,638.4	1,255.7	62.7	16,875.5
Depreciation charge for the year	4	8.9	947.1	149.6	122.5	-	1,228.1
Transfers to investment properties	16	(1.6)	-	-	-	-	(1.6)
Disposals		-	(256.3)	(38.3)	(119.8)	-	(414.4)
Write offs		-	(1.6)	(5.0)	(2.5)	-	(9.1)
Revaluation		(7.7)	-	-	-	-	(7.7)
At 31 March 2024		51.7	13,555.8	2,744.7	1,255.9	62.7	17,670.8
Net book value at 31 March 2024		209.6	37,499.2	2,689.7	683.9	4,178.7	45,261.1
Net book value at 31 March 2023		219.4	37,990.0	2,808.9	720.1	2,850.1	44,588.5

Notes to the Financial Statements

13. Property, plant and equipment (continued)

b) Group property, plant and equipment at 31 March 2023 comprised the following elements:

	Note	Office building £m	Infrastructure £m	Rolling stock £m	Plant and equipment £m	Assets under construction £m	Total £m
Cost or valuation							
At 1 April 2022		299.5	33,569.6	5,087.5	1,861.3	18,786.9	59,604.8
Additions		-	493.9	320.8	51.3	1,112.3	1,978.3
Transfers to intangible assets	12	-	-	-	-	(20.1)	(20.1)
Transfers to investment properties	16	(23.0)	0.2	-	-	(3.5)	(26.3)
Transfers between asset classes		-	16,888.9	39.0	69.1	(16,997.0)	-
Disposals		-	(19.9)	-	(4.9)	-	(24.8)
Reversal of impairments		-	-	-	-	34.2	34.2
Write offs		-	(76.1)	-	(1.0)	-	(77.1)
Revaluation		(5.0)	-	-	-	-	(5.0)
At 31 March 2023		271.5	50,856.6	5,447.3	1,975.8	2,912.8	61,464.0
Depreciation							
At 1 April 2022		47.1	12,060.0	2,506.7	1,143.2	56.3	15,813.3
Depreciation charge for the year	4	9.3	874.7	131.7	118.2	-	1,133.9
Impairment charge for the year		-	-	-	-	6.4	6.4
Transfers to investment properties	16	0.5	(1.0)	-	-	-	(0.5)
Disposals		-	(19.8)	-	(4.9)	-	(24.7)
Write offs		-	(47.3)	-	(0.8)	-	(48.1)
Revaluation		(4.8)	-	-	-	-	(4.8)
At 31 March 2023		52.1	12,866.6	2,638.4	1,255.7	62.7	16,875.5

Notes to the Financial Statements

13. Property, plant and equipment (continued)

Borrowing costs are included in the costs of qualifying assets to the extent that the asset is funded by borrowings. As a result, the total borrowing costs capitalised during the year were £11.8m (2023 £31.8m). The cumulative borrowing costs capitalised are £967.0m (2023 £955.2m). Borrowings are capitalised at the rate of interest directly incurred on the specific borrowings taken out to fund the asset in question.

At 31 March 2024, the Group had capital commitments which are contracted for but not provided for in the financial statements amounting to £1,854.2m (2023 £1,856.6m).

On 21 November 2019, the Corporation entered into an agreement with RiverLinx Limited for the design, build, financing, operations and maintenance of Silvertown Tunnel, connecting the Greenwich Peninsula and the Royal Docks in London. Our financial obligations to make payments to RiverLinx Limited will start once the tunnel is open, currently planned in 2025 (the 'Permit to Use Date'). From the Permit to Use Date, the Corporation will make performance-based availability payments, initially at £65m annually and indexed until the expiry date of the agreement in January 2050.

c) Group PFI assets

The net book value above includes the following amounts in respect of PFI assets:

	Infrastructure and office buildings £m	Plant and equipment £m	Total £m
Gross cost	**209.1**	**16.7**	**225.8**
Accumulated depreciation	**(104.1)**	**(16.7)**	**(120.8)**
Net book value at 31 March 2024	**105.0**	**-**	**105.0**
Net book value at 31 March 2023	107.6	-	107.6

See Note 28 for the details of the associated PFI finance lease liabilities.

d) Depreciation charge

The total depreciation charge for the Group for the year comprised:

Year ended 31 March	Note	**2023 £m**	2022 £m
Depreciation of owned assets		**1,225.6**	1,129.0
Depreciation of assets held under PFI arrangements		**2.5**	4.9
Total depreciation	4	**1,228.1**	1,133.9

Notes to the Financial Statements

13. Property, plant and equipment (continued)

e) Group office buildings

The existing use value of owner-occupied office buildings at 31 March 2024 has been arrived at on the basis of a valuation carried out at that date by CBRE, a real estate advisory business not connected with the Group, and by chartered surveyors working for TfL. In determining the existing use value, the capitalisation of net income method and the discounting of future cash flows to their present value has been used. This is based upon various assumptions including the anticipated future rental income, maintenance costs and the appropriate discount rate, making reference to market evidence of transaction prices for similar properties. A deduction is made to reflect purchaser's acquisition costs.

Properties are valued in accordance with the Red Book, RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors.

f) Group and Corporation heritage assets

Property, plant and equipment includes a number of assets of importance to the history of London transport which are classified as heritage assets in accordance with the Code. These comprise transport-related objects and material (including vehicles, posters and photographs) held to advance the preservation, conservation and education objects of London Transport Museum. The collection consists of more than 400,000 items and is housed at the Museum's sites in Covent Garden and Acton.

These assets are primarily former operational assets of the TfL Group whose legal title is retained by the Corporation or another of its operating subsidiaries. Due to the diverse nature of the assets held and the lack of comparable market values, the cost of obtaining a valuation of TfL's heritage assets is such that it would not be commensurate with the benefits provided to users of the financial statements. The assets therefore remain recorded in the accounts at historical cost less accumulated depreciation. The collections have been externally valued for insurance purposes only. Management do not consider these insurance valuations to be necessarily indicative of open market fair value and hence have not incorporated the insurance values into the financial statements. The last valuation was carried out as at 31 March 2024 resulting in a value of £40.8m. The net book value of these assets at 31 March 2024 was £nil (2023 £nil).

g) Corporation property, plant and equipment at 31 March 2024 comprised the following elements:

	Note	Office buildings £m	Infrastructure £m	Plant and equipment £m	Assets under construction £m	Total £m
Cost or valuation						
At 1 April 2023		(4.6)	6,212.9	307.8	545.3	7,061.4
Additions		0.2	50.3	50.1	250.2	350.8
Net transfers to intangible assets	12	-	-	-	(23.7)	(23.7)
Transfers to investment properties	16	-	-	-	(12.5)	(12.5)
Transfers between asset classes		0.3	43.8	34.8	(78.9)	-
Disposals		-	(89.7)	(63.5)	-	(153.2)
Write offs		-	-	(9.8)	(3.6)	(13.4)
At 31 March 2024		(4.1)	6,217.3	319.4	676.8	7,209.4
Depreciation						
At 1 April 2023		(4.6)	2,506.0	159.7	20.7	2,681.8
Depreciation charge for the year	4	-	123.3	39.9	-	163.2
Disposals		-	(89.7)	(63.5)	-	(153.2)
Write offs		-	-	(2.0)	-	(2.0)
At 31 March 2024		(4.6)	2,539.6	134.1	20.7	2,689.8
Net book value at 31 March 2024		0.5	3,677.7	185.3	656.1	4,519.6
Net book value at 31 March 2023		-	3,706.9	148.1	524.6	4,379.6

Notes to the Financial Statements

13. Property, plant and equipment (continued)

h) Corporation property, plant and equipment at 31 March 2023 comprised the following elements:

	Note	Office buildings £m	Infrastructure £m	Plant and equipment £m	Assets under construction £m	Total £m
Cost or valuation						
At 1 April 2022		0.8	6,060.4	248.5	410.0	6,719.7
Additions		-	77.2	19.3	247.2	343.5
Transfers to intangible assets	12	-	-	-	(2.7)	(2.7)
Transfers to investment properties	16	-	-	-	(0.4)	(0.4)
Transfers between asset classes		-	75.4	42.8	(118.2)	-
Disposals		-	0.1	(2.1)	-	(2.0)
Reversal AUC impairments		-	-	-	9.6	9.6
Write offs		-	(0.2)	(0.7)	-	(0.9)
Revaluation		(5.4)	-	-	-	(5.4)
At 31 March 2023		(4.6)	6,212.9	307.8	545.5	7,061.4
Depreciation						
At 1 April 2022		-	2,384.3	133.0	20.7	2,538.0
Depreciation charge for the year	4	-	121.7	29.5	-	151.2
Disposals		-	-	(2.2)	-	(2.2)
Write offs		-	-	(0.6)	-	(0.6)
Revaluation		(4.6)	-	-	-	(4.6)
At 31 March 2023		(4.6)	2,506.0	159.7	20.7	2,681.8

The Corporation holds its office buildings at valuation. All other items of property, plant and equipment are held at depreciated cost.

Direct borrowing costs are included in the cost of qualifying assets to the extent that the asset is funded by borrowings. Total borrowing costs capitalised during the year were £nil (2023 £nil). The cumulative borrowing costs capitalised are also £nil (2023 £nil).

At 31 March 2024, the Corporation had capital commitments which are contracted for but not provided for in the financial statements amounting to £83.1m (2023 £64.4m).

In addition, and as described in section b) to this note, the Corporation has entered into an agreement with Riverlinx Limited for the design, build, financing and maintenance of Silvertown Tunnel, connecting the Greenwich Peninsula and the Royal Docks in London. Our financial obligations to make payments to Riverlinx Limited will start once the tunnel is open, currently planned in early 2025, initially at £65m annually and indexed until the expiry date of the agreement in January 2050.

Notes to the Financial Statements

13. Property, plant and equipment (continued)

i) Corporation PFI assets

The net book value above includes the amounts in the table below in respect of PFI assets:

	Infrastructure and office buildings £m	Plant and equipment £m	Total £m
Gross cost	**209.1**	**16.7**	**225.8**
Depreciation	**(104.1)**	**(16.7)**	**(120.8)**
Net book value at 31 March 2024	**105.0**	**-**	**105.0**
Net book value at 31 March 2023	107.6	-	107.6

j) Depreciation charge

The total depreciation charge for the Corporation comprised:

Year ended 31 March	Note	2024 £m	2023 £m
Depreciation of owned assets		**160.7**	148.5
Depreciation of assets held under PFI		**2.5**	2.7
Total depreciation	4	**163.2**	151.2

k) Corporation office buildings and other infrastructure assets held at valuation

The existing use value of owner-occupied office buildings at 31 March 2024 has been arrived at on the basis of a valuation carried out at that date by CBRE, a real estate advisory business not connected with the Group, and by chartered surveyors working for TfL. In determining the existing use value, the capitalisation of net income method and the discounting of future cash flows to their present value has been used. This is based upon various assumptions including the anticipated future rental income, maintenance costs and the appropriate discount rate, making reference to market evidence of transaction prices for similar properties. A deduction is made to reflect purchaser's acquisition costs.

Properties are valued in accordance with the Red Book, RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors.

Notes to the Financial Statements

14. Right-of-use assets and related lease liabilities

This note provides information for leases where the Group and/or Corporation is a lessee. For leases where the Group and/or Corporation is a lessor, see note 20.

a) Group right-of-use assets at 31 March 2024 comprised the following elements:

	Note	Infrastructure and office buildings £m	Rolling stock £m	Buses £m	Motor vehicles £m	Other equipment £m	Total £m
Cost or valuation							
At 1 April 2023		598.3	1,395.5	1,342.0	14.3	118.6	3,468.7
Additions		28.6	10.0	279.2	0.8	39.6	358.2
Lease terminations		(15.2)	-	(3.4)	-	(1.6)	(20.2)
Valuation adjustment		-	(0.9)	-	-	-	(0.9)
At 31 March 2024		611.7	1,404.6	1,617.8	15.1	156.6	3,805.8
Amortisation							
At 1 April 2023		156.2	412.6	865.6	10.8	69.0	1,514.2
Charge for the year	4	40.1	63.9	207.9	2.0	16.7	330.6
Disposals		(6.6)	-	(2.0)	-	(0.9)	(9.5)
At 31 March 2024		189.7	476.5	1,071.5	12.8	84.8	1,835.3
Net book value at 31 March 2024		422.0	928.1	546.3	2.3	71.8	1,970.5
Net book value at 31 March 2023		442.1	982.9	476.4	3.5	49.6	1,954.5

b) Group right-of-use assets at 31 March 2023 comprised the following elements:

	Note	Infrastructure and office buildings £m	Rolling stock £m	Buses £m	Motor vehicles £m	Other equipment £m	Total £m
Cost or valuation							
At 1 April 2022		585.3	1,546.5	1,175.9	14.0	120.5	3,442.2
Additions		14.4	13.5	166.1	0.3	(1.3)	193.0
Lease terminations		(1.4)	(163.6)	-	-	-	(165.0)
Valuation adjustment		-	(0.9)	-	-	(0.6)	(1.5)
At 31 March 2023		598.3	1,395.5	1,342.0	14.3	118.6	3,468.7
Amortisation							
At 1 April 2022		116.5	405.0	650.8	8.5	51.5	1,232.3
Charge for the year	4	39.7	83.2	214.8	2.3	17.5	357.5
Disposals		-	(75.6)	-	-	-	(75.6)
At 31 March 2023		156.2	412.6	865.6	10.8	69.0	1,514.2

Notes to the Financial Statements

14. Right-of-use assets and related lease liabilities (continued)

c) Group lease liabilities in relation to right-of-use assets

At 31 March	2024 £m	2023 £m
Principal outstanding		
Short-term liabilities	**275.5**	299.6
Long-term liabilities	**2,028.9**	1,915.9
	2,304.4	2,215.5

d) Group maturity analysis of right-of-use lease liabilities

At 31 March	2024 £m	2023 £m
Contractual undiscounted payments due in:		
Not later than one year	**372.7**	359.5
Later than one year but not later than two years	**300.7**	297.0
Later than two years but not later than five years	**690.5**	555.7
Later than five years	**2,164.7**	1,898.6
	3,528.6	3,110.8
Less:		
Present value discount	**(1,224.2)**	(895.3)
Present value of minimum lease payments	**2,304.4**	2,215.5

e) Analysis of amounts included in the Group Comprehensive Income and Expenditure Statement

Year ended 31 March	Note	2024 £m	2023 £m
Amortisation of right-of-use assets	4	**330.6**	357.5
Interest payable on right-of-use lease liabilities (before impact of interest rate hedges)		**117.5**	77.3
Expense relating to short-term leases (included in gross expenditure)		**0.1**	1.5
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in gross expenditure)		**0.1**	0.1
Income from sub-leasing right-of-use assets (included in gross income)		**13.4**	14.8

14. Right-of-use assets and related lease liabilities (continued)

f) Analysis of amounts included in the Statement of Cash Flows

The total cash outflow in the Group in respect of leases was £414.2m (2022/23 £393.4m).

g) The Group's leasing activities and how these are accounted for

As a lessee, the Group leases various infrastructure and office buildings, rolling stock, buses, motor vehicles and other equipment. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The accounting for these leases is described within the Accounting Policies, note ac).

h) Future cash flows to which the lessee is potentially exposed that are/are not reflected in the measurement of lease liabilities

Variable lease payments

Most of the Group's infrastructure and office buildings have variable lease payments linked to a consumer price index. Rolling stock contracts have variable lease payments interest linked to a floating rate. When there is a change in cash flows because of the change in consumer price index or change in floating rate, then the lease liability is re-measured to reflect those revised lease payments and corresponding adjustments are made to the right-of-use asset.

Extension and termination options

Some of the Group's lease contracts have extension and termination options. These options and related payments are only included when the Group is reasonably certain that it will exercise these options. At the date of these financial statements, there are no facts and circumstances that create an economic incentive for the Group to extend or terminate the lease.

i) Corporation right-of-use assets at 31 March 2024 comprised the following elements:

	Note	Infrastructure and office buildings £m	Other equipment £m	Total £m
Cost or valuation				
At 1 April 2023		434.4	19.1	453.5
Additions		12.1	-	12.1
Disposals		(8.9)	-	(8.9)
At 31 March 2024		437.6	19.1	456.7
Amortisation				
At 1 April 2023		100.8	12.9	113.7
Charge for the year	4	25.7	3.4	29.1
Disposals		(5.4)	-	(5.4)
At 31 March 2024		121.1	16.3	137.4
Net book value at 31 March 2024		316.5	2.8	319.3
Net book value at 31 March 2023		333.6	6.2	339.8

Notes to the Financial Statements

14. Right-of-use assets and related lease liabilities (continued)

j) Corporation right-of-use assets at 31 March 2023 comprised the following elements:

	Note	Infrastructure and office buildings £m	Other equipment £m	Total £m
Cost or valuation				
A 1 April 2022		430.8	22.3	453.1
Additions		3.6	(3.2)	0.4
At 31 March 2023		434.4	19.1	453.5
Amortisation				
At 1 April 2022		75.5	9.1	84.6
Charge for the year	4	25.3	3.8	29.1
At 31 March 2023		100.8	12.9	113.7
Net book value at 31 March 2023		333.6	6.2	339.8

k) Corporation lease liabilities in relation to right-of-use assets

At 31 March	2024 £m	2023 £m
Principal outstanding		
Short-term liabilities	**25.6**	27.0
Long-term liabilities	**324.1**	341.1
	349.7	368.1

l) Corporation maturity analysis of right-of-use lease liabilities

At 31 March	2024 £m	2023 £m
Contractual undiscounted payments due in:		
Not later than one year	**35.0**	36.7
Later than one year but not later than two years	**34.3**	34.6
Later than two years but not later than five years	**99.0**	99.2
Later than five years	**256.2**	278.8
	424.5	449.3
Less:		
Present value discount	**(74.8)**	(81.2)
Present value of minimum lease payments	**349.7**	368.1

m) Analysis of amounts included in the Corporation Comprehensive Income and Expenditure Statement

Year ended 31 March	Note	2024 £m	2023 £m
Amortisation of right-of-use assets	4	**29.1**	29.1
Interest payable on right-of-use lease liabilities		**10.3**	10.4
Income from sub-leasing right-of-use assets (included in gross income)		**1.8**	-

Notes to the Financial Statements
14. Right-of-use assets and related lease liabilities (continued)

n) Analysis of amounts included in the Corporation Statement of Cash Flows
The total cash outflow in the Corporation in respect of leases in 2023/24 was £37.3m (2022/23 £36.7m).

o) The Corporation's leasing activities and how these are accounted for
As a lessee, the Corporation leases various office buildings. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The accounting for these leases is described within the Accounting Policies, notes s) and ac).

p) Future cash flows to which the lessee is potentially exposed that are/are not reflected in the measurement of lease liabilities.
Variable lease payments
Most of the Corporation's office buildings have variable lease payments linked to a consumer price index. When there is a change in cash flows because of the change in consumer price index or change in floating rate, then the lease liability is remeasured to reflect those revised lease payments and a corresponding adjustment is made to the right-of-use asset.

Extension and termination options
Some of the Corporation's lease contracts have extension and termination options. These options and related payments are only included when the Corporation is reasonably certain that it will exercise these options. At the date of these financial statements, there are no facts and circumstances that create an economic incentive for the Corporation to extend or terminate the lease.

Leases not yet commenced to which the Corporation as a lessee is committed
As at 31 March 2024 the Corporation is not party to any lease arrangements to which the Corporation as a lessee is committed but for which it has not yet recognised any right-of-use asset or liability on the Balance Sheet (2023 none).

q) Peppercorn leases in the Group and Corporation
TfL has a number of leases over property and other transport infrastructure under which it pays £nil or peppercorn rents. It has undertaken an exercise to assess the fair value of the assets leased under these arrangements and has concluded that they have no material value. No amounts have therefore been recorded in these financial statements in respect of these leases.

Operating leases – The Group and Corporation as lessor
The Group and Corporation lease out commercial, retail and office property, and land that they hold as a result of their infrastructure holdings.

At the Balance Sheet date, the Group and Corporation had contracted with customers for the following future minimum lease payments:

Notes to the Financial Statements
15. Financial commitments

Land and buildings	Group £m	Corporation £m
At 31 March 2024		
Within one year	**58.5**	**3.0**
Between one and two years	**153.0**	**3.5**
Between two and five years	**126.8**	**3.7**
Later than five years	**734.2**	**106.6**
	972.5	**116.8**
At 31 March 2023		
Within one year	62.6	0.8
Between one and two years	53.7	0.7
Between two and five years	114.4	1.0
Later than five years	839.6	4.7
	1,070.3	7.2

Notes to the Financial Statements

16. Investment properties

	Note	Group £m	Corporation £m
Valuation			
At 1 April 2022 as previously reported		1,713.3	97.1
Prior period correction with respect to property leases		(1.2)	-
At 1 April 2022 (restated)		1,712.1	97.1
Additions		20.7	1.7
Transfer to assets held for sale	23	(3.6)	(1.0)
Transfers from assets held for sale	23	4.6	1.3
Transfers from property, plant and equipment	13	25.8	0.4
Disposals		(37.3)	(0.1)
Fair value adjustments	9	(148.9)	(12.5)
At 31 March 2023		1,573.4	86.9
Additions		**89.8**	**1.0**
Transfers to subsidiary undertakings		**-**	**(41.2)**
Net transfers from assets held for sale	23	**51.8**	**3.0**
Transfers from property, plant and equipment	13	**16.8**	**12.5**
Disposals		**(8.8)**	**-**
Fair value adjustments (restated)*	9	**(107.9)**	**55.6**
At 31 March 2024		**1,615.1**	**117.8**

The fair value of the Group's investment properties at 31 March 2024 has been arrived at on the basis of valuations at that date by CBRE, a real estate advisory business not connected with the Group, and by chartered surveyors working for TfL. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value has been used. This is based upon various assumptions including the anticipated future rental income, maintenance costs and the appropriate discount rate; making reference to market evidence of transaction prices for similar properties. A deduction is made to reflect purchaser's acquisition costs. Values are therefore calculated under level 3 of the fair value hierarchy. In estimating fair value, the highest and best use of the properties is assumed to be their current use. There were no transfers of properties in or out of level 3 of the fair value hierarchy during the year (2022/23 none).

Properties are valued annually in accordance with the Red Book, RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors.

In order to create a consolidated commercial property portfolio, assets previously held at a depreciated historical cost value within property, plant and equipment, have been identified and transferred into a designated investment portfolio alongside a range of existing investment properties. In addition, the creation of new lease structures allowed the recognition, for the first time, of newly separable investment property assets which have been recorded at fair value at the date of creation of the lease structure. These assets have been combined into a vehicle to deliver homes under the Mayor's Transport Strategy, and a growing sustainable income stream, as well as to facilitate the ability to generate both debt and equity to fund capital requirements. In the year to 31 March 2024, a total net loss of £107.9m was recognised for the Group (2022/23 a net loss of £149.0m) relating to movements in the valuation of assets.

Rental income earned in relation to investment properties is disclosed in note 1. Operating expenditure for the year in respect of investment properties totalled £35.4m for the Group (2022/23 £32.7m).

Information about the impact of changes in unobservable inputs (level 3) on the fair value of the Group's investment portfolio is set out in the table below.

All other factors being equal:

- A higher equivalent yield or discount rate would lead to a decrease in the valuation of an asset
- An increase in the current or estimated future rental stream would have the effect of increasing the capital value

However, there are interrelationships between the unobservable inputs which are partially determined by market conditions, which would impact on these changes.

* Details of restatement are included within Note 43

Notes to the Financial Statements

16. Investment properties (continued)

Information about fair value measurements for the TfL Group using unobservable inputs (level 3) for the year ended 31 March 2024

		Estimated value £m Yield shift (0.5)%	% change from baseline Yield shift (0.5)%	Estimated value £m Yield shift (0.25)%	% change from baseline Yield shift (0.25)%	**Estimated value £m Yield shift 0.0%**	**% change from baseline Yield shift 0.0%**	Estimated value £m Yield shift 0.25%	% change from baseline Yield shift 0.25%	Estimated value £m Yield shift 0.5%	% change from baseline Yield shift 0.5%
Estimated rental value	**(10)%**	1,733.9	1.68%	1,670.3	(2.05)%	**1,613.2**	**(5.40)%**	1,587.1	(6.93)%	1,527.6	(10.42)%
	(5)%	1,785.3	4.69%	1,719.1	0.81%	**1,659.1**	**(2.71)%**	1,632.3	(4.28)%	1,569.9	(7.94)%
	0%	1,836.8	7.71%	1,767.7	3.66%	**1,705.3**	**0.00%**	1,677.3	(1.64)%	1,612.2	(5.46)%
	5%	1,888.4	10.74%	1,816.5	6.52%	**1,751.2**	**2.69%**	1,722.5	1.01%	1,654.5	(2.98)%
	10%	1,940.1	13.77%	1,865.1	9.37%	**1,797.4**	**5.40%**	1,767.9	3.67%	1,696.9	(0.49)%

The table above shows the sensitivity of the valuation of the investment property portfolio to a five or 10 per cent increase/(decrease) in estimated rental values, combined with a 0.5 or 0.25 per cent increase/(decrease) in yield from the baseline assumptions used to calculate the values as recorded in these accounts.

The table below shows the split of investment properties by asset class

Asset Class	**Group 2024 £m**	Group 2023 £m
Arches	147.1	157.4
Bus garage	95.5	95.8
Car park	38.0	38.2
Car park operational	124.5	129.3
Industrial	50.0	51.4
Office	249.2	172.1

Asset Class	**Group 2024 £m**	Group 2023 £m
Office – head office	80.5	127.9
Other	104.7	110.4
Residential	57.5	67.5
Retail	633.7	600.8
Development	124.4	132.7
At 31 March	1,705.1	1,683.5

Notes to the Financial Statements
17. Investments in subsidiaries

Cost	Corporation 2024 £m	Corporation 2023 £m
At 1 April	**13,062.5**	12,782.5
Investments in year	-	280.0
At 31 March	**13,062.5**	13,062.5

During the year, the Corporation did not increase its investment in ordinary share capital. In the prior year, the Corporation increased its investment in the ordinary share capital of Transport Trading Limited (TTL) by £280m. TTL subsequently increased its investment in the ordinary share capital of Crossrail Limited by £280m.

The Group holds 100 per cent of the share capital of all subsidiaries. All companies listed in the table below, with the exception of London Transport Insurance (Guernsey) Limited, are registered in England and Wales; and their financial statements are lodged at Companies House and also at the Charity Commission for London Transport Museum Limited. London Transport Insurance (Guernsey) Limited is registered in Guernsey.

We maintain a wide range of services and transport modes

Notes to the Financial Statements
17. Investments in subsidiaries (continued)

The Group's subsidiaries are:

Subsidiaries	Principal activity
City Airport Rail Enterprises Limited	Dormant company
Crossrail 2 Limited	Dormant company
Crossrail Limited	Construction of Crossrail infrastructure
Docklands Light Railway Limited	Passenger transport by rail
London Bus Services Limited	Passenger transport by bus
London Buses Limited	Dial-a-Ride services
London Dial-a-Ride Limited	Dormant company
London River Services Limited	Pier operator
London Transport Insurance (Guernsey) Limited	Insurance
London Transport Museum (Trading) Limited	Trading company
London Transport Museum Limited	Charitable company
London Underground Limited	Passenger transport by underground train
LUL Nominee BCV Limited	Dormant company
LUL Nominee SSL Limited	Dormant company
Rail for London Limited	Passenger transport by rail
Rail for London (Infrastructure) Limited	Infrastructure manager for the Crossrail Central Operating Section
TfL Trustee Company Limited	Pension Fund Trustee
Tramtrack Croydon Limited	Passenger transport by light rail

Subsidiaries	Principal activity
Transport for London Finance Limited	Manages financial risk of the Group
Transport Trading Limited	Holding company
TTL Blackhorse Road Properties Limited	Holding company
TTL Build to Rent Limited	Holding company
TTL Earls Court Properties Limited	Holding company
TTL Office Properties Limited	Holding company
TTL Kidbrooke Properties Limited	Holding company
TTL Landmark Court Properties Limited	Holding company
TTL Northwood Properties Limited	Dormant company
Places for London Limited (formerly TTL Properties Limited)	Property investment and development
TTL Southwark Properties Limited	Property investment
TTL South Kensington Properties Limited	Property investment
TTL Wembley Park Properties Limited	Holding company
TTL West London Properties Limited	Dormant company
Tube Lines Limited	Maintenance of underground lines
Tube Lines Pension Scheme Trustees Limited	Pension Fund Trustee
Victoria Coach Station Limited	Coach station
Woolwich Arsenal Rail Enterprises Limited	Dormant company

Notes to the Financial Statements
18. Investment in joint ventures

a) Connected Living London (BTR) Limited
In 2019/20, the Group via its subsidiary, TTL Build to Rent Limited, acquired a 49 per cent interest in a joint arrangement called Connected Living London (BTR) Limited (CLL), which was set up as a partnership together with Grainger Plc, to fund the development of a major build to rent portfolio across London. The registered office address of CLL is Citygate, St James Boulevard, Newcastle Upon Tyne, Tyne and Wear, United Kingdom, NE1 4JE.

As the Group has joint control over the net assets and operations of its investment through equal representation on the board and equal voting rights, it has equity accounted for its investment as a joint venture in these consolidated financial statements. The financial year end of CLL is 30 September.

During 2023/24 the Group invested a further £1.1m in the equity of CLL (2022/23 £53m). Summarised financial information in respect of the Group's investment is set out below. Amounts presented are taken from unaudited management accounts made up to 31 March.

Balance Sheet of CLL at the 100 per cent level

At 31 March	Group 2024 £m	Group 2023 £m
Long-term assets		
Investment property under construction	89.3	80.3
	89.3	80.3
Current assets		
Cash	5.2	9.6
Other short-term assets	-	0.5
	5.2	10.1
Current liabilities		
Other short-term liabilities	(2.2)	(0.1)
	(2.2)	(0.1)
Long-term liabilities		
Borrowings	-	-
Other long-term liabilities	-	-
	-	-

Reconciliation of net assets to amounts included in the consolidated Group accounts

At 31 March	Group 2024 £m	Group 2023 £m
Net assets at 100%	92.3	90.3
Percentage held by the TfL Group	49%	49%
Carrying amount of the Group's equity interest in CLL	45.1	44.1

Notes to the Financial Statements

18. Investment in joint ventures (continued)

Group share of comprehensive income and expenditure of CCL

Year ended 31 March	Group 2024 £m	Group 2023 £m
Group share of loss from continuing operations	(0.1)	(0.7)
Group share of other comprehensive income	-	-
Total Group share of comprehensive income and expenditure for the year	**(0.1)**	(0.7)

The share of loss from continuing operations reflects administrative expenditure relating to the operations of the company.

b) Kidbrooke Partnership LLP

The Group, through its subsidiary, TTL Kidbrooke Properties Limited, holds a 49 per cent holding in the members' interest of Kidbrooke Partnership LLP (KP LLP), a property development partnership. Through a combination of its voting rights, Board representation and other rights embedded in the relevant management agreements, the Group is assessed as having joint control. The investment has therefore been accounted for as a joint venture using the equity method in these financial statements.

KP LLP has a 299 year lease over the land lying to the South East of Kidbrooke Park Road and is developing the site as a mixed use development incorporating affordable housing. The financial year end of KP LLP is 31 March.

During 2023/24, the Group had no additional investment in the equity of KP LLP (2022/23 £nil). Summarised financial information in respect of the Group's investment in KP LLP is set out below. Amounts presented are taken from unaudited management accounts made up to 28 February.

Balance Sheet of KP LLP at the 100 per cent level

At 31 March	Group 2024 £m	Group 2023 £m
Long-term assets		
Investment property under construction	37.7	-
	37.7	-
Current assets		
Cash	7.6	2.0
Other short-term assets	0.1	39.7
	7.7	41.7
Current liabilities		
Other short-term liabilities	(8.0)	(4.4)
	(8.0)	(4.4)

Reconciliation of net assets to amounts included in the consolidated Group accounts

At 31 March	Group 2024 £m	Group 2023 £m
Net assets at 100%	37.4	37.3
Percentage held by the TfL Group	49%	49%
Carrying amount of the Group's equity interest in KP LLP	**18.2**	18.2

Group share of comprehensive income and expenditure of KP LLP

Year ended 31 March	Group 2024 £m	Group 2023 £m
Group share of loss from continuing operations	-	(0.1)
Group share of other comprehensive income	-	-
Total Group share of comprehensive income and expenditure for the year	**-**	(0.1)

Notes to the Financial Statements

18. Investment in joint ventures (continued)

c) Blackhorse Road Properties LLP
In 2019/20 the Group acquired a 49 per cent holding in the members' interest of Blackhorse Road Properties LLP (BRP LLP), a newly created property development partnership, for a cash consideration of £11.3m. The investment was purchased through a newly incorporated subsidiary of the Group, TTL Blackhorse Road Properties Limited. Through a combination of its voting rights, Board representation and other rights embedded in the relevant management agreements, the Group is assessed as having joint control. The investment has therefore been accounted for as a joint venture using the equity method.

During 2019/20, the Group granted a 999 year lease over land at Blackhorse Road to BRP LLP for a consideration of £15.9m. The financial year end of BRP LLP is 30 June.

Summarised financial information in respect of the Group's investment in BRP LLP is set out below. Amounts presented are taken from unaudited management accounts made up to 28 February.

Balance sheet of BRP LLP at the 100 per cent level

At 31 March	Group 2024 £m	Group 2023 £m
Current assets		
Cash	2.3	2.5
Other short-term assets	0.1	1.5
	2.4	4.0
Current liabilities		
Other short-term liabilities	(1.6)	(2.4)
	(1.6)	(2.4)

Reconciliation of net assets to amounts included in the consolidated Group accounts

At 31 March	Group 2024 £m	Group 2023 £m
Net assets at 100%	0.8	1.6
Percentage held by the TfL Group	49%	49%
Carrying amount of the Group's equity interest in BRP LLP	0.3	0.8

Group share of comprehensive income and expenditure of BRP LLP

Year ended 31 March	Group 2024 £m	Group 2023 £m
Group share of profit from continuing operations	0.6	7.2
Group share of other comprehensive income	-	-
Total Group share of comprehensive income and expenditure for the year	0.6	7.2

Notes to the Financial Statements

18. Investment in joint ventures (continued)

d) Landmark Court Partnership Limited
In 2021/22 the Group acquired a 49 per cent holding in the members' interest of Landmark Court Partnership Limited (LCP Limited), a newly created property development partnership, for a cash consideration of £1. The investment was purchased through a newly incorporated subsidiary of the Group, TTL Landmark Court Properties Limited. Through a combination of its voting rights, Board representation and other rights embedded in the relevant management agreements, the Group is assessed as having joint control. The investment has therefore been accounted for as a joint venture using the equity method.

During 2021/22, the Group granted a 299 year lease over land at Liberty, Southwark site, at 15-33 Southwark Street to LCP Limited for a consideration of £41.8m. The financial year end of LCP Limited is 31 March.

Summarised financial information in respect of the Group's investment in LCP Limited is set out below. Amounts presented are taken from unaudited management accounts made up to 31 March.

Balance sheet of LCP Limited at the 100 per cent level

At 31 March	Group 2024 £m	Group 2023 £m
Current assets		
Cash	-	-
Other short-term assets	12.0	24.9
	12.0	24.9
Current liabilities		
Other short-term liabilities	(11.9)	(15.3)
	(11.9)	(15.3)

Reconciliation of net assets to amounts included in the consolidated Group accounts

At 31 March	Group 2024 £m	Group 2023 £m
Net assets at 100%	0.1	9.6
Percentage held by the TfL Group	49%	49%
Net assets at 49%	-	4.7
Carrying amount of the Group's equity interest in LCP Limited	-	4.7

Group share of comprehensive income and expenditure of LCP Limited

Year ended 31 March	Group 2024 £m	Group 2023 £m
Group share of profit from continuing operations	(2.3)	2.3
Group share of other comprehensive income	-	-
Total Group share of comprehensive income and expenditure for the year	(2.3)	2.3

Notes to the Financial Statements

18. Investment in joint ventures (continued)

e) Wembley Park LLP

In 2022/23 the Group acquired a 49 per cent holding in the members' interest of Wembley Park Properties LLP (WPP LLP), a newly created property development partnership, for a cash consideration of £12m. The investment was purchased through a newly incorporated subsidiary of the Group, TTL Wembley Park Properties Limited. Through a combination of its voting rights, Board representation and other rights embedded in the relevant management agreements, the Group is assessed as having joint control. The investment has therefore been accounted for as a joint venture using the equity method.

During 2022/23, the Group granted a 999 year lease over land at Wembley Park station car park to WPP LLP for a consideration of £16.25m. The financial year end of WPP LLP is 30 June.

Summarised financial information in respect of the Group's investment in WPP LLP is set out below. Amounts presented are taken from unaudited management accounts made up to 31 March.

Balance sheet of WPP LLP at the 100 per cent level

At 31 March	Group 2024 £m	Group 2023 £m
Long-term assets		
Investment property under construction	30.8	-
	30.8	-
Current assets		
Cash	5.4	7.9
Other short-term assets	2.2	23.3
	7.6	31.2
Current liabilities		
Other short-term liabilities	(10.1)	(6.7)
	(10.1)	(6.7)
Long-term liabilities		
Borrowings	-	-
Other long-term liabilities	-	-
	-	-

Reconciliation of net assets to amounts included in the consolidated Group accounts

At 31 March	Group 2024 £m	Group 2023 £m
Net assets at 100%	28.3	24.5
Percentage held by the TfL Group	49%	49%
Carrying amount of the Group's equity interest in WPP LLP	13.8	11.9

Group share of comprehensive income and expenditure of WPP LLP

Year ended 31 March	Group 2024 £m	Group 2023 £m
Group share of loss from continuing operations	1.9	-
Group share of other comprehensive income	-	-
Total Group share of comprehensive income and expenditure for the year	1.9	-

The share of loss from continuing operations reflects administrative expenditure relating to the operations of the company.

Notes to the Financial Statements
18. Investment in joint ventures (continued)

f) TTL Office Properties Limited
In 2023/24, the Group via its subsidiary, Places for London Limited, acquired a 49 per cent interest in a joint arrangement called TTL Office Properties Limited (TTLOP), which was set up as a partnership together with Helical Plc, to fund the development of its sustainable commercial office portfolio across central London. The registered office address of TTLOP is 5 Endeavour Square, London, United Kingdom, E20 1JN.

As the Group has joint control over the net assets and operations of its investment through equal representation on the board and equal voting rights, it has equity accounted for its investment as a joint venture in these consolidated financial statements. The financial year end of TTLOP is 31 March.

During 2023/24, the Group invested £1.47m in the equity of TTLOP.

Summarised financial information in respect of the Group's investment is set out below. Amounts presented are taken from unaudited management accounts made up to 31 March.

Balance Sheet of TTL Office Properties Limited at the 100 per cent level

At 31 March	Group 2024 £m	Group 2023 £m
Long-term assets		
Investment property under construction	-	-
	-	-
Current assets		
Cash	0.8	-
Other short-term assets	3.4	-
	4.2	-
Current liabilities		
Other short-term liabilities	(1.2)	-
	(1.2)	-
Long-term liabilities		
Borrowings	-	-
Other long-term liabilities	-	-
	-	-

Reconciliation of net assets to amounts included in the consolidated Group accounts

At 31 March	Group 2024 £m	Group 2023 £m
Net assets at 100%	3.0	-
Percentage held by the TfL Group	49%	49%
Carrying amount of the Group's equity interest in TTL Office Properties Limited	1.4	-

Group share of comprehensive income and expenditure of TTL Office Properties Limited

Year ended 31 March	Group 2024 £m	Group 2023 £m
Group share of loss from continuing operations	-	-
Group share of other comprehensive income	-	-
Total Group share of comprehensive income and expenditure for the year	-	-

The share of loss from continuing operations reflects administrative expenditure relating to the operations of the company.

Notes to the Financial Statements

19. Investment in associated undertakings

a) Earls Court Partnership Limited
The Group holds a 37 per cent holding in the ownership and voting rights of Earls Court Partnership Limited (ECP), a property development company incorporated in England and Wales. Through its voting rights and representation on the Board of Directors of ECP, the Group has significant influence but not control over the relevant activities of ECP. The Group's investment is therefore accounted for using the equity method in these consolidated accounts.

The Group has invested share capital and non-interest bearing loans into ECP. The loan notes are non-interest bearing and have no fixed repayment date. They have therefore been treated in these financial statements as an investment in the equity of ECP. As at 31 March 2024 the Group had invested £44.4m (2023 £44.4m) in share capital and a further £439.6m (2023 £433.9m) in loan notes.

The financial year end of ECP is 31 December. For the purposes of applying the equity method of accounting, the management accounts of ECP at 31 March 2024 have been used.

Summarised financial information in respect of the Group's investment in ECP is set out below:

Balance Sheet of Earls Court Partnership Limited at the 100 per cent level

At 31 March	Group 2024 £m	Group 2023 £m
Current assets	18.0	17.6
Long-term assets	419.5	541.2
Current liabilities	(9.3)	(9.5)
Long-term liabilities	(119.2)	(98.3)

Reconciliation of net assets to amounts included in the consolidated Group accounts

	Group 2024 £m	Group 2023 £m
Net assets at 100% at 31 March	309.0	451.0
Percentage held by the TfL Group	37%	37%
TfL Group share of net assets at 31 March	114.3	166.7
Carrying amount of the Group's equity interest in Earls Court Partnership Limited at 31 March	114.3	166.7

Group share of comprehensive income and expenditure of Earls Court Partnership Limited

Year ended 31 March	Group 2024 £m	Group 2023 £m
Revenue	3.2	0.1
Loss from continuing operations	(157.6)	(112.2)
Other comprehensive income	-	-
Total comprehensive income	(157.6)	(112.2)
Group share of:		
Loss from continuing operations	(58.3)	(41.5)
Other comprehensive income	-	-
Total Group share of comprehensive income and expenditure for the year	(58.3)	(41.5)

Notes to the Financial Statements

20. Finance lease receivables

Group finance lease receivables

The Group leases certain items of plant and equipment related to its media activities to a third party under a finance lease arrangement.

Finance lease receivables on the Balance Sheet are calculated as the present value of minimum lease payments outstanding. Interest is accrued at a rate of 6.29 per cent per annum.

As at 31 March	2024 £m	2023 restated* £m
Principal outstanding		
Short-term (restated)*	7.1	5.4
Long-term (restated)*	18.3	24.5
	25.4	29.9

Principal outstanding		
At 1 April as previously reported	29.9	37.0
Prior period correction in respect of property leases*	-	15.6
At 1 April (restated)	29.9	52.6
Additions	-	0.5
Interest (restated)*	1.3	1.0
Lease terminations	-	(4.1)
Repayments (restated)*	(5.8)	(20.1)
	25.4	29.9

Minimum cash receipts in:		
Not later than one year	7.3	5.4
Later than one year but not later than five years	4.4	11.8
Later than five years	45.8	46.0
	57.5	63.2
Less unearned finance income	(32.1)	(33.3)
	25.4	29.9

* Details of the restatement are included within Note 43

21. Inventories

As at 31 March	Group 2024 £m	Group 2023 £m
Raw materials and consumables	100.6	77.9
Goods held for resale	0.8	0.8
	101.4	78.7

There is no material difference between the balance sheet value of Group inventories and their net realisable value. The Corporation had no inventories at 31 March 2024 and as at 31 March 2023.

The movement on inventories was as follows:

	Group £m
Balance at 1 April 2022	58.1
Purchases in the year	120.7
Recognised as an expense in the year:	
Consumed in the year	(90.1)
Goods sold in the year	(0.5)
Net write offs in the year	(9.5)
Balance at 31 March 2023	78.7
Purchases in the year	130.1
Recognised as an expense in the year:	
Consumed in the year	(105.3)
Goods sold in the year	(1.8)
Net write offs in the year	(0.3)
Balance at 31 March 2024	101.4

Notes to the Financial Statements
22. Debtors

At 31 March	Group 2024 £m	Group 2023 £m
Short-term		
Trade debtors	179.3	133.7
Capital debtors	9.8	3.2
Other debtors	31.0	39.2
Other tax and social security	76.7	200.6
Grant debtors	177.3	110.9
Interest debtors	6.3	3.2
Contract assets: accrued income	63.3	53.0
Prepayments for goods and services	64.5	152.5
	608.2	696.3
Long-term		
Other debtors	13.0	40.2
Prepayments for goods and services	15.9	20.0
	28.9	60.2

Trade debtors are non-interest bearing and are generally paid within 28 days.

As at 31 March 2024, £1,195.1m (2023 £994.7m) was recognised as a provision for expected credit losses on trade and other debtors (see note 33).

Contract asset balances represent accrued income recognised where balances have not yet been invoiced to the customer. Upon completion of the terms of the contract and agreement with the customer/third party contributor, the amounts recognised as contract assets are reclassified to trade debtors.

Grant debtors represent grant income where cash has not yet been received.

At 31 March	Corporation 2024 £m	Corporation 2023 £m
Short-term		
Trade debtors	52.3	57.8
Amounts due from subsidiary companies	119.4	171.8
Capital debtors	0.8	2.3
Other debtors	4.8	3.7
Other tax and social security	9.3	9.0
Grant debtors	170.7	97.6
Interest debtors	5.2	2.9
Contract assets: accrued income	26.2	18.1
Prepayments for goods and services	33.7	26.2
	422.4	389.4
Long-term		
Loans made to subsidiary companies	12,213.9	12,290.9
Other debtors	0.4	28.4
Prepayments for goods and services	5.9	7.6
	12,220.2	12,326.9

Trade debtors are non-interest bearing and are generally paid within 28 days.

As at 31 March 2024, £1,184.2m (2023 £965.7m) was recognised as a provision for expected credit losses on trade debtors (see note 33).

Contract assets balances represent accrued income recognised where balances have not yet been invoiced to the customer. Upon completion of the terms of the contract, the amounts recognised as contract assets are reclassified to trade debtors.

Long-term loans made to subsidiary companies are interest-bearing loans, primarily representing the pass-down of external third-party borrowings to the subsidiaries that hold the assets which have been funded by that borrowing. These loans accrue market rates of interest reflecting rates achieved on debt issued to third parties by the Corporation. The average rate of interest accruing on loans outstanding at 31 March 2024 was 3.7 per cent (2023 3.5 per cent).

Notes to the Financial Statements

23. Assets held for sale

	Note	Group £m	Corporation £m
Balance at 1 April 2022		160.9	12.1
Assets newly classified as held for sale			
Investment properties	16	3.6	1.0
Net assets transferred from held for sale to investment property			
Investment properties	16	(4.6)	(1.3)
Revaluation losses			
Investment properties		(0.1)	(1.5)
Disposals			
Property, plant and equipment		(83.3)	-
Investment properties		(22.8)	-
Transfers to subsidiary undertakings			
Investment properties		-	(7.3)
Balance at 31 March 2023		53.7	3.0
Assets newly classified as held for sale			
Net assets transferred from held for sale to investment property			
Investment properties	16	**(51.8)**	**(3.0)**
Disposals			
Investment properties		**(1.9)**	-
Balance at 31 March 2024		-	-

24. Other investments

At 31 March	**Group 2024 £m**	Group 2023 £m
Short-term		
Investments held at amortised cost	**5.8**	15.0
Long-term		
Investments measured at FVTPL	**1.2**	-

At 31 March	**Corporation 2024 £m**	Corporation 2023 £m
Short-term		
Investments held at amortised cost	-	-
Long-term		
Investments measured at FVTPL	**0.2**	-

Short-term investments comprise fixed deposits, UK treasury bills and other tradeable instruments with a maturity of greater than three but less than 12 months.

Long-term investments comprise initial 'core commitment' investment in the London Treasury Liquidity Fund (LTLF) LP.

Notes to the Financial Statements

25. Cash and cash equivalents

At 31 March	Group 2024 £m	Group 2023 £m
Cash at bank	143.8	285.3
Cash equivalents with a maturity of less than three months	1,331.8	1,090.0
Cash in hand and in transit	12.7	12.2
	1,488.3	1,387.5

At 31 March	Corporation 2024 £m	Corporation 2023 £m
Cash at bank	24.3	41.3
Cash equivalents with a maturity of less than three months	1,269.9	1,090.0
	1,294.2	1,131.3

Cash and cash equivalents comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Cash and cash equivalents are classified as financial assets at amortised cost.

Cash equivalents comprise fixed deposits, UK treasury bills, repo and other tradeable instruments. These are classified as cash and cash equivalents as they have a maturity of less than three months.

26. Creditors

a) Group creditors at 31 March comprised:

	Group 2024 £m	Group 2023 restated* £m
Short-term		
Trade creditors	157.9	225.0
Accrued interest	184.9	106.4
Capital works	476.6	666.4
Retentions on capital contracts	7.2	5.5
Capital grants received in advance	34.6	43.4
Wages and salaries	249.8	161.8
Other taxation and social security creditors	71.9	57.5
Contract liabilities: receipts in advance for Travelcards, bus passes and Oyster cards	174.7	185.9
Contract liabilities representing other deferred income	51.2	54.0
Accruals and other payables	647.8	600.4
	2,056.6	2,106.3
Long-term		
Capital grants received in advance	3.2	4.1
Retentions on capital contracts	(3.5)	(2.0)
Contract liabilities representing other deferred income	27.5	29.0
Deferred income arising from operating leases (restated)*	115.7	116.3
Accruals and other payables	177.0	56.5
	319.9	203.9

* Details of restatement are included within Note 43

Notes to the Financial Statements

26. Creditors (continued)

The performance obligations related to deferred income balances recorded as at 31 March 2024, which are expected to be met in more than one year, relate to:

i. License revenue and funding received from developers for improvements to bus services, which together total £20.3m (2023 £22.2m), of which, £19.3m (2023 £20.1m) relates to obligations that are to be satisfied within one to three years, and £0.9m (2023 £1.5m) within three to five years and £nil (2023 £0.6m) over five years

ii. Maintenance income of £4.1m (2023 £5.2m) expected to be released over 30 years

iii. Other miscellaneous contracts, together totalling £3.2m (2023 £1.5m)

Set out below is the amount of revenue recognised by the Group during the year from:

Year ended 31 March	Group 2024 £m	Group 2023 £m
Amounts included in contract liabilities at 1 April	85.1	43.0
Performance obligations satisfied in previous years	-	-

b) Corporation creditors at 31 March comprised:

At 31 March	Corporation 2024 £m	Corporation 2023 restated* £m
Short-term		
Trade creditors	78.2	85.6
Accrued interest	184.6	106.4
Capital works	101.5	131.3
Capital grants received in advance	18.8	24.3
Amounts due to subsidiary companies	78.6	266.1
Wages and salaries	50.9	46.5
Other taxation and social security creditors	9.1	4.5
Contract liabilities representing other deferred income	22.2	17.1
Accruals and other payables	190.0	165.8
	733.9	847.6
Long-term		
Capital grants received in advance	-	0.9
Retentions on capital contracts	0.4	0.3
Contract liabilities representing other deferred income	15.5	16.1
Deferred income arising from operating leases (restated)*	115.6	116.2
Accruals and other payables	37.8	34.9
	169.3	168.4

Total long-term contract liabilities balances in the Corporation are broadly consistent with the prior year.

* Details of restatement are included within Note 43

Notes to the Financial Statements

26. Creditors (continued)

At 31 March 2024, the significant balance of remaining performance obligations in relation to contract liabilities expected to be recognised in more than one year, relate to:

i. License revenue totalling £8.2m (2023 £9.4m), of which £8.2m is expected to be satisfied within five years (2023 £9.4m) and £nil (2023 £nil) over five years

ii. Maintenance income of £4.1m (2023 £5.2m) is expected to be released over 30 years

iii. Other miscellaneous contracts totalling £3.2m (2023 £1.5m)

Set out below is the amount of revenue recognised during the year from:

Year ended 31 March	Corporation 2024 £m	Corporation 2023 £m
Amounts included in contract liabilities at 1 April	8.9	9.4
Performance obligations satisfied in previous years	-	-

27. Borrowings and overdrafts

At 31 March	Group 2024 £m	Group 2023 £m
Short-term		
Borrowings	864.0	693.7
Long-term		
Borrowings	12,071.6	12,216.6

At 31 March	Corporation 2024 £m	Corporation 2023 £m
Short-term		
Borrowings	864.0	693.7
Long-term		
Borrowings	12,075.6	12,221.5

Further information about the maturity and interest rate profiles of the Group and Corporation's borrowings is provided in note 33 (Funding and financial risk management).

We have direct access to the UK Debt Management Office (DMO) via the Public Works Loan Board (PWLB) and a £2bn Commercial Paper programme in place, with both sources utilised throughout the financial year to manage liquidity requirements. Additionally, we have a £750m loan facility, with the DfT, ringfenced for the purposes of the Crossrail project, of which we repaid £35m during the year.

Notes to the Financial Statements

27. Borrowings and overdrafts (continued)

Changes in liabilities arising from financing activities

	Group 2024 £m	Group 2023 £m
Balance at 1 April		
Short-term	**1,014.2**	1,774.1
Long-term	**14,324.3**	13,858.2
	15,338.5	15,632.3
Borrowings drawn down	**187.5**	1,661.0
Net repayment of other financing liabilities	**(6.5)**	(6.4)
Repayment of borrowings	**(163.9)**	(1,720.7)
Repayment of PFI liabilities	**(14.3)**	(10.6)
Repayment of right-of-use lease liabilities	**(257.4)**	(322.9)
Non-cash increase in right-of-use lease liabilities	**346.5**	102.1
Other movements*	**1.7**	3.7
At 31 March	**15,432.1**	15,338.5
Short-term	**1,175.4**	1,014.2
Long-term	**14,256.7**	14,324.3
	15,432.1	15,338.5

Changes in liabilities arising from financing activities

	Corporation 2024 £m	Corporation 2023 £m
Balance at 1 April		
Short-term	**735.0**	1,460.6
Long-term	**12,639.3**	12,005.4
	13,374.3	13,466.0
Borrowings drawn down	**187.5**	1,661.0
Repayment of borrowings	**(163.9)**	(1,720.7)
Repayment of PFI lease liabilities	**(14.3)**	(10.6)
Repayment of right-of-use lease liabilities	**(27.1)**	(26.4)
Non-cash increase in right-of-use-lease liabilities	**8.7**	0.4
Other movements*	**0.8**	4.6
At 31 March	**13,366.0**	13,374.3
Short-term	**905.1**	735.0
Long-term	**12,460.9**	12,639.3
	13,366.0	13,374.3

* Other movements are non-cash and relate to the unwind of discounts and fees

Notes to the Financial Statements
28. Private finance initiative contracts

Private Finance Initiative contracts
The Group is party to the following PFI arrangements where the Group controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement. These arrangements are treated as service concession arrangements and, as stipulated by the Code, are accounted for in accordance with IPSAS 32 Service Concession Arrangements – Grantor (IPSAS 32). IPSAS 32 provided a symmetry with IFRIC 12 – Service Concession Arrangements on relevant accounting issues from the grantor's point of view.

The Group therefore recognises PFI assets as items of plant, property and equipment together with a liability to pay for them (see note 13 for details of PFI assets). The fair values of services received under the contract are recorded as operating expenses.

The unitary charge is apportioned between the repayment of the liability, financing costs and charges for services. The service is recognised as an expense in net operating costs and the finance costs are charged to financial expenses in the Comprehensive Income and Expenditure Statement.

Contract	Contract dates	Description
TfL		
A13 Thames Gateway contract	2000 to 2030	Design and construction of improvements to the A13 infrastructure (including communication and traffic signals systems) and ongoing maintenance and operation of the A13 between Butcher Row and Wennington. The contract requires TfL to make an annual unitary payment, charged monthly and calculated according to the service provided by the concession company and the payment mechanisms defined in the contract.

PFI finance lease liabilities

	Group 2024 £m	Group 2023 £m	**Corporation 2024 £m**	Corporation 2023 £m
At 1 April	**91.0**	101.6	**91.0**	101.6
Payments	**(18.3)**	(15.0)	**(18.3)**	(15.0)
Interest	**4.0**	4.4	**4.0**	4.4
At 31 March	**76.7**	91.0	**76.7**	91.0

Group and Corporation
Amounts payable under the PFI arrangements cover payments for repayment of capital, payments of interest and payment of service charges. The total amount payable breaks down as follows:

	Payments of interest £m	Repayment of capital £m	Payments for service charges £m	Total amount payable under non-cancellable PFI arrangements £m
At 31 March 2024				
Less than 1 year	**3.3**	**15.5**	**31.4**	**50.2**
Between 1 and 5 years	**6.3**	**56.2**	**118.6**	**181.1**
Between 6 and 10 years	**0.2**	**5.0**	**23.4**	**28.6**
	9.8	**76.7**	**173.4**	**259.9**
At 31 March 2023				
Less than 1 year	4.0	14.3	30.2	48.5
Between 1 and 5 years	9.1	64.1	126.0	199.2
Between 6 and 10 years	0.8	12.6	47.3	60.7
	13.9	91.0	203.5	308.4

Notes to the Financial Statements

29. Other financing liabilities

Group other financing liabilities at 31 March comprised:

	Group 2024 £m	Group 2023 £m
Short-term		
Deferred capital payments	**20.5**	6.6
Long-term		
Deferred capital payments	**94.7**	115.1

Other financing liabilities comprise deferred capital payments in respect of the acquisition of property, plant and equipment. Gross payments with a nominal value of £120.4m (2023 £141.3m) fall due over the period to March 2033. These have been discounted back at an effective rate of interest of 3.2 per cent (2023 3.2 per cent) to the present value recorded in the table above.

30. Provisions

a) Group provisions

	At 1 April 2023 £m	Payments in the year £m	Charge for the year £m	Releases in the year £m	At 31 March 2024 £m
Compensation and contractual	141.8	(16.5)	82.5	(63.9)	**144.0**
Capital investment activities	49.8	(9.6)	-	-	**40.2**
Environmental harm	10.1	(4.0)	7.2	-	**13.3**
Severance and other	23.3	(12.4)	4.0	(0.5)	**14.4**
	225.0	(42.5)	93.7	(64.4)	**211.9**

At 31 March	2024 £m	2023 £m
Due		
Short-term	**156.8**	175.1
Long-term	**55.1**	49.9
	211.9	225.0

Notes to the Financial Statements

30. Provisions (continued)

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b) Corporation provisions

	At 1 April 2023 £m	Payments in the year £m	Charge for the year £m	Releases in the year £m	At 31 March 2024 £m
Compensation and contractual	83.5	(13.3)	67.4	(37.0)	**100.6**
Capital investment activities	47.4	(7.8)	-	-	**39.6**
Severance and other	2.4	(0.8)	1.1	(0.4)	**2.5**
	133.3	(21.9)	68.5	(37.4)	**142.5**

At 31 March	2024 £m	2023 £m
Due		
Short-term	**108.2**	113.0
Long-term	**34.3**	20.3
	142.5	133.3

c) Nature of provisions

Compensation and contractual

The Group has provisions for expected compensation and contractual claims that arise in respect of disputes arising in the ordinary course of business. The provisions recorded as at 31 March are based on management's best estimate at the Balance Sheet date of the likely loss to be incurred through settlement. Reflecting the inherent uncertainty with many legal proceedings and claim settlements, the timing and amount of the outflows could differ from the amount provided. Based on current estimates management expects that these amounts, which are based on known facts and take account of past experience for similar items, will be settled within the next one to five years. Where material the provision held is discounted to its present value.

Capital investment activities

Capital investment activities include compulsory purchases, claims in respect of structural damage or diminution in value of properties affected by transport schemes, and other related third-party claims. Estimates are made with reference to relevant market trends. Compulsory Purchase Order provision amounts have been based on the professional estimates of lawyers and surveyors of the land acquisition, development value, disturbance, statutory interest and professional fees for both sides of the negotiation on a case by case basis. Due to the nature of these liabilities and the need to negotiate settlement amounts, there is considerable uncertainty regarding when Compulsory Purchase Order cases will be settled and payments made. At present management expects these provisions to be settled within the next five years.

Environmental harm

Environmental harm relates to potential costs associated with damage to the environment as a result of actions taken in the past. Management expects this provision to be settled within the next five years.

Severance and other

Severance and other provisions include voluntary severance costs arising from reorganisations and other smaller claims. Management expects these provisions to be settled within the next year.

Notes to the Financial Statements

31. Derivative financial instruments

Group derivatives in cash flow hedge relationships

At 31 March	Fair value 2024 £m	Notional amount 2024 £m	Fair value 2023 £m	Notional amount 2023 £m
Long-term assets				
Interest rate swaps	28.4	145.5	26.2	96.0
Foreign currency forward contracts	0.2	7.7	-	14.6
	28.6	153.2	26.2	110.6
Current assets				
Foreign currency forward contracts	0.3	14.3	1.0	41.3
	0.3	14.3	1.0	41.3
Current liabilities				
Foreign currency forward contracts	(10.6)	149.0	(3.4)	59.8
	(10.6)	149.0	(3.4)	59.8
Long-term liabilities				
Interest rate swaps	(40.8)	578.0	(1.5)	51.0
Foreign currency forward contracts	(7.8)	192.6	(8.6)	144.0
	(48.6)	770.6	(10.1)	195.0

Group derivatives not in hedge relationships

At 31 March	Fair value 2024 £m	Notional amount 2024 £m	Fair value 2023 £m	Notional amount 2023 £m
Current assets				
Foreign currency forward contracts	0.4	54.9	0.7	105.6
	0.4	54.9	0.7	105.6
Current liabilities				
Foreign currency forward contracts	(0.2)	103.0	-	-
	(0.2)	103.0	-	-

The Corporation has not entered into any derivative financial instrument contracts. Further detail on the Group's derivative instruments is set out in note 33.

32. Guarantees

Section 160 of the GLA Act 1999 sets out the conditions under which the Corporation may give certain guarantees, indemnities or similar arrangements. Under section 161 of the GLA Act 1999 TfL is obliged to disclose in its Annual Report details of all guarantees etc. so given.

TfL and its subsidiaries have entered into joint and several guarantees in favour of HSBC Bank plc as security for any bank indebtedness outstanding from time to time. TfL has also separately guaranteed any liabilities owing to HSBC Bank plc by its subsidiary, Crossrail Limited.

The Corporation has given guarantees in respect of some of its subsidiary companies' contracts. The amount that could be payable under the guarantees (as described below) varies depending on a number of factors, including, inter alia, responsibility for the costs arising from an early termination of the underlying contract, which are not known before the event. For information only, the approximate maximum amounts of debt that were envisaged to be drawn by the counterparty at the signing of the agreements are disclosed below. For the avoidance of doubt, these amounts do not represent the amounts that could be payable by TfL under the guarantees but are shown here to give an indication of the relative size of each contract.

	Estimated maximum debt drawn by counterparty at start of contract £m
Agreement with 345 Rail Leasing Limited	1,050
Agreement with London Rail Leasing Ltd	350
Agreement with Lloyds Bank PLC	109
Agreement with Pittville Leasing Ltd	51
Agreement with Lombard North Central Plc	7

Notes to the Financial Statements

32. Guarantees (continued)

In addition, TfL also guarantees the payments of certain of its subsidiaries under a number of other service and construction contracts. It has guaranteed amounts owed by London Bus Services Limited to the Fuel Cells and Hydrogen Joint Undertaking under a Grant agreement for the 3EMOTION Environmentally Friendly, Efficient Electric Motion project. It has guaranteed London Underground Limited's payment obligations as a tenant in respect of an operating lease for the Stratford City Business District.

Unlike the agreements listed above, these contracts are not based on an initial amount of debt and so cannot be quantified in a similar manner.

TfL also acts as a guarantor in respect of all liabilities under third party derivative contracts entered into by its subsidiary, Transport for London Finance Limited. The fair value of net liabilities outstanding under derivative contracts at 31 March 2024 is £30.1m (2023 net asset of £14.4m).

No arrangements were entered into with another person under which that person gives a guarantee which TfL has power to give under section 160 (4) of the GLA Act and no indemnities associated with the guarantees were given by virtue of section 160 (5) of the GLA Act.

The majority of guarantees granted by TfL are in respect of the obligations of its subsidiaries. These obligations are, in any case, recorded as liabilities on the Group Balance Sheet. The probability of any amounts becoming payable by the Corporation under the above guarantees and indemnities is considered remote. As at 31 March 2024 the fair value of all financial guarantees granted has been recorded as £nil (2023 £nil).

We are helping create a network that is fit for the future

Notes to the Financial Statements

33. Funding and financial risk management

Introduction

TfL is a statutory corporation established under the GLA Act 1999. TfL is funded by revenues, grant and prudential borrowing. The Group's debt is issued by the statutory corporation, Transport for London, in the form of loans from the PWLB, the EIB and EDC, the GLA (via the Mayor's Green Finance Fund), Medium Term Notes under the £5bn TfL Euro Medium Term Note programme, and short-term Commercial Paper under the £2bn TfL Euro Commercial Paper programme. .

Treasury Management

TfL has a Treasury Management Strategy which is required to be updated on at least an annual basis. The Treasury Management Strategy for 2023/24 was prepared having regard to the Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) Regulations 2003 (as amended), the key recommendations of the Code of Practice and Cross-Sectoral Guidance Notes for Treasury Management in the Public Services (2021 Edition) (the Treasury Management Code) and the Prudential Code for Capital Finance in Local Authorities (2021 Edition) (the Prudential Code), both issued by CIPFA, as well as the key recommendations of the Statutory Guidance on Local Authority Investments (2018 Edition) issued by the Ministry for Housing, Communities and local Government (the Investment Guidance). The strategy was approved by the TfL Finance Committee (a sub-committee of the TfL Board) prior to the commencement of the financial year.

The Group's principal financial instruments comprise borrowings, investments, derivatives, lease liabilities and receivables, PFI liabilities and cash and cash equivalents. These financial instruments are used to manage funding and liquidity requirements. Other financial instruments that arise directly from the Group's operations include trade receivables and payables and other financing liabilities.

The Group monitors the risk profile of its borrowing, investment and derivative programmes against approved benchmarks and provides regular reports to the Chief Finance Officer. Semi-annual reports on overall performance against the approved strategy are considered by the Finance Committee. Section 49 of the TfL Act 2008 confers upon TfL the powers to use derivative financial instruments for risk management purposes only via qualifying subsidiaries.

The Prudential Borrowing Regime

TfL has the power to borrow as it is treated as a local authority for the purposes of financial management under the Local Government Act 2003. In accordance with this Act, the Mayor, in consultation with TfL, sets an affordable borrowing limit for external debt (including direct borrowing and other long-term liabilities). In setting this limit, the Mayor and TfL are required by regulation to have regard to the Prudential Code. In accordance with the Prudential Code and Treasury Management Code, the TfL Board annually approves a long-term capital strategy and a set of indicators, for prudent and affordable borrowing, for estimates of capital expenditure, for interest rate exposures and the maturity profile of its borrowing.

TfL also agrees its maximum annual incremental borrowing capacity with Government.

Financial Risks and Risk Management

The Group is exposed to a number of financial risks in the normal course of its business operations, the key ones being:

- Credit risk
- Market risk
- Liquidity risk

Each of these risks is managed in accordance with the Group's comprehensive risk management process. The TfL Board, through its Finance Committee, approves and monitors the risk management processes, including documented treasury policies, counterparty limits, and controlling and reporting structures.

Credit risk

Credit risk is managed on a Group-wide basis. Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet contractual obligations. The following categories comprise the main credit exposures of the Group:

(i) Trade receivables and contract assets

The Group earns the majority of its revenue through prepaid fares. Financial assets arise from: penalty charges, fare revenues not earned on a prepaid basis, commercial activities such as property rental or advertising and amounts due under contractual arrangements from partners or suppliers. The maximum exposure to credit risk at the reporting date is the carrying value disclosed in note 22.

A significant portion of the financial assets arising in the Corporation are with other Group companies. Per note 32, the Corporation has granted guarantees in respect of the obligations of its subsidiaries, mitigating credit risk attached to settlement of these intercompany financial assets.

Customer credit risk is managed by a central credit control function subject to TfL's policy, procedures and control framework. Counterparties are assessed individually for their creditworthiness at the time of entering into contracts and an internal credit rating is assigned.

At each reporting date, the Group applies the IFRS 9 simplified approach to measuring expected credit losses. This approach uses a lifetime expected loss allowance for all trade receivables and contract assets. In determining the expected loss rates, trade receivables and contract assets are considered together based on shared credit risk characteristics. Historical loss rates over the short to medium term are applied to groupings of various customer segments within trade receivables and contract assets. These rates are adjusted to reflect expectations about future credit losses.

Notes to the Financial Statements

33. Funding and financial risk management (continued)

Despite the application of a loss allowance, these balances remain subject to enforcement activity and recoveries will be credited against the same line item as the expected credit loss within operating profit. On that basis, the loss allowance as at 31 March 2024 was determined as follows for both trade receivables and contract assets:

Trade debtors and contract assets: Group

	Not overdue £m	Overdue by less than 3 months £m	Overdue by between 3 and 6 months £m	Overdue by between 6 months and 1 year £m	Overdue by more than 1 year £m	Total £m
At 31 March 2024						
Expected credit loss rate	**0.1%**	**70.1%**	**92.7%**	**98.8%**	**99.9%**	**68.2%**
Estimated total gross carrying amount at default	**511.0**	**113.2**	**123.2**	**220.7**	**783.8**	**1,751.9**
Expected credit loss allowance	**(0.7)**	**(79.4)**	**(114.2)**	**(218.0)**	**(782.9)**	**(1,195.2)**
At 31 March 2023						
Expected credit loss rate	0.4%	55.4%	89.5%	98.9%	99.9%	63.0%
Estimated total gross carrying amount at default	534.9	86.3	92.7	221.0	643.8	1,578.7
Expected credit loss allowance	(2.2)	(47.9)	(83.0)	(218.7)	(642.9)	(994.7)

Trade debtors and contract assets: Corporation

	Not overdue £m	Overdue by less than 3 months £m	Overdue by between 3 and 6 months £m	Overdue by between 6 months and 1 year £m	Overdue by more than 1 year £m	Total £m
At 31 March 2024						
Expected credit loss rate	**-**	**74.3%**	**93.2%**	**99.0%**	**100.0%**	**8.6%**
Estimated total gross carrying amount at default	**12,565.3**	**105.6**	**121.7**	**218.5**	**776.1**	**13,787.2**
Expected credit loss allowance	**-**	**(78.5)**	**(113.4)**	**(216.2)**	**(776.1)**	**(1,184.2)**
At 31 March 2023						
Expected credit loss rate	-	60.7%	89.7%	99.2%	100.0%	7.1%
Estimated total gross carrying amount at default	12,641.6	75.0	92.3	214.1	625.2	13,648.2
Expected credit loss allowance	-	(45.4)	(82.8)	(212.3)	(625.2)	(965.7)

Finance lease receivables for the Group and Corporation are not overdue and no allowance has been recognised.

Notes to the Financial Statements
33. Funding and financial risk management (continued)

Expected credit loss allowance

	Group 2024 £m	Corporation 2024 £m	Group 2023 £m	Corporation 2023 £m
At 1 April	**994.7**	**965.7**	607.8	580.2
Provision for expected credit losses	**439.8**	**451.7**	435.6	433.0
Write offs	**(239.4)**	**(233.3)**	(48.7)	(47.5)
At 31 March	**1,195.1**	**1,184.1**	994.7	965.7

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there may be no reasonable expectation of recovery include, among other things; failure of a debtor to engage in a repayment plan or advice from TfL's legal department. TfL has a statutory duty to maximise recovery of charges and fees, including road user charges.

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(ii) Investments
All cash balances are invested in accordance with TfL's Treasury Management Strategy, which was developed with regard to the Treasury Management Code and the Investment Guidance, and which requires a prudent approach to the investment of surplus funds with priority given to security and liquidity.

Throughout 2023/24, investments were made within limits approved by the Finance Committee. Counterparty limits are set according to the assessed risk of each counterparty and are linked to the credit rating of the institution. Exposures are monitored against these limits on a regular basis.

TfL considers the risk of the overall portfolio as well as individual investments, seeking to diversify its investments and has regard to the exposure to any one counterparty, country, industry, investment type and credit. The investment portfolio is allocated across sovereigns, government agencies, financial institutions, corporates and money market funds.

Certain banks hold collateral on TfL's account to provide security for TfL's reverse repurchase agreement investments. As at 31 March 2024, the fair value of the collateral held amounted to £100m (2023 £100m).

Short-term investments as at 31 March 2024 totalled £1,269.9m (2023 £1,090.0m).

During the year, TfL invested for the first time in the London Treasury Liquidity Fund (LTLF) LP. While the assets of the Fund comprise a single pool of assets, investments by the limited partners are structured as two components, either core commitments or loan commitments. TfL became a limited partner in July 2023 and made an initial core commitment investment of £0.2m with no further investment to date. The core commitment has been recognised at fair value and subsequently measured at FVTPL. In line with the accounting policy the core commitment is held as long-term investments due to redemption rules.

Notes to the Financial Statements

33. Funding and financial risk management (continued)

As at 31 March, principal funds managed centrally on behalf of the Group and placed on deposit by the Corporation were as follows:

	Amount £m	Minimum Credit Rating (S&P/ Moody's/ Fitch)	Weighted average days to maturity
At 31 March 2024			
UK Debt Management Office	**360.2**	**P-1/A-1+/F1+**	**30**
Other Government Agencies	**141.4**	**P-1/A-1+/F1+**	**35**
Money Market Funds	**246.3**	**AAA/AAA/AAA**	**1**
Banks (including Gilt backed repos)	**399.9**	**P-1/A-1/F1**	**12**
Corporates	**122.1**	**P-1/A-1/F1**	**43**
Total	**1,269.9**		**20**
At 31 March 2023			
UK Debt Management Office	371.5	P-1/A-1+/F1+	20
Other Government Agencies	69.7	P-1/A-1+/F1+	12
Money Market Funds	199.0	AAA/AAA/AAA	1
Banks (including Gilt backed repos)	377.0	P-1/A-1/F1	13
Corporates	72.8	P-1/A-1/F1	46
Total	1,090.0		15

All of the entity's cash and investments are considered to have low credit risk; they are highly rated by major rating agencies, have a low risk of default and the counterparties have a strong capacity to meet obligations in the near term. While low risk, these remain subject to the impairment requirements of IFRS 9 at each reporting date. The identified 12 month expected loss allowance at 31 March 2024 and as at 31 March 2023 was immaterial.

(iii) Derivative financial instruments

Counterparty limits are established and monitored in accordance with TfL's Policy relating to the use of Derivative Investments, which was approved by the TfL Finance Committee. The Group spreads its exposure over a number of counterparties and has strict policies on how much exposure can be assigned to each counterparty.

The Group's maximum credit risk exposure relating to financial derivative instruments is noted in the maturity profile of derivatives tables within the market risk section of this note. The credit risk with regard to financial derivative instruments is limited because TfL has arrangements in place with each bank wherein, should the derivative be in an asset position for TfL and the market value reaches a contractually defined threshold, TfL can call upon the bank to post collateral in cash or eligible securities. TfL only envisages using these rights in the event that the financial strength of the institution has deteriorated since the limits were approved.

(iv) Guarantees

The Corporation provides guarantees to third parties under section 160 of the GLA Act, as disclosed in note 32, which are deemed necessary for the fulfilment of its policies. The Group's policy is to recognise financial guarantees at the higher of an expected credit loss allowance and the amount initially recognised as fair value less any amortisation that has occurred to date. As at 31 March 2024, the fair value of the Corporation's financial guarantees has been assessed as £nil (2023 £nil).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and inflation will affect the Group's income, expenditure or the value of its holdings of financial instruments. The Group, through its wholly owned subsidiary, Transport for London Finance Limited, uses derivatives (hedging instruments) to reduce exposure to interest rate and foreign exchange rate movements (the hedged risks) on existing contracts and highly probable future transactions. The Group does not use derivative financial instruments for speculative purposes.

On inception, all interest rate derivatives and foreign currency derivative instruments hedging commercial contracts are designated in highly effective hedge relationships and hedge accounting is applied. If a derivative should no longer satisfy the hedging criteria in accordance with adopted IFRS 9 Financial Instruments (IFRS 9), hedge accounting ceases and the derivative is fair valued immediately through the Comprehensive Income and Expenditure Statement.

The use of derivative instruments can itself give rise to credit and market risk. Market risk is the possibility that future changes in interest rates may make a derivative more or less valuable. Since the Group uses derivatives for risk management, market risk relating to derivative instruments is principally offset by changes in the cash flows of the transactions being hedged.

Notes to the Financial Statements

33. Funding and financial risk management (continued)

For the years ended 31 March 2024 and 2023, all derivatives in designated cash flow hedge relationships were assessed as highly effective and no ineffectiveness was recognised. Accordingly, the full movement in the fair value of those derivatives was taken to reserves.

(i) Foreign exchange risk

During 2023/24, TfL held certain short-term investments denominated in Euros. These foreign currency denominated investments were swapped back to GBP through the use of forward foreign exchange contracts. These contracts were not in formally designated hedging relationships for accounting purposes, as the currency gain or loss on retranslation of the investments is offset within net cost of services at the Group level by the movement in the fair value of the derivative instruments. As at 31 March 2024, the Group held foreign exchange contracts to hedge €66.3m future Euro receipts in relation to its Euro investments (2023 €119.6m). Throughout the year, the hedging strategy provided an effective offset of fair value movements due to holding foreign currency investments. The unrealised exchange net gain was £0.3m as at 31 March 2024 (2023 a net gain of £0.7m). These derivative instruments mature in the period to May 2024.

During 2023/24, TfL issued Commercial Paper denominated in Euros and US Dollars. These foreign currency denominated borrowings were swapped back to GBP through the use of forward foreign exchange contracts. These contracts were not in formally designated hedging relationships for accounting purposes, as the currency gain or loss on retranslation of the borrowings is offset within net cost of services at the Group level by the movement in the fair value of the derivative instruments. As at 31 March 2024, the Group held foreign exchange contracts to hedge €99.5m and $24.9m future Euro and US Dollars payments in relation to its Euro and US Dollar Commercial Paper (2023 zero). Throughout the year, the hedging strategy provided an effective offset of fair value movements due to having foreign currency borrowings. The unrealised exchange net gain was £nil as at 31 March 2024 (2023 £nil). These derivative instruments mature in the period to May 2024.

For 2023/24, the broad policy on managing transactional foreign exchange risk arising from contractual obligations with overseas providers was to retain the risk where there was a value in doing so, where the exposure was highly probable and the risk profile highly certain. For exposures not meeting these criteria, the exchange risk was passed on to the vendor. These exchange rate exposures were managed through the use of forward foreign exchange contracts whose critical terms are closely aligned to the exposure, such as notional amount, expected maturity date and currency. Hedge accounting is applied to these derivative instruments.

Where funds were received in specific currencies in which the Group expected to have future exposures, the Treasury Management Strategy made allowances to place these funds on deposit. This gave the Group the flexibility to offer certain payments in specific foreign currencies where required.

Effects of hedge accounting – Foreign currency hedges in relation to capital expenditure

At 31 March 2024, the Group held forward foreign exchange derivative contracts in Euros, Canadian Dollars, Swedish Krona and Chinese Yuan Renminbi. These forward contracts hedge planned foreign currency capital expenditure payments with a nominal value of £319.5m (2023 £266.9m). At 31 March 2024, these contracts had a combined net fair value of £(17.9)m (2023 £(11.1)m). The fair value of forward contracts was recognised in equity at 31 March 2024, with the exception of Chinese Yuan Renminbi contracts with a fair value of £nil for which hedge accounting was discontinued as future hedged payments in that currency were no longer considered probable. The fair value gain/loss is recognised in the income statement. For all other currencies, once hedged purchases occur, the subsequent realised gain or loss will be transferred to fixed asset additions as a basis adjustment.

The hedge ratio is 1:1. The economic relationship of all hedging relationships has been assessed as effective and the change in value of hedged items has been offset by the change in value of hedging instruments.

It is expected that the hedged purchases will take place in the period to September 2029. Detail on the maturity of these contracts is disclosed later in this note.

The Group has no other material financial assets or liabilities denominated in foreign currencies, and thus has no general translation exposure to gains or losses arising from movements in exchange rates.

Notes to the Financial Statements

33. Funding and financial risk management (continued)

Sensitivity analysis on foreign exchange risk at 31 March

	2024 Net nominal value £m	2024 Fair value £m	2024 Fair value after a 10% increase in GBP against other currency £m	2024 Fair value after a 10% decrease in GBP against other currency £m	2023 Net nominal value £m	2023 Fair value £m	2023 Fair value after a 10% increase in GBP against other currency £m	2023 Fair value after a 10% decrease in GBP against other currency £m
Impact on Comprehensive Income and Expenditure								
Net sell								
Euros	**(57.2)**	**0.3**	**5.4**	**(6.0)**	(105.6)	0.7	10.3	(11.0)
Net buy								
Euros	**85.5**	**(0.1)**	**(7.9)**	**9.3**	-	-	-	-
USD dollars	**19.8**	**0.1**	**(1.7)**	**2.3**	-	-	-	-
Chinese Yuan Renminbi	**-**	**(0.1)**	**-**	**(0.1)**	-	-	-	-
	n/a	**0.2**	**(4.2)**	**5.5**	n/a	0.7	10.3	(11.0)
Impact on Hedging Reserves								
Net buy								
Euros	**296.3**	**(16.4)**	**(42.4)**	**15.4**	217.1	(9.4)	(28.2)	13.6
Canadian dollars	**6.0**	**(0.1)**	**(0.6)**	**0.5**	15.3	(0.3)	(1.7)	1.4
Swedish Krona	**17.3**	**(1.4)**	**(2.9)**	**0.4**	20.0	(1.4)	(3.2)	0.7
Chinese Yuan Renminbi	**-**	**-**	**-**	**-**	7.2	-	(0.6)	0.9
	n/a	**(17.9)**	**(45.9)**	**16.3**	n/a	(11.1)	(33.7)	16.6
Total (liability)/ asset	**n/a**	**(17.7)**	**(50.1)**	**21.8**	n/a	(10.4)	(23.4)	5.6

(ii) Interest rate risk

The Group is mainly exposed to interest rate risk on its planned future borrowings. As TfL is required by legislation to produce a balanced Budget and also produces a balanced Business Plan, any uncertainty over the cost of future borrowing requires funding to be set aside in the Business Plan against that risk rather than being invested in the transport system.

In addition to raising borrowings at fixed rates, to achieve certainty over the cost of planned borrowings, TfL, through its wholly owned subsidiary, Transport for London Finance Limited, can employ derivatives to fix the floating interest rates risk of highly probable and existing borrowings. Transport for London Finance Limited also holds interest rate swaps to fix the floating interest rate risk within committed lease payments for rolling stock. The critical terms of these derivative instruments are closely aligned to the payment schedules and hedge accounting is applied.

The Group is also exposed to interest rate risk in respect of its investments. Investments are made in accordance with the Treasury Management Strategy, which prioritises security and liquidity over yield.

Effects of hedge accounting – Interest rate swaps

As at 31 March 2024, the Group, through its wholly owned subsidiary, Transport for London Finance Limited, held seven float to fixed interest rate swaps at a total notional value of £723.5m (2023 two interest rate swaps at a total notional value of £147.0m).

During the year, five additional interest rate swaps were entered into in July 2023, hedging interest rate risk on lease payments on an existing lease at a total notional value of £581.0m initially. These new swaps were designated in a hedge relationship with the lease payments for the respective lease now fully hedged.

The net fair value of outstanding interest rate swap contracts at 31 March 2024 was a liability of £12.4m (2023 net asset of £24.7m). The fair value is recognised in equity at 31 March 2024 and will be transferred to net financing costs within the Comprehensive Income and Expenditure Statement as the hedged lease payments occur.

The hedge ratio is 1:1. The economic relationship of all hedging relationships has been assessed as effective and the change in value of hedged items has been offset by the change in value of hedging instruments.

It is expected that the hedged interest payments will take place in the period to January 2039. Details on the maturity of these contracts are disclosed later in this note.

33. Funding and financial risk management (continued)

Sensitivity analysis on interest rate risk

(a) Fair value sensitivity analysis for fixed interest instruments

All of the Group's non-derivative financial instruments with fixed rates of interest are accounted for at amortised cost. Fluctuations in market interest rates would therefore have no impact on the Balance Sheet or on net income figures in respect of these items.

(b) Fair value sensitivity analysis for derivative instruments

As at 31 March 2024, the Group holds interest rate derivative contracts with a combined notional value of £723.5m (2023 £147m) which are designated as cash flow hedges.

An increase/(decrease) of 100 basis points in interest rates would increase/(decrease) the fair value of the derivative instruments by £65.4m/£(71.7)m (2023 £12.5m/£(14.4)m).

(iii) Inflation risk

The Group has a number of exposures to inflation including staff pay awards, operating costs and passenger income. The Group has not entered into any derivative instrument to manage its exposure to inflation risk. Historically this risk has been partially offset with index linked revenues and index linked costs creating a natural hedge within the Group.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Maintaining sufficient cash reserves and having access to a diverse range of flexible funding sources ensures the Group has sufficient liquidity to meet its liabilities, in both normal and stressed conditions.

Liquidity risk is primarily managed by maintaining a minimum level of cash reserves of at least 60 days' worth of forecast annual operating expenditure, equivalent to around £1.3bn.

The Corporation has access to several external sources of financing, which are sufficient to meet anticipated funding requirements, within the affordable borrowing limit set by the Mayor. Providing market conditions permit access, the Corporation can raise debt on the capital markets through its established £5bn Medium Term Note programme and £2bn Commercial Paper programme. Alternatively, and in addition, TfL has direct access to reliable funding from the Public Works Loan Board and has an arranged, uncommitted, £0.1bn overdraft facility and a further £0.1bn uncommitted money market line facility. Funding facilities are not subject to financial covenants. TfL can also secure financing from financial institutions.

Debt maturities are diversified over short-, medium- and long-term horizons that broadly equate to the lives of the assets that were funded by this source. This ensures refinancing risk is minimised. The contractual maturities of the Group and Corporation's borrowing and other financial liabilities are listed later in this note.

Due to the active liquidity management and mitigations outlined, there is no significant risk that TfL will be unable to fund its planned financial commitments.

Notes to the Financial Statements
33. Funding and financial risk management (continued)

Maturity profile of derivatives
The Group's foreign currency derivatives have the following maturities:

At 31 March	2024 Average exchange rate	2024 Fair value £m	2024 Notional amount £m	2023 Average exchange rate	2023 Fair value £m	2023 Notional amount £m
Foreign currency forward contracts						
Buy Euro						
Less than one year	0.898	(9.7)	213.7	0.888	(1.5)	69.6
Between one and two years	0.905	(5.9)	110.2	0.913	(5.0)	85.9
Between two and five years	0.914	(0.9)	55.7	0.917	(2.9)	58.1
After five years	0.953	(0.1)	2.1	0.952	(0.1)	3.5
Sell Euro						
Less than one year	0.859	0.3	(57.2)	0.886	0.7	(105.6)
Total Euro	0.907	(16.3)	324.5	0.910	(8.8)	111.5
Buy US Dollars						
Less than one year	0.787	0.1	19.8	–	–	–
Total US Dollars	0.787	0.1	19.8	–	–	–
Buy Canadian Dollars						
Less than one year	0.589	(0.1)	3.5	0.610	(0.3)	15.3
Between one and two years	0.594	–	2.1	–	–	–
Between two and five years	0.593	–	0.4	–	–	–
Total Canadian Dollars	0.591	(0.1)	6.0	0.610	(0.3)	15.3

At 31 March	2024 Average exchange rate	2024 Fair value £m	2024 Notional amount £m	2023 Average exchange rate	2023 Fair value £m	2023 Notional amount £m
Foreign currency forward contracts						
Buy Swedish Krona						
Less than one year	0.082	(0.7)	3.0	0.084	(0.7)	9.5
Between one and two years	0.081	(0.5)	12.3	0.086	(0.4)	5.5
Between two and five years	0.086	(0.2)	2.0	0.086	(0.3)	5.1
Total Swedish Krona	0.082	(1.4)	17.3	0.085	(1.4)	20.1
Buy Chinese Yuan Renminbi						
Less than one year	–	–	–	0.115	0.1	6.7
Between one and two years	–	–	–	0.122	–	0.5
Total Chinese Yuan Renminbi	–	–	–	0.117	0.1	7.2
Grand total	n/a	(17.7)	367.6	n/a	(10.4)	154.1

33. Funding and financial risk management (continued)

Maturity profile of derivatives (continued)

The Group's interest rate derivatives have the following maturities:

At 31 March	2024 Average contracted fixed interest rate (%)	2024 Fair value £m	2024 Notional amount £m	2023 Average contracted fixed interest rate (%)	2023 Fair value £m	2023 Notional amount £m
Interest rate hedges						
After five years	3.942	(12.4)	723.5	1.866	24.7	147.0
Total	3.942	(12.4)	723.5	1.866	24.7	147.0

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TfL was conferred the legal powers to enter into derivatives for the purpose of risk mitigation via qualifying subsidiaries. The Corporation does not itself have the legal powers to enter into derivative transactions. TfL has entered into these contracts for the purpose of risk management and intends to hold these contracts to maturity as hedges against the underlying transactions.

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

	Less than one year £m	Between one and two years £m	Between two and five years £m	More than five years £m	Total £m
Group – at 31 March 2024					
Derivatives settled gross					
Foreign exchange forward contracts:					
Amounts receivable	366.3	133.6	67.3	2.5	569.7
Amounts payable	(377.5)	(142.7)	(70.8)	(2.7)	(593.7)
Derivatives settled net					
Interest rate swaps	6.4	0.5	(10.4)	(12.3)	(15.8)
	(4.8)	(8.6)	(13.9)	(12.5)	(39.8)
Group – at 31 March 2023					
Derivatives settled gross					
Foreign exchange forward contracts:					
Amounts receivable	232.7	96.2	70.6	3.5	403.0
Amounts payable	(234.9)	(103.7)	(76.0)	(3.8)	(418.4)
Derivatives settled net					
Interest rate swaps	3.7	2.3	6.7	18.3	31.0
	1.5	(5.2)	1.3	18.0	15.6

The total asset or liability due to the Group as recognised on the Balance Sheet is the fair value of the derivatives, as this represents the cost to terminate. As such it differs from the total net contractual payments shown in the table above.

At 31 March 2024, the fair value of the interest rate derivatives was a net liability of £12.4m (2023 £24.7m net asset). The fair value of forward exchange derivatives was a net liability of £17.7m (2023 £10.4m net liability).

Notes to the Financial Statements

33. Funding and financial risk management (continued)

Contractual maturity of financial liabilities
The following table details the Group and the Corporation's remaining contractual maturity for their non derivative financial liabilities. The table has been drawn up on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group or Corporation can be required to pay and, therefore differs from the carrying value and the fair value. The table includes both interest and principal cash flows.

	Less than one year £m	Between one and two years £m	Between two and five years £m	More than five years £m	Total £m
Group – as at 31 March 2024					
Trade and other creditors	**1,796.1**	**173.5**	**-**	**-**	**1,969.6**
Borrowings – principal	**869.9**	**595.7**	**815.9**	**10,680.0**	**12,961.5**
Borrowings – interest	**522.8**	**435.5**	**1,171.0**	**6,487.5**	**8,616.8**
Right-of-use lease liabilities	**372.7**	**300.7**	**690.5**	**2,164.7**	**3,528.6**
PFI liabilities	**18.8**	**18.1**	**44.4**	**5.2**	**86.5**
Other financing liabilities	**23.9**	**13.4**	**40.1**	**53.5**	**130.9**
	3,604.2	**1,536.9**	**2,761.9**	**19,390.9**	**27,293.9**
Group – as at 31 March 2023					
Trade and other creditors	1,823.0	54.5	-	-	1,877.5
Borrowings – principal	698.9	246.5	1,019.2	10,972.4	12,937.0
Borrowings – interest	362.3	512.0	1,241.3	6,803.7	8,919.3
Right-of-use lease liabilities	359.5	297.0	555.7	1,898.6	3,110.8
PFI liabilities	18.3	18.8	54.4	13.4	104.9
Other financing liabilities	20.9	13.4	40.1	66.9	141.3
	3,282.9	1,142.2	2,910.7	19,755.0	27,090.8

	Less than one year £m	Between one and two years £m	Between two and five years £m	More than five years £m	Total £m
Corporation – as at 31 March 2024					
Trade and other creditors	**692.9**	**153.8**	**-**	**-**	**846.7**
Borrowings – principal	**869.9**	**595.7**	**815.9**	**10,680.0**	**12,961.5**
Borrowings – interest	**522.8**	**435.5**	**1,171.0**	**6,487.5**	**8,616.8**
Right-of-use lease liabilities	**35.0**	**34.3**	**99.0**	**256.2**	**424.5**
PFI lease liabilities	**18.8**	**18.1**	**44.4**	**5.2**	**86.5**
	2,139.4	**1,237.4**	**2,130.3**	**17,428.9**	**22,936.0**
Corporation – as at 31 March 2023					
Trade and other creditors	806.2	35.2	-	-	841.4
Borrowings – principal	698.9	246.5	1,019.2	10,972.4	12,937.0
Borrowings – interest	362.3	512.0	1,241.3	6,803.7	8,919.3
Right-of-use lease liabilities	36.7	34.6	99.2	278.8	449.3
PFI lease liabilities	18.3	18.8	54.4	13.4	104.9
	1,922.4	847.1	2,414.1	18,068.3	23,251.9


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Notes to the Financial Statements
33. Funding and financial risk management (continued)

Fair values
In accordance with IFRS 13, the fair values of the financial assets and liabilities are calculated as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents – approximates to the carrying amount
- Short-term investments – approximates to the carrying amount because of the short maturity of these instruments
- Long-term investments – for assets measured at amortised cost, by reference to bid prices at the close of business on the balance sheet date, within Level 1 of the fair value hierarchy as defined within IFRS 13. For the investment in the London Treasury Liquidity Fund LP, which is measured at FVTPL, it is classed as Level 2
- Trade and other debtors – approximates to the carrying amount
- Derivative financial instruments – in the absence of quoted market prices, derivatives are valued by using quoted forward prices for the underlying commodity/currency and discounted using quoted interest rates (both as at the close of business on the balance sheet date). Hence, derivatives are within Level 2 of the fair value hierarchy as defined within IFRS 13:

  i. Forward exchange contracts – based on market data and exchange rates at the balance sheet date

  ii. Interest rate swaps and forward starting interest rate swaps – based on the net present value of discounted cash flows

- Trade and other creditors – approximates to the carrying amount
- Long-term borrowings – determined by calculating the discounted value of the future cash flows (redemption and interest) using appropriate discount rates, based on observable market data, in effect at the balance sheet date at Level 2 of the fair value hierarchy. Fair value approximates to the carrying amount in the case of short-term commercial paper
- Right-of-use lease liabilities – approximates to the carrying amount
- PFI liabilities – approximates to the carrying amount
- Other financing liabilities – approximates to the carrying amount

Notes to the Financial Statements
33. Funding and financial risk management (continued)

The fair values of the Group's financial assets and liabilities together with the carrying amounts recorded in the Balance Sheet are illustrated below:

At 31 March	2024 Carrying value £m	2024 Fair value £m	2023 Carrying value restated* £m	2023 Fair value restated* £m
Long-term				
Financial assets measured at amortised cost				
Finance lease receivables (restated)*	**18.3**	**18.3**	24.5	24.5
Debtors	**13.0**	**13.0**	40.1	40.1
Financial assets measured at fair value				
Derivative in cash flow hedge relationship	**28.6**	**28.6**	26.2	26.2
Long-term investments	**1.2**	**1.2**	-	-
Current				
Financial assets measured at amortised cost				
Cash and cash equivalents	**1,488.3**	**1,488.3**	1,387.5	1,387.5
Short-term investments	**5.8**	**5.8**	15.0	15.0
Debtors	**543.7**	**543.7**	520.9	520.9
Finance lease receivables	**7.1**	**7.1**	5.2	5.2
Financial assets measured at fair value				
Derivative in cash flow hedge relationship	**0.3**	**0.3**	1.0	1.0
Derivatives not in a hedge relationship	**0.4**	**0.4**	0.7	0.7
Total financial assets	**2,106.7**	**2,106.7**	**2,021.1**	**2,021.1**

At 31 March	2024 Carrying value £m	2024 Fair value £m	2023 Carrying value restated* £m	2023 Fair value restated* £m
Long-term				
Financial liabilities measured at amortised cost				
Creditors	**(173.5)**	**(173.5)**	(54.5)	(54.5)
Borrowings	**(12,071.6)**	**(11,957.7)**	(12,216.6)	(12,561.5)
Right-of-use lease liabilities	**(2,029.2)**	**(2,029.2)**	(1,915.9)	(1,915.9)
PFI liabilities	**(61.2)**	**(61.2)**	(76.7)	(76.7)
Other financing liabilities	**(94.7)**	**(94.7)**	(115.1)	(115.1)
Financial liabilities measured at fair value				
Derivatives in a cash flow hedge relationship	**(48.6)**	**(48.6)**	(10.1)	(10.1)
Current				
Financial liabilities measured at amortised cost				
Creditors	**(1,796.1)**	**(1,796.1)**	(1,823.0)	(1,823.0)
Borrowings	**(864.0)**	**(903.7)**	(693.7)	(719.3)
Right-of-use lease liabilities	**(275.4)**	**(275.4)**	(299.6)	(299.6)
PFI liabilities	**(15.5)**	**(15.5)**	(14.3)	(14.3)
Other financing liabilities	**(20.5)**	**(20.5)**	(6.6)	(6.6)
Financial liabilities measured at fair value				
Derivatives in a cash flow hedge relationship	**(10.6)**	**(10.6)**	(3.4)	(3.4)
Derivatives not in a hedge relationship	**(0.2)**	**(0.2)**	-	-
Total financial liabilities	**(17,461.1)**	**(17,386.9)**	**(17,229.5)**	**(17,600.0)**
Net financial liabilities	**(15,354.4)**	**(15,280.2)**	**(15,208.4)**	**(15,578.9)**

* Details of restatement are included within Note 43

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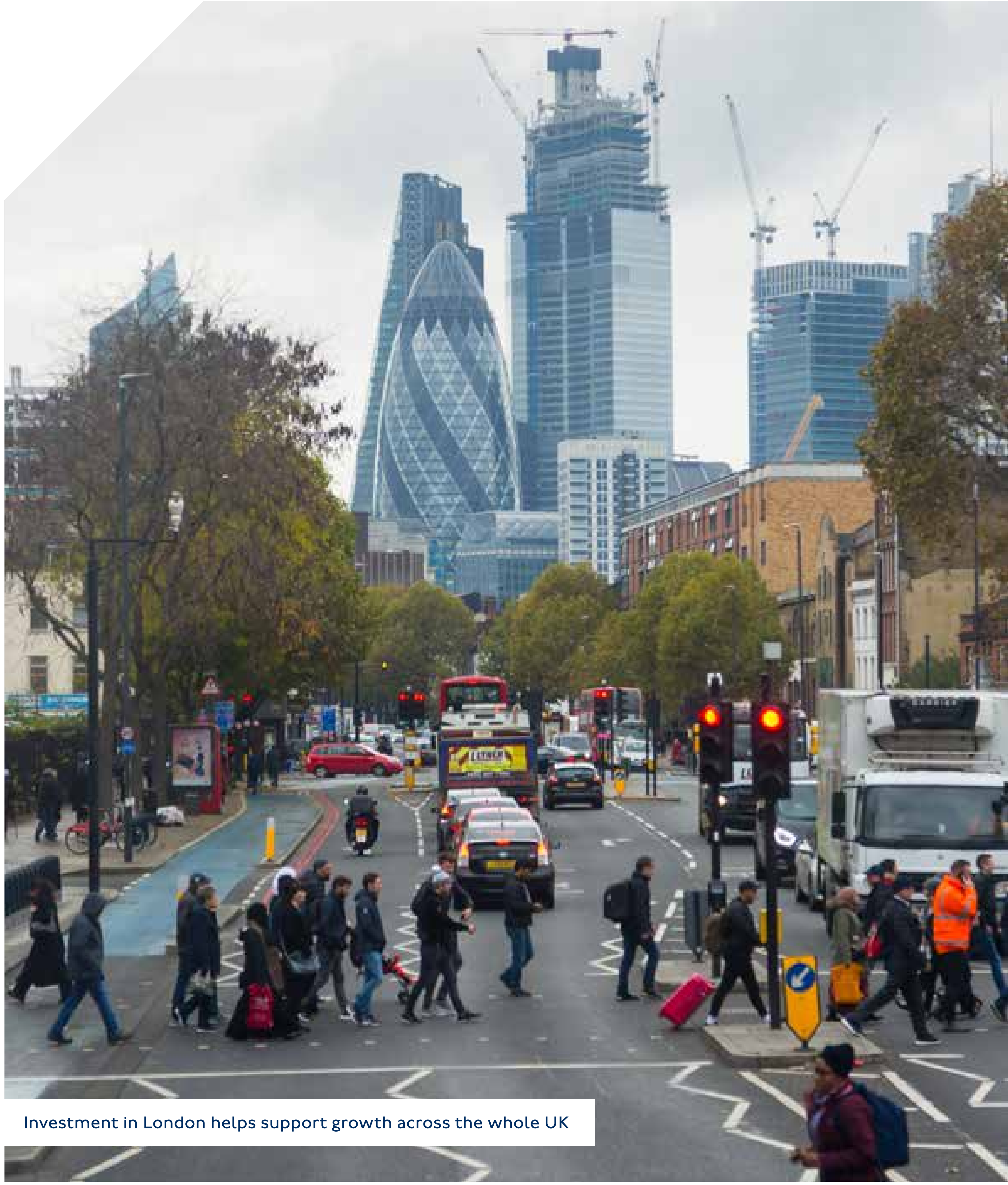
Notes to the Financial Statements

33. Funding and financial risk management (continued)

The fair values of financial assets and liabilities of the Corporation determined in accordance with IFRS 13, together with the carrying amounts recorded in the Balance Sheet are:

At 31 March	2024 Carrying value £m	2024 Fair value £m	2023 Carrying value £m	2023 Fair value £m
Long-term				
Financial assets measured at amortised cost				
Debtors	12,214.4	12,214.4	12,319.2	12,319.2
Financial assets measured at fair value				
Long-term investments	0.2	0.2	-	-
Current				
Financial assets measured at amortised cost				
Cash and cash equivalents	1,294.2	1,294.2	1,131.3	1,131.3
Debtors	388.7	388.7	351.9	351.9
Total financial assets	13,897.5	13,897.5	13,802.4	13,802.4
Long-term				
Financial liabilities measured at amortised cost				
Creditors	(153.8)	(153.8)	(35.2)	(35.2)
Borrowings	(12,075.6)	(11,957.7)	(12,221.5)	(12,561.5)
Right-of-use lease liabilities	(324.1)	(324.1)	(341.1)	(341.1)
PFI liabilities	(61.2)	(61.2)	(76.7)	(76.7)
Current				
Financial liabilities measured at amortised cost				
Creditors	(692.9)	(692.9)	(806.2)	(806.2)
Borrowings	(864.0)	(903.7)	(693.7)	(719.4)
Right-of-use lease liabilities	(25.6)	(25.6)	(27.0)	(27.0)
PFI liabilities	(15.5)	(15.5)	(14.3)	(14.3)
Total financial liabilities	(14,212.7)	(14,134.5)	(14,215.7)	(14,581.4)
Net financial liabilities	(315.2)	(237.0)	(413.3)	(779.0)



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Notes to the Financial Statements

33. Funding and financial risk management (continued)

Income, Expense, Gains and Losses – Group

At 31 March	2024 Financial liabilities measured at amortised cost £m	2024 Financial assets at amortised cost £m	2024 Financial assets at FVOCI £m	2024 Financial assets FVTPL £m	2024 Financial liabilities FVTPL £m	2024 Total £m	2023 Financial liabilities measured at amortised cost £m	2023 Financial assets at amortised cost £m	2023 Financial assets at FVOCI £m	2023 Financial assets FVTPL £m	2023 Financial liabilities FVTPL £m	2023 Total £m
Interest expense	454.1	-	-	-	-	454.1	411.9	-	-	-	-	411.9
Interest on defined benefit pension	-	-	(80.4)	-	-	(80.4)	-	-	79.3	-	-	79.3
Interest on right of use lease and PFI liabilities	121.4	-	-	-	-	121.4	81.7	-	-	-	-	81.7
Reduction in fair value	-	-	107.9	-	-	107.9	-	-	155.0	-	-	155.0
Expected and actual credit losses	-	445.8	-	-	-	445.8	-	445.3	-	-	-	445.3
Impairment losses	(0.5)	-	-	-	-	(0.5)	(27.8)	-	-	-	-	(27.8)
Fee expense	55.1	-	-	-	-	55.1	16.6	-	-	-	-	16.6
Other financing and investment expenditure	6.0	-	-	-	-	6.0	10.5	-	-	-	-	10.5
Total expense in Deficit on the Provision of Services	**636.1**	**445.8**	**27.5**	**-**	**-**	**1,109.4**	**492.9**	**445.3**	**234.3**	**-**	**-**	**1,172.5**
Interest income	-	-	-	(64.7)	-	(64.7)	-	-	-	(27.9)	-	(27.9)
Finance lease interest	(0.4)	-	-	-	-	(0.4)	(0.8)	-	-	-	-	(0.8)
Other investment income	-	-	-	(4.6)	-	(4.6)	-	-	-	(4.4)	-	(4.4)
Total income in Surplus on the provision of services	**(0.4)**	**-**	**-**	**(69.3)**	**-**	**(69.7)**	**(0.8)**	**-**	**-**	**(32.3)**	**-**	**(33.1)**
Net loss/(gain) for the year	**635.7**	**445.8**	**27.5**	**(69.3)**	**-**	**1,039.7**	**492.1**	**445.3**	**234.3**	**(32.3)**	**-**	**1,139.4**

Notes to the Financial Statements

33. Funding and financial risk management (continued)

Income, Expense, Gains and Losses – Corporation

At 31 March	2024 Financial liabilities measured at amortised cost £m	2024 Financial assets at amortised cost £m	2024 Financial assets at FVOCI £m	2024 Financial assets FVTPL £m	2024 Total £m	2023 Financial liabilities measured at amortised cost £m	2023 Financial assets at amortised cost £m	2023 Financial assets at FVOCI £m	2023 Financial assets FVTPL £m	2023 Total £m
Interest expense	471.1	-	-	-	471.1	435.6	-	-	-	435.6
Interest on defined benefit pension	-	-	(80.4)	-	(80.4)	-	-	78.2	-	78.2
Interest on right of use lease and PFI liabilities	14.2	-	-	-	14.2	14.8	-	-	-	14.8
Reduction in fair value	-	-	-	-	-	-	-	14.0	-	14.0
Expected and actual credit losses/(reversals)	-	451.9	-	-	451.9	-	432.9	-	-	432.9
Impairment losses	-	-	-	-	-	(9.6)	-	-	-	(9.6)
Fee expense	4.3	-	-	-	4.3	11.2	-	-	-	11.2
Other financing and investment expenditure	1.0	-	-	-	1.0	5.4	-	-	-	5.4
Total expense in Surplus on the Provision of Services	490.6	451.9	(80.4)	-	862.1	457.4	432.9	92.2	-	982.5
Interest income	-	(493.9)	-	-	(493.9)	-	(430.1)	-	-	(430.1)
Other investment income	-	-	-	(1.9)	(1.9)	-	-	-	(1.9)	(1.9)
Total income in Surplus on the provision of services	-	(493.9)	-	(1.9)	(495.8)	-	(430.1)	-	(1.9)	(432.0)
Net loss/(gain) for the year	**490.6**	**(42.0)**	**(80.4)**	**(1.9)**	**366.3**	**457.4**	**2.8**	**92.2**	**(1.9)**	**550.5**

Notes to the Financial Statements
34. Pensions

The majority of the Group's staff were members of the Public Sector Section of the TfL Pension Fund. The majority of the Group's remaining staff were members of London Pension Fund Authority Pension Fund, the Principal Civil Service Pension Scheme, the Crossrail Shared Cost Section of the Railways Pension Scheme (Crossrail Section) or the Tube Lines defined contribution scheme.

a) Reconciliation of amounts included in net cost of services and amounts included in staff costs

For the year ended 31 March	Note	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
TfL Pension Fund		**290.5**	578.5	**53.7**	351.7
Local Government Pension Fund		**0.7**	1.5	**0.7**	1.5
Crossrail Section of the Railways Pension Scheme		**0.5**	1.9	**-**	-
Unfunded schemes provision		**0.2**	0.8	**0.2**	0.8
Total for schemes accounted for as defined benefit		**291.9**	582.7	**54.6**	354.0
Principal Civil Service Pension Scheme		**0.6**	0.6	**0.6**	0.6
Other schemes and accrued costs		**9.3**	0.9	**3.3**	0.3
Less: pension costs capitalised		**(0.5)**	-	**-**	-
Amounts included in net cost of services		**301.3**	584.2	**58.5**	354.9
Less: scheme expenses		**(19.9)**	(19.7)	**(19.9)**	(19.4)
Add: current service costs capitalised		**0.5**	-	**-**	-
Amount included in staff costs	4	**281.9**	564.5	**38.6**	335.5

b) Defined benefit schemes

This section deals with those pension funds to which the Group contributes that are accounted for under IAS 19 as defined benefit schemes.

Public Sector Section of the TfL Pension Fund (TfL Pension Fund)

The TfL Pension Fund is a final salary scheme established under trust. The Fund's Trustee is the TfL Trustee Company Limited, a wholly owned subsidiary of TfL. Under the rules of the Fund, its 18 Trustee Directors are nominated in equal numbers by TfL and on behalf of the Fund's membership.

Every three years, the TfL Pension Fund actuary makes valuations and recommends the level of contributions to be made by the participating employers to ensure the long-term solvency of the Fund. The latest available valuation of the Fund was carried out as at 31 March 2021 by the Actuary, a partner of consulting actuaries Willis Towers Watson, using the projected unit method. A revised Schedule of Contributions was agreed between the Trustee and the employers following the formal funding valuation of the Public Sector Section.

Under the valuation report, the Fund held a surplus of £179m as at 31 March 2021. Assets totalled £13,085m and the defined benefit obligation totalled £12,906m. A revised Schedule of Contributions was agreed between the Trustee and the employers following the formal funding valuation. This set out a future service contribution rate of 27.3 per cent for the employers and five per cent for members.

The underlying assets and defined benefit obligation of the TfL Pension Fund cover a number of Group entities and cannot be readily split between each undertaking. No contractual agreement is in place to allocate the total net obligation between the member entities. Thus, in accordance with IAS 19, the Corporation, as the Scheme sponsor, has recognised the total net defined benefit obligation in its own individual accounts.

A separate valuation of the TfL Pension Fund has been prepared, by actuaries at the XPS Pensions Group, for accounting purposes on an IAS 19 basis as at 31 March 2024. The assumptions used by the actuaries are the best estimates chosen from a range of possible actuarial assumptions, while the present value of the schemes' defined benefit obligation is derived from cash flow projections. Due to the timescale covered, neither the assumptions nor the cash flow projections may necessarily be borne out in practice. Management has assessed that TfL has an unconditional right to a refund of surplus assets for accounting purposes under IAS 19 assuming the gradual settlement of plan liabilities after consideration of the Trust Deed and Rules. Therefore, any net surplus is recognised in full.

Notes to the Financial Statements

34. Pensions (continued)

The defined benefit obligation for the TfL Pension Fund has been calculated using the mortality assumptions adopted for the latest available funding valuation as at 31 March 2021. Standard mortality tables were used, adjusted to reflect the recent mortality experience of the Fund's pensioners at that date. An allowance was made for future mortality improvements based on the CMI 2022 projections with a long-term improvement rate of 1.25 per cent per annum. No weighting has been given to 2020 or 2021 mortality experience, given the exceptional impact of the coronavirus pandemic on these years.

The discounted scheme liabilities have an average duration of 16 years.

London Pension Fund Authority Pension Fund (Local Government Pension Fund)

The London Pension Fund Authority Pension Fund is a funded multi-employer defined benefit scheme, administered by the London Pension Fund Authority. The Corporation is able to identify its share of the assets and defined benefit obligation of the scheme and this scheme has therefore been accounted for as a defined benefit scheme under IAS 19. Employer's contributions were payable at the rate of 15.3 per cent for 2023/24 (2022/23 15.6 per cent) of pensionable pay, plus a lump sum deficit reduction payment of £nil (2022/23 £nil). The Corporation's share of the underlying assets and defined benefit obligation resulted in an IAS 19 deficit as at 31 March 2024 of £(7.3)m (2023 £0.5m). The discounted scheme liabilities have an average duration of 16years.

The last full actuarial valuation available was carried out at 31 March 2022. The report showed a funding surplus of £1.63bn at that date. The annual report and financial statements for the whole scheme can be found on the London Pension Fund Authority's website (www.lpfa.org.uk). A separate valuation as at 31 March 2024 has been prepared for accounting purposes on an IAS 19 basis by Barnett Waddington LLP.

Crossrail Shared Cost Section of the Railways Pension Scheme (Crossrail Section)

Crossrail Limited (CRL) participates in the Crossrail Section of the Railways Pension Scheme which is accounted for in these financial statements as a defined benefit pension scheme under IAS 19.

The latest available full actuarial valuation of the Scheme was carried out at 31 December 2019. The report showed a funding surplus of £5.9m. This was translated into a current employer contribution level of 20.9 per cent. A separate valuation has been prepared for accounting purposes on an IAS 19 basis as at 31 March 2024 by actuaries at the XPS Pensions Group. Assumptions underlying this valuation have been updated from the full actuarial valuation of the scheme carried out at 31 December 2019. The Group's share of the underlying assets and defined benefit obligation resulted in an IAS 19 surplus, as at 31 March 2024, of £3.4m (2023 surplus of £1.4m). The discounted Crossrail Section liabilities have a duration of around 19 years. Management has assessed that TfL has an unconditional right to a refund of surplus assets for accounting purposes under IAS 19 assuming the gradual settlement of plan liabilities after consideration of the deed of the established section together with the Adopted Rules. Therefore, any net surplus is recognised in full.

The defined benefit obligation for the Crossrail Section has been calculated using the mortality assumptions adopted for the funding valuation as at 31 December 2019. Standard mortality tables were used, adjusted to reflect the recent mortality experience of the Scheme's pensioners at that date. An allowance was made for future mortality improvements based on the CMI 2022 projections with a long-term improvement rate of 1.25 per cent per annum. No weighting has been given to 2020 or 2021 mortality experience.

Unfunded pension costs

The Corporation bears the cost of the augmentation of the pensions of certain employees, who retire early under voluntary severance arrangements.

In addition, the Corporation also bears the cost of:

- Ex-gratia payments, which are made to certain former employees on retirement in respect of service prior to the establishment of pension funds for those employees
- Supplementary pensions, which are made to certain former employees who retired prior to index linking of pensions
- Pensions of London Regional Transport former board members who did not qualify to join the TfL Pension Fund
- Other unfunded defined benefit pensions accruing to certain employees

XPS Pensions Group, consulting actuaries, were instructed to report on the financial position of the unfunded pension defined benefit obligation as at 31 March 2024 for the purpose of IAS 19 only. The report does not constitute a formal actuarial valuation of the unfunded pension defined benefit obligation. The valuation as at 31 March 2024 was £83.9m (2023 £87.6m) and is fully provided for in these financial statements.

Notes to the Financial Statements

34. Pensions (continued)

Assumptions for defined benefit sections

The main actuarial assumptions used for the TfL Pension Fund, the Crossrail Shared Cost Section of the Railways Pension Scheme, the Local Government Pension Scheme (together 'the Schemes') and unfunded schemes were:

	IAS 19 valuation at 31 March 2024 %	IAS 19 valuation at 31 March 2023 %
RPI Inflation	**3.15-3.25**	3.20
CPI Inflation	**2.70-2.90**	2.70-2.95
Rate of increase in salaries	**2.70-3.90**	2.95-3.95
Rate of increase in pensions in payment and deferred pensions	**2.70-3.15**	2.70-3.15
Discount rate	**4.85-4.90**	4.75-4.80

The Group's retirement benefit plans typically expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk. Sensitivity analyses for the most significant actuarial assumptions made in relation to these risks are as set out below. The analyses have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate were 0.1 per cent higher/(lower), the defined benefit obligation would decrease by £200.2m/(increase by £204.2m)
- If the expected salary growth were increased/(decreased) by 0.1 per cent, the defined benefit obligation would increase by £54.4m/(decrease by £55.5m)
- If life expectancy were increased/(decreased) by one year, the defined benefit obligation would increase by £406.7m/(decrease by £419.6m)
- If the inflation rate were 0.1 per cent higher/(lower), the defined benefit obligation would increase by £151.8m/(decrease by £193.7m)

The sensitivity analyses presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

c) Accounting for defined benefit schemes

The total assets in the schemes were:

At 31 March	Value 2024 £m	Value 2023 £m
Equities and alternatives	**13,555.0**	13,914.3
Bonds	**1,417.7**	254.6
Cash and other	**25.5**	24.3
Total fair value of assets	**14,998.2**	14,193.2

The TfL Pension Fund, the Crossrail Shared Cost Section of the Railways Pension Scheme and the Local Government Pension Scheme assets consist of the following categories, by proportion of the total assets held:

At 31 March	2024 %	2023 %
Equities	**90**	90
Bonds	**10**	10
	100	100

The unfunded pension schemes have no assets to cover their defined benefit obligation.

Notes to the Financial Statements

34. Pensions (continued)

Total pension surplus at 31 March

Group	2024 £m	2023 £m
Fair value of scheme assets	**14,998.2**	14,193.2
Actuarial valuation of defined benefit obligation	**(12,729.4)**	(12,649.9)
Net surplus recognised in the Balance Sheet	**2,268.8**	1,543.3

Group	2024 £m	2023 £m
TfL Pension Fund	**2,342.0**	1,630.0
Local Government Pension Fund	**7.3**	(0.5)
Crossrail Section of the Railways Pension Scheme	**3.4**	1.4
Unfunded schemes provision	**(83.9)**	(87.6)
Net surplus recognised in the Balance Sheet	**2,268.8**	1,543.3

Corporation	2024 £m	2023 £m
Fair value of scheme assets	**14,907.6**	14,101.6
Actuarial valuation of defined benefit obligation	**(12,642.2)**	(12,559.7)
Net surplus recognised in the Balance Sheet	**2,265.4**	1,541.9

Corporation	2024 £m	2023 £m
TfL Pension Fund	**2,342.0**	1,630.0
Local Government Pension Fund	**7.3**	(0.5)
Unfunded schemes provision	**(83.9)**	(87.6)
Net surplus recognised in the Balance Sheet	**2,265.4**	1,541.9

Analysis of amounts included in the Comprehensive Income and Expenditure Statement

Analysis of amounts charged to net cost of services

Year ended 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Current service cost	**272.0**	562.6	**271.7**	561.1
Less contributions paid by subsidiaries	**-**	-	**(236.8)**	(226.8)
Past service cost	**-**	0.4	**-**	0.4
Total included in staff costs	**272.0**	563.0	**34.9**	334.7
Scheme expenses	**19.9**	19.7	**19.7**	19.3
Total amount charged to net cost of services	**291.9**	582.7	**54.6**	354.0

Amounts charged to financing and investment expenditure

Year ended 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Net interest (income)/expense on scheme defined benefit obligation	**(80.4)**	79.3	**(80.4)**	78.2

Amount recognised in other comprehensive income and expenditure

Year ended 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Net remeasurement losses recognised in the year	**(602.4)**	(5,087.3)	**(600.2)**	(5,040.8)

Notes to the Financial Statements

34. Pensions (continued)

Analysis of scheme defined benefit obligation into amounts arising from schemes that are wholly or partly funded and wholly unfunded

At 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Wholly unfunded schemes	83.9	87.6	83.9	87.6
Wholly or partly funded schemes	12,645.5	12,562.3	12,558.3	12,472.1
Total scheme defined benefit obligation	12,729.4	12,649.9	12,642.2	12,559.7

Reconciliation of defined benefit obligation

	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Actuarial value of defined benefit obligation at 1 April	12,649.9	17,645.0	12,559.7	17,506.9
Current service cost	272.0	562.6	271.7	561.1
Interest cost	591.8	454.0	587.5	450.4
Employee contributions	60.3	56.7	60.3	56.5
Remeasurement losses/(gains) on scheme liabilities:				
Net remeasurement – financial	(346.1)	(6,679.0)	(344.5)	(6,619.3)
Net remeasurement – experience	150.9	1,058.9	153.6	1,050.6
Net remeasurement – demographic	(140.9)	(3.6)	(139.9)	(3.6)
Actual benefit payments	(508.5)	(445.1)	(506.2)	(443.3)
Past service cost	-	0.4	-	0.4
Actuarial value of defined benefit obligation at 31 March	12,729.4	12,649.9	12,642.2	12,559.7

Reconciliation of fair value of the scheme assets

	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Fair value of assets at 1 April	14,193.2	14,443.5	14,101.6	14,348.1
Expected return on assets net of expenses	672.2	374.7	667.9	372.2
Other actuarial gains and losses	-	2.8	-	2.8
Scheme expenses	(19.9)	(19.7)	(19.7)	(19.3)
Return on assets excluding interest income	266.3	(539.2)	269.4	(534.3)
Actual employer contributions	328.8	314.1	91.7	86.6
Contributions paid by subsidiaries	-	-	236.8	226.8
Employee contributions	60.3	56.7	60.3	56.5
Actual benefits paid	(502.7)	(439.7)	(500.4)	(437.8)
Fair value of assets at 31 March	14,998.2	14,193.2	14,907.6	14,101.6

The expected return on scheme assets is set equal to the discount rate. The actual return on scheme assets in the year was a gain of £938.5m (2022/23 a loss of £164.5m).

Total contributions of £373.5m are expected to be made to the schemes in the year ending 31 March 2025.

Notes to the Financial Statements

34. Pensions (continued)

d) Other pension arrangements

Principal Civil Service Pension Scheme and Alpha – Civil Servants and Others Pension Scheme

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. From 1 April 2015 most PCSPS members switched to the new Civil Servants and Others Pension Scheme, (also known as Alpha). The Group is unable to identify its share of the underlying assets and defined benefit obligations of these schemes on a consistent and reasonable basis and, as permitted by the multi-employer exemption in IAS 19, the Group treats contributions to the PCSPS and Alpha as if they were contributions to a defined contribution plan. A full actuarial valuation was last carried out at 31 March 2022. Details can be found in the Civil Service Superannuation Resource Accounts (www.civilservicepensionscheme.org.uk/).

During 2023/24, minimum employers' contributions represented an average of 27.3 per cent of pensionable pay (2022/23 27.3 per cent). Employer contributions are reviewed every four years. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Docklands Light Railway Pension Scheme

The Docklands Light Railway Pension Scheme (DLR Scheme) is a defined benefit scheme established under trust in the UK that provides both pensions in retirement and death benefits to members. The Trustees are responsible for the operation and governance of the DLR Scheme, including making decisions regarding funding and investment strategy in conjunction with Docklands Light Railway Limited (DLR), a subsidiary of the TfL Group, as the Principal Employer of the Scheme.

Every three years the Scheme Actuary of the DLR Scheme carries out a valuation to assess the funding position and to determine the future levels of contributions. The most recent available valuation was effective 1 April 2021.

Keolis Amey Docklands Limited (KAD) was awarded the franchise to operate the DLR from 7 December 2014 and is a Participating Employer in the DLR Scheme. The contributions payable by KAD to the DLR Scheme are set out in the franchise agreement between DLR and KAD dated 17 July 2014. These are to pay 35.7 per cent per annum of Pensionable Salaries into the Scheme, the PPF levy and additional contributions if actual pensionable salary increases exceed RPI plus 1.5 per cent per annum.

DLR, as the Principal Employer of the DLR Scheme, is responsible for meeting any further costs towards the cost of accruing benefits and removing the deficit, over and above the contributions payable by KAD, if necessary. Following the completion of the 2021 valuation, it was agreed that DLR would pay 22.6 per cent per annum of Pensionable Salaries towards future benefit accrual from 1 April 2020 to 31 March 2022, amounting to £3.3m in respect of 2020/21, which was paid on 30 July 2021 and £3.1m, which was paid on 28 July 2022: plus in respect of subsequent Scheme Years, commencing 1 April 2022:

- 21.7 per cent per annum of Pensionable Salaries in respect of the cost of accrual for active members payable within four months of the end of the relevant Scheme Year;
- £957,000 per annum in respect of administration expenses and the cost of death in service benefit for active members payable on or before each 10 April, from 10 April 2023 onwards;
- £800,000 per annum payable on or before each 10 April from 2023 to 2025 inclusive (£800,000 per annum in respect of 2021 and 2022 were paid on 30 April 2021 and 12 April 2022 respectively)

In addition, it was agreed that DLR would pay additional contributions if actual Pensionable Salary growth exceeds RPI inflation plus 0.5 per cent per annum (up to a maximum of RPI inflation plus 1.5 per cent per annum).

Over the year beginning 1 April 2024, the contributions payable to the DLR Scheme are expected to be around £5.7m from KAD and £4.2m from DLR, based on the schedule of contributions currently in force. This makes no allowance for additional contributions that may arise if Pensionable Salary growth exceeds RPI inflation plus 0.5 per cent per annum or any changes as a result of a new schedule of contributions.

A valuation of the DLR Scheme has been prepared for accounting purposes on an IAS 19 basis as at 31 March 2024. This gave a valuation for the net surplus as at 31 March 2024 of £26.8m (2023 £30.5m surplus). The assumptions used by the actuary are best estimates chosen from a range of possible actuarial assumptions, while the present value of the DLR Scheme's defined benefit obligation is based on future cash flow projections. Neither the assumptions nor the cash flow projections may necessarily be borne out in practice.

The discounted DLR Scheme liabilities have a duration of around 18 years.

The scheme's funding arrangements outlined above mean that DLR is currently unable to identify its share of this obligation on a consistent and reasonable basis. The Group has therefore taken the exemption permitted under IAS 19 for multi-employer schemes and treats contributions to the DLR Scheme as if they were contributions to a defined contribution plan. No defined benefit obligation has been recognised in the Balance Sheet in respect of this scheme.

Contributions totalling £4.8m were paid by DLR in 2023/24. These costs are not reflected within staff costs for the TfL Group but are instead reflected elsewhere within the operating expenditure of the Group, as the costs relate to the staff costs of DLR's concessionaire.

Notes to the Financial Statements
34. Pensions (continued)

Defined contribution schemes
The Group contributes to a number of defined contribution schemes, with total contributions, including contributions to the PCSPS and Alpha schemes as outlined in the paragraphs above, amounting to £9.9m (2022/23 £1.1m).

e) Type of pension assets per the TfL Pension Fund accounts (%)

	Group 2024 quoted	Group 2024 unquoted	Group 2023 quoted	Group 2023 unquoted
Bonds	5	0	5	0
Equities	15	3	19	3
Loans	0	2	0	2
Pooled investment vehicles	25	40	27	38
Derivatives	0	0	1	0
Liquidity funds	7	0	3	0
AVC investments	1	0	1	0
Cash	1	0	1	0
Other investment balances	1	0	0	0
	55	45	57	43

Quoted assets represent unadjusted quoted prices in an active market and inputs other than quoted prices which are observable.

Type of pension assets per the London Pension Fund Authority (%)

	Group 2024 quoted	Group 2024 unquoted	Group 2023 quoted	Group 2023 unquoted
Equities	54	0	51	0
Private equity	0	7	0	8
Fixed income	2	0	0	0
Investment, hedge funds and unit trusts	3	0	8	0
Credit	0	12	0	10
Infrastructure	0	11	0	13
Real estate	0	9	0	10
Cash	2	0	0	0
	61	39	59	41

Notes to the Financial Statements

35. Cash flow notes

a) The cash flows for operating activities include the following items:

	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Interest and other investment income received	**66.6**	78.8	**501.2**	475.6
Interest paid	**(433.9)**	(507.0)	**(341.1)**	(467.1)
	(367.3)	(428.2)	**160.1**	8.5

b) Adjustments to the surplus on the provision of services for non-cash movements

	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Depreciation, amortisation and impairment of property, plant and equipment, intangibles and right-of-use assets	**1,628.2**	1,523.5	**230.5**	205.4
Reversal of movements in the value of investment properties	**107.9**	155.0	**(55.6)**	14.0
Increase in interest receivable	**(83.5)**	(0.6)	**(82.7)**	(2.7)
Increase in interest payable	**81.6**	87.6	**79.2**	78.1
Movement in pensions liability	**(42.7)**	263.2	**(42.9)**	261.9
Carrying amount of non-current assets and non-current assets held for sale, sold or de-recognised	**25.9**	89.2	**52.6**	7.7
Tax received/(paid)	**2.5**	-	**-**	-
Adjustments to net surplus for non-cash movements before movements in working capital	**1,719.9**	2,117.9	**181.1**	564.4
Increase/(decrease) in creditors	**187.4**	163.7	**(155.0)**	264.2
Decrease/(increase) in debtors	**195.4**	(149.4)	**70.6**	(55.8)
Increase in inventories	**(22.7)**	(20.6)	**-**	-
(Decrease)/increase in provisions	**(3.5)**	47.8	**17.1**	50.3
Adjustments to net surplus for total non-cash movements	**2,076.5**	2,159.4	**113.8**	823.1

c) Adjustments to the surplus on the provision of services for investing or financing items

	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Proceeds from the sale of property, plant and equipment, intangibles and investment properties	**(41.3)**	(25.2)	**(47.3)**	(18.9)
Reversal of capital grants receivable	**(1,838.9)**	(2,122.7)	**(1,803.9)**	(2,076.6)
Adjustments for items included in the net surplus that are investing or financing activities	**(1,880.2)**	(2,147.9)	**(1,851.2)**	(2,095.5)

Notes to the Financial Statements
35. Cash flow notes (continued)

d) Investing activities

Year ended 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Capital grants received	**1,762.8**	2,056.9	**1,724.4**	1,996.8
Purchase of property, plant and equipment and investment property	**(2,276.2)**	(1,846.2)	**(387.9)**	(317.9)
Purchase of intangible assets	**(51.6)**	(40.4)	**(37.7)**	(15.3)
Proceeds from the sale of property, plant and equipment and intangible assets	**19.0**	27.9	**0.4**	(0.1)
Net sales/(purchases) of other investments	**8.6**	14.6	**(0.2)**	-
Issue of loans to subsidiaries	**-**	-	**-**	19.1
Repayments of loans to subsidiaries	**-**	-	**77.0**	15.9
Finance leases granted in year	**(1.3)**	(1.3)	**-**	-
Finance leases repaid in year	**5.8**	24.0	**-**	-
Proceeds from sale of investment property	**26.9**	82.5	**47.3**	18.9
Investment in equity of associates and joint ventures	**(4.9)**	(34.3)	**-**	-
Investment in share capital of subsidiaries	**-**	-	**-**	(280.0)
Net cash flows from investing activities	**(510.9)**	283.7	**1,423.3**	1,437.4

e) Financing activities

Year ended 31 March	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Cash payments for reduction of the outstanding liabilities relating to lease and PFI arrangements	**(271.7)**	(333.5)	**(41.4)**	(37.0)
Cash payments for reduction of other financing liabilities	**(6.5)**	(6.4)	**-**	-
Net proceeds from new borrowing	**187.5**	1,661.0	**187.5**	1,661.0
Repayments of borrowings	**(164.2)**	(1,720.7)	**(164.1)**	(1,720.7)
Net cash flows from financing activities	**(254.9)**	(399.6)	**(18.0)**	(96.7)

Notes to the Financial Statements
36. Unusable reserves

At 31 March	2024 £m	2023 restated* £m
Group		
Capital Adjustment Account	**32,092.3**	30,924.4
Pension Reserve	**2,265.4**	1,541.9
Accumulated Absences Reserve	**(16.7)**	(13.2)
Retained Earnings Reserve in Subsidiaries (restated)*	**58.6**	1,035.5
Revaluation Reserve	**201.9**	216.2
Hedging Reserve	**(60.2)**	(17.4)
Cost of Hedging Reserve	**(1.9)**	(2.4)
Financial Instruments Adjustment Account	**(100.5)**	(112.3)
Merger reserve	**466.1**	466.1
Deferred capital receipts	**13.2**	13.2
	34,918.2	34,052.0

At 31 March	2024 £m	2023 restated* £m
Corporation		
Capital Adjustment Account	**17,382.3**	17,263.6
Pension Reserve	**2,265.5**	1,541.9
Accumulated Absences Reserve	**(16.7)**	(13.2)
Revaluation Reserve	**22.0**	22.4
Financial Instruments Adjustment Account	**(100.5)**	(112.3)
Deferred capital receipts	**13.2**	13.2
	19,565.8	18,715.6

* Details of restatement are included within Note 43

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The account is credited with the amounts set aside by TfL as finance for the costs of acquisition, construction and enhancement. The account also contains accumulated gains and losses on investment properties.

In the table below, the Corporation Capital Adjustment Account remains unchanged at Group level. The adjustments for the Group financial statements arise due to an alignment of accounting policies between the Group and it's subsidiaries for assets not held in the Corporation. Under the Code, capital grants are recognised in the Comprehensive Income and Expenditure Statement and are then transferred to the Capital Adjustment Account (CAA) when utilised. No amortisation of grants or disposal of grants is recognised in the Comprehensive Income and Expenditure Statement. TfL's subsidiary companies account under full IFRS (rather than the Code) and are required to recognise deferred capital grants on the balance sheet and recognise grant amortisation in arriving at their retained earnings. An accounting policy alignment is performed on consolidation to recognise the grant receipts in the Comprehensive Income and Expenditure Statement (from where they are then transferred to the CAA). Equally, the amortisation and grant disposals are removed from the Comprehensive Income and Expenditure Statement and are shown in the CAA so that the total CAA adjustment is equal to the deferred capital grant carried in the subsidiaries' books.

Notes to the Financial Statements

36. Unusable reserves (continued)

Capital Adjustment Account (continued)

	Note	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Balance at 1 April		**30,924.4**	29,680.3	**17,263.6**	16,787.3
Amounts attributable to the Corporation					
Charges for depreciation and impairment of non-current assets		**(230.5)**	(205.4)	**(230.5)**	(205.4)
Capital proceeds from disposals of investment properties		**47.3**	18.9	**47.3**	18.9
Net book value of disposals of investment properties		**(41.2)**	(7.4)	**(41.2)**	(7.3)
Release of Revaluation Reserve relating to historical revaluation gains recognised in respect of properties disposed during the year		**0.2**	3.2	**0.2**	3.2
Movements in the market value of investment properties recognised in the deficit/surplus on the provision of services after tax		**55.6**	(14.3)	**55.6**	(14.3)
Capital grants and contributions	10	**1,734.1**	1,974.4	**1,734.1**	1,974.4
REFCUS	10	**(1,484.0)**	(1,342.3)	**(1,484.0)**	(1,342.3)
Minimum Revenue provision		**48.5**	49.3	**48.5**	49.3
Loss on disposal of property, plant and equipment		**(11.4)**	(0.2)	**(11.4)**	(0.2)
Adjustments for the alignment of Group accounting policies for assets not held in the Corporation					
Charges for depreciation, impairment and disposals for assets not held in the Corporation		**(469.6)**	(620.5)	**-**	-
Capital grants and contributions applied to assets not held in the Corporation	10	**1,519.0**	1,388.4	**-**	-
Balance at 31 March		**32,092.4**	30,924.6	**17,382.2**	17,263.6

Pension Reserve

The Pension Reserve represents pension and other post-retirement defined benefit obligations shown on the Balance Sheet, excluding those reflected on the balance sheets of the subsidiary companies.

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Group and Corporation account for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the defined benefit obligations recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Group and Corporation make employer's contributions to pension funds or eventually pay any pensions for which they are directly responsible. The debit balance on the pension reserve therefore shows a substantial shortfall in the benefits earned by past and current employees against the resources that have been set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Balance at 1 April	**1,541.9**	(3,158.8)	**1,541.9**	(3,158.8)
Net remeasurement losses on pension assets and defined benefit obligations	**600.2**	5,040.8	**600.2**	5,040.8
Reversal of charges relating to retirement benefits	**(211.0)**	(659.0)	**25.8**	(432.2)
Employer's pension contributions, contributions from subsidiaries and direct payments to pensioners payable in the year	**334.3**	318.9	**97.5**	92.1
Balance at 31 March	**2,265.4**	1,541.9	**2,265.4**	1,541.9

Notes to the Financial Statements

36. Unusable reserves (continued)

Accumulated Absences Reserve

The Accumulated Absences Reserve absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the reserve.

	Group 2024 £m	Group 2023 £m	**Corporation 2024 £m**	Corporation 2023 £m
Balance at 1 April	**(13.2)**	(14.6)	**(13.2)**	(14.6)
Settlement or cancellation of accrual made at the end of the preceding year	**13.2**	14.6	**13.2**	14.6
Amounts accrued at the end of the current year	**(16.7)**	(13.2)	**(16.7)**	(13.2)
Balance at 31 March	**(16.7)**	(13.2)	**(16.7)**	(13.2)

Retained Earnings Reserve in Subsidiaries

The Retained Earnings Reserve in Subsidiaries represents the retained earnings in the Group's subsidiary companies. These are disclosed as unusable reserves unless the subsidiary declares a dividend to the Corporation, and they are able to fund these via their own cash reserves. The majority of assets held in subsidiaries are related to transport infrastructure and are not readily convertible to cash.

	Group 2024 £m	Group 2023 restated* £m
Balance at 1 April as previously reported	**1,035.5**	1,483.6
Prior period error in respect of property leases*	**-**	1.2
Balance at 1 April (restated)*	**1,035.5**	1,484.8
Surplus on the provision of services after tax in subsidiaries	**67.7**	242.8
Surplus on valuation of newly created investment properties (net of tax)	**-**	6.0
Transfer of current year capital grants and contributions to the Capital Adjustment Account	**(1,519.0)**	(1,388.4)
Transfer of adjustments between Group and Corporation financial statements to the Capital Adjustment Account	**469.5**	620.5
Remeasurement gains on defined benefit pension plan assets and liabilities	**2.2**	46.5
Release of Revaluation Reserve relating to historical revaluation gains recognised in respect of properties disposed	**-**	22.6
Release of Revaluation Reserve relating to the difference between fair value depreciation and historical cost depreciation	**2.7**	0.7
Balance at 31 March	**58.6**	1,035.5

* Details of restatement are included within Note 43

Notes to the Financial Statements

36. Unusable reserves (continued)

Revaluation Reserve

The Revaluation Reserve contains the accumulated gains made arising from increases in the value of property, plant and equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost
- Used in the provision of services and the gains are consumed through depreciation
- Disposed of and the gains are transferred to retained earnings

	Note	Group 2024 £m	Group 2023 £m	Corporation 2024 £m	Corporation 2023 £m
Balance at 1 April		**216.2**	241.2	**22.4**	26.6
Revaluation of assets	13	**(11.4)**	1.6	**-**	(1.1)
Release of Revaluation Reserve relating to historical revaluation gains recognised in respect of properties disposed		**(0.2)**	(25.8)	**(0.2)**	(3.1)
Release of Revaluation Reserve relating to the difference between fair value depreciation and historical cost depreciation, and to historical revaluation gains recognised in respect of properties disposed during the year		**(2.7)**	(0.8)	**-**	-
Balance at 31 March		**201.9**	216.2	**22.2**	22.4

Hedging Reserve

The Hedging Reserve holds the gain or loss on a hedging instrument that is determined to be an effective hedge. The ineffective portion, if any, is recognised immediately through the Comprehensive Income and Expenditure Statement. The gain or loss deferred in reserves is recognised in the Comprehensive Income and Expenditure Statement in the period(s) during which the hedged forecast transaction affects profit or loss, or recognised as an adjustment to the cost of a capital asset where capital expenditure is hedged.

	Group 2024 £m	Group 2023 £m
Balance at 1 April	**(17.4)**	(57.9)
Net change in fair value of cash flow interest rate hedges	**(37.1)**	11.6
Net change in fair value of cash flow foreign exchange hedges	**(6.8)**	6.0
Reclassification of interest rate fair value losses to profit and loss	**1.1**	9.4
Discontinued hedging relationship	**-**	13.5
Balance at 31 March	**(60.2)**	(17.4)

The Corporation does not have a Hedging Reserve as it has not entered into any derivative transactions, nor does it have legal powers to do so.

Notes to the Financial Statements

36. Unusable reserves (continued)

Cost of Hedging Reserve

The Cost of Hedging Reserve holds the gain or loss on a hedging instrument arising from changes in the fair value of the time value of an option when the intrinsic value of the option has been designated in an effective hedging relationship. The gain or loss deferred in reserves is recognised in the Comprehensive Income and Expenditure Statement in the period(s) during which the hedged forecast transaction affects profit or loss. The ineffective portion, if any, is recognised immediately through the Comprehensive Income and Expenditure Statement.

	Group 2024 £m	Group 2023 £m
Balance at 1 April	**(2.4)**	(3.0)
Reclassification of cashflow foreign exchange hedge losses to the Balance Sheet	**0.5**	0.6
Balance at 31 March	**(1.9)**	(2.4)

The Corporation does not have a Cost of Hedging Reserve as it has not entered into any derivative transactions, nor does it have legal powers to do so.

Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account provides a balancing mechanism between the different rates at which gains and losses (such as premium on the early repayment of debt) are recognised under the Code and are required by statute to be met from the General Fund.

	Group 2024 £m	Group 2023 £m	**Corporation 2024 £m**	Corporation 2023 £m
Balance at 1 April	**(112.3)**	(124.0)	**(112.3)**	(124.0)
Release of premium	**11.8**	11.7	**11.8**	11.7
Balance at 31 March	**(100.5)**	(112.3)	**(100.5)**	(112.3)

Merger Reserve

The Merger Reserve of £466.1m arose as a result of the transfer of the net assets of London Regional Transport, including the share capital of London Underground Limited (LUL), to TfL in 2003. It represents the share capital of LUL and was taken as a credit to the merger reserve. The Group has taken advantage of the exemption in IFRS 1 not to restate business combinations occurring prior to the transition date of 1 April 2009.

	Group 2024 £m	Group 2023 £m	**Corporation 2024 £m**	Corporation 2023 £m
Balance at 1 April and 31 March	**466.1**	466.1	**-**	-

Deferred capital receipts reserve

The deferred capital receipts reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. Under statutory arrangements, TfL does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the capital receipts reserve.

	Group 2024 £m	Group 2023 £m	**Corporation 2024 £m**	Corporation 2023 £m
Balance at 1 April and 31 March	**13.2**	13.2	**13.2**	13.2

Notes to the Financial Statements

37. Adjustments between accounting basis and funding basis under regulations

This note details the adjustments that are made to the total Comprehensive Income and Expenditure Statement recognised by the Corporation in the year in accordance with proper accounting practice in order to determine the resources that are specified by statutory provisions as being available to the Corporation to meet future capital and revenue expenditure. The General Fund reserve represents monies available to finance the day to day activities of TfL.

Corporation

Year ended 31 March 2024	Note	General Fund £m	Capital Adjustment Account £m	Capital receipts reserve £m	Pension Reserve £m	Street Works Reserve £m	Capital Grants Unapplied Account £m	Financial Instruments Adjustment Account £m	Accumulated Absences Reserve £m
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement									
Charges for depreciation, amortisation and impairment of non-current assets	4	230.5	(230.5)	-	-	-	-	-	-
Net book value of disposals		41.1	(41.1)	-	-	-	-	-	-
Capital proceeds from disposals	38	(47.2)	-	47.2					
Capital receipts applied		-	47.2	(47.2)					
Movements in the market value of investment properties	9	(55.6)	55.6	-	-	-	-	-	-
Capital grants and contributions	10	(250.1)	250.1	-	-	-	-	-	-
Capital grants and contributions applied to REFCUS		(1,484.0)	1,484.0						
REFCUS		1,484.0	(1,484.0)						
Unapplied capital grants	10	(69.8)	-	-	-	-	69.8	-	-
Loss on disposal of non-current assets	7	11.4	(11.4)	-	-	-	-	-	-
Reversal of items relating to retirement benefits		(25.8)	-	-	25.8	-	-	-	-
Transfers to/from Street Works Reserve		(4.8)	-	-	-	4.8	-	-	-
Difference between the remuneration charged on an accruals basis and the remuneration chargeable in accordance with statutory requirements		3.5	-	-	-	-	-	-	(3.5)
Inclusion of items not debited or credited to the Comprehensive Income and Expenditure Statement which are required to be charged in accordance with statutory requirements									
Employer's pension contributions and direct payments to pensioners payable in the year		(97.5)	-	-	97.5	-	-	-	-
Minimum Revenue provision	39	(48.5)	48.5	-	-	-	-	-	-
Amortisation of premium on financing		(11.8)	-	-	-	-	-	11.8	-
		(324.6)	118.4	-	123.3	4.8	69.8	11.8	(3.5)

Notes to the Financial Statements
37. Adjustments between accounting basis and funding basis under regulations (continued)

Corporation

Year ended 31 March 2023	Note	General fund £m	Capital Adjustment Account £m	Capital receipts reserve £m	Pension Reserve £m	Street Works Reserve £m	Capital Grants Unapplied Account £m	Financial Instruments Adjustment Account £m	Accumulated Absences Reserve £m
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement									
Charges for depreciation, amortisation and impairment of non-current assets	4	205.4	(205.4)	–	–	–	–	–	–
Net book value of disposals		7.7	(7.7)	–	–	–	–	–	–
Capital proceeds from disposals	38	(18.9)	–	18.9					
Capital receipts applied		–	18.9	(18.9)					
Movements in the market value of investment properties	9	14.0	(14.0)	–	–	–	–	–	–
Capital grants and contributions	10	(632.1)	632.1	–	–	–	–	–	–
Capital grants and contributions applied to REFCUS		(1,342.3)	1,342.3						
REFCUS		1,342.3	(1,342.3)						
Unapplied capital grants	10	(102.2)	–	–	–	–	102.2	–	–
Loss on disposal of non-current assets	7	0.2	(0.2)	–	–	–	–	–	–
Reversal of items relating to retirement benefits		432.2	–	–	(432.2)	–	–	–	–
Transfers to/from Street Works Reserve		(2.0)	–	–	–	2.0	–	–	–
Difference between the remuneration charged on an accruals basis and the remuneration chargeable in accordance with statutory requirements		(1.4)	–	–	–	–	–	–	1.4
Inclusion of items not debited or credited to the Comprehensive Income and Expenditure Statement which are required to be charged in accordance with statutory requirements									
Employer's pension contributions and direct payments to pensioners payable in the year		(92.1)	–	–	92.1	–	–	–	–
Minimum Revenue provision	39	(49.3)	49.3	–	–	–	–	–	–
Amortisation of premium on financing		(11.7)	–	–	–	–	–	11.7	–
		(250.2)	473.0	–	(340.1)	2.0	102.2	11.7	1.4

Notes to the Financial Statements

38. Sources of finance

Capital expenditure analysed by source of finance:

Year ended 31 March	Note	Corporation 2024 £m	Corporation 2023 £m
Capital expenditure			
Intangible asset additions	12	**37.7**	15.3
Property, plant and equipment additions	13	**350.8**	343.5
Investment property	16	**1.0**	1.7
Investments in year	17	**-**	280.0
Capital grants allocated to subsidiaries in year	10	**1,484.0**	1,342.3
Total capital expenditure		**1,873.5**	1,982.8
Sources of finance			
Business Rates Retention used to fund capital	10	**882.8**	1,613.7
Non ring-fenced grant from DfT	10	**810.0**	-
Community infrastructure levy and other third party contributions	10	**111.1**	191.9
Crossrail specific grant	10	**-**	271.0
Adjusted by amounts transferred to Capital Grants Unapplied Account	10	**(69.8)**	(102.2)
Prudential borrowing		**58.0**	-
Repayment of loans from subsidiaries		**42.0**	-
Capital receipts		**47.2**	18.9
Working capital		**(7.7)**	(10.5)
Total sources of finance		**1,873.6**	1,982.8

Capital Financing Requirement

The Capital Financing Requirement is the amount of cumulative capital expenditure to be financed by means other than grant or asset sales proceeds. As at 31 March 2024 this stood at £12,978.4m (2023 £13,085.6m) for the Corporation.

39. Minimum revenue provision

The Local Government and Housing Act 1989 requires a Minimum Revenue Provision (MRP) to be set aside for the redemption of external debt. As a statutory corporation regulated as if it were a local authority, TfL is required to comply with the Local Authorities Capital Finance Regulations. New regulations were approved by the Secretary of State in February 2008. TfL is required to approve an Annual MRP Statement determining the amount of MRP which it considers to be prudent.

The Ministry of Housing, Communities and Local Government issued guidance setting out four possible methods which are deemed automatically prudent, but also states that 'approaches differing from those exemplified should not be ruled out. The broad aim of prudent provision is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.'

While statutory guidance suggests four potential methods for calculating MRP it also allows for other methods and approaches to be used. Since 2016/17 TfL has applied the principles inherent in the statutory guidance on MRP, to make an annual provision in TfL (the Corporation), that aims to build up a reserve on the Balance Sheet over the average useful economic life of the assets funded by borrowings in the Corporation, such that, at the end of that useful economic life, that reserve may be employed to either repay borrowings or to finance replacement capex for those assets that have reached the end of their lives. An MRP is effectively already made for borrowings passed down to the subsidiaries through TfL's existing processes for funding those entities. The MRP provision for 2023/24, shown as a transfer from the General Fund to the Capital Adjustment Account in the Group and Corporation Movement in Reserves Statements, was a total of £48.5m (2022/23 £49.3m).

Notes to the Financial Statements
40. Financial assistance

TfL may give financial assistance to any body or person in respect of expenditure incurred or to be incurred by that body or person in doing anything which, in the opinion of TfL, is conducive to the provision of safe, integrated, efficient and economic transport facilities or services to, from or within Greater London, and also to London Transport Museum Limited.

Financial assistance given under section 159 of the GLA Act 1999 is outlined below:

Year ended 31 March	Corporation 2024 £m	Corporation 2023 £m
Financial assistance to subsidiaries		
Transport Trading Limited	**10.7**	364.2
London Underground Limited	**1,257.9**	967.1
London Bus Services Limited	**845.1**	865.0
London River Services Limited	**6.1**	5.3
London Transport Museum Limited	**-**	3.4
Docklands Light Railway Limited	**199.2**	149.1
Rail for London Limited	**-**	204.1
Crossrail Limited	**41.6**	238.8
Tramtrack Croydon Limited	**54.8**	41.1
Rail for London (Infrastructure) Limited	**93.4**	71.3
	2,508.8	2,909.4

Year ended 31 March	Note	Corporation 2024 £m	Corporation 2023 £m
Financial assistance to London Boroughs and other third parties			
Local Implementation Plan		**42.5**	41.2
Taxicard		**7.6**	7.1
London Streetspace		**0.1**	1.1
Cycling		**27.4**	11.3
Bus priority		**10.5**	3.2
Livable neighbourhoods		**2.8**	-
Other		**8.3**	7.4
	4	**99.2**	71.3

Notes to the Financial Statements

41. Related parties

TfL is required by the Code and IAS 24 Related Party Disclosures (IAS 24) to disclose material transactions with related parties. Related parties are entities or individuals who have the potential to control, indirectly control or significantly influence TfL or to be controlled, indirectly controlled or significantly influenced by TfL.

TfL is a statutory corporation established by section 154 of the GLA Act 1999. It is a functional body of the Greater London Authority and is controlled by the Mayor of London. TfL is classified as a government entity in accordance with IAS 24, as it is controlled by the GLA, through the Mayor. The GLA and its other functional bodies are considered to be related parties of TfL and its subsidiaries, as they are all under the control of the Mayor. Other related parties include TfL's Board Members, members of the TfL Executive Committee (including the Commissioner, Chief Officers and General Counsel), the Mayor of London and the TfL Pension Fund. In addition, central Government has the potential to influence TfL by providing the statutory framework within which TfL operates and through the provision of funding in the form of grants and borrowing facilities.

Disclosure of related party transactions allows readers to assess the extent to which the Corporation might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with it.

GLA and functional bodies

Details of amounts received from the Business Rates Retention, and the Council Tax precept paid to TfL by the GLA are shown in note 10.

During 2023/24 TfL had the following other transactions with the GLA and functional bodies:

	Total income during the year £m	Total expenditure during the year £m	Outstanding balance at 31 March 2024 £m
GLA	15.1	(2.5)	8.6
Mayor's Office for Policing and Crime (MOPAC)	0.4	(108.5)	(19.3)
London Legacy Development Corporation (LLDC)	0.9	-	-

Board Members and Officers

Board Members, the Mayor of London, and key management (including the Commissioner and the TfL Executive Committee), are required to complete a declaration regarding any related party transactions. During the year, none of the Corporation Board, key management personnel or parties related to them have undertaken any transactions with the Corporation or its subsidiaries (2022/23 none). Details of the remuneration of the Commissioner and all employees earning a base salary of £150,000 or more are disclosed in the Remuneration Report (see note 6).

TfL Pension Fund

The Accounts of the TfL Pension Fund are prepared separately and are subject to a separate audit opinion. Contributions payable to the TfL Pension Fund by TfL as employer are disclosed in note 34.

Central Government

During 2023/24, the DfT contributed grant funding to TfL totalling £998.3m (2022/23 £942.6m) under a series of Extraordinary Funding and Financing Agreements.

In the year to 31 March 2024, the GLA paid grants totalling £nil to TfL in relation to the Crossrail project (2023 £271m). And as at 31 March 2024 £680m of the Crossrail loan facility provided by the DfT in relation to the Crossrail project remained drawn down (2023 £715m).

Other public bodies

TfL provides financial assistance to London Boroughs to support Borough schemes that improve the local travelling environment. Financial assistance provided is disclosed in note 40.

TfL receives income from the London Boroughs for the provision of free travel for older and disabled customers, and students. This income is set out in note 1.

TfL has borrowings outstanding from the PWLB and pays interest to PWLB in respect of those borrowings.

TfL makes payments to the British Transport Police for the provision of policing services on the Underground and London Overground and other overground railways.

TfL makes payments to the Metropolitan Police Service for policing services provided by the Safer Transport Command.

Transactions between the Corporation and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Notes to the Financial Statements
42. Trust Funds

The Corporation acts as the sole trustee for the TfL Healthcare Trust, a trust established for the purpose of providing certain benefits relating to medical treatment for eligible employees of the Group and their family members. The Trust is administered by AXA PPP Healthcare Administration Services Limited, an independent third party. Under the terms of the Trust deed the funds held by the Trust do not represent the assets of the Corporation or its subsidiaries. Hence the Trust has not been consolidated into these financial statements.

	Income £m	Expenditure £m	Assets £m	Liabilities £m
At 31 March 2024				
TfL Healthcare Trust	-	-	-	-
At 31 March 2023				
TfL Healthcare Trust	1.2	(3.8)	2.5	-

Notes to the Financial Statements
43. Restatement of prior period

As part of the development of London Underground and the Elizabeth line, a number of railway property assets were created (e.g. stations). A number of these property assets attract development potential. As a result, the Group entered into lease agreements as the lessor with various development tenants in relation to the station development assets granting the development tenants a long-term lease over the sites (excluding railway assets).

During the period, the Group revisited the classification of a number of its long-term leases and identified the following leases with start dates in the 2018/19 to 2022/23 financial years:

- certain long-term leases were accounted for as operating leases but should have been accounted for as finance leases as the Group has transferred to the lessee substantially all the risks and rewards incidental to ownership of the underlying asset. This resulted in an overstatement in investment properties and a corresponding understatement of the finance lease receivables
- certain property sites were previously accounted for as finance leases but should have been accounted for as operating leases as the Group had not transferred to the lessee substantially all the risk and rewards incidental to ownership of the underlying asset. This resulted in an overstatement on the gain on disposal and a corresponding understatement in deferred income in respect of the lease premium received

The prior period comparatives have been restated to reflect the impact of the above items.

The effect of the above restatements on the Group's and Corporation's prior period Other Comprehensive Income and Expenditure Statement on the affected financial statement line items is as follows:

Notes to the Financial Statements

43. Restatement of prior period (continued)

Group Income and Expenditure Statement (extract)

	Note	At 31 March 2023 as previously reported	Profit increase	At 31 March restated
Central items not reported on a segmental basis	2	(1,457.6)	0.3	(1,457.3)
Financing and investment income	8	101.8	0.3	102.1
Subtotals:				
Surplus on the provision of services		101.7	0.6	102.3
Group surplus before tax		69.0	0.6	69.6
Group surplus after tax		73.8	0.6	74.4
Total comprehensive income and expenditure		5,209.2	0.6	5,209.8

Corporation Income and Expenditure Statement (extract)

	Note	At 31 March 2023 as previously reported £m	Profit increase £m	At 31 March restated £m
Gross service income	1	1,160.0	0.2	1,160.2
Financing and investment income	8	489.8	0.3	490.1
Subtotals:				
Deficit on the provision of services		(168.8)	0.5	(168.3)
Total comprehensive income and expenditure		4,870.9	0.5	4,871.4

The effect of the restatement on the Group's and Corporation's prior period Balance Sheet on the affected financial statement line items is as follows:

Group Balance Sheet (extract)

	Note	At 31 March 2023 as previously reported £m	Restatements £m	At 31 March restated £m
Assets				
Investment property	16	1,574.6	(1.2)	1,573.4
Finance lease receivables – long-term	20	9.1	15.4	24.5
Finance lease receivables - short term	20	5.2	0.2	5.4
Liabilities				
Creditors – long-term	26	(83.5)	(116.3)	(199.8)
Subtotals:				
Long-term assets		50,348.0	14.2	50,362.2
Current assets		2,238.1	0.2	2,238.3
Long-term liabilities		(14,930.4)	(116.3)	(15,046.7)
Net assets		34,356.7	(101.9)	34,254.8
Reserves				
Usable reserves		319.1	(116.3)	202.8
Unusable reserves	36	34,037.6	14.4	34,052.0
Total reserves		34,356.7	(101.9)	34,254.8

Notes to the Financial Statements

43. Restatement of prior period (continued)

Corporation Balance Sheet (extract)

	Note	At 31 March 2023 as previously reported £m	Restatements £m	At 31 March restated £m
Assets				
Finance lease receivables – long-term	20	-	13.0	13.0
Finance lease receivables – short-term	20	-	0.2	0.2
Liabilities				
Creditors – long-term	26	(51.3)	(116.3)	(167.6)
Subtotals:				
Long-term assets		31,993.3	13.0	32,006.3
Current assets		1,523.7	0.2	1,523.9
Long-term liabilities		(12,799.9)	(116.3)	(12,916.2)
Net assets		19,021.5	(103.1)	18,918.4
Reserves				
Usable reserves		319.1	(116.3)	202.8
Unusable reserves	36	18,702.4	13.2	18,715.6
Total reserves		19,021.5	(103.1)	18,918.4

The restatements did not have an impact on the Group's and Corporation's Statement of Cashflows.

44. Events after the Balance Sheet date

Management do not consider that there has been any post Balance Sheet event that would require either a disclosure or an adjustment being made to the carrying values at 31 March 2024 as reported in these financial statements.

Annual Governance Statement

The CIPFA/SOLACE Delivering Good Governance in Local Government Framework (the Framework) requires local authorities, which includes TfL, to publish an Annual Governance Statement, and to be responsible for ensuring that:

- its business is conducted in accordance with all relevant laws and regulations;
- public money is safeguarded and properly accounted for; and
- resources are used economically, efficiently, and effectively to achieve agreed priorities which benefit local people.

As a functional body of the Greater London Authority (GLA), TfL is a signatory to the GLA Group Corporate Governance Framework Agreement (the Agreement), which was updated in March 2022. The Agreement is an overarching commitment in relation to the culture and individual behaviours of the GLA Group and contains specific corporate governance commitments. The Board agreed TfL has in place protocols and processes that address all the requirements of the Agreement.

TfL has approved and adopted a Code of Governance (the Code) which is consistent with the Framework and is published online at tfl.gov.uk. This statement explains how TfL complies with the Code and meets the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

TfL's governance framework has been in place since the year ended 31 March 2001 and remains in place at the date of approval of the 2023/24 Statement of Accounts. The key elements of the governance framework are set out below:

Key Elements of TfL's Governance Framework

Chair, Board, Committees and Panels	The Mayor appoints the Board and is the Chair. The Board provides leadership and determines and agrees TfL's strategic direction and oversees the performance of the Executive Committee to deliver the Mayor's Transport Strategy. The Budget, Business Plan and Capital Strategy set out how the Mayor's Transport Strategy will be delivered and are supported by TfL's Group and individual business area Scorecards. The Board's effectiveness is reviewed annually.
Decision Making	Standing Orders set out TfL's decision-making process and are regularly reviewed. The roles of Members and the executive are clearly defined. The Board, its Committees and Panels meet in public, and all decisions taken are published. The approval of Financial, Programme and Project, Procurement and Land Authority by the Commissioner and Chief Finance Officer is also reported to Committees along with any Mayoral Directions to TfL.
Audit and Assurance Committee	The Committee reviews the effectiveness of the system of internal controls, including the integrated assurance framework and considers fraud and risk management issues. It also reviews the Annual Accounts prior to submission to the Board and TfL's compliance with the UK Corporate Governance Code (where applicable). The Risk and Assurance Directorate and External Auditors support the work of the Committee.
Risk Management	TfL has an Enterprise Risk management system that sets out TfL's Enterprise and Strategic Risks, supported by local risk registers throughout TfL, which are monitored by the appropriate senior manager. The Audit and Assurance Committee oversees the implementation of the risk management system, with individual Committees and Panels reviewing each Enterprise Risk within their remit as per the 12-month rolling schedule. The Executive Committee also regularly reviews all the Enterprise Risks.
Scrutiny and Review	The Board, Committees and Panels each receive regular quarterly reports on TfL's performance. These reports cover: performance against the Scorecard; financial performance; customer and operational performance; safety, health and environment; and human resources. The Audit and Assurance Committee reviews TfL's overall audit and assurance arrangements.
The Commissioner and the Executive Committee	The Commissioner and Executive Committee are responsible for the delivery of day-to-day operations. The statutory Chief Finance Officer (TfL's appointed officer under section 127 of the GLA Act 1999) is responsible for safeguarding TfL's financial position. The postholder reports directly to TfL's managing Chief Finance Officer and, while not on the Executive Committee, plays an active part in TfL strategic decision making through involvement in all key decisions with a significant financial implication and has management responsibility to produce the Business Plan and statutory accounts. The General Counsel, along with the Commissioner, is responsible for ensuring compliance with the law and promoting good corporate governance and high standards of public conduct. The Director of Risk and Assurance comments annually on the effectiveness of the Code.

Applying the Framework Principles

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law: TfL's Code of Conduct for Members and staff reinforces a public service ethos and high standards of behaviour. It is supported by more detailed guidance, including TfL's whistleblowing procedures and guidance on conflicts of interest and through the Modern Slavery Statement. The General Counsel and Commissioner have specific responsibilities to ensure that TfL's decisions meet legal requirements. Inductions for new senior staff and the one new Member of the Board appointed in 2023/24 explicitly covered the importance of behaviours and ethical values. Declarations of interests for Members and the most senior staff are published on tfl.gov.uk and declared at meetings.

Principle B: Ensuring openness and comprehensive stakeholder engagement. TfL has a transparency strategy and publishes a substantial amount of information. It engages with stakeholders and partners through consultation and its work with London Councils and individual boroughs. It cooperates with appropriate organisations to ensure there is independent scrutiny of its financial and operational reporting processes. Board, Committee and Panel meetings are held in public and are routinely webcast contemporaneously on TfL's YouTube channel to further enhance transparency in decision making. TfL has an active social media presence including Facebook, X (formerly Twitter) and YouTube. Members of TfL's Youth Panel now attend meetings of the Board's two Panels to provide the perspective of young people.

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits. TfL meets this objective through its delivery of the Mayor's Transport Strategy, supported by its Vision and Values, Business Plan and the annual Scorecard process. The Business Plan and Scorecard measures flow through to team and individual staff objectives. The quarterly reports to the Board, Committees and Panels, as well as papers seeking authority for projects, provide commentary on how they support the objective of delivering the Mayor's Transport Strategy.

TfL's Vision and Values, launched in 2021, define TfL's purpose as "To move London forward safely, inclusively and sustainability" and its vision as "We'll be a strong, green heartbeat for London". In 2023, TfL launched "Our Strategy", which built on the Vision, purpose and Values, setting out how TfL would achieve its Vision and explaining how everything fitted together to do that. TfL has established five roadmaps to deliver the Vision and Values and these are reviewed annually. They guide planning and decision making, provide direction while maintaining flexibility for different areas of the business to develop their own plans to contribute and support frequent, open reporting on how we are doing. The roadmaps cover:

- Safety and Security – get everyone home safe and healthy, every day;
- Colleagues – be a great place to work for everyone to thrive;
- Customers – give people more reasons to choose sustainable travel;
- Finance – grow our income and control our costs; and
- Green – tackle the climate and ecological emergency

In 2023, TfL launched "Action on Inclusion" to support a more inclusive workforce. In 2024, TfL launched "Equity in Motion" which set out its plans for creating a fair, accessible and inclusive transport network.

Principle D: Determining the intervention necessary to achieve intended outcomes. The Quarterly Performance Report and other key quarterly reports submitted to Committees and Panels track TfL's activities in terms of key performance indicators and delivery of the Mayor's Transport Strategy. These also highlight remedial actions taken where slippage occurs. TfL's intervention in the governance of the Crossrail project in 2020, enabled the Elizabeth Line Delivery Group and Elizabeth Line Committee to drive the project forward, with the line opening on 24 May 2022, through running and Sunday services introduced on 6 November 2022 and the final integration of the railway on 21 May 2023. Following a period of monitoring performance and the close out of the Crossrail project, the Elizabeth Line Committee was stood down on 25 July 2023. TfL had previously given greater financial independence to its property subsidiary company, now named Places for London Limited, and established a Land and Property Committee to oversee and drive forward schemes that will deliver affordable housing for the Mayor and revenue for TfL. The governance of the Committee has been reviewed, with additional assurance and the Places for London management team is also supported by external experts. Following a review of its safety culture, further consideration is being given to enhancing the Board's role in the oversight of safety.

Principle E: Developing TfL's capacity, including the capability of its leadership and individuals within it. The structure of the Executive Committee and the roles and responsibilities of its members were refreshed in February 2022 and revised governance arrangements below this level have been reviewed and implemented. TfL undertakes a wide range of human resources activities to develop the capacity of its colleagues. Regular reports are submitted to the Safety, Sustainability and Human Resources Panel and the Remuneration Committee on this and key initiatives including the Our TfL Programme, leadership programme, succession planning and TfL's graduate and apprenticeship programmes. During the year, the Remuneration Committee reviewed and supported proposals in relation to resourcing at TfL, including the approach to reward. TfL's Vision and Values are also intended to develop capacity (see Principle C above). Board Members are developed through induction, briefings, and site visits. One new Board Member was appointed and inducted during the year.

Principle F: Managing risks and performance through strong internal control and financial management. TfL's Enterprise Risk management system sets out TfL's main strategic risks and mitigations, with more detailed risk registers held throughout TfL. Following a review with the Board and the Executive Committee in May 2022, the Enterprise Risks were updated and the Enterprise Risk Management Framework was changed to reflect TfL's Vision and Values roadmaps. A 12-month rolling schedule of reviews for the Level 0 Enterprise Risks was established, with risks reviewed and updates provided to the Executive Committee and the relevant Committees and Panels. The Audit

and Assurance Committee maintains overall responsibility for scrutinising TfL's approach to risk and receives reports to each meeting and reports on this to the Board. The Finance Committee scrutinises TfL's financial performance and reports on this to the Board. It monitors the effectiveness of rigorous cost control and scrutiny measures introduced because of the impact of the coronavirus pandemic on TfL's funding and saw TfL make an operational surplus for the first time in its history at financial year end 2024. TfL has also continued to embed the TfL Health, Safety and Environment Management System and has continuous improvement plans in place to enhance the system and strengthen the maturity of compliance.

Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability. TfL follows the Government Communication Service guidance on providing clear and accurate information. It has a published transparency strategy and has developed its website and the format of its reports to improve transparency and accessibility. Minutes of meetings, key decisions taken outside of meetings, the registers of Members and the most senior staff's interests and acceptance of gifts and hospitality, along with details of contracts awarded over £5,000 are published on tfl.gov.uk.

Review of Effectiveness

TfL conducts, at least annually, a review of the effectiveness of its governance framework including the system of internal control, which is reported to the Audit and Assurance Committee. There was also an annual Board Effectiveness Review in 2023 led by an external specialist and reported to the Board in October 2023.

TfL continually reviews the effectiveness of its governance arrangements, including all aspects of TfL's operations including its relationships with its group entities. The Risk and Assurance Annual Report and Assurance Statement includes the opinion of the Head of Internal Audit on the overall framework of TfL's governance, risk management and internal control in the year. The opinion for the year ending 31 March 2024 concluded that the overall framework of TfL's governance, risk management and internal control is generally adequate for TfL's business needs and operated in an effective manner. The opinion did highlight three issues to be addressed following audits: insider threats are a significant risk and this spans new and existing employees, non-permanent labour and consultants; weaknesses in the controls around the provision of labour contracts; and gaps in audit trails and supporting documentation and an inconsistent approach to record keeping, particularly in relation to records management for procurement and contracts. The audit of the safety complaints process also found that, while safety complaints were taken seriously, there were inconsistencies at an operational level in how processes were carried out. Processes to manage and handle safety complaints were not always aligned with the requirements of the safety complaints procedure. Audit recommendations have been agreed and are being implemented to address each of these issue.

The significant impact of the coronavirus pandemic on TfL's operational activities and its finances continues to be felt. A 19-month funding settlement was agreed with Government on 30 August 2022 and lasted until to 31 March 2024 and a subsequent capital funding settlement is now in place. Discussions are ongoing in relation to securing long-term capital funding to enable TfL to plan effectively.

Conclusion

TfL is satisfied that appropriate governance arrangements are in place. It recognises that there is always more that can be done and remains committed to maintaining and where possible improving these arrangements. The key ways of doing this are:

- keeping its governance arrangements under continuous review, including through the Board Effectiveness Review;
- addressing issues identified by Internal Audit as requiring improvement;
- reviewing and enhancing performance reporting to focus on key risks and areas for improvement; and
- listening to feedback from key stakeholders

SIGNATURE

Sadiq Khan
Chair of TfL
XX September 2024

SIGNATURE

Andy Lord
Commissioner
XX September 2024

TfL Board members

The Mayor appoints members for their skills, knowledge and experience relating to TfL's activities. The Board is independent of the executive

Sadiq Khan
Chair

Seb Dance
Deputy Chair

Heidi Alexander

Kay Carberry CBE

Professor Greg Clark CBE

Cllr 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 FEI

Dr Lynn Sloman MBE

Ben Story**

Peter Strachan

Cllr Kieron Williams***

* Cllr Garrod appointed from 3 November 2023

** Ben Story left the Board on 29 September 2023

*** Cllr Kieron Williams left the Board on 13 October 2023

Membership of TfL committees and panels

Audit and Assurance Committee

Mark Phillips
Chair

Anurag Gupta
Vice Chair

Kay Carberry CBE

Cllr Ross Garrod*

Dr Mee Ling Ng OBE

Elizabeth line Committee (disbanded 25 July 2023 following the opening of the end-to-end railway)

Heidi Alexander
Chair

Anne McMeel
Vice Chair

Seb Dance

Dr Nelson Ogunshakin OBE

Mark Phillips

* Cllr Garrod appointed from 13 December 2023

Finance Committee

Anne McMeel
Chair

Anurag Gupta*
Vice Chair

Prof Greg Clark CBE

Seb Dance

Dr Nina Skorupska CBE FEI

Ben Story**

Land and Property Committee

Prof Greg Clark CBE
Chair

Dr Nina Skorupska CBE FEI
Vice Chair

Seb Dance

Anurag Gupta***

Anne McMeel

Marie Pye****

Ben Story**

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* Anurag Gupta appointed Vice Chair from 30 September 2023

** Ben Story left the Board on 29 September 2023 and was Vice Chair of the Finance Committee until that date

*** Anurag Gupta appointed from 8 June 2023

**** Marie Pye appointed from 26 July 2023

Programmes and Investment Committee

Dr Nelson Ogunshakin OBE*
Chair

Peter Strachan**
Vice Chair

Seb Dance

Mark Phillips***

Dr Lynn Sloman MBE

Ben Story****

Cllr Kieron Williams*****

Remuneration Committee

Kay Carberry CBE
Chair

Peter Strachan
Vice Chair

Seb Dance

Dr Nelson Ogunshakin OBE

* Dr Nelson Ogunshakin OBE was Vice Chair until appointed Chair from 30 September 2023

** Peter Strachan was appointed appointed Vice Chair from 30 September 2023

*** Mark Phillips was appointed from 26 July 2023

**** Ben Story left the Board on 29 September 2023 and was Chair until he left

***** Cllr Kieron Williams left the Board on 13 October 2023

Customer Service and Operational Performance Panel

Dr Mee Ling Ng OBE
Chair

Marie Pye
Vice Chair

Cllr Ross Garrod*

Bronwen Handyside

Anne McMeel

Dr Lynn Sloman MBE

Peter Strachan

Cllr Kieron Williams**

Safety, Sustainability and Human Resources Panel

Dr Lynn Sloman MBE
Chair

Dr Nina Skorupska CBE FEI
Vice Chair

Kay Carberry CBE

Bronwen Handyside

Dr Mee Ling Ng OBE

Mark Phillips

Marie Pye

Rail user representatives***

Professor Greg Clark CBE
(South of London)

Peter Strachan
(North of London)

* Appointed from 13 December 2023

** Member until he left the Board on 13 October 2023

*** The rail users represent the interests of those living, working and studying in areas outside Greater London who use railway services operated by TfL.

TfL Board and committee member remuneration

Current Board Member	For the year ended 31 March 2024 (£)
Sadiq Khan	Not remunerated by TfL
Seb Dance	Not remunerated by TfL
Heidi Alexander	19,000
Kay Carberry CBE	20,000
Professor Greg Clark CBE	20,000
Anurag Gupta[1]	18,818
Bronwen Handyside	18,000
Anne McMeel	20,000
Dr Mee Ling Ng OBE	20,000
Dr Nelson Ogunshakin OBE[2]	19,000
Mark Phillips[3]	20,000
Marie Pye[4]	18,682
Councillor Ross Garrod[5]	7,124
Dr Nina Skorpuska CBE FEI	19,000
Dr Lynn Sloman MBE	20,000
Peter Strachan	20,000
Members who left in 2023/24	
Ben Story[6]	10,000
Councillor Kieron Williams[7]	9,333

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Non-voting meeting attendees: Board – Government observers	For the year ended 31 March 2024 (£)
John Hall (Strategic Special Representative)	Not remunerated by TfL
Becky Wood (Technical Special Representative) (until 2 June 2023)	Not remunerated by TfL
David Coles (DfT Observer) (from 26 July 2023)	Not remunerated by TfL

Non-voting meeting attendees: Elizabeth Line Committee (until 26 July 2023)	For the year ended 31 March 2024 (£)
Sarah Atkins	5,079
Matt Lodge (Government observer)	Not remunerated by TfL

Non-voting meeting attendees: Finance Committee – Government observers	For the year ended 31 March 2024 (£)
Becky Wood (Technical Special Representative) (until 2 June 2023)	Not remunerated by TfL
John Hall (Strategic Special Representative) (from 26 July 2023)	Not remunerated by TfL

Non-voting meeting attendees: Programmes and Investment Committee – Government observers	For the year ended 31 March 2024 (£)
Becky Wood (Technical Special Representative) (until 2 June 2023)	Not remunerated by TfL
David Coles (DfT Observer) (from 26 July 2023)	Not remunerated by TfL

1 Anurag Gupta was appointed to the Land and Property Committee from 8 June 2023

2 Dr Nelson Ogunshakin OBE was appointed Chair of the Programmes and Investment Committee from 30 September 2023

3 Mark Phillips was appointed to the Programmes and Investment Committee from 26 July 2023

4 Marie Pye was appointed to the Land and Property Committee from 26 July 2023

5 Councillor Ross Garrod was appointed to the Board from 3 November 2023

6 Ben Story left the Board on 29 September 2023

7 Councillor Kieron Williams left the Board on 13 October 2023

TfL members attendance 2023/24[1]

Member	Board (6)	Audit and Assurance Committee (4)	Customer Service and Operational Performance Panel (4)	Elizabeth line Committee (2)	Finance Committee (5)[2]	Land and Property Committee (4)	Programmes and Investment Committee (5)	Remuneration Committee (3)	Safety, Sustainability and Human Resources Panel (4)
Sadiq Khan	6	–	–	–	–	–	–	–	–
Seb Dance	6	–	–	2	5	2	5	2	–
Heidi Alexander	6	–	–	1	–	–	–	–	–
Kay Carberry CBE	6	4	–	–	–	–	–	3	4
Professor Greg Clark CBE	5	–	–	–	3	4	–	–	–
Councillor Ross Garrod	–	0 (1)	0 (1)	–	–	–	–		–
Anurag Gupta	6	4	–	–	5	4	–	–	–
Bronwen Handyside[3]	1	–	0	–	–	–	–	–	0
Anne McMeel	6	–	4	2	5	4	–	–	–
Dr Mee Ling Ng OBE	6	4	4	–	–	–	–	–	4
Dr Nelson Ogunshakin OBE	5	–	–	0	–	–	3	1	–
Marie Pye	6	–	4	–	–	3 (3)	–	–	4
Mark Phillips	6	4	–	2	–	–	3(3)	–	3
Dr Nina Skorupska CBE FEI	5	–	–	–	5	3	–	–	2
Dr Lynn Sloman MBE	5	–	4	–	–	–	4	–	3
Ben Story[4]	1 (2)	–	–	–	1 (1)	1(2)	2 (2)	–	–
Peter Strachan	4	–	3	–	–	–	5	2	–
Councillor Kieron Williams[5]	1 (2)	–	1 (2)	–	–	–	1 (3)	–	–

1 Number of total meetings includes those held entirely online, but live streamed for the public. Member attendance includes virtual attendance

2 Includes an additional meeting held on 22 December 2023, called with less than five clear days' notice, which impacted Member availability

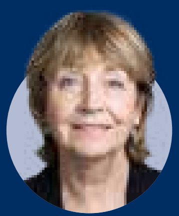
3 Bronwen Handyside's attendance was impacted due to ill-health

4 Ben Story left the Board on 29 September 2023

5 Cllr Williams left the Board on 13 October 2023

Remuneration report 2023/24

Fairly rewarding our colleagues and people



Kay Carberry CBE
Chair, TfL Remuneration Committee

'TfL must have a pay policy that is competitive with peers, while at the same time keeping a firm eye on salary levels to ensure they remain appropriate'

Rewarding our colleagues is essential to attract and retain talented people

SIGNATURE TO BE ADDED

Kay Carberry CBE
Chair, TfL Remuneration Committee

People are at the core of everything TfL does. As Chair of the Remuneration Committee, my role is to ensure that TfL has a remuneration policy that enables it to attract and retain people with the right level of skill and experience to lead the organisation through the many challenges and opportunities that it faces. It is also right that senior salaries offer value for money and are benchmarked fairly and consistently.

While the job market appears to be slowing slightly, there are still significantly more job vacancies than there were before the pandemic and competition remains high. This is particularly the case for specialist roles, including in sustainability and in technology and data. In this context, it is even more important that TfL has the right remuneration policy.

TfL has made great progress on recovering its finances that were decimated by the pandemic, and met its target this year of being financially sustainable in terms of its day-to-day operations, with Government support only being required for capital investment.

We approved revised performance award schemes for the financial years 2021/22 and 2022/23, which reflected the need for TfL to ensure that it could sustain a fair reward package and retain talent at such a vital time, while working to reach financial self-sufficiency. Payment of any awards relating to those years was subject to TfL running its operations free of extraordinary Government funding for revenue support in 2023/24. Meeting this target means that it was possible for the performance awards for 2021/22 and 2022/23 to be reintroduced, rewarding colleagues for their hard work and commitment over that period and ensuring we can retain talent in a competitive market.

> 'My role is to ensure that TfL has a remuneration policy that enables it to attract and retain people with the right level of skill and experience to lead the organisation'

Due to the exceptional circumstances of performance awards covering these two years being paid out within this financial year, the number of colleagues receiving total remuneration of more than £100,000 in 2023/24 rose.

TfL is a large and complex organisation that delivers the capital's vital public transport network, and its people are at the heart of making it a success. Through the skills and hard work of our people, we are focused on delivering a safe, efficient and reliable service to make using transport in London a good experience.

As a Committee, this means setting a policy that is competitive on pay with our peers, while at the same time keeping a firm eye on salary levels to ensure they remain appropriate. In doing so, we can attract and retain motivated, energised, and talented people who will guarantee the future success of the organisation.

Governance

Remuneration Committee members

Kay Carberry CBE
Chair

Peter Strachan
Vice Chair

Seb Dance

Dr Nelson Ogunshakin OBE

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Role and responsibilities

Our remuneration policy is set by our Remuneration Committee to attract, motivate and retain high-calibre, suitably qualified people to successfully manage our large and complex business. The Committee considers the need to remunerate at a competitive level compared with the external market and peer organisations while also, in a fair and reasonable manner, rewarding them for their individual contributions to our long-term success, without paying them more than is appropriate.

The Committee's full terms of reference are published on our website. These essentially involve keeping an overview of our reward and remuneration policies and the arrangements for talent management and succession planning. From time to time, the Committee will review and set the remuneration of the Commissioner, chief officers and other direct reports of the Commissioner. The Committee also helps review the remuneration strategies for the entire senior manager group, particularly regarding performance-related pay.

Committee meetings

The Committee met on 12 June 2023, 9 November 2023 and 29 February 2024.

Committee activities

In November 2021, the Committee agreed the reintroduction of performance award schemes for the 2021/22 and 2022/23 performance years, with the addition of a financial overlay trigger, which was the approval of the 2023/24 Budget demonstrating how we achieve financial sustainability. At the meeting on 12 June 2023, the Committee noted the business performance results as measured by the TfL and delivery business scorecards for the year ended 31 March 2023 and agreed that the financial overlay trigger had been met. Therefore the payment of performance awards for 2021/22 and 2022/23 was made during 2023/24.

The Committee endorsed the proposal to operate performance award schemes across all levels for the 2023/24 performance year and agreed that it would include the continuation of a financial criterion. The financial criterion for 2023/24 was to achieve an operating surplus without government base funding and would also apply to the performance award schemes operated for other employees.

At the November meeting the Committee noted a new and updated benchmarking report and that the unique nature of TfL's role and governance arrangements meant there were no direct comparators, so benchmarking was against a broad range of organisations.

As with previous benchmarking exercises, all of TfL's chief officer roles were shown to be below the benchmarked medians, and this was further entrenched when total compensation packages were included.

The Committee noted that officers were attracted to TfL for a variety of reasons but that continued or widening pay disparity did impact TfL's ability to retain and attract the best talent. The impact of below median chief officer remuneration also compressed remuneration throughout the organisation.

While considering resourcing at TfL, the Committee noted the update on how TfL was addressing its green, digital and leadership skills challenges through its strategic workforce planning activities.

A review of roles that are critical and hard to fill took place at the end of October, which identified 250 unique roles through a succession planning exercise to help ensure a talent pipeline was being developed. Technology and Data would have its own strategic workforce plan owing to the challenges in filling specialist roles given market rates, and this would be submitted to a future meeting.

The Committee noted that leaver surveys identified a key reason for leaving TfL was a lack of career opportunities. The Committee would receive updates on succession planning and the Reward Strategy at future meetings.

Throughout the year, the Committee has been responsible for approving salaries of £100,000 or more for any new appointments, including the package for the Commissioner's appointment in June 2023.

Policy

Board remuneration
Board members receive a basic fee of £16,000 per annum. Additional fees are paid for each appointment to a committee or panel, up to a maximum total remuneration of £20,000 per annum.

The additional fees are paid at the rate of £1,000 per annum as a member and £2,000 per annum as the Chair of a committee or panel. Members are also entitled to receive free travel on the TfL transport network. No allowances are paid to members.

Any expenses claimed by members, in relation to fulfilling their role as a TfL board member, are published on the board members' page of our website, along with details of any gifts or hospitality received.

The remuneration for each member for the year ended 31 March 2024 is shown on page XX. No fee is paid to the Chair or Deputy Chair of TfL.

General remuneration
Our general policy is to provide remuneration that attracts, retains and motivates individuals of the right calibre to manage a large and complex organisation. Remuneration packages reflect responsibilities, experience, performance and the market from which we recruit.

The reward structure that has been developed is commensurate with this policy. It includes a base salary and a performance award scheme against the achievement of a range of safety, operational, customer, people, delivery and financial targets.

The main objective of the remuneration policy is to ensure that reward is based on performance, to drive delivery while ensuring that the overall reward package is affordable.

Executive remuneration
The base pay and the total remuneration of the Commissioner, chief officers and other direct reports of the Commissioner is set by the Remuneration Committee, which uses external benchmarking and other comparative information to determine remuneration. This is broken down into the following components.

The remuneration received by the Commissioner and chief officers for 2023/24 is shown in Note 6 of the Statement of Accounts.

Component	Purpose	Operation	Maximum
Base pay	To reflect the individual's role, experience and contribution. This is set at a level to attract and retain individuals of the calibre required to lead a business of our size and complexity.	The following factors are taken into account: • Remuneration benchmark information from a specific peer group to identify a market median range of base pay, which reflects what TfL's Commissioner and chief officers would receive if they were to work in a similar role in another company of similar size, complexity and scope • The scope and responsibility of the role • The individual's skill, experience and performance against targets • Affordability for us	There is no prescribed maximum salary. Any increases to base pay for the Commissioner, chief officers and directors will be reviewed on an annual basis subject to Remuneration Committee approval.
Performance-related pay	To incentivise delivery of stretching one-year key performance targets (both individual and collective) as measured through individual performance rating and scorecard results.	Performance awards are calculated using a matrix, which sets out the percentage performance award an employee will receive based on a combination of the scorecard result and their individual performance rating. Depending on the business area that the employee works in, either TfL's scorecard alone or a combination of TfL's scorecard and the divisional scorecard sets the budget available for performance awards. An employee's contribution, in the form of a personal performance rating, determines the percentage performance award received from the available budget using a multiplier approach. Awards are paid in the following financial year.	The maximum award for the Commissioner is 50 per cent of base pay. The maximum award for chief officers is 30 per cent of base pay.

Component	Purpose	Operation	Maximum
Benefits	To provide a competitive total reward package that supports attraction, retention and motivation.	The Commissioner and chief officers receive the same core benefits as all our other employees. The only enhancements are full family cover for private medical benefit and an annual health assessment, which is available to all TfL directors. Membership of the TfL Pension Fund, a 'defined benefit' scheme that provides for a pension payable from age 65, based on 1/60th of pensionable salary for each year of service or, if invited and eligible, similar benefits provided on an unfunded basis. Some legacy arrangements apply for certain employees whereby an employer contribution of 10 per cent of salary is paid to either a defined contribution arrangement or as cash supplement at a discounted amount.	Pensionable salary is capped at: • £181,800 from 6 April 2022 to 5 April 2023 • £205,200 from 6 April 2023 to 5 April 2024 for members who joined after 31 May 1989

Performance-related pay
Performance awards are a critical component of TfL's total remuneration proposition for senior management supporting TfL's ability to attract and retain talent within the business.

TfL's performance award schemes have an important role to play in delivering high performance across TfL. Through the direct relationship with business performance (as captured in our scorecards) the schemes serve to highlight the main priorities in delivering the Mayor's Transport Strategy and unify senior management in delivering our critical goals. They also ensure that reward is only delivered that is commensurate with the level of success achieved and therefore provide a fair and value for money approach to reward.

For the 2023/24 performance year, the schemes continued to operate with a revised financial criterion, which was to achieve operating breakeven without the support of Government base funding. This was a metric on the TfL scorecard for 2023/24 and needed to be achieved before any individual awards can be made.

Severance policy
Most employees who leave owing to redundancy do so under our voluntary severance arrangements. These terms may include the following, dependent on circumstances:

- A number of weeks of pay based on length of service, age and weekly pay
- Notice period that an employee may work or receive as a payment in lieu of notice
- Enhanced pension provision

There are minimum service requirements for some of these terms and some elements vary if employees volunteer to leave early during organisational change. There are also some variations to these terms, which have been agreed as local arrangements for the small number of employees who are members of the Local Government and Principal Civil Service Pension Schemes.

Following the Dawn Jarvis report (published on 12 February 2019), which was commissioned by the Mayor to review termination clauses and payments for senior employees across the GLA Group, the Remuneration Committee has oversight of any proposed exit payments for the Commissioner, chief officers and other senior directors reporting to the Commissioner.

The Committee will also consider any exit payment outside the standard redundancy terms, and which exceeds £100,000, excluding notice periods, which are contractual.

In non-redundancy situations, we may enter into severance arrangements where it is in the interests of the organisation and represents value for money. All such arrangements are considered on a case-by-case basis. In non-redundancy situations, we may enter into severance arrangements where it is in the interests of the organisation and represents value for money. All such arrangements are considered on a case-by-case basis.

Remuneration

Benchmarking of senior executives' pay
The Remuneration Committee uses data from remuneration consultants to benchmark the remuneration for the Commissioner and chief officers. Following a procurement process, Willis Towers Watson (WTW) was appointed as the new supplier for senior executive benchmarking until 2026.

Benchmarking uses two separate peer groups with the first made up of private sector companies that are comparable in terms of scale, complexity and sector. The data is mainly derived from WTW's UK compensation survey data; a survey peer group which comprises 311 organisations focusing on the transport, construction, engineering, energy and utilities industries. This provides a broad cross-section of the UK private sector market.

The second peer group is solely from publicly accountable organisations, which comprises 23 UK organisations deemed to have some degree of public accountability.

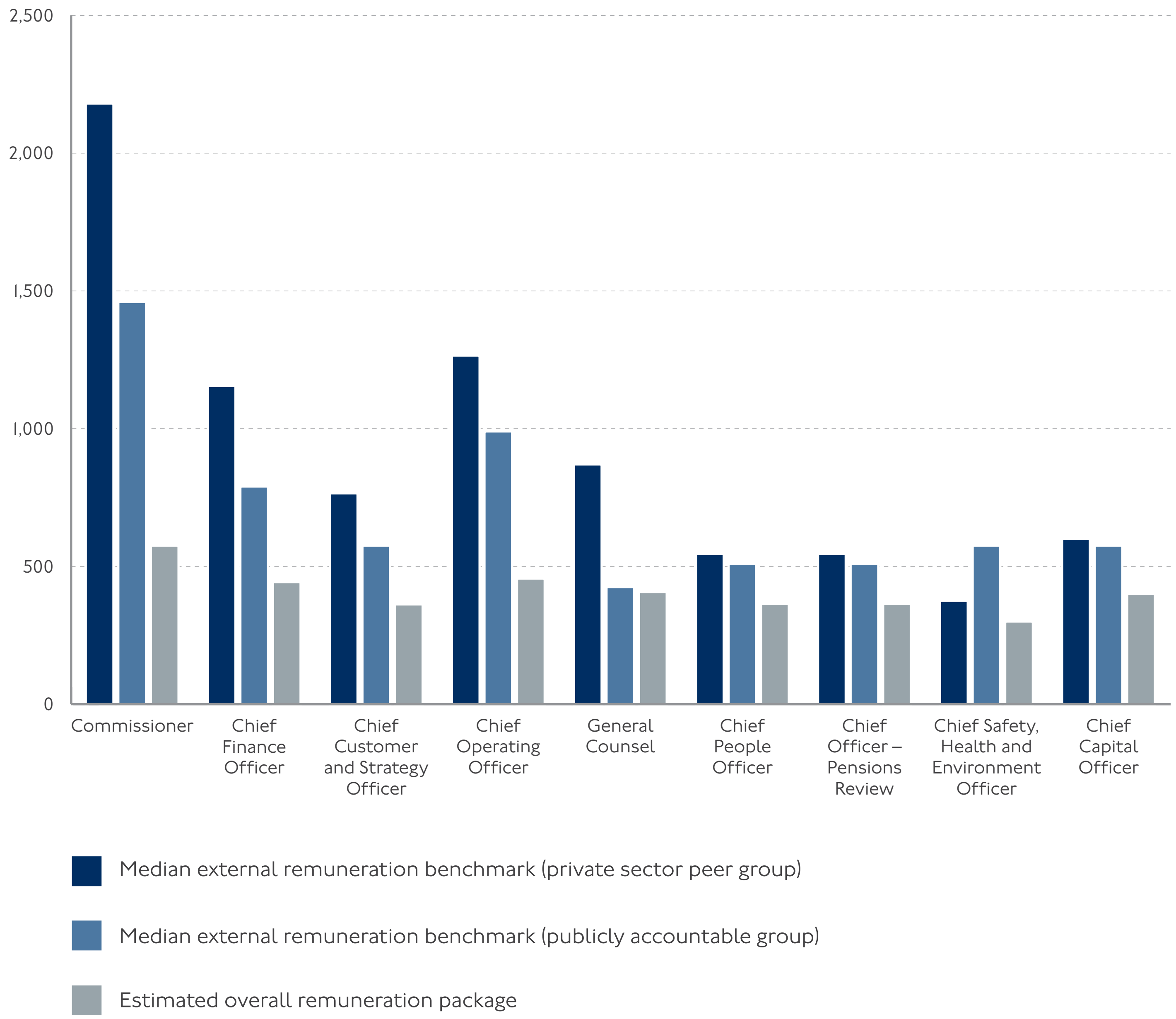
Each role is benchmarked against its respective counterparts in comparator organisations, with the scope of each role matched using WTW's global grading system and our internal Hay job evaluation scores.

Estimated overall remuneration for each role includes the base salary and estimates of performance-related pay and pension provision.

Performance-related pay has been based on the relevant budget at a scorecard result of 75, and the value of the pension provision is based on standard actuarial assumptions. The value of the estimated overall remuneration package will therefore be different to the actual remuneration paid.

The benchmarking has shown that the base salaries and comparable remuneration for the Commissioner and chief officers are significantly below the market level.

Benchmarking of remuneration for Commissioner and chief officers (£000s)



Commissioner remuneration ratio

In total remuneration terms, the Commissioner earns 8.2 times that of the median employee, excluding Crossrail. The ratio has increased in 2023/24 as no performance awards were paid across the organisation in 2022/23.

	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2021/22	8.5:1	6.3:1	5.5:1
2022/23	8.1:1	5.9:1	5.5:1
2023/24	10.9:1	8.2:1	7.2:1

The Commissioner's base salary in 2023/24 was £395,000 (appointed on 7 June 2023). This compares with the median base salary of £60,705 and the lowest base salary, excluding apprentices, of £22,000.

Our people are at the core of everything the organisation does

Total remuneration of more than £100,000
Total remuneration includes salaries, fees, performance-related pay, benefits in kind, lump sums and termination payments, but excludes pension contributions paid by the employer.

The figures for 2023/24 were impacted by the TfL pay award, the timing of the payment of performance awards for 2021/22 and 2022/23 and back dated holiday payments causing an increase in the numbers, which we expect to reduce next year.

This was the final year of a two-year pay deal and eligible colleagues received an increase of 4.4 per cent. In January 2024, the Mayor provided funding for, an improved pay offer for London Underground colleagues for the 2023/24 year. Our reward strategy has aimed to bring pay settlements for both operational and non-operational colleagues closer together. Therefore, the same pay deal was also offered to non-operational colleagues for 2023/24, which was accepted.

The London Underground and TfL pay deals for 2023/24 consisted of a five per cent increase in base pay plus a £1,000 consolidated payment, with further consolidated payments for our lowest earners.

Owing to the timing of the agreement, the full impact of the pay awards is not reflected in these figures. Back-dated payments will be made in early 2024/25 to London Underground and TfL colleagues, which will impact next year's remuneration figures.

Number of employees who earned total remuneration of more than £100,000 in the year

	2023/24	2022/23
Base salary of £100,000 or more	345	232
Base salary below £100,000	360	206
Voluntary severance payments taking earnings over £100,000	10	16
Level of overtime worked taking earnings over £100,000	585	275
Total TfL	**1,300**	**729**
Crossrail	19	37
Total (including Crossrail)	**1,319**	**766**

In the years since 2016, inflation and salaries in the external market have risen more significantly than budgets provided within TfL, with record levels of inflation in 2022 and 2023 while the £100,000 threshold has remained static. In 2016, there were 188 employees on a base salary of more than £100,000. This has now risen to 363. Had the threshold set in 2016 risen in line with the February Retail Price Index (RPI) each year, the equivalent value would now be £146,558, with 39 employees on a higher salary than this. Had it risen in line with the February Consumer Price Index (CPI) it would be £132,522, with 74 employees above this level.

In comparison, if we applied the annual pay review budgets awarded to the senior manager population over the same time this figure would now be £112,230, with 128 employees above this.

Performance awards were paid during 2023/24, for the schemes in operation for 2021/22 and 2022/23. These were exceptional circumstances and contributed to the increase in the number of people who earned more than £100,000.

The number of people whose base salary was less than £100,000 but the overtime they earned took their total remuneration over the threshold increased by 310. Many of these people are specialist engineers working overnight and at weekends to repair and maintain tracks and trains on the Tube network and installing new signalling on the Circle, District, Hammersmith & City and Metropolitan lines. In addition, under the Working Time Regulations, this requires regular overtime pay to be included in the calculation of holiday pay. As a result, we reached an agreement with our trade union colleagues to pay two years back-pay, which was processed during 2023/24 and has contributed to the increase in overall pay of these affected staff.

There were 10 people, compared with 16 in 2022/23, who were on a base salary of less than £100,000 per year and received a one-off voluntary severance payment that took their total remuneration above this threshold. This is largely due to people leaving as part of our transformation programme, which is reducing management layers and eliminating duplication to improve efficiency and deliver recurring savings.

Appendix 1

Representation of equalities groups at different pay levels as at 31 March 2024, excluding Crossrail and our apprentices (this is not subject to audit)

	Less than £30,000		£30,001 to £40,000		£40,001 to £50,000		£50,001 to £60,000		£60,001 to £70,000		£70,001 to £80,000		£80,001 to £90,000		£90,001 to £100,000		More than £100,000	
	Number	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**	**Number**	**%**
Gender																		
Female	276	41	1,155	41	1,839	33	1,012	28	1,468	19	577	18	228	15	59	13	105	29
Male	394	59	1,643	59	3,713	67	2,606	72	6,461	81	2,679	82	1,320	85	398	87	258	71
Total	**670**		**2,798**		**5,552**		**3,618**		**7,929**		**3,256**		**1,548**		**457**		**363**	
Ethnicity																		
Black, Asian and minority ethnic	243	36	1,111	40	2,561	46	1,181	33	2,961	37	871	27	353	23	85	19	41	11
White	240	36	1,036	37	1,987	36	2,070	57	4,008	51	2,028	62	1,039	67	328	72	298	82
Not stated	187	28	651	23	1,004	18	367	10	960	12	357	11	156	10	44	9	24	7
Total	**670**		**2,798**		**5,552**		**3,618**		**7,929**		**3,256**		**1,548**		**457**		**363**	
Disability status																		
Disabled	40	6	137	5	239	4	114	3	225	3	112	3	55	4	16	4	21	6
No disability	371	55	1,627	58	3,716	67	2,411	67	5,082	64	2,026	62	842	54	285	62	264	73
Not stated	259	39	1,034	37	1,597	29	1,093	30	2,622	33	1,118	34	651	42	156	34	78	21
Total	**670**		**2,798**		**5,552**		**3,618**		**7,929**		**3,256**		**1,548**		**457**		**363**	

Appendix 2

Trade union facility time (not subject to audit)

The Trade Union (Facility Time Publication Requirements) Regulations 2017 mean we must collate and publish a range of data on the amount and cost of trade union facility time within the organisation each year. Facility time is the provision of paid or unpaid time off from an employee's normal role for trade union duties and activities as a union representative.

The trade unions represented in our organisation are:

- ASLEF
- PCS
- Prospect
- RMT
- TSSA
- UNISON
- Unite

799

members of staff elected as union representatives as at 31 March 2024 (881 as at 31 March 2023)

Working hours spent on facility (number of employees)

Percentage of time	Number of employees
0	-
1-50	757
51-99	7
100	35
Total	**799**

At any time we have a number of vacancies for Trade Union representatives, as such the number of representatives will be a snapshot.

We allow representatives paid time off for union duties and meeting these costs represents 0.36 per cent of our total wage bill.

	2023/24	2022/23
Total cost of facility time (£m)	7.9	8.0
Total remuneration costs for all TfL employees (£m)	2,155.6	2,275.6
Percentage of pay bill spent on facility time (%)	0.36	0.35

We do not provide paid time off for representatives to carry out union activities. The above approach to paid time off, and the number of representatives for our 28,000 employees, is in line with legislation guidelines from ACAS and agreements with the trade unions.

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.

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Board

Date: **24 July 2024**

Item: **Safety, Health and Environment Annual Report 2023/24**

This paper will be considered in public

1 Summary

1.1 This paper summarises the key information and trends reported in the Safety, Health and Environment (SHE) Annual Report for the 2023/24 financial year.

1.2 The financial year covers the dates 1 April 2023 to 31 March 2024. Most data presented covers this range, except for some road safety and work-related violence data. It is clearly highlighted when data falls outside this period.

1.3 The year 2023/24 saw TfL continue to make positive strides towards its safety, health and environment goals. While good progress is reported, there remain a number of areas in terms of our safety, health and environmental performance where we need to make significant progress and where continued organisational focus and investment is required.

2 Recommendation

2.1 **The Board is asked to note the Safety, Health and Environment Annual Report 2023/24.**

3 Report Overview

3.1 The report shows that people killed or seriously injured on our roads and customer injuries scorecard measures for 2023/24 have not been achieved but the floor target was met.

3.2 We numerically achieved our scorecard target for the total number of injuries sustained by our colleagues; however, this measure is automatically deemed as failed as a result of the fatal injury of a colleague working for a sub-contractor in a road collision while working.

Safety

3.3 This year London saw a 30 per cent reduction in road users killed on London streets in 2023 compared to 2010-14 baseline, and a 24 per cent reduction in road users killed or seriously injured in 2023 compared to 2010-14 baseline.

3.4 While this is positive progress, and reflects the joint work of London boroughs, TfL and the Metropolitan Police Service, there is further to go towards Vision Zero and shows that we must continue to focus our efforts in this area.

3.5 In efforts to tackle speed, we launched an educational campaign in July 2023 explaining to road users why we are lowering speed limits to 20mph on our roads, highlighting the positive outcomes the programme has already achieved.

3.6 In September 2023, we published our new Bus Safety Strategy. This sets out actions we will take to deliver a safe bus network in London with no-one killed on, or by, a bus by 2030 and no-one killed or seriously injured on, or by, a bus by 2041.

3.7 Continuously improving public transport safety is our priority and efforts are being made to tackle the causes of injury to customers travelling on our network. The majority of fatal or serious injuries to customers have been due to slips, trips and falls, this being a factor in two fatalities.

3.8 On the London Underground, areas where there is the greatest risk of slips, trips and falls, including escalators has been our focus. Campaigns for escalator safety interventions including posters, public announcement, using travel ambassadors to support regular staff at higher risk times and locations and testing innovative approaches to promoting safer behaviours.

3.9 Safety improvements at bus stations continue to be prioritised. Improvements are specific to particular stations and include features such as new islands with raised kerbs, extending the bus stop platforms and providing better pedestrian crossings within bus stations.

3.10 Performance in our Capital delivery area in 2023/24 was strong and we saw a continued reduction in the number of injuries to colleagues working on our Capital projects. There were 22 injuries reported; a reduction of 49 per cent compared with 2022/23. This included five lost time injuries, which caused a colleague to be absent for one or more shift.

3.11 To improve our safety, health and environmental performance, we have continued to deliver our SHE culture programme with a focus on culture assessments, leadership and ‘Just and Fair’.

3.12 In 2023/24, we started rolling out assessments to enable teams to build targeted plans to improve SHE culture across the organisation.

Security

3.13 To improve workforce safety, we have continued with our strategy to tackle work-related violence and aggression (WVA). Our strategy sets out our commitments to our colleagues and key activity we will undertake to eliminate violence and aggression and support colleagues who experience it.

3.14 Last year, there were more than 10,000 reported incidents of violent or aggressive behaviour by members of the public towards our staff.

3.15 In 2023/24 we made significant progress on some of our key commitments to keeping our colleagues safe, most notably with the requirement to wear body worn videos as a mandatory part of our essential colleague kit.

3.16 Fare evasion and ticket disputes continue to be the most common trigger for WVA accounting for 45 per cent of all incidents.

3.17 We have issued new guidance for all staff on ‘working staff to stay safe’ when dealing with aggressive customers and are rolling out new conflict management training for those most at risk, while the longer-term training needs assessment is undertaken.

3.18 In January 2024, body-worn video cameras became part of our essential kit for operational colleagues working in a customer-facing environment. These cameras are a proven deterrent against WVA.

3.19 There is continuous work being done to tackle violence against women and girls. There are targeted actions and strategies to ensure that women and girls are safe, and feel safe, on our network, giving them confidence to travel.

Health

3.20 This year, short-term absence and sickness among our people was dominated by coughs and colds. Although, in 2022/23 Covid-19 was the main reason for short term absence and sickness. This change is probably because people may no longer be testing for the virus, thus the data is impacted.

3.21 Mental health and musculoskeletal conditions remain the largest cause of long-term absence. This is consistent with previous (non-Covid) years and is in line with patterns experienced in other companies.

3.22 This year we have seen an increase in referrals to the medical assistance programme, which is likely related to long NHS waiting times.

3.23 In 2023/24 our Occupational Health and Wellbeing teams progressed a number of initiatives, such as Well@TfL and the Roczen health programme.

3.24 We are committed to protecting colleagues from health risks at work. Our health surveillance scheme, monitors colleagues who might be exposed to certain risks, such as chemicals or noise. This helps early detection of ill health caused by work.

3.25 In December 2023, we were awarded Outstanding Occupational Health Team 2023 at the Society of Occupational Medicine Awards. The award cited our ‘exemplary dedication to inclusivity’ and projects that ‘instigate a cultural shift towards greater health awareness, and proactively identify and prevent health conditions’.

Environment

3.26 As part of our ongoing commitment to improve London’s air, we completed the expansion of the Ultra Low Emission Zone (ULEZ) London-wide on 29 August 2023.

3.27 In 2023/24, we have achieved significant progress against our Corporate Environment Plan. We continue to drive decarbonisation initiatives across the business to support London in achieving net-zero carbon by 2030.

3.28 In February 2023, we launched our first power purchase agreement procurement. This aims to procure approximately 10 per cent of our required electricity from renewable energy sources.

3.29 The Carbon literacy training programme remains a high priority. We exceeded our scorecard target to train 3,000 colleagues in 2023/24, with more than 4,000 people trained as of 31 March 2024.

3.30 In the delivery of our Climate Change Adaptation Plan we are continuing to adapt our systems to reduce the impacts of climate change and ensure resilience in the face of more extreme and frequent weather events across London.

3.31 We are improving air quality in London through operating the ULEZ and shifting our own fleet to zero-emission, as well as the vehicles under our control.

List of appendices to this report

Safety, Health and Environment Annual Report 2023/24

List of Background papers

None

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Our work to ensure a safe, sustainable transport network for London

Safety, health and environment annual report 2023/24

MAYOR OF LONDON

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

Contents

About this report

Evaluating our work to improve safety, health and environment outcomes in 2023/24

Throughout the report, ‘our customers’ refers to direct users of our services. ‘Our colleagues’ includes directly employed staff as well as people working in our supply chain. For both groups, we use data collected directly from our operational businesses.

Some assault data comes from both our own internal reporting systems and from the police. The incidents of people tragically taking their own lives on our public transport network are not included in the data we report on customer injuries.

Unless otherwise stated, ‘streets’ refers to all of London’s roads, including those for which London borough councils are the relevant highway and traffic authorities. ‘Our roads’ refers to the TfL Road Network, the roads we directly manage.

Where we report safety data for streets, we use data collected by the Metropolitan Police Service (MPS) and the City of London Police, in line with Government requirements. All road safety data is provisional and subject to review and assurance, with the final data published annually in line with Department for Transport (DfT) requirements.

Reporting period
Most data covers the financial year from 1 April 2023 to 31 March 2024. Some data is provisional and is subject to change.

Our report sets out how we are making travel in London safer

Commissioner's foreword

Working to make London safer, healthier and greener

As Commissioner of Transport for London (TfL), I know that safe, reliable and sustainable transport is the absolute foundation of the service that we provide to London. It's what our customers expect and it's what my colleagues and I are proud to deliver.

In the last year we have implemented a wide range of programmes to make travel safer for our customers, our colleagues and for road users across London.

Alongside this, our positive impacts on London's environment and our response to the challenges of climate change are all core to the work we do, both directly as an organisation and through our collaboration with other members of the Greater London Authority (GLA) family and London's boroughs. Responding to these challenges is central to my vision of TfL as a strong, green heartbeat for London.

I can make no apology for being ambitious for London and the role of TfL in meeting the city's needs. Although we have made progress, we must continue to challenge ourselves to do better, and we have set ourselves highly ambitious targets.

> 'We have implemented a wide range of programmes to make travel safer for our customers, our colleagues and for road users'

It is essential that we keep a focus across the whole organisation on our safety, health and environment (SHE) performance and what we are delivering to make London safer, healthier and greener. We must continue to develop, innovate and learn. I'm therefore very pleased to introduce this report which sets out exactly how we have worked towards this in the last financial year.

Andy Lord
Commissioner, Transport for London

Chief Safety, Health and Environment Officer's foreword

Delivering strategies to achieve our ambitious targets

The Mayor and TfL have set out challenging ambitions to improve our safety, health and environmental performance on behalf of our customers, our colleagues and of London. We have set ourselves demanding targets to make demonstrable progress by 2030 and work towards our 2041 outcomes set out in the Mayor's Transport Strategy.

While these objectives are extremely stretching, they are central to the long-term sustainability of the city and to making London a safe, secure, accessible, inclusive, green, clean and attractive city in which everyone can thrive.

As I look back on the last year, I am pleased with much that we have achieved. This includes a seven per cent reduction in fatal and serious customer injuries compared to 2022/23 and, by the end of 2023, the lowest number of road fatalities recorded outside of the pandemic lockdown year (2021).

Although this is welcome progress, we are falling short in some areas. Too many lives continue to be changed or lost among people using transport in London. We must learn from these incidents and take all possible steps to prevent recurrence.

In last year's report, we described how we were transitioning away from being a city emerging from the pandemic. We set out longer-term objectives for improving our resilience to climate change and our stewardship of London's environment. In the year since, we have continued to move forward in achieving our strategies and examples are included in this report.

Most significantly among our environmental initiatives has been the expansion of the Ultra Low Emission Zone (ULEZ). Monitoring shows that there are already measurable improvements to the London's air quality, to the benefit of everyone.

While I am pleased that we have made progress in the last year, there is no room for complacency. We must continue to deliver, adapt and innovate so that we play our part in making London better for all.

Lilli Matson
Chief Safety, Health and Environment Officer

Key events from 2023/24

Some of our milestones and highlights from the past year

April 2023
Launched a third cohort of Reset Health, supporting colleagues with diabetes, pre-diabetes or obesity

May 2023
Awarded Zest a contract for 39 new electric vehicle charging bays across 24 locations by the end of 2024

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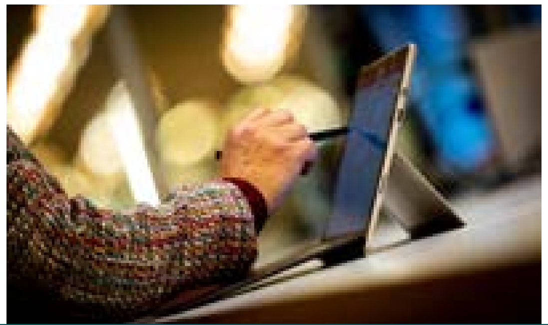


June 2023
Completed a three-year project to update our online system to support colleagues with SHE compliance

July 2023
Extended the ULEZ scrappage scheme to make financial support available to even more Londoners

August 2023
Expanded ULEZ London-wide, ensuring five million more Londoners can breathe cleaner air

September 2023
Held a summit to highlight initiatives we have delivered towards our Vision Zero road safety action plan

October 2023
Worked with stakeholders to look at opportunities to address inequalities in exposure to road danger

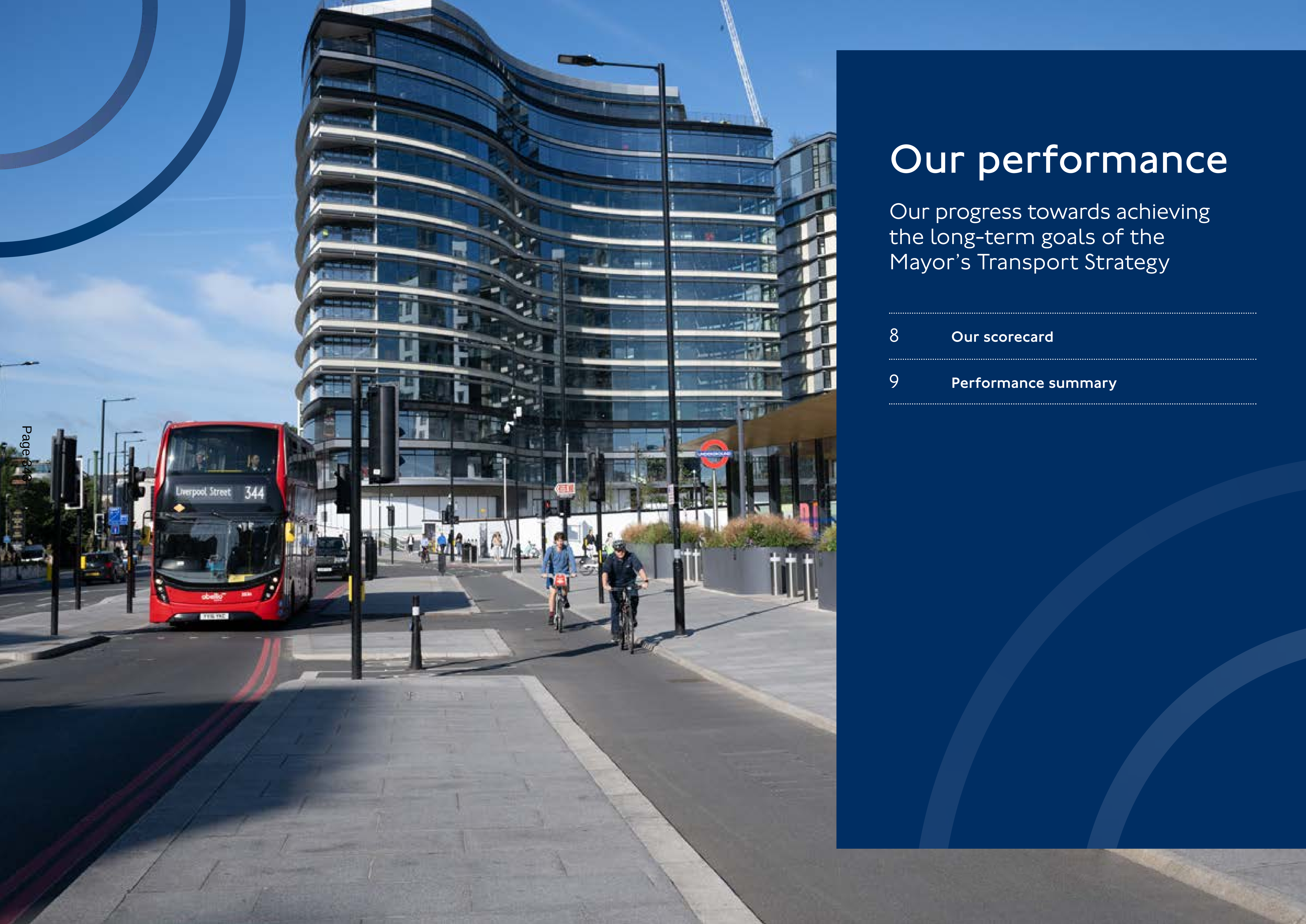
November 2023
Launched a campaign as part of our road safety initiatives to encourage drivers to comply with speed limits

December 2023
Awarded Outstanding Occupational Health Team 2023 by the Society of Occupational Medicine

January 2024
Made body-worn video cameras part of our essential kit for frontline customer-facing colleagues

February 2024
Celebrated our suppliers' safety and environmental initiatives at our Zero Harm Conference and Awards

March 2024
Published our Green Infrastructure and Biodiversity Plan, setting out our plans for a greener, healthier city



Our performance

Our progress towards achieving the long-term goals of the Mayor's Transport Strategy

We set ourselves stretching targets for our safety performance

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Our scorecard

We use our performance scorecard to hold ourselves accountable on a range of measures

Measure	2023/24 standard target	2023/24 actual
People killed or seriously injured in road traffic collisions	3,541	3,722
People killed or seriously injured in or by a London Bus	225	275
Customers killed or seriously injured	201	204
Colleagues killed or seriously injured	22	18*

Floor target achieved

Not achieved

* This measure is automatically not achieved due to a colleague fatality

Performance summary

We are making progress in improving safety for transport and road users but we must do more

Safety continues to be our top priority. This year, we saw a seven per cent reduction in customers killed or seriously injured compared to 2022/23. Although this was an improved result, 196 customers were seriously injured and tragically, eight were killed, meaning we just missed our standard target but achieved our floor target.

In 2023/24, we recorded 17 serious injuries to our colleagues delivering TfL services. In addition, very sadly, a subcontractor to one of our suppliers was killed in a road traffic collision while working. Therefore, while numerically this target was met and 22 per cent lower than last year, it is automatically recorded as not achieved.

In 2023, 95 people were killed on London's roads, which was the lowest number ever recorded outside of the pandemic year 2021. In addition, 3,615 serious injuries were experienced (revised from the 3,614 published in our press release as a result of a late reported serious injury). Together this achieved our floor target but not our standard target. We work closely with our partners, London Councils (representing the London boroughs and the City of London, who manage 95 per cent of London's roads) and the Metropolitan Police Service, to progress towards our joint Vision Zero ambition of eliminating all deaths and serious injuries on our network by 2041.

Overall, the number of people killed or seriously injured on streets in 2023 are 30 per cent and 24 per cent, respectively, lower than in the baseline period of 2010-14. This demonstrates that while London has made positive progress, there is continued need for focus by all partners on our Vision Zero ambitions.

30%
reduction in road users killed on London streets in 2023 compared to 2010-14 baseline

24%
reduction in road users seriously injured in 2023 compared to 2010-14 baseline

We are delivering year-on-year improvements in performance

Safety

Our continuing work towards improving safety for our customers and our colleagues

Keeping our roads safe

We are challenging ourselves to accelerate the reduction of deaths and injuries on our roads

Every death or serious injury on our streets is devastating, bringing heartache and tragedy to all those involved. Vision Zero challenges us to think differently about the safety of our streets and how we design our road system.

Our stretching target is to reduce the number of people killed or seriously injured on London's roads by 70 per cent by 2030 compared to our 2010-14 baseline.

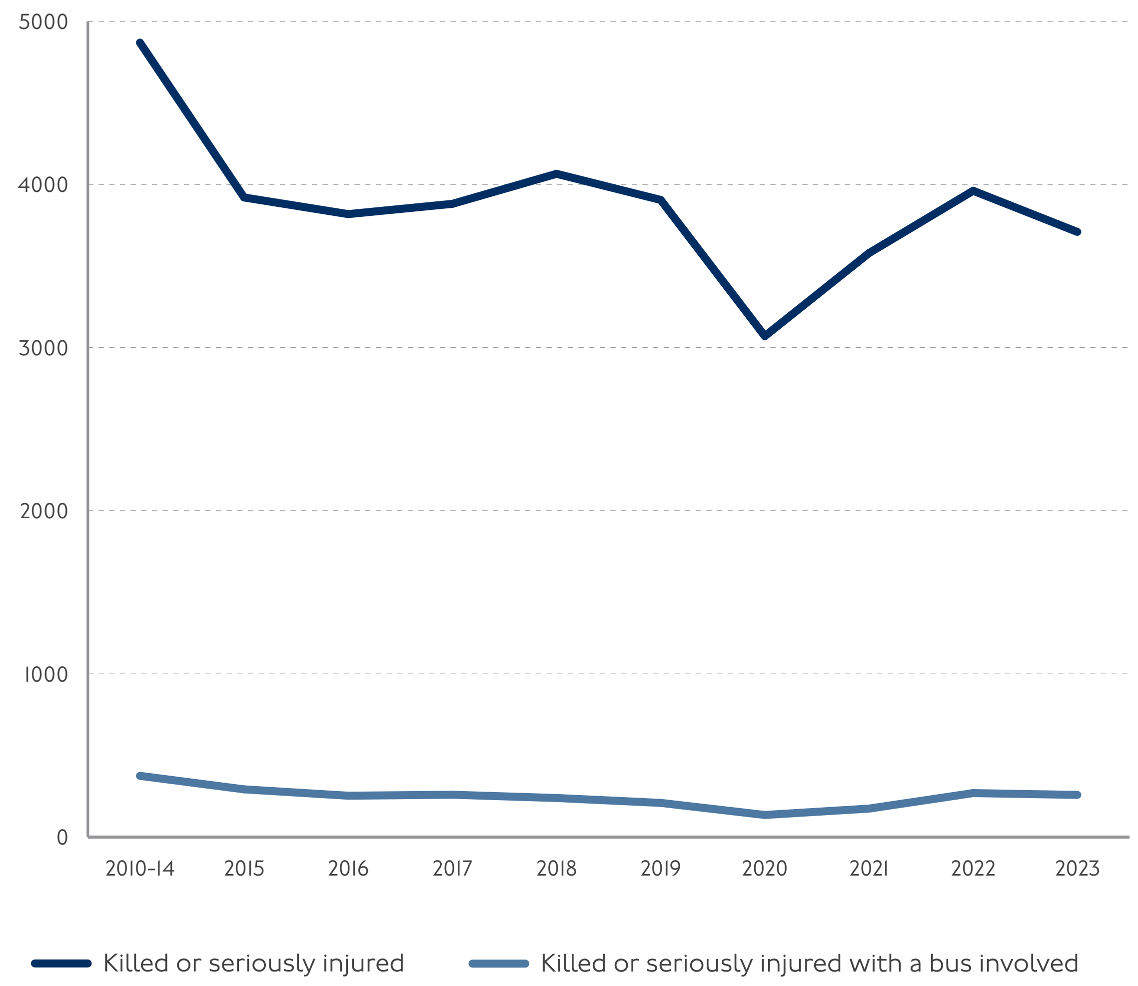
Our provisional 2023 data shows a 24 per cent reduction in the number of people killed or seriously injured against the 2010-14 baseline, and a six per cent reduction compared to 2022. While London is outperforming other UK regions, we are not yet on track to meet our long term target and we need to accelerate the rate of reduction.

To address this challenge, we are implementing an evidence-led programme of activity, delivered through a safe system approach.

The number of people killed or seriously injured in collisions involving London buses in 2023 was 31 per cent lower than our 2010-14 baseline, compared to an overall reduction across all transport modes of 24 per cent. Our new Bus Safety Strategy, launched in autumn 2023, provides continued focus on our ambitious commitments to improve bus safety.

Our continued commitment to Vision Zero was recognised in December 2023 at the Prince Michael International Road Safety Awards. We received four awards for London's Direct Vision Standard, our Bus Safety Standard, fitting intelligent speed assistance on our support vehicles and for See.Sense2 for its Proof of Concept for Vision Zero. We were also awarded the 2023 Premier Award at the ceremony for impressive investment and commitment to our Vision Zero ambition.

People killed or seriously injured on London's roads (annual totals since 2010-14 baseline)



Tackling speed

The most significant cause of road danger

Speed is the single most important factor in the likelihood and severity of a collision, with half of all fatalities on London's roads having speed as a factor. Roads policing and effective enforcement of speed limits is critical to preventing this devastating road death and harm.

As part of London's Vision Zero plan, TfL and the police agreed to work together to build capacity to enforce up to one million speeding offences per year by the end of 2024/25. Our shared aim is that this level of enforcement will provide a more effective deterrent to speeding and improve compliance with speed limits.

In 2023/24, the police enforced over 800,000 speeding offences through a combination of on-street policing and safety cameras. This is five times higher than the number of offences enforced before the Vision Zero plan was first launched.

Lowering speed limits

Research[1] has demonstrated that lowering speed limits delivers positive safety benefits with little to no impact on overall journey times.

We completed the second phase of our safe speeds programme in March 2024. We have now delivered 20mph speed limits on 264km of our roads, meeting the commitment made in the Vision Zero action plan progress report ahead of target. There is now a 20mph speed limit on 52 per cent of London's roads.

In December 2023, we completed our largest speed limit reduction to date, which included 73km of our roads. The speed limit was reduced to 30mph on A4180 Ruislip Road in Ealing, and a 20mph speed limit was introduced on some roads in Greenwich, Lewisham, Wandsworth and Merton, as well as all remaining routes on our roads in Southwark and Lambeth. In March 2024, we reduced the speed limit on a further 34km of roads in Greenwich, Merton, Newham, Richmond, Sutton and Wandsworth.

In February 2024, we began work to introduce a 20mph speed limit on the A117 in Newham and the Woolwich Ferry Approach Road in Greenwich.

1: Source: Road safety performance, TfL Safety, Sustainability and Human Resource panel, September 2023

Educating road users on the dangers

In July 2023, we launched an educational campaign to explain to road users why we are lowering speed limits to 20mph on our roads, highlighting the positive outcomes the programme has already achieved.

Evaluation of this campaign has indicated that 47 per cent of Londoners claimed to have changed their travel behaviour as a result. The latest tracker data is showing positive results with 65 per cent agreeing 'I need to think more about how fast I am driving on the road'.

We have also targeted localised communications to inform residents and businesses of speed limit changes in their area.

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Making junctions safer

Since April 2017, we have been working to improve safety at junctions for people walking, cycling and riding motorcycles. To date the Safer Junctions programme has delivered improvements at 45 of the 73 junctions identified as being the highest risk, most recently the junction of Holloway Road and Drayton Park junction in Islington.

Design work is continuing for the remaining 28 locations, with improvements implemented under experimental orders at several locations.

Following consultation, construction is due to start in autumn 2024 on improvements at the north and south sides of Battersea Bridge, including new pedestrian crossings, bus lanes, cycle signals and a section of protected cycle track. This will complement improvements made in 2021.

In January 2024, we started engagement on improvements at Seven Sisters Road/Woodberry Grove and the Holland Park roundabout, which is part of the next phase of the Cycleway 34 scheme. We have committed to public engagement on potential changes to 10 locations by the end of 2024, and have achieved this at six locations.

Road Safety Local Schemes programme

Design work has continued on a further 40 schemes across London at locations where we have identified road safety concerns. Detailed design started in January 2024 for road danger reduction improvements at the junction of King's Cross Road and Pentonville Road. We have completed construction at five locations so far in 2023/24, including:

- A10 Edmonton County School, improving entrance and exit movements
- A4 Bath Road by the Compass Centre, improving a pedestrian crossing and reducing the speed limit from 50mph to 40mph
- The junction of A205 and Lancaster Avenue, improving a pedestrian crossing
- Grosvenor Place in Westminster, installing a new pedestrian crossing
- Palatine Road in Hackney, improving a pedestrian crossing

Making London's streets healthier and safer

The Healthy Streets Local Schemes programme delivered new and improved crossings at four locations in 2023/24: A23 Kennington Road/Kennington Lane, A24 Clapham Common South Side junction with Cavendish Road, A503 Camden Road and A205 Brownhill Road/Torridon Road.

Pre-construction enabling work began at Lambeth Bridge in November 2023, with construction due to take place in 2024/25. The project will see the roundabouts at either end of the bridge replaced with signalised junctions and dedicated cycle facilities. The project also involves the provision of hostile vehicle mitigation on the bridge as well as essential structural maintenance and renewal work.

We are improving London's streets for people walking and cycling


We have expanded the strategic cycle network to over 360km

Connecting more Londoners with the Cycleway network

In June 2023, we published our Cycling Action Plan 2. The plan highlights the potential of cycling and sets out a comprehensive delivery plan to broaden the appeal of cycling to a wider range of Londoners, including those groups currently under-represented.

Road danger remains the primary barrier to cycling across all groups but disproportionately affects some under-represented groups, including women. Expanding the Cycleway network and reducing the dominance of motorised traffic is essential for cycling to become an attractive option for all Londoners.

We have set an ambitious new target for 40 per cent of Londoners to live within 400 metres of the strategic cycle network by 2030. We have made good progress in 2023/24, launching 20 new Cycleway routes, connecting over 600,000 Londoners to the network.

Working with London borough councils, we have quadrupled the network from 90km in 2016 to over 360km by March 2024. As of March 2024, a quarter of Londoners lived within 400 metres of the network.

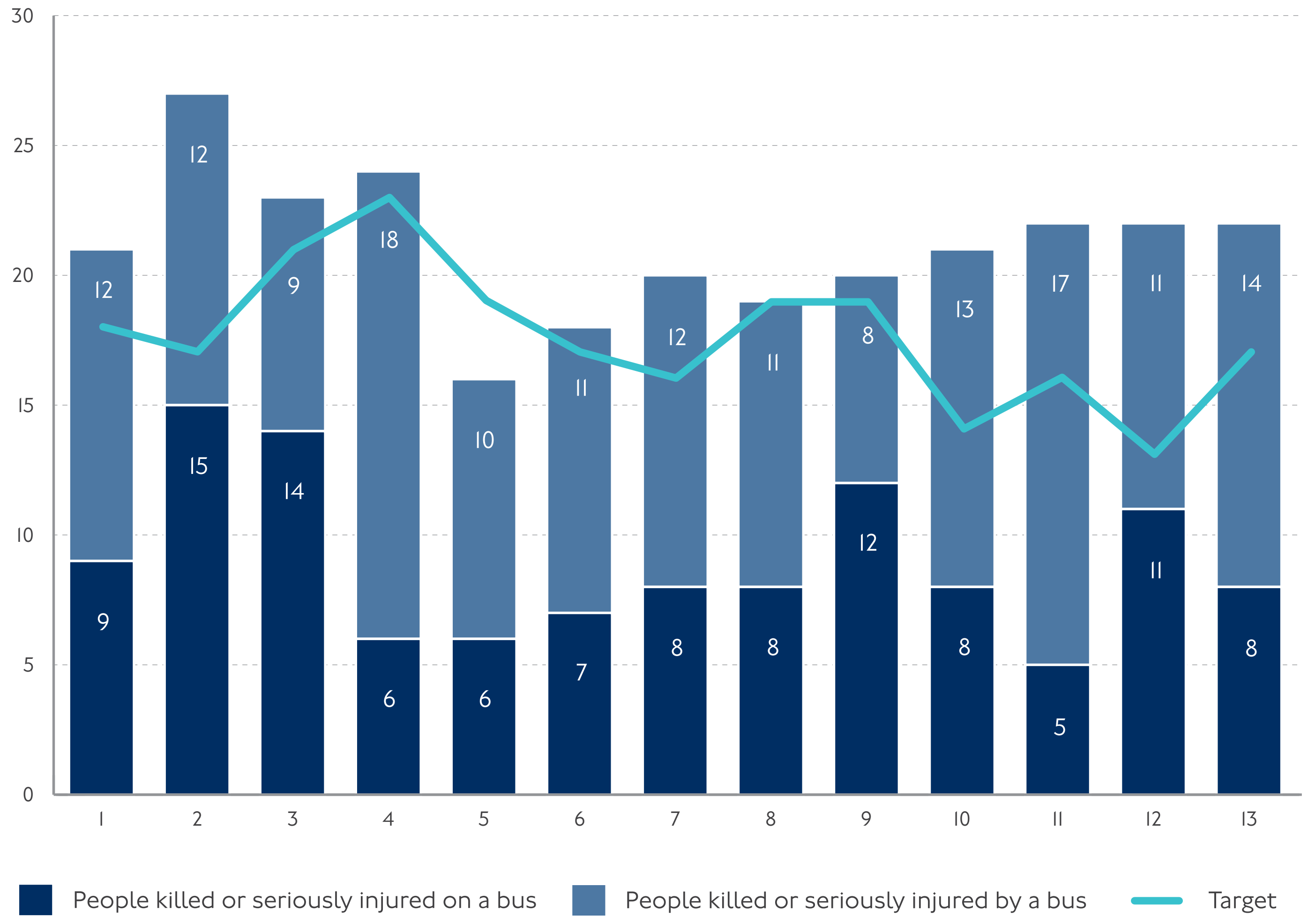
Our plan to make buses safer

In September 2023, we published our new Bus Safety Strategy. This sets out actions we will take to eliminate fatalities involving a bus by 2030 and serious injuries by 2041. The strategy identifies our safety priorities, what we and bus operators are doing and what more needs to be done to ensure that buses remain the safest way to travel on London's roads.

Commitments include continuing our trial of fatigue detection technology on buses, and working with the London Fire Brigade and other stakeholders to identify measures to tackle the risks posed by bus fires.

We launched a Bus Safety Innovation Challenge in July 2023 focused on reducing slips, trips and falls, which are the main cause of injuries to bus customers. We are working with operators and suppliers to trial innovations such as audible safety messaging, new lighting positions, and the 'ding ding' sound from original Routemaster buses indicating the bus is about to depart.

People killed or seriously injured on or by a London bus in 2023/24 (total per period)



Setting new standards in bus design

More than 1,500 of our buses now meet our Bus Safety Standard. This number will increase as older vehicles are replaced with new zero-emission buses. In addition, we are continuing to retrofit safety technologies to the existing fleet.

4,000
buses fitted with intelligent speed assistance

Around 4,000 buses now have intelligent speed assistance, which uses GPS and geo-mapping to ensure the vehicle speed is within the speed limit. We have also fitted 1,460 buses with an acoustic vehicle alerting system, which alerts other road users to the presence of quieter electric buses. We are currently upgrading this to a new system that adjusts the sound levels to the environment, increasing the volume in busy areas and lowering in quiet areas.

We have also fitted 1,506 buses with a camera monitoring system that replaces wing mirrors to reduce blind spots and improve the driver's field of vision.

Direct Vision Standard

In 2019, the Mayor launched the world leading Direct Vision Standard (DVS) and Heavy Goods Vehicle (HGV) safety permit scheme, tackling road danger by eliminating HGV blind spots.

Initial analysis shows a 35 per cent reduction in the number of people killed or seriously injured by an HGV when walking, cycling and motorcycling in 2023/24, compared to the pre-pandemic average. If we focus solely on the number of people killed, the reduction is 62 per cent.

This year, we achieved formal approval for our new Progressive Safe System. This raises the minimum DVS standard to three stars and sets new requirements for HGVs rated zero, one and two stars from 28 October 2024. We have confirmed a grace period to give operators time to ensure their vehicles comply with the new requirements.

Throughout autumn and winter 2023, our focus has been on supporting the road haulage sector to be ready for the new requirements. The first safety permits that incorporate the new Progressive Safe System will be issued from the end of June 2024.

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We have made significant improvements to HGV safety in London

We are improving road safety through our supply chain

Fleet Operator Recognition Scheme

The Fleet Operator Recognition Scheme (FORS) is a voluntary accreditation scheme for operators to demonstrate best practice in safety, efficiency and environmental protection.

As part of this initiative, we deliver a safe urban driving training course for HGV drivers to increase their awareness of the risks to people walking, cycling and motorcycling. This year 52,522 HGV drivers have attended training.

As part of our commitment to improve road safety through our supply chain, we have updated our procurement rules so that from April 2024 we will specify FORS Gold level for supplier contracts worth more than £1m, and Silver for those worth less than this.

We have also reviewed and revised the FORS standard, with a new version published in May 2024 for implementation in January 2025. This included new environmental requirements, requiring operators to calculate and record their tailpipe emissions, commencing the transition to using cleaner vehicles, along with some changes to the driver training standards.

The London e-scooter trial

In September 2023, we launched the second phase of our London e-scooter rental trial, working with operators Dott, Lime and Voi. In April 2024, Dott withdrew from the trial due to financial pressures.

The trial will build on previous success by gathering more data to inform policy on rental e-scooters and trialling further innovations, including new technology to improve parking compliance and audible vehicle alerts.

In February 2024, we published a report on our findings from the first phase of the trial (June 2021 to September 2023). The evidence demonstrates that rental e-scooters have good safety records, are space-efficient, are zero-emission, and are managed in a way to minimise clutter on footways. Rental e-scooters can support public transport and active travel by providing an alternative to the private car for short journeys.

We will continue to make the case for the Government to create a new category of low-speed, zero-emission vehicles that would provide for the legalisation of e-scooters.

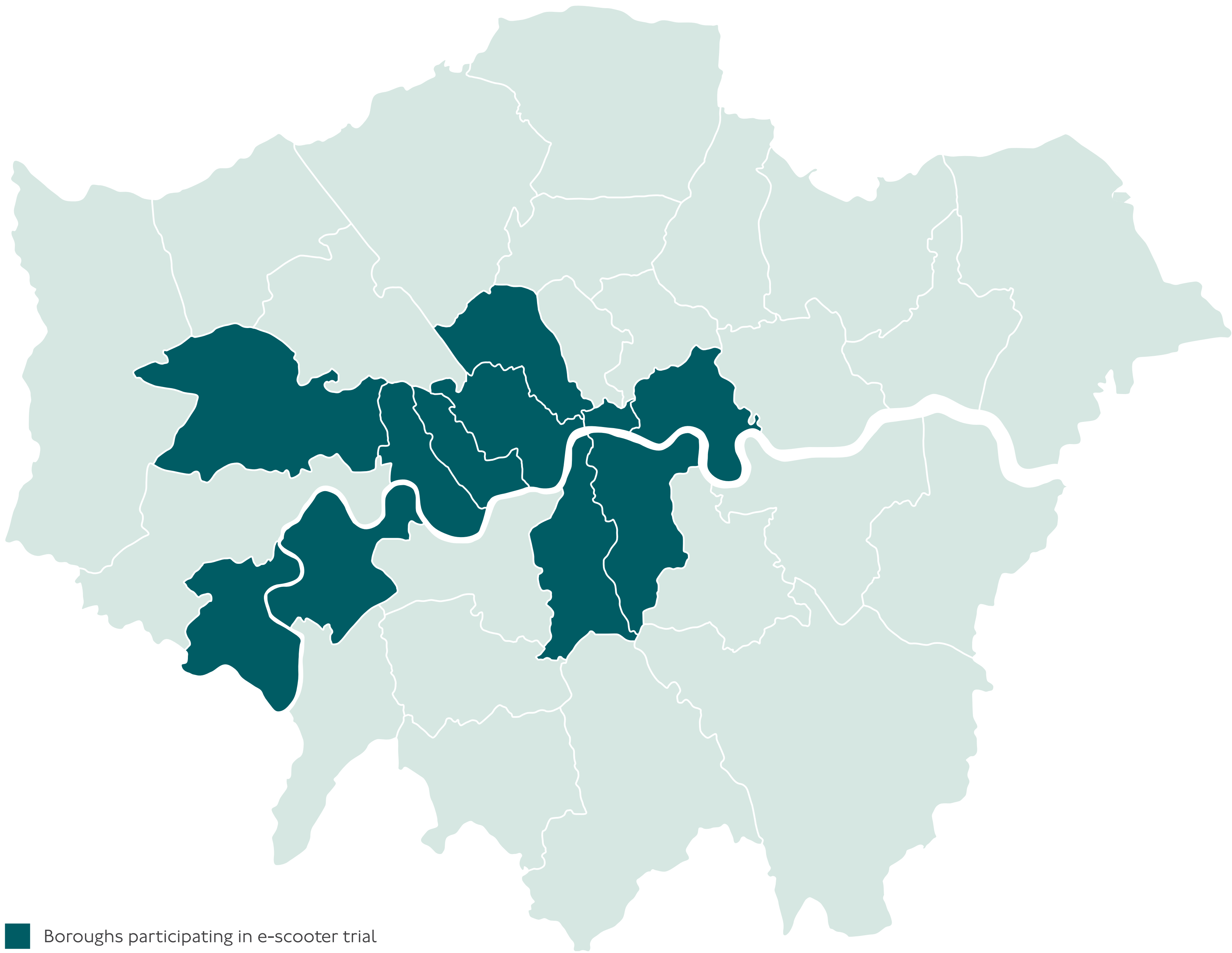
In November 2023, the Government announced that rental e-scooter trials could be extended by another two years to 31 May 2026.

Around
4,000
e-scooters available for hire

2.4km
average distance travelled per trip

3.8m
e-scooter hires made since June 2021

Boroughs participating in the e-scooter trial



Boroughs participating in e-scooter trial

Ten London boroughs are taking part in the trial:
Camden, City of London, Ealing, Hammersmith and Fulham, Kensington and Chelsea, Lambeth, Richmond upon Thames, Southwark, Tower Hamlets and Westminster. (Source: TfL)

Working to improve e-bike rental services

Unlike the e-scooter trial, which allows us to set standards and limit vehicle and operator numbers, but not determine the geography of the scheme, rental e-bike services are unregulated. This means we and the Mayor of London have no control over how these services are run. In most cases, the operators enter into individual agreements with boroughs to manage services.

In partnership with other cities through the Urban Transport Group, we will continue to state the case for cities being given the powers to properly manage rental e-bike services. This would enable us to improve safety, ensure parking is better controlled and improve the customer experience.

In the meantime, we and London Councils are working closely with London borough councils to explore a single approach to managing rental e-bike and e-scooter services, to improve parking and increase the sustainability of these services.

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Safety Improvements in our fleet

We are continuing work to make our fleet of cars and vans safer. At the end of 2023/24, 360 of approximately 900 vehicles had intelligent speed assistance fitted and this technology is now required in all new vehicles entering our fleet.

Additionally, all new vehicles entering our fleet must meet a safety standard based on the European New Car Assessment Programme. Vans are required to meet Gold or Platinum standard, while cars are required to achieve five stars, with a minimum 70 per cent Safety Assist and Vulnerable Road User score. We intend to promote this procurement standard more widely to other organisations to improve vehicle safety standards in London.

Taxi and private hire vehicle safety

New licensing requirements came into effect in April 2023 for private hire drivers. Any new applicants for a private hire driver's licence are required to pass an English language speaking and listening test and the safety, equality and regulatory understanding (SERU) requirement assessment. Those who were licensed or applied before April 2023 also need to satisfy these requirements.

In 2020, the Department for Transport set out new safety standards for taxi and private hire vehicles. Although we are already compliant with the majority of these standards, in spring 2023 we consulted on further proposals. Following the consultation, new regulations were made in November 2023, the majority of which come into force in July 2024.

Improving safety for motorcycle delivery riders

While people riding motorcycles account for only 2.7 per cent of the distance travelled by vehicles in London, they make up 26 per cent of those killed or seriously injured. We have been working with the meal and grocery delivery industry and other stakeholders to reduce this number.

In September 2023, we launched our Meal and Grocery Delivery Motorcycle Road Safety Charter, setting out 10 road safety principles. Five of the key companies in the meal and grocery delivery industry have signed up to the charter and committed to making improvements to reduce motorcycle casualties.

Improvements to motorcycle basic training

Current compulsory basic training enables people as young as 17 to ride motorcycles after one day of training and without a theory test. We believe that improving this training has the potential to greatly reduce road danger for everyone.

In July 2023, we wrote to the Government to call for change. The letter was co-signed by stakeholders including road safety charities, motorcycle stakeholder groups and other transport authorities. We will continue to push for action to improve training standards.

Cycle training

We have worked closely with London boroughs to provide cycle training to school children and adults, giving them the skills and confidence to cycle. In 2023/24, more than 30,000 children were trained to Bikeability level 2 along with over 11,000 adults attending cycle training sessions.

Over 15,000 other cycle training sessions also took place, including Balance bike, Learn to ride, Family, Adapted cycle and Dr Bike cycle training.

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TfL Travel for Life

Many London schools are making significant progress in shifting pupils' travel habits to walking and cycling. They have been supported for the past 16 years by TfL's education programmes, which relaunched in September 2023 under a new brand, TfL Travel for Life.

TfL Travel for Life brings together several different educational programmes and is delivered in partnership with the London Transport Museum and all London boroughs.

Nearly half of London's 3,313 schools have been accredited, with 617 awarded gold accreditation as a result of achieving a six per cent reduction in car use or over 90 per cent of their children walking and cycling to school. Keeping the same engaging content and adding cohesive branding, an easier online process and a dedicated support team, will help us reach our target of 1,000 gold-accredited schools by the end of the 2024/25 academic year.

617
London schools awarded Travel for Life gold accreditation

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Police education and enforcement

We continue to fund and work closely with the Metropolitan Police Roads and Transport Policing Command and the City of London Police to reduce road danger through a wide range of policing activity.

Roads policing teams are deployed across London to deal with criminal and antisocial road user behaviour, focused on priority offences such as speed, mobile phone offences and drink and drug driving. In addition, specialist road safety teams undertake focused engagement and enforcement activity on high-risk road user groups including cyclists, motorcycles and commercial vehicles.

These teams regularly undertake large scale policing operations to tackle key sources of road danger. One example is Operation Drive Insured, which ran between 20-26 November 2023. The operation involved stop sites in key locations and proactive patrols in vehicles equipped with automatic numberplate recognition cameras. Over 400 uninsured vehicles were seized by the police.

Enforcement data is publicly accessible on our website through the Vision Zero enforcement dashboard.

Inequalities report and dashboard publication

Following on from our Inequalities in road danger in London report in April 2023, we have embarked on a programme of engagement with boroughs and stakeholders to discuss the findings.

We have also developed an Inequalities in road danger dashboard, publicly available on our website, where users can interrogate the casualty data.

We will continue to analyse the causes of inequalities in road safety and work with public health and borough stakeholders to help target future road safety programmes.

Victim support partnership trial

In September 2023, we brought together road safety charities, policing partners, the emergency services, London councillors, MPs and London Assembly members for the third Vision Zero summit, five years on from the publication of the Vision Zero action plan.

At the summit, we announced a pilot scheme to significantly improve support for victims of the most serious road traffic collisions in London. The service includes support from road safety charities, including caseworkers recruited by Brake and longer-term aftercare support provided by RoadPeace. The service was launched as a one-year pilot scheme in November 2023.

So far, approximately 60 people have been or are currently, in the care of the service. Brake and RoadPeace have reported positive feedback from those supported.

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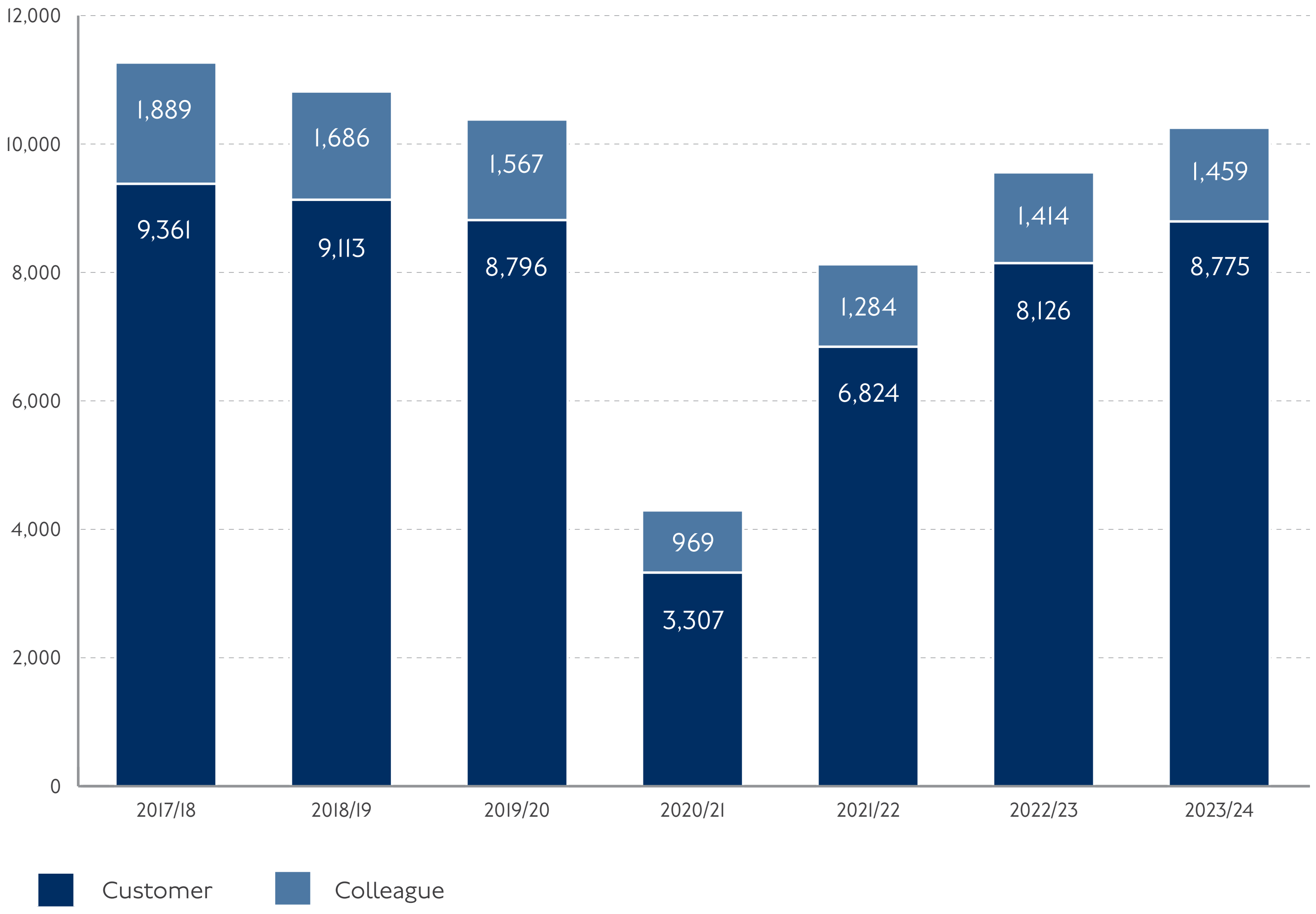
Safer public transport

Tackling the causes of injury to customers travelling on our network

Customer and colleague injuries (all severities) since 2017/18



To achieve the Mayor's ambition of eliminating all deaths and serious injuries on London's transport network by 2041, we are prioritising action on those risks that lead to the greatest number of injuries and harm. We are also working to improve controls and operational processes that prevent harm from occurring. We continue to record fewer injuries among customers and colleagues than before the pandemic.

The majority of fatal or serious injuries to customers this year (70 per cent) have been due to slips, trips and falls, including this being a factor in two fatalities. Among other causes, incidents at the platform-train interface and people taken ill make up eight per cent and five per cent respectively.

However, millions of journeys are made safely every day due to the safety policies and procedures in place across our network.

8,775

customer injuries (all severities) reported in 2023/24

1,459

colleague injuries (all severities) reported in 2023/24

204

customers killed or seriously injured on public transport in 2023/24, down 7% on 2022/23

61%

of customer deaths or serious injuries occurred on London Underground (compared to 50% in 2022/23)

28%

of serious injuries or fatalities to customers were on or involving a bus (compared to 40% in 2022/23)

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Customer fatalities on our public transport network

We take every incident on our network seriously and we are very sorry to report that there were eight customer fatalities on our public transport services in 2023/24. Six of these occurred on London Underground services, one on London Overground and one on a bus.

Tragically, there were also two fatalities to people not travelling on our services but involving our buses – one at Walthamstow bus station in December 2023, the second at Victoria bus station in January 2024. These fatalities are recorded in our road safety statistics.

These incidents are subject to investigations by relevant bodies, including the Rail Accident Investigation Branch, the Metropolitan Police Service, the British Transport Police and the Office of Rail and Road. We will work closely with these bodies to understand the circumstances and causes of these incidents.

We will review the findings of any investigations and are committed to doing everything we can to prevent incidents recurring.

Two of the six fatalities on London Underground occurred when members of the public gained unauthorised access to the track at Elephant & Castle sidings and near East Acton station. We take trespass on our network very seriously and continue to focus on controls to reduce the likelihood of it happening again.

All fatalities on our public transport network, whether to customers using our services or members of the public, are shocking and incredibly sad. Our thoughts remain with the families and friends of those who have lost their lives in these tragic incidents. As well as taking action to prevent their recurrence, we offer support to families and others involved through outreach and the support of the Sarah Hope Line.

We take every incident on our network very seriously. All incidents are subject to investigations by the relevant bodies. We will review the findings of these investigations and are committed to doing everything we can to prevent them recurring. Our thoughts remain with the families and friends of those who have lost their lives in these tragedies

Colleague fatalities on our network

Tragically, on 15 October, a contractor working on behalf of JC Decaux was fatally injured. While putting up posters in a bus shelter on the A4020 Uxbridge Road, he was hit by a vehicle that had collided with a stationary van. Sadly, he died as a result of his injuries. Our deep sympathies go out to his families and friends.

In June 2023, an inquest was held into the tragic death in 2019 of Christian Tuvi, a self-employed contractor working for Cleshar Contract services. Mr Tuvi was fatally injured when cleaning a moving walkway at Waterloo station. The inquest took place before a jury, who concluded that Mr Tuvi died of an accident and gave a narrative conclusion as to the circumstances of his death.

A prevention of future deaths report was issued by the Coroner to the Department for Transport and the Office of Rail and Road. This report raised concerns regarding the lack of assurance that lessons from the incident had been learnt unless the redesigned improved system of work for cleaners is implemented with appropriate training and leadership in a permanent, sustainable contracting system.

We wrote to the coroner in September 2023 outlining what changes our cleaning contractors had introduced to prevent any future risk. The Office of Rail and Road investigation is ongoing.

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Sandilands tram tragedy

On Wednesday 9 November 2016, a tram overturned as it approached the Sandilands stop in Croydon. Seven people were killed and 62 injured, 19 of them seriously. TfL and Tram Operations Limited (TOL) were prosecuted by the Office of Rail and Road for an offence under the Health and Safety at Work Act 1974 in connection with the tragedy. TfL and TOL pleaded guilty at the earliest opportunity and in July we were sentenced. Following a three-day hearing, TfL was fined £10m and TOL was fined £4m.

We will always be truly sorry for what happened and will never forget those who died, nor those who were hurt and impacted by this incredibly tragic incident.

The Commissioner, Chief Safety Health and Environment Officer and Chief Operating Officer were in court for sentencing. We apologised to the families and heard from those who were injured and the families of those who died and the devastating impact the accident has had on their lives. We will always be truly sorry for what happened and the Commissioner subsequently wrote to all families impacted.

After the tragedy, we made significant and sustained safety improvements on the tram network. Nevertheless, following this sentence, we have committed to further actions to improve systemic, organisational and cultural safety at TfL, and further strengthen our strategic safety risk management approach.

Our key focus has been ensuring we have the firm foundations in place to empower our colleagues to manage risk out of our operations as far as reasonably practicable. We will ensure the basic processes, tools, skills and supporting materials are as effective as possible, combined with a growing strength in our SHE culture. This means we will be able to lead, innovate and change as safely and efficiently as possible moving forwards.

The memory of the events of Sandilands continues to serve as a constant reminder of the need to put safety at the heart of everything we do, and our thoughts remain with those involved in the tragedy and their friends and family.

External safety and legal investigations

The Rail Accident Investigation Branch (RAIB) has considered three incidents during the year. The customer fatality at Stratford station on 26 December 2023; the occurrence of two trap-and-drag incidents on the London Underground in spring 2023 at Chalk Farm and Archway stations; and the uncontrolled evacuation of a Northern line train at Clapham Common station on 5 May 2023.

The reports by the RAIB on these last two incidents were published in spring 2024, while the third investigation is ongoing.

We are in the process of responding to the Office of Rail and Road on the recommendations made and working to ensure that actions are implemented as quickly as possible.

Safety improvements at bus stations

Following the death of a pedestrian at Victoria bus station in August 2021, we initiated a programme to review the design and configuration of crossing points across our bus stations.

In late 2023, we made improvements at Victoria bus station, building new islands with raised kerbs, extending the bus stop platforms with tactile paving for enhanced accessibility, and installing a new footway extension on Terminus Place.

Following the fatality at Walthamstow bus station in December 2023, we have been working with the Health and Safety Executive and have made safety improvements to crossings within the bus station. We will monitor the effectiveness of these measures with plans to make them permanent later this year.

We are also conducting a more holistic review of our bus stations to explore how we can improve their design and layout to make them safe and appealing places for everyone.

Injuries at the platform-train interface

We have been working hard to understand and reduce the risks of injuries at the platform-train interface, such as being caught between the train and the platform or being struck by a train. We are developing a comprehensive, risk-based plan looking at what infrastructure improvements we can deliver. We also have ongoing campaigns encouraging safe behaviour in customers.

Following a successful trial at Willesden Green London Underground station, we are rolling out SMART station technology to a further five platforms. This is a system designed to better alert station colleagues in the event of an incident.

We are also approaching metros and other rail operators in the UK and worldwide to share and learn approaches to risk management. Mitigations that will have the greatest impact, such as those that physically reduce the gap, are likely to take time to test, develop and implement. In the shorter term, we will continue our focus on customer and colleague behaviours and procedures.

Defibrillators on our network

This year, working with the GLA, London Ambulance Service and the NHS, we completed our project to provide defibrillators for public use across the entire London Underground and London Overground network, and other parts of our network.

Access to defibrillators significantly improves the chances of survival for individuals experiencing sudden cardiac arrest, enabling life-saving interventions when every second counts. As well as written instructions, defibrillator cabinets display a QR code which takes you to a video that shows you how to perform CPR and use the defibrillator.

By investing in state-of-the-art defibrillator technology and equipping the public with the necessary information to use them effectively, we set a precedent for other transportation networks worldwide.

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Making safety checks easier for colleagues

In 2023/24, we completed the process of digitising operational inspections and checks into our Safety Culture app. This makes it easier for colleagues to carry out checks and report faults. It also makes it easier to monitor checks and ensure that faults and issues identified are being addressed in a timely manner.

Fatigue management programme

In 2023/24, we launched a new initiative to support the health and wellbeing of our night and shift-working colleagues. Known as the Night Club, it brings sleep experts into the workplace to inform colleagues with evidence-based sleep health information during their shifts. The sessions focused on improving diet, exercise, sleep hygiene, mental health, and understanding of chronotypes and sleep. The sessions were well received, reaching over 450 colleagues across a range of roles, from control centres to engineering depots to Dial-a-Ride.

We have also worked to continually promote fatigue management across the organisation, with over 9,700 fatigue training courses completed over the course of the year.

Escalator safety focus

On the London Underground, we have been focusing on areas where there is the greatest risk of slips, trips and falls, including escalators. We have refreshed plans for stations that see the most incidents, with interventions including posters, public announcements and using travel ambassadors to support regular staff.

Our campaigns target high-risk periods and locations when we know there are increases in alcohol related incidents. During school holidays, when more children use the network, we display our 'Keep Kids' Feet Clear of Edge' poster and play regular announcements to raise awareness of children's safe use of escalators.

We continue to work with Network Rail, train operating companies and escalator manufacturers to develop an industry-wide approach to this issue.

Safety on our Capital projects

We're continuing to do everything we can to reduce injuries to our workforce

Our Capital projects include major upgrades and enhancements to our network, such as the Piccadilly line upgrade, improvements to Old Street Roundabout and the delivering the new Silvertown Tunnel.

This year, we recorded 22 injuries to colleagues working on Capital projects, 49 per cent down on 2022/23. This included five lost time injuries, which caused a colleague to be absent for one or more shifts. While we are proud of this safety performance, no element of complacency can be allowed to enter our approach.

Over the past five years, injuries have declined by 80 per cent, demonstrating our continued progress towards zero harm. Our performance compares favourably to similar organisations and our accident frequency rates remain significantly below the sector average.

This year, the most common causes of injury related to poor communication, inadequate safe systems of work and asset conditions. Sadly, a significant proportion also related to vandalism, and work-related violence and aggression from members of the public towards our colleagues. We consider this in more detail in the Security section on page 31.

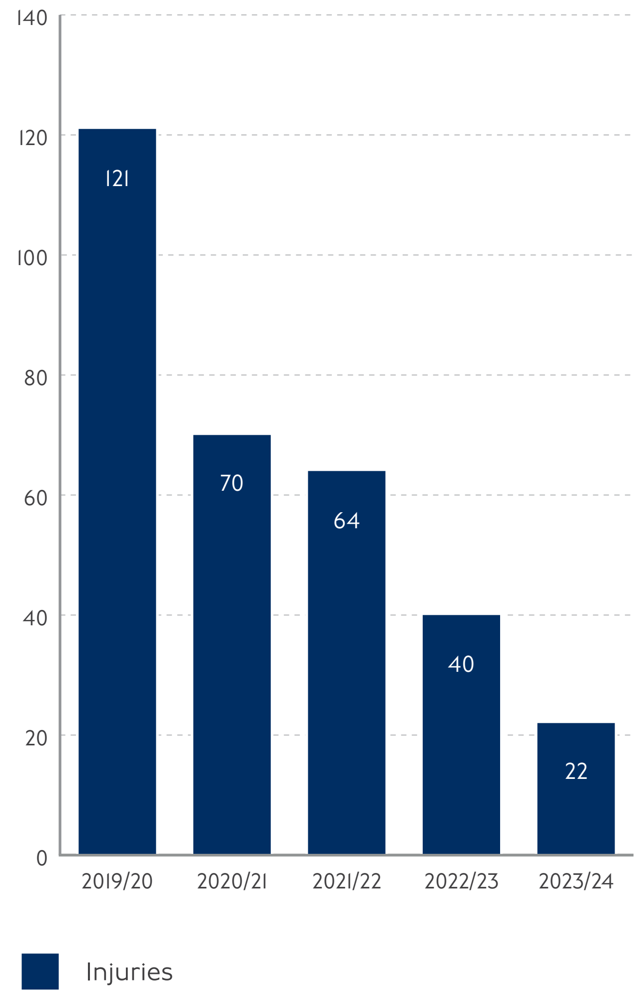
Improving our Capital SHE performance

This year, we completed the SHE culture assessment across our Capital and Engineering teams. This provided colleagues with an opportunity to have their say on our SHE culture and identify areas for improvement.

We have also established a specialist team to drive improvements to our approach to environment in Capital. Alongside quarterly initiatives, the team has launched a plan setting out a range of actions needed to reduce adverse environmental impacts in Capital projects. This includes the creation of carbon baselines, ensuring all projects have an environmental evaluation, while actively seeking opportunities to reduce our carbon footprint.

None of this is possible without our colleagues understanding the need for action, which we are addressing through our carbon literacy course and green upskilling training plan.

Capital workforce injuries (annual totals)



22

total injuries to colleagues working on Capital projects in 2023/24

49%

reduction in injuries to colleagues compared to 2022/23

80%

reduction in injuries over the past five years

Learn, engage, go out

Since the pandemic, fewer people are visiting our project sites. While the majority of people in Capital do not have a site-based role, there is much they can learn from seeing our project work at first-hand, particularly in the management of SHE risks.

This year, the Learn, engage, go out (LEGO) initiative provided revised guidance for Capital colleagues visiting sites and included a programme of guided visits to develop learning and confidence, enabling them to effectively influence better SHE outcomes.

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New requirements for suppliers

As the majority of our Capital projects are delivered in partnership with the supply chain, it is important that we clearly communicate our SHE requirements to our suppliers. This year, we published an updated set of requirements for engineering and construction contracts. This will ensure that contracts meet our SHE strategic objectives and ensure we achieve excellent SHE performance from our suppliers.

Zero Harm Conference and Awards

In February 2024, we held the Zero Harm Conference at City Hall. This included an awards ceremony to recognise our suppliers and delivery partners who demonstrated innovations or working practices that improved safety and reduced environmental impacts in Capital projects, or supported the wellbeing and mental health of their site teams.

We were joined by our suppliers from across the UK who shared the incredible work they are doing, which includes reducing carbon in their construction, reducing nitrogen oxides in the atmosphere, supporting the wellbeing of their people, avoiding buried services, managing silica on site and generally building higher standards of SHE into their everyday practices. It further encouraged an open culture of sharing and learning and the opportunity for TfL and supply chain partners to learn from and inspire each other.

At its core, Zero Harm is focused on ensuring everyone goes home safe and healthy every day, without impacting the environment. Following presentations by the finalists, attendees voted on their preferences.

The category winners were:

- Outstanding SHE Innovation: **Taylor Woodrow (robotic cutting technology)**
- Outstanding Safety Initiative: **Morgan Sindall (protecting people)**
- Outstanding Health Initiative: **Morgan Sindall (healthy hearts and minds)**
- Outstanding Environmental Initiative: **Morgan Sindall (Old Street roundabout)**
- Outstanding Carbon Reduction 2023 Initiative: **Hayley Rail (oil filtration project)**

Improving our SHE culture

To improve our safety, health and environmental performance, we must establish a positive and proactive SHE culture

This means ensuring SHE is at the heart of everything we do, so that colleagues feel responsible and enabled to improve the way we operate.

This year, we have continued to deliver our SHE culture programme with a focus on culture assessments, leadership and 'Just and Fair'.

Helping colleagues with their SHE responsibilities

In June 2023, we completed and launched an refresh of our internal online system to support colleagues in fulfilling their safety, health and environment accountabilities and responsibilities at work. The system has been well received by colleagues and partners, with nearly 100,000 page views to date. The new site is more user-friendly, helping our workforce make the right decisions to keep themselves and our customers safe.

At the heart of good SHE performance is clarity on accountabilities. During the year, we carried out an exercise to document and, where necessary, clarify safety accountabilities for all Chief Officers and Directors. This information is now available in our online system to provide everyone with the tools they need to manage safety.

SHE training delivery

This year, we have focused colleague SHE training on core risk areas including fatigue, fire and mental health, with over 48,000 courses taken across our workforce. In the coming year, we will develop new training requirements and ongoing colleague engagement.

Just and Fair

The Just and Fair workstream aims to build an environment where colleagues feel fairly treated and are comfortable raising suggestions or sharing mistakes when things go wrong. This is a critical part of building a more positive and proactive SHE culture, increasing our opportunities to learn as an organisation and drive improvements in our SHE performance.

This year, we launched a new process and tool to support incident investigation, ensuring that colleagues are treated fairly, consistently and transparently when they have been involved in an incident.

SHE leadership

This year, to improve how we record senior leaders' engagement with frontline colleagues, we have developed a new digital tool to capture leadership engagement tours. Since the last report, we have recorded 189 tours by our senior leaders.

As part of equipping our leaders with the right training, skills and knowledge, we have launched a new e-learning course, to help leaders understand how they can make these tours a positive experience.

Over the next 12 months, we will review the SHE leadership data from several sources to ensure we continuously improve our standards, support materials and approaches.

Culture assessments

In 2023/24, we started rolling out assessments to enable teams to build targeted plans to improve safety, health and environment culture across the organisation.

The assessment was made available to 6,300 colleagues across nine business areas. There are five levels of cultural maturity in the assessment, from 1 (Minimum) to 5 (Enlightened). Early results demonstrate that TfL is in level 3 (Structured) with some differences between the various teams assessed. This means our current baseline indicates a sound foundation to our SHE culture but with plenty of scope for improvement over the next two to three years before the next assessment is carried out.

Over the next year, we will continue to rollout assessments to other teams across the organisation, with a focus on customer operations.

Security

Our vital work to combat crime and antisocial behaviour against our colleagues and customers

Tackling work-related violence and aggression

Violence and aggression towards our colleagues is unacceptable. Concerted action is under way to tackle it

Our Work-related violence and aggression strategy sets out our commitments to our colleagues and key activity we will undertake to eliminate violence and aggression and support colleagues who experience it. This year we made significant progress on a number of our key commitments to keeping our colleagues safe.

Incidents of work-related violence and aggression

There were 10,568 reported incidents of work-related violence and aggression (WVA) last year. This is a 5.6 per cent increase from the previous year.

- 45 per cent reported by colleagues working on London Underground
- 44 per cent reported by colleagues working on the bus network
- 11 per cent reported by colleagues working on the Elizabeth Line, Rail and Sponsored Services, Compliance Policing Operations and Security staff and contract workers

We believe the work we carried out last year to raise the profile of WVA, encourage reporting and improve confidence to report will have contributed to the increase in reported incidents.

Across rail modes, 117 work-related violence with injury offences were reported to the police, up from 75 offences in 2022/23.

It is currently not possible to provide a 12-month summary of incidents on the bus network reported to police due to a change in the crime recording system. We are working with the Metropolitan Police Service to resolve these data issues as quickly as possible.

Solved rate for work-related violence and aggression offences investigated by the police

Between September 2022 and August 2023, the solved rate across rail modes for work-related violence, sexual and public order-related offences was 17 per cent. (By comparison, the solve rated for violence, sexual and public order offences committed against members of the public on all rail modes for the same time period was nine per cent.) We are working with police to increase the solved rate for offences. Making body worn video cameras part of the essential kit for our frontline, customer-facing colleagues is an important part of this.

The percentage of staff willing to support a police investigation between September 2022 and August 2023 (on rail modes only) was 70 per cent for violence, public order and sexual recorded offences.

Insight into triggers of work-related violence and aggression

Last year, 1,709 physical incidents were reported by colleagues, up from 293 in 2022/23. Despite this increase, the number of incidents started to fall towards the end of 2023/24. We are closely monitoring this to understand if the fall is linked to our roll out of body-worn video cameras as essential kit for our frontline colleagues.

Fare evasion and ticket disputes continue to be the most common trigger for WVA accounting for 45 per cent of all incidents. However, there was a rise of three per cent in the proportion of incidents triggered by a customer behaving in an aggressive or antisocial manner from the previous year. We have issued new guidance for all staff on 'working staff to stay safe' when dealing with aggressive customers and are rolling out new conflict management training for those most at risk, while the longer-term training needs assessment is undertaken.

In 2023/2024 8.3 per cent of WVA incidents included a hate crime element, 9.5 per cent involved an intoxicated customer and 3.6 per cent involved a person sleeping rough or a beggar. These are similar levels to last year.

WVA relating to ULEZ

This year, our ULEZ suppliers have had to deal with an increase in confrontational incidents. To address this, we have provided guidance to support colleagues in managing the risks from violence and aggression. The guidance provides a range of options to enable managers to consult with their team and consider appropriate action to take. This complements other existing support such as our Urban Safety course.

We are working with police to help prevent and investigate threatening behaviour and assaults on our colleagues.

Progress against the WVA action plan

Our initiatives are making a meaningful difference to the safety and security of our workforce

Conflict management training

In March 2024, we launched a new programme of conflict management training. This provides colleagues with knowledge and skills including positive interactions to reduce the risks of WVA and de-escalation skills.

The one-year programme focuses on the most at-risk colleagues working across London Underground, Buses and River Services. We are targeting up to 2,000 colleagues in the 25 locations with the highest levels of reported incidents, while we work on a TfL-wide long-term approach.

Body-worn video cameras

In January 2024, body-worn video cameras became part of our essential kit for operational colleagues working in a customer-facing environment. These cameras are a proven deterrent against WVA. They reduce the risk of an incident occurring and when an incident does occur, they provide evidence more likely to lead to positive judicial outcomes.

More enforcement officers

Our Transport Support and Enforcement officers play a key role in tackling WVA by dealing with the triggers of anti-social behaviour, WVA and enforcing TfL byelaws. Officers work across all TfL modes to support colleagues against work-related violence and aggression. In 2023/24, on London Underground they made 22,180 interventions, reporting 5,033 individuals for prosecution (67 per cent for gateline-related offences, 2.5 per cent for unacceptable behaviour). They have made 16,000 network visits across all modes including on buses.

We have recruited more enforcement officers, including our first night team of 15 officers to complement policing activity on our night services. The team began operations in January 2024 and to date have made 200 network visits and 2,646 interventions with 563 individuals reported for prosecution (87 per cent for gateline-related offences).

22,180

interventions by TfL enforcement officers in 2023/24

Tackling violence against women and girls

Targeted actions and strategies to ensure that women and girls are safe, and feel safe, on our network, giving them confidence to travel

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We have continued our work to end violence against women and girls when travelling in London. We have focused on tackling sexual offences and harassment and improving women's and girls' confidence to travel.

There is a comprehensive programme of activity in place spanning communications, education and engagement, training, data and technology, policy, and infrastructure improvements.

We have worked with the British Transport Police and the Metropolitan Police Roads and Transport Policing Command to provide targeted operations, visibility, and reassurance across our public networks and in taxi and private hire vehicles.

Led by data and feedback from customers and colleagues, we target our patrols and interventions at known hotspots for incidents.

We have continued our rollout of sexual harassment training for our frontline customer-facing staff, launched a trial of CCTV at bus shelters, raised awareness and encouraged bystander intervention through our communications campaigns. We have also partnered with the Mayor's Office for Policing and Crime to trial women's safety audits to better understand what more is needed to keep women and girls safe, and feeling safe, in their local area.

We have undertaken extensive customer research with women and girls covering their experiences, perceptions and expectations of travelling on our network to keep them safe and secure. This will inform our future programme of activity.

We continue to work closely with the Mayor's Office for Policing and Crime and the Night Czar to help deliver on the Mayor's strategy to end violence against women and girls and London's Women's Night Safety Charter.

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Health

Ensuring our people enjoy good physical and mental health in the workplace is a key ambition

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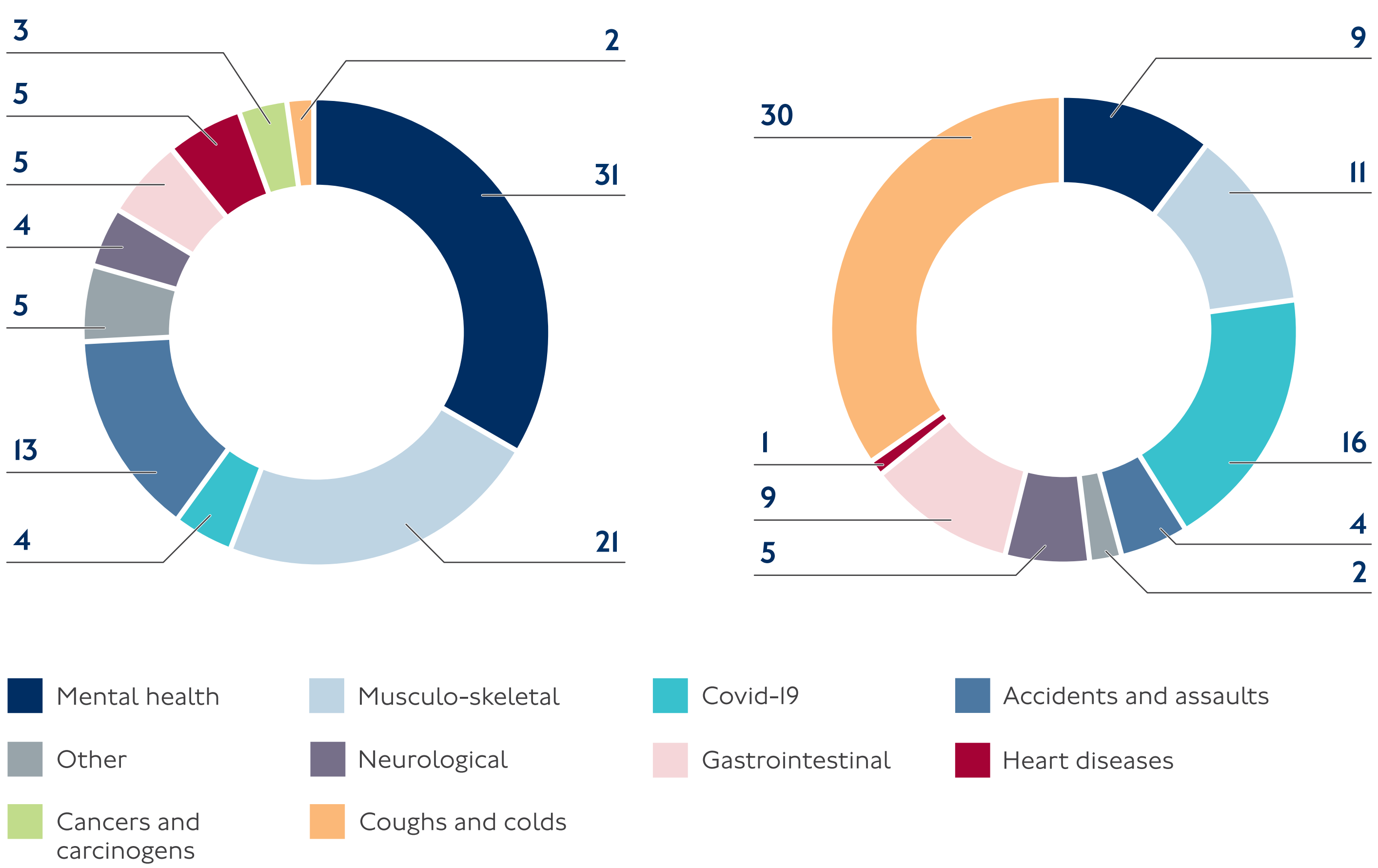
Our health performance

Working to understand and support the health and wellbeing needs of our people

Top causes of absence due to illness (% of total)



Long-term colleague absence continues to be most commonly as a result of musculo-skeletal and mental health conditions. This is consistent with previous (non-Covid) years and is in line with patterns experienced in other companies. The figures also demonstrate the impact of work-related violence and aggression on our colleagues and the importance of the programme, described in this report, to address it.

Medical assistance programme

We know that prolonged absence from work due to sickness can cause stress and mental health problems. The longer someone is off, the less likely they are to return to work.

Some colleagues are able to use our private medical insurance system. For those who cannot, we also provide a medical assistance programme. This can support eligible colleagues by paying for treatment and investigations so they can return to work earlier than would otherwise be possible.

This year we have seen an increase in referrals to the programme, which is likely related to long NHS waiting times. Of the 120 referred, 51 met the criteria, and we are gathering more information on a further 17.

Sickness absence

This year 6,400 employees were referred to occupational health, up from 5,800 in 2022/23. The majority of the referrals related to mental health and musculoskeletal issues, which is a common finding across the UK. Cardiovascular problems were the next highest reason for referral, highlighting the importance of the well@tfL health checks, which pick up early risk factors for cardiovascular disease, and our medical assistance programme.

Our wellbeing initiatives

Making TfL a great place to work by prioritising the physical and mental health of our colleagues

Health checks for colleagues

In 2023/24, the Well@tfl team undertook 850 health checks across a number of TfL sites. Apart from informing the individual about their health and steps to support better health, the grouped results also enable us to plan targeted evidence-based initiatives – for example, in areas where there are higher than average levels of smoking.

Support for weight loss and diabetes

This year we have partnered with Roczen to offer 200 free places on a 12-month weight management programme. This supports weight loss and the reversal of conditions such as type-2 diabetes among at-risk colleagues.

In addition, in spring 2024 we secured spaces for up to 250 further colleagues to join a free, three-month health programme, where they receive a personalised 12-week plan. This is the fourth occasion where we have offered colleagues places on the scheme, building on the successes of past participants who are now helping others reach their health goals.

Colleagues who are eligible will receive personalised health plans and dedicated guidance from Roczen's expert doctors, nutritionists and dietitians.

Responding to trauma

Around our network we have a number of trauma support groups. These volunteer groups provide comfort and support following a traumatic incident. They can assist affected colleagues with tasks such as calling their line manager and family members, and give details of resources that can help. The Wellbeing team have collaborated with the trauma support groups to discuss their future training and plans to enhance the support they provide. This will include the introduction of trauma risk management, an evidence-based approach that is used widely by emergency services and other rail companies.

Our new occupational health department

In March 2024, the Commissioner officially opened the new occupational health department on Borough High Street. The central location next to London Bridge station makes it easy to reach for colleagues, while the design includes 'well building' features such as plants, Graphenstone paint which absorbs carbon dioxide, and recycled materials. It is a welcoming space for colleagues who need medicals and are sometimes nervous.

Health surveillance

We are committed to protecting colleagues from health risks at work. One of the ways we do this is through our health surveillance scheme, which monitors colleagues who might be exposed to certain risks, such as chemicals or noise. This helps early identification of ill health caused by work.

The Occupational Health team have focused on periodic skin screenings, with over 15,500 screenings conducted and upwards of 450 referrals since June 2022. Fortunately, so far, no referrals have identified reportable skin conditions and screenings have been moved from monthly to every three months.

The wider SHE team has been working to increase participation in health surveillance among teams whose people are potentially exposed to skin and respiratory risks. We identified single points of contact to upskill them on the legal requirements and empower them to ensure participation. During Quarter 3, we focused on teams exposed to noise risks.

We have also established a satellite clinic at our Acton railway engineering workshop to make it easier for colleagues to undertake health surveillance medicals.

A healthier workforce

Our health programmes are making a difference for our people

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Awards for our occupational health team

In December 2023, we were awarded Outstanding Occupational Health Team 2023 at the Society of Occupational Medicine Awards. The award cited our 'exemplary dedication to inclusivity' and projects that 'instigate a cultural shift towards greater health awareness, and proactively identify and prevent health conditions'.

We have also been shortlisted in the 2024 Inside Out Awards, which celebrate good mental health and the organisations and individuals who champion it. We have been shortlisted in the Physical Wellbeing Initiative of The Year category, recognising the work we have been doing in association with Roczen, and the Most Innovative Initiative to Engage Colleagues category for the well@tfl health checks. The winners will be announced in June 2024.

Environment

Our work to deliver the goals of a cleaner, healthier and more sustainable London

Delivering for the environment

We continue to launch initiatives to drive progress towards our long-term environmental targets

In 2023/24, we have achieved significant progress against our Corporate Environment Plan. To address the climate emergency, we continue to drive decarbonisation initiatives across the business to support London in achieving net-zero carbon by 2030.

We have taken major steps to improve air quality in London, extending the Ultra Low Emission Zone (ULEZ) and developing an air quality programme to reduce Tube dust through increased cleaning and monitoring, research and innovation.

We have made progress on adapting our network and London for the impacts of climate change in line with our Climate Change Adaptation Plan.

As part of our efforts to restore London's biodiversity, we have doubled our wildflower verges and published our first Green Infrastructure and Biodiversity Plan.

Other achievements, which we describe in more detail throughout this section, include delivering carbon literacy training to more than 4,000 colleagues.

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Environment metrics at the end of 2023/24

Theme	Measure	2019/20	2020/21	2021/22	2022/23	2023/24
Climate Emergency	Operational carbon emissions (thousand tonnes per annum)	1,040	862	832	813	821
Air Quality	Percentage of bus fleet that is zero emission	3.5%	5.4%	8.9%	10.8%	15.8%
Air Quality	Percentage of support vehicles** that are zero emission	2.6%	2.5%	2.3%	2.3%	2.2%***
Sustainable resources	Percentage of commercial and industrial waste recycled	42%	40%	47%	49%	49%*
Green Infrastructure	Number of trees on our road network	24,234	24,103	24,581	24,795	25,031

* Results for 2023/24 are provisional and subject to change

** Support vehicles include cars, vans, and HGVs

*** This percentage has decreased due to five zero-emission vehicles being returned on lease expiry. We aim for all support fleet cars to be zero-emission capable by 31 December 2024 and for all remaining existing support vehicles to be zero-emission by 2030.

Tackling the climate emergency

Taking action to reduce our impact on London's environment

We are working towards zero carbon emissions across all our activities, supporting London to become a net-zero carbon city, and adapting our network and London to be ready for the impacts of climate change

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Evaluating our carbon emissions

Total operational carbon emissions for 2023/24 were 821 kilotonnes of carbon dioxide equivalent (CO_2e), a slight increase on 2022/23. This is due to a seven per cent increase in the carbon intensity of the UK's electricity that we consume through the grid. Despite this, our carbon emissions have increased by less than 1.5 per cent. This reflects the reductions we continue to make, particularly through zero-emission buses.

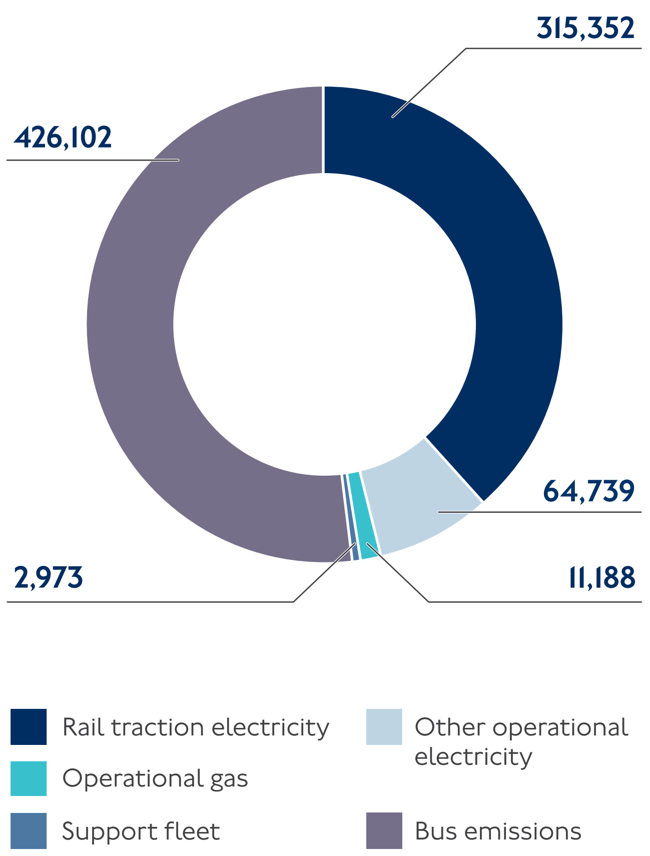
In previous reports, we have included some scope 3 emissions, which are indirect emissions from our supply chain such as bus operations or rail franchises. We will continue to report on emissions from our operations but are also now aligning our reporting to the Greenhouse Gas Protocol and including other indirect emissions.

We have calculated a baseline of scope 3 emissions for 2022/23 of approximately 1.2 million tonnes of CO_2e. There are significant challenges in accurately reporting these emissions and we continue to look for opportunities to improve data quality and reporting from across our supply chain partners. We aim to report more comprehensive scope 1, 2 and 3 carbon emissions from 2024/25 onwards. In 2023/24, we committed to setting science-based targets for emissions. External validation of targets will continue, with validated targets for all scopes from 2024/25.

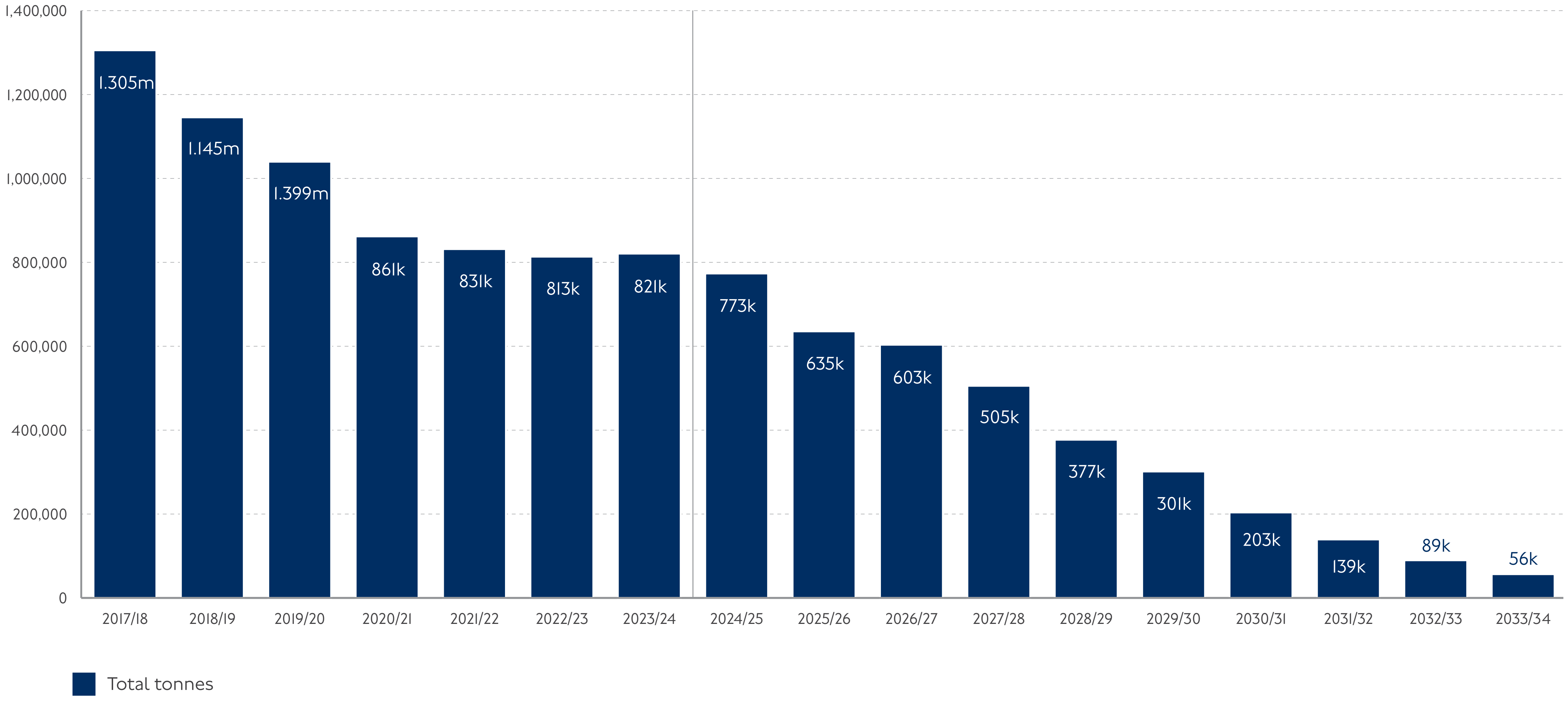
Overview of our carbon emissions

Scope	Emissions (tonnes of CO_2e)	Reporting year	Main emissions sources
1	13,846	2023/24	Gas supplies to our buildings, vehicle fleets
2	336,732	2023/24	Directly purchased electricity
3 – outsourced transport services	470,269	2023/24	Energy used by operators of our bus and rail services
3 – other indirect emissions	704,795 (estimated)	2022/23	Other purchased goods and services, Capital projects, upstream energy use impacts

Carbon emissions by energy type in 2023/24 (total tonnes CO_2e)



Total annual operational carbon emissions (historic and forecast)



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Transitioning to renewable energy

Our approach to finding more sustainable ways to deliver our operations

Solar panels on cable cars

Bringing renewables even closer to our network, in November 2023, we installed 89 solar panels on the IFS Cloud cable car terminals. These are expected to produce up to 34 megawatt hours of energy per year. Any excess energy generated from the South Terminal in Greenwich will be fed back into the National Grid.

Generating electricity on our network

As London's largest consumer of electricity, we are looking for a partner to develop solar energy-generating projects on the London Underground network. This project has the potential to guarantee zero-carbon energy as well as offering potential financial benefits. We hope to have a shortlist of prospective partners by early 2025.

Our network has the potential to accommodate approximately 64 megawatts of locally generated energy, which is around five per cent of our annual base load.

Procuring renewable energy from the grid

In February 2023, we launched our first power purchase agreement procurement. This aims to procure approximately 10 per cent of our required electricity from renewable energy sources and encourages the market to invest in increasing new renewable energy generation connected to the national grid. We are now in negotiation with potential providers and plan to have a contract in place by September 2024.

Our long-term target is for 100 per cent of electricity we use to come from renewable sources by 2030.

Transitioning to LED lighting

Converting lighting on our network to LED is creating brighter, safer, more energy efficient spaces across our network. LED lighting provides approximately 10 per cent more light compared to fluorescent bulbs, and uses around 57 per cent less energy, as well as lasting six times longer on average. We have now converted over 95 per cent of our 12,100 bus shelters across London to LED, with the remaining shelters due to be converted in the first quarter of 2024/25. Converting our bus shelters alone has the potential to save 1,000 tonnes of carbon emissions annually.

On the London Underground, more than 40 per cent of our stations have been fitted with LED lighting, including major stations like Oxford Circus, which was completed in October 2023, as well as our depots in Hainault and Ruislip. We are aiming to complete a further 16 stations in 2024/25 including King's Cross St Pancras. We will upgrade lighting to LED in our train fleet as part of planned refurbishment and all new trains (such as those being introduced to the Piccadilly line and DLR) will be fitted with LED lighting among other energy-efficient features.

Capturing energy from waste heat

Our Waste Heat project looks at how we can capture heat created on the London Underground to heat buildings and provide hot water. London Underground operations provide a constant and reliable source of heat, which is mostly released into the air. Capturing waste heat would enable local buildings, including private homes and schools, to move away from fossil fuel-powered heating systems and lower the carbon footprint of the buildings' operations.

We are focused on delivering an initial ventilation shaft site at Sessions House in Borough. The next steps will involve identifying an appropriate energy supplier and work with them to shape this project around the forthcoming heat zoning regulations in London.

Financing our green initiatives

Working with partners and the GLA to deliver our environmental commitments

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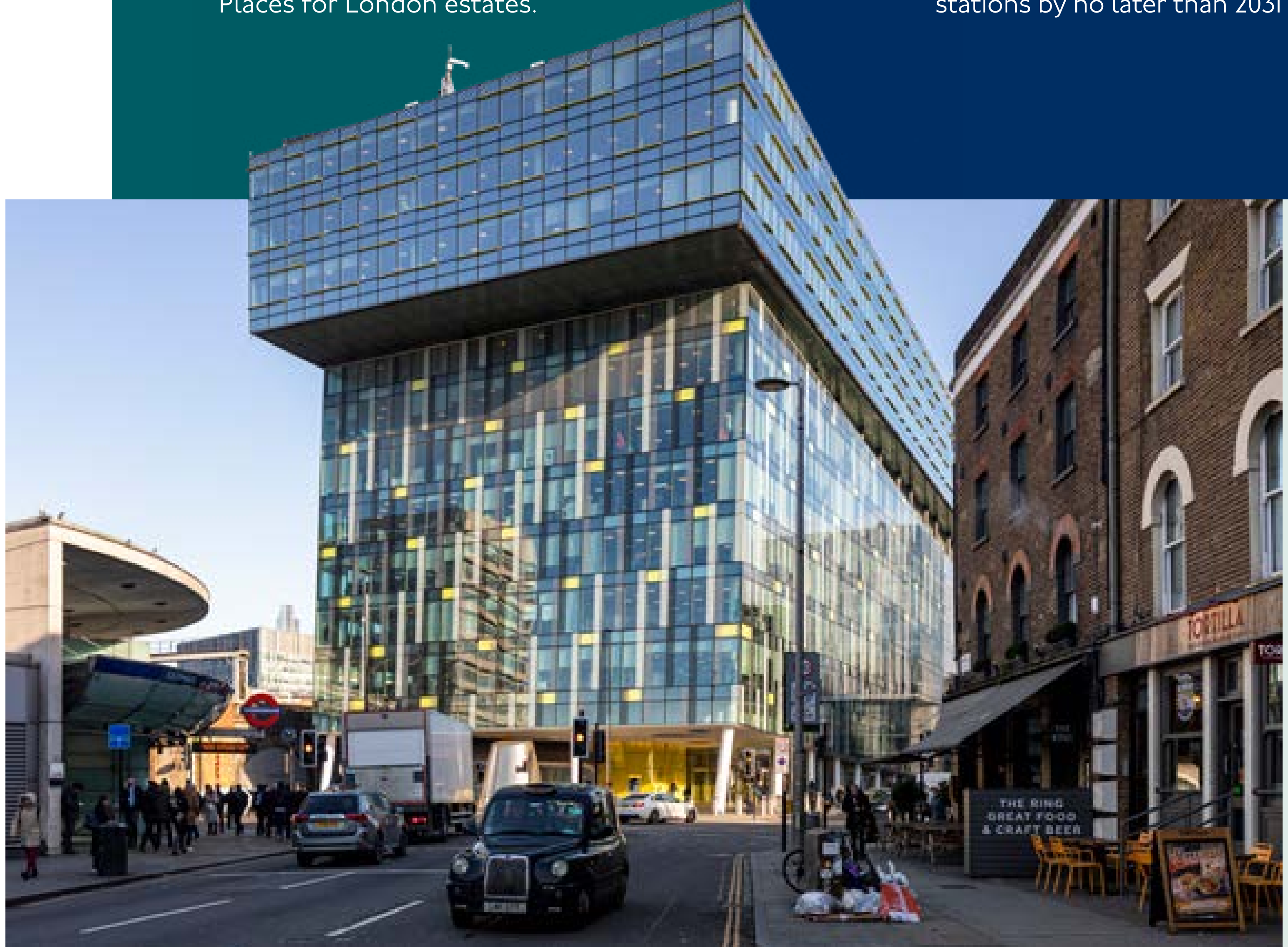
A new partner for decarbonisation

We have recently appointed a service provider partner through the GLA's Retrofit Accelerator Workplaces framework on an initial five-year contract with the option to extend. They will help to support the design and delivery of our projects funded through the Public Sector Decarbonisation Scheme, and other heat decarbonisation and retrofit projects across the TfL and Places for London estates.

Green Finance Fund

We have accessed around £34m of reduced-cost borrowing through the Mayor's Green Finance Fund to finance four projects:

- Accelerate the roll-out of LED lighting, increasing energy efficient lighting columns on our roads from around 54 to over 70 per cent in the next two years
- Upgrading all lighting to LED in small London Underground stations by no later than 2031
- Install new energy efficient heating and cooling system and new solar electricity panels for the staff welfare building at Neasden depot
- Upgrade building fabric at our office on Buckingham Palace Road, dramatically increasing the efficiency of the building



Funding for decarbonisation

We have successfully secured £16.3m of grant funding from the Department for Energy Security and Net Zero through two Public Sector Decarbonisation Schemes: one for two operational sites (£2.3m) and one for six of our head office buildings (£14m). This funding will be used for improvements that reduce our reliance on fossil fuels, including heat pumps, solar panels, LED lighting, improved glazing and wall insulation.

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Achieving our net zero goals by 2030

In February 2024, we launched a Net Zero Matrix team to support and accelerate delivery of our net zero commitments. The team will manage set-up, delivery and oversight of specific programmes and projects with the primary objective to reduce our operational carbon emissions to net zero by 2030. The team is made up of colleagues from across TfL, including SHE, Capital, Investment Delivery Planning, Commercial and Finance.

Expanding the scope of our Climate Budget

In November 2023, we submitted our Climate Budget to the GLA for 2024/25. It includes measures funded through our Business Plan that support reduction of operational carbon emissions, as well as increased climate resilience and adaptation measures. Non-funded measures are also included. This year the submission also included measures that support reduction of greenhouse gas emissions, climate resilience and adaptation in parts of the city outside the TfL estate and fleet.

Carbon Literacy Project

Carbon literacy training

The Carbon literacy training programme remains a high priority. We exceeded our scorecard target to train 3,000 colleagues in 2023/24, with more than 4,000 people trained as of 31 March. In February, we received bronze accreditation from the Carbon Literacy Project for training our senior leadership including our Commissioner, Chief Officers and their direct reports. These accomplishments were made possible by a network of 75 volunteer trainers and nearly 20 volunteer coordinators from across our organisation.

The programme will continue into 2024/25 and we are planning to achieve silver accreditation from the Carbon Literacy Project before the end of the financial year.

Delivering our Climate Change Adaptation Plan

Our collaborative approach to mitigating the impacts of climate change across London

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We are continuing to adapt our systems to reduce the impacts of climate change and ensure we are resilient in the face of more extreme and frequent weather events across London.

We completed an assessment of the climate risks for three case study sites: King's Cross, Stratford and South Harrow. Our report found that surface water flooding and extreme heat were the greatest risks and set out a series of recommendations to improve our ability to respond to these risks.

We are looking at including weather hazards in our incident reporting systems. This would help us to better understand the impact of severe weather on our operations, assess likely future impacts and influence business planning.

Since climate hazards do not respect administrative or operational boundaries, we are collaborating with stakeholders on climate change adaptation, including the development of London's first surface water flooding strategy.

We hosted a workshop with all London boroughs, and another with infrastructure sectors such as power, water, and communications, to identify actions we can take together to mitigate climate risks that affect us all. We will report on our findings to the Department for Environment, Food and Rural Affairs at the end of 2024.

We led development of the International Public Transport Association Union (UITP) climate change adaptation framework. This sets out seven clear stages that public transport organisations should follow, including cases studies to show how organisations across the world are adapting to climate change.

Sustainable drainage systems

Sustainable drainage systems (SuDS) mimic natural features to help manage surface water drainage in cities. We are working to support the Mayor's target of 50,000 additional square metres of SuDS every year on London's roads. In 2023/24, we delivered almost almost 8,000 square metres of SuDS at Old Street and Tolworth roundabouts, exceeding our annual target of 5,000 square metres. We aim to deliver 9,000 square metres in 2024/25.

In addition, we provide funding to boroughs for the delivery of their local improvement plans, which may include increased greening and reallocation of road space, such as installation of SuDS.

Improving air quality

Our work to deliver health benefits for all Londoners

We are improving air quality in London through operating the Ultra Low Emission Zone (ULEZ) and shifting our own fleet to zero emission, as well as the vehicles under our control. In the London Underground, we are improving air quality through cleaning, monitoring and researching.

This report includes data and information available as of 31 March 2024. The six-month report with the most current information on ULEZ expansion and the latest scrappage scheme factsheet will be published in July 2024.

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Expanding the Ultra Low Emission Zone

We successfully expanded ULEZ London-wide on 29 August 2023, ensuring five million more Londoners can breathe cleaner air.

The first month report, published in October 2023, showed that the scheme has been effective at reducing the proportion and number of older, more-polluting vehicles on London's roads. On an average day, 95 per cent of vehicles driving in London now meet ULEZ standards, up from 39 per cent in February 2017.

Preliminary analysis of the impact on air quality will be published in a six month report in July 2024, with a full-year report due in 2025.

50k
scrappage scheme applications approved by 31 March 2024, worth over £173 million

Improving the scrappage scheme

The total scrappage fund increased to £160m in August 2023 and to £210m in February 2024, in recognition of the continued high demand for the scheme and importance of the scheme in supporting Londoners to switch to cleaner, greener modes of transport. As of 31 March 2024, 50,507 applications had been approved and more than £173 million had been committed.

In March 2024, the Mayor expanded the scheme to give applicants the option to donate non-compliant vehicles to Ukraine, via a trusted partner, for humanitarian purposes. Those who choose to donate their vehicle receive the same level of grant payment that is available to those who choose to scrap their vehicle.

We also secured offers from over 30 partners to further help Londoners save money and use greener, cleaner forms of transport. These include money off hire and subscription services for bikes, e-bikes, cargo bikes and e-scooters, and discounts on car clubs. Over 2,000 of these offers had been redeemed by March 2024.

Additionally, we offered a set of temporary exemptions to support disabled people, community transport minibuses, people using wheelchair accessible vehicles, and businesses and charities with new compliant vehicles or retrofit solutions on order. As of 31 March 2024, over 6,800 applications for a grace period had been approved.

Providing more charging points for electric vehicles

We continue to work alongside London boroughs and the private sector to deliver public charge points, enabling high mileage user groups, such as taxi and private hire vehicle and commercial vehicle drivers to switch to zero-emission vehicles.

During 2023, we awarded three contracts to Zest to deliver rapid electric vehicle charge points across 126 bays on our roads. By the end of autumn 2024, we and Zest aim to complete installing 39 rapid charging bays at 24 different sites in south and southwest London, including outer London borough councils such as Sutton and Bromley, with the remainder to be installed by summer 2025. We are assessing suitable sites for a second delivery phase, including sites across our and wider GLA group land.

In November 2023, we started looking for a partner to deliver electric vehicle charging hubs across London on our land, starting with five sites in Hillingdon, Ealing, Newham and Haringey. Each site will deliver a minimum of six publicly accessible ultra-rapid charging bays, including at least one bay for those with increased accessibility needs. We expect to announce our partner later this year.

Zero-emission support vehicles

We are undertaking a programme to convert our operational support fleet of approximately 1,000 vehicles to become zero-emission. We aim to phase out all cars in our support fleet which are not zero-emission capable by the end of the 2024/25 financial year, and we aim for all remaining existing support fleet vehicles to be zero-emission by 2030. This programme will also involve the installation of charging infrastructure at our operational sites.

Zero-emission buses and taxis

London has the largest zero-emission bus fleet in western Europe. As of the end of March 2024, there were 1,418 zero-emission buses in circulation, approximately 16 per cent of our bus fleet. The Mayor recently committed to London having a fully zero-emission bus fleet by 2030, brought forward from the previous target of 2034, subject to funding.

In addition, London's iconic black cabs have reached a major milestone with more than 50 per cent now being zero-emission capable (ZEC), with the number totalling more than 7,970. New licences granted to private hire vehicles require that they are ZEC.

Improving air quality on the Tube

Improving air quality on the London Underground network is a key priority. The latest independent monitoring shows that dust levels in Tube stations have decreased by 19 per cent since 2020, and in driver's cabs by 27 per cent since 2019.

We are increasing our annual dust cleaning budget on the network by a third, to £2 million per year, and allocating further funding for trials and innovation to improve air quality. We have recently launched a pilot of air filtration systems at Baker Street station.

We have commissioned research to help better understand potential health impacts related to air quality on the Tube, this includes two studies with Imperial College London looking at short-term and historic trends related to staff sickness absence.

The short-term study was published in March 2024. It showed there was no evidence that exposure to dust causes sickness absence but stated that further research is needed. We continue to work with Imperial College London on a longer-term study and supporting other researchers by providing access to our network.

Reducing emissions from non-road mobile machinery

In line with the Mayor's objectives to mitigate air pollution in London, we now include non-road mobile machinery (NRMM) emissions requirements in our supplier contracts. These require that all our suppliers and their subcontractors use NRMM with progressively tightening emissions standards. The long-term goal is for all NRMM to be zero-emission by the end of 2040.

Suppliers and in-house teams log relevant details on the GLA group NRMM register so the GLA can monitor compliance with emissions standards.

Our suppliers are adopting best practice approaches to comply with emissions standards. For example, zero-emission battery-powered and electric equipment has been used on our Old Street and Surrey Quays station upgrade projects.

Green infrastructure

We are protecting and enhancing our green infrastructure, improving biodiversity and habitats across our estate

Wildflower verges

In spring 2023 we delivered an additional 74,000 square metres of wildflower verges. This took the total of wildflower verges across our road network to almost 130,000 square metres, equivalent to 18 football pitches. We will double this to 260,000 square metres in 2024.

Our wildflower verges are helping supply nectar and other food resources, plus shelter for wildlife including bees, butterflies, birds and small mammals. The scheme is helping boost biodiversity in our grass verges and is proving a success story with rarer species such as the brown hairstreak butterfly spotted along the A40 and pyramidal orchids on the A21.

Our Green Infrastructure and Biodiversity Plan

We are one of London's largest landowners, with almost a third of our land covered by vegetation, supporting more than 1,000 animal species and 700 plant species. Many of these species are legally protected and their habitats must be preserved.

In March 2024, we published our first Green Infrastructure and Biodiversity Plan, which captures in one place our relevant targets, legal requirements and policy commitments, and strategic actions we will take to deliver against these.

Key targets include a net gain in biodiversity across our estate by 2030, increasing tree canopy cover across TfL by 10 per cent by 2050, and further reducing or eliminating the use of pesticides where possible.

Increasing tree canopy cover

We will publish a tree canopy cover plan by March 2025, which will show how we can meet our commitment to increasing tree canopy cover across our estate by 10 per cent by 2050.

Our 2023/24 street tree planting programme saw a net increase of 236 street trees, which takes us to a total of 25,031 street trees, meeting the street tree planting target of the Mayor's Transport Strategy of a one per cent annual increase since 2016.

Our biodiversity ambitions

Biodiversity Net Gain requirements of the Environment Act 2021 have become law for our major projects from February 2024, and small sites from April 2024. We have established a steering group to look at cost-effective ways to meet the 10 per cent minimum biodiversity net gain on projects required by law.

This includes developing a habitat bank, so that on sites where net gain is not possible, we can offset this with biodiversity units on other sites on our land. This could even be a source of future revenue (for example, if surplus units are sold to third parties).

We have conducted ecology surveys of key trackside sites and wildflower verges to understand their potential to deliver biodiversity units. We have appointed a partner who will update our biodiversity baseline map in 2024, so we can identify future locations for biodiversity units and assess any changes in biodiversity across our estate.

Sustainable resources

We use resources and materials sustainably, thinking of a material's carbon across its lifecycle and minimising waste

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Recycling personal protective equipment

We have commenced a six-month trial scheme to recycle personal protective equipment (PPE). Working with our PPE provider Hayley Rail, and clothing and textile disposal specialists Avena Group, we have installed a dedicated recycling bin for PPE items at our Stratford office. They 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. Avena have estimated that the equivalent of 40,404kg of carbon dioxide and 3,120 litres of water per annum could be saved with this scheme, compared to the general waste disposal of PPE.

New uniforms contract

We have awarded our new uniforms contract to Cooneen at Work Ltd. Sustainability has been at the heart of the process, with our tender document requiring all participants to comply with our responsible procurement policy and environmental requirements.

We prioritised participants that could contribute to the Mayor's ambitious targets on climate change and achieving net-zero carbon by 2030, as well as our Corporate Environment Plan, use low-impact, robust materials, and fabrics that are more easily recycled.

To prevent waste, current uniforms will be used up to the end of their working life before being replaced by the new uniforms and recycled as a priority.

New kiosks

Our new station kiosks cut their embodied carbon emissions by 25 per cent by replacing steel with lower-carbon aluminium and using resources more efficiently. Following a successful trial at Shoreditch station, the new kiosks are being rolled out across the transport network.

Train gearbox oil recycling

Following a global shortage of the gearbox oil we use for some of our train lines, we collaborated with our suppliers and other partners to investigate recycling train gearbox oil. For the past two years, we have carried filtration trials which indicate that the oil maintains its high quality even after 10,000km of use and can be effectively recycled.

The results are underpinned by rigorous oil analysis and debris examination, ensuring the recycled oil meets operational standards. We estimate that this initiative has the potential to save approximately 67 tonnes of CO_2 per gearbox overhaul cycle, equivalent to taking 134 cars off the road.

We are now looking to expand this approach to other operational areas and assets such as lifts and escalators, and share best practice with other organisations.

Best environmental practices

We go beyond minimum obligations to apply environmental and sustainability best practices

Sustainability reporting and disclosures

This year we will be including new reporting and disclosures into our annual report to provide greater transparency around our responses to climate change-related risks. Alongside Taskforce for Climate-related financial disclosures, we will also include Taskforce for Nature-related financial disclosures for the first time. This framework outlines the importance of nature's health and resilience for societies, economies, business and finance.

Improving how we evaluate environmental impact

We have recently upgraded our environmental evaluation tool, which we use to identify and manage environmental risks and opportunities throughout the project lifecycle. The new tool incorporates recent legislative changes, such as biodiversity net gain, as well as changes to reflect our better understanding of specific risk areas such as climate change adaptation. The user-friendly digital tool guides our colleagues through the process step by step.

Old Street roundabout

Work at Old Street roundabout is almost complete. The project introduced new segregated cycle lanes and pedestrian crossings, a new public space and a new station entrance with a green roof. During construction the project used equipment powered by electricity instead of diesel, saving 200 litres of diesel over a four-month period, saving money and reducing carbon emissions and air pollution. Air quality has been further improved by installing a novel paving material that converts nitrous oxides into oxygen and nitrates.

The paving also uses permeable grout to allow excess rainwater to be released to the general drainage system more slowly, and three rainwater gardens to help reduce the risk of flooding. We estimate that the project overall achieved a biodiversity net gain of 46 per cent. We also saved 46 tonnes of carbon by constructing the roof above the retail units with lightweight fill material rather than standard concrete.

Surrey Quays station upgrade

Surrey Quays Station upgrade cut its embodied carbon emissions by 50 per cent compared with its initial design target. It achieved this by implementing the PAS 2080 standard, which sets guidance to reduce supply chain emissions in the design of new infrastructure.

50%

lower carbon emissions compared to the initial design target

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Eliminating harmful substances on the Tube

On 7 October 2019 we received a notice from the Environment Agency in relation to equipment containing polychlorinated biphenyls (PCBs) on the London Underground network. The notice required the phase out and removal of all assets containing PCBs by the end of 2023. London Underground has implemented a removal plan and work continues to remove the PCBs as soon as possible. We are liaising closely with the Environment Agency.

Recognising higher standards in construction

Our Pre-Construction Beacon award assesses projects before the construction phase in a range of criteria. The aim is to raise standards at the design stage, when future improvements for safety, health, sustainability and environment can be maximised.

The second project to be submitted for consideration was the redevelopment of Colindale London Underground station, which is being rebuilt to increase capacity and to become step-free.

Such a major change to a station also presents the opportunity to consider a reduction of carbon emissions and increased sustainability in the construction phase, and throughout the operating life of the station. The Colindale project team achieved a Gold award. Of particular note were their efforts to minimise environmental impacts and attain a high degree of sustainability.

Making it happen

Embedding environmental objectives in everything we do as an organisation

We are making environment and sustainability a core part of TfL culture, advocated by leaders and championed in every team, incorporated into contracts and delivered through procurement.

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Responsible procurement

This year, we have made considerable progress towards making our procurement process fairer and more sustainable. To support delivery of our commitments:

- We are now using the Social Value Portal, including dedicating at least 10 per cent of the evaluation scoring criteria to social value and responsible procurement for all applicable new procurement strategies
- We are diversifying our supply chain, including reserving over £200k of under-threshold contracts for small and medium-sized businesses in 2023/24
- We are including requirements in contracts to enhance diversity and skills in London's transport and infrastructure sector, supporting over 4,200 apprenticeship starts since 2016
- Twenty-five of our suppliers are accredited to the Mayor's Good Work Standard, contributing to embedding fair and inclusive employment practices
- All suppliers of new contracts worth over £5m are now required to produce a carbon reduction plan

More information on these and other initiatives can be found in the 2023/24 GLA Group Responsible Procurement Progress Report.

Giving a voice to young Londoners

Established in 2009 and currently consisting of 30 volunteers aged 16 to 25, our Youth Panel plays an important role in helping create a transport network that works for young people in London. After a year of exploring the connections between environmental sustainability and equity, diversity and inclusion with interviews, workshops, research and public hearings, the Youth Panel published its Tomorrow's TfL report in October. The report describes their vision for the future and contains a set of nine policy recommendations for how we could improve the environmental sustainability of our network and operations. We will be responding to these recommendations in 2024/25.

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Sustainability awareness programme

During the year we delivered a series of training sessions focused on leadership in sustainability. This gives our business leaders a deeper understanding of sustainability and how it impacts the work of their teams. To further support business leaders to share their knowledge with their teams, we launched a toolkit which will help managers talk to their team about sustainability.

Sustainability summit

In September 2023, we welcomed colleagues to our first Sustainability summit at City Hall. The aim was to raise awareness about sustainability, how it relates to the work we are already doing to improve the environment, people's lives and the economy, and what each of us can do to go further. Speakers from across the organisation provided insight and tools colleagues can use to help make our organisation more sustainable.

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.

July 2024

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Board

Date: 24 July 2024

Item: Annual Update on 2023/24 Delivery of the Mayor's Transport Strategy

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This paper will be considered in public

1 Summary

1.1 Appendix 1 to this paper is the draft of the seventh annual progress report, summarising delivery of the Mayor's Transport Strategy (MTS) and the relevant elements of the London Environment Strategy in 2023/24.

1.2 Information on the six-month monitoring report on the London-wide Ultra Low Emission Zone (ULEZ) will be provided in Appendix 2, which will be issued as a late appendix as the information is still being analysed ahead of the report being issued.

1.3 This paper summarises the layout of the report.

2 Recommendation

2.1 **The Board is asked to note the draft copy of Delivering the Mayor's Transport Strategy 2023/24, prior to publication and note:**

(a) progress against the desired outcomes of the Mayor's Transport Strategy (MTS);

(b) that securing stable long-term funding is key to enabling us and the boroughs to continue to deliver on the MTS; and

(c) the need for a particular focus on further improving bus journey times and safety, which, together with long-term funding, are key to unlocking the full benefits of the MTS.

3 Report Highlights

3.1 The report summarises patterns of travel demand in 2023/24. Demand for public transport has substantially recovered but is not yet at pre-pandemic levels, and recovery varies by day of the week. Progress in 2023/24 continues to be affected by hybrid working patterns, and other factors including the cost of living and ongoing industrial action. The consolidated statistics for walking, cycling and public transport show an increase in 2023, to a level higher than 2022 and pre-pandemic in 2019.

3.2 Chapters three, four and five of the report set out our progress in delivering the three key themes of the MTS: Healthy Streets and Healthy People; A Good Public Transport Experience; and New Homes and Jobs. Data from the MTS tracker is used throughout to illustrate the pace of progress being made to deliver key MTS outcomes and illustrates that in many policy areas the direction of travel set out by the MTS requires an increased pace of delivery.

3.3 Under Healthy Streets and Healthy People, we outline how we and the boroughs are continuing to deliver on the Healthy Streets programme. We discuss the progress made on safety, including further roll-out of 20mph speed limits on the TfL Road Network and borough roads, our new Bus Safety Strategy and preparation for a new phase of the Direct Vision Standard later in 2024. We summarise our work to make our streets more efficient including managing the impact of streetworks through the Network Operating Strategy. Improving London's air quality remains a priority and we detail the expansion of the Ultra Low Emission Zone London-wide and how we have supported Londoners with a £210m scrappage scheme. We also describe how we have supported the growth of the electric vehicle charging infrastructure, and report on passing the milestone of more than 1,000 zero-emission buses in our fleet. We conclude this section with our progress related to green infrastructure and biodiversity and climate change adaptation and resilience.

3.4 Under a Good Public Transport Experience, we show how we are continuing work with upgrades and increasing capacity on the Underground, and the delivery of a new fleet of walkthrough DLR trains in the next financial year. We have continued delivery of Superloop services, which have enhanced connectivity between outer London town centres. We describe our progress on step-free access, assisted transport and how we are tackling hate crime and sexual harassment on our network. The section also outlines how we have continued to roll out 4G and 5G connectivity on the Tube network and Elizabeth line.

3.5 Under New Homes and Jobs, we outline our continued work with boroughs on their local plans and how we have used our powers as a statutory consultee to secure funding for public transport from developments as well as collecting the Mayoral Community Infrastructure Levy, which is a key part of the Elizabeth line funding. We outline the impact of projects including the Elizabeth line, as well as consider the potential impacts of current and future projects including the Elephant & Castle station capacity upgrade. This section also reports on the achievements of Places for London in delivering new homes and commercial properties on our land.

3.6 In chapter six, we summarise our progress in achieving our three key priority areas of improving bus journey times, making more progress on safety and continuing to seek long-term investment from central Government (following on from our short-term Government funding) and third-party funders. While we have made progress against the delivery of the MTS, long-term sustainable funding is crucial so we can continue to focus on delivering interventions across the capital, so that we move closer to achieving the ambitious targets of the MTS.

List of appendices to this report:

Appendix 1: Draft of Delivering the Mayor's Transport Strategy 2023/24 (July 2024)
Appendix 2: ULEZ six-month monitoring update

List of Background Papers:

None

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Delivering the Mayor's Transport Strategy 2023/24

July 2024 (Draft)

This document was republished on 17 July due to a version control issue with the version published with the agenda on 16 July 2024

MAYOR OF LONDON

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

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Summary

This is the seventh annual progress report summarising the delivery of the Mayor's Transport Strategy and relevant elements of the London Environment Strategy. The report provides an analysis of key travel trends in the financial year 2023/24 and our progress in achieving the aims of the Mayor's Transport Strategy. It outlines what we have delivered in the three key areas of the Mayor's Transport Strategy – Healthy Streets and healthy people; A good public transport experience; and New homes and jobs.

During 2023/24, travel demand steadily recovered across all modes following the impact of the coronavirus pandemic, with public transport demand returning to around 90 per cent of pre-pandemic levels. There is still some variation in demand recovery by day of the week, particularly on London Underground, with weekend demand largely recovering but weekday demand recovering slower, particularly on Fridays.

Overall, public transport ridership is nine per cent higher than in 2022/23. This has no doubt been helped by the opening of the Elizabeth line, which was used for more than 200m journeys in the last year compared to 128.5m in 2022/23. On the bus network, the most significant change was the launch of the Superloop, which added more than six million scheduled bus kilometres of additional limited stop express bus services to the capital's network per annum. The latest data shows increasing demand for Superloop services, with average growth on all Superloop routes since June 2023 nine per cent higher than the network average. We have also seen an encouraging increase in levels of cycling in 2023, with weekday cycling kilometres 6.3 per cent higher than the previous year.

Early estimates show that in 2023 the proportion of Londoners using active, efficient and sustainable ways of travel - walking, cycling or by public transport – was 64.2 per cent. This is an increase from 62.3 per cent in 2022 as we work towards our 2041 target of 80 per cent.

In 2023/24, we continued spending on the TfL-led Healthy Streets programme, along with allocating over £86m to London boroughs, including over £50m in outer London. Delivery in 2023/24 shows that we, working with the London boroughs, have more than quadrupled the size of the strategic cycle network, from 90km in 2016 to 390km by June 2024. We also introduced 10km of new bus lanes to help reduce bus journey times.

To improve the safety of all Londoners we have taken significant action including by further rolling out 20mph speed limits on the Transport for London Road Network, launching our Bus Safety Strategy and gaining formal approval for the new Progressive Safe System (PSS) for our Direct Vision Standard.

To improve our environment and tackle toxic air pollution, we expanded the Ultra Low Emission Zone (ULEZ) across all London boroughs in August 2023 making it the largest zone of its kind anywhere in the world. Alongside this we launched a Mayoral funded £210m scrappage scheme to help eligible vehicle owners switch to cleaner forms of transport. We now have more than 1,400 zero emission buses, meaning we have the largest zero emission bus fleet in Western Europe. We launched our first Green Infrastructure and

Biodiversity Plan which will help us protect, connect and enhance our green infrastructure and biodiversity while maintaining our safety standards and service reliability.

Our property company, Places for London, will soon reach the milestone of 1,000 new homes with a further 4,300 under construction. To date, 47 per cent of these homes are affordable against a target of 50 per cent. We also announced a new major strategic partnership with Network Rail which aims to accelerate the delivery of regeneration and development activity across London, particularly areas owned by us or other public sector landowners.

The policies embedded in the Mayor's Transport Strategy provide strong direction and as this report shows, we are making good progress in delivering these policies. An increased pace of delivery is required, with an enhanced focus on ensuring those living and working in outer London have the same transport opportunities as those in inner London. Integral to achieving this will be further funding to secure longer-term financial stability. In December 2023, we welcomed £250m of Government funding, which enables us to continue to deliver our major rolling stock and signalling programmes in 2024/25. However, our finances remain constrained and we need longer-term capital funding certainty in order to deliver vital improvements to our transport network. All of the Mayor's Transport Strategy outcomes we report on here are inter-linked and progress on one will benefit the others. In the immediate future securing this investment, improving bus journey times and improving safety are our three main priorities for unlocking the Mayor's Transport Strategy vision.

1. Purpose and scope

This is the seventh annual progress report summarising the delivery of the Mayor's Transport Strategy.

This report details changes in travel over the last year, the progress we have made in delivering the key outcomes in the Mayor's Transport Strategy and the issues we need to consider as we seek to accelerate the delivery of this strategy.

1.1. The Mayor's Transport Strategy

The Mayor's Transport Strategy looks to reduce Londoners' dependency on cars and increase the proportion of trips that are active, efficient and sustainable - walking, cycling and public transport - to an ambitious 80 per cent by 2041.

In addition to the 80 per cent target, the Mayor's Transport Strategy is focused on achieving nine outcomes under three themes:

1.1.1 Healthy Streets and healthy people

- **Active:** London's streets will be healthy and more Londoners will travel actively
- **Safe:** London's streets will be safe and secure
- **Efficient:** London's streets will be used more efficiently and have less traffic on them
- **Green:** London's streets will be clean and green

1.1.2 A good public transport experience

- **Connected:** The public transport network will meet the needs of a growing London
- **Accessible:** Public transport will be safe, affordable and accessible to all
- **Quality:** Journeys by public transport will be pleasant, fast and reliable

1.1.3 New homes and jobs

- **Sustainable:** Active, efficient and sustainable travel will be the best option in new developments
- **Unlocking:** Transport investment will unlock the delivery of new homes and jobs

1.2. The London Environment Strategy

We have a pivotal role in delivering the London Environment Strategy, published in May 2018. In addition to measures set out in the Mayor's Transport Strategy for environmental improvements to the transport system, including the Ultra Low Emission Zone (ULEZ), we are largely responsible for addressing key elements outlined in the London Environment Strategy. These include responsible procurement, reducing waste, our energy strategy, climate change adaptation, work to accelerate the reduction in carbon dioxide (CO_2) emissions and delivering an increase in green infrastructure and a net gain in biodiversity.

1.3. The London Plan

The London Plan 2021 is the Spatial Development Strategy for Greater London. It sets out a framework for how London will develop over the next 20-25 years and the Mayor's vision for Good Growth. The London Plan is part of the statutory development plan for London and directly informs decisions on planning applications across the capital. Borough Local Plans should conform with the London Plan to ensure that the planning system for London is consistent with strategic objectives.

The current London Plan includes the highest housing target London has ever had, at 52,000 new homes a year. It embeds active, efficient and sustainable travel in London through promoting high-density, mixed-use sustainable development with associated public transport investment and a restrictive approach to car parking provision.

We will provide advice and support to the Greater London Authority in the future review of the London Plan.

1.4. Our strategy

Our strategy was published in 2023 and is structured around five key themes: customers, safety and security, our green future, colleagues and finance. These bring everything together, outlining how we'll deliver against the Mayor's Transport Strategy outcomes. This approach guides our planning processes, from our individual objectives and local plans to our Business Plan. This then cascades to our annual scorecard, which tracks our progress over each year on our priorities.

1.5. Mayor's Transport Strategy Tracker

We report progress on delivering each Mayor's Transport Strategy outcome via Travel in London reports and this annual update to the Board. We have also embedded many of the outcomes in the TfL Annual Scorecard and vision and values. However, we recognise many of the outcomes are not suitable for tracking in an annual scorecard. Having a detailed, technical, evidence-based assessment of the progress being made towards the outcomes improves transparency and to support this we have developed a separate data-led Mayor's Transport Strategy tracker. The purpose of this tracker is two-fold: to act as an in-year performance management tool and to provide strategic context for the reporting of projects, initiatives, and programmes across the nine Mayor's Transport Strategy outcomes.

The 12 measures within the Mayor's Transport Strategy Tracker are shown in Table 1. Further contextual data relating to these outcomes can be found in our Travel in London reports.

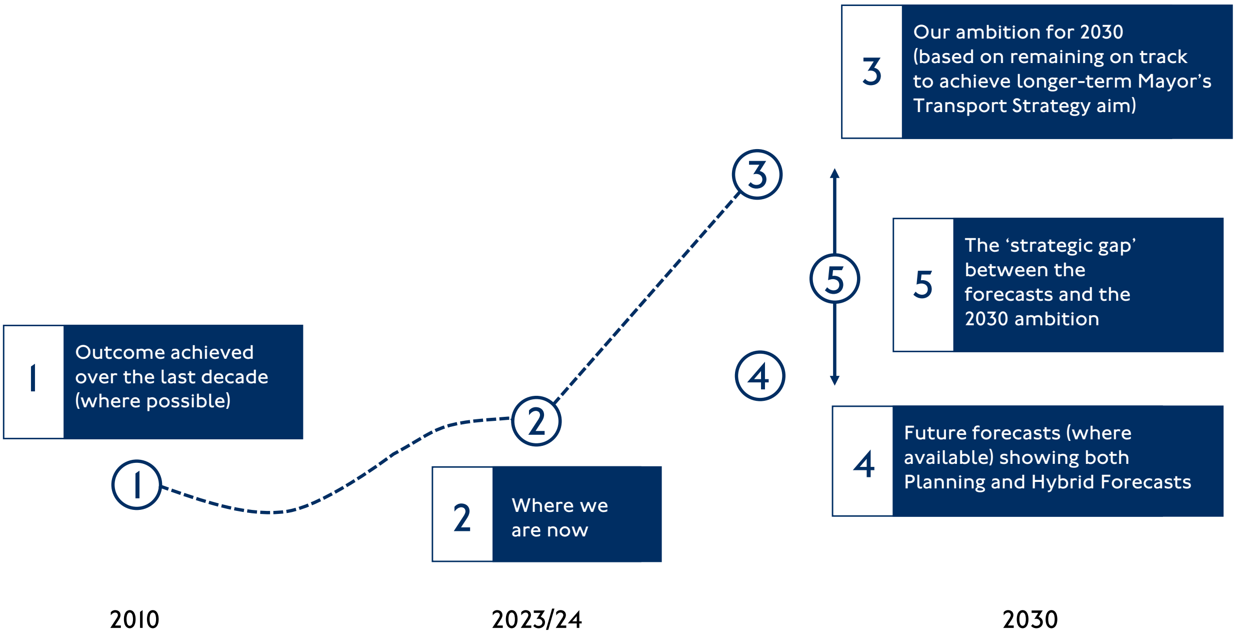
This is the third annual update where we have reported on the tracker outcomes. For each metric, data is provided to show the historical trend, where we are currently and the straight-line trajectory to the Mayor's Transport Strategy aim (Figure 1).

The Mayor's Transport Strategy Tracker metrics for each of the outcome areas are provided in chapters three, four and five, together with narrative on how activities across the previous year have supported our longer-term ambitions. Where a 'strategic gap' has been identified, we discuss future challenges in chapter six and how updated policies or new services, schemes or infrastructure may accelerate delivery of the Mayor's Transport Strategy.

Table 1: Mayor's Transport Strategy outcomes and Tracker measures. Source: TfL

Outcome	Measure	Mayor's Transport Strategy 2041 aim
Mode share	Percentage of trips by active, efficient and sustainable modes	80% of trips
Active	Percentage of Londoners doing 20 min active travel per day	70% of Londoners
Safe	Number of people killed or seriously injured on London's roads	Zero
Safe	Number of people killed or seriously injured on or by a London bus	Zero
Safe	Number of customers and workforce killed or seriously injured	Zero
Efficient	Number of car trips crossing strategic cordons	3 million fewer trips
Green	Average roadside NO_2 concentration in central, inner and outer London	60-70% reduction, equivalent to 94% emissions drop
Green	All CO_2 emissions from London's transport network	72% reduction – potential for more ambitious aim
Connected	Percentage of Londoners living within 400 metres of a bus stop	Not directly in Mayor's Transport Strategy, but assumes it is maintained at current high level
Accessible	Percentage reduction in additional journey time by step-free routes	50% reduction (accelerated target by 2030)
Quality	Percentage of rail travelled km in crowding above two persons per square metre	10-20% reduction
Quality	Average bus speed	5-15% improvement
Sustainable & Unlocking	Proportion of population living in PTAL 4 or higher, in Greater London and Opportunity Areas	36% for Greater London 56% for Opportunity Areas (2030)

Figure 1: The five elements of the Mayor's Transport Strategy Tracker measures. Source: TfL



Planning and Hybrid Forecasts have been provided where available to demonstrate uncertainty over the period to 2030. Both these Forecasts contain the same portfolio of investment limited to only those schemes that are funded and committed. The Planning Forecast includes a modest increase in working from home compared to pre-pandemic forecasts, with levels of online shopping remaining as forecast before the pandemic and London getting back on track for achieving pre-pandemic projections of population growth by 2041. The Hybrid Forecast, however, incorporates evidence on how London is changing. This includes the latest population and employment projections, more working from home for office workers, a greater shift towards online shopping, greater flexibility to undertake leisure trips as part of the working day and slightly higher relative car ownership.

2. Recent patterns of travel demand

2.1. Summary

During 2023/24, London saw a steady and continuing recovery of travel demand from the unprecedented lows of the coronavirus pandemic. By March 2024, overall public transport demand across all modes stood at around 90 per cent of the pre-pandemic baseline. Road traffic was also at 90 per cent. It is now clear, however, that the pandemic and the adaptations that went with it have left some important legacies for transport in London, particularly changes to public transport demand as a result of more hybrid working.

Across the whole of 2023, the proportion of all trips in London made by active, efficient and sustainable modes was 64.2 per cent, an increase from 62.3 per cent in 2022. This increase is linked to the recovery in ridership on the public transport network. In addition there are also signs of encouraging post pandemic legacies for walking and cycling, with daily cycling stages in 2023 up by 20 per cent against 2019.

2.2. Recent travel demand trends

Figure 2 shows demand on the main transport networks by financial year, from 2019/20 to 2023/24. Bus demand saw a four per cent increase, from 1,789 million trips in 2022/23 to 1,863 million trips in 2023/24. Average Tube demand in 2023/24 recovered to 88 per cent of the pre pandemic baseline, a 10 per cent increase in journeys compared to 2022/23. Bus demand is more stable across the days of the week compared to the Tube.

For other modes, the position at the end of 2023/24 financial year can be summarised:

- DLR and London Overground saw seven per cent and 15 per cent increases in demand over the 2023/24 financial year and as of March 2024, were typically seeing about 77 and 95 per cent of pre-pandemic demand

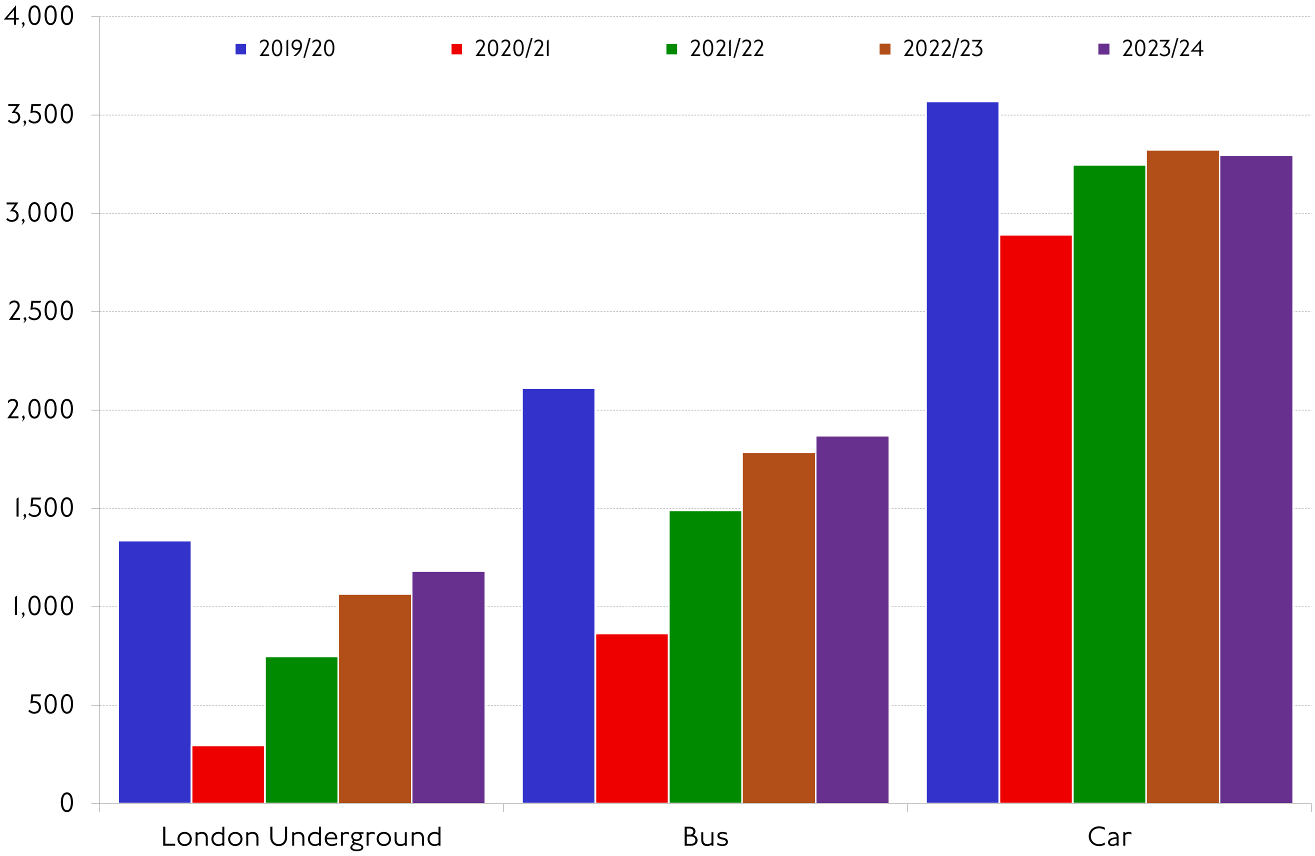
- London Trams demand in 2023/24 was five per cent lower than in 2022/23, and was around 70 per cent of pre-pandemic levels

The Elizabeth line opened in phases through 2022/23 and in May 2023 a full timetable was introduced, providing direct services between the outer branches and increased peak frequencies through the central section. In 2023/24, 210 million journeys were made on the Elizabeth line. Demand in period 13 2023/24 was up 24 per cent compared to the same period in 2022/23. The observed level of demand is broadly in line with what was set out in the original business case.

The impact of the Elizabeth line on Tube and DLR demand is still being evaluated. Elizabeth line demand data across the week for the first weeks of 2024 suggests a similar picture to the Tube, with average Monday demand around 17 per cent below the Tuesday to Thursday average and around 10 per cent below on Fridays. The Elizabeth line will also have affected overall demand for the Tube, with one of its objectives being to relieve crowding on the Tube network. The full effects of this will be understood in time but the provisional data estimates (for September 2023) are that around 16 per cent of the Elizabeth line passenger kilometres have transferred from the Tube. More importantly it is estimated that 38 per cent of Elizabeth line demand can be attributed to new trips being made and a shift from non-public transport modes. Where capacity on the Tube network has been freed up by customers shifting to the Elizabeth line, it is likely that other trips will transfer to the Tube network due to lower crowding levels, though this is so far unquantified.

Figure 2: Journeys (millions) on the main transport networks (Underground, bus and car) by financial year 2019/20 to 2023/24. Source: TfL

Note: Car journey data for 2023/24 is provisional



Across all the above public transport modes, ridership for 2023/24, which accounts for the proportional volume of journeys by mode, was up by eight per cent on 2022/23. The weighted recovery across all these modes in 2022/23 was around 90 per cent of the pre-pandemic baseline. This can be regarded as encouraging given the various challenges that affected post-pandemic recovery during 2023/24. However, it should be recognised that 2023/24 was some three years after the baseline (2019/20), when previous forecasts would have expected some growth in demand from that level and demand levels are therefore falling behind the trajectory implied in the Mayor’s Transport Strategy.

Our latest cycling volume estimates, based on area-based counts across central, inner and outer London, showed an increase of 22 per cent in weekday cycle kilometres in 2023 compared to the 2019 pre-pandemic baseline, and a 20 per cent increase in the number of daily cycle journeys. This was a 6.3 per cent increase against 2022 and suggests a positive ongoing pandemic legacy for cycling in London.

While encouraging progress has been made, the extent to which other factors such as cost-of-living pressures are continuing to impact demand is not clear. It is however apparent that there are important legacies from the pandemic that will continue to affect travel demand in London for some time. More hybrid working, both within and outside London, is key among these, particularly affecting commuter and business travel demand on public transport, and also having other consequences for the nature of trips made, such as trip purpose, trip length and travel demand on different days of the week.

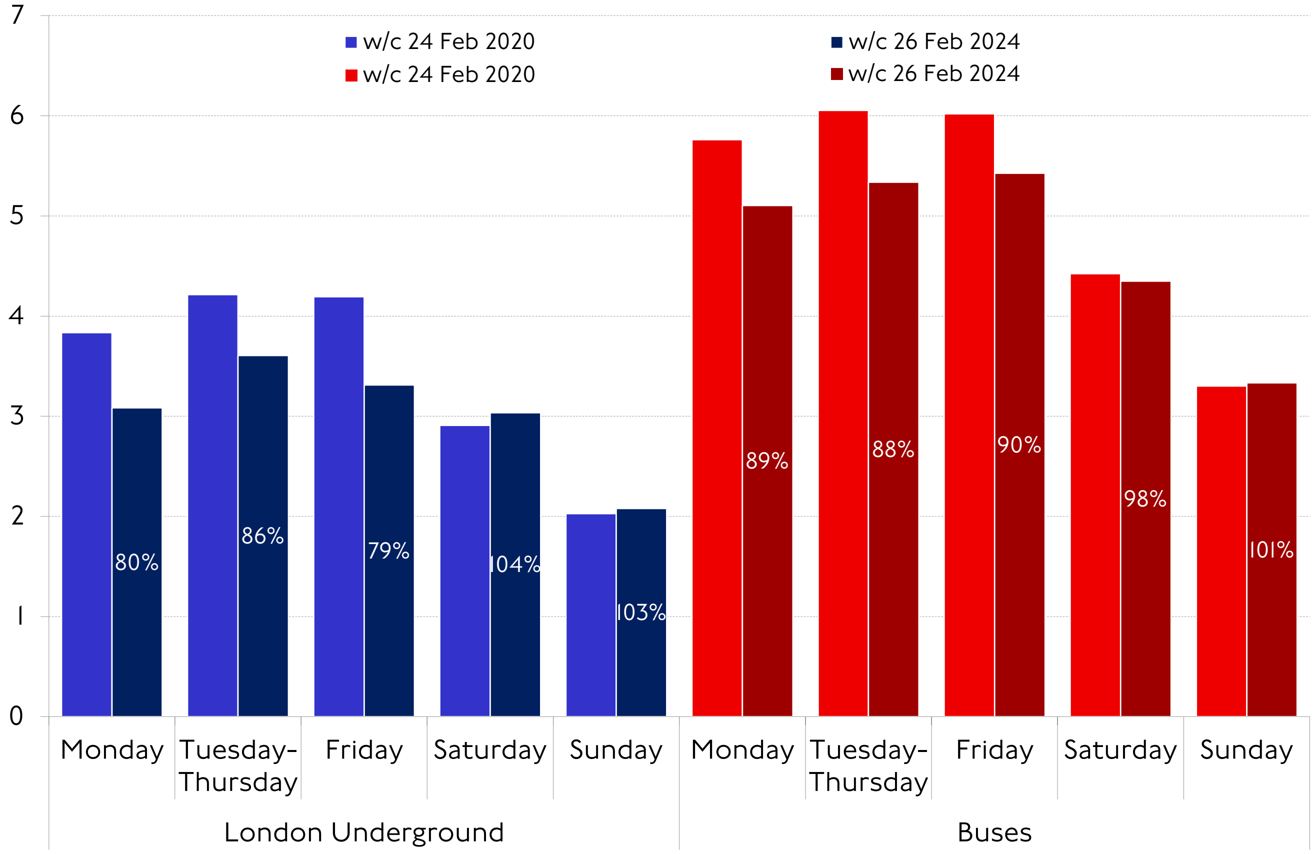
2.3. Travel behaviours and the pandemic

While there is little indication that the timing of the weekday peak on our rail modes has changed, post-pandemic working patterns are particularly affecting the level of Tube demand on days at the 'shoulder' of weekends (Mondays and Fridays), when demand is still lower than other weekdays. Relative Tube demand on Tuesdays to Thursdays was representatively estimated at 86 per cent of pre pandemic in February 2024, while Mondays saw 80 per cent and Fridays 79 per cent of pre pandemic demand respectively (Figure 3). A three-month trial, where all pay as you go single fares on Tube, DLR, London Overground, Elizabeth line, and some National Rail services across London and the southeast were made off-peak on Fridays ran from 8 March to 31 May 2024. The results of this trial will be analysed to help us better understand whether offering lower fares on a Friday could help drive ridership and boost London's wider economic recovery following the pandemic.

The profile of recent bus demand is closer to pre-pandemic patterns. The types of trips impacted by pandemic related changes to travel demand, particularly commute travel to and from central London on weekdays, are more likely to be undertaken by rail modes. Therefore, hybrid working patterns have influenced bus demand by day of the week to a lesser extent than London Underground demand. However, the recovery from the pandemic is also taking place in the context of intensified cost-of-living pressures, which may be contributing to a reduction in the expected growth across all modes, but particularly to non-work related trips made by bus, as was observed in the pre-pandemic period. Changed working patterns and cost-of-living pressures will also have been expected to affect car travel, but there has been stability in daily averages across the various days of the week. This could be due to spatial differences in the impact of home working on commute patterns, or perhaps a 'substitution' of trips, for example commute for leisure on behalf of those for whom hybrid working is an option.

Figure 3: Relative recovery to pre-pandemic demand levels by days of week, entries/boardings (millions). Source: TfL

Note: Percentage shows demand in week commencing 26 February 2024 as a proportion of demand in week commencing 24 February 2020



The coronavirus pandemic acted as a catalyst for cycling, boosting growth again in 2020 and helping many people discover this mode. The year 2022 saw a consolidation of this trend, and the most recent data on cycling journey stages for 2023 shows a net 20 per cent increase in cycling in 2023 from the 2019 pre-pandemic baseline (Figure 4). However, there have been important changes in the characteristics of those journeys (for example, shorter average length) and some pandemic legacies persist, such as relatively less demand during the morning and evening peaks and relatively higher off-peak travel than before the pandemic.

Figure 4: Daily cycle stages (millions) in London by area, seven-day week average, 2015-2023. Source: TfL

Note: Due to the severe disruptions and rapid changes in travel caused by the successive coronavirus pandemic travel restrictions in 2020 and 2021 the estimates for these years are tentative. Stages are defined as the component parts of trips by a single mode, for example a cycle stage to access a rail station

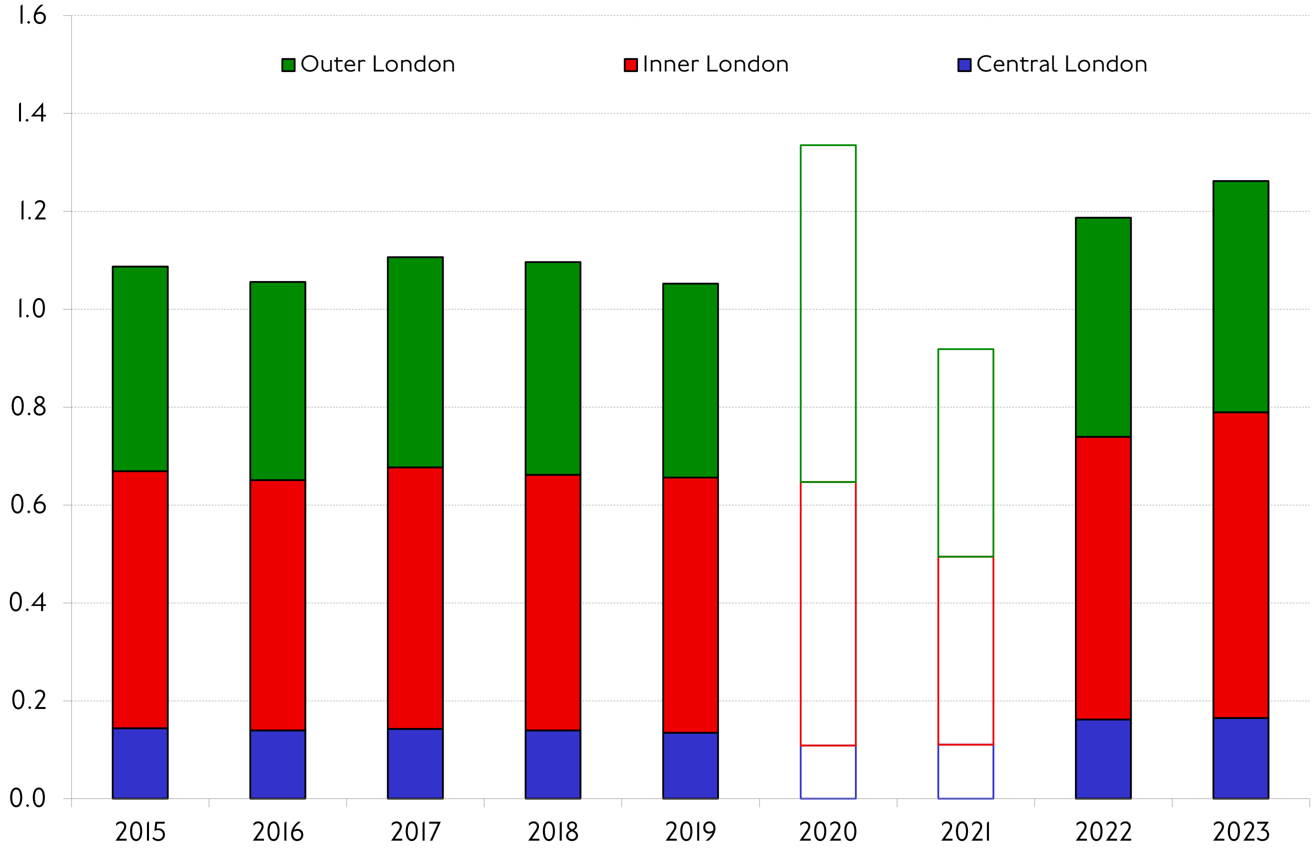
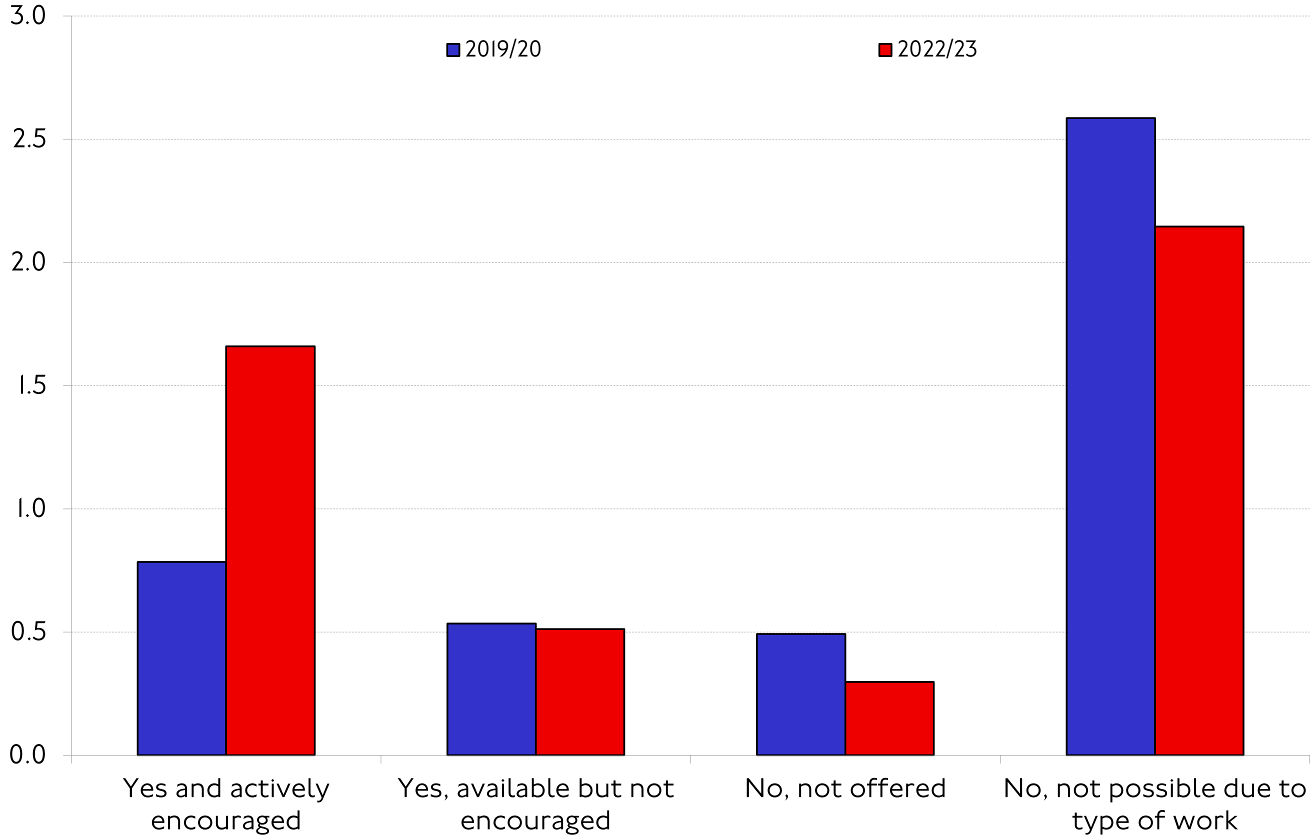


Figure 5 shows the ability of London residents to work from home. There has been a substantial increase in the proportion of residents who are able and encouraged to work from home at least on some days of the week and a corresponding decrease in those for whom this was not possible before the pandemic. In 2019/20 around 30 per cent of London resident workers were able to work from home, this increased to 47 per cent in 2022/23. Provisional estimates for Quarter 1 to Quarter 3 2023/24 show this remains at a similar level (46 per cent).

While the post-pandemic increase in the ability to work in a hybrid manner remains a significant influence on travel patterns in London, particularly on weekdays and for trips to/from central London, it should be seen in the context that only 26 per cent of all London residents have the option to work from home.

Figure 5: Ability of London resident workers to work from home, number of residents (millions), 2019/20 versus 2022/23. Source: London Travel Demand Survey



2.4. Active, efficient and sustainable mode share

The pandemic significantly reduced overall mobility in London. In 2020/21, the first year of the pandemic, the average daily trip rate (number of trips made by all modes per individual) for London residents aged 17 or over fell by 24 per cent from 2.29 trips per person before the pandemic to 1.74. In 2022/23, this recovered to an average of 2.07 trips per person per day, some six per cent lower than 2019/20. Provisional estimates show total number of trips per day in London in 2023 rose to 25.8 million, up four per cent from 24.7 million in 2022, but still down by six per cent against 27.4 million pre-pandemic (2019).

The Mayor's Transport Strategy mode share target is for 80 per cent of trips in London to be made by walking, cycling or public transport by 2041. As shown in Figure 6, consolidated statistics for 2023 on the overall mode share for all journeys in London estimate the active, efficient and sustainable mode share at 64.2 per cent. This compares to 63.6 per cent during pre-pandemic 2019 and to the Mayor's aim for 80 per cent of all journeys in London to be made by walking, cycling or public transport by 2041. However, the 2023 data is encouraging as it is a substantial increase over the 62.3 per cent in 2022.

Figure 6: Mayor's Transport Strategy Tracker for Mode Share: Active, efficient and sustainable mode share, observed 2010 – 2023, Planning and Hybrid Forecast to 2030, and Mayor's Transport Strategy target trajectory. Source: TfL

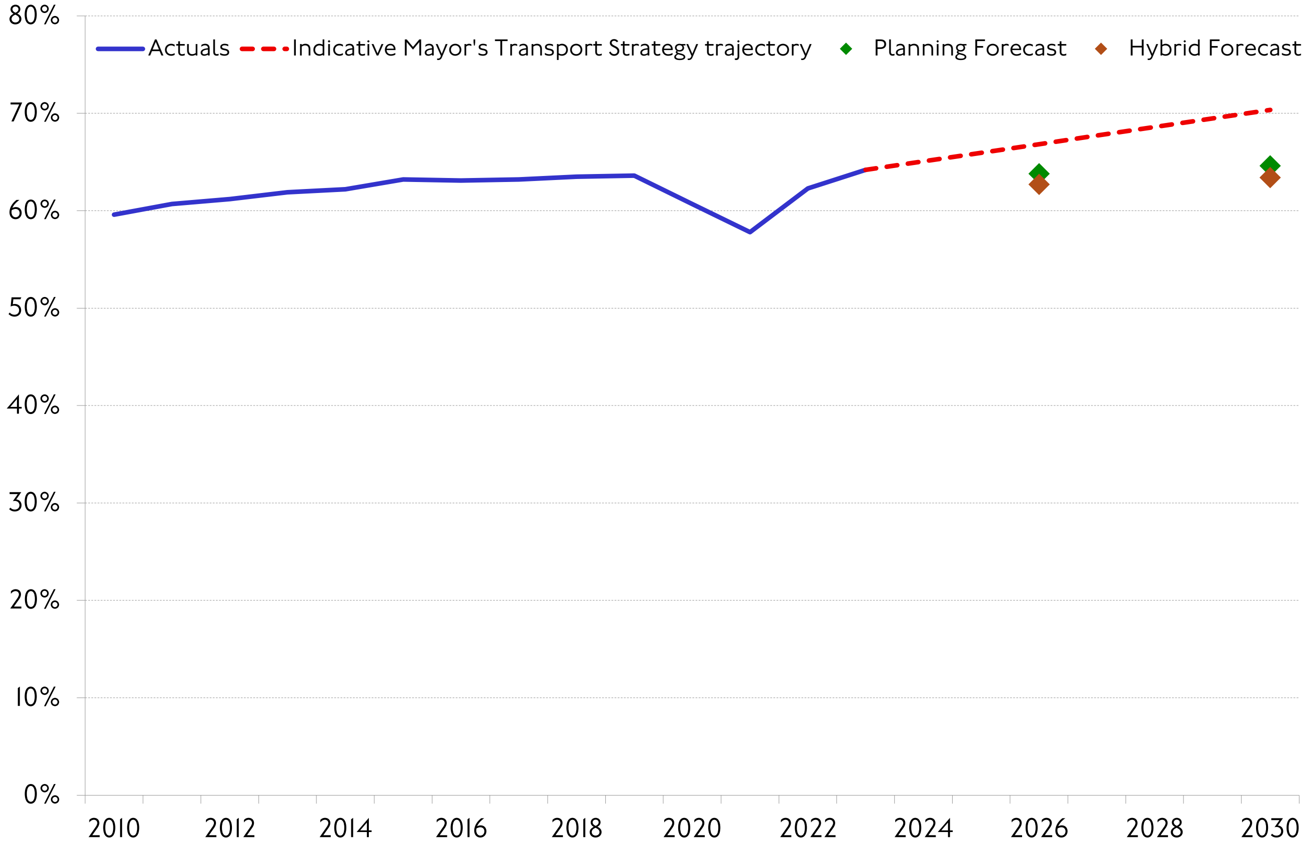
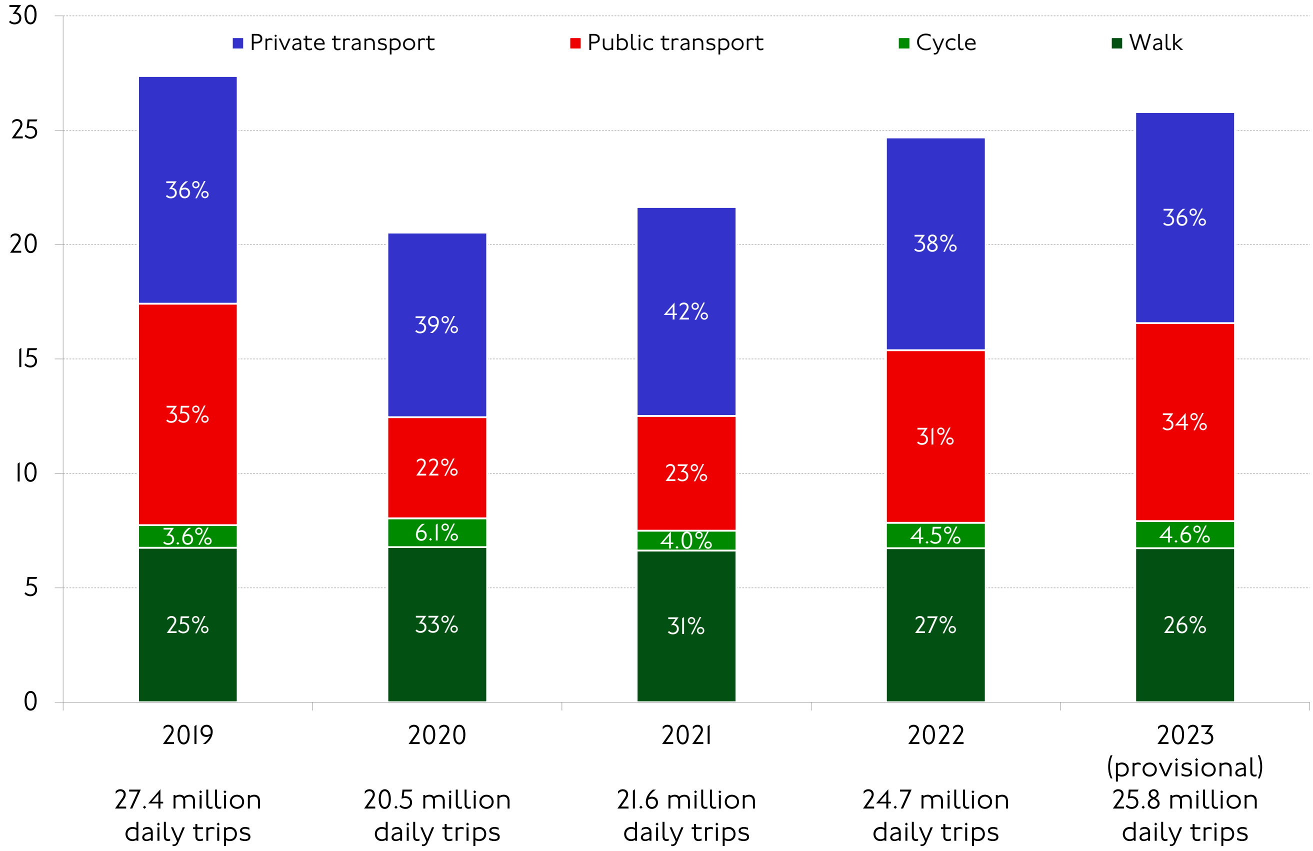


Figure 7 shows mode share in the context of overall trips split by walk, cycle, public transport and private transport. Two features stand out from the figure. The first is that, compared to the scale of the pandemic impact on overall travel demand, the pandemic impact on active, efficient and sustainable mode share was relatively modest. This reflected a combination of much lower overall mobility, and a relative increase in the share of trips that were made by active modes, notably walking and cycling, particularly during periods of formal restrictions. The second is that, during the recovery, the continuing relative shortfall of public transport trips, which in 2019 accounted for 35 per cent of all trips in London was acting as a drag on the overall proportion of trips made by active, efficient and sustainable modes. A further factor holding back progress is that London's population is lower than previously forecast. The 2021 Census estimated this to be 8.8 million, two per cent lower than contemporary mid-year estimates.

Figure 7: Estimated trips per day (millions) and mode share 2019-2023. Source: TfL



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3. Healthy Streets and healthy people

To tackle traffic and road danger, and to protect Londoners' health, our climate and air quality, we need to make it easier and safer for people to walk, cycle and use public transport. We also need to support safe, clean and efficient freight and servicing trips. Healthy Streets means creating streets that work for everyone and that are accessible, safe and inclusive. Attractive street environments encourage active travel, and a well-planned street network ensures that space for buses is prioritised, with high-quality public transport connections that provide appealing alternatives to car use.

Healthy Streets Investment

In 2022, we announced that we would restart work on schemes to make the capital's roads safer and more attractive for those walking and cycling, after securing £80m per year from the Government, with a further £69m per year to be allocated to boroughs through the Healthy Streets programme.

London boroughs are central to the success of the Healthy Streets Approach and delivering the Mayor’s Transport Strategy. They are responsible for 95 per cent of London’s streets and around 70 per cent of the most important streets for the bus network. We and London Councils have recently published a Borough Three Year Report, which demonstrates how boroughs have used Local Implementation Plan (LIP) funding over three years (2019/20, 2020/21, 2021/22) to transform local areas, making London's roads safer and more attractive for people using public transport, walking and cycling.

In 2023/24 we allocated £86.6m to London boroughs, including more than £50m to outer London boroughs. This funding enabled boroughs to deliver schemes in their two-year Local Implementation Plan timeline, with a strong focus on mode shift and reducing road danger. Funded proposals included bus priority, new cycle routes, new or upgraded pedestrian crossings, School Streets and Low Traffic Neighbourhoods, and the introduction of 20mph speed limits (described in more detail in section 3.2).

For 2024/25, the final year of the two-year LIPs, we announced an initial allocation of £41m to outer London boroughs and £25m to inner London boroughs. We expect to allocate a total of £80.4m in funding by the end of 2024/25. The funded proposals include:

- More than 150 new and upgraded pedestrian crossings including dedicated pedestrian signals at busy junctions in Barnet, Kensington & Chelsea and Enfield
- Introduction of 20mph speed limits on roads in Barnet, Brent, Harrow, Redbridge, Waltham Forest Enfield and Richmond
- Junction and corridor improvement schemes that will make London's streets safer, better for active travel and more reliable for buses
- 125 bus priority schemes, including 89 in outer London
- More than 30km of new Cycleways across London
- More than 2,000 secure residential cycle parking spaces
- Free cycle training sessions for thousands of adults and children

Our 2024 Business Plan, commits TfL to invest £150m per annum on safe and active travel schemes, of which more than half will be allocated to the London boroughs, growing by inflation from 2025/26.

We are now working with boroughs to develop their three-year delivery plans for the 2025/26-2027/28 period. A set of strategic datasets has been shared with boroughs to help them identify and develop schemes with the most potential to reducing road danger and support people to shift to more sustainable travel options.

3.1. Active

3.1.1. Physical activity and active travel

The aftermath of the pandemic presents both challenges and opportunities for active travel in London. On the one hand, pandemic travel patterns, and the steps that were taken to encourage and embed them, have left positive legacies for both cycling and walking. On the other, the ongoing relative shortfall in public transport trips means that active travel journey stages, such as the walk to and from the station as part of the daily commute, are not being made.

It is recommended that adults undertake 20 minutes per day of physical activity in order to stay healthy. The Mayor aims for all Londoners to achieve this level of activity, with a target of 70 per cent of Londoners achieving 20 minutes of active travel (walking and cycling) per day by 2041. Even in the context of significant investment, historically this measure has been around 40 per cent.

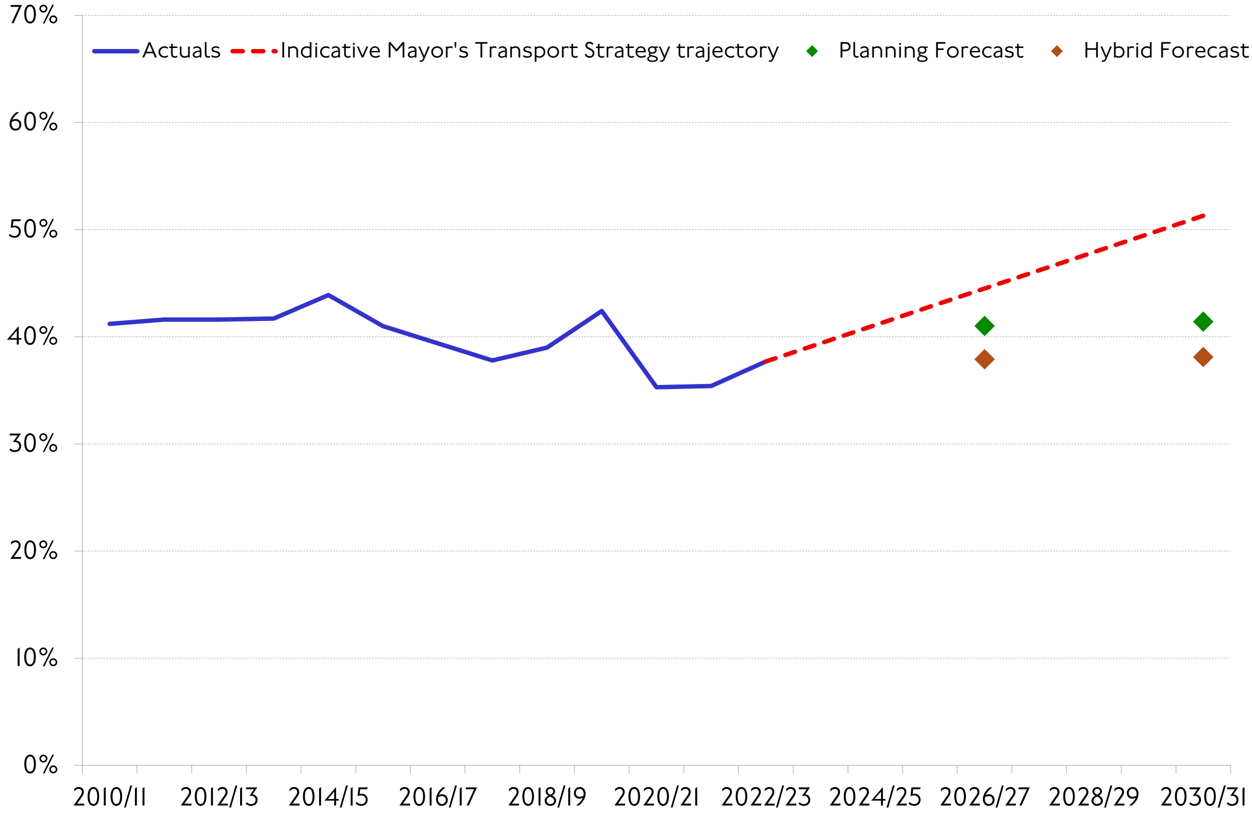
Overall, it fell slightly during the pandemic, although this reflected a resilient performance in the circumstances (Figure 8).

Recovery from the pandemic has so far been incomplete, with 38 per cent of Londoners achieving the daily 20 minutes in 2022/23, down from around 40 per cent before the pandemic.

Although the use of active modes was higher in 2022/23 than before the pandemic, active travel is often used to access public transport, as a journey stage (trip component), and the decline in public transport usage overall since the pandemic has probably contributed to the net fall in this measure.

The London Travel Demand Survey (LTDS) suggests that, where these trips are not made, for example as part of a hybrid working pattern, other trips made at equivalent times are not sufficient to compensate in terms of daily recommended active travel overall, and this development should be viewed as a particular concern for achievement of the active travel target and its impact on the overall health of Londoners.

Figure 8: Mayor's Transport Strategy Tracker for Active: Proportion of London residents achieving at least 20 minutes of active travel per day, observed 2010 – 2022, Planning and Hybrid Forecast to 2030, and Mayor's Transport Strategy target trajectory. Source: TfL



3.1.2. Reducing traffic dominance

Low Traffic Neighbourhoods

Low Traffic Neighbourhoods (LTNs) are implemented by the boroughs and are designed to reduce traffic in neighbourhoods by preventing motor vehicles passing directly through the LTN area, while retaining access for residents, businesses and emergency services.

Although LTNs are not new, many were implemented under temporary, experimental orders during the pandemic and the majority of these are now being made permanent. Indeed around 100 schemes remain of the 120 put in since March 2020. While the pace of LTN delivery has slowed since the pandemic, they remain a key part of the Healthy Streets Approach and we continue to support boroughs' implementation of schemes with both funding and technical support. Several new LTNs have been implemented in 2023/24 and we have provided funding through the LIP programme for two years (2023/24 and 2024/25) for the development of more than 30 more potential LTN schemes.

In 2023 we published a summary of the evidence on LTNs, which demonstrates how LTNs are making streets safer by lowering traffic levels, reducing street crime and enabling people to walk and cycle more. Included in this evidence is the significant contribution LTNs can play in meeting our Vision Zero ambition to eliminate all deaths and serious injuries on

London's streets by 2041. A long-term study of those implemented in outer London shows streets within LTNs becoming three to four times safer for people walking and cycling, while a review of all LTNs implemented in 2020 found a 50 per cent reduction in road casualties within LTNs. Both studies found no negative impacts on safety on LTN boundary roads. This reflects their impact on motor traffic, with a review of monitoring by boroughs, also included in this evidence summary, showing 74 per cent of streets within London LTNs have reduced traffic prior to implementation, and no change in the median volume of motor vehicle on their boundary roads.

As listed in our summary of evidence, a representative poll of Londoners found 58 per cent of respondents were in favour of LTNs (against 17 per cent who opposed them). The recently published DfT guidance on implementing LTNs stresses the importance of high-quality engagement in developing LTNs. We continue to expect boroughs to engage with local communities and key stakeholders, including us, on the development of new LTNs.

Pedestrian crossing improvements

We delivered 35 new or improved pedestrian crossings on the Transport for London Road Network in 2023/24. With our support, 1,053 new pedestrian crossings have been delivered by boroughs in the period 2019/20 to 2022/23. The Lea Bridge Road transformation, for example, includes 52 transformed side roads with improved side road junctions, and nine new pedestrian-and cyclist-controlled crossings. In 2023/24, London boroughs were allocated LIP funding to progress the delivery of more than 150 new or upgraded pedestrian crossings.

Green Link Walk

We published London's first Leisure Walking Plan in 2022 to enhance and expand leisure walking routes and better connect London's communities with green spaces. A key action is to develop new walking routes to increase leisure walking in London, improve Londoners' health and wellbeing, and enhance community access to green space and nature. In March 2024 we launched the Green Link Walk, a new 15-mile walking route from Epping Forest to Peckham town. Fully signed along its length, the new route links more communities with green spaces, building on increases in leisure walking seen since the pandemic, and helping to fulfil a Mayoral manifesto commitment and our vision to make London the most walkable city in the world.

The Green Link Walk is the eighth route in the Walk London Network, linking almost 40 areas of green space, including Walthamstow Marshes, London Fields and Burgess Park, and five other Walk London routes. It goes through two sites of planned major urban realm transformations, at Clerkenwell Green and St. Paul's Gyratory. The route has been designed with accessibility in mind: it avoids streets without dropped kerbs and bridges with steep ramps and steps, and we funded the removal of barriers such as bollards and installed a dropped kerb. Two new rain gardens on the route help prevent flooding and create a more attractive environment.

3.1.3. School Streets

School Streets enable more children to walk and cycle to school by introducing vehicle restrictions at drop-off and pick-up times around the school. In 2024, to support boroughs in delivering more School Streets, we provided data that assessed every nursery, primary and secondary school in terms of their suitability and need for a School Street. This was included in the LIP data packs to help boroughs better identify appropriate sites. The boroughs have now introduced School Streets at over 600 schools, 373 of which were funded with support from us and the Greater London Authority.

TfL Travel for Life

Many London schools are making significant progress in shifting pupils' travel habits to walking and cycling, as part of TfL's education programmes, which celebrated 16 years with the launch of a new brand, TfL Travel for Life, in September 2023. TfL Travel for Life brings together the different educational programmes (Road Safety Club, STARS, Safety and Citizenship and TravelSmart). It is delivered in partnership with the London Transport Museum and all London boroughs, and designed in line with the OFSTED enrichment programme, the National Curriculum and the new Climate Action Planning expectations in education. The newly branded accreditation programme has accredited near half of the 3,313 schools in London with Bronze, Silver or Gold. Almost a fifth (671) of those 3,313 schools have received Gold accreditation as a result of achieving a six per cent reduction in car use or over 90 per cent of its children walking and cycling to school. Keeping the same engaging content and adding cohesive branding, an easier online process and a dedicated support team, will help us reach our target of 1,000 Gold-accredited schools by 2024/25.

3.1.4. Delivering the Cycling action plan 2

In June 2023, we published our new Cycling action plan 2. The plan highlights the potential of cycling and sets out a comprehensive delivery plan to broaden the appeal of cycling to a wider range of Londoners, including those demographic groups currently under-represented in cycling.

We have set an ambitious new target for 40 per cent of Londoners to live within 400 metres of the strategic cycle network by 2030 and have made good progress in 2023/24. We, working with the London boroughs, have more than quadrupled the size of the strategic cycle network, from 90km in 2016 to 390km by June 2024 (see Figure 9 and Figure 10). In 2023/24, we launched 20 new Cycleway routes, connecting over 600,000 Londoners to the network. As of March 2024, a quarter of Londoners lived within 400 metres of the network.

The new Cycleways completed in 2023/24 are a mix of segregated routes on busy roads (for example Cycleway 4 in Southwark), quieter streets where people cycling can mix with low levels of motorised traffic, for example Cycleway 58 in Enfield, and upgraded legacy routes integrated to the Cycleway network, for example Cycleway 40 in Ealing.

The LTNs implemented since 2020 have played a key role in accelerating the expansion of the Cycleway network by lowering traffic volumes and unlocking new routes requiring minimal engineering solutions to provide a high-quality route.

The new Cycleways implemented since April 2023 have a stronger focus on connecting outer London boroughs to the network and creating new links to town centres. By summer 2024, 29 of the 33 London boroughs will be connected to the network and this will continue to increase as we are working with more boroughs than ever before to further expand the network. Funding allocated to boroughs for 2024/25 will enable them to deliver over 30km of new routes across London, including Cycleways along Cambridge Park Road in Redbridge, Deptford Church Street in Lewisham, between Hayes and Hillingdon, and between New Southgate and Edmonton. By the end of Summer 2024, we expect the proportion of Londoners living near the strategic cycle network to rise to about 27 per cent.

Figure 9: Strategic cycle network 2016. Source TfL

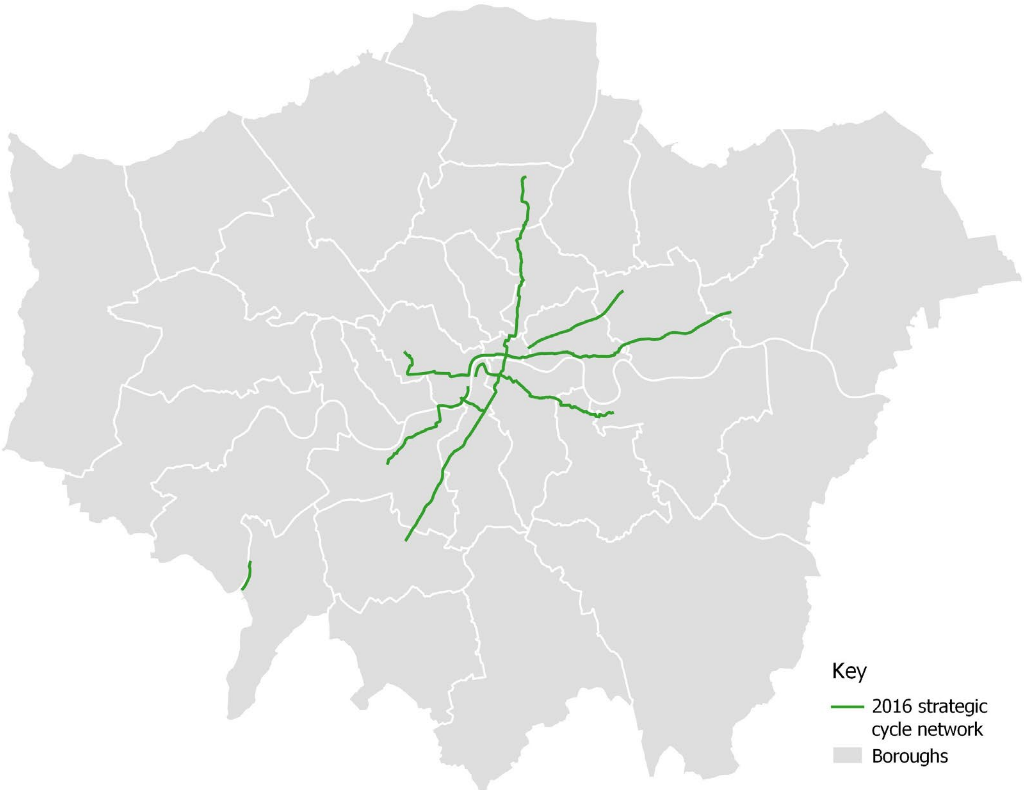
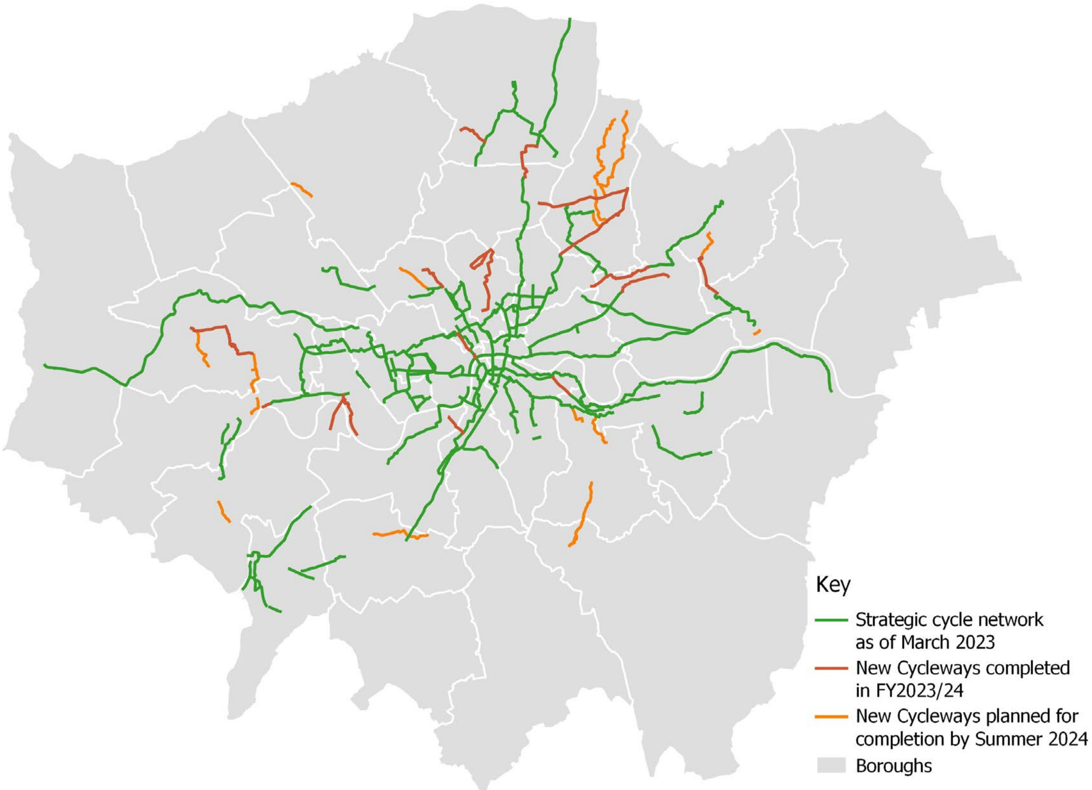


Figure 10: Strategic cycle network 2024. Source TfL



These interventions enabled the positive cycling trends we are observing:

- In 2023, cycling levels were 20 per cent higher than in 2019 and 6.3 per cent higher than in 2022
- The proportion of Londoners reporting having cycled in 2022/23 increased across all demographic groups, including among women, lower income groups and people of Black, Asian and other minority ethnicities
- Provisional road safety data for 2023 shows that the number of cycling casualties (including slight, serious and fatal injuries) has decreased by 5.7 per cent between 2022 and 2023, while cycling risk (i.e. number of casualties per cycle journeys) reduced by 11.3 per cent

Other delivery highlights contributing to increasing and diversifying the cycling population include:

- Scaling up the delivery of free cycle training sessions for children and adults in 2023/24 with £4.5m allocated to London boroughs through the cycle training programme (up from £2.5m in 2022/23). In 2023/24, nearly 60,000 individuals took part in cycle training sessions funded by TfL, including more than 32,000 children trained to Bikeability Level 2, more than11,000 adults, and over 15,000 other children and adults trained through other training options, such as family sessions

- We continue to accelerate the delivery of secure residential cycle parking, with 3,500 secure cycle parking spaces funded by us and the Mayor in 2023/24 and another 2,000 funded by us to be delivered in 2024/25. Overall, the number of cycle hangars available to Londoners has more than quadrupled, from 1,200 hangars in 2017 to an estimated 5,600 by February 2024, providing a secure space more than 33,000 Londoners

- We launched a trial for new Santander Cycles concessions aimed at encouraging under-represented groups to cycle. Londoners that hold an Apprentice Oyster Card, Freedom Pass, 60+ Oyster card, Veterans Oyster photocard, Bus and Tram discount and Jobcentre plus discount can now obtain an annual or monthly subscription at a 50 per cent discount. In 2024/25 the ambition is to expand this discount to care leavers

- The latest beneficiaries of our award-winning Walking and Cycling Grants London programme (which enables community-led projects across all London boroughs to work with traditionally under-represented groups) were announced in December 2023. More than £575,000 was awarded to 78 new projects and 69 continuing projects in partnership with the London Marathon Foundation. Since the programme began, it has supported more than 78,000 participants to walk and cycle more

- We continue to promote cycling to all Londoners through our flagship event Ride London, which celebrated its 10th anniversary in May 2023. As part of communication campaigns for this, we encouraged Londoners to take up cycling, for example through ‘Cycle Sundays’ and by locally promoting new Cycleways

- We are also working closely with cycle journey planning and navigation app providers, including supporting Google Maps to update its routing algorithms to include quieter routes and the Cycleway network in October 2023

- Following concerns about potential unintended impacts of bus stop bypasses on older, disabled and vulnerable pedestrians, the Mayor asked us to carry out a review to understand how many people have been injured at a bus stop bypass and whether they present a danger to pedestrians. Bus stop bypasses involve routing a cycle track behind the bus passenger boarding area. This helps to keep people cycling separate from motor traffic. Bus users need to cross the cycle track between the footway and bus stop island, with the option to cross on a zebra crossing. The review has shown that the risk of pedestrians being injured at bus stop bypasses is very low. However, themes including fear and anxiety of a collision, difficulties accessing bus stops with bypasses, poor cyclist behaviour, inconsistent street design and concerns about under-reporting of collisions to the police were raised through our stakeholder engagement. The report summarising the review was published in May 2024 and sets out our next steps, including actions on education, design, customer information, and research and innovation

- We published a new Access control guidance note to support access for all, including those using larger cycles such as adapted cycles for disabled people or cargo bikes

3.1.5. Rental micromobility services

Santander Cycle Hire

Cycle hire is a vital part of the cycling offer in London and is an important way to address barriers to cycling. Our Santander Cycle hire scheme enables spontaneous cycle trips whether for commuting, running errands or leisure, bypassing concerns about cycle theft, and giving access to cycles to people who may not be able to own one, be it due to cost constraints or lack of secure cycle storage at home.

In 2023/24 more than 6.8m trips were made by Santander Cycle Hire members, a six per cent increase on the previous 12 months.

A new Day Pass was introduced in March 2024 with a daily rate of £3 for unlimited hires of a classic pedal cycle of up to 30 minutes. The new tariff led to a significant uptake of casual hires with more taking place in March 2024 than the same month the previous year, the first year on year increase since 2022.

After adding 600 e-bikes to our fleet of over 12,000 bikes in 2022, we announced in January 2024 that we will be adding another 1,400 e-bikes in 2024/25. Our new e-bikes have proven very popular with customers, with double the number of hires per bike per day compared to classic bikes. The e-bikes have been and will continue to be supported by a paid for marketing campaign promoting cycle hire across the capital. The longer-term ambition is to make half of the fleet electric, with charging available at docking stations.

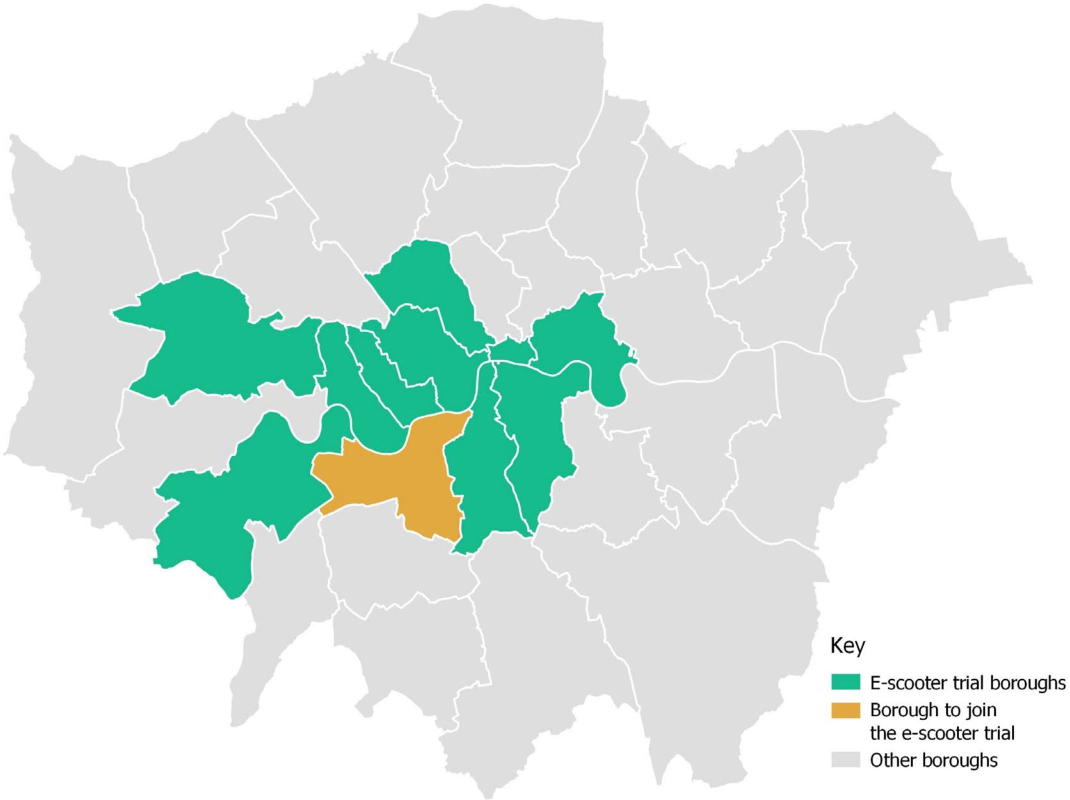
We continue to expand the scheme, installing new docking stations at Clapham South, Elgin Avenue and Westbourne Green in Westminster in 2023/24. We plan to install more in 2024/25 at Adeline Place and Camley Street in Camden and to replace the docking station at the Aquatic Centre in Queen Elizabeth Olympic Park.

E-scooters trial

Our London e-scooter rental trial has been running for two and a half years, and we launched the second phase of the trial in September 2023, working with operators Dott, Lime and Voi. The operators were selected following a competitive procurement process that assessed their ability to meet strict safety requirements and high operating standards. In April 2024, Dott withdrew from the trial due to financial pressures.

There are now 10 boroughs taking part and around 4,000 e-scooters available for hire, with a total of 3.8 million trips made since the start of the trial (up to 10 March 2024). The average e-scooter trip duration is 14 minutes and the average distance travelled is 2.4km. The second phase of the trial will build on its existing success by gathering more data to inform policy on rental e-scooters and trialling further innovations. This includes testing new technology using artificial intelligence to improve parking compliance and exploring the use of technology to detect pavement riding as well as audible vehicle alerts.

Figure 11: Boroughs participating in the e-scooter trial[1] Source: TfL



In February 2024, we published a report on our findings from the first phase of the trial (June 2021 – September 2023). The evidence in the report demonstrates that in the current trial conditions, rental e-scooters have the potential to contribute positively to the aims of the Mayor's Transport Strategy. They have good safety records, are space-efficient, are zero emission at tailpipe, and are managed in a way to minimise clutter on footways. By providing a new alternative to the private car for short journeys and improving access to public transport services, rental e-scooter can support public transport and active travel in reducing our reliance on car use and its impact on road danger, congestion, air quality and climate change.

Future of rental micromobility

Private operators have been providing dockless cycle hire in London since 2017. Unlike rental e-scooters, this is an unregulated service, with operators entering into agreements with individual boroughs, meaning the deployment, parking density, and operator availability varies across boroughs.

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[1] Participating boroughs are Camden, City of London, Ealing, Hammersmith and Fulham, Kensington and Chelsea, Lambeth, Richmond upon Thames, Southwark, Tower Hamlets and City of Westminster. Wandsworth will also be joining the trial

The unregulated nature of these services presents challenges, particularly when users or operators do not park the bikes responsibly. However, managed properly, these services present a great opportunity to encourage a larger and more diverse range of Londoners to take up cycling.

We continue to advocate for legislation that would give powers to strategic transport authorities to manage rental operations for micromobility.

In the absence of regulation, we are exploring with London Councils and London's boroughs the design of one coordinated future scheme to manage dockless e-bikes and e-scooters in London through a contract. The objective of this would be to improve the parking of these vehicles, while also increasing the quality and sustainability of these services in London.

To support these rental services and the parking approach we want to encourage, we have created a ring-fenced £0.6m budget for 2024/25 available to London boroughs for the provision of dedicated parking bays. We are also progressing the delivery of parking bays on the TLRN and our land.

3.2. Safe: Vision Zero for road danger

The aim of Vision Zero is to eliminate all deaths and serious injuries on London's streets by 2041. Every death or serious injury on our streets is devastating, bringing heartache and tragedy to all those involved. Vision Zero challenges us to think differently about the safety of our streets and how we design our road system. While normally unintended, road collisions result from choices made by individuals, organisations and society and all too often cause death and serious injury. Our response must be to create a safe road system, with every component working together – safe speeds, safe streets, safe vehicles and safe behaviours – so that we can reduce road danger and protect Londoners from harm.

We have a stretching ambition for reducing road casualties in London, with a target to deliver a 70 per cent reduction (against our 2010-14 baseline) in the number of people killed or seriously injured on London's roads by 2030.

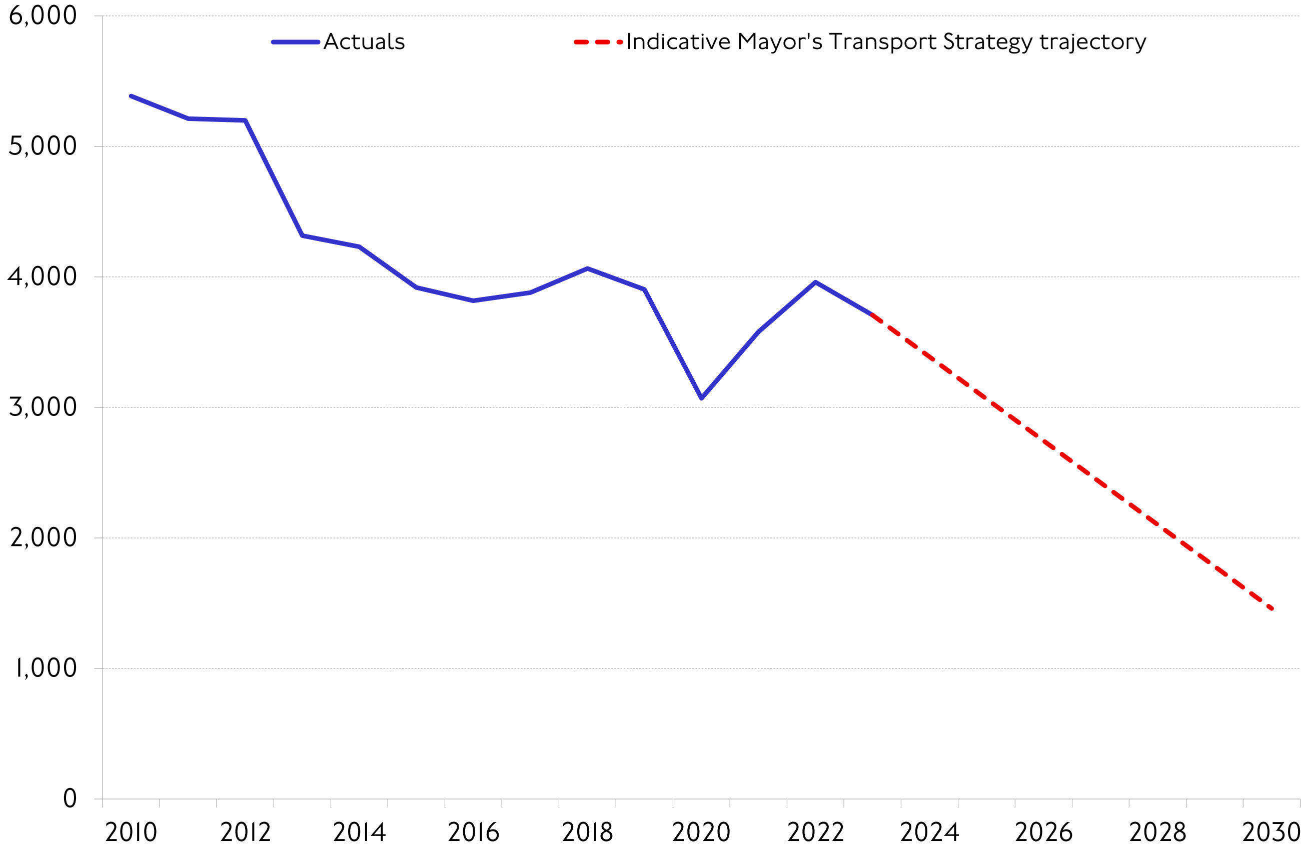
Our provisional 2023 data - with final data subject to verification by the Department for Transport in the autumn - suggests that while London is outperforming other UK regions, we are not on track to meet the 2041 ambition. This provisional data for 2023 suggests there was a 24 per cent reduction in the number of people killed or seriously injured (see Figure 12). This is a six per cent reduction compared to 2022.

Despite the fact we have further progress to make, there are some positive aspects to highlight. The number of fatalities recorded in 2023 is the lowest on record (excluding pandemic-affected 2021) and the number of motorcyclists being killed or seriously injured have fallen 12 per cent year on year.

Although there remains a gap between our achievement and progress required to meet the Mayor's Transport Strategy target, we remain committed to our Vision Zero goal. The 2018 Action Plan for road safety and 2022 Progress Report set out measurable objectives that we, the boroughs, Metropolitan Police and partners have been working to deliver by the end of 2024. We will continue developing an evidence-led forward programme of activity, using the internationally recognised Safe System approach, to extend this plan to 2030. This will be designed to eliminate and reduce risk and help to get us back on target.

Figure 12: Mayor's Transport Strategy Tracker for Safe: People killed or seriously injured on London's roads, observed 2010 – 2023 and Mayor's Transport Strategy target trajectory. Source: TfL

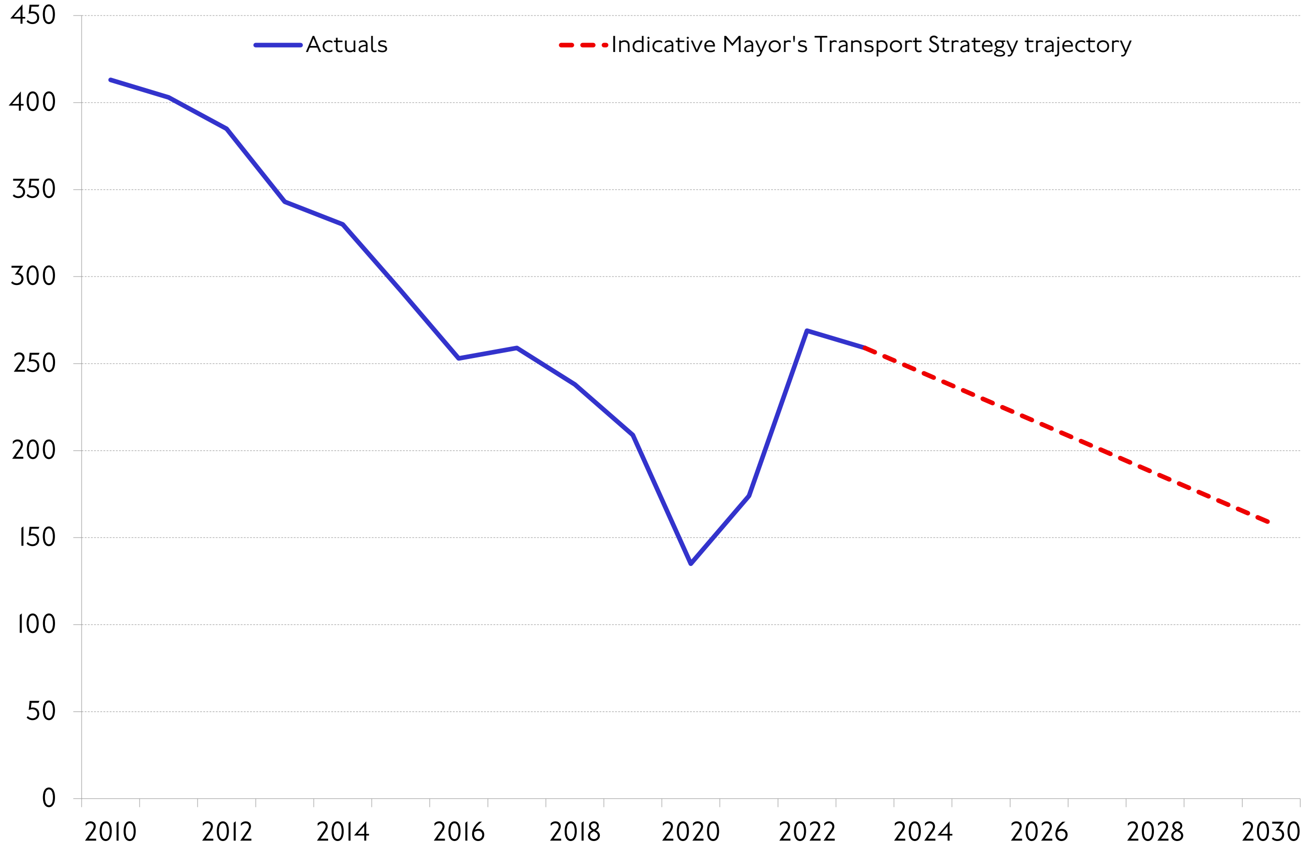
Note: Data reported for 2023 is provisional



We have set an ambitious target for bus safety, as described in the section on Safe Vehicles below. Provisional data suggest that the number of people killed or seriously injured in collisions involving London buses in 2023 reduced by 31 per cent against our 2010-14 baseline, compared to an overall reduction across all transport modes on London's roads of 24 per cent. This is also a four per cent reduction compared to 2022, however further acceleration of the reduction against the baseline is needed to stay on track to meet the Vision Zero target.

Figure 13: Mayor's Transport Strategy Tracker for Safe: People killed or seriously injured on or by a Bus, observed 2010 – 2023 and Mayor's Transport Strategy target trajectory. Source: TfL

Note: Data reported for 2023 is provisional



Our continued commitment to innovation as a means to move towards Vision Zero has been recognised externally in the form of several awards in the past year. In December 2023, we received four awards from the Prince Michael International Road Safety Award scheme, for London's Direct Vision Standard, Bus Safety Standard, fitting of Intelligent Speed Assistance on vehicles in the transport support fleet and for See.Sense[2] for its Proof of Concept for Vision Zero. We were also awarded the 2023 Premier Award at the ceremony for impressive investment and commitment to our Vision Zero ambition. Despite this welcome recognition there is much more to achieve to reduce deaths and serious injuries.

[2] The See.Sense project aimed to enhance cycling safety in London by utilising See.Sense smart bike lights as sensors. By gathering crowdsourced sensor data, the project provided insights into cycling conditions and potential risks, supporting our Vision Zero targets. The project addressed the need for granular, sensor data, to inform risk models and evidence-based decision-making. The use of See.Sense technology showcased the project's scalability and potential for widespread application

3.2.1. Safe streets

Since April 2017, we have been working to make significant improvements at those junctions identified as the highest risk locations for those walking, cycling and riding motorcycles. To date the Safer Junctions programme has delivered improvements at 45 junctions. The most recent is the Holloway Road / Drayton Park junction in Islington, delivering pedestrian safety improvements in the form of new and improved crossings.

Design work has been continuing for the remaining 28 Safer Junction locations, with some of these improvements being implemented under experimental orders, as follows:

- Chelsea Embankment/Grosvenor Road/Chelsea Bridge Road (as part of improvements to C8)
- Holloway Road/Tollington Road/Camden Road
- Holloway Road/Parkhurst Road/Seven Sisters Road (as part of C50), with consultation due to start on the C50 junctions in May 2024

Following publication of the consultation report for safety improvements at Battersea Bridge in June 2023, we are progressing design and survey work at pace to make improvements to the north and south sides of the bridge, including new pedestrian crossings, bus lanes, cycle signals and a section of protected cycle track. This will complement the initial junction improvements made in 2021 to the north side of the bridge which included a new pedestrian crossing, wider pavements and a lower speed limit of 20mph. Construction is due to start in autumn 2024.

In January 2024, we started engagement on pedestrian and cycle improvements at the junction of the Seven Sisters Road/Woodberry Grove and Holland Park roundabout, which is part of the next phase of the Cycleway 34 scheme. We have committed to public engagement on potential changes to 10 Safer Junction locations by the end of 2024, and we have currently achieved this at six locations.

Design work has continued on a further 40 Road Safety Programme schemes across London, at locations where there is an identified road safety concern. Of these, detailed design started in January 2024 for road danger reduction improvements at the junction of King's Cross Road/Pentonville Road. We have completed construction at five locations so far in this financial year, including:

- The A10 Edmonton County School, to improve entrance and exit movements
- The A4 Bath Road by the Compass Centre, where improvements were made to a pedestrian crossing in the area and the speed limit reduced from 50mph to 40mph
- The junction of the A205/Lancaster Avenue where improvements were made to a pedestrian crossing
- Grosvenor Place in Westminster - a new pedestrian crossing
- Palatine Road in Hackney - an upgraded pedestrian crossing

The Healthy Streets Local Schemes programme which focuses on the implementation of new and improved crossings, delivered four schemes in 2023 at A23 Kennington

Road/Kennington Lane (four improved pedestrian crossings); A24 Clapham Common Southside junction with Cavendish Road (one new signalised pedestrian crossing); A503 Camden Road (two new pedestrian crossings); and A205 Brownhill Road/Torridon Road (three new pedestrian crossings).

Lambeth Bridge project pre-construction enabling works started in November 2023 following detailed design completion. Construction is anticipated to take place during the next financial year (2024/25). This scheme is a high priority for road safety as well as for security. The project will deliver highway safety improvements by removing the roundabouts at either end of the bridge and replacing them with signalised junctions and dedicated cycle facilities to help increase cycle connectivity in the area. The project also involves the provision of hostile vehicle mitigation measures on Lambeth Bridge as well as essential structural maintenance and renewal work to increase the longevity of this important river crossing.

3.2.2. 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 have continued to encourage London boroughs to implement further 20mph speed limits on their roads or to consider a default borough wide 20mph limit. At present, 18 of the 33 London boroughs (including the City of London) have implemented a 20mph default limit. Figure 14 shows the TLRN roads subject to a 20mph speed limit as of May 2023.

Figure 14: Map of the TLRN with a 20mph speed limit, May 2024. Source: TfL

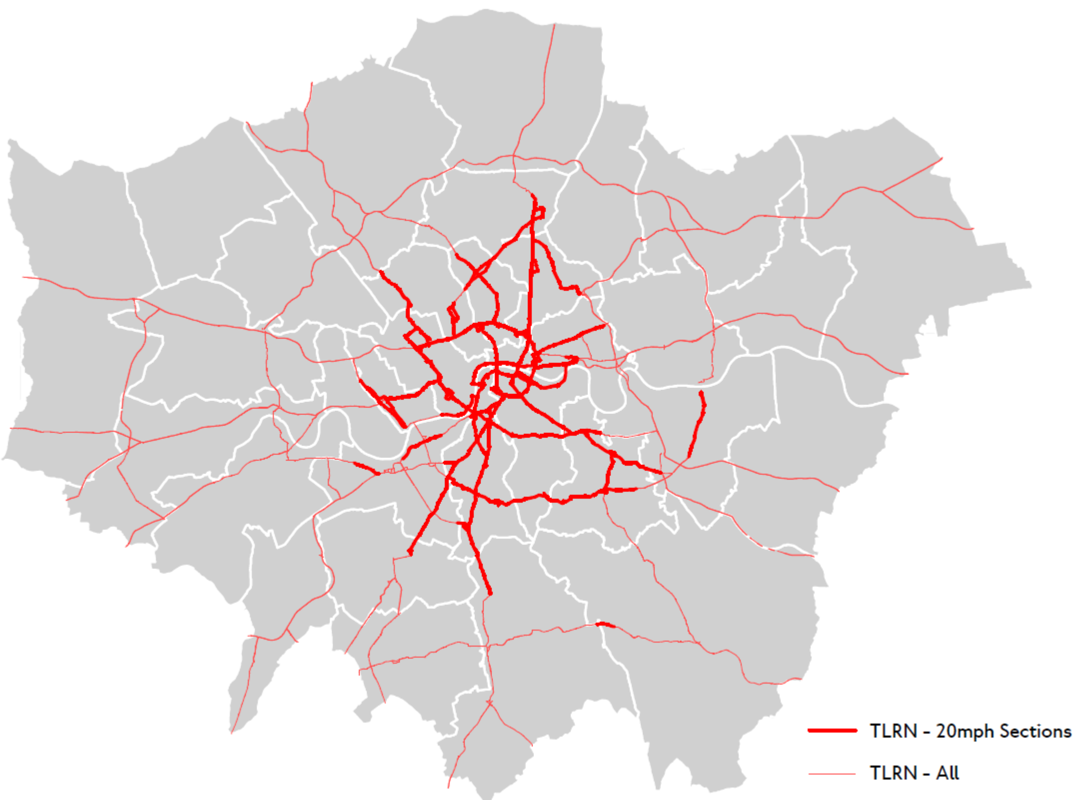
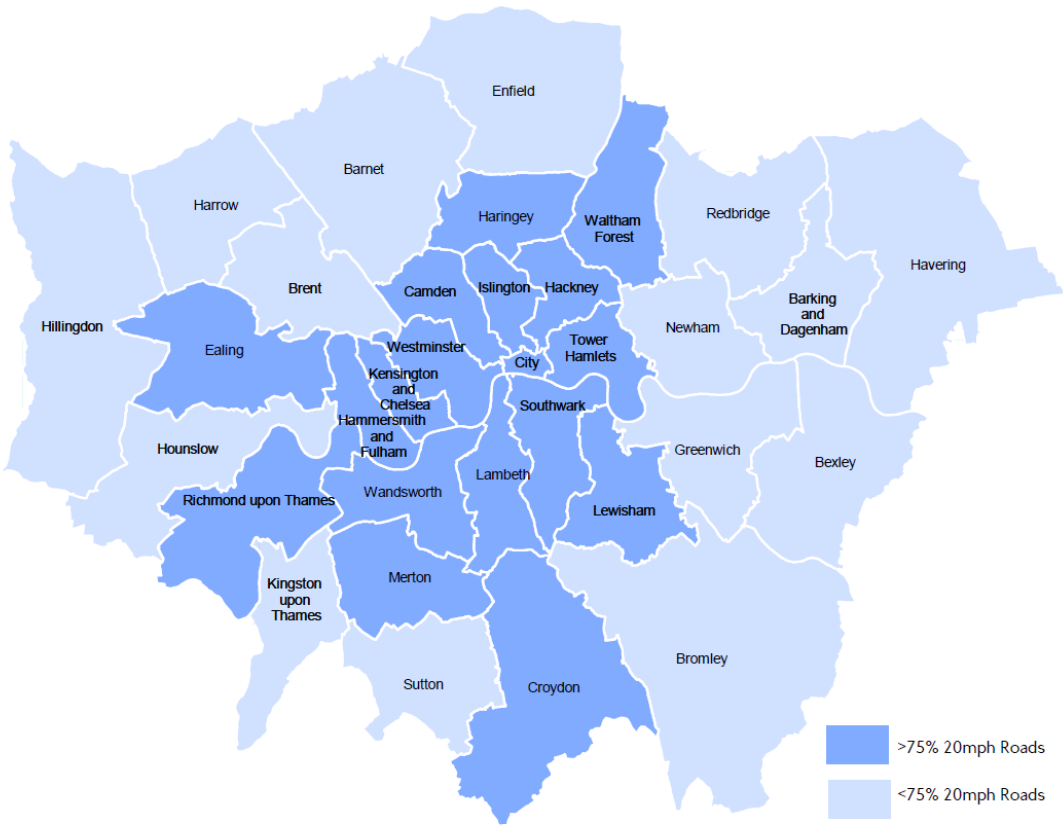


Figure 15: London boroughs with more than 75 per cent coverage of 20mph limits on all roads with speed limits. Source: London Digital Speed Limit Map, May 2024



The second phase of the safe speeds programme for the TfL Road Network is now nearing completion, with a further 5km to be implemented by May 2024. The total length of TLRN operating with a 20mph speed limit is 264km, 180km of which has been delivered since 2020.

In July 2023, the new lowering speeds educational campaign was launched to complement the on-street changes. The radio and digital campaign sought to explain to road users why we are lowering speed limits on some of our roads, highlighting the positive outcomes the programme has already achieved. This campaign, together with the new speed influence campaign, helps to bridge the gap between the lack of understanding behind the implementation of 20mph speed limits and why there is still a need for the behaviour change highlighted in the campaign.

It has been shown that nearly half (47 per cent) of Londoners claimed to have changed their travel behaviour as result of the campaign. The latest regular survey data is showing positive results: 44 per cent of all Londoner respondents strongly agree that speed limits of 20mph help prevent deaths and serious injuries on London's roads; 72 per cent of driver respondents agree that a speed that feels slow when you’re driving can kill or seriously injure a pedestrian or cyclist; and 65 per cent agree that they need to think more about how fast they are driving.

Targeted localised lowering speeds communications also took place, informing local residents and businesses of changes in their areas, as set out on our Lowering Speed limits Have Your say page.

3.2.3. Safe vehicles

Bus safety strategy

In September 2023, we published our new Bus safety strategy which outlines specific actions to be taken to achieve our Vision Zero goals for the bus network. These actions aim to eliminate deaths caused on, or by, a bus by 2030, and for there to be no serious injuries by 2041. The actions set out in the strategy include commitments to further progress the retrofit of intelligent speed assistance, trial fatigue detection on buses and work with the London Fire Brigade and other key stakeholders to identify vital new measures to tackle the risks posed by bus fires.

Bus Safety Standard

Safety is at the heart of our bus operations and the work of our Bus Safety Programme and the Bus Safety Standard is critical. We remain committed to going further wherever possible to ensure the safety of our operations and are pleased to report that more than 1,400 vehicles are now compliant with our Bus Safety Standard.

Across the year, we have achieved substantial progress on our Bus safety strategy. Having proven the effectiveness of new measures and mandated them in the Bus Safety Standard for new buses, we have begun an active retrofit campaign for some leading and available technology to the existing bus fleet. As part of this, we have fitted 3,795 buses with intelligent speed assistance, which uses GPS and geo-mapping to check the vehicle speed is within the speed limit. We have also fitted 1,251 buses with an acoustic vehicle alerting system (AVAS), which alerts other road users to the presence of quieter electric buses. We are currently upgrading this with our new responsive acoustic vehicle alerting system, which adjusts the sound levels to the ambient environment, increasing the volume in busy areas and lowering in quiet areas. Furthermore, we have had 1,297 buses fitted with a camera monitoring system that replaces wing mirrors to reduce blind spots and improve the driver's field of vision.

We have been liaising with interested bus operators and suppliers to trial two innovations: audible safety messaging initiated by sensors in the stairwell and upper deck bell push buttons, and driver training linked to telematics.

Direct Vision Standard

The Mayor launched the world leading Direct Vision Standard and Heavy Goods Vehicle (HGV) Safety Permit Scheme in 2019. The Direct Vision Standard tackles road danger at its source by eliminating HGV blind spots, which contribute to many tragic deaths and life-changing injuries. Initial analysis suggests there was a 35 per cent reduction in the number of people killed and seriously injured by an HGV when walking, cycling and motorcycling in 2023, compared to the pre-pandemic average of 2017/19 (38 people in 2023 compared to a

2017/19 baseline average of 59). If we focus solely on the number of people killed by a HGV when walking, cycling and motorcycling in 2022, the reduction is more marked: a reduction of 62per cent (six people in 2023 compared to a pre-pandemic average of 16). Similarly, there was a 30 per cent reduction in the number of people seriously injured in 2022 compared to the pre-pandemic baseline.

During the 2023/24 financial year, we achieved formal approval for the new Progressive Safe System, as set out in our report to London Councils' Transport and Environment Committee. This delivers our commitment to raise the minimum Direct Vision Standard star rating from one to three stars, as set out in our Freight and servicing action plan. This means that the new, enhanced requirements will be enforced for safety permits issued to zero, one and two star rated vehicles from 28 October 2024. To give the road haulage industry sufficient time to buy, fit and test any new equipment to be retrofitted to their vehicles to comply with the new Progressive Safe System requirements, we also confirmed a grace period for operators of zero, one and two star rated vehicles who need additional time after 28 October 2024 to make their vehicles compliant with the higher standard.

Throughout autumn and winter 2023, our focus has been on supporting HGV drivers and the road haulage sector to be ready for the new requirements when they come into force. Activities to achieve this include the publication of updated Operator's Guidance in September 2023 and we are continuing to develop improvements to the user experience for HGV operators when applying for an HGV Safety Permit. Any extension to the grace period will be subject to agreement with London Councils TEC,[3] and the first Safety Permits that incorporate the new Progressive Safe System have been available from 24 June 2024.

Fleet Operator Recognition Scheme

The Fleet Operator Recognition Scheme (FORS) is a voluntary accreditation scheme for fleet operators that aims to drive up standards within fleet operations and demonstrate which operators are achieving exemplary levels of best practice in safety, efficiency and environmental protection.

As part of this initiative, our Safe Urban Driving training course for HGV drivers is funded and delivered to increase awareness of the risks to people walking, cycling and motorcycling when driving in urban areas. To date, more than110,000 HGV drivers have attended the course, which has now been fully revised with new training material to encompass the ever-changing driving conditions in the city. The new material, known as 'Safe Driving', also replaces the Van Smart training content so that van and HGV drivers only need to complete one course every five years. This year 52,522 HGV drivers have attended FORS training including Safe Urban Driving and the new Safe Driving course. Some drivers have addressed the cycling practical phase by undertaking the virtual reality or immersive training alternative options that are now available to FORS.

To date, FORS has approximately 4,700 operators that have signed up to the scheme, with members from the UK and within the European Union. We have updated our procurement

[3] Transport and Environment Committee

rules for TfL-let contracts so that from April 2024 we will specify FORS Gold level for those supplier contracts worth more than £1m, and Silver for those worth less than this. This is part of our commitment on Work-Related Road Risk to improve and retain a high standard of vehicle and operator compliance and improve road safety through our supply chains.

During the 2023/24 financial year, we have also reviewed and revised the FORS standard. Version seven of the standard was published in May 2024 for implementation in January 2025. This included new environmental requirements, requiring operators to calculate and record their tailpipe emissions, and so commencing the journey to using cleaner vehicles, along with some changes to the driver training standards. The alternative schemes we have accredited such as the Driver and Vehicle Standards Agency's 'Earned Recognition' scheme and the Mission Zero scheme are required to align with all changes to the FORS standard, for consistency in the operating standards applying to drivers.

Safety improvements in the TfL fleet

Intelligent speed assistance helps drivers stay within the speed limit by restricting the top speed and acceleration of the vehicle. At the end of 2023/24, 360 of approximately 900 vehicles had intelligent speed assistance and we are continuing to expand this across the remainder of our fleet, including by ensuring that all new vehicles entering as replacements are fitted with this technology.

Additionally, we have been working to ensure that all new vehicles coming into the fleet are as safe as possible by procuring them to a safety standard based on the European New Car Assessment Programme. This is in line with our commitment in the Vision Zero Action Plan progress report (action 27). The standard that we seek to procure to is:

- For vans: Gold or Platinum standard
- For cars: five stars (with minimum 70 per cent Safety Assist and Vulnerable Road User score)

This standard encourages the uptake of the latest vehicle safety technologies (including intelligent speed assistance) and is also a self-maintaining standard (meaning that the standard will not require updating by TfL as vehicle technology advances). We intend to promote this procurement standard more widely to other organisations to improve vehicle safety standards in London.

The General and Pedestrian Safety Regulations were adopted by the European Union nearly two years ago and feature a package of 15 life saving features, including enhanced direct vision in HGVs, automated emergency braking systems, and intelligent speed assistance. The UK played a key role in the development of these vehicle safety measures before its departure from the European Union and we continue to call on the Government to adopt them as part of its new vehicle-type approval system.

Taxi and Private Hire

In 2020, the DfT set out new statutory standards to improve taxi and private hire vehicle safety. While the focus of these standards is on protecting children and vulnerable adults, all passengers will benefit. Although we are already compliant with the majority of these standards, in spring 2023 we consulted on further proposals and have published a Consultation Report.

The proposals in Part 1 of the consultation have been prioritised, to ensure that we implement the remaining DfT statutory standards at the earliest opportunity. A decision was taken and a number of regulations were signed in November 2023, including the requirement for licensees to inform us of any arrest and release, charge, caution or conviction within 48 hours and the requirement for taxi drivers to pass a Safety, Equality and Regulatory Understanding assessment. The requirement for all applicants for a taxi or private hire vehicle driver's licence, to provide evidence of registration with the Disclosure and Barring Service update service has already been implemented and came into effect in February 2024.

New licensing requirements came into effect in April 2023 for private hire drivers. Any new applicants for a private hire vehicle driver's licence are required to take and pass both an English language speaking and listening test and the safety, equality and regulatory understanding requirement assessment. Those who were licensed or applied before April 2023 also need to satisfy these requirements.

3.2.4. Safe behaviours

Motorcycle safety and the meal and grocery delivery industry

People riding motorcycles face the greatest likelihood of death or serious injury of anyone driving/riding on the roads. Our casualty data has shown that people riding scooters and motorcycles are disproportionately injured in road collisions in London. Motorcyclists or those riding scooters account for 26 per cent of those fatally or seriously injured, while they only account for 2.7 per cent of the distance travelled by vehicles in London (2017-2022).

We have been working with the meal and grocery delivery industry and other stakeholders to reduce this number and bring about change.

Meal and grocery delivery motorcycle safety charter

In September 2023, we launched our voluntary Meal and grocery delivery motorcycle road safety charter, which aims to keep motorcycle couriers and other Londoners safe on the roads. It consists of 10 road safety principles, which are aligned with our Safe Systems approach.

Five of the key companies in the meal and grocery delivery industry have signed up and committed to making improvements to reduce motorcycle casualties. This is a significant step in our efforts to achieve Vision Zero. To keep the momentum and conversation about road safety going, our second delivery company road safety forum will take place in spring 2024.

Improvements to motorcycle basic training

Training requirements for low-powered motorbikes are the lowest of any motorised vehicle in the UK. The current compulsory basic training for those wanting to ride motorcycles and mopeds enables people as young as 17 to ride motorcycles up to the national speed limit with L-plates after one day of training and without a theory test. This training was developed more than 30 years ago and has not been updated to reflect the usage and trends of today. We believe that improving the compulsory basic training has the potential to greatly reduce road danger for everyone. In July 2023, we sent a letter to the DfT, calling for improvements to the training, co-signed by a range of stakeholders including road safety charities, the motorcycle stakeholder groups and other transport authorities. We hope that speaking with a unified voice on this issue will encourage the Government to act.

Police education and enforcement

We continue to work closely with the Metropolitan Police Service (MPS) and the City of London Police to deliver on London's Vision Zero commitments. Traffic policing and enforcement of criminal and antisocial road user behaviour is a core part of our efforts to reduce road danger. The MPS and City of London Police undertake significant and wide-ranging activity to reduce road danger and prevent harm to all road users. This includes prevention and intelligence gathering activities, problem-solving to tackle the root causes of problems, community engagement and initiatives such as Community Roadwatch, Junior Roadwatch, Exchanging Places, close passing operations and actively monitoring and targeting high risk vehicles and drivers.

Throughout the year, the MPS Roads and Transport Policing Command participates in monthly national policing campaigns co-ordinated by the National Police Chiefs council. These operations are themed around road danger enforcement priorities, such as speed, use of mobile phones, not wearing a seat belt, and drink and/or drug driving. In November 2023, officers supported 'Operation Drive Insured' as part of Brake's National Road Safety Week, themed 'Let's talk about speed'.

We are making good progress on our commitment to increase the levels of speed enforcement undertaken by the police, building the capacity to enforce up to one million offences a year from 2024/25. In 2023/24, the MPS and the City of London Police enforced 902,887 offences in total, including 771,997 for speeding offences, 5,317 arrests for those driving under the influence of drugs or alcohol, and 14,159 mobile phone offences.

London's roads policing and enforcement data can be viewed on the Vision Zero enforcement dashboard on our website. Publicly accessible, the dashboard contains data on arrests, Notices of Intended Prosecution issued by the police for road traffic offences and for offences detected through London's safety cameras, Traffic Offence reports issued at the roadside, and letters to speeding motorists identified through Community Roadwatch.

3.2.5. Post-collision learning

In September 2023, we brought together road safety charities, policing partners, the emergency services, London councillors, MPs and London Assembly members for the third Vision Zero summit, five years on from the publication of the Vision Zero action plan.

At the summit, we announced our plans to launch a new victim support service pilot scheme to significantly improve support for victims of the most serious road traffic collisions in London. The service includes support from caseworkers recruited by the road safety charity Brake and longer-term aftercare support provided by RoadPeace (the National Charity for road crash victims). In partnership with the MPS and City of London Police, the service was launched as a one-year pilot scheme in November 2023, and will be accessible through direct referral from the MPS' Serious Collision Investigation Unit.

So far, approximately 60 people have been or are currently, in the care of the service. Brake and RoadPeace have reported positive feedback from those supported.

Inequalities in road danger

Following on from the Inequalities in road danger in London report in April 2023, we have embarked on a programme of engagement with boroughs and stakeholders to discuss the findings.

We have also developed an inequalities in road danger dashboard where users can interrogate the casualty data, with the ability to filter by borough, year, casualty severity and mode of transport. Published in January 2024, it sits alongside other Vision Zero dashboards, showing road casualties in London and police enforcement data.

We will continue to analyse the causes of inequalities in road safety, and work with public health and borough stakeholders to help target future road safety programmes and drive further action to make London's roads safer.

3.3. Efficient use of street space

An efficient street network is critical to enable us to make progress on our targets for active, efficient and sustainable mode share, and help improve Londoners' health. Reducing traffic dominance is key to addressing the triple challenges of toxic air pollution, the climate emergency and traffic congestion.

The continued dominance of motorised traffic not only makes it more difficult for people to choose to walk, cycle or take the bus, it also takes up valuable space on our streets. This space could be better used for these active and sustainable modes, which use space more efficiently, as well as to support essential freight and servicing trips. Space allocated to buses and cycles transports many more people per kilometre than private motor traffic.

We will continue to take action to:

- Manage the network to prioritise the most efficient modes of transport and minimise disruption from street works
- Roll out bus priority measures to improve bus journey times and reliability
- Support efficient ways of moving freight, by making changes to how the network operates and enabling more efficient ways of working in the commercial sector

Efficient use of street space is a key part of our wide-ranging activity to improve bus customer journey times (see Focus On: Improving bus customer journey times on page 90).

3.3.1. Managing an efficient network

Healthy Streets signal programme

TfL is responsible for the management of more than 6,000 sets of traffic signals across the capital. Signal timing reviews – which look at how different signals work in specific locations – offer an opportunity to make changes so that we can optimise conditions for active, efficient and sustainable modes of travel. For example, we can co-ordinate signals to help buses progress more smoothly, reduce pedestrian wait times and prioritise buses that are running late.

In 2023/24, signal timing reviews have enabled us to exceed our target of 8,800 hours saved for active, efficient and sustainable modes. This includes:

- 8,417 bus passenger hours saved from 594 reviews
- 726 hours saved for people walking from 391 reviews, including reduced waiting times for people crossing at 133 sites
- 42 hours saved for people cycling from 45 reviews

The Surface Intelligent Transport System programme has recently been enhanced with the new Real Time Optimiser project. This next generation technology will facilitate improvements in our management of the road network over the coming years and will significantly improve our ability to deliver the Mayor’s Transport Strategy.

Managing street works on the TfL Road Network and Strategic Road Network

This year, we have continued to engage with works promoters (both within TfL and external providers such as utility and other companies) to minimise any negative impacts of highway works on people walking, cycling and travelling by bus. We work together to ensure that the temporary arrangements in place during the works – road layouts, traffic signal arrangements and signage – do not lead to unnecessary diversions, delays or barriers to accessing facilities. We set targets to reduce this disruption and are working with London boroughs to encourage the same on their networks.

During 2023/24, we avoided 5.9 kilometres of unnecessary diversions for pedestrians, more than 52km of unnecessary diversions for buses or bus priority protected, and a little more than three kilometres of diversions for cyclists or cycle facilities maintained during temporary interventions. By challenging durations and working methods we saved 7,772 days of highway occupation and facilitated 1,184 days of collaborative working between multiple works promoters to prevent the same streets being repeatedly dug up. We are in partnership with the Greater London Authority (GLA) Infrastructure Coordination Service to drive a consistent approach to collaboration across London, which to date has resulted in an additional 1,000 days of disruption saved.

The Lane Rental scheme has been in operation on the TLRN since June 2012 and has been successful in minimising disruption caused by roadworks and streetworks on our network. We are now working with the DfT and London boroughs to deliver a pan-London framework for a London Borough Lane Rental scheme, which would allow boroughs to opt in so lane rental charging can be applied to the most sensitive parts of the borough road network. There are already two London boroughs (Enfield and Lambeth) committed to making a formal application to the DfT to operate Lane Rental, with a further four boroughs also showing a keen interest. The aim is for the first tranche of boroughs to go live with their schemes in April 2025.

Network Operating Strategy and Bus Sense programme

We have developed a Network Operating Strategy that applies those traffic management approaches already used on the TfL Road Network and Strategic Road Network to the entire London road network. Informed by extensive data and intelligence about how the network serves our customers, the Network Operating Strategy gives us a framework to collaborate with highway authorities and other partners to deliver better outcomes for people, businesses and essential services, and keep London moving.

More than 400,000 roadworks applications are received each year across London, which can cause a high level of volatility on the bus network - almost half of all road works are on bus routes, and are responsible for a significant level of bus delay. The Network Operating Strategy enables us to deliver innovations such as our Bus Sense programme (a partnership with boroughs and utility companies to support the mitigation and coordination of high-impact road activities on buses). This partnership expanded in 2023/24 to 12 boroughs and a number of utility companies to further increase the reach of this initiative across London.

3.3.2. Supporting efficient ways of moving freight

The Mayor’s Transport Strategy aims to reduce the number of goods vehicles driving in the central London Congestion Charge zone during the weekday morning peak by 10 per cent from 2016 levels by 2026. This reflects pressures on the road network at this time of the day and will help to reduce road danger.

Figure 16: Change in freight vehicles entering the Congestion Charge zone compared to 2016, 13-period moving average, 2017/18 - 2023/24. Source: TfL

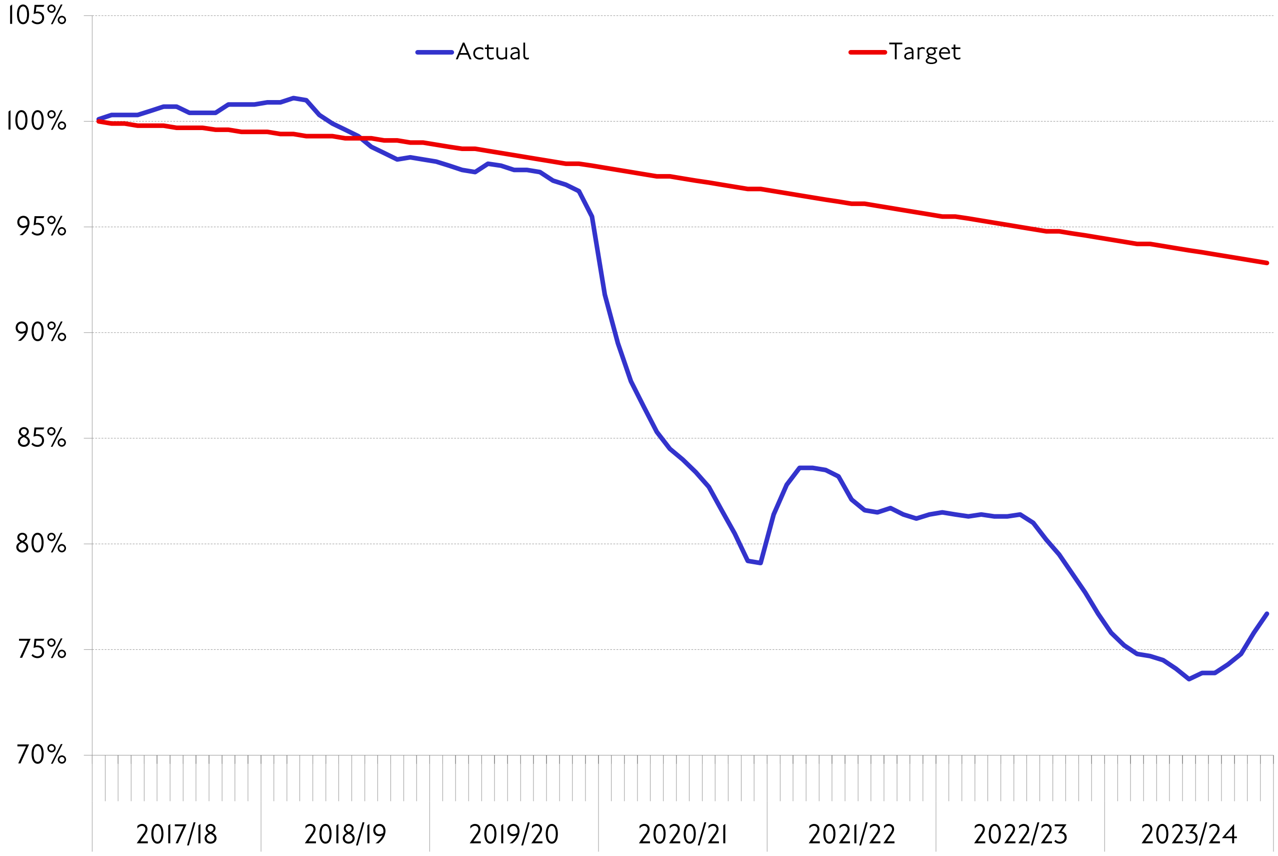


Figure 16 shows actual observations of freight vehicles in the Congestion Charge zone compared with a straight-line trajectory to this target. By early 2021, the reduction in the number of vans and lorries was more than 20 per cent against the 2016 baseline, mainly due to the impact of the pandemic. Although there was an initial increase in goods vehicle numbers once the pandemic restrictions were lifted, in 2022 the number of vehicles stabilised to around 19 per cent below 2016 levels. In 2023/24, we saw the rate of vehicles continue to decline and stabilise around 75 per cent of the 2016 baseline. It is now around 24 per cent below the 2016 baseline. This indicates that the Mayor's Transport Strategy target continues to be met.

We are working to take forward a range of initiatives to identify more efficient ways of moving freight and goods around the city, including through shifting journeys onto more efficient and sustainable modes. These include:

- A review of the trials of freight traffic signal timing reviews held at seven pilot locations in London, showed they delivered demonstrable improvements in journey time reliability and reduced journey times for HGV freight vehicles during the late evening and overnight periods. This has allowed us to commence the roll-out of freight signal timing reviews, informed by data that we hold and feedback from the freight haulage industry. We are grateful for the participation of DHL Express in the trials, including the sharing of their freight telematics data, which enabled the HGV freight benefits to be assessed. This work realises one of our key commitments from the Freight and servicing action plan

- In line with our Cargo Bike action plan published in 2023, we have begun the development of a London safety standard for cargo bikes and intend for this to be adopted later in 2024. This will be preceded by revised cargo bike operations guidance for operators and riders to ensure that riders are trained, operate safely and use proper equipment; thereby contributing to the safe and well-managed expansion of cargo bike use in London

- We continue to investigate the potential for technology and data to reduce the high number of bridge strikes and over-height vehicles colliding with tunnels in London. This research will help us to identify potential areas where improvements can be achieved to work towards fewer instances of bridge and tunnel strikes, and to improve compliance with carriageway weight limits. We have finalised the research outcomes report and intend to make this available later this year

3.3.3. Tracking progress against our aims

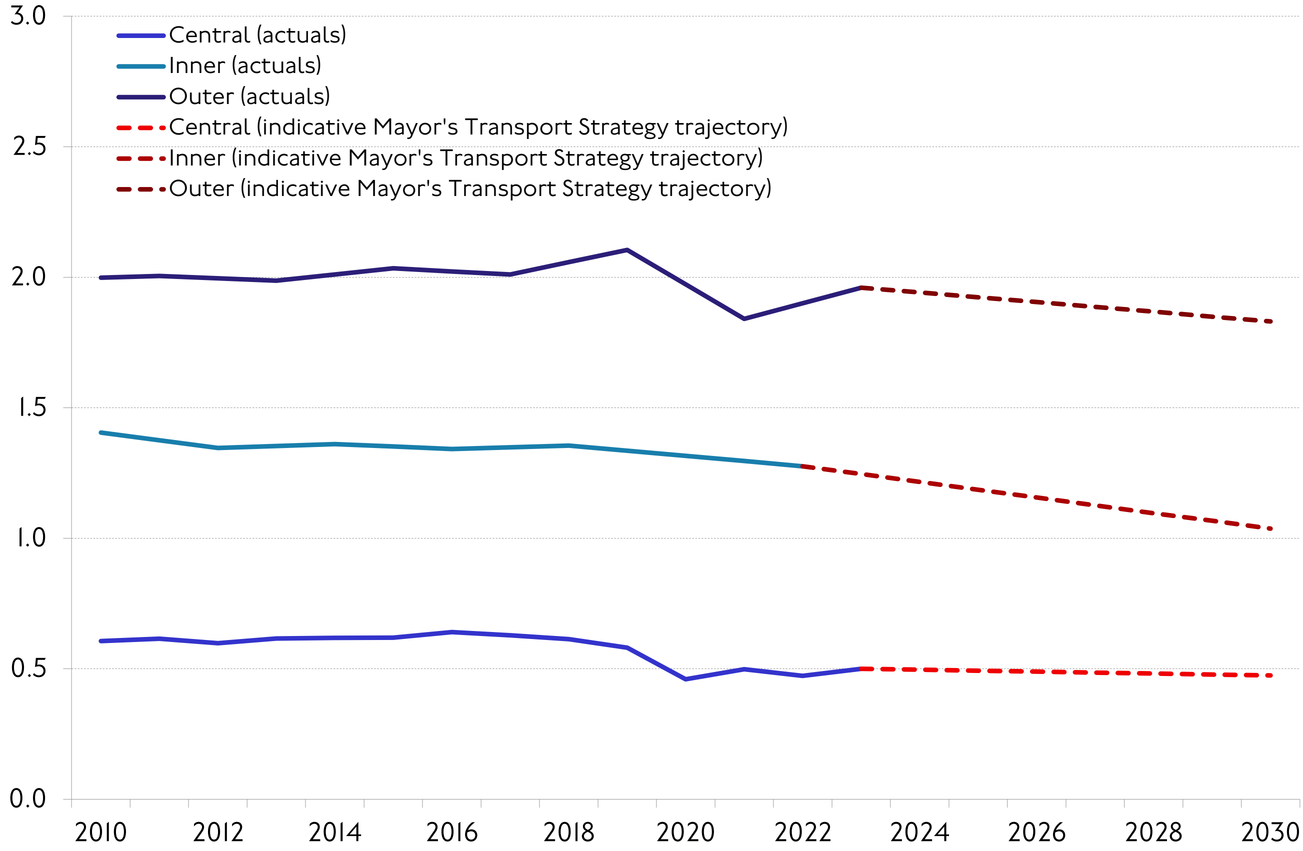
Seventy per cent of congestion in London is caused by demand exceeding capacity. Traffic dominance is one of the main deterrents to people cycling and walking: a healthy street is one where people feel safe and comfortable to use these modes, including as part of a longer journey to access public transport.

The Mayor’s Transport Strategy Tracker for the ‘Efficient’ outcome monitors reductions in car use, namely the target of three million fewer car crossings at the three cordons at central, inner and outer London by 2041. These cordon counts have been used as the metric for the Mayor’s Transport Strategy Tracker and show the number of cars passing the Greater London boundary cordon, inner London cordon and central London cordon on a representative day. It should be noted that cordon counts are only carried out every other year at the inner and outer cordons. Therefore, while the latest available data for the central and outer London cordons covers 2023, the latest available data for the inner cordon is for 2022.

Figure 17 shows the trend in the number of cars crossing the central, inner and outer cordons, with the aim in the Mayor’s Transport Strategy being to reduce the number of car journeys by three million on an average day by 2041 compared with 2016. Despite post-pandemic increases in the numbers of cars crossing the boundary cordon, overall levels remain lower than before the pandemic. However, the tendency of traffic growth to reassert itself, particularly in outer London, is evident. Boundary cordon data, surveyed every two years, show that 2.11 million cars crossed the boundary cordon on an average day in 2019, falling to 1.84 million in 2021 and in 2023 this increased to 1.96 million.

Figure 17: Mayor's Transport Strategy Tracker for Efficient: Number of cars counted crossing Greater London, inner London and central London cordons, cars per day (millions), 2010-2023 and indicative Mayor's Transport Strategy trajectory to 2030. Source: TfL

Note: Counts were not undertaken in 2020 across the outer cordon and in 2020 or 2021 across the inner cordon, therefore the data reported are interpolated from adjacent years



While these reductions are to be welcomed and indicate the success of interventions particularly in central and inner London over the past decade, the outer London picture is concerning. Indeed, more than 70 per cent of London's traffic is in outer London. The continued increase in trips across this cordon has a significant overall impact on our ability to use streets efficiently and achieve the Mayor's Transport Strategy outcomes.

The switch from car use to active, efficient and sustainable modes is, in many cases, highly achievable. Almost 10 million car journeys are made in London every day: more than 30 per cent of these could be walked in under 25 minutes, and around 1.7 million of these trips could easily be made by bus. This switch would also increase Londoners' time spent on active travel, thereby benefiting their health.

3.4. Green

Activities related to the Green outcome in the Mayor's Transport Strategy are being delivered alongside activities cited in the London Environment Strategy. This includes actions to reduce vehicle emissions, increase green infrastructure and biodiversity, adapt to climate change and increase the resilience of London's transport network to extreme weather. This will help move us towards meeting the Mayor's ambition for London to be a net zero carbon city by 2030 and improve the health of all Londoners through improving the city's air quality.

3.4.1. Improving air quality

Air quality in London

In March 2024, the Mayor published the Air Quality in London 2016-2024 report. This draws on data from London's comprehensive monitoring network and the latest modelling from the London Atmospheric Emissions Inventory. This information is used to evaluate how much air quality in London has improved between 2016 and 2024, the period covering the Mayor's first two terms. It also assesses the policies that have contributed to this change.

The report notes, that although average concentrations of nitrogen dioxide (NO_2) were much higher in London than the rest of the UK in 2016, in the years following they have fallen much more steeply in London compared to the rest of the country. Annual roadside NO_2 concentrations across London dropped by nearly half (49 per cent) between 2016 and 2023, compared to 35 per cent in the rest of England, 39 per cent in Scotland and 31 per cent in Wales over the same period.[4] However, parts of the city still exceed UK legal limits for NO_2 and most of the city still exceeds the World Health Organization's (WHO) air quality guidelines for NO_2 and particulate matter (PM_{10} and $PM_{2.5}$). Despite substantial progress, the latest modelling shows that without additional action, all Londoners will still live in areas exceeding the WHO guidelines for both NO_2 and $PM_{2.5}$ in 2025 and 2030.

Annual average roadside NO_2 concentrations by area are presented in Figure 18, showing progress since 2010, based on trend analysis from roadside air quality monitoring sites in London, and the indicative trajectory to the Mayor's Transport Strategy target. Average NO_2 concentration levels in central London have dropped by two thirds over the last decade - from 96 µg/m³ in 2013 to 34 µg/m³ in 2023. Inner London sites have also seen large reductions, with average NO_2 concentrations 55 per cent lower in 2023 compared to 2013. Outer London sites have also seen significant reductions in average NO_2 concentrations from 47 µg/m in 2013 to 26 µg/m³ in 2023.

A key enabler of the significant reductions in air pollution seen in London has been the introduction and expansion of the Ultra Low Emission Zone (ULEZ). In April 2019, the world's first 24-hour ULEZ was introduced in central London, and it was subsequently expanded to inner London in October 2021. On 29 August 2023, the ULEZ expanded

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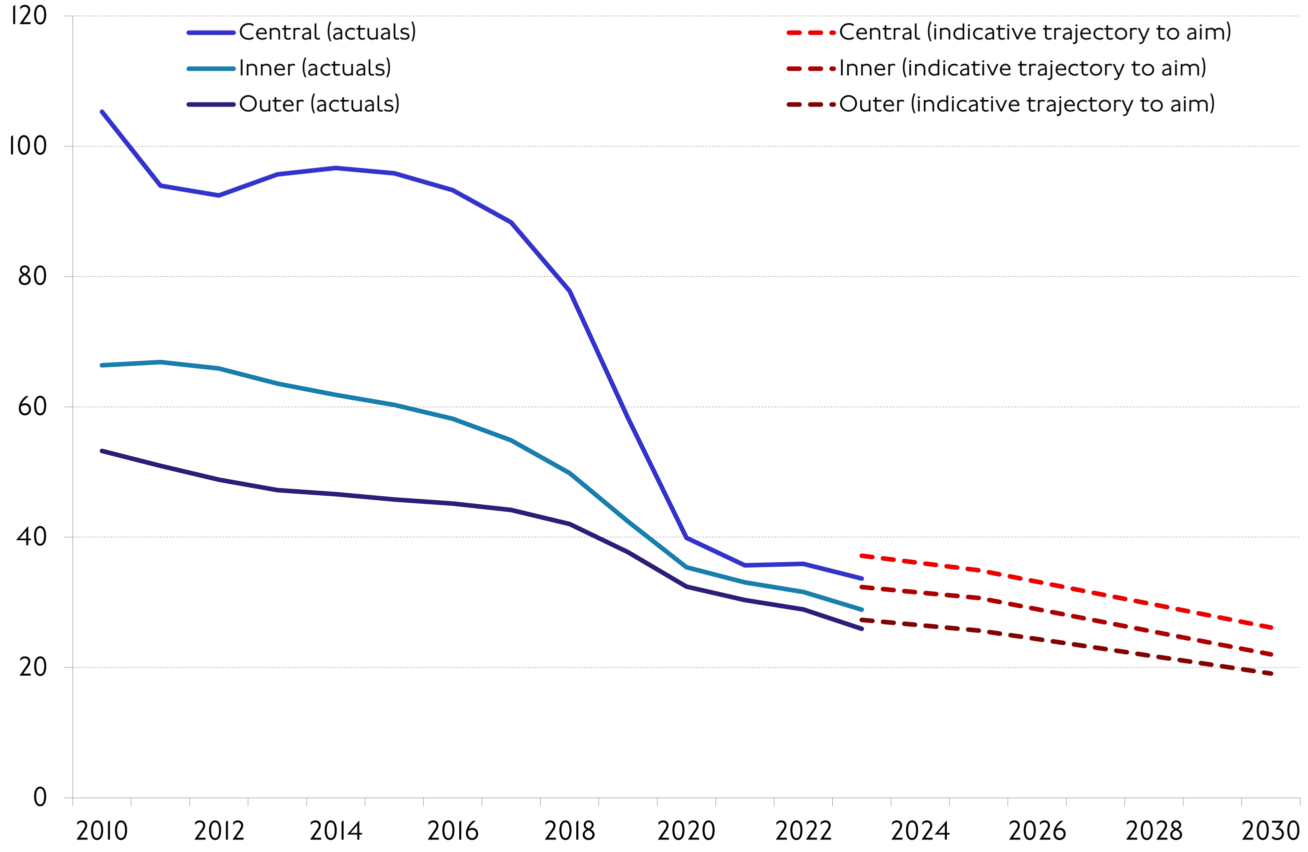
[4] Northern Ireland is not included as no air pollution monitoring sites with sufficient data capture were available

London-wide, and now covers an area of around 1,500 km² with a population of around nine million people – this makes it the largest zone of its kind anywhere in the world.

Alongside the expanded ULEZ, we put in place a set of temporary exemptions ("grace periods") to support disabled people, users of community transport minibuses, people using wheelchair accessible vehicles, and businesses and charities with brand-new compliant vehicles or a retrofit solution on order. Data up to and including 7 July 2024, shows that 7,247 applications were approved for a grace period. Our website provides a full list of these discounts and exemptions.

Figure 18: Mayor's Transport Strategy Tracker for Green: Average roadside NO_2 concentrations (μg·m-3) by area 2010-2023 and Mayor's Transport Strategy indicative trajectory to 2030. Source: TfL

Note: Historical series has been updated to reflect improvements to air quality monitoring and trend-based analysis

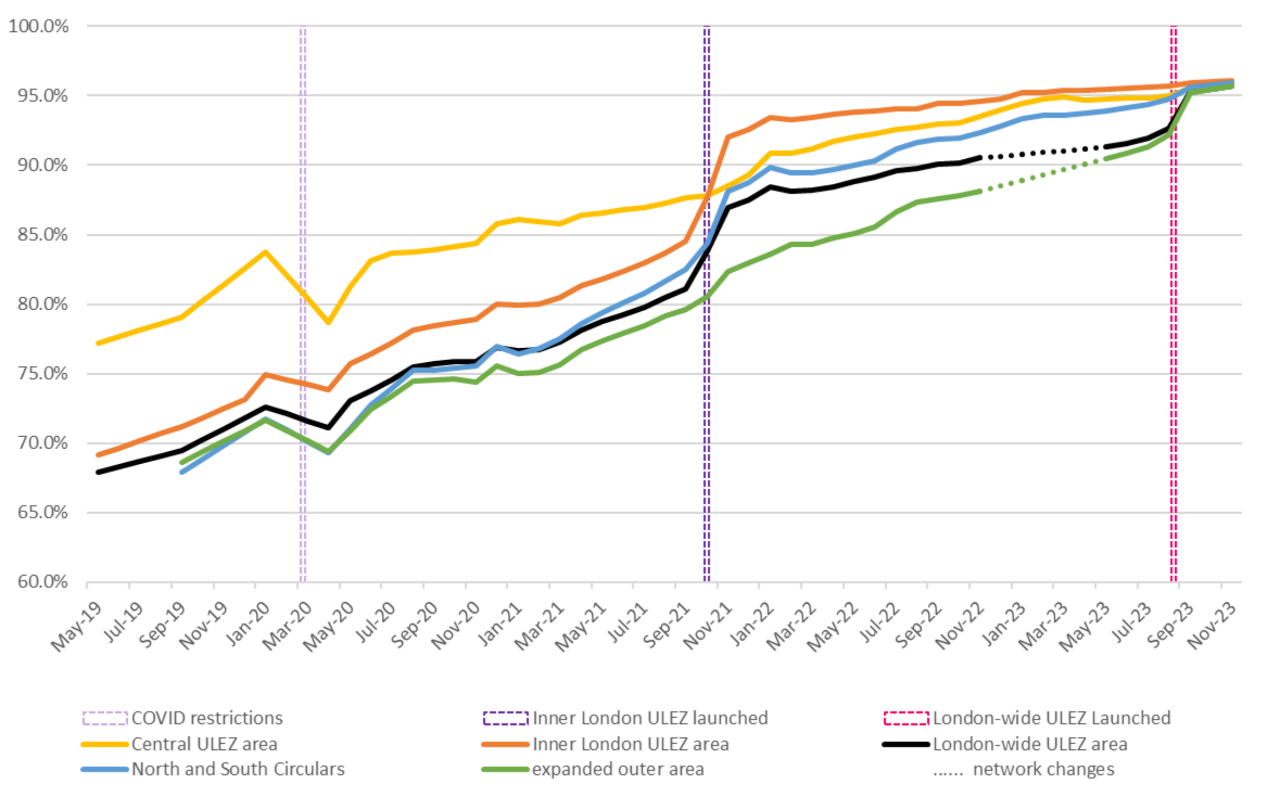


ULEZ first month report

Following the expansion of the ULEZ London-wide in August 2023, the London-wide ULEZ first month report was published in October 2023. This report evaluated the impact of the newly expanded scheme in its first month of operation. Initial data showed that the London-wide expansion has been highly effective at reducing both the proportion and number of older, more polluting vehicles on London's roads. After the first month, the compliance rate for vehicles subject to the ULEZ was 95.3 per cent, up from 91.6 per cent in June 2023 and from 39 per cent in February 2017 when changes associated with the central London ULEZ first began. After the first month, on an average day, there were 77,000 fewer unique non-compliant vehicles detected in the London-wide ULEZ compared to June 2023, a 45 per cent reduction.

We regularly report on vehicle compliance rates for the ULEZ with quarterly factsheets available on our website. Our latest published data to the end of December 2023, shows that the compliance rate for vehicles subject to the ULEZ is now 95.8 per cent. Figure 19 shows the increase in ULEZ compliance across London over time and evidences the rapid improvement in compliance rates. Alongside this, the compliance rate for heavier vehicles subject to the Low Emission Zone[5] is now 97.2 per cent.

Figure 19: Monthly average ULEZ compliance rates split by zone – all ULEZ vehicles. Compliance rate of unique vehicles detected in the zone. Source: ULEZ first month report



A longer period of time is required to assess the impact of the London-wide ULEZ on air pollutant emissions and concentrations. Preliminary analysis of the air quality impacts will be reported in a London-wide ULEZ six-month report in the summer of 2024, with a fuller analysis in a London-wide ULEZ one-year report due to be published in 2025.

London-wide ULEZ scrappage scheme

[5] https://tfl.gov.uk/modes/driving/low-emission-zone/your-vehicle-and-lez

To support the London-wide expansion of the ULEZ, a new £110m scrappage scheme, funded by the Mayor, launched on 30 January 2023. This was initially targeted at low-income and disabled Londoners alongside sole traders, microbusinesses and charities, in line with the previous scrappage scheme that accompanied the central and inner London ULEZ schemes.

Ahead of the London-wide expansion, we made a number of changes to the eligibility criteria and grant levels in the scrappage scheme, in response to feedback from Londoners and to ensure that as many people as possible could benefit from the scheme. This included expanding the eligibility criteria to include small businesses in London with fewer than 50 employees and opening up the scheme to any Londoner with an eligible non-compliant car or motorcycle.

A number of ULEZ support offers were also secured to help Londoners (irrespective of whether they received a scrappage grant) save money and use greener, cleaner forms of transport. This included receiving cheaper hire and subscription services for bikes, e-bikes, cargo bikes and e-scooters, discounts on car clubs and many other offers supporting a switch to active, efficient and sustainable modes.

In March 2024, the Mayor launched a new option within the ULEZ scrappage scheme enabling applicants to donate their non-compliant vehicles to Ukraine, via a trusted partner, for humanitarian purposes. Those who choose to donate their vehicle receive the same level of grant payment that is available to those who choose to scrap their vehicle.

The Mayor increased the scrappage fund from a total of £110m in January 2023, to £160m in August 2023 and subsequently to £210m in February 2024, in recognition of the continued high demand for the scheme and its importance in supporting Londoners to change to less polluting vehicles. The most recent available data, up to and including 7 July 2024, shows that 53,351 applications have been approved and more than £183m has been committed (Table 2).

Table 2: Scrappage scheme key statistics (up to and including 7 July 2024). Source: TfL

Note: These figures include 259 vehicles that have been accepted for donation to Ukraine to date (since this option became available from 15 March 2024). Please note that these donation figures are sourced from British-Ukrainian Aid (BUA), the registered charity which supports the transfer of vehicles to Ukraine to be used for humanitarian purposes

Scrappage key stats by scheme type	Car and motorcycle	Van and minibus	Total
Applications received to date	74,134	60,374	**134,508**
Applications approved to date (following proof of eligibility)	35,649	17,702	**53,351**
Total funds committed to date	£68,739,400	£114,980,000	**£183,719,400**

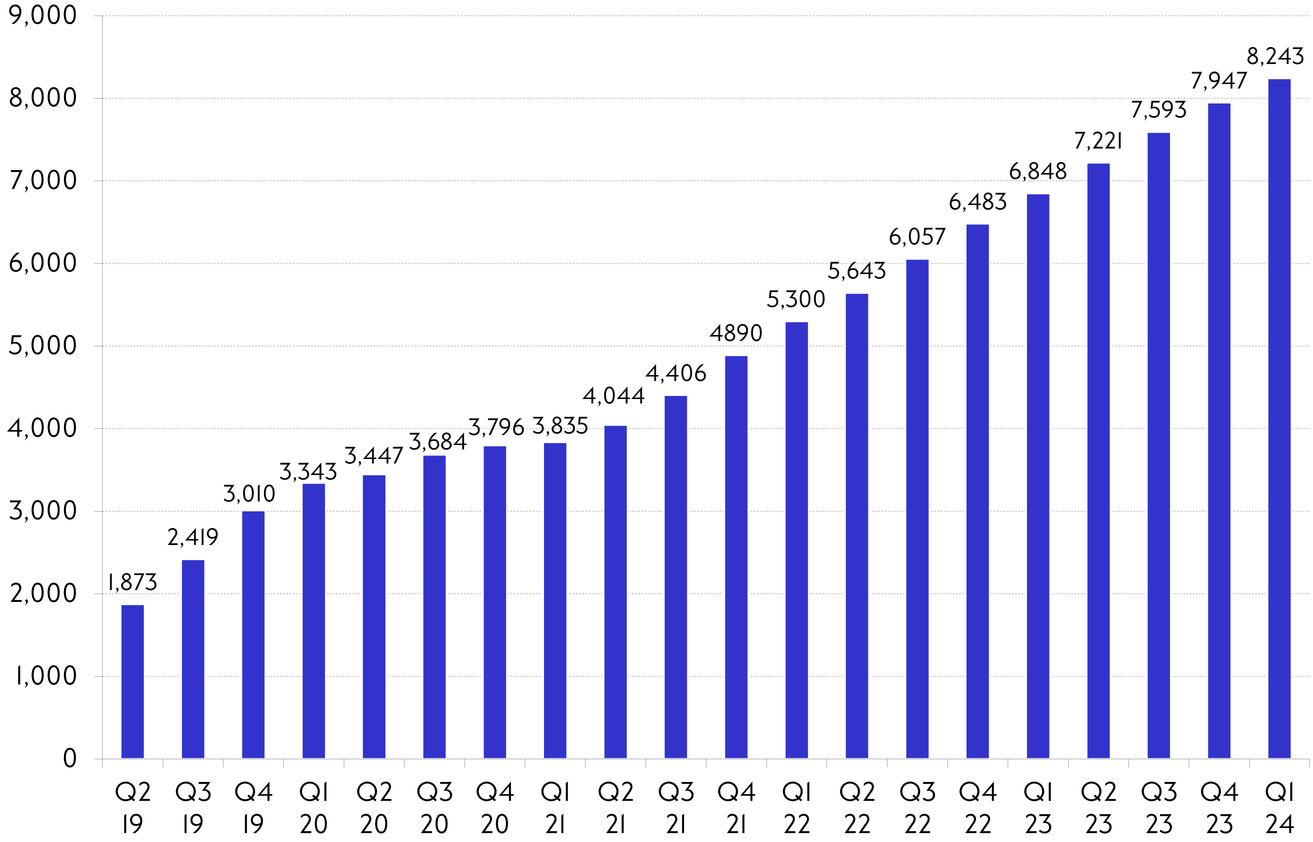
As with the previous scrappage scheme, we will publish an evaluation report following the scheme's closure which will include a detailed analysis of the scheme. This could include the number of successful applicants who did not replace their vehicle, once they had scrapped their vehicle and how applicants spent their grant payment.

Taxis and private hire vehicle emissions

London's iconic and historic taxi trade is now leading the way in the early adoption of zero emissions capable (ZEC) technology and, as a result, helping to reduce harmful emissions. As of March 2024, 56 per cent of 14,700 taxis actively licensed by us on London's roads were ZEC. The progress made to clean up the taxi fleet is significant; and has come about largely through our introduction of strict licensing requirements. These licensing requirements were introduced in January 2018, and since then all taxis presented for licensing for the first time have needed to be ZEC.

Figure 20: Cumulative number of actively licensed zero emission capable taxis in London. Source: TfL

Note: reporting of actively licensed ZEC taxis began in June 2019

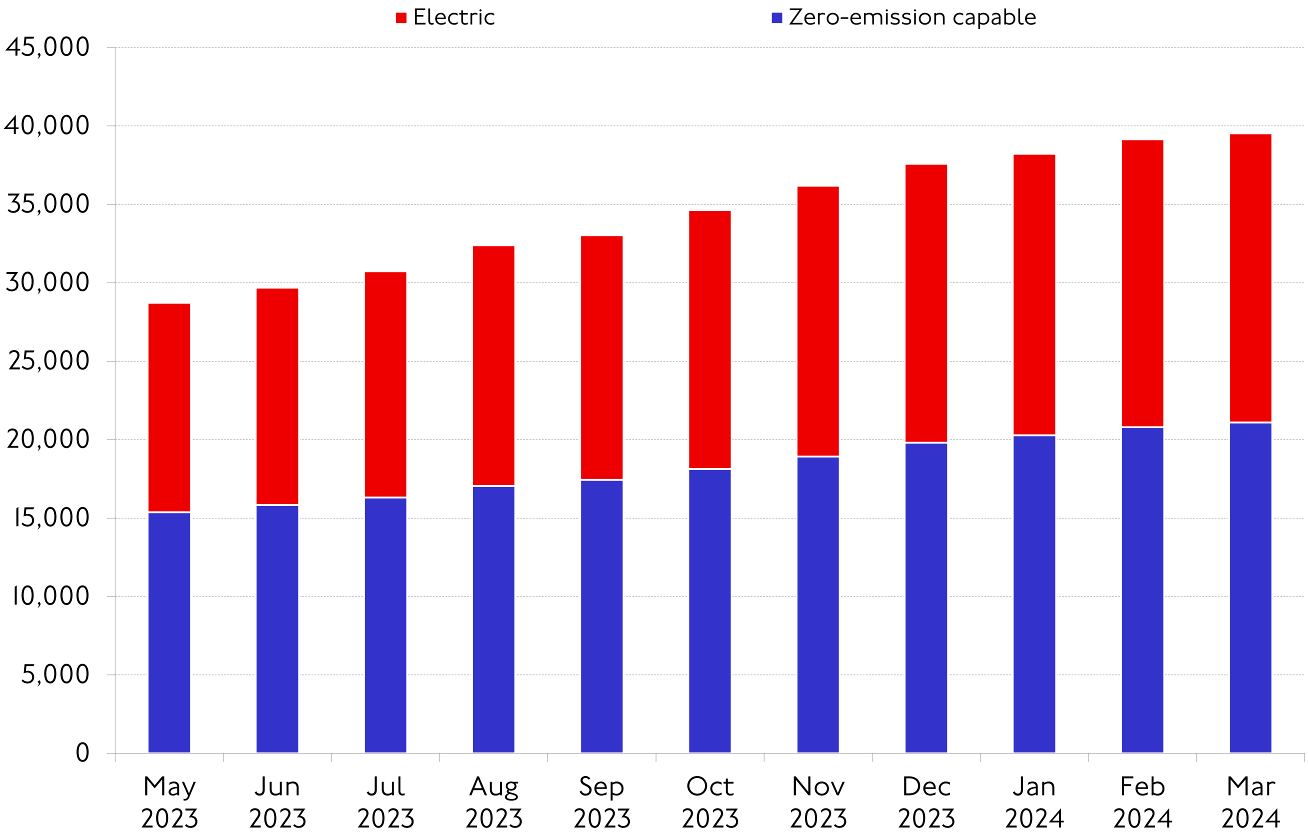


Alongside this, to phase out the most polluting vehicles from the fleet, from 2020 and 2022 we reduced the maximum age for the most polluting taxis from 15 to 12 years. To help drivers make the switch, a plug-in taxi grant remains available from the Government to help with the price of a new ZEC vehicle. In February 2024, following strong lobbying from a range of organisations including us, it was announced that the grant would be extended for another year until April 2025, albeit at a lower level of £6,000 per vehicle.

We have taken a similarly ambitious approach with licensing requirements for private hire vehicles. This included introducing emissions-based licensing requirements in 2018. The latest requirement was introduced in January 2023, with all private hire vehicles licensed for the first time needing to be ZEC and to meet the Euro 6 emissions standards. As of March 2024, nearly a quarter (23 per cent) of the private hire fleet was ZEC (emitting under 75g/km of CO_2) and one fifth (20 per cent) was electric.

Figure 21: Cumulative number of zero emission capable and electric private hire vehicles in London. Source: TfL

Note: Continuous reporting of ZEC PHVs and electric PHVs began in May 2023



Improving air quality on the Tube network

Improving air quality on the Tube network is a priority. We are taking a threefold approach to reducing dust levels:

- Conducting extensive cleaning and monitoring
- Exploring the latest innovations to improve air quality
- Commissioning world-leading research to ensure that Londoners have the most up-to-date and in-depth understanding of the topic as possible

The latest readings from our 2023 independent monitoring show that dust levels in Tube stations have been reduced by 19 per cent since 2020, and in drivers' cabs by 27 per cent since 2019. The latest monitoring also showed that dust levels remain within the legal limits set by the Health and Safety Executive.

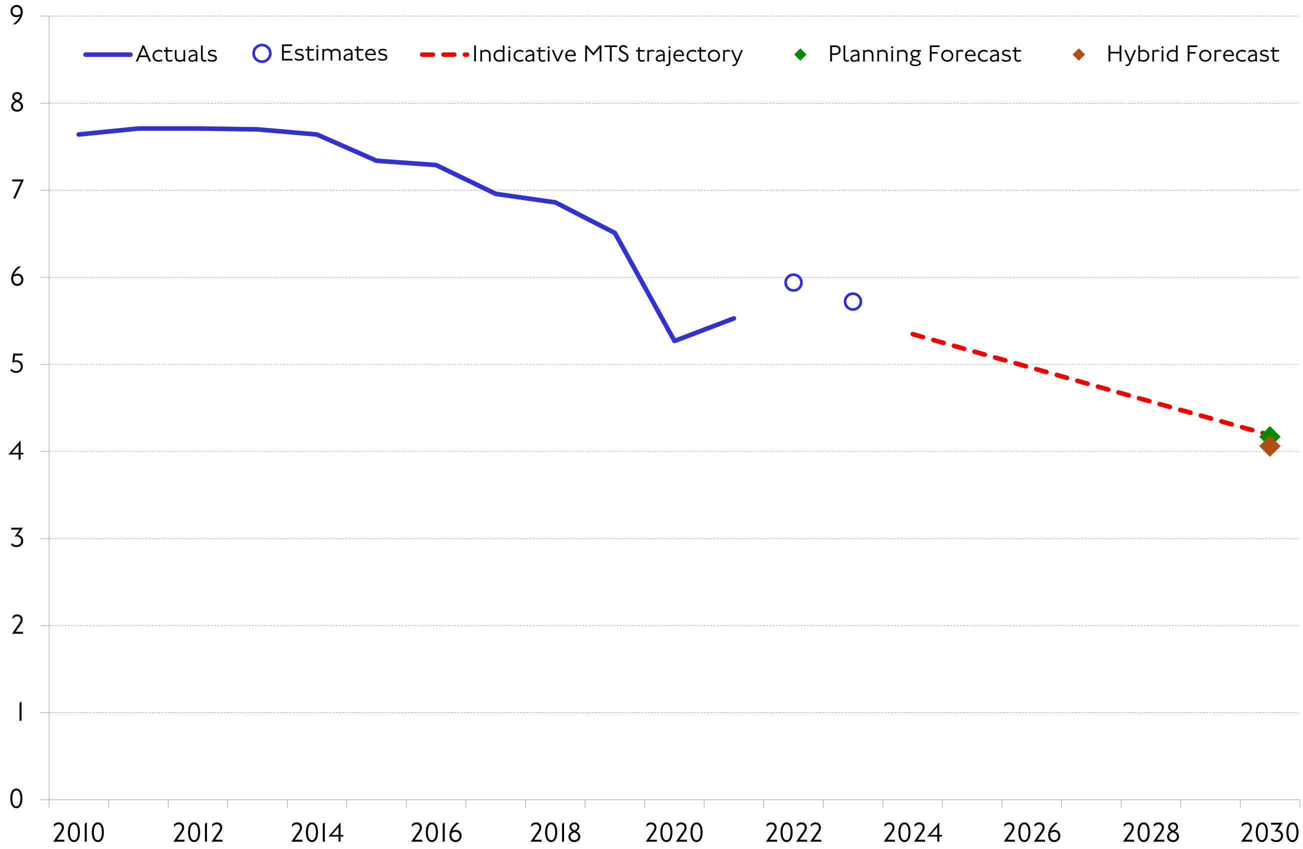
We continue to implement our Dust action plan, which includes increasing our annual dust cleaning budget on the network by a third, to £2 million per year. Additionally, we've allocated further funding for trials and innovation to improve air quality. We have begun a pilot of air filtration systems at Baker Street station.

3.4.2. London-wide net zero carbon

The UK is committed to bringing all greenhouse gas emissions to net zero by 2050 - this is referred to as the UK net zero target. This commitment was set by the Government in 2019, strengthening the commitment in the 2008 Climate Change Act.

The Mayor has stated his ambition that London will be net zero carbon by 2030, 20 years in advance of the national target. We are continuing to explore the role of transport in achieving the Mayor's ambition.

Figure 22: Mayor's Transport Strategy Tracker for Green: CO_2 emissions from surface transport in London (excluding aviation), observed 2010 – 2021, provisional estimates for 2022 and 2023, 2030 Planning and Hybrid Forecasts, and Mayor's Transport Strategy target trajectory. Source: TfL



While Figure 22 shows that we are broadly on track to meet the original ambition for 2050, as set out in the Mayor's Transport Strategy, we need urgent and large-scale action to meet the accelerated 2030 ambition. Provisional data for 2022 show CO_2 emissions from London's transport network was 5.94 million tonnes, a 19 per cent decrease compared to 2015, and that estimates for 2023 suggest a 22 per cent decrease since 2015. Note that data for 2022 is provisional in advance of final publication of LEGGI later this year. Indicative figures for 2023 have been based on initial scaling of 2022 data and will be subject to further revision.

CO_2 emissions for road transport continue to reduce, and our monitoring reports for the ULEZ show the ongoing improvements in the vehicle fleet to help clean up London's air. The London-wide ULEZ expansion is forecast to reduce road transport carbon emissions by around 23,000 tonnes across London, almost double the savings estimated in the first year of the central London scheme. The impacts of the scheme will be reported in the one-year monitoring report, expected to be published in early 2025.

We are working closely with London Councils, which represents London's 32 boroughs and the City of London, to support their low carbon transport programme. A particular focus of our collaboration at present is to strengthen the data and evidence available to boroughs on pathways and interventions to reduce transport emissions.

TfL Buildings Decarbonisation

In November 2023, we formally initiated a buildings decarbonisation programme across our estate. As part of the programme we are currently working on a second tranche of operational estate feasibility studies at 24 buildings across 14 sites. This follows the completion of feasibility studies at 14 buildings across eight operational sites earlier in 2023. This second tranche is due for completion in July 2024 and together the two tranches will help to inform a pipeline of delivery projects managed by the programme.

We have successfully secured around £16.3m of grant funding from the Department for Energy Security and Net Zero through two separate Public Sector Decarbonisation Scheme Phase 3c applications: one for two operational sites (£2.3m) and one for six of our head office buildings (£14m).

In addition to the above funding we have also used the Mayor's Green Finance Fund to access around £34m of reduced cost borrowing to finance four projects across our estate. Much of this will be used to accelerate the rollout of LED lighting not only on the TfL Road Network (taking the proportion of energy efficient lighting columns from around 54 per cent to more than 70 per cent in the next two years), but also at London Underground small stations, where all lighting will be upgraded to LED in by no later than 2031. We will also be using the fund to finance a new energy efficient heating and cooling system for the staff welfare building and for the installation of new solar panels at Neasden Depot. Finally, we will upgrade the building fabric at our office at 200 Buckingham Palace Road, dramatically increasing the efficiency of the building as we prepare it to accommodate the new British Transport Police offices.

We have recently appointed a service provider partner through the GLA's retrofit accelerator workplaces framework on an initial five-year contract with the option to extend. They will help to support the design and delivery of our Public Sector Decarbonisation Scheme Phase 3b project at Therapia Lane, the PSDS Phase 3c projects mentioned above and other heat decarbonisation and retrofit projects across our estates and those of Places for London.

Power Purchase Agreement progress

Our long-term energy procurement strategy is to ensure that all the electricity we use is generated by 100 per cent renewable sources by 2030. In February 2023, we launched our first Power Purchase Agreement procurement which was a major step towards this ambition. The aim of this initial procurement is to purchase approximately 10 per cent of our required electricity from renewable energy sources and the tender encourages the market to invest in increasing new renewable energy generation connected to the national grid. We look to award the contract in summer 2024.

Solar private wire

Solar private wire presents us with the opportunity to obtain solar power directly onto the London Underground network, bypassing the national grid and transmission network operators. Not only does this guarantee renewable energy, but it also offers potential financial savings. The project aims to provide carbon savings as a primary benefit, with any cost savings being a secondary benefit.

We will not deliver the solar sites ourselves – we will seek a partner in the market to fund and identify suitable sites and then design, build, operate and maintain them, ultimately generating electricity for sale to us over a long-term contract. Our current plan is to issue the tender by summer 2024.

Waste heat

We have identified the potential to harness waste heat from Tube ventilation shafts, thereby reducing gas combustion and associated carbon emissions. Current activity is focused on accelerating the delivery of an initial ventilation shaft site. An energy supplier has now been identified and we will undertake a study for the site this year. Work will continue in parallel to identify future waste heat opportunities across our estate, including other options for harnessing heat from alternative sources, including pumped water systems.

3.4.3. Electric Vehicles

Zero-emission capable vehicles,[6] comprising battery electric vehicles (BEV) and plug-in hybrid electric vehicles (PHEV), have made up an increasing share of new car registrations in London in recent years. In 2023, of the 98,200 cars registered for the first time in London, 28,200, or 28 per cent, were zero-emission capable, compared to 14 per cent in 2020 and just four per cent in 2017.

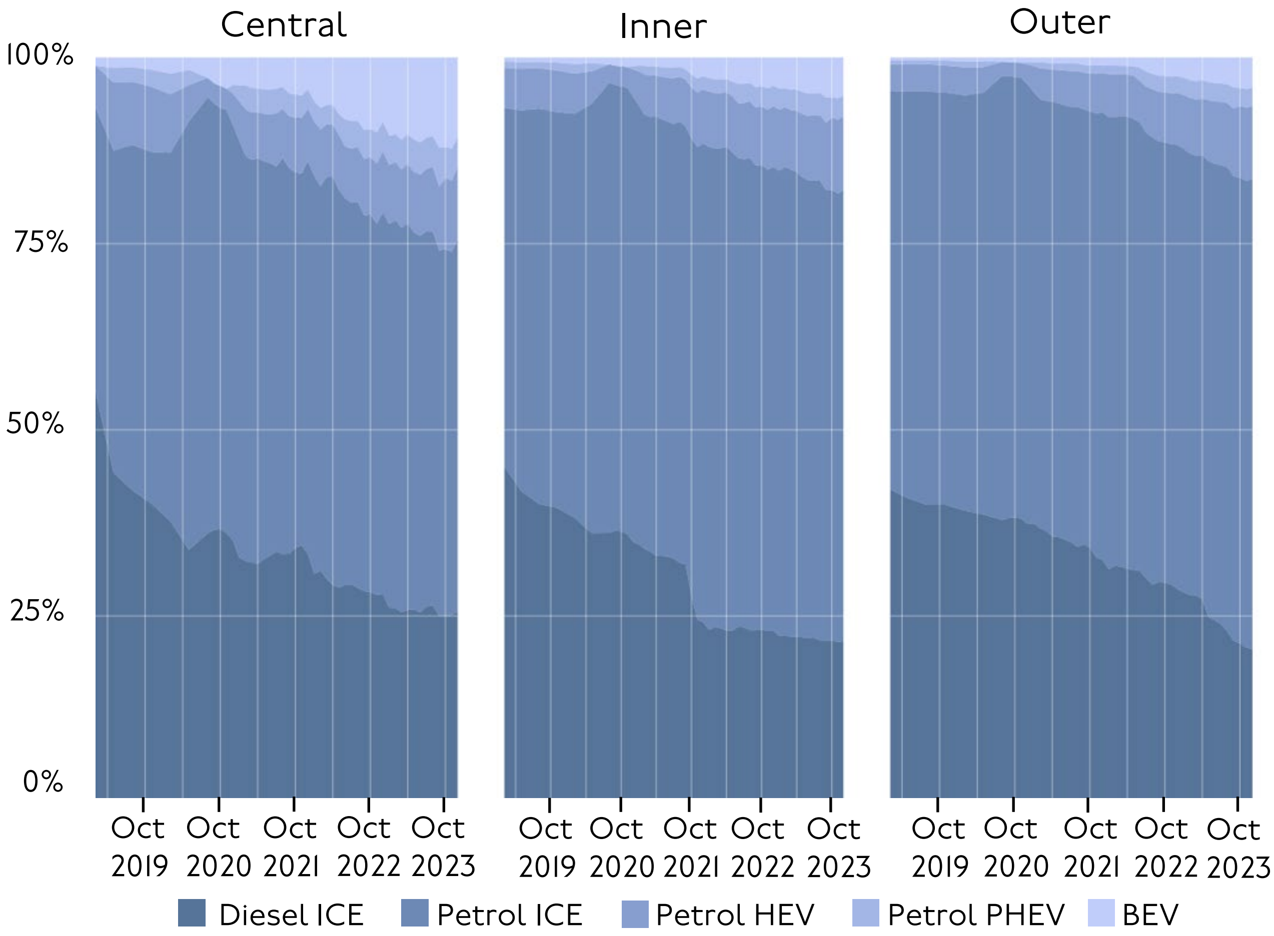
There are now 151,000 zero-emission capable cars registered in London, comprising 5.8 per cent of all cars, of which 93,450 or 3.6 per cent of the fleet are BEV.

The increase in uptake of zero emission capable vehicles across London has translated to an increase in BEV vehicle kilometres. The proportion of car kilometres, excluding private

[6] Zero emission capable (ZEC) vehicles – those vehicles constructed to be capable of operating in zero emission mode for at least part of their operating cycle. The zero emission mode may be augmented by an internal combustion engine configured to extend the driving range of the vehicle, either by propelling the driven wheels or by powering an on-board generator. ZEC vehicles can include plug-in hybrids and battery electric vehicles (BEVs)

hire vehicles, by BEVs continued to increase in 2023, reaching approximately 12 per cent in central London, around five per cent in inner London and just over four per cent in outer London by October 2023. BEV vans account for approximately eight per cent of total van vehicle kilometres in the same period in central London, doubling since October 2022. BEV PHVs accounted for over 28 per cent of all PHV kilometres in central London in October 2023, with the share slightly lower in inner London.

Figure 23: Car kilometres (excluding private hire vehicles) by fuel type and central, inner and outer London. Source: TfL



3.4.4. Electric vehicle infrastructure

London's charging network has grown by 300 per cent since 2019, and is the capital is broadly on track to have the forecast 40,000-60,000 charge points required by 2030, as set out in our Electric vehicle infrastructure strategy (2021).

As of May 2024, London had nearly 20,050 public electric vehicle charge points, of which 1,213 were rapid (50kW) or ultra rapid (>100kW). Since April 2023, there has been an increase of more than 7,200 charge points with the majority being lamp column (5kW) charge points (Zapmap data). Figure 24 below shows the rapid growth of charging infrastructure in London since 2020.

Figure 24: Public electric vehicle charging provision by slow to fast (up to 22kW) and rapid (50kW and above) charge point type. Source: DfT quarterly EV charging infrastructure statistics

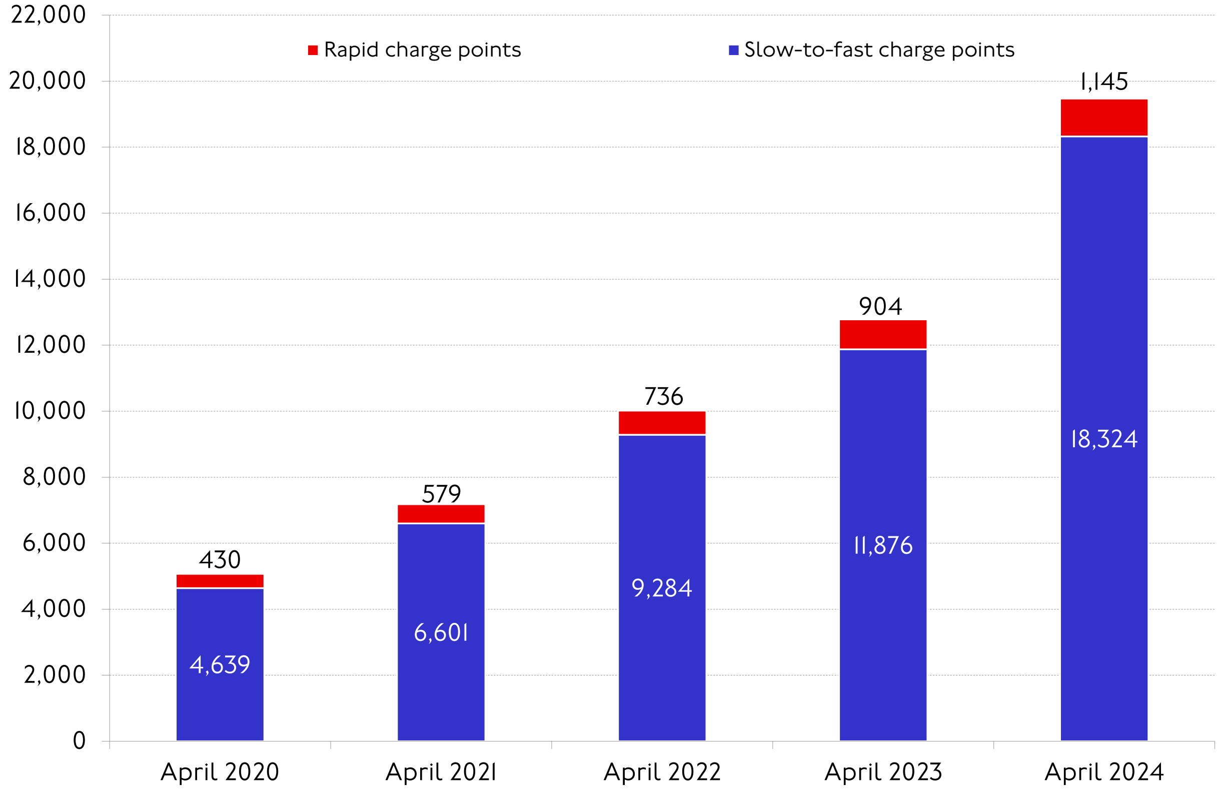


Figure 25: Rapid 50Kw and above charge points across London – May 2024. Source: Zapmap

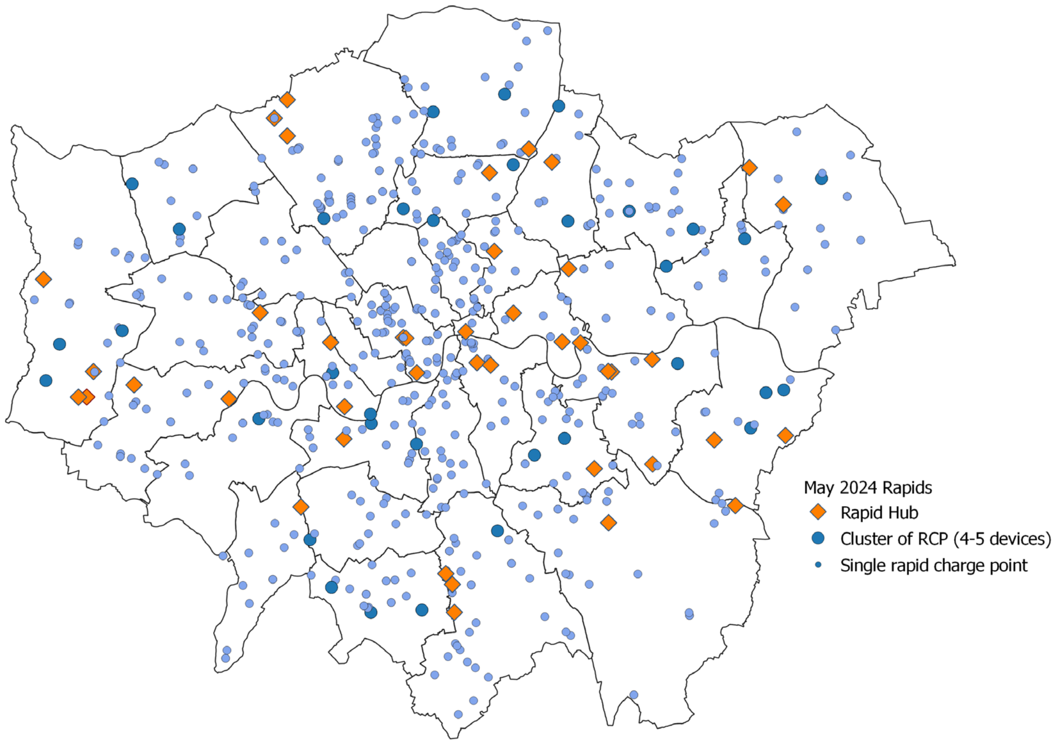
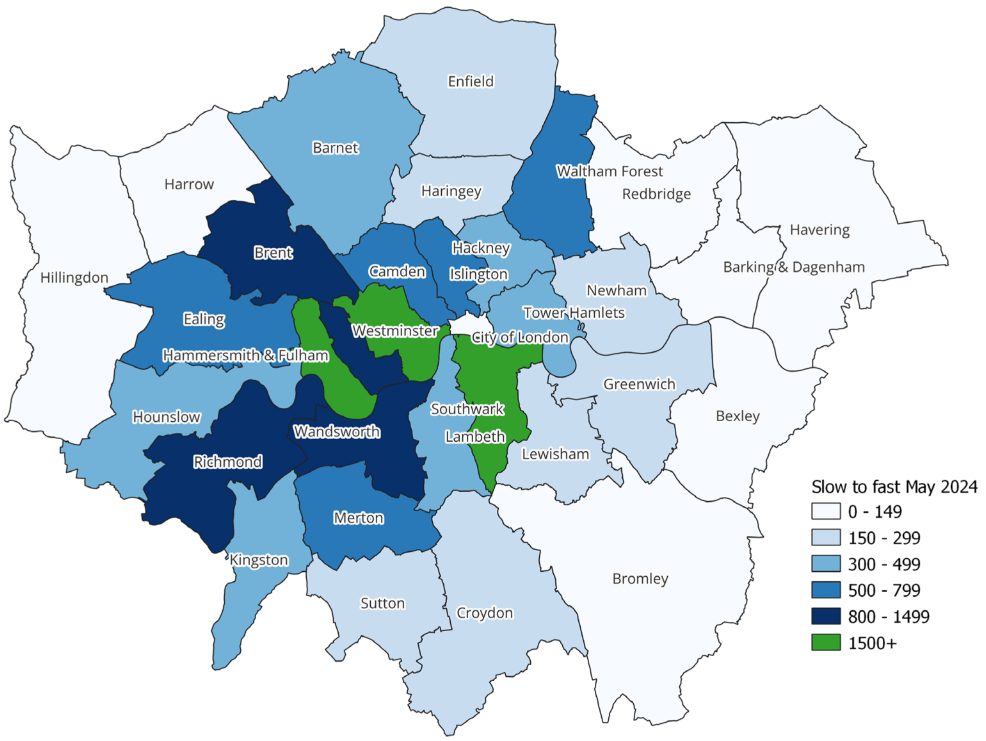


Figure 26: Number of public slow-to-fast (up to 22kW) charge points by borough, May 2024. Source: Zapmap



We are supporting London boroughs and working with London Councils to access the £36m local electric vehicle infrastructure Government capital funding allocated to London, focused on delivering charge points for residents lacking off-street parking. £10m of this funding has been allocated to some boroughs so far, with further funding to be distributed throughout 2024.

In January 2024, we published an electric vehicle infrastructure borough support pack to assist borough officers with developing or updating local electric vehicle infrastructure strategies and borough delivery of public charge points. This pack includes information to help boroughs identify future demand for infrastructure from key user groups, including taxis, private hire vehicles, commercial vehicles and car clubs, as well as accessible and inclusive charging considerations.

We continue to unlock GLA group land for rapid electric vehicle charging through our TfL led electric vehicle infrastructure delivery programme and our electric vehicle charging hubs programme, run by our property company, Places for London. The former programme has a target to deliver an initial 100 rapid charging bays on the TfL Road Network. Preparatory and installation works commenced in February 2024 and the first 39 charging bays are expected to be operational by September 2024, with the remainder delivered by June 2025. Work to assess suitable sites for a second delivery phase, including sites across our land and wider GLA land, continues.

In November 2023, we launched a tender for a joint venture partnership to deliver electric vehicle charging hubs on TfL land. Each site will deliver a minimum of six ultra-rapid charging bays, including at least one bay for those with increased accessibility needs. Five sites will initially be built in Hillingdon, Ealing, Newham and Haringey, before more sites being rolled out across London. The first stage of the tender closed in January 2024 and bids are now being assessed. We expect to announce our partner later this year, with the delivery of our first site progressing soon after.

3.4.5. Transition to zero-emission bus fleet

London continues to have the largest zero-emission bus fleet in western Europe, which has increased to over 1,500 compared to just 30 buses in 2016. This includes hydrogen, battery electric and ‘opportunity charged’ electric buses, which are topped up via a pantograph multiple times during the day. Since March, four further routes have converted to zero emission – namely routes 152, 276, 307 and 384. Since 2021, all new buses joining the fleet have been zero emission, helping us become the green heartbeat of London. As a result of this increase in zero emission buses, we have lower CO_2 emissions per passenger kilometres than other global cities, such as New York and Paris.

This summer, we will be launching our first ‘Opportunity Charging' trial, which will see the introduction of 20 new single deck electric buses, to be charged using the pantograph infrastructure at each end of route 358. Due to the length of the route, which is one of London’s longest, a pantograph at each end of the route, rather than back at the garage, will mean buses receive a quick boost on the spot. This trial will enable us to learn about how we can target infrastructure for different parts of London’s bus network.

We are on track to have a fully zero-emission bus fleet by 2034, and we are working on opportunities to accelerate this to 2030 in line with the Mayor's manifesto commitment. Through the decarbonisation of London's bus network, we will save an estimated 4.8m tonnes of carbon by 2034 or an estimated 5.5m tonnes of carbon by 2030, with Government funding.

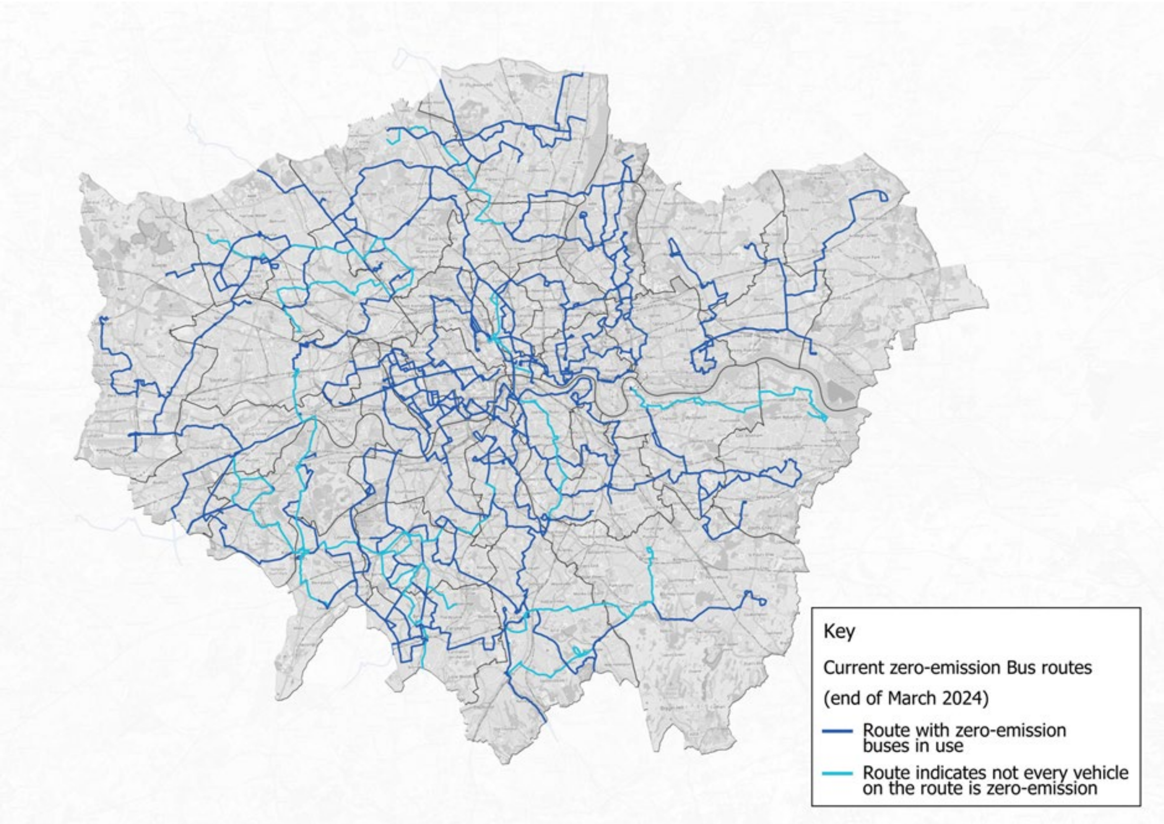
All new zero-emission buses joining the fleet have enhanced customer features, such as improved flooring, seating, lighting and customer information, and will meet the industry-leading Bus Safety Standard.

Focus On: Passing the 1,000 zero-emission bus milestone

In August 2023, we reached a major milestone of more than 1,000 zero-emission buses picking up customers on the city's streets. This achievement was celebrated with the Mayor visiting Edgware Bus Garage, with the 1,000th bus operated by one of London's bus operators, Metroline. There are now more than 1,500 zero-emission buses in use across 85 different bus routes (see Figure 27 below).

Zero-emission buses enable Londoners to breathe cleaner air and help decarbonise the transport network, which is crucial to our work to meet the Mayor's aim to achieve net zero carbon in London by 2030. Buses carry up to 80 times the number of people as a car, make efficient use of road space, and cut emissions by both taking polluting private vehicles off the roads and offering a green and affordable alternative to our customers.

Figure 27: Zero emission bus routes, end of March 2024. Source: TfL



3.4.6. Clean freight

Freight movements alone accounted for 30 per cent of carbon emissions coming from road transport in London in 2019. HGVs in particular accounted for almost 16 per cent of road transport carbon emissions while representing only three per cent of vehicle kilometres driven, showing that freight movements are relatively carbon-intensive compared to other vehicles.

As part of the Mayor's vision for Healthy Streets, and in the context of the actions London needs to take to achieve net zero carbon emissions and improve air quality by 2030, we have continued to work to reduce the emissions caused by transporting goods and providing services. These initiatives are outlined in our Freight and servicing action plan, and activity in 2023/24 includes:

- Conducting a clean freight engagement programme to develop our understanding around how commercial vehicles will use public infrastructure, as more companies make the switch to zero emission vehicles

- Delivering our electric vehicle infrastructure strategy commitment to establish a commercial fleet database. This will help to inform future planning and investment in charging infrastructure and support commercial fleet users to switch to electric freight vehicles. We published a commercial fleets dashboard at the end of 2023, to help local authorities or other stakeholders involved in charging infrastructure to identify locations with higher needs for public charging points for vans in London. The dashboard uses a heatmap to show which areas will need more rapid, opportunity charging, as well as overnight, slow to fast charging for light commercial vehicles

- Continuing to deliver the cargo bike action plan, which was published in March 2023. Cargo and e-cargo bikes are a safe, clean and efficient alternative to vans and other light goods vehicles, being more reliable, taking less time, and providing a clean and more economical alternative. The action plan outlines cargo bike growth potential, and sets out 11 actions to address safety, behaviour change and infrastructure challenges

- Conducting a review of the FORS environmental standard to improve the requirements and which has now been added in Version 7. We have developed a decarbonisation guidance for fleet operators that will be available for FORS operators, mainly focused on heavier vehicles, covering the different options to reduce emissions coming from the operation of their vehicles

Our fleet

For our own fleet, we are undertaking a programme to convert our operational support fleet of approximately 1,000 vehicles to become zero emission or zero emission capable as a minimum, by 2030 (except HGVs). This will involve the installation of associated electric vehicle charging infrastructure to facilitate a smooth transition and to meet key mayoral targets. Currently 22 vehicles meet this requirement and by 2025 we aim to phase out all non -zero emission capable cars in the TfL support fleet.

3.4.7. Green infrastructure and biodiversity

In our Business Plan we dedicated £1m in 2023/24, and £2m for subsequent years for climate change adaptation and green infrastructure measures, including Sustainable Drainage Systems (SuDS). This year, the funding has contributed to SuDS schemes at Tolworth Roundabout and a Trams drainage enhancement project.

In March 2024, we published our first organisation-wide Green Infrastructure and Biodiversity Plan. It sets out how we will protect, connect and enhance our green infrastructure and biodiversity while maintaining our safety standards and service reliability.

The Plan captures in one place our existing legal requirements, as well as commitments set out in the Mayor's Transport Strategy and our Corporate Environment Plan. It also identifies challenges and opportunities and outlines how we will promote best practice and raise awareness of the importance of green infrastructure and biodiversity. As part of the Plan, we have committed to developing outcome-focused green infrastructure targets, which will help focus future tree planting efforts to maximise the many benefits this provides.

As part of our work to meet our biodiversity net gain legal requirements under the Environment Act 2021, we conducted ecology surveys of key trackside Sites of Importance for Nature Conservation (SINCs) and wildflower verges to understand their potential to deliver biodiversity units. Part of this work included the development of a novel method for assessing SINC biodiversity baselines, which was discussed and agreed by key London stakeholders, such as the GLA and London Borough Biodiversity Forum.

We will publish a tree canopy cover plan by March 2025, which will show how we can meet our Corporate Environment Plan commitment to increasing TfL-wide tree canopy cover by 10 per cent by 2050, compared with the 2016 baseline. At the end of the 2023/24 planting season we have again delivered the Mayor's Transport Strategy requirement of a one per cent increase in street trees per year. We planted a total of 721 trees taking the total number of street trees on the TLRN to 25,031.

We are working to support the target of 50,000 additional square metres of catchment draining through SuDS every year on London's roads. Our Climate Change Adaptation Plan has a target of installing an additional 5,000 square metres of SuDS on the TfL Road Network highway catchment annually. The first year of this target has been met, with SuDS delivered at Old Street and Tolworth roundabouts, totalling almost 8,000 square metres of catchment.

For 2024/25, we are currently aiming to deliver four to six schemes that include SuDS, with the potential to collectively deliver up to 9,000 square metres of catchment area. We are also in the process of setting up a fast-tracked programme to identify locations for standalone SuDS schemes for delivery on the TfL Road Network from 2024/25.

We manage many of our roadside verges as 'wildflower verges' to improve biodiversity through less regular cutting and collection of the clippings and have doubled the area managed in this way to more than 260,000 square metres in 2024. We have monitored the scheme via a collaboration with the charity, Butterfly Conservation, which has completed multiple surveys across our wildflower verges and identified 17 different butterfly species, including five London priority species. We are also investigating innovative ways in which to monitor the wider biodiversity benefits.

3.4.8. Climate Change adaptation and resilience

Our 2023/24 Business Plan funding for adaptation and green infrastructure measures has supported projects including:

- The first assessment of London's road and rail upstream climate interdependencies (such as power and communications sectors), which will be integrated into our fourth Adaptation Reporting Power submission
- Development of an adaptation framework, in association with the International Association of Public Transport
- An Environment Agency-led initiative to model London-wide SuDS opportunities, which will commence later this year
- A project to assess the GLA family's tidal flood defences, which will commence later this year

We are continuing to adapt our systems to reduce the impacts of climate change and ensure we are resilient in the face of more extreme and frequent weather events across London. Since climate hazards do not respect administrative or operational boundaries, a key part of this work involves collaboration.

We are an active member of the London Surface Water Flooding Strategic Group, which was set up in the wake of the July 2021 flood events. As part of this initiative, we have contributed funding towards the development of a forthcoming London-wide strategy.

We have undertaken considerable engagement with key external stakeholders to better understand our interdependent climate risks. For example, we worked with the London Borough of Hammersmith & Fulham on a series of workshops to assess borough highways climate risks.

We are also an active member of London Councils' resilient & green workstream, which forms part of their climate change programme. Alongside our adaptation reporting power work, we also incorporate climate risks into our Annual Report, and have now been joined by a researcher to help us embed recent findings about the impact of high temperatures on London Underground across the organisation.

4. A good public transport experience

The Mayor's Transport Strategy sets the path for the ongoing improvement to all public transport modes needed to meet customer expectations and to continue to encourage people to make more of their journeys by sustainable modes of travel. Three outcomes are related to this Mayoral priority area: Connected, Accessible, and Quality.

- **Connected –** The public transport network will meet the needs of a growing London with more people able to travel on an expanded public transport network
- **Accessible –** Public transport will be safe, affordable and accessible to all
- **Quality –** Journeys by public transport will be pleasant, fast and reliable

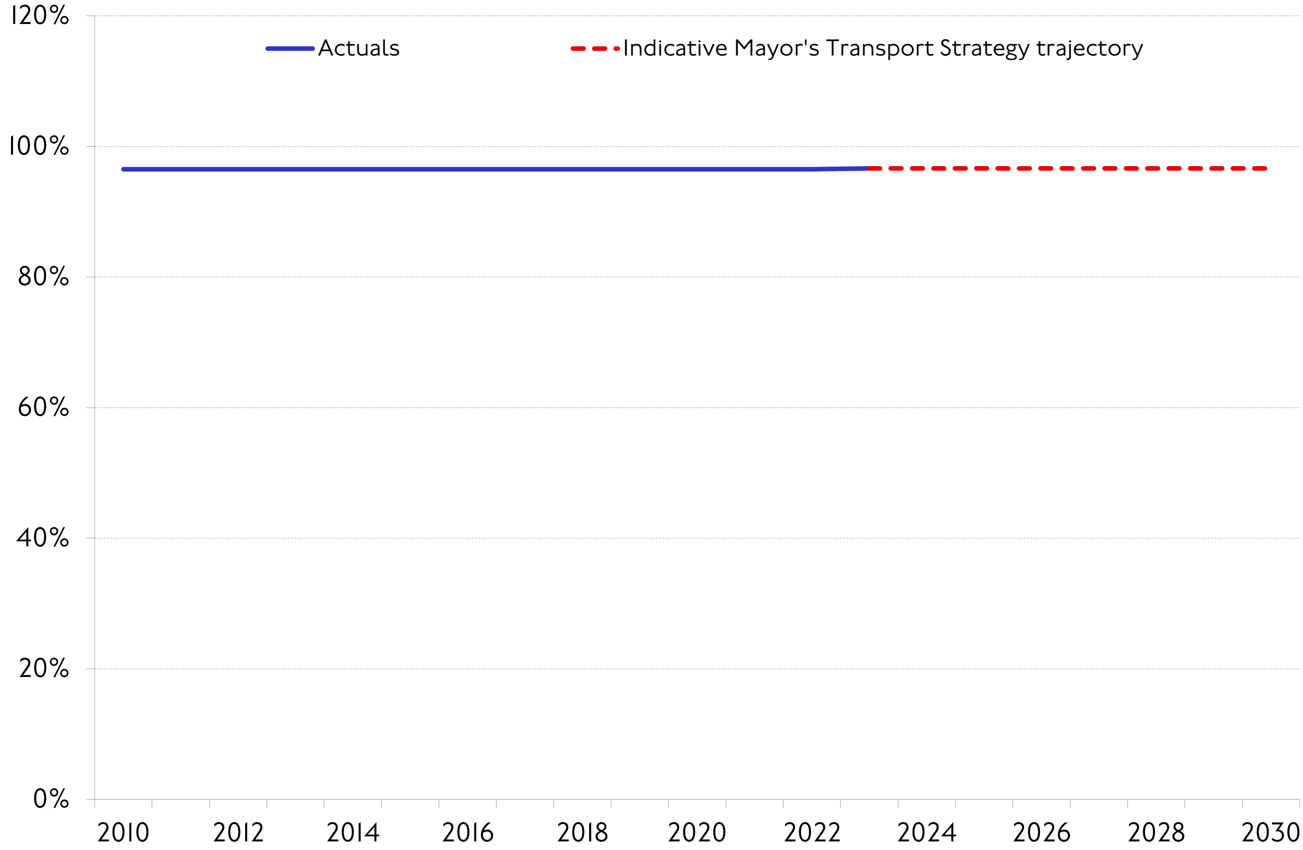
4.1. Connected

The metric used to track progress against the 'connected' outcome is the percentage of London residents living within 400 metres of a bus stop, which is used to represent the connectivity of all London residents to the public transport network in London.

This metric represents the ability of Londoners to access bus services within five minutes of where they live, connecting them to jobs, services and one another. While the Mayor's Transport Strategy does not set a target for this measure, success means maintaining connectivity to the extensive bus network we have already developed in London to be responsive to the needs of our customers.

Figure 28 shows that we have performed consistently well against this measure with more than 96 per cent of London residents living within 400m of a bus stop over the past decade, and we expect to continue to support this high level of access to bus services.

Figure 28: Mayor's Transport Strategy Tracker for Connected: Proportion of the population living within 400 metres of a bus stop, observed 2010-2023, and Mayor's Transport Strategy target trajectory. Source: TfL



4.1.1. Elizabeth line

Since the final service change in May 2023, which increased the peak service frequency from 22 trains per hour to 24 trains per hour in the central section and implemented direct Shenfield – London Heathrow airport services, demand for the Elizabeth line service has continued to grow and the route remains busy. In 2023/24, more than 200 million passenger journeys have been made, up from 128.5 million in 2022/23. During 2023/34, the average weekday number of passengers carried was 575,000, with Thursday 14 December 2023 being the busiest day on the network, carrying 777,000 passengers. Information on the benefits brought about by the Elizabeth line is provided in section 5.2 below.

4.1.2. Improving capacity on the Underground

Four Lines Modernisation – upgrading signals on the Underground

The Four Lines Modernisation programme is transforming the Circle, District, Hammersmith & City and Metropolitan lines to deliver higher frequencies, improve reliability and make journeys faster and more comfortable. We have continued to make progress installing new signalling on sections of the railway known as signal migration areas. The new automated signalling system is in place through 62 stations, including the whole of the Circle and

Hammersmith & City lines, as well as the east end of the District line. This represents 66 per cent of the total number of stations where this new signalling infrastructure will operate.

We have made significant steps towards the delivery of the signal migration area located on the Metropolitan line between Finchley Road and Preston Road, which is one of the most complex on the London Underground network, with positive outcomes from site testing. This includes successful works undertaken in November 2023 to test the connection between the control systems of the Jubilee and Metropolitan lines to ensure communication between them. This is a significant step forward for the programme in advance of the commissioning of this area, which is currently planned for early 2025.

Piccadilly line upgrade

We have continued to progress delivery of the Piccadilly line upgrade, which will see the introduction of a new fleet of higher capacity, air-conditioned, walkthrough trains from 2025. The new fleet of 94 trains will allow an uplift in peak service frequency on the Piccadilly line from 24 to 27 trains per hour. The new trains, being manufactured by Siemens Mobility Ltd, will replace the current, life-expired stock on the Piccadilly line, which dates from the mid-1970s. With improved energy efficiency and regenerative braking capability, the new trains will reduce annual energy consumption by more than 20 per cent compared with today's Piccadilly line service, supporting decarbonisation of our operations.

We marked a key achievement in November 2023 with the start of dynamic testing of the first new train at Siemens' Test and Validation Centre in Germany. This extensive evaluation programme includes acceleration and braking performance, noise and vibration and climatic trials to fully assess all aspects of the new train design prior to deliveries to London.

As part of our 2024 Business Plan, we have agreed a rephasing of the profile of payments with Siemens Mobility Ltd and a revised delivery schedule for the new trains. This enables us to better align the introduction of the new trains with the refurbishment of our depots and does not affect the delivery of the first train in 2024 for testing in London, ahead of entering service in 2025. The revised schedule will mean that all the new trains will be delivered by December 2027. This supports the planned Piccadilly line timetable uplift to 27 trains per hour by 2028 and will mean up to 80 per cent of the new trains will be built in the UK at Siemens Mobility's new manufacturing facility in Goole, Yorkshire.

Bakerloo line upgrade

The Bakerloo line plays a key role in keeping London moving, acting as one of the primary services in the capital by linking three major London rail termini as well as connecting to employment, education and leisure hubs. However, the fleet currently operating on the line is more than 50 years old, the oldest passenger trains in daily operation in the UK. As such, it is increasingly unreliable, with maintenance becoming ever more challenging and costly. Given how difficult it is to maintain the fleet, the number of trains available for service each day has started to decline. As a result, the frequency on the Bakerloo line has recently been reduced from 22 to 20 trains per hour in the peak and could decline further without investment.

The Bakerloo line upgrade is a critical programme as it seeks to secure the long-term operation of the line by replacing the current aging fleet of trains. We are continuing discussions with central Government to make the case for the securing of capital funding for this critical programme as part of our business case development.

An option currently exists for the purchase of new Bakerloo line trains within our contract with Siemens Mobility Ltd, which is currently being used to replace the Piccadilly line fleet. The new trains would provide significant benefits to customers with improved reliability, increased capacity, air-conditioning, real-time information and journey time improvements. Furthermore, using the contract option with Siemens Mobility Ltd would provide wider benefits to the UK. Again, the trains would be manufactured in Goole, securing jobs at the new train manufacturing facility and in the broader supply chain.

Old Street station improvements

We have continued to progress with our transformation of Old Street station and the surrounding street environment. The new public square and final pedestrian crossing were opened to the public in December 2023, allowing customers and the wider public to enjoy the new square, rain gardens and seating. The public square encompasses the new station entrance and Santander cycle hub. The focus is now on completion of the refurbishment of the St Agnes' Well retail arcade by July 2024 which will bring further positive changes for the travelling public.

4.1.3. Improving the DLR

We have continued work to deliver a new fleet, which will see the introduction of 54 new walkthrough trains. This year, we placed an order for 11 additional trains funded by the government's Housing Infrastructure Fund, taking the total from 43 to 54. The first new train will enter service later in 2024/25 and will improve the customer experience, with live travel information and air conditioning. In the last year, we achieved a major milestone with main line testing commencement and signalling integration in April 2023. To enable entry into service, we have progressed construction works at Beckton Depot on the new sidings and completed power upgrade works on three routes in preparation for the new train introductions as well as beginning work on site for the Blackwall station upgrade.

In response to changing travel patterns and demand following the pandemic, we introduced a new DLR timetable in September 2022, with further enhancements in May 2023, which redistributed spare capacity to enable better use of the existing fleet, reduce crowding and reduce customer wait times. Since introducing the new timetable, the DLR has consistently seen more than 1.8 million trips per week and on average the busiest parts of the network have seen a 10 per cent increase in passengers. These timetable changes provide the basis for several service enhancements across the network, which will be brought in as we roll out the new trains. The improvements will help people access housing, employment and leisure opportunities more easily across the Docklands area and east London.

4.1.4. Improving bus services

We continue to keep London's extensive bus network under continuous review to ensure it meets the changing needs of London. A major achievement this year was the delivery of the Superloop and to improve public transport connectivity, we have made a number of enhancements to the network, especially in outer London. We have been implementing additional bus kilometres, delivering on the Mayor's commitment to deliver the Superloop and enhance other local bus connections.

We have introduced a range of improvements to the bus network over the last year. The key changes are summarised below:

- Croydon and Sutton area: extension of route 312, which has provided customers with new direct links between Norwood Junction and Purley; an extension of route 434 from Whyteleafe South to Caterham Station, providing new connections to the town centre and railway station; introduction of two new routes, comprising the 439 between Waddon Marsh, Sainsbury's and Whyteleafe South, and the S2 in Sutton connecting St Helier Station to Epsom Clock Tower via Sutton town centre; restructuring of route 346 in Havering to provide enhanced travel opportunities between Harold Wood and Upminster, involving the introduction of a Sunday service, an increased evening frequency every day of the week and significantly improved connectivity between the north and south of the borough

- Increased frequency on 14 routes: 14, 35, 86, 97, 107, 112, 141, 309, 345, C10, EL2, N15, N26, U3

- Introduction of extra early morning services on route 278 from Ruislip to Heathrow Central. Heathrow Airport will help fund these additional services, which will enable both staff and passengers on early departures to take the bus rather than drive

- Alperton: increased services by extending routes 79 and 83 to support growing demand as new homes and communities are developed

- Harrow: extension of route 223 to the major housing development at Eastman village, Wealdstone

We have undertaken consultations about bus service changes in Kidbrooke and Haringey Heartlands to better serve new housing developments. We have also continued to plan for future changes with consultation on bus service proposals in the London boroughs of Waltham Forest and Redbridge, as well as around Brent Cross, Harrow, Wembley Stadium, Alperton, King's Cross, Tooting, Orpington and Uxbridge.

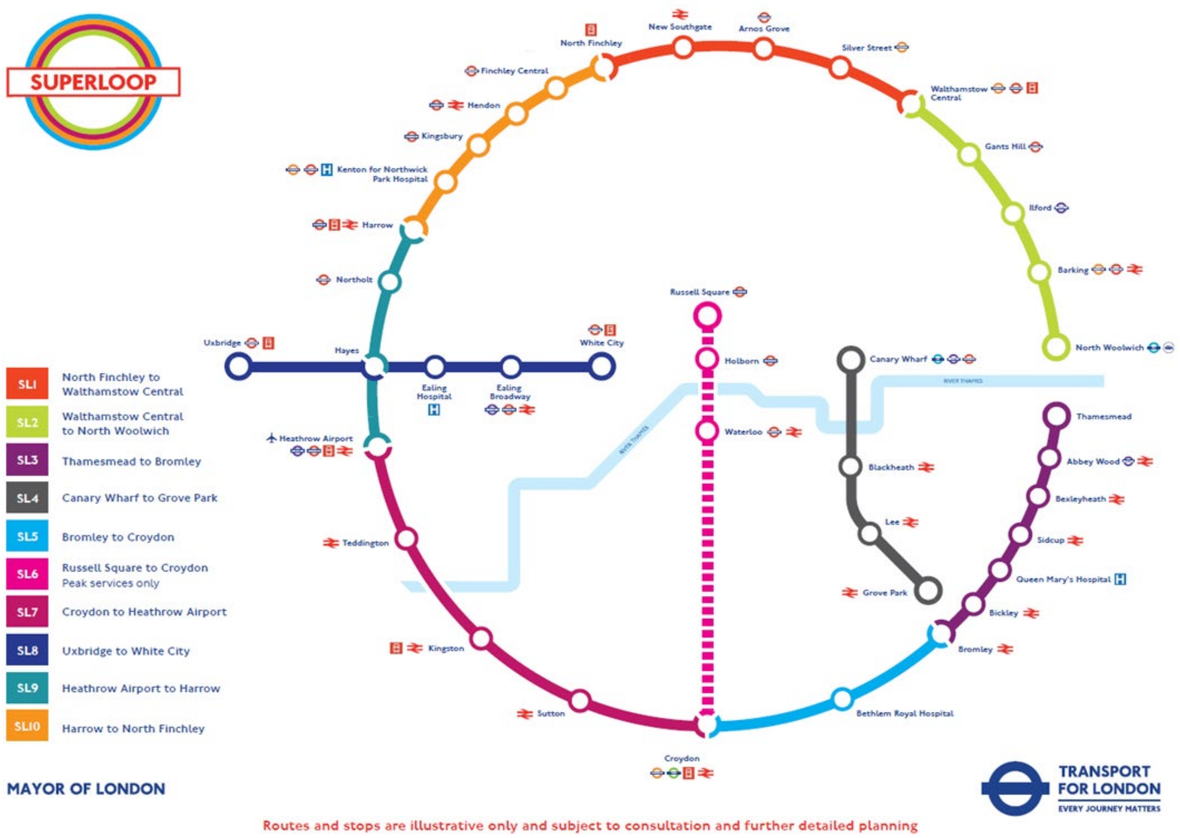
We confirmed our plans to introduce a new limited stop route between Grove Park and Canary Wharf via the Silvertown Tunnel when it opens, which will be part of the Superloop network and named SL4.

Focus On: Superloop

Ensuring good connections in outer London is central to delivering the ambition of the Mayors Transport Strategy, although orbital connections in this part of London are often difficult and unattractive by public transport. To address this, in March 2023 the Mayor announced plans for the Superloop network of limited-stop express bus routes, connecting outer London town centres, railway stations, hospitals and transport hubs, alongside £6m funding to act as an initial catalyst. The Superloop has circled the entire capital since March 2024.

Over the year we delivered the Superloop in stages, initially by incorporating the four existing express routes and upgrading them including a doubling in frequency of the former X26, now SL7, and boosting off-peak frequencies on the 607, now SL8. Route X140 was incorporated as SL9, previously the first new express route to be introduced since TfL formed (delivered in December 2019). In addition, we have launched five new routes designed to offer quicker journey times between key outer London destinations and to complete a 138km loop of outer London, ensuring a greater spread of express services. Notably, route SL5 has reduced the journey time between East Croydon and Bromley South by around 35 per cent during weekday off-peak hours. In total Superloop services have added more than six million scheduled bus kilometres per annum to the capital's network.

Figure 29: Superloop Map Route. Source: TfL

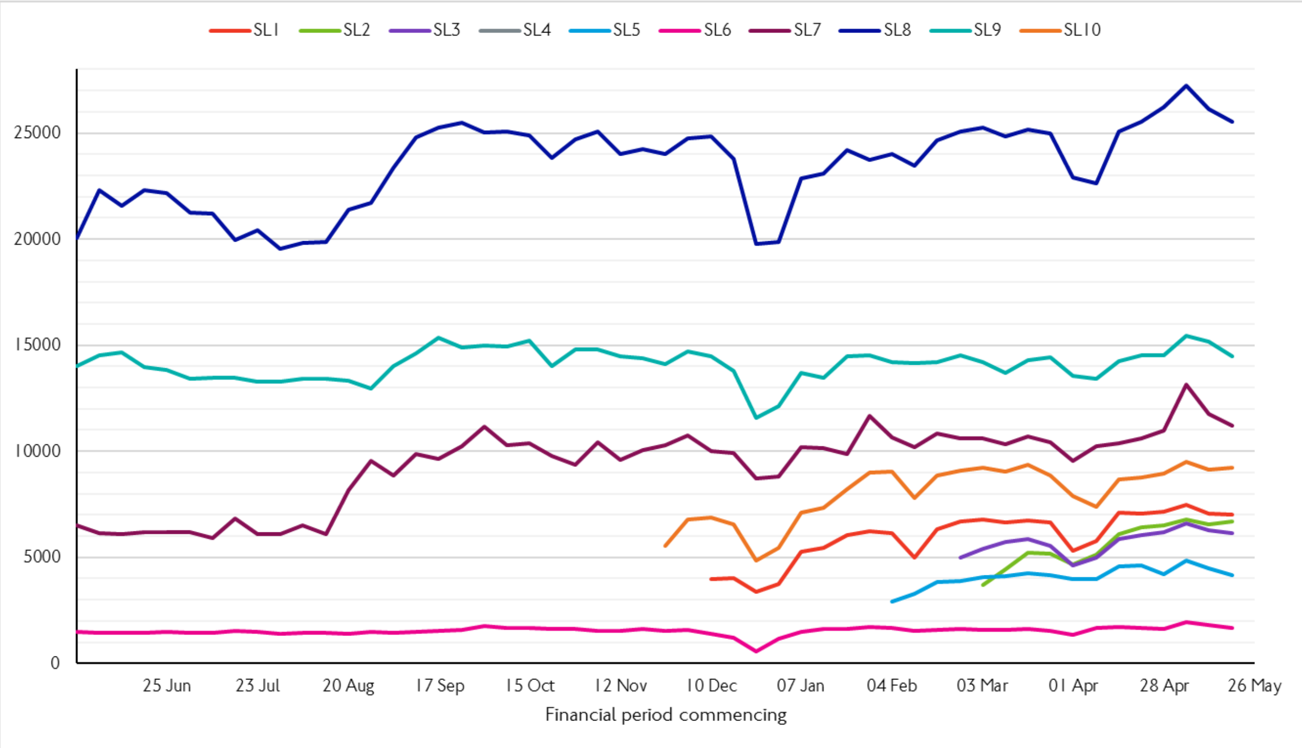


We developed the Superloop brand to work with the iconic London Buses brand by using a new roundel and bus livery to ensure the new service is clearly identifiable, but still familiar as part of the London Buses network. The new branding features on maps, timetables and other pieces of customer information. Both buses and stops are clearly recognisable with the new livery.

Superloop services are popular with the public. The latest data shows increasing demand for Superloop services, with average growth on all Superloop routes since June 2023 nine per cent higher than the network average. In addition, ridership figures show that almost half of all Superloop journeys involve an interchange with another mode of public transport, demonstrating the important role of the network in outer London's public transport connectivity.

Figure 30 shows weekday usage on each of the existing Superloop routes, with the five new routes appearing towards the right when they were introduced. Usage continues to grow on these new routes while demand on the four rebranded routes has broadly stabilised. SL7 and SL8 were also increased in frequency, leading to a larger increase in summer 2023. Seasonal variation is observed in the graph as public transport demand in outer London is impacted by school holidays.

Figure 30: Average number of weekday boarders on Superloop routes from 28 May to 26 May. Source: TfL



The final route in the new network, the SL4, will begin operating between Canary Wharf and Grove Park once the Silvertown Tunnel opens in 2025.

4.1.5. Improving the tram network

The London Tram network provides a vital orbital link between town centres in south London; however, our current tram fleet is up to 24 years old and is reaching the end of its operational life. We are therefore seeking to replace it with new trams to deliver a more reliable service for customers and enhancing the customer experience. This would include features such as air-conditioning and charging points along with the latest safety features, building further on improvements already made within the network. A future contract award for new trams will be subject to funding being available. We have made progress by issuing a notice inviting potential suppliers to demonstrate how their experience and expertise would be appropriate to deliver the new trams.

4.2. Accessible

We have made significant progress in reducing step-free journey times compared with 2016 levels. Around a third of the Underground, all of the Elizabeth line, half of London Overground stations, and all DLR, bus and tram stops are now step-free (See Table 3) The launch of the Elizabeth line and improvements to the Tube network in recent years have reduced the differential journey time using only the step-free transport network by 37 per cent compared to the 2016 baseline (see Figure 31).

Despite funding challenges, we are ahead of trajectory to meet the Mayor's Transport Strategy target of a 50 per cent reduction in the differential journey time by 2041. It is hugely important to continue to deliver accessibility improvements to ensure London's transport network meets the needs of all Londoners, and we have therefore set a stretch target to achieve the 2041 ambition by 2030. The committed forecast shows that we are on track to reduce the differential journey time by 44 per cent compared to the 2016 baseline by 2026, however further investment is required to meet the accelerated Mayor's Transport Strategy target.

Figure 31: Mayor's Transport Strategy Tracker for Accessible: Percentage reduction from the 2016 baseline in the journey time differential between step-free and non-step-free journeys, observed 2016 to 2023, forecast to 2026 (committed schemes), and Mayor's Transport Strategy target trajectory and accelerated target trajectory. Source: TfL

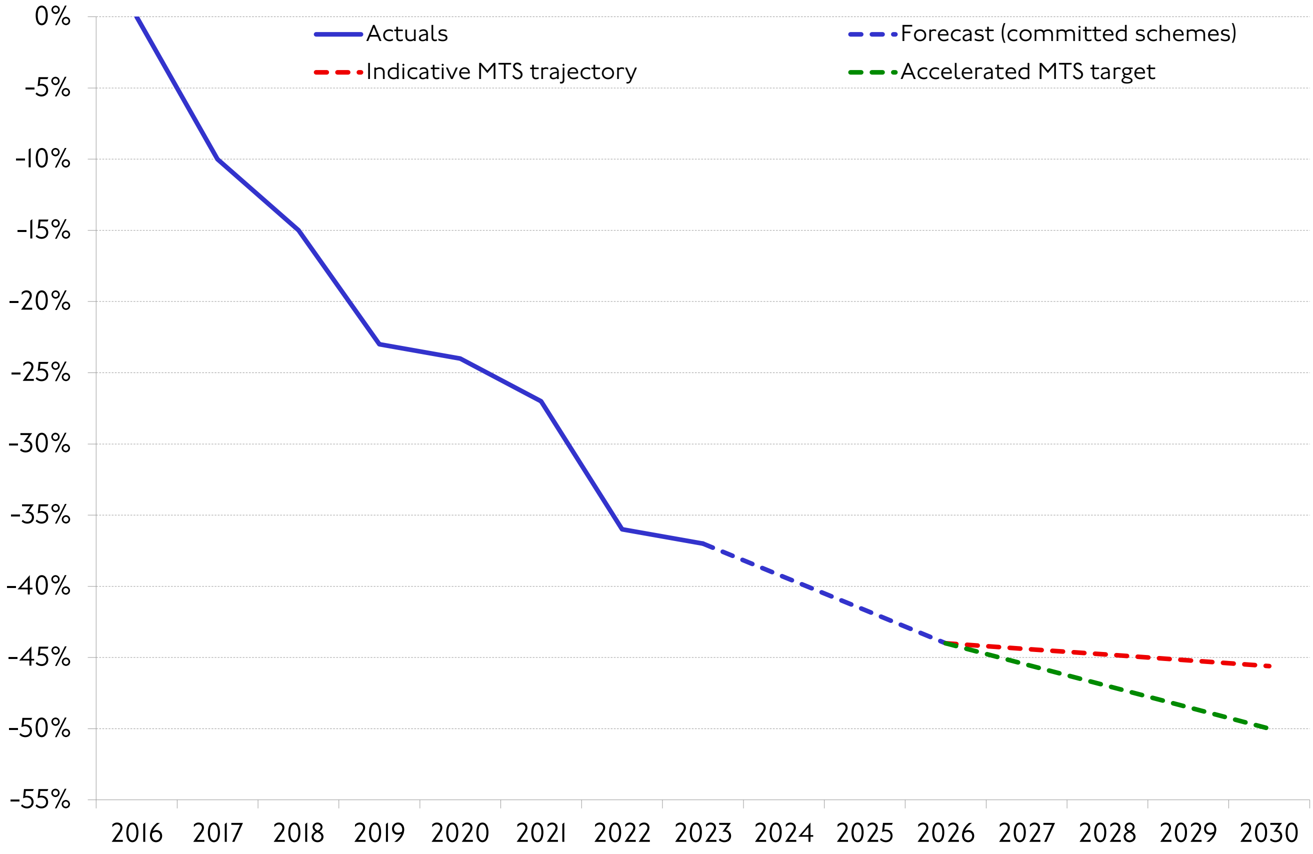


Table 3: Step-free stations on TfL's network. Source: TfL , December 2023. Source: TfL

Network	Current step-free stations	Proportion of step-free network	Change since 2016
London Underground	92	34%	+22 (+8%)
London Overground	62	55%	+6 (+5%)
Elizabeth line	41	100%	+27 (+60%)
DLR	45	100%	None
Tram (stops)	39	100%	None

4.2.1. Making the network more accessible

Step-free access

We have continued to make progress delivering our step-free station projects and planning for the future of the step-free access programme. Work continues to deliver step-free access at Knightsbridge and Paddington (Bakerloo line entrance) Tube stations.

Step-free access is also being progressed at Colindale and Leyton stations, which will be delivered with Levelling Up, borough and developer funding (see Focus on: Colindale and Leyton on p105). Delivering step-free access at these stations with third-party funding will continue our work to make the capital's transport network more accessible.

In July 2023, we announced step-free upgrade studies for 10 London Underground stations. These studies consider costs, benefits, funding opportunities and impact on customers. The 10 shortlisted stations were: Alperton, Arnos Grove, Burnt Oak, Eastcote, Finchley Road, Northolt, North Acton, Rayners Lane, West Hampstead and White City. In February 2024, we confirmed that, after Colindale and Leyton, Northolt would be the next London Underground station to become step-free and confirmed that we would fund the next stage of design for North Acton and West Hampstead stations to advance funding discussions with partners.

We are also looking to enhance step-free access on the National Rail network, including London Overground. We do not have direct funding powers, so our role focuses on making the case for funding from other sources to deliver the enhancements, including the DfT's Access for All fund and developer contributions. We previously successfully nominated Catford and Petts Wood stations for Access for All funding, and step-free access works at these stations were completed during 2023/24 together with step-free access at Streatham station. In addition, a new station with full step-free access at Brent Cross West opened in December 2023.

Another successful nomination we made to Access for All was for Seven Sisters station (London Overground platforms only). Delivery of this scheme is now under way and is expected to be completed during 2025. Step-free access is also being delivered at Surrey Quays station as part of the station upgrade, for which we secured funding from the developer of an adjacent site and the Department for Levelling Up and Communities Housing Infrastructure Fund. These works are expected to be completed during 2026. We are additionally designing step-free schemes at Brondesbury and Hackney Downs stations as part of the ongoing Access for All programme, working with our industry partners. TfL-served stations at Bushey, Dalston Kingsland, Gunnersbury, and Upminster were also recently selected for initial feasibility work under the Access for All programme.

Assisted transport

We are committed to making the whole of London's transport network more inclusive, allowing everyone to experience all that the capital has to offer, and we are taking a number of steps to improve London's accessibility. Dial-a-Ride services are a key part of this ambition and since the start of 2023/24 we have delivered more than 500,000 trip requests.

In 2023/24, we implemented a new simpler Dial-a-Ride booking and scheduling system. This enables members to book trips online and through an app, as well as over the phone and via email, which helps people to book trips quicker and improves the routing of journeys, optimising the service and freeing up time to serve more trips. The introduction of new technology can be challenging, but, as it has bedded in, we have actively responded to challenges. Our call answering time was cut to 38 seconds in February, and we doubled the percentage of bookings completed online and through the app compared to forecasts. We continue to work towards meeting our 90 per cent target for scheduled trip requests and in February 2024 we returned to consistently meeting this target. Where we cannot fulfil a trip at the time requested by a customer, we always aim to offer them alternative times. We are also working closely with our stakeholders to ensure we can get direct feedback from the people who use our services and make improvements to their experience.

In June 2023, we let a new multi-occupancy accessible transport contract. The successful bidders were nine community transport organisations with whom we are now partnering to deliver Dial-a-Ride services across London. The contract provides a reliable stream of income to our partners, which also enables them to carry out wider community transport work across London – this type of work, such as the provision of transport for day trips, sits outside Dial-a-Ride’s remit.

Our travel mentoring service continues to support Londoners with disabilities and vulnerabilities to overcome barriers enabling them to travel independently on our public transport network. Since the start of 2023/24, the team has delivered 60 bus days, supporting 2,461 individuals in learning how to safely use the bus network. In addition, 274 people have been mentored on a one-to-one basis to become confident, independent travellers, and another 584 have been supported in classrooms and workshops. The team has also responded to hundreds of telephone and email enquiries about accessibility over the past year.

In 2023/24, Taxicard is forecast to have helped pay for more than 700,000 trips. For 2024/25, we have agreed a new funding agreement for Taxicard with London Councils, alongside an agreement to review the Taxicard offering across London in terms of equity. Equity across the service would ensure the 58,000 Taxicard members have equal provision to make trips across the London boroughs, removing the current inconsistency across boroughs.

Focus On: Equity in Motion

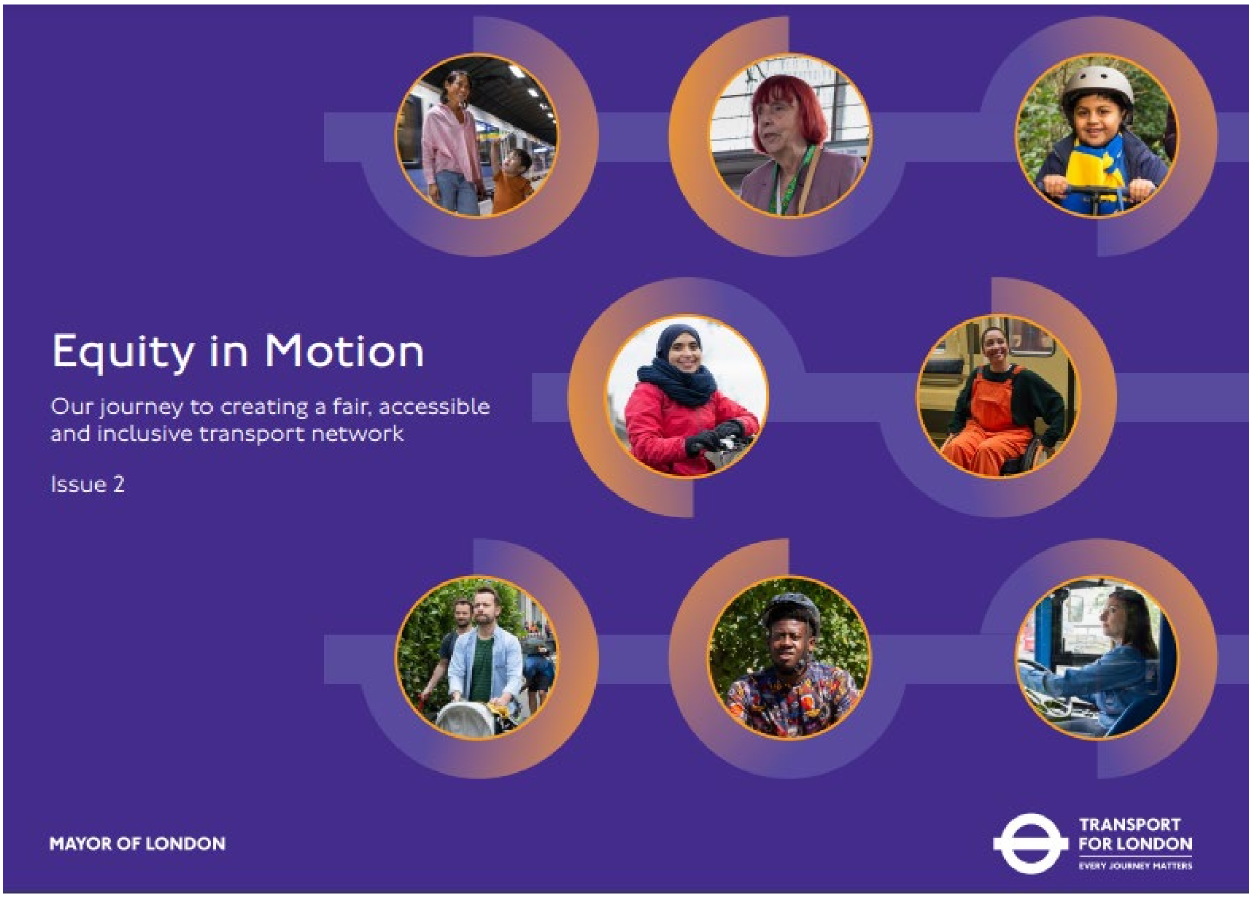
Tackling inequality forms an essential part of our vision of a city where everyone can move around the city safely, inclusively and sustainably. In February 2024, we published Equity in Motion, our first-ever action plan exclusively focused on creating a fair, accessible and inclusive transport network. It contains more than 80 actions and sits alongside the suite of action plans – such as the Bus action plan – which will deliver the ambitions of the Mayor’s Transport Strategy.

Equity in Motion sets out a new approach to addressing disproportionate impacts and inequality, and removing barriers to travel, so that more people can use London's transport network. The plan has four pillars: an equitable customer experience; protecting and enhancing connectivity; keeping travel affordable; and reducing health inequalities. For each of these pillars, there are short- (2024-2026) and medium-term (2026-2030) actions.

Highlights include reviews into the inclusivity of public spaces, new research into transport inequality to inform future investment, and the launch of a new inclusive design centre of excellence.

We have also set out how we will make the plan work by monitoring its impact, collaborating with customers and stakeholders, and hardwiring inclusion into everything we do.

Figure 32: Equity in motion graphic. Source: TfL



Tackling hate crime and sexual harassment

We have a zero-tolerance approach to hate crime and sexual harassment. A programme of activity is in place to tackle these crimes and support staff and customers who experience or witness them on our network. This includes our funding and partnership working with London's policing agencies, our enforcement activity, hate crime and sexual harassment campaigns, our bystander intervention campaigns, working with stakeholders, staff training and community engagement.

We have worked with our police partners to respond to the increases seen in hate crime against Jewish and Muslim communities, linked to the most recent conflict in the Middle East. This includes regular meetings with affected communities to reassure them and improve their confidence to travel. Our work with the police involves patrols around synagogues, mosques, and faith-schools near to transport hubs and areas with an increase in incidents. We continue to work with the British Transport Police and the MPS Roads and Transport Policing Commander to provide reassurance to all communities that our network is safe and welcoming for everyone.

We continue our work to tackle violence against women and girls on the transport network and improve their confidence to travel. Our focus is on sexual harassment and offences, given that women and girls are disproportionately impacted by this behaviour on public transport. We have a programme of activity under way to improve the safety of women and girls on public transport, as well as when, using taxi and private hire vehicles, walking and cycling, as well as improving the safety of women in customer facing roles in our workplace through tackling workplace violence.

Sexual harassment training is being rolled out to our frontline customer-facing staff and enforcement officers so they are better equipped and more confident to support customers who may have experienced or witnessed sexual harassment/offences on our network. More than ten per cent of our operational customer-facing staff (including bus drivers) have already completed the training.

We are making improvements in our technology and data to improve the safety and security of TfL customers and staff. We started a number of projects in 2023/34 to address this objective, which will continue into 2024/25, including:

- Standardising the CCTV retention period for new TfL CCTV systems to 31 days, which will apply to all new systems purchased
- Improving the functionality of help points to ensure customers are connected quickly to station staff or our control centres for emergency situations
- Trialling the impact of CCTV on crime investigation and customer confidence at 20 bus shelters
- Collaborating with the Home Office on an innovation trial to explore combining new technologies with existing on-bus technology to identify and improve the response to behaviours that make women and girls feel unsafe when using buses

In schools, our Project Guardian programme, delivered by London Transport Museum and supported by the Metropolitan Police's Roads and Transport Policing Command and British Transport Police, is an essential part of our activity to tackle sexual harassment on public transport, and raise awareness of the issue and improve confidence to report incidents and concerns. The programme was expanded for the 2023/24 academic year and reached 28,000 Year 9 students of all genders, up from 6,000 in 2022/23.

Innovation on the network

In November 2023, we announced a collaboration with Google to provide Google Street View imagery for customers inside around 30 Tube stations, including Green Park, King's

Cross and Waterloo, to provide virtual representations of some of London's busiest stations. Showing routes through some of London's key stations can help customers better plan their journeys in the same way they would for journeys made by walking and cycling across London. We hope this will be particularly beneficial to customers with accessibility needs or people who are unfamiliar with travelling in the capital. Google's blurring technology will be applied to the imagery, which is designed to automatically blur identifiable faces before publishing. The images will be launched throughout 2024, enabling customers to get a better sense of the layout of the stations when planning journeys or interchanging between different Tube lines at stations, as well as identify key facilities such as toilets and help points.

In partnership with KeolisAmey Docklands, operator of the DLR, as well as GoMedia and The Royal National Institute of Blind People, we launched a trial on 3 July 2023 using NaviLens, an app designed to help blind or partially sighted customers to navigate stations. The trial took place at Cutty Sark, Canary Wharf, Woolwich Arsenal, and Tower Gateway DLR stations for six months. It was designed specifically to enable blind and partially sighted people to access and locate information and interact with their environment, particularly in busy areas such as train stations. We will be using the findings from this trial to inform our innovation challenge focused on improving the travelling experience of disabled customers.

Following a successful trial at eight stations on the Jubilee line, we have now rolled out mini-ramps at 58 step-free London Underground stations. The mini-ramp is an industry-leading initiative that we developed to address customer and stakeholder concerns about the small remaining step/gap on step-free from street to train platforms. It is used at platforms that, despite being fully compliant with the current Rail Vehicle Accessibility Regulations – a less than 50mm vertical step and 75mm vertical gap – still present a challenge for some customers, particularly for people whose mobility aids have small or swivel wheels. Mini ramps cover this step/gap, offering customers additional reassurance.

Accessibility insight

The Independent Disability Advisory Group (IDAG) is a group of 10 paid members with a variety of professional expertise and lived experience of disability. The group provides strategic and practical recommendations based on best practice for inclusivity, informed by evidence and supported by lived experience. The members are not employed by TfL or the GLA to ensure the group's independence. IDAG worked on more than 90 projects in 2023, representing a 50 per cent increase in project involvement from 2022. Some of the projects to benefit from IDAG's expertise include the development of Equity in Motion, renaming of London Overground lines, the bus stop bypass review, TfL Go improvements and TfL Youth Panel's sustainability report. The success of IDAG was recognised through being shortlisted for the CIHT Equality Diversity and Inclusion Initiative of the Year Award 2023.

This year, we worked with the research agency Revealing Reality to create our new 'All Aboard' panel of 200+ disabled Londoners. The panel will provide key insights about their experiences of using our network through both regular and ad hoc research. We aim to use this panel to identify the main barriers and needs that both TfL and non-TfL customers have, and then create and take appropriate action. The panel results will be integrated with other relevant accessibility data and research to give as full a picture as possible of our disabled customers' experiences. We will share the insights with colleagues across the business to help ensure the needs of disabled Londoners are better understood and addressed.

Our staff

To improve the experience of all Londoners using our public transport network, we are rolling out training courses around accessibility, including disability equality training, which was re-introduced in March 2023, for professional service colleagues and all frontline staff. Bespoke versions of this training were also delivered to the Chief Operating Officer, the Chief Customer and Strategy Officer and their Directors. We are currently working with our training partner Diversity and Ability to make this course more widely available to our staff.

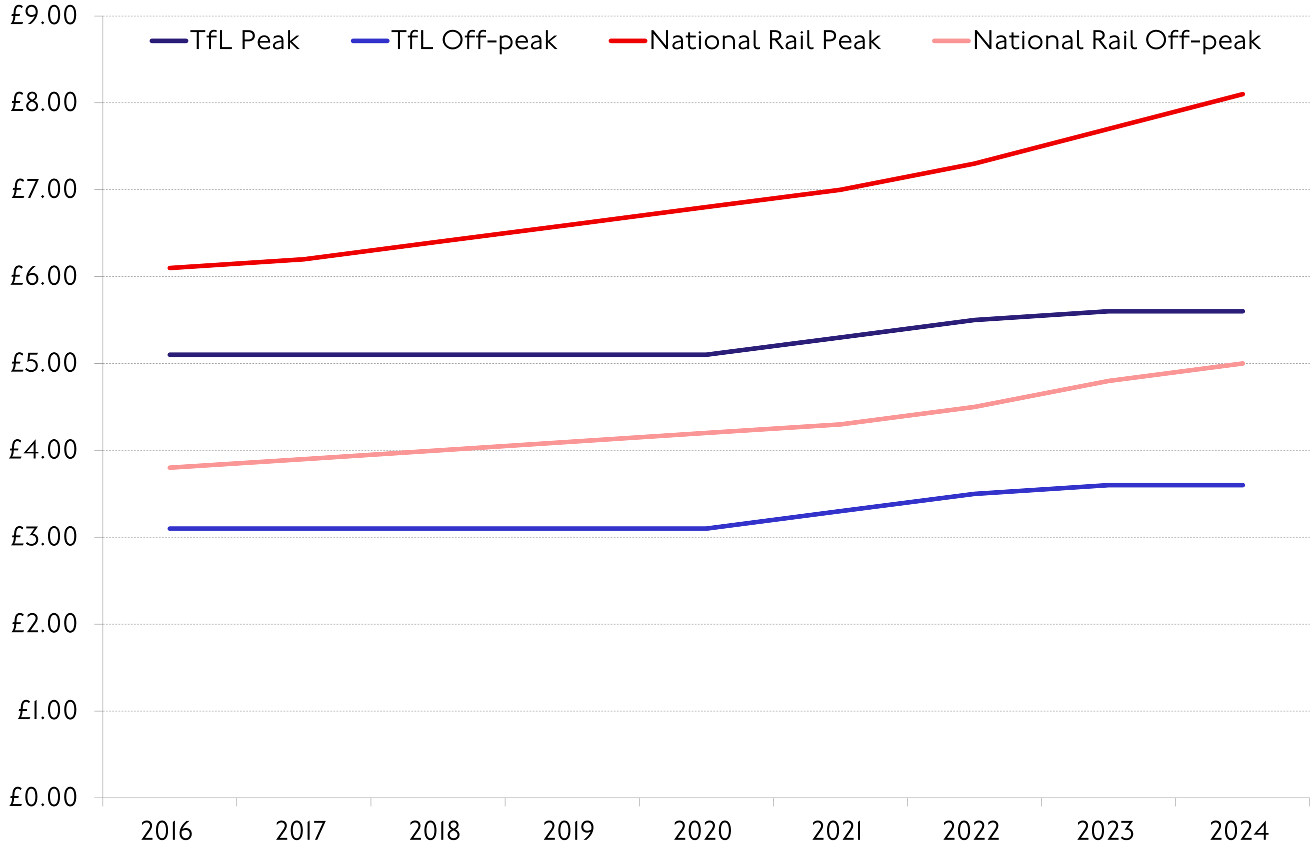
From November 2023, we began to deliver our new equality, diversity and inclusion training course to London's bus drivers. The training was developed with a specialist training partner, Equality Works, and has been designed to increase driver awareness and empathy with all customers, and to equip them with the skills, knowledge and behaviours to deliver an inclusive service. All of London's 24,700 bus drivers will participate in this training over a period of approximately two and a half years as part of their Certificate of Professional Competence, as well as new drivers as part of their initial training.

4.2.2. Delivering value fares

Ensuring that our fares offer value for money is vital to ensuring Londoners can continue travelling through the cost-of-living crisis. The Mayor has provided £123m of additional funding so that our fares can be frozen until March 2025. This means all pay as you go fares will be frozen on buses, the Tube and trams as will fares on the DLR, London Overground and Elizabeth line services where Tube fares apply. The freeze will support Londoners with the cost-of-living crisis and the city's recovery from the pandemic.

Figure 33 below, shows peak and off-peak adult single pay as you go fares for a journey between Zones 1 and 6 for TfL and National Rail services since 2016. The chart illustrates the divergence between TfL fares, which were frozen by the Mayor from 2017 to 2020 and again in 2024, and National Rail fares, which have risen in line with Government fares regulation.

Figure 33: TfL and National Rail peak and off-peak Zones 1-6 pay as you go single fares since 2016. Source: TfL



We have introduced a new concession to support care leavers across London aged 18-25. Through this concession, up to 16,000 care leavers are now able to apply for half-price bus and tram travel, allowing them to be able to travel more affordably while they transition into independent living. The new concession is part of the Pan-London Care Leavers Compact, a common core offer of support designed with care-experienced young people and agreed by the Mayor, TfL, London boroughs and London's health services.

At the initiative of the Mayor, we conducted a three-month trial, where all London Tube and rail fares were made off-peak on Fridays from 8 March to 31 May 2024. The trial also meant that 60+ and Freedom Pass holders were able to use their passes all day on Fridays. We are analysing the results of this trial to help us better understand whether offering off-peak fares on a Friday could help drive ridership and boost London's wider economic recovery after the pandemic.

To complement and support the off-peak fares trial, a range of commercial partners and Business Improvement Districts launched special Friday offers, deals and competition prizes during the trial. This created more exciting and enticing reasons for Londoners and visitors to make the most of all London has to offer.

4.2.3. Mobile connectivity on the move

Boosting connectivity across London

We are continuing to roll out mobile coverage on the Tube, making it easier for customers to stay in touch with friends, family and work while travelling. Our Connected London programme sees all four mobile network operators[7] bringing high-speed 4G and 5G mobile connectivity across the Tube. Figure 34 shows mobile coverage at the end of summer 2024.

As well as keeping customers connected, this technology hosts the new emergency service network, which, when fully operational, will give first responders immediate access to lifesaving data, images and information in live situations and emergencies.

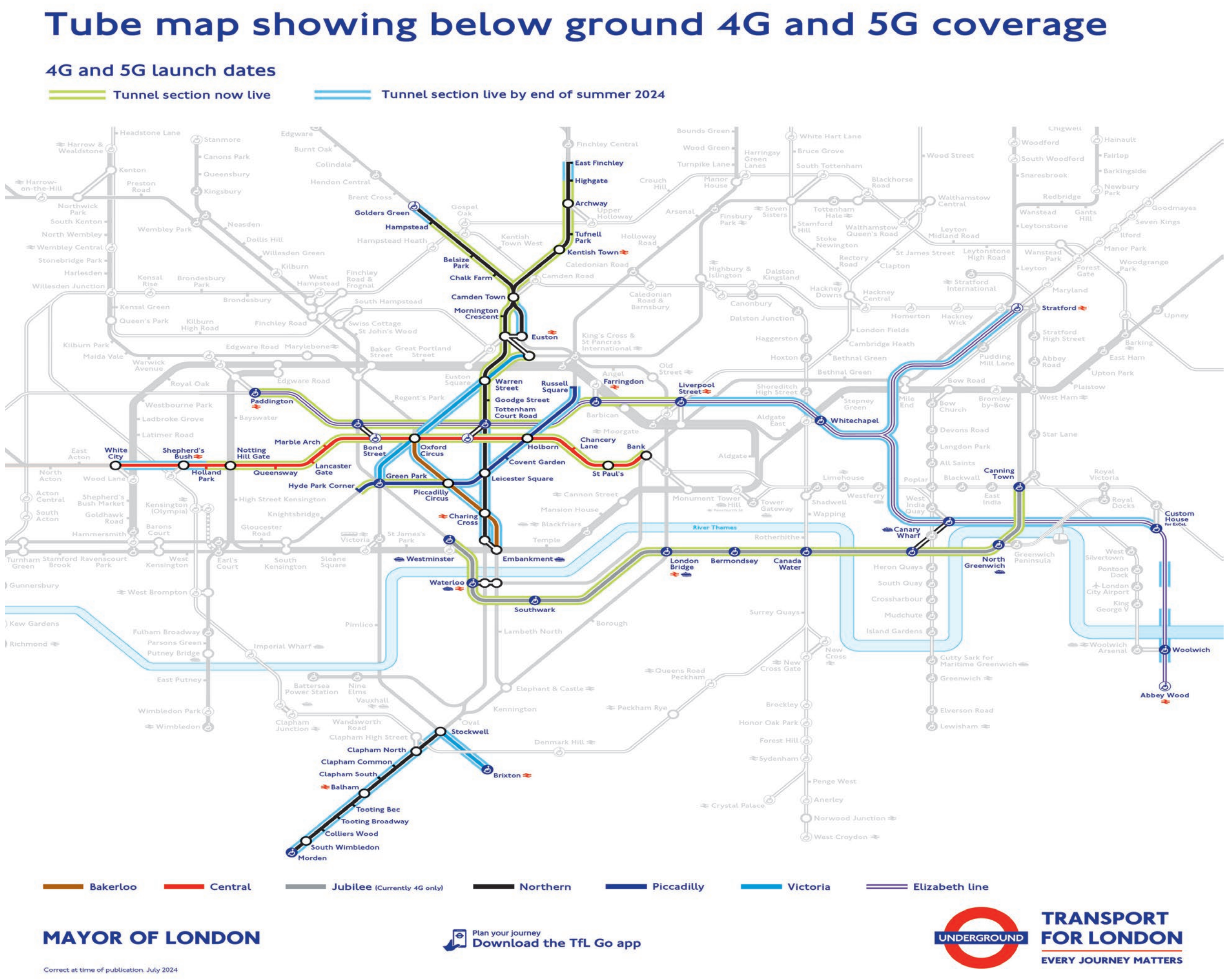
- Customers travelling on the Elizabeth line between Liverpool Street and Paddington stations now benefit from high-speed 4G and 5G mobile coverage while travelling in the tunnels
- Further tunnelled sections to Whitechapel, Canary Wharf and Woolwich will be connected across the summer, building on all Elizabeth line stations getting mobile coverage earlier this year
- Mobile coverage continues to be rolled out across the London Underground network with Hyde Park Corner, Piccadilly Circus, Leicester Square and Russell Square recently connected for the first time

Customers can now receive a mobile signal on the underground section of the Central line between Holland Park and Bank, and both underground sections of the Edgware and High Barnet branches of the Northern line as far south as Tottenham Court Road, along with the Jubilee line 4G coverage between Westminster and the Canning Town portal. This means that, as of May 2024, around 37 per cent of Tube stations with platforms underground have a mobile service available.

This enables customers to have better access to our services, including the TfL Go app, even when travelling underground. It gives them access to real-time information, allowing them to make decisions about their journeys while on the move.

[7] Three Mobile, EE, Vodafone and Virgin Media-O2

Figure 34: Tube map showing below ground 4G and 5G coverage by end of summer 2024. Source: TfL



More than 100 EE and 3UK small cells have been deployed and are live on TfL Road Network lighting columns broadcasting a 4G and 5G signal around Old Street, Waterloo, Euston, New Cross and Park Lane. A total of 40km of fibre has been laid through TfL's traffic management system to provide the fibre backbone for the small cell deployment. This network will significantly improve mobile connectivity in these areas.

TfL Go

Our TfL Go app has now been downloaded more than 5.8 million times, with a peak of more than 848,000 monthly users in January 2024 (an 18 per cent increase since the beginning of 2023/24). TfL Go is inclusive by design, with a focus on accessibility standards compliance, including support for bigger type sizes and screen reader technologies. The app reaches proportionately more women, young people, and those in lower socio-economic groups than our website.

We have continued to release regular app updates, including detailed information about all stops and interchanges on bus routes, and more comprehensive information about the expected quieter times to travel. Enhanced disruption information on the live Tube map has also been introduced, making it easier to see where closures and severe delays are occurring. During summer 2023, we launched ‘Promoted Places’ content to help customers discover things to do in outer London neighbourhoods. We also partnered with the London Design Festival during September 2023 to celebrate our rich design heritage.

Later in 2024, we will be making a significant enhancement to the app’s functionality by including integrated payments so that customers can top-up Oyster cards, buy Travelcards and view their journey history through one simple app. We will also launch app notifications so that we can proactively inform customers about major disruption and network-wide issues.

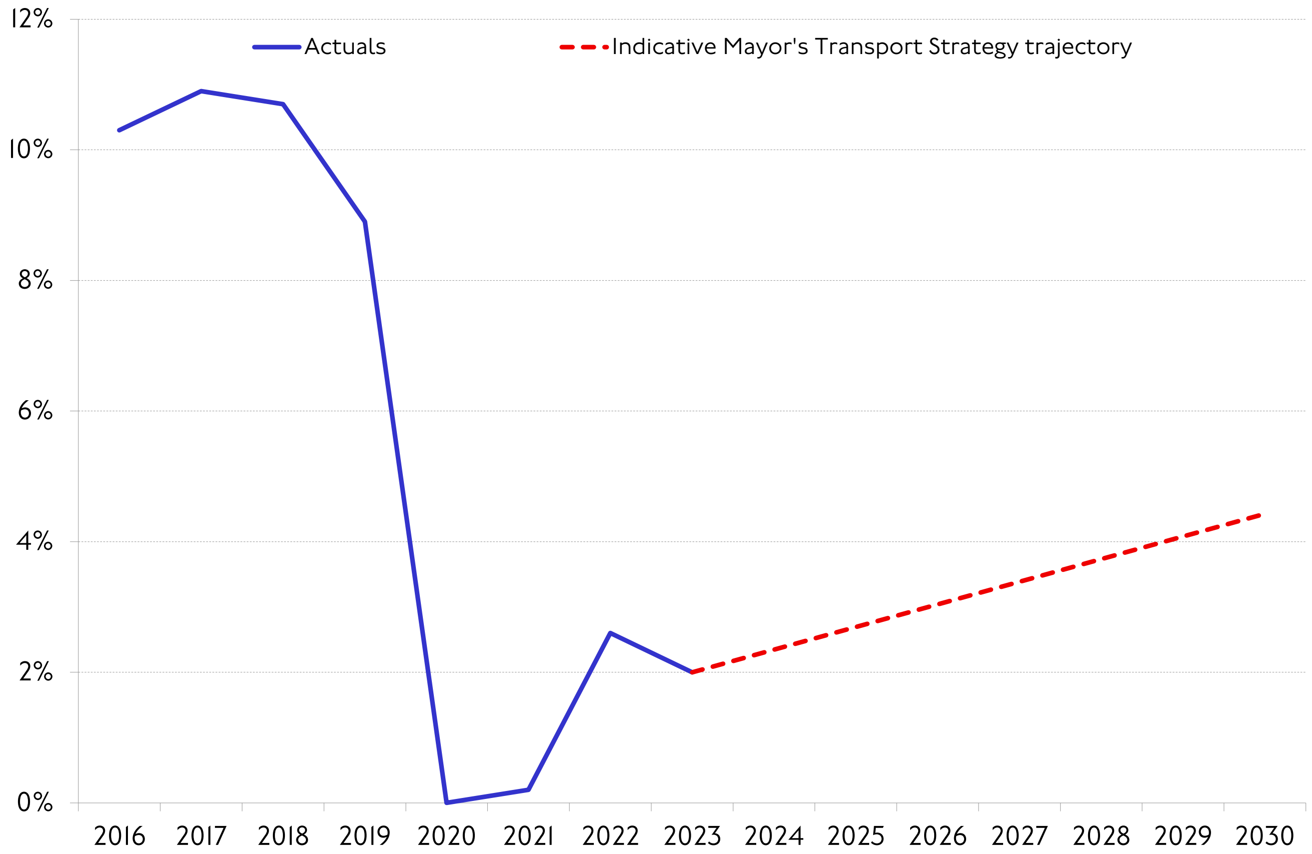
4.3. Quality

The Mayor’s Transport Strategy sets an ambition to reduce the proportion of rail kilometres travelled in crowded conditions by 10-20 per cent by 2041, compared to a 2016 baseline. This measure has proven to be highly sensitive to pandemic demand fluctuations, as shown in (Figure 35). In 2020, it fell to effectively zero, but in 2022 it increased to three per cent. In 2023 crowding reduced slightly compared to the previous year, to two per cent of passenger kilometres travelled in crowded conditions. This is likely as a result of the delivery of a full timetable on the Elizabeth line, providing direct services to outer branches and increased peak frequencies through the central section.

Post-pandemic patterns of customer demand, particularly during the peak period, are driving this reduction in crowding compared to pre-pandemic levels. Furthermore, the introduction of the Elizabeth line provided additional capacity and is also alleviating crowding on the London Underground network. However, without further investment in capacity on our network, it is expected that crowding will increase with population growth.

Figure 35: Mayor's Transport Strategy Tracker for Quality: Proportion of passenger kilometres travelled on TfL rail services in standing densities above two people per square metre 2016-2023 and indicative Mayor's Transport Strategy trajectory. Source: TfL

Note: 2023 data is based on preliminary demand data and may be subject to revision

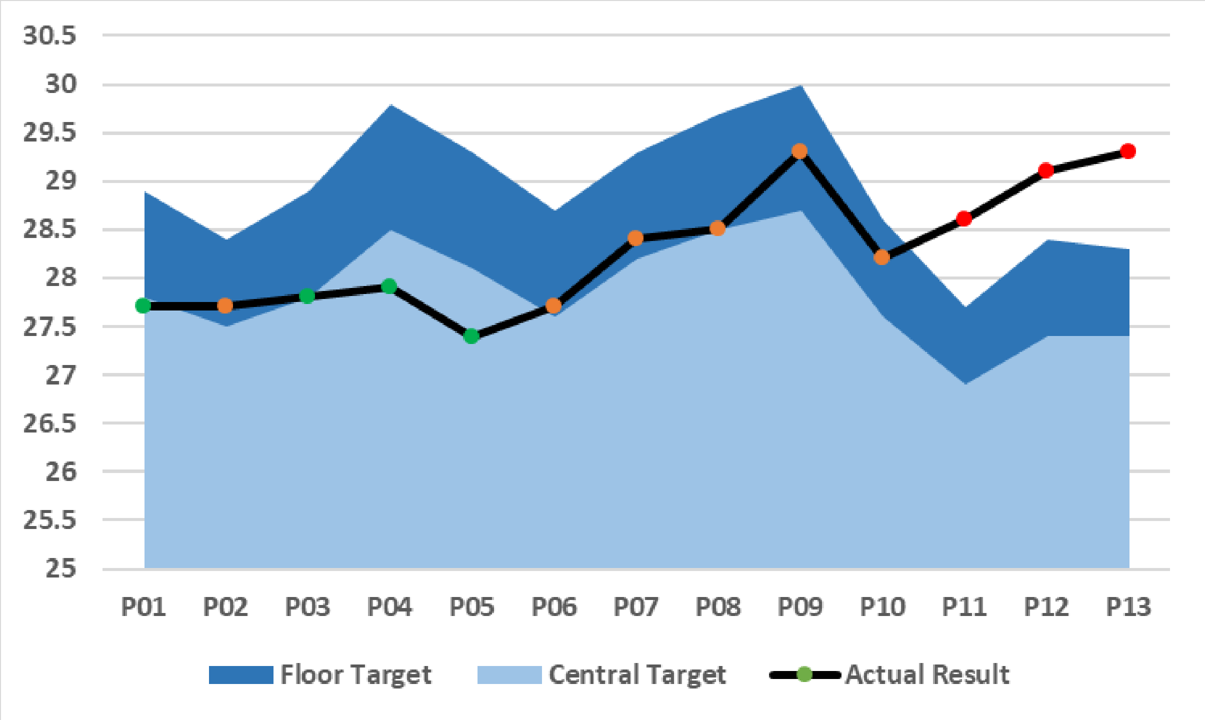


London Underground performance

Customer journey time is the length of time passengers perceive their journeys to take. Our journey time metric calculates customers' waiting time and travel time and assesses the degree to which they experience crowding. It is 'perceived' because it is weighted according to observations of customer behaviour and decision-making.

Figure 36 shows that London Underground performance was better than the floor target in terms of the customer journey time metric between April and November 2023. The floor target is the minimum level of performance we consider tolerable, while the central target is what we are aiming for. This level of performance on the Underground was achieved despite multiple operational challenges such as fleet non-availability on the Jubilee line and operator non-availability on the Piccadilly line. However, largely due to the motor issue with the Central line fleet, journey time performance failed to meet our targets in January and February 2024.

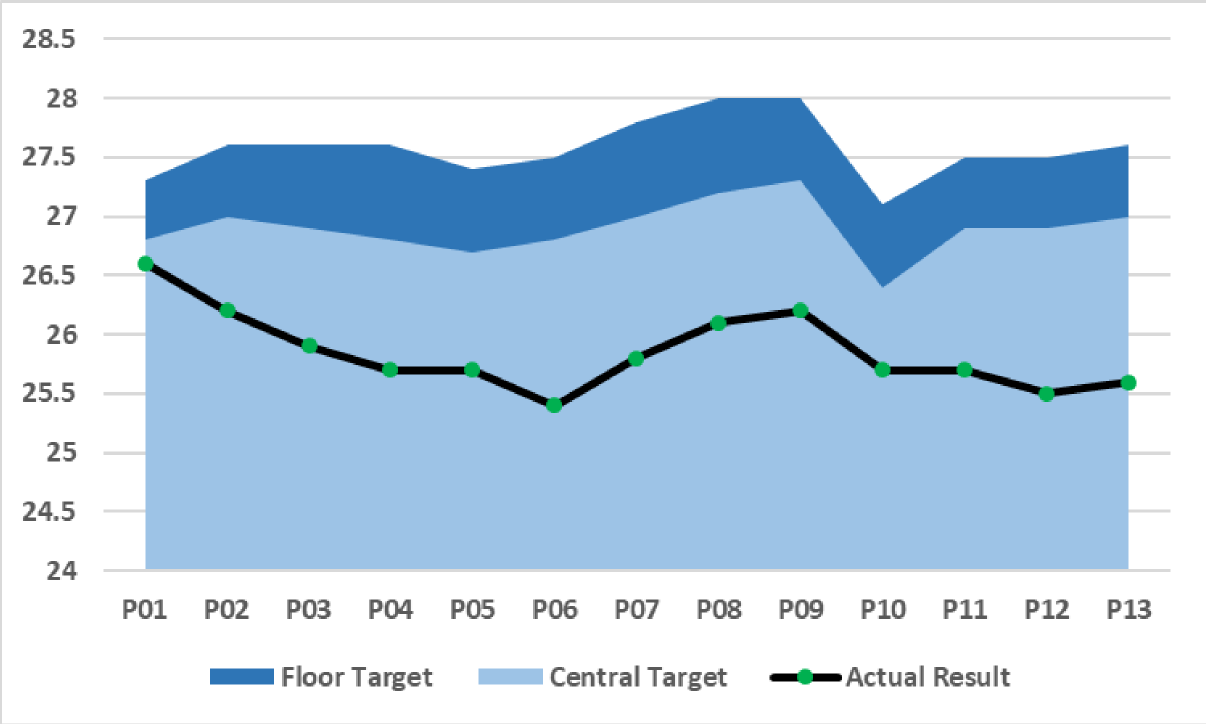
Figure 36: London Underground customer journey times in minutes, 2023/24. Source: TfL



Rail performance

Figure 37 shows the Elizabeth line, DLR, London Overground and London Trams have been performing well in terms of customer journey times throughout 2023/24. The improved performance has been driven by various changes to service, primarily on the Elizabeth line and DLR, while the London Overground has performed consistently well. Due to ongoing fleet issues, Trams performance has not been as stable, but this only accounts for a small percentage of the rail demand. The reduced performance observed between September and December 2023 is explained by factors such as autumnal weather and an increase in customer demand. Poorer weather impacts service performance, while higher demand increases crowding on the network which in turn increases weighted journey times in our customer journey time metric.

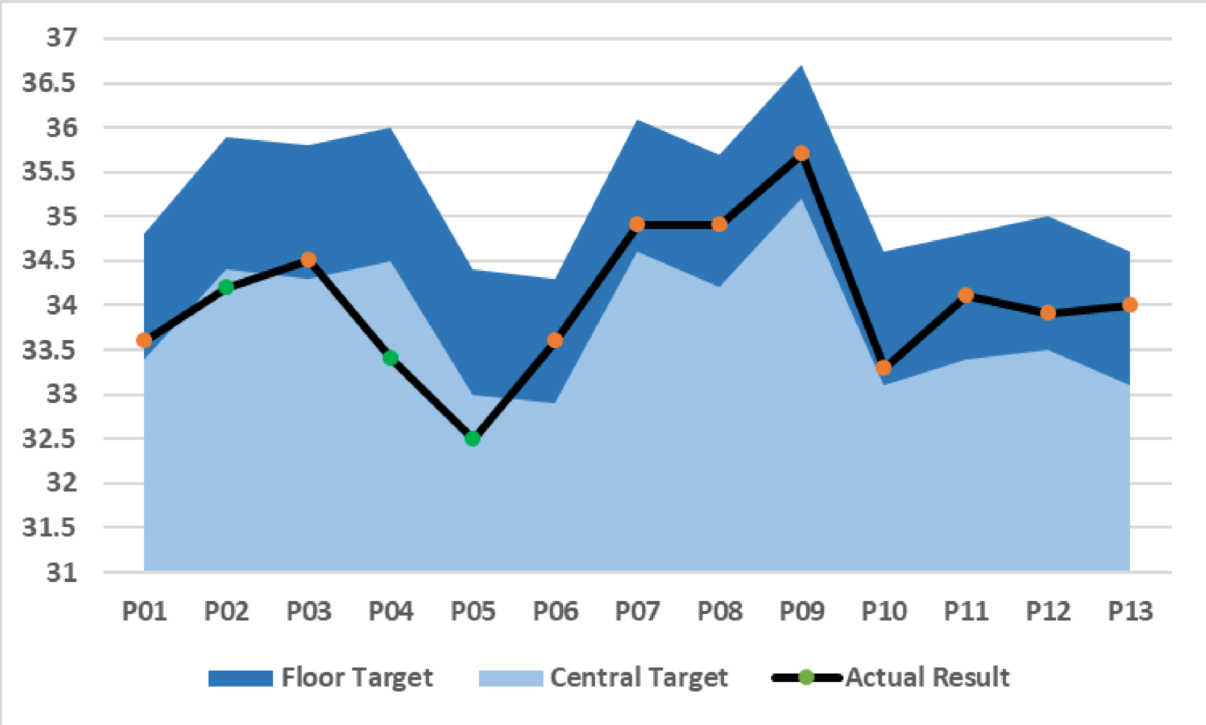
Figure 37: Rail customer journey times in minutes, 2023/24. Source: TfL



Bus performance

Figure 38 indicates that bus journey times have been worse than the central target but remained better than the floor target for most of 2023/24. Although issues with staff availability as seen in 2022/23 have been improved in 2023/24, bus journey times in 2023/24 have been adversely affected by ongoing mechanical issues, traffic impacts like third-party utilities works, and external events such as protests and industrial action. This has resulted in increased excess wait time and lower bus speeds. This has an adverse impact on the average customer in-vehicle time and waiting time, and on the variability of customers' in-vehicle and waiting time. Furthermore, the average in-vehicle time on buses is higher following the pandemic, which reflects that, since then, the average journey length of bus customers has become longer.

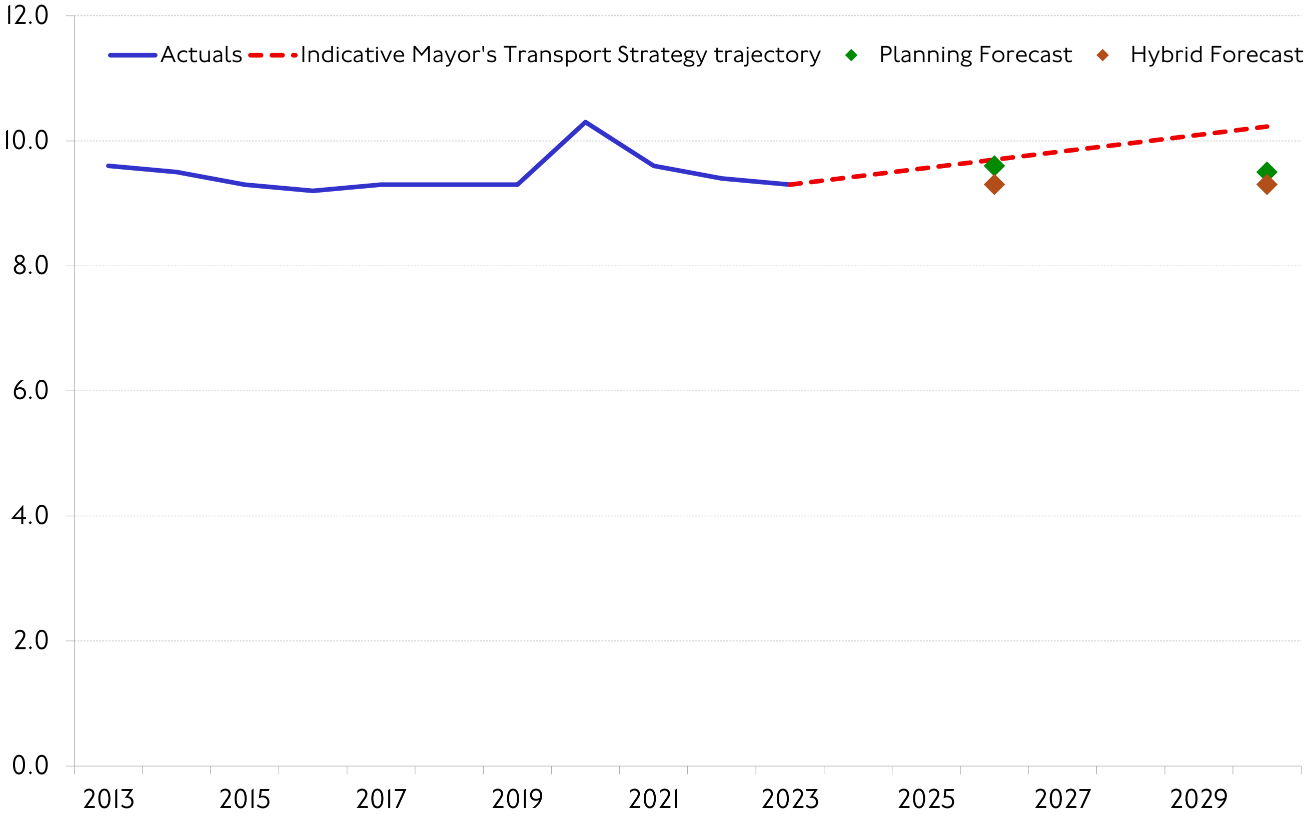
Figure 38: Bus customer journey times in minutes, 2023/24. Source: TfL



Bus speeds are one component of overall bus customer journey time, and the annual average bus network speed in London is used to track progress against the Mayor's Transport Strategy 'quality' outcome. Figure 39 shows the trend for this metric since 2013, and the straight-line trajectory to the target of a 10 per cent increase in bus speeds (from a 2015 baseline) by 2030.

Before the pandemic, bus speeds had been declining, but pandemic-related changes to travel demand led to an increase in bus speeds in 2020. Due to the return of car traffic, and, therefore, congestion, since then, the large improvement seen in 2020 has fallen back in recent years. In 2023, the London-wide average bus speed was 9.3 miles per hour, 10 per cent below the 2030 target.

Figure 39: Mayor’s Transport Strategy Tracker for Quality: Average bus network speed (mph) in London, observed 2013-2023, indicative Mayor’s Transport Strategy trajectory to 2030 and Planning and Hybrid Forecast. Source: TfL



Focus On: Improving bus customer journey times

Our Bus action plan sets out the vision for 2030, including a focus on reducing journey times, improved customer experience and decarbonisation. We know that longer and less dependable journey times make people less likely to travel by bus. To improve bus journey times, we are working on a number of projects, including implementation of bus priority measures across London and Bus Sense, delivered as part of our network operating strategy.

Bus priority measures

In 2023/24, we completed the new Strategic Bus Analysis, which illustrates those sections of the road network with poor bus performance, and shared this analysis with the boroughs to encourage them to explore bus priority in these locations in their local implementation plans. Bus priority covers a wide range of interventions, including bus lanes, bus gates, junction improvements, bus stop consolidation and road signage and markings that can improve bus journey times – the right type of intervention will depend on local circumstances.

In the Bus action plan, we committed to delivering an extra 25 kilometres of new bus lanes by 2025, which was further enforced by the DfT including this delivery as a condition of the August 2022 funding settlement. In 2023/24, we delivered over 10 kilometres of new bus lanes across both borough road networks and the TfL Road Network, with a further 15 kilometres planned for delivery in 2024/25.

To support new Superloop bus routes in outer London, in 2023 we identified potential bus priority opportunities along the TfL Road Network and borough road networks. We are now working with boroughs to provide funding and support to further investigate and deliver complementary bus priority measures along Superloop routes. Work is now starting to assess the impact of the 10km of bus lanes delivered in 2023/24.

Bus Sense

Bus Sense is an initiative to minimise the impact of roadworks on the bus network. There are more than 400,000 applications to carry out roadworks each year in London and although these are essential to support the capital, they can cause significant delay to traffic and buses. To tackle this, we are pioneering the Bus Sense project to reduce delays caused by roadworks through better collaboration between private and public organisations.

We piloted Bus Sense in the London Borough of Islington initially in 2022 by sharing data and pairing TfL’s technical expertise with the borough’s local knowledge. In just a few months, we saw significant improvements to bus journey times across the bus network borough-wide, with continuing year-on-year improvements compared to neighbouring boroughs not using the Bus Sense approach. In 2023/24, Bus Sense was expanded to cover 12 boroughs across central, inner and outer London, with the target of improving the associated bus journey times by five per cent.

4.3.1. Bus customer improvements

We are delivering enhancements to the bus customer experience across London, making buses a more attractive option for travel in line with our Bus action plan. In 2023/24, we refurbished more than 590 of our New Routemaster buses, bringing a fresh interior with the introduction of a special priority seat moquette. We also made wider improvements to our on-board customer experience, with 433 buses across 29 routes benefiting from enhanced customer features, similar to those pioneered on our flagship route 63 buses. This includes richer on-bus content displays with more detailed customer information, USB charging points, priority seat demarcation and enhanced lighting. We improved the experience for customers waiting for their bus with the roll-out of more than 300 new countdown signs at bus stops across the capital, with all boroughs benefiting from new live travel information signs at a variety of locations, and we renewed more than 400 bus shelters.

At Kingston Cromwell Road, we began work in summer 2023 to provide a state-of-the-art bus station that will make journeys by bus in the area much easier and more attractive. This is due to conclude in the 2024/25 financial year. The project will see the construction of new, energy-efficient bus station buildings, a new canopy to provide protection against the weather across the station’s entire waiting area, and a wider passenger island providing more space for customers to wait and circulate. Other customer-focused features include improved live travel information screens, fully accessible customer toilets, improved LED lighting and CCTV, a new public address system and new retail units.

4.3.2. Rail customer improvements

Central line improvement programme

We are overhauling all Central line trains to deliver a safer, more reliable and accessible service. The upgraded trains will have new, more efficient motors that will reduce energy consumption by seven per cent, leading to a cumulative saving of 6,000 tonnes of CO_2 emissions across the programme. The overhauled trains will offer an enhanced customer experience with improved customer information, better lighting and CCTV. Importantly, they will also be more accessible, with the installation of wheelchair bays.

London Overground line naming

On 15 February 2024, the Mayor announced the new names for the six London Overground routes. Naming the London Overground lines aims to make the network easier for customers to navigate. Each route will be represented by a new name and line colour, which will be reflected across our iconic Tube map and journey planning tools.

The London Overground network connects some of London's most historic and diverse neighbourhoods, so the naming of the Overground lines presented an opportunity to showcase and celebrate London’s rich history, heritage and diversity. Therefore, for the first time, on behalf of the Mayor, we engaged customers, stakeholders, staff and communities to help influence the line names. The new line names are:

- **The Lioness line**: Euston to Watford Junction
- **The Mildmay line**: Stratford to Richmond/Clapham Junction
- **The Windrush line**: Highbury & Islington to Clapham Junction/New Cross/Crystal Palace/West Croydon
- **The Weaver line**: Liverpool Street to Cheshunt/Enfield Town/Chingford
- **The Suffragette line**: Gospel Oak to Barking Riverside
- **The Liberty line**: Romford to Upminster

Following the Mayor’s announcement, we are continuing to engage with the key stakeholders associated with each line name to co-create a series of community/stakeholder events over the summer to showcase stories behind the line names and bring them to life. The new names and design approach will go live by the end of 2024, when customer-facing information, including maps, signage and announcements, will be unveiled across the Overground network.

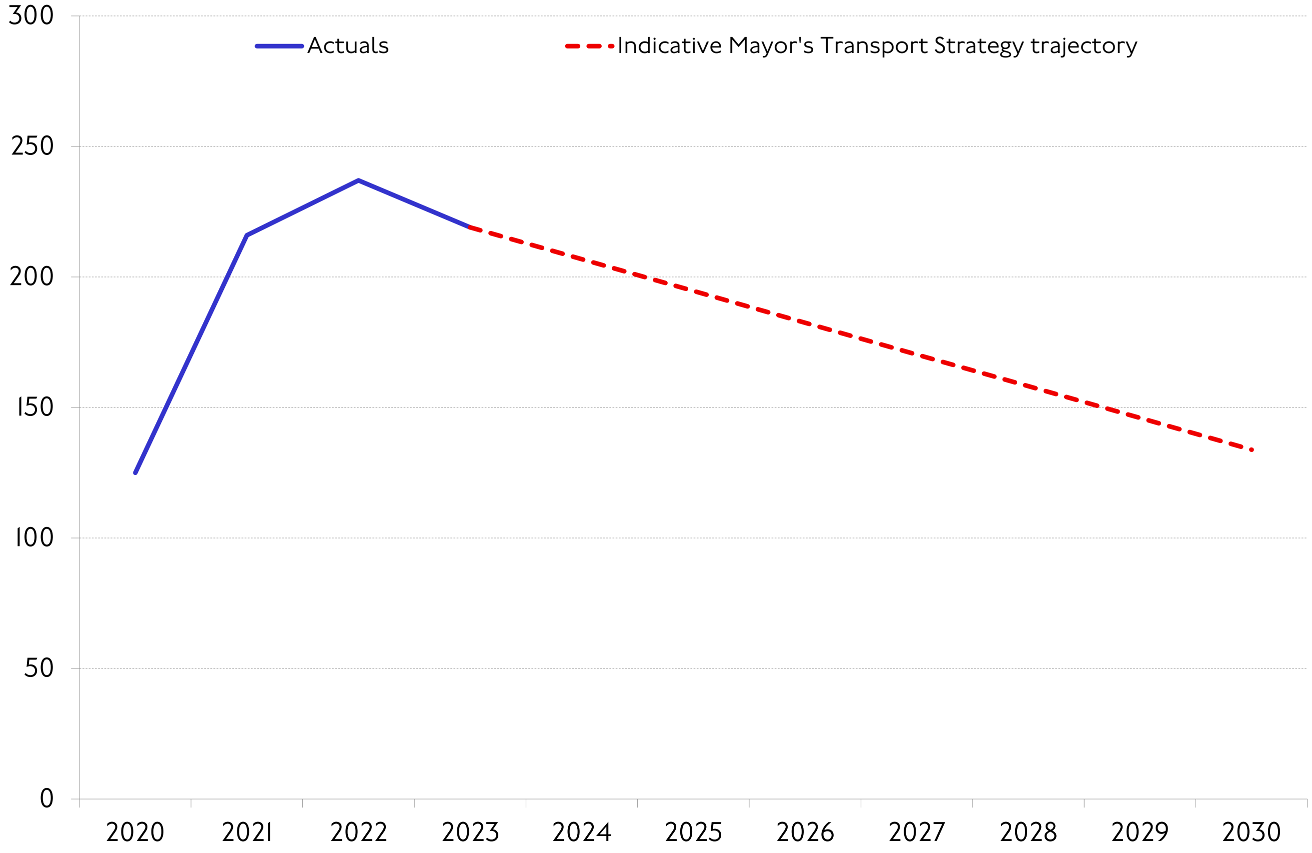
4.3.3. Vision Zero for public transport

Our performance

Public transport remains the safest way to travel in London, and overall we are seeing a gradual improvement in customer and colleague safety. The risk of being injured on the public transport network is falling, as patronage has recovered to around 90 per cent since the pandemic.

However, we know we still need to do much more to achieve our ambitious targets and eliminate death and serious injury. Figure 40 shows that, tragically, nine people (eight customers and one colleague) lost their lives on our public transport network in the 2023/24 financial year. There were 193 serious injuries sustained by our customers and 17 by colleagues on the network. This represents a decrease in the number of customers and colleagues killed or seriously injured compared to the previous financial year.

Figure 40: Mayor's Transport Strategy Tracker for Safe: Customer and workforce killed and seriously injured, 2020-2023, and Mayor's Transport Strategy straight-line trajectory to 2030. Source: TfL



Our TfL Strategy and accompanying safety and health road map clearly sets out the progress and ambitions for improving the safety and health of our customers and colleagues. To achieve Vision Zero on the public transport network we are prioritising action on those risks that lead to the greatest number of injuries and harm as well as continually improving the foundational activity of controls and operational processes that prevent harm from occurring.

Our top risks to customer safety

Slips, trips and falls

Slips, trips and falls account for the majority of customer injuries across all modes. We continually review and analyse these incidents to ensure we have the latest understanding of where and why these may be taking place ensuring approaches being taken are aligned with prevention.

On our bus network, 2023/24 saw the launch of our Bus safety strategy, which includes delivery of the latest Bus Safety Innovation Challenge. This focuses on identifying novel or innovative solutions to reducing customer slips, trips and falls while standing or moving on the bus or while on the stairs. Applications closed in March 2024, and we are currently reviewing proposals and working with suppliers and our bus operators to design trials. These will begin later this year and will be subject to independent evaluation to measure the effectiveness of the innovations.

Intoxication across the network

We have an important role in making sure our customers reach their destination safely and, while we cannot prevent customers from becoming intoxicated, we can anticipate the impact and try to mitigate the effects. As part of our intoxication strategy last year, we aimed to reduce the negative impacts linked to intoxication. This included bringing down the number of customer injuries as well as the number of staff assaults and workplace violence and aggression incidents relating to intoxication - both of which were successfully achieved during the festive season in 2023.

The strategy included working with the London Ambulance Service to play announcements at hotspot stations reminding customers to take extra care when travelling after drinking alcohol; using our own marketing teams to promote safe travel during the festive season; and issuing guidance to station staff on how to deal with and prevent incidents from occurring. We also started working with three new Business Improvement Districts and continued to work with our previous partners (including three other Business Improvement Districts and the London Ambulance Service) to deploy trained volunteers and medics at intoxication-related customer injury hotspots.

Escalators

On our London Underground network, we have been focussing on high-risk slips, trips and falls areas, including escalators. We have refreshed plans for those stations that see the greatest number of incidents, bringing in mitigating measures considering changes to the customer demographic that has returned to the network following the pandemic. Specific interventions include the prominent display of posters, the broadcast of public announcements and the use of travel ambassadors to support regular staff.

We have been increasing the focus of these campaigns to target high-risk periods and locations when we know there are increases in alcohol-related incidents. During school holidays, when we see more children using the network, we display our ‘Keep Kids’ Feet Clear of Edge’ poster and play regular announcements to raise awareness of children’s safe use of escalators.

We continue to work with Network Rail, several other train operating companies and escalator manufactures to share the work being carried out by the different organisations, and the learning associated with it to ensure that an industry-wide approach is being taken on this issue.

Platform train interface

We have been working hard to understand and reduce the risk of injuries at the platform train interface, such as falling from the platform, being caught between the train and the platform, or being struck by a train. As well as the wider work on campaigns targeting safe use of the network, we have been developing a comprehensive, risk-based platform train interface plan, focusing on what we can deliver in terms of better infrastructure such as gap fillers, customer communications, training and briefing of station colleagues and train operators.

Following a successful trial at Willesden Green, we are rolling out the technology behind Smart stations to a further five platforms. Smart stations uses enhanced video analytics to provide front line colleagues with real-time notifications on customer movement and behaviour. This better alerts station colleagues in the event of an incident. We have been testing the feasibility of this technology for safe use on our network and exploring wider artificial intelligence options. We are also approaching other rail and metro operators in the UK and worldwide to share how platform train interface risk is managed, and learn from the mitigation measures that other rail operators have in place. We will continue to assess new solutions as they become available. The mitigations that will have the greatest impact - those that physically reduce the gap or utilise emerging technologies - are likely to take several years to test, develop and implement so in the shorter term, we will continue our focus on customer and colleague behaviours and procedural updates that will contribute to improved customer safety.

Fatigue management

A comprehensive fatigue management programme and plan for the whole organisation has been in place, and continually developing, since 2019. In 2023/24, we delivered a key intervention in support of our night- and shift-working colleagues across several disciplines and roles. Known as the Night Club, it brings sleep experts into the workplace to provide colleagues with evidence-based sleep health information during their shifts. The sessions focused on improving diet, exercise, sleep hygiene, mental health, the understanding of chronotypes, and sleep. This has been very well received by the target audience, reaching over 450 colleagues across a range of roles – from control centres, and engineering depots to Dial-a-Ride. We have also worked to continually promote fatigue management across the organisation, encouraging completion of our four online fatigue training courses. This has led to more than 9,700 courses on fatigue being completed over the course of the year.

5. New homes and jobs

The transport network has a crucial role to play in supporting people to live and work in London. New development, designed around walking, cycling and public transport, enables people to live active, healthy lives and mitigates congestion and environmental impacts that would otherwise result from growth.

The housing crisis is one of the greatest challenges facing London today, with rents and home ownership being unaffordable for many. Transport is critical to unlocking new areas for development, supporting the intensification of already built-up areas and ensuring that development is sustainable.

There are two interlinked outcomes related to the mayoral priority for new homes and jobs:

- Sustainable – Active, efficient and sustainable travel will be the best option in new developments
- Unlocking – Transport investment will unlock the delivery of new homes and jobs

The approach in the Mayor's Transport Strategy contributes to the London Plan's aims for Good Growth, which are to build strong and inclusive communities, make the best use of land, create a healthy city, deliver the homes Londoners need, grow a good economy and increase efficiency. The sustainability of development is also critical for the Mayor's aims for decarbonising transport in London by supporting mode shift. Good Growth encompasses both the Sustainable and Unlocking outcomes.

We work in partnership with our stakeholders to deliver these outcomes including with London boroughs and developers through the planning process. We also develop projects and bids to secure funding for infrastructure and transport improvements, which enable sustainable and car-free or car-lite developments. Car-free development supports sustainable growth and the viability and patronage of transport services. We are also focusing on expanding the step-free network to ensure inclusive growth and enable more Londoners to live without cars.

Some financial commitment from TfL is often required to leverage third-party funding and to develop transport schemes to a position where they can attract funding. We have made progress to allocate some funding via our Business Plan to introduce the Sustainable, Housing and Accessibility Fund. This fund is supporting transport schemes such as station upgrades across London (see Sustainable housing and accessibility fund on p106). It is, however, limited and there also remains a lack of funding for strategic, long-term, transformational projects that support new homes, jobs and regeneration. Meanwhile, increasing viability pressures on development could potentially limit developer funding.

5.1. Sustainable

We continue to shape local plan policies across London so that they are better aligned with the Mayor’s priorities. We have ensured policies require transport land and assets to be safeguarded and that car parking is minimised in new developments. Every car-free home delivered in London helps reduce car ownership, generates mode shift and makes the provision of public transport more feasible.

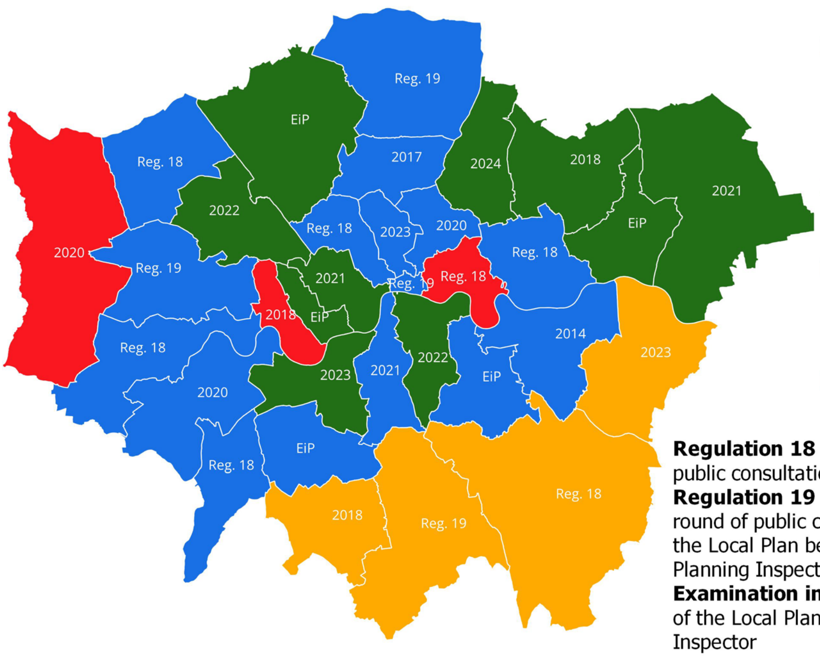
5.1.1. Implementing the London Plan

Working with boroughs on local plans

In the past year, we have worked with at least 16 boroughs to better embed sustainable transport in their local plan policies and have attended two local plan examinations where we challenged policies that were not in line with our objectives. As a result, we secured changes that ensured local plans better align with the London Plan. We have also shaped at least 10 supplementary planning documents that cover more detailed planning for particular areas of growth. Figure 41 illustrates how influential we have been in shaping local car parking policies, for example.

Figure 41: Borough residential parking local plan standards compared to London Plan standards. Source: TfL

Note: The map shows in broad terms how residential car parking standards are set out in local plans compared to the standards set out in the London Plan. Where local plans are being reviewed and are being consulted on, the most recent draft has been considered



Key

Residential Parking Standards

- Improvements to local plan secured following TfL intervention, but not fully London Plan-compliant
- Local plan broadly London Plan-compliant following TfL intervention
- Local plan broadly London Plan-compliant with limited or no TfL intervention
- Local plan not yet London Plan-compliant

Regulation 18 Local Plan (Reg 18) – Initial public consultation on a draft Local Plan
Regulation 19 Local Plan (Reg 19) – Second round of public consultation on a revised draft of the Local Plan before being submitted to the Planning Inspectorate for examination
Examination in Public (EiP) – An examination of the Local Plan held before an independent Inspector

Development management

We are a statutory consultee on planning applications that have a strategic transport impact or that could affect our assets or operations. We work with boroughs and applicants to ensure development complies with the transport-related policies in the London Plan. In the past year, we have commented on more than 2,600 planning applications, of which nearly 200 were of strategic importance and, therefore, referable to the Mayor for a decision. This is similar to the number in 2022/23.

Our development management function is essential for securing mitigation from developments through planning obligations. In the past year, we have secured £38.3m in contributions to transport infrastructure under section 106 of the Town and Country Planning Act 1990 and collected £156.4m through the Mayoral Community Infrastructure Levy, which continues to be a key part of the funding package for the Elizabeth line.

One example of our role in development is the O2 Centre application in Camden. It is a mixed-use development, including about 1,800 dwellings. To address the considerable impact the development will have on the public transport and active travel network, we secured a package of mitigation, including £10m for step-free and capacity improvements at West Hampstead station, safeguarding a future second entrance to Finchley Road station, £1.5m for upgrades to the A41 at Finchley Road, new bus stands and driver toilets within the site, and a further £2m for the London Borough of Camden to deliver walking and cycling networks. We have also secured the removal of the retail car park at this site, freeing up space for better public realm and active travel facilities.

5.2. Unlocking

We play an active role in unlocking homes and jobs across London. This includes using our own investment and leveraging third-party contributions to deliver transport infrastructure which enables more homes to be developed, more quickly and more sustainably. Alongside this, we support the masterplanning of key growth areas in London and the transport interchanges that support them – we need to ensure that the right transport infrastructure is in place for growth and the case made to secure funding for that infrastructure. Public transport connections are key to unlocking areas across London in order to provide viable places to build homes and create jobs, and they also have a core role in placemaking and ensuring successful and well-connected neighbourhoods.

5.2.1. Measuring the impact of completed projects

We have been monitoring the scale of impacts across a number of our major transport projects across London. Investment in transport is likely to stimulate change in the wider area. It is important we understand these impacts, particularly on new homes and jobs, to ensure these schemes have met the aims and objectives of their business cases, and for lessons for future investment.

Elizabeth line

The full opening of the Elizabeth line in May 2023 has transformed travel in London. The line now connects Reading and Heathrow to the west of London, with Shenfield and Abbey Wood to the east, running through a 21km twin-bore tunnel under central and east London. The project added 10 per cent to the capacity of the city's public transport network. The line is the most used TfL service with more than 200 million passenger journeys in 2023/24.

Focus On: Elizabeth line

The Elizabeth line provides a high-frequency, high-capacity and accessible link between key locations such as Heathrow Airport, the West End, the City of London and Canary Wharf. It has provided 10 new stations and has increased the step-free access network, with every Elizabeth line station having new or improved step-free facilities.

In some areas of London, the line provides new connectivity; in others, it enhances the existing transport offer already in place. The original objectives of the project were to support economic growth and early work on the evaluation of the project indicates it is achieving that. It is predicted to lead to housing growth due to transport capacity improvements and associated increases in the attractiveness of areas for housing development. It is also predicted to lead to employment growth in central London due to an increase in the number of workers able to commute to the area. Monitoring of these impacts is ongoing and we expect wider impacts, such as those on housing and jobs to take time to be fully realised given the scale of the scheme and the complexity of the impacts. However, we are already starting to see these impacts, and early analysis shows the following:

Homes: Between 2017 and 2022, the line supported the delivery of 102,000 additional new homes within 3km of stations. We are seeing that growth is highest closest to the stations in comparison to areas in London beyond station catchments. The impacts vary along the line: along the Abbey Wood branch, development is coming forward at higher densities; along the Western branch, there is evidence that the Elizabeth line has raised the profile of some stations (such as Hayes & Harlington and Southall), supporting housing delivery at a higher rate. The scale and timing of delivery reflects the land available and the nature of local housing markets.

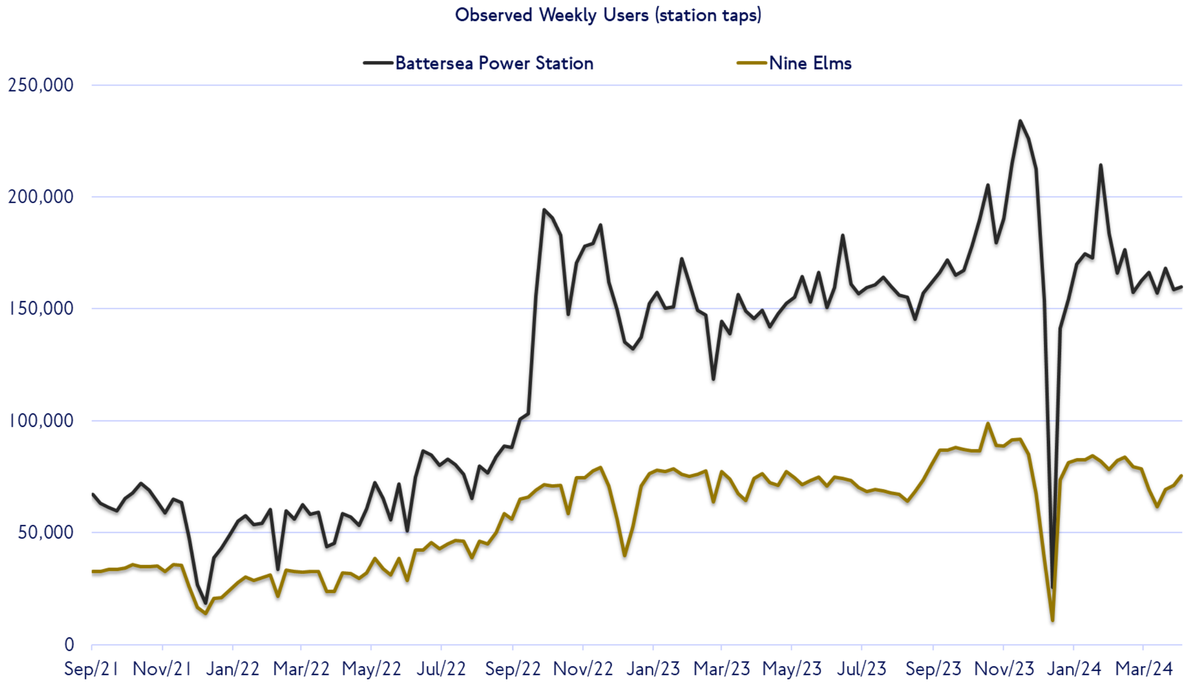
Jobs: Between 2015 and 2022, the line has supported the delivery of 420,000 additional jobs within 3km of its stations. Over this period, these areas within central London have seen the greatest increase in employment growth at 22 per cent. This is eight per cent higher than London areas not within 3km of stations which grew at 14 per cent. During this period, the highest jobs growth has occurred at Tottenham Court Road station. This is partly explained by the completion of large commercial developments on land that was previously used for the Elizabeth line construction works.

Northern line extension

The Northern line extension and its two new step-free stations at Battersea Power Station and Nine Elms are supporting the delivery of 20,000 new homes and 25,000 new jobs in the Vauxhall Nine Elms Battersea Opportunity Area. The opening of these stations in September 2021 preceded the opening of the Battersea Power Station centre in October 2022. This development involved the regeneration of a historic building into active use, providing new facilities, employment and placemaking benefits in a key riverside location. The extension will continue to support more homes being built and occupied and new businesses moving into the area, with the boundary of the Central Activities Zone extended to include some of the Opportunity Area. In 2023, Apple moved into their new headquarters in the Power Station which brought 3,000 jobs to the area.

We are now observing approximately 175,000 trips per week at Battersea Power Station and 75,000 trips per week at Nine Elms, with Figure 42 showing a trend of continued increases in demand. The two stations have very different demand profiles. Nine Elms lies in a largely residential area, with some employment and academic trips, whereas Battersea Power Station has balanced two-way flows in the morning peak, reflecting strong residential and employment uses. At weekends, Battersea Power Station is particularly well used, driven by leisure demand as the Power Station has established itself as a new leisure destination.

Figure 42: Observed weekly trips on Northern line extension (station taps). Source TfL



With 12.4m trips made in 2023, annual passenger demand on the extension is exceeding our forecasts and continues to grow as the wider Opportunity Area develops further. We continue to monitor and assess both transport and wider benefits as part of our ongoing

benefits realisation activities. In mid-2024, we will commission a study which will assess the wider economic impacts of the Northern line extension including its impact on the development of new homes and jobs in the Vauxhall Nine Elms Battersea Opportunity Area.

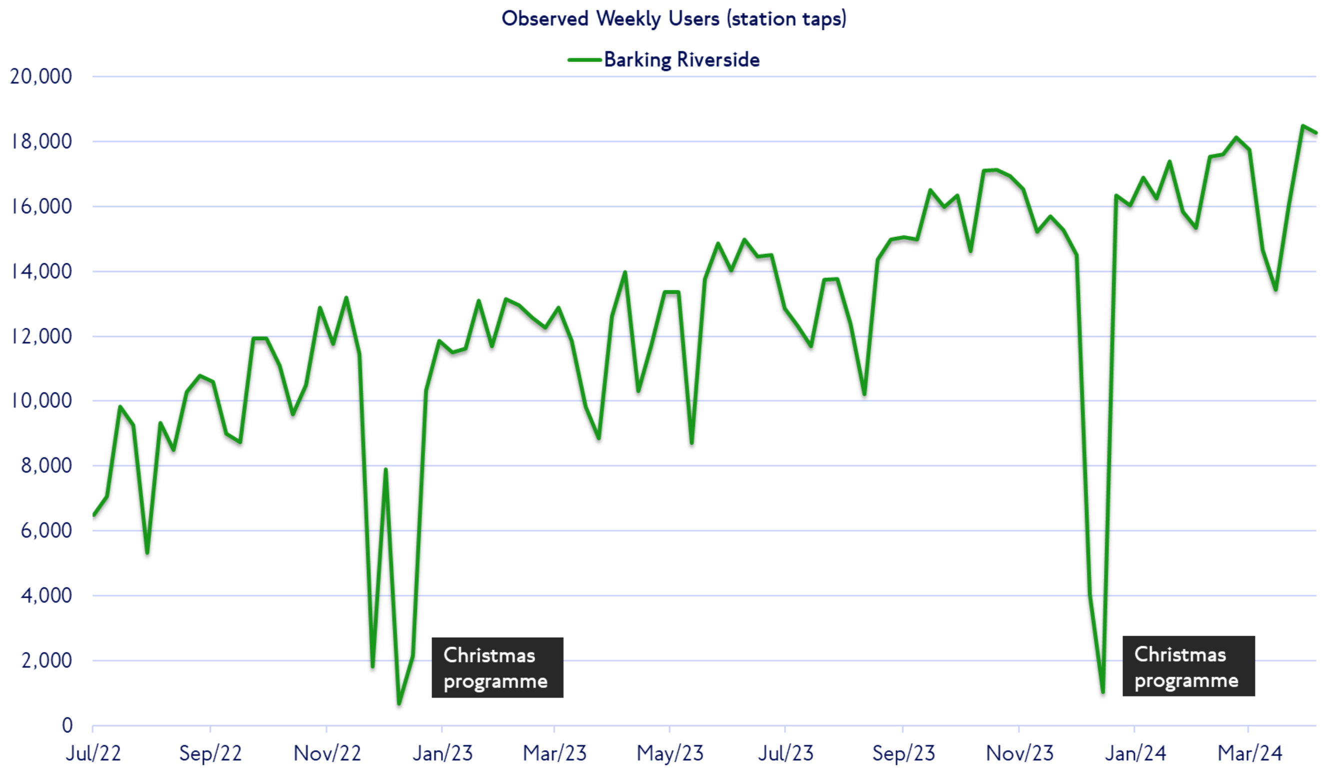
Work is also currently underway on a new western station entrance at Battersea Power Station which will increase capacity, enhance access and connectivity, and provide additional step-free facilities. The new entrance is due to be completed by spring 2025.

London Overground extension to Barking Riverside

We have been monitoring the impact of the Barking Riverside Extension of the London Overground since it opened in July 2022. The number of new homes completed in the station catchment was approximately 2,100 in December 2023 compared to a forecast of 5,400. About 1,500 further homes are currently under construction which would take the total to 3,600 by 2026. Barking Riverside Limited has emerging plans to increase the final number of homes at Barking Riverside to about 20,000, nearly double the 10,800 originally planned. Consideration is also being given to other housing developments along the route of the extension. These additional proposals demonstrate the value that the extension has delivered in terms of enabling housing development.

As at November 2023, usage of the station during the weekday morning peak hours has exceeded forecasts by six per cent, and overall demand throughout the week was almost double the initial forecast. This reflects the impact of the academy school adjacent to the station and the flow of workers to and from the nearby construction sites in the London Riverside Opportunity Area. In both cases the forecast used has been adjusted to reflect the actual number of homes completed. Figure 43 below shows the volume of entries and exits per week since the extension opened and shows a rising trend of usage.

Figure 43: Observed weekly entries and exits at Barking Riverside station since opening. Source: TfL



We keep these transport trends under review as part of our benefits realisation activities which will also seek to assess the wider impacts of the extension. We continue to work closely with Barking Riverside Limited on the future planning application to increase the number of homes in the area.

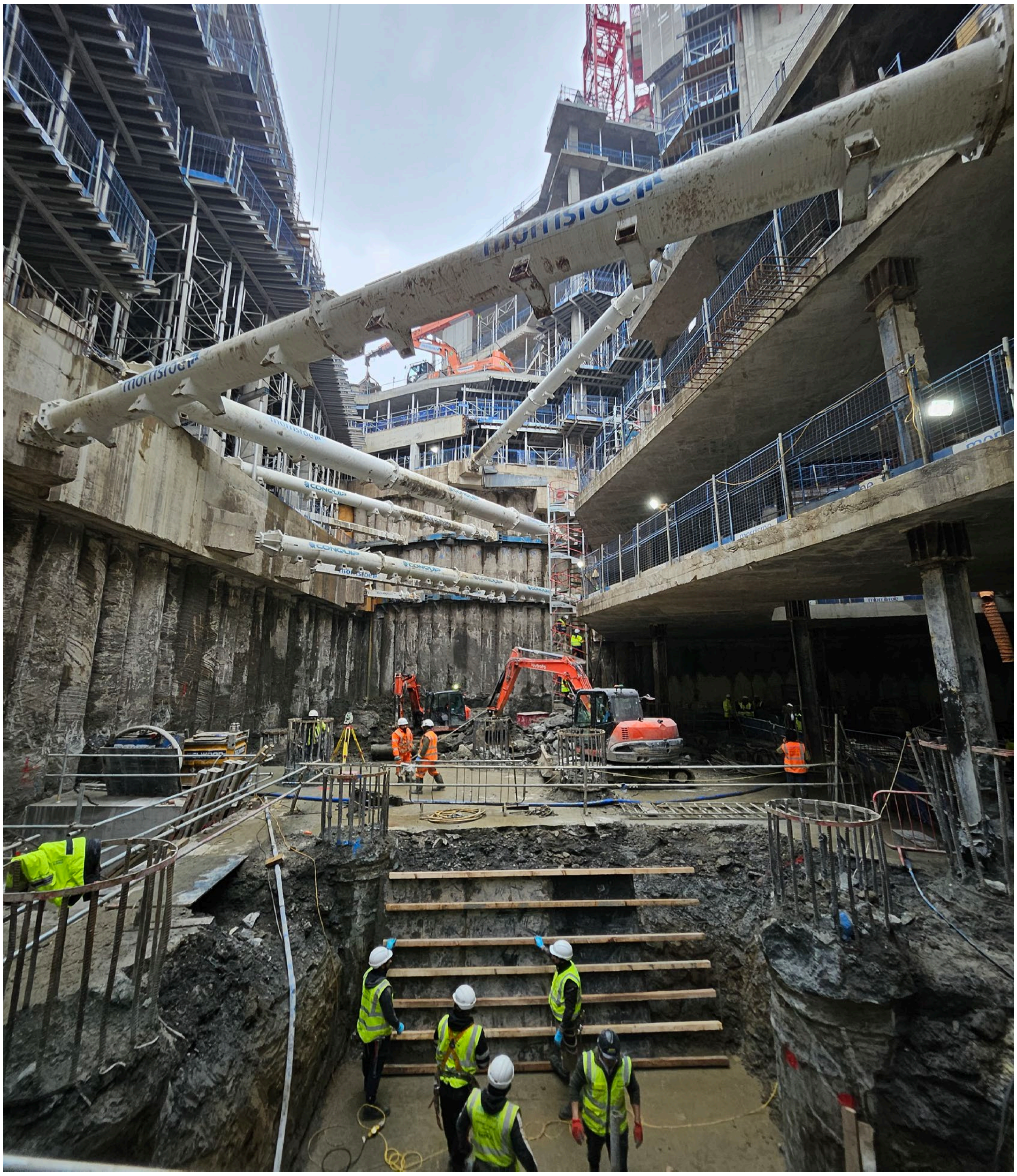
5.2.2. Potential impact of current projects

Elephant & Castle station capacity upgrade

A new station entrance and Northern line ticket hall will support the creation of 7,500 new homes and 10,000 new jobs in the area, significantly increasing station capacity to meet both existing and increased demand for Tube services. People will enjoy step-free access to the Northern line for the first time at the station, and we will factor in an interchange for the potential Bakerloo line extension.

The first stage of the project includes creating the station box and passenger tunnels to the existing Northern line platforms. The developer, Delancey, is creating the new structure for the station as part of its scheme. Our project team is pushing ahead with procurement arrangements for the new passenger tunnels with contract award planned for mid-2024/25. Pre-tunnelling ancillary works made excellent progress and were completed in April 2024. This will enable the main contractor to focus on tunnelling activities, without having to relocate services or needing to strengthen existing platforms.

Figure 44: The new station box at Elephant & Castle excavated to its lowest level, 33 metres beneath ground level. Source: TfL



The second stage of the project is to fit out the station and will be delivered once additional funds are secured. Options have matured on fitting out and bringing the new station entrance into use and were included in our 2024 Business Plan.

Housing Infrastructure funding for London Overground and DLR

The Department for Levelling Up, Housing and Communities launched the Housing Infrastructure Fund in 2017 – a central Government capital grant programme of up to £5.5bn to unlock and deliver new homes across England. Together with the GLA, we applied for two schemes that were awarded funding. These include packages of interventions for the London Overground and the DLR to unlock new homes in Southwark and Lewisham, and Newham and Tower Hamlets, respectively.

The London Overground Housing Infrastructure Fund programme was awarded £80.1m in 2018 to enable the first phase of the programme, which will unlock development of about 8,000 homes. This consists of improvements to Surrey Quays station and Canada Water bus station, alongside signalling and power upgrades. These works will enable us to increase train frequency from 16 to 18 trains per hour between Dalston Junction and New Cross Gate.

Contracts have been let for all elements of this phase of works and we are on site at Surrey Quays station and Canada Water bus station. We are making use of weekend and holiday works to deliver the key signalling and power upgrades. Works at Canada Water bus station completed in April 2024, with the remainder of the first phase of works due to complete in spring 2026.

The second phase of the programme is subject to a future bid and funding package. It would provide a new station at Surrey Canal Road and a number of other works across the network (including stabling and resilience improvements) to enable us to further increase train frequencies to 20 trains per hour. Both phases combined will unlock the development of a total of 14,000 homes.

Also in 2018, a Housing Infrastructure Fund contribution of £280.7m was granted to the DLR rolling stock replacement programme. This was to purchase additional DLR trains, and expand the Beckton Depot. The amount was later revised to £257.4m after it was agreed with the Government that the number of additional trains should be reduced from 14 to 11 to reflect the changes in travel patterns caused by the pandemic. Increases in train frequencies and the additional 10 per cent capacity of the new trains compared to the existing trains will help meet increased demand from new housing as well as improving journey quality and reliability for existing and new users. The HIF DLR contribution for 11 trains builds on our investment in 43 new trains for the DLR, taking the total number purchased to 54. It will support or enable the delivery of about 10,000 homes in total. Significant progress has been made in train manufacture and testing, delivery of depot works, and delivery of lineside infrastructure works, with the first new trains set to enter service later in 2024.

Silvertown Tunnel

East London has long been underserved by a lack of suitable river crossings, with serious problems of congestion and delay at the Blackwall Tunnel hampering effective connections. As the Blackwall Tunnel is the only strategic link in the area, there is a lack of resilience when problems occur at this ageing infrastructure.

The Silvertown Tunnel, which is on track to open in 2025, will help reduce congestion and deliver faster, more reliable journeys in east London, including new public transport connections. It will provide better access to jobs, education and leisure and will facilitate more public transport trips in south and east London. By improving the streetscape and freeing up safeguarded land either side of the river, the scheme also supports intensive development around the tunnel portals.

The tunnelling of both bores and the seven cross-passages that will run between the main tunnels is now complete. Activity continues on the cut-and-cover sections of the tunnel, which includes the tunnel entrances, and work is also progressing on the new road layout into the Tidal Basin roundabout in Newham, and link roads into the A102 south of the Blackwall Tunnel.

In order to manage traffic effectively, and deliver the expected economic benefits of the scheme, as well as mitigating environmental impacts, a user charge will apply at both Blackwall and Silvertown Tunnels when the Silvertown Tunnel opens. We have recently (July 2024) begun a consultation on the proposed charge levels and proposed discounts and exemptions.

Alongside the proposed user charges, we have also developed a green and fair package of measures to support residents and businesses to shift to more sustainable alternatives and adapt to the new user charges. This package includes discounts and exemptions for the tunnels user charges and also public transport concessions and new bus services. The discounts proposed include a 50 per cent discount for east London low income residents and a business discount on off-peak charges for certain businesses in the host boroughs.

There will be up to 21 zero emission (at tailpipe) buses per hour crossing the river at peak times, including the existing route 108 service, the extension of route 129 and the new Superloop 4 route, with concessions to support local residents to use these new services, and a new cross-river cycle bus shuttle, free for at least 12 months. A further part of the green and fair package will be free DLR journeys for at least 12 months to support residents making journeys from King George V - Woolwich Arsenal and Island Gardens - Cutty Sark.

Supporting boroughs with bids for new infrastructure funding

The Government launched a Levelling Up Fund of £4.8bn in 2021 to invest in infrastructure to improve everyday life across the UK. In each round of funding availability, we have taken an active role in supporting boroughs and the GLA to bid for this funding.

In the first round, there were three successful transport-related bids for London, with a total of £65m secured for Newham, Ealing and Tower Hamlets.

There were eight successful transport-related bids for London in the second round, of which six were transport related, unlocking a total of £113.8m transport investments. In terms of our ongoing projects, the GLA, in partnership with Waltham Forest, Barnet and TfL, was successful in securing £43m for improvements at two London Underground stations - Colindale and Leyton - which will support new homes and jobs.

Focus On: Colindale and Leyton

The £43.1m from the Levelling Up Fund will match more than £20m in contributions from Barnet, Waltham Forest and private developers to make the two stations step free.

At Colindale station the £29.5m funding package will be used for:

- The construction of a new landmark station building over the tracks
- The installation of a lift to provide street to train step-free access to increase accessibility
- Additional ticket gates in a larger ticket hall to support the growing demand resulting from the regeneration of the area around the station
- Improved safety, wayfinding and passenger experience throughout the station

Colindale is one of London's most deprived areas and the redevelopment of the station will enable 11,400 quality new homes to be built and unlock 2,000 new jobs. Since 2011, Colindale's population has grown by 70 per cent, making the area around the station the second-fastest growing ward in London after the Queen Elizabeth Olympic Park in Newham.

At Leyton station, the £13.7m funding package will be used for:

- Significant upgrades to make the station more accessible and encourage sustainable travel including a new, larger, high quality ticket hall building with additional ticket gates to reduce congestion and meet expected future demand
- Two new lifts and an overbridge to make the station step-free from street to platform for the first time
- An improved station environment leading to an enhanced passenger experience and gateway to Leyton town centre

The improvements will support 2,000 new homes being built near Leyton station with a further 5,300 new homes proposed.

Work started on site at Colindale in January 2024 and is expected to complete by autumn 2025. At Leyton we have also started detailed design work with the construction contract expected to be let by summer 2024, and the new station facilities opening in 2026.

These projects are models for how we want to deliver more step-free access in future, working with partners to fund the projects and stretching our available funding.

The third round of funding was announced in November 2023. London was awarded £29.9m for two transport-related projects, at Croydon and Edmonton. Croydon secured £18m for 'Reconnected Croydon', to develop existing proposals for improvements to the public realm, accessibility and movement infrastructure in the town centre. These seek to address the pedestrian and cyclist severance caused by major transport infrastructure. Enfield secured £11.9m for 'Angel Edmonton', to transform the town centre with a range of Healthy Streets interventions, including new active travel crossings, junction improvements and pedestrianisation.

Sustainable Housing and Accessibility Fund

The Sustainable Housing and Accessibility Fund was established following the conclusion of the Growth Fund in 2022. The Sustainable Housing and Accessibility Fund continues to focus on leveraging third-party funding to deliver additional public transport capacity and step-free access that unlocks and supports sustainable growth. In the current financial climate, we continue to prioritise securing a range of third-party funds. We expect that funded projects will also meet wider objectives around mode shift, equality, decarbonisation and revenue generation.

At a programme level, the Sustainable Housing and Accessibility Fund aims to leverage between £1 and £2 of third-party funding for every £1 we spend. To capitalise on upcoming opportunities, some projects may need greater contributions from us and commitment recognising the operational imperatives - such as safety and reliability - and future fares revenue that they deliver.

The main areas of focus are:

- Housing schemes, where transport plays a key role in the business case, with short-term priorities being Royal Docks and along the London Overground in east London
- Step-free access and station capacity upgrades that leverage third-party funding as part of developer or borough infrastructure funding relating to development
- Standalone TfL-funded step-free access projects that make the network more inclusive and work towards improved journey time and public transport service provision

The Sustainable Housing and Accessibility Fund has a budget of £128m through to 2029/30. This year we have shortlisted the following projects to upgrade: Northolt station; West Hampstead station; North Acton station; and Pontoon Dock station.

Northolt, West Hampstead and North Acton stations were announced in summer 2023 as part of our planned forward programme of step-free access schemes. Northolt was about to enter construction before being stopped by the pandemic. Now, with work to analyse the design and constructability complete and a re-pricing exercise concluded in January 2024, we are recommending that we proceed to construction planned for early 2025. We are also recommending proceeding into concept design for capacity enhancements and step-free access at North Acton and West Hampstead, both of which have considerable potential for external funding and the ability to unlock new homes and jobs.

Supporting the Royal Docks development area

We are working with the Royal Docks Enterprise Zone and London Borough of Newham on the DLR Royal Docks programme to support local regeneration and growth. There are a number of development sites coming forward, including Silvertown Quays. To support this, we propose using the Sustainable Housing and Accessibility Fund alongside third-party contributions to upgrade Pontoon Dock DLR station by providing escalators from ground to platform level, as well as improving the public space beneath the station. Improvements are also being developed for Gallions Reach and Thames Wharf DLR stations that would unlock new homes and wider investment in the area.

HS2 between Euston and Old Oak Common

Following the Government's announcement in March 2023 to delay HS2, work to construct the HS2 station at Euston has been paused. Since then, we continued to engage with HS2 and the other Euston partners, to ensure essential local transport requirements are being considered as part of the design process. This includes the need for a suitably sized and located bus station, upgrades to London Underground stations, and Healthy Streets improvements to support people walking and cycling to and from Euston station. In October 2023, the Government announced its Network North plan, which removed £6.5bn of public funding from the Euston HS2 campus. We, alongside the Mayor of London, have continued to stress to Government the vital importance of HS2 reaching Euston to London and the wider UK economy.

We are also working with the London Borough of Camden on an updated Euston area plan, which will set the planning framework to support the delivery of Good Growth on the site. Work is currently underway to determine how many new homes and jobs could be supported at Euston following HS2's revised plans for the station.

Old Oak Common is set to become a new transport super-hub and is expected to act as the temporary London terminus for HS2 services until Euston station is complete. To enable HS2 services at Old Oak Common, significant enhancements are required to Elizabeth line services to accommodate the expected levels of demand. This applies particularly to interchanging HS2 and Great Western Main Line passengers, as well as to people in nearby developments. Key enhancements include the provision of adequate accessibility at the station with the provision of level boarding on Elizabeth line platforms and an increased Elizabeth line service frequency. This has been supported by the Government approving new funding for the delivery of ten additional Elizabeth line trains to support growing passenger demand. Surface transport improvements are also required to enable people to walk, cycle and take buses to and from the site.

The station sits within the Old Oak and Park Royal Opportunity Area, which has been identified as having the potential to accommodate a minimum of 25,500 new homes and 65,000 new jobs. More specifically, it sits within the area identified by the Old Oak and Park Royal Development Corporation as 'Old Oak West', which stretches from Willesden Junction station in the north, to North Acton in the south. This encompasses sites that could accommodate approximately 6,900 new homes and 22,400 jobs, most of which would be within walking distance of the new HS2 station. Additional transport improvements will also be required in the wider area to support this growth and ensure it can be delivered in a sustainable way. This includes the potential upgrade of North Acton station (subject to funding), which forms part of our current step-free access programme.

5.2.3. Continuing work on future projects

DLR to Thamesmead

We are working with partners to unlock growth in Beckton Riverside and Thamesmead. Improvements to public transport are needed to unlock up to 25,000-30,000 homes, support up to 10,000 jobs, and transform two major brownfield sites. Thamesmead and Beckton

Riverside sit at the heart of the largest concentration of Opportunity Areas and are a priority for regeneration and economic development in the Thames Estuary.

We submitted a strategic outline case to the Government in May 2023 that outlines how we can address the transport and housing challenges across the area. This was developed and supported by the partnership in place with the GLA, Royal Borough of Greenwich, London Borough of Newham, Homes England, the Department for Levelling Up, Housing and Communities, the DfT, and three major landowners.

The proposal is to extend the DLR from Gallions Reach to a new station at Beckton Riverside, a tunnel under the Thames and a proposed new station at Thamesmead. This would improve connectivity and cross-river access in an area with limited river crossings as well as creating greater orbital connectivity across the sub-region.

Beckton Riverside and Thamesmead Waterfront are currently poorly served by public transport. The proposal would provide direct rail access to unlock a long-term growth vision, and better access to London’s rail network providing better access to jobs and London’s employment centres.

Since we submitted the strategic outline case, the then Secretary of State for Levelling Up, Housing and Communities announced support for a ‘Docklands 2.0’ vision for up to 65,000 homes across Beckton Riverside, Thamesmead and Silvertown, in July 2023. This vision is underpinned by improved east to west transport connections. We are continuing to work closely with all partners to deliver and support this vision.

We carried out a public consultation on the proposals between January and March 2024, which included engagement events at Beckton Riverside and Thamesmead. We received 1,283 responses, including from 29 stakeholder groups. Feedback was generally positive from both stakeholders and the public, with the majority feeling that the proposals would make travel into and around the wider east and southeast more convenient and quicker. Respondents from Thamesmead particularly supported the prospect of improved transport connections to employment hubs such as Canary Wharf. Polls of local people in Thamesmead, Abbey Wood, Beckton and Gallions Reach during the consultation period found that 85 per cent of people supported the proposals, with only four per cent opposing them. All feedback will be used to shape any future proposals, and we plan to publish a consultation report and response to issues raised later in summer 2024.

Thamesmead bus transit

In July 2023, the Government announced the Brownfield, Infrastructure and Land fund to unlock development sites across England with an infrastructure-led approach. The Government allocated £150m to London via the fund to unlock housing in the Docklands 2.0 area.

The Thamesmead bus transit has been allocated £23m, subject to business case approval. The scheme would operate along a 6.5km corridor, linking existing communities and key development sites in Thamesmead with local town centres and rail interchanges, particularly the Elizabeth line. There is a package of measures to improve the bus corridor between Woolwich, Thamesmead and Abbey Wood, including bus priority, improved bus facilities, and improving the environment for active travel. It has the potential to support new homes along the corridor.

We are working with the Government and borough partners to further the scheme and to develop the business case for Homes England's approval. Subject to business case approval, we plan to consult on the proposals later in the year.

West London orbital

We are working closely with the West London Alliance and associated boroughs to develop the case for the West London orbital. The proposed London Overground service would use existing underused rail lines across the boroughs of Barnet, Brent, Ealing and Hounslow. This orbital link would significantly speed up public transport connectivity in the area, provide an alternative to the congested parallel A4 and A406 North Circular corridors, and support sustainable housing growth and jobs across west London. It would also offer interchange opportunities with the Elizabeth line and HS2 at Old Oak Common, providing an additional rail option for HS2 passengers. The West London orbital is estimated to support the development of 15,800 new homes.

We have been working with the boroughs and Network Rail on the feasibility design stage of the scheme which is nearly complete. Subject to funding for further development being secured and the conclusion of assessment of the case for the scheme, the next phase of design work will begin later this year, which will include developing the options. Funding would be required from local sources as well as from central Government to deliver the project.

Bakerloo line extension

Extending the Bakerloo line would provide a step change in public transport capacity, connectivity and accessibility across southeast London. Once complete it would connect a historically under-served part of London to the Tube network, unlocking more than 25,000 homes and 5,000 jobs along the Old Kent Road and the wider southeast corridor; relieving congestion on London's roads and bus services; improving the capital's air quality; and reducing journey times across the city.

The project is not currently funded but the route of the scheme from Lambeth North to Lewisham has been safeguarded for future delivery by the Secretary of State for Transport. The station capacity upgrade currently under construction at Elephant & Castle will include specific infrastructure to provide for an interchange to a future extension. Feasibility work funded by us and the London boroughs of Lewisham and Southwark continues to progress the scheme through ongoing design development to support future delivery. We continue to work with Lewisham, Southwark and Central London Forward to explore potential funding options for the scheme, building on recent funding commitments made by the boroughs towards future delivery.

Crossrail 2

The proposed railway linking the National Rail networks in Surrey and Hertfordshire via an underground tunnel through London. This new railway would improve access across London and the wider South East with communities on the corridor gaining new direct, faster and less-crowded connections into London, leading to transformative changes in jobs and homes opportunities.

Crossrail 2 could support 200,000 jobs, spur the development of 200,000 new homes across the region and increase London's rail capacity by 10 per cent. Its impact would be felt across the wider South East and beyond, cutting journey times in an area from the South Coast and stretching up to East Anglia and the Midlands.

In October 2020, as part of the TfL Funding Agreement, a decision was made to pause further work on the design and development of Crossrail 2. The work done so far was fully documented so that we could restart the project in the future.

We continue to manage the Crossrail 2 Safeguarding Directions on behalf of the Secretary of State for Transport and work with stakeholders whose developments are affected by the Safeguarding. This is to ensure we can continue to protect the route until the railway can be progressed.

Stratford station improvements

Stratford is one of London's strategic interchanges. It offers exceptionally high levels of connectivity across a range of public transport modes. Improvements to services at the station have facilitated and responded to the regeneration of the town centre and Queen Elizabeth Olympic Park, enabling the delivery of thousands of new homes and workplaces, as well as new educational, cultural and leisure facilities.

Due to existing and planned growth, Stratford station is forecast to experience congestion, delays and worsening journey times, especially during peak periods. Together with rail industry stakeholders, we are investigating and implementing short- and medium-term interventions to divert passenger flows from pinch points at entrances, ticket halls, subways and staircases. This includes a new southwestern entrance, scheduled to open in spring 2024.

We are also working with the London Legacy Development Corporation, Network Rail, London borough of Newham and other stakeholders to continue the development of the Strategic Outline Business Case for further enhancements. Consultants have now been appointed for a year-long programme of work to consider the scale of the challenge, design options and a funding package to enhancements identified. Beyond station capacity, other key considerations include enhancements to the passenger experience, accessibility, inclusion and local connectivity.

Metroisation and devolution

Many Londoners continue to rely on suburban rail services outside of TfL's control. The Mayor is committed to exploring options for the devolution of some rail services from the

DfT's model to TfL's as well as wider infrastructure improvements in order to improve services for customers. Our work on this proposal aims to define what elements of Metroisation could be delivered and by when and updating its strategic case. Metroisation and devolution can occur separately, but devolution could put us in a stronger position to realise the benefits of Metroisation including unlocking new homes that London needs.

Metroisation would be an incremental but radical reshaping of the National Rail network. This could include:

- Predictable, 'turn-up-and-go' services: identifiable 'lines', consistent stopping patterns, even intervals
- Better connections: higher frequencies and upgraded interchanges
- More capacity: longer trains, new infrastructure and simpler service patterns
- Shorter journey times: trains that accelerate and decelerate faster and wider doors for efficient boarding and alighting
- More reliable services: simplified service patterns
- Better customer service and experience: as per the London Overground

Devolution to London Overground and the Elizabeth line have been rail success stories which have led to higher usage, higher levels of passenger satisfaction, and more reliable services (Table 4). It has helped embed heavy rail services within wider public transport networks and achieve broader plans for housing, productivity and decarbonisation.

Table 4: London Overground performance comparison

Note: On like-for-like basis, that is North London Line, West London Line, Euston-Watford, Barking-Gospel Oak (^) 2020 score National Passenger Survey (paused during the pandemic)

	2007	Now	Change	London & south east Train Operating Companies now
Usage (trips)	33 million	100 million	+ 200%	+ 24%
Customer satisfaction	58	87(^)	+ 29 percentage points	82
Fares evasion (%)	11%	3%	-8 percentage points	n/a

Great Northern services from Moorgate would be the simplest to consider for devolution and there is some scope for frequency enhancement within the existing train fleet due to lower service patterns since the coronavirus pandemic. Southeastern would also be possible though there would likely be more significant capital and operating cost needed to achieve improved services.

London needs to deal with a sharp jump in the gap between identified housing supply and demand as we start to plan for the 2030s. Transport improvements are critical to plugging this gap but there are relatively few major schemes that can help us tackle this challenge. The Metroisation proposals serve housing sites identified in 2017 with capacity for around 60,000 new homes (excluding sites with planning permission). Higher frequency services could both accelerate and increase housing delivery further by enabling greater development densities. There is a wider opportunity for Metroisation to influence the housing approach in the next London Plan, which could further increase this housing potential.

5.2.4. Places for London: New homes and jobs on our land

Places for London is a commercial property company wholly owned by TfL which aims to deliver new homes and provide new offices on our land.

New homes

We will soon reach the milestone of completing our 1,000th new home with our first blocks at Kidbrooke in Greenwich.

We now have more than 4,300 homes under construction or completed, of which 47 per cent are affordable. In 2024/25 we expect to submit applications for up to a further 8,600 homes, including around 3,500 in the Edgware town centre in Barnet and 4,000 at Earls Court/Lille Bridge Road Depot in Kensington and Chelsea, and Hammersmith and Fulham.

Planning permissions that were granted last year included:

- 50 homes (36 per cent affordable) at South Kensington station in Kensington and Chelsea, following a successful planning appeal
- 351 build to rent homes (40 per cent affordable) at Cockfosters in Enfield
- 74 homes (100 per cent affordable) at Snaresbrook station in Redbridge

Our joint venture partnership with Barratt London is making great progress. Together, we have built 350 homes, including 50 per cent affordable housing, at Blackhorse View in Waltham Forest, completed last year. After partnering with Barratt London in 2017, we welcomed the first residents of the initial phase in 2021 and all the homes are now sold. Throughout construction we supported around 300 new jobs, including apprenticeship opportunities, and 25 per cent of those employed came from within the local borough – homes built for Londoners, by Londoners.

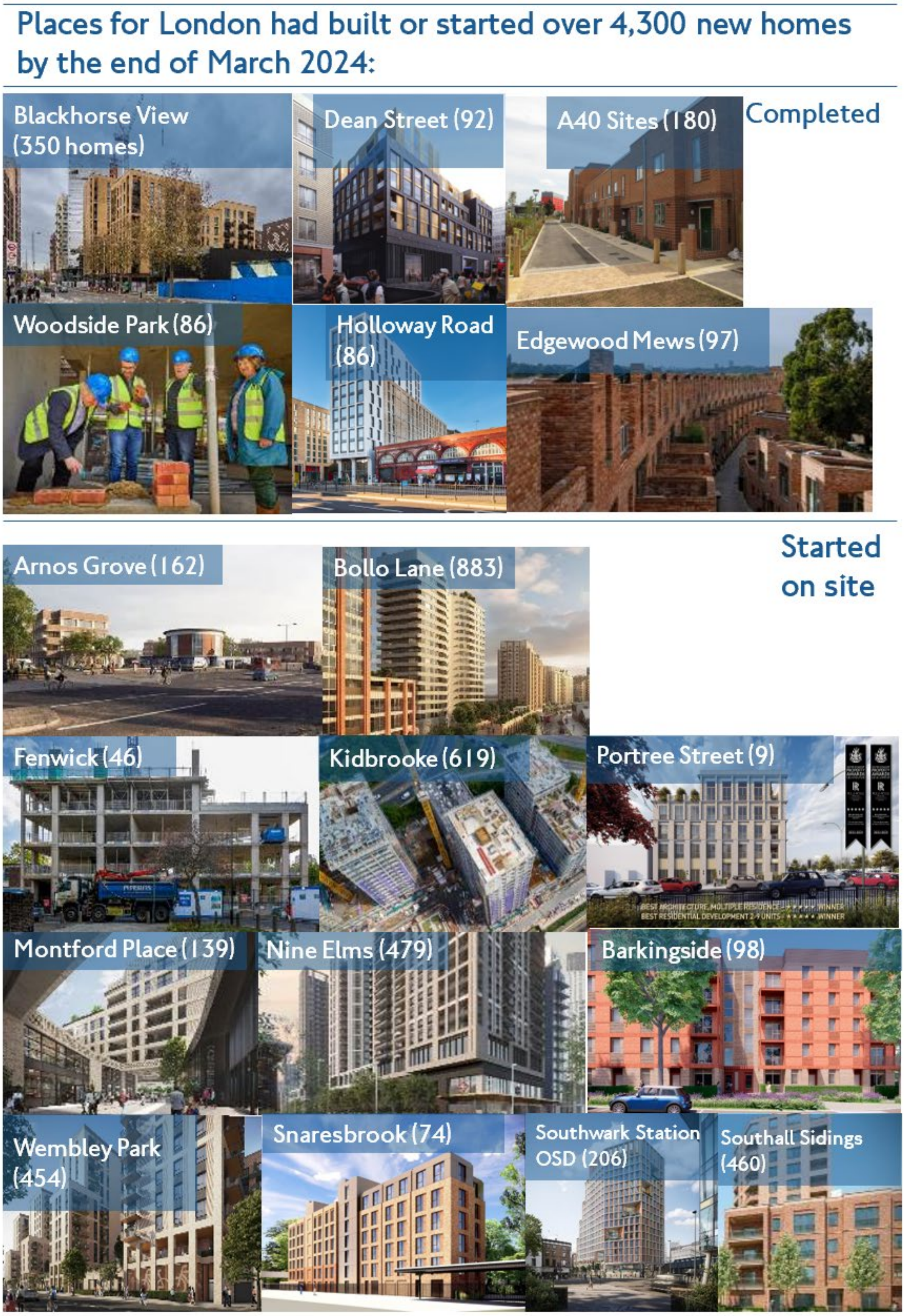
Following the success at Blackhorse View, construction is advancing at our second project with Barratt London at Wembley Park in Brent, delivering 454 homes (40 per cent affordable). We expect to start at Bollo Lane in Ealing in 2024, which will provide up to 900 highly sustainable homes (50 per cent affordable) within a very high-quality setting and with new north-south pedestrian and cycle links. Working alongside Barratt London, we could deliver an additional 2,300 homes over the next 10 years taking the total number of homes delivered through the partnership beyond 4,000.

On other sites, Pocket Living completed its scheme at Woodside Park station in Barnet last year, which delivers 86 new homes, all of which are affordable. We are nearing completion of 46 new homes (100 per cent affordable) at Fenwick in Lambeth, with internal electricals and fit out now underway. Countryside Partnerships, with Peabody, has started building 98 new homes (100 per cent affordable) at Barkingside station in Redbridge. Work on the nine homes at one of our small sites at Portree Street in Tower Hamlets also started last year.

Fire safety and the new Department for Levelling Up, Housing and Communities requirements for second staircases in buildings more than 18 metres high has meant delays to a number of projects, some of which had already started on site. These projects are being redesigned and will need new applications or amendments to existing consents. Projects that are being redesigned within our build to rent partnership with Grainger PLC (Connected Living London) include 162 homes at Arnos Grove in Enfield, 139 homes at Montford Place in Lambeth, 479 homes at Nine Elms in Lambeth and 460 homes at Southall Sidings in Ealing. We are also looking again at Cockfosters in Enfield where we have planning permission for 351 homes but are awaiting a decision from the Department for Transport before proceeding. Our project with Berkeley for 523 homes at Armourers Court in Greenwich is also being redesigned to accommodate two staircases within each of the four towers.

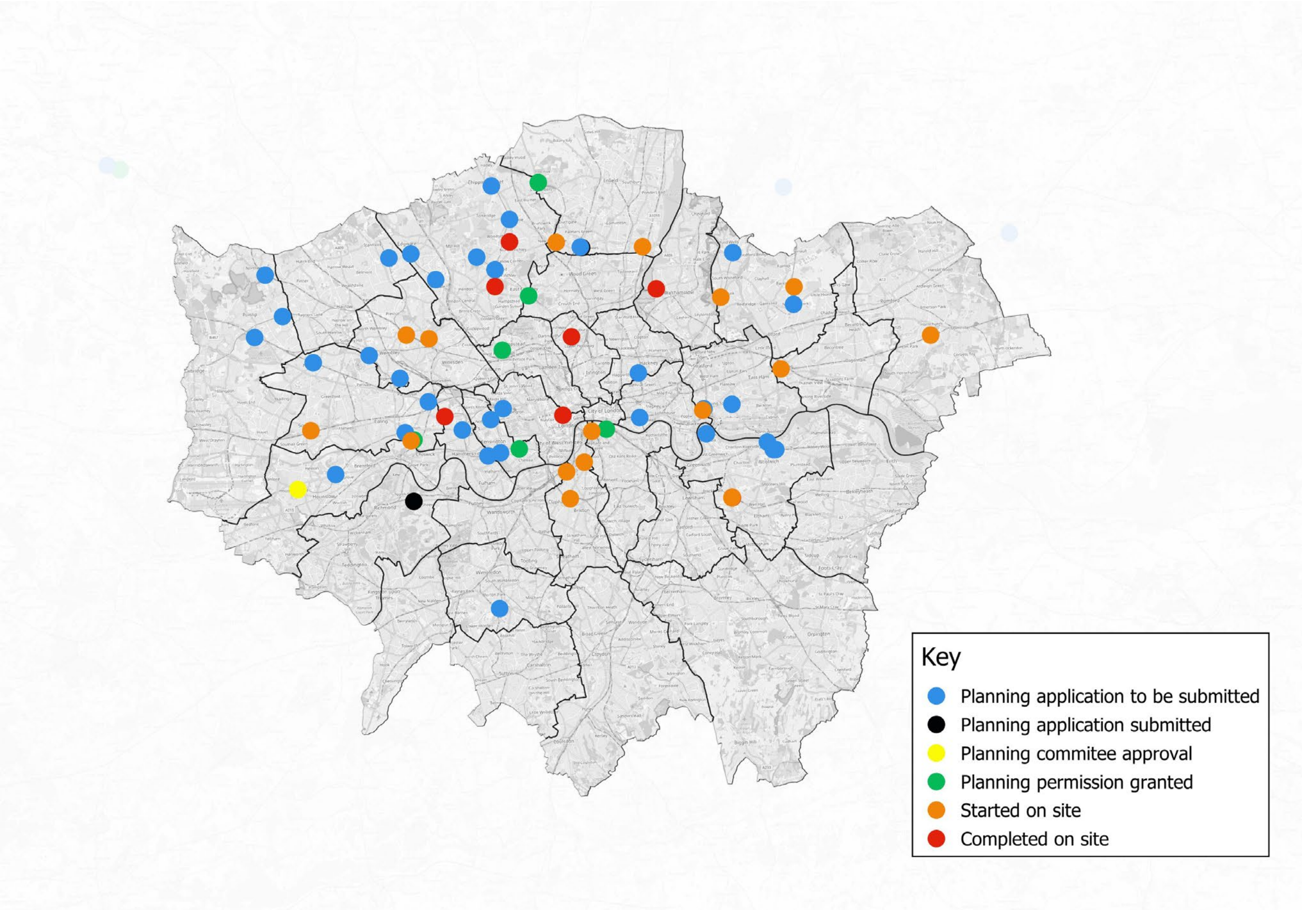
Last year, we announced a major strategic partnership with Network Rail that aims to accelerate the delivery of regeneration and development activity across London, particularly where there are TfL or other public sector landowners adjacent. It combines our expertise, experience and knowledge, enabling us to unlock the potential of sites near railways and develop thousands of new homes on sites they own.

Figure 45: Places for London developments under construction and completed as at 31 March 2024. Source: Places for London



Across London, Places for London has a significant pipeline of sites, shown in Figure 46, which will enable us to start building 20,000 homes by 2031.

Figure 46: Places for London's housing sites as of 31 March 2024. Source: Places for London



We have agreed a portfolio approach with the Mayor which ensures we are delivering an average of 50 per cent affordable housing across our Homes for Londoners portfolio. We remain committed to delivering our full housing programme as soon as possible, and is working with the GLA, developers and boroughs to make sure that it can build the homes our city needs in a safe, responsible and transparent way.

All projects in the programme will be rigorously reviewed to ensure they achieve the highest levels of sustainability in line with our Sustainable Development Framework. This framework is a metric-driven approach to optimising, specifying, delivering and monitoring best-in-class sustainability performance across the development portfolio. In terms of energy and carbon reduction, this means an average reduction of emissions compared to building regulations by 55 per cent (and up to 80 per cent on some projects), which significantly exceeds the London Plan requirement of 35 per cent. We are implementing our net zero carbon roadmap and delivery plans, including retrofitting.

Our sites are mostly located adjacent to or, in some cases, directly above public transport infrastructure including stations, sidings, and bus depots and garages. Where we can, we are prioritising investment to unlock substantial public transport enhancements, and to integrate existing public transport into our new developments. This includes step-free access, new cycle hubs, improved and safer public spaces and supporting the electrification of the bus fleet.

To build 20,000 homes, create sustainable, flexible and connected workspaces and unlock more of our property portfolio, we rely on people who are skilled, experienced and trained. We have introduced skills and education programmes to energise the property industry with new talent and inspire the next generation of city-shapers and place-makers. Together with our partners, and by working closely with The Skills Centre, we have trained more than 5,000 people across a network of centres. This includes the Earls Court Skills Centre, which opened last year with the Earls Court Development Company, which provides a transformative programme of future-focused skills and training in the clean and climate technology sectors. More than 2,100 of those trained have progressed into work, and 50 per cent are from under-represented groups as we believe the people who build our city should reflect our city.

We have a network of training centres across London. As well as our flagship centre, Build East, a collaboration with the London Legacy Development Corporation at Queen Elizabeth Olympic Park, a new centre in Edgware, the first of its kind in north London, will open in May 2024. Our centres provide a transformative programme of future-focused skills and training to equip the next generation of workers with vital skills across the built environment and construction sectors.

In February 2024, we created a partnership with Construction Youth Trust to help bring schools, employers and students together. Over the next three years, we will – along with our development partners – work together to engage more than 6,000 young people and directly support 250 of them into our built environment career opportunities.

New jobs

We are working with Helical, our Platinum Portfolio joint venture partner, to bring forward the delivery of around 600,000 square feet of high-quality development with best-in-class environmental and wellbeing credentials, located near stations in central London. The portfolio encompasses developments over the stations at Bank, Southwark and Paddington. The joint venture took control of the site above the new Bank station entrance in early June and should start main construction works at the end of 2024/25.

In 2024, the Earls Court planning applications will provide for around 2.5m square feet of new workspace supporting the climate technology market, creating a workspace ecosystem supporting startups, scale ups and multinationals, designed to foster collaboration and innovation.

We are also exploring the potential for our estate to create new industrial workspaces across London. We also continue our programme of repairing and refurbishing our arches and other existing commercial properties to help create lively urban communities with economic and cultural activity that is connected and accessible.

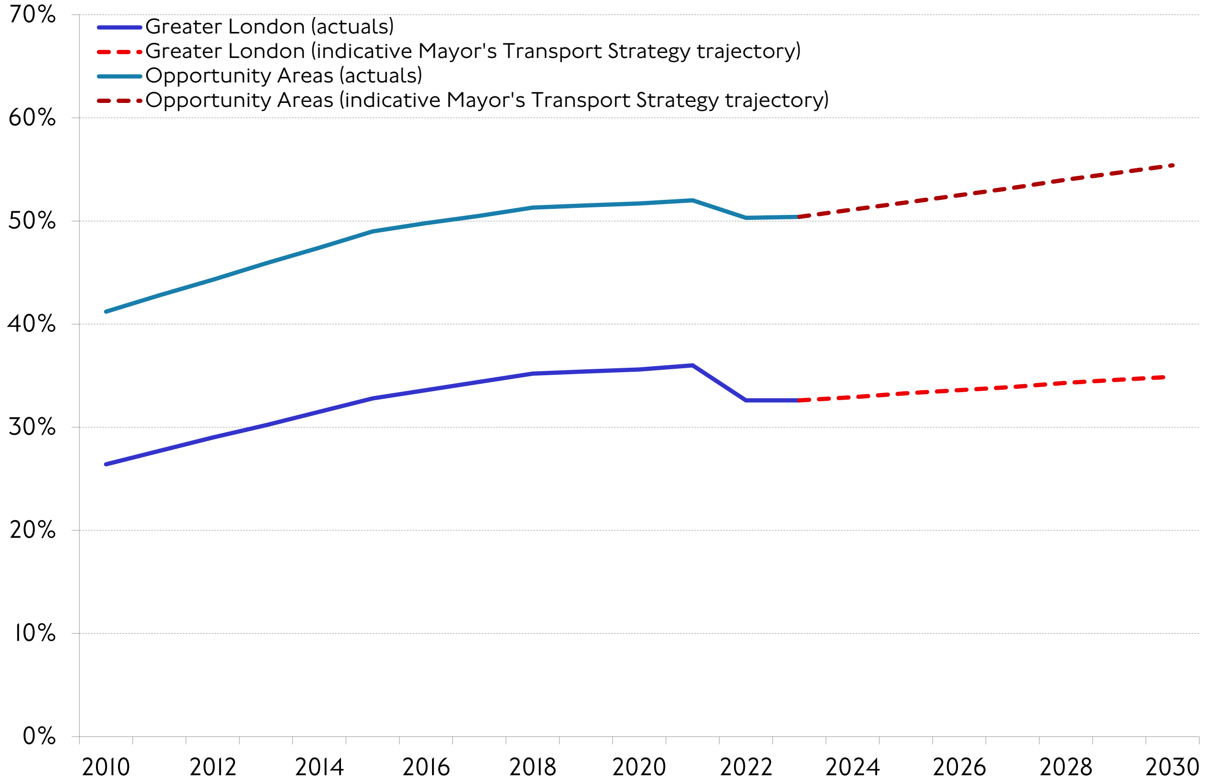
5.3. Progress against our aims

While the overall delivery of homes and jobs in London and fixing the housing crisis is not within our direct control, we make investments and interventions and set policy that directly unlock particular areas of development, support intensification more widely, and enhance the sustainability of new developments.

The Mayor’s Transport Strategy sets an ambition to increase the number of Londoners living in areas that are well connected by public transport – as measured by the Public Transport Access Level (PTAL). We have developed a measure of the proportion of Londoners living in areas with a PTAL of four or higher, both in Greater London and specifically in Opportunity Areas, where substantial housing growth is expected.

Before 2022 the proportion of London residents and residents of Opportunity Areas living in PTAL 4-6b areas had been steadily increasing, because of improvements to the public transport network as well as delivery of homes in well-connected locations. However, in 2022 the proportion of Londoners living in PTAL 4-6b declined, likely mainly due to post-pandemic timetable changes on the National Rail network and, to a lesser degree, on changes to the bus network. This has continued into 2023, resulting in a similar proportion of Londoners living in PTAL 4-6b compared to 2022. We will explore if changes to the distribution of population have also had an effect.

Figure 47: Mayor’s Transport Strategy Tracker for Sustainable & Unlocking: Proportion of the population living in areas of high PTAL (4-6b), London’s Opportunity Areas versus Greater London, 2010-2023 and indicative Mayor’s Transport Strategy target trajectory to 2030. Source: TfL



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As new homes are built in London, we expect improvements in this metric but to achieve the Mayor's Transport Strategy trajectory, housing delivery must accelerate alongside enhancements in the transport network to unlock new sites and provide new connectivity. Achieving this metric would also have implications for mode share, as referenced in section 2.4 of this report, as people in new, dense developments are more likely to use active and sustainable modes.

6. Future delivery of the Mayor's Transport Strategy

The preceding three chapters outlined our progress against Mayor's Transport Strategy outcomes and the level of change needed by 2030 to remain on track to meeting 2041 ambitions, based on a straight-line trajectory. These are summarised in Table 5, alongside Planning and Hybrid Forecasts where available. The Planning and Hybrid Forecasts contain the same portfolio of investment limited to only those schemes that are funded and committed.

The forecasts demonstrate uncertainty over the period to 2030 and can be used to understand where, based on committed and funded schemes, we are in relation to the indicative Mayor's Transport Strategy straight-line trajectory in 2030. This shows that significant progress will be required this decade to remain on the trajectory towards the 2041 aims, based on the assumption that the rate of progress will be even between the 2020s and 2030s.

The Mayor's Transport Strategy outcomes are closely interlinked and progress on any metric will help to facilitate progress on others – safer and more connected streets will enable Londoners to use active, efficient and sustainable modes more often. With this in mind, we have identified three key areas for action in the immediate term:

1. Improving bus journey times
2. More progress on safety
3. Continuing investment

These areas are important as slower bus journey times mean fewer people travelling by bus, which may lead to more people travelling by car thus increasing traffic. In turn this slows buses further as well as increasing emissions and road danger. Slower buses also mean less revenue to reinvest in the network and more vehicles needed to maintain schedules which is resource that could otherwise have been used to enhance our services elsewhere.

Table 5: Mayor's Transport Strategy Tracker. Source: TfL

Note: Forecast data is provided for those metrics which can be modelled in our Planning and Hybrid Forecasts

Outcome	Measure	Latest achievement (2023 unless specified)	Indicative Mayor's Transport Strategy trajectory (2030)	Forecast (2030)
Mode share	Percentage of trips by active, efficient and sustainable modes	64.2%	70.3%	Planning: 64.6% Hybrid: 63.4%
Active	Percentage of Londoners doing 20 min active travel per day	38% (2022/23)	51%	Planning: 41% Hybrid: 38%
Safe	Number of people killed or seriously injured on London's roads	3,709	1,461	n/a
Safe	Number of people killed or seriously injured on or by a London bus	258	157	n/a
Safe	Customer and workforce killed or seriously injured	219	134	n/a
Efficient	Number of car trips crossing strategic cordons	Central: 0.50m Inner: 1.28m (2022) Outer: 1.96m	Central: 0.47m Inner: 1.04m Outer: 1.83m	n/a
Green	Average roadside NO_2 concentration in central, inner and outer London	Central: 33.7 µg·m-3 Inner: 28.9 µg·m-3 Outer: 26.0 µg·m-3	Central: 26.1 µg·m-3 Inner: 22.0 µg·m-3 Outer: 19.1 µg·m-3	n/a

Outcome	Measure	Latest achievement (2023 unless specified)	Indicative Mayor's Transport Strategy trajectory (2030)	Forecast (2030)
Green	All CO_2 emissions from London's transport network	5.72m tonnes (estimate)	4.19m tonnes	Planning: 4.17m tonnes Hybrid: 4.06m tonnes
Connected	Percentage of Londoners living within 400 metres of a bus stop	96.7%	96.7%	n/a
Accessible	Percentage reduction in additional journey time by step-free routes	-37%	-46% (MTS) -50% (accelerated target)	Committed schemes: -44%
Quality	Percentage of rail travelled km in crowding above two persons per square metre	2.0%	4.4%	n/a
Quality	Average bus speed	9.3 mph (2023/24)	10.2 mph	Planning: 9.5mph Hybrid: 9.3mph
Sustainable & Unlocking	Proportion of population living in PTAL 4 or higher, in Greater London and Opportunity Areas	London: 32.6% Opportunity Areas: 50.4%	London: 35% OAs: 56%	n/a

6.1. Improving bus journey times

Winning more customers to the bus is central to reducing traffic. Customer insights tell us that bus journey times matter to our bus customers and are a key factor in what mode they choose. However, the recent trend in London has been a decline in bus speeds. There has been a clear correlation between deteriorating average bus speeds and declining bus demand, with research showing that a 10 per cent increase in journey times can lead to a six per cent fall in bus demand.

Customer satisfaction is not just about the time spent in the vehicle but also the wait time at the stop, the need to allow extra time for variability caused by unreliable services, and the level of crowding which can make journeys feel longer, as well as interchange time between services. Improving our customer offer means addressing all these elements.

Despite significantly scaling up our bus priority delivery programme and Network Operating Strategy in 2023/24, bus journey times have been increasing across London since traffic demand began returning following the pandemic. To address and help to reverse this trend, we have identified a number of cross-cutting workstreams aimed at improving bus journey times that will support the Mayor’s new commitment to cut bus waiting times. Key actions in the year ahead are set out below.

Efficient operations

Through our operation of the road network, we will deliver a range of interventions to improve bus journey times. These include optimising traffic signals, better co-ordination of roadworks, monitoring and enforcing road operations and wider strategic initiatives involving our bus operations and lane rental scheme. We will monitor the impact of these initiatives on bus speeds and work with bus operators to ensure bus schedules are flexible and aligned to conditions on-street.

Bus priority infrastructure

A fundamental part of improving customer journey times is ensuring an efficient street network for buses to run freely and without additional obstacles resulting from congestion, parking or other kerbside activity. This requires action from both us and London’s boroughs, because boroughs are responsible for 95 per cent of the road network, including 70 per cent of the most important streets for buses.

In 2024/25 we will continue to deliver bus priority infrastructure, notably working on the remaining 15km of bus lanes towards our target of 25km of new bus lanes by 2025. This will be both on our roads and funding boroughs to deliver bus lanes on their networks. Looking beyond this, we will support boroughs to plan the next generation of bus priority through their three-year Local Implementation Plan delivery plans (2025/26-2027/28). This will involve supporting the boroughs to deliver a range of bus priority infrastructure, including ambitious schemes such as bus gates, pinch point removal, delivering new bus lanes and extending operating hours and removing parking in existing bus lanes.

We will embed new monitoring approaches to build our understanding of the impact of bus priority schemes on bus speeds and journey time reliability. We will look for opportunities to use monitoring data as a basis for further activity to maximise scheme impacts whilst considering impacts on wider Healthy Streets outcomes. For example, bus lanes in London have been found to provide better levels of safety for people cycling than either general traffic lanes or advisory cycle lanes.[8]

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[8] Cycling Injury Risk in London: Impacts of Road Characteristics and Infrastructure | Published in Findings (findingspress.org)

Enhancing the Superloop

Building on the success of the Superloop, we will continue to develop bus priority on the road network used by Superloop routes working with boroughs as well as continuing feasibility studies of bus priority along our roads on these routes.

We will also continue to work with boroughs to investigate highway schemes to unlock more direct bus routes, in particular for the new Superloop routes to minimise journey times between express stops.

Waiting and Interchanges

Time spent waiting for a bus is typically much shorter than time spent on the bus, but can feel almost as long and dissuade people from travelling, so improving the experience at stops is an important part of minimising the perception of journey time. To address this, we will continue to improve the experience for customers waiting at our bus stops by introducing hundreds of innovative displays to provide live bus arrival information.

Interchange is another component of journey time spent outside the bus and can sometimes feel like a hassle, especially if it is not well designed. So, we will continue to improve wayfinding signs at our shelters, bus stations and Underground and rail stations to make it easier for customers to interchange between modes.

6.2. More progress on safety

Our Vision Zero ambition is that no one should be killed or seriously injured on London’s streets or on our transport network. Achieving this ambition is a critical, long-term undertaking that will not only help achieve the Safe outcome of the Mayor’s Transport Strategy but will make sustainable travel more attractive to all.

Around 70 per cent of deaths and serious injuries in London take place on borough roads, so the strategic partnership between us, the police and London boroughs is the foundation of our approach to achieving Vision Zero. We commend the work done by boroughs over many years to reduce road risk in their areas and to lead the way with key interventions such as area-wide 20mph limits, safer cycling infrastructure and School Streets. Borough ambition for Vision Zero is very clear in many Local Implementation Plans, and as boroughs start to write their new three year delivery plans we will work with them to deliver meaningful progress to reduce the number of people killed or seriously injured.

In the coming years, we will continue to make junctions safer and enhance our cycling network, complemented by communication campaigns and improved safety camera provision. Our new Bus safety strategy guides our work towards the elimination of death and serious injuries involving buses – both inside and outside the bus. This includes further work in developing our Bus Safety Standard, trialling fatigue detection technology and working towards fitting intelligent speed adaptation to more buses, as well as investing in bus driver welfare. In 2024 we will also implement the next phase of the DVS, which reduces the danger HGVs pose to others on the road.

To accelerate our progress towards the 2030 interim Vision Zero target for road risk (reducing the number of people who are killed or seriously injured by 70 per cent against 2010-14 levels) we will need to ensure continued focus on delivery of our evidence-led Vision Zero action plan. We are beginning work on identifying the scale of ambition needed to meet our 2030 interim target.

Progress in improving vehicle safety also relies on legislation and further development by manufacturers. We continue to encourage central Government to adopt vehicle safety regulatory standards that encourage the safest vehicle technologies and features available through alignment with the European General Safety Regulation.

We must continue to reduce dangerous behaviours and better protect people when they are most at risk, such as walking, cycling or riding a motorcycle. Working with the MPS, our new and enhanced enforcement capacity will enable one million more offences to be enforced by 2024/25. We also need to prioritise road safety investment to help reduce the gap in road safety outcomes in areas of high deprivation, inequality and vulnerability.

Alongside the targeted safety measures described in this report, traffic reduction remains one of the most effective ways of reducing the number of people killed or seriously injured on our roads, particularly in residential neighbourhoods. Lowering traffic speeds is also critical because it reduces the likelihood and severity of collisions that may occur and will continue to be an important intervention on both our and borough roads in the future.

To achieve Vision Zero on the public transport network, we are prioritising action on those risks that lead to the greatest number of injuries and harm, as well as continually improving the foundational activity of controls and operational processes that prevent harm from occurring. In June 2023 we launched our internal TfL Strategy, and accompanying roadmaps, setting out what, how and when we will deliver key projects, programmes, and milestones each year to support our and the Mayor’s longer-term outcomes. In 2024/25 we will ensure these actions are embedded across the organisation, putting in firm foundations for delivering on safety, such as new training for managers and digitised Rulebooks for colleagues.

6.3. Continuing investment

Through sustained focus on reducing costs and rebuilding our ridership following the pandemic, we are now on track to be financially sustainable in terms of our day-to-day operations. However, additional Government support for capital investment in transport remains critical in being able to continue to deliver vital improvements to London’s transport network, unlock new homes and support growth across London and the UK.

We commissioned an economic impact analysis of our UK-wide supply chain, which shows the positive economic impact that investment in London's public transport system has across the country as a whole. In 2022/23, we invested £6.5bn with more than 2,000 suppliers. This yielded substantial economic benefits, including a total gross value added of £5.9bn to the UK economy and supporting more than 100,000 jobs nationwide.

In December 2023, we welcomed £250m of Government capital funding, which enables us to continue to deliver our major rolling stock and signalling programmes in 2024/25, and the £23m in the Autumn Statement for funding a new bus network in Thamesmead. However, longer-term funding certainty, which most other major cities have into the next decade, is still needed, and we look forward to future discussions with Government on this.

7. Conclusion

As was the case last year, we have continued to see a recovery in travel demand as we move further away from the impact of the coronavirus pandemic, but we cannot yet say that there has been a full recovery. At the same time, and as the programmes arising from the Mayor's Transport Strategy have matured, we have seen progress compared to last year on many of the outcomes, including mode share and safety; and notably strong progress on air quality since 2016.

Travel demand continues to recover across almost all public transport modes compared to last year, although these are still below pre-pandemic levels. Traffic congestion remains high and road traffic volumes are around 90 per cent of 2019/20 levels. The pandemic has clearly affected some travel patterns, with greater recovery of pre-pandemic demand on the Tube at weekends and between Tuesday and Thursday, compared to Monday and Friday. Notable, and welcome among the pandemic legacies, is a significant increase in cycling trips at 6.3 per cent increase compared to 2022.

In terms of impact on the active, efficient and sustainable mode share, for which the Mayor's 2041 target is 80 per cent – there has been an encouraging increase to 64.2 per cent in 2023, an increase on the 62.3 per cent in 2022. That said, the overall number of trips being made, including public transport trips, remains below pre-pandemic levels, and therefore progress on this metric – even as cycling trips have increased – has been hampered. Other factors, including the cost of living, hybrid working and a lower than forecast population have also affected travel patterns and are likely to continue to do so.

An important achievement this year was the expansion of the ULEZ across all London boroughs in August 2023, alongside a series of measures to support Londoners including a £210m scrappage fund which included an additional recent option to donate vehicles to Ukraine. Although it is too soon to fully assess the air quality impacts, the vehicle compliance rate is now 95.8 per cent, and the previous central and inner London iterations of the scheme have contributed as part of a wider package of measures to annual roadside nitrogen dioxide concentrations in London dropping by almost half (49 per cent) in the period between 2016 and 2023. Currently, over 17 per cent of the bus fleet operates with zero-emission buses, and we exceeded our target of having 1,400 zero emission buses by the end of March 2024 and are on track to have a fully zero-emission bus fleet by 2034, with opportunities being assessed to accelerate to 2030.

Our programme continues to reflect the close relationship between land-use and transport and the need to unlock sustainable jobs and homes across the capital, both by enhancing connectivity and by delivering Good Growth. This year we enhanced London's bus network, especially in outer London and have delivered the Superloop in stages. Housing remains one of London's greatest challenges and last year our property company, Places for London, will soon reach the milestone of 1,000 new homes and has built or started more than 4,300 new homes with a target of 20,000 by 2031.

In December 2023, we welcomed £250m of Government funding, which enables us to continue to deliver our major rolling stock and signalling programmes in 2024/25, and the reference in the Autumn Statement for funding a new bus network in Thamesmead. However, the need to secure long-term funding persists and despite recent DLR and Piccadilly line train upgrades, we lack the funding to replace other Underground and Tram stock, which cannot be paid for from revenue alone.

We continue to invest in the Healthy Streets programme as making London's streets attractive and safe places to walk, wheel, cycle and use public transport is key to many of the Mayor's Transport Strategy targets. Most of the road network is borough-run and we have committed half of the £150m per year dedicated to this programme to the boroughs. We announced an initial LIP allocation of £41m to outer London boroughs and £25m to inner London boroughs for 2024/25. It is important to maintain the momentum of local schemes such as LTNs, School Streets and reduced speed limits, particularly in outer London.

In the next year, we must prioritise making more progress on Vision Zero, not only by building on the innovations of the past year – such as the Bus safety strategy, the confirmed raising of the DVS (which takes effect from October 2024) and the Meal and Grocery Delivery Motorcycle Safety Charter – but also by re-focussing on what we need to do to meet our interim 2030 targets. We have also set out how we will work with the boroughs to improve bus journey times, which we know is important to our customers and which is a critical part of increasing our active, efficient and sustainable mode share.

While we have been successful in securing short-term Government funding, and with individual boroughs having secured funding for many local improvements (such as for step-free access at stations through the Government's Levelling Up Fund, or for transport schemes to unlock housing via the Housing Infrastructure Fund), the delivery of longer-term programmes is constrained by the lack of certainty on future funding. It is important that we – together with the boroughs – continue to focus on delivering interventions across the capital, so that we move closer to achieving the ambitious targets of the Mayor's Transport Strategy.

Agenda Item 9

Board

Date: **24 July 2024**

Item: **Finance Report – Period 2, 2024/25**

This paper will be considered in public

1 Summary

1.1 The Finance Report presentation sets out TfL's financial results to the end of Period 2, 2024/25 (1 April to 25 May 2024).

2 Recommendation

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

3 Financial Reporting to the Board

Finance Report – Period 2, 2024/25

3.1 The Finance Report presentation provides a summary of the financial performance against the Budget. A similar report was considered by the Finance Committee at it's meeting on 11 July 2024. Two updates have been made to the presentation: one in relation to reserves to reflect the impact of a re-classification of long-term leases; and the other to reflect that Moody's have upgraded TfL's long-term ratings to A2 from A3, short-term ratings to P-1 from P-2, and have changed the outlook to stable from positive.

List of appendices to this report:

Appendix 1: Finance Report Presentation

List of Background Papers:

None

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Finance Report

Period 2, 2024/25

Management results from 1 April 2024 – 25 May 2024

Board

24 July 2024

We are aiming to grow our operating surplus to increase our ability to invest

We delivered an operating surplus in 2023/24, reinvesting this in maintaining and improving our network. Our 2024/25 Budget builds on this foundation, aiming to grow our surplus and increase our ability to invest. We will do this by continuing to deliver on our financial strategy:

Grow and diversify our revenue

- Cumulative journey growth of 4% compared to last year. We are targeting 6% year-on-year journey growth over the full year, on top of the 9% we saw in 2023/24
- Despite growth on last year, journeys are 18 million lower than Budget
- Total revenue is 2% lower than Budget.

Deliver recurring cost savings

- Operating costs are 1% lower than Budget, mainly from contingency held to mitigate risks on revenue
- We are targeting £259m of savings this year, including £130m of recurring savings. We currently expect to deliver this, although there remain some risks.

Grow our operating surplus

- We had budgeted for an operating surplus in the year to date – lower passenger income means we have a small deficit of £2m
- Other operating income is broadly in line with Budget
- We expect to deliver an operating surplus this year, but there are risks to revenue which need to be managed.

Fund our capital investment

- Our operating surplus funds capital investment
- Capital renewals are £142m in the year to date, £41m up on last year as we increase renewals investment to address the backlog of asset replacement
- Renewals are £10m higher than Budget, from an early ramp up in spend. We expect to hit Budget over the full year
- We continue to make the case to government for a long-term funding settlement.

Maintain liquidity to protect us against shocks

- Cash balances are just under £1.4bn, and lower than Budget, mainly from timing of an asset sale and adverse working capital
- We aim to maintain cash balances at around £1.3bn in line with our treasury policy
- The GLA financing facility of £350m offers additional protection against shocks and risks.

Our progress

Our underlying revenue has increased by over £900m since 2020/21, with increases from all revenue sources.

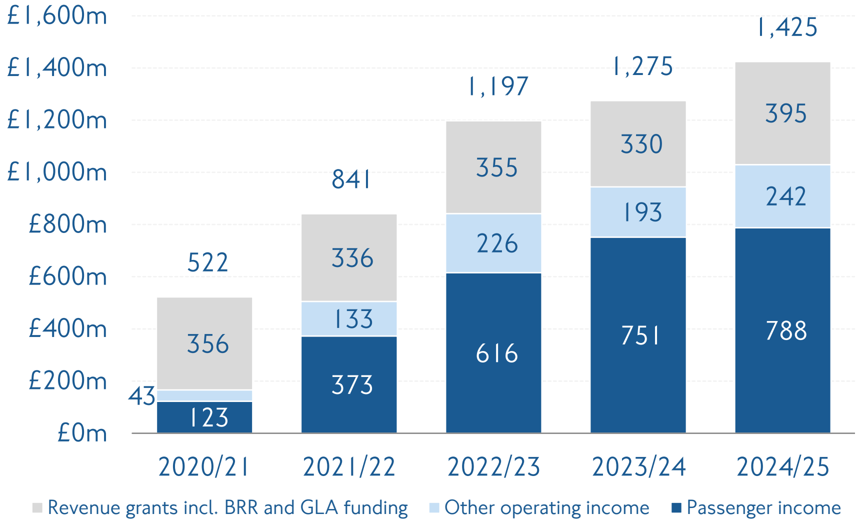
Real terms like-for-like operating costs are over £100m lower than in 2020/21.

We turned an operating deficit into a surplus in 2023/24 through revenue increases and cost control. We are currently making a small deficit, but have budgeted to make a surplus of £561m this year.

For the duration of the Department for Transport (DfT) funding agreement from August 2022 to end of March 2024, we were required to maintain usable cash below £1.2bn, and below £1.3bn at the end of Quarter 4, 2023/24. Outside of this timeframe, average cash balances have been maintained above our minimum cash requirement.

Grow and diversify our revenue

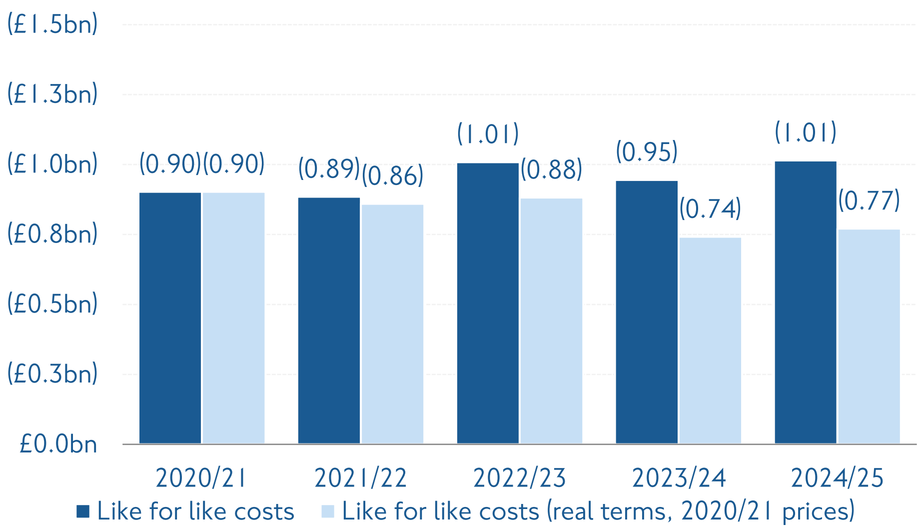
Revenue (excluding extraordinary funding) – Year to Period 2 (£m)



NB: Excludes all HMG pandemic related funding and one-off GLA funding

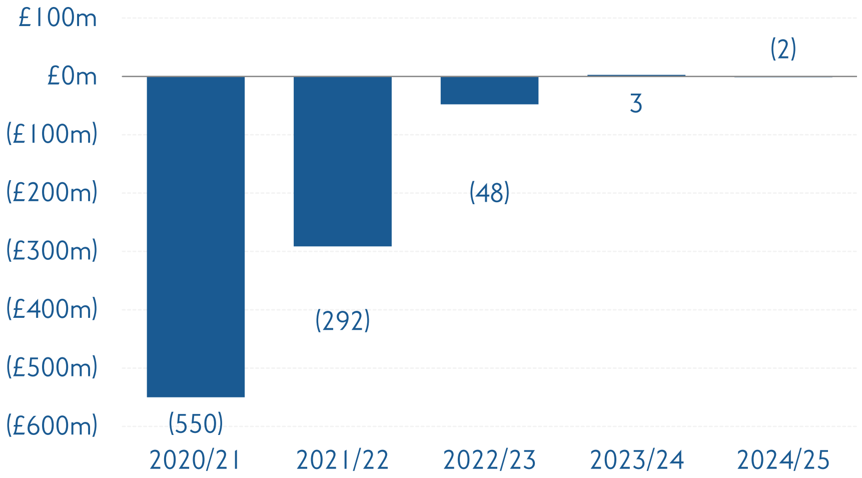
Deliver recurring cost savings

Like-for-like costs since 2020/21 – Year to Period 2 (£bn)



Grow our operating surplus

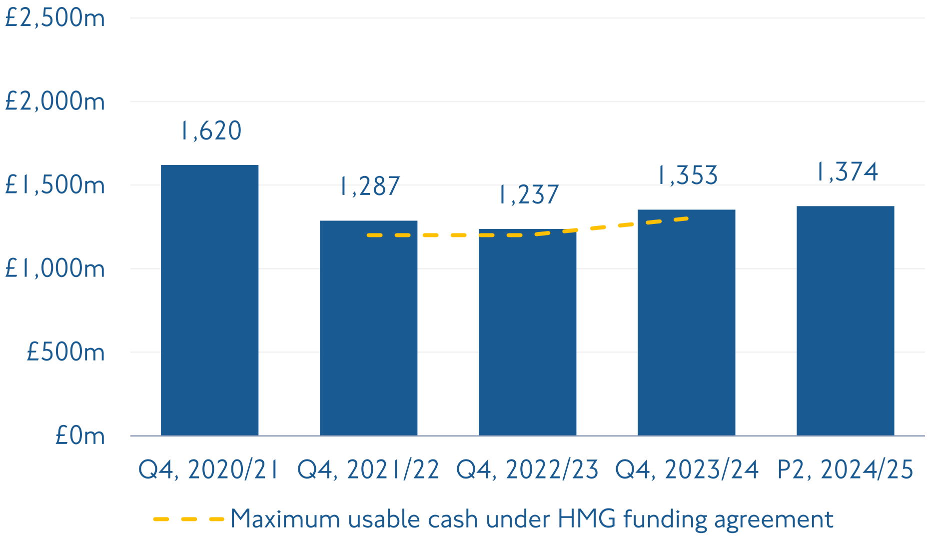
Operating surplus / (deficit) – Year to Period 2 (£m)



NB: Excludes all HMG pandemic related funding

Maintaining liquidity to protect us against shocks

Cash balance (£m)



Passenger journeys

In 2024/25 we have budgeted 6% year-on-year growth in demand. Journeys to date are 4% up on last year, but lower than Budget.

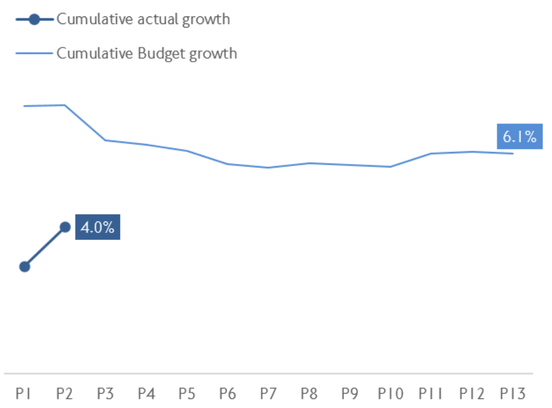
There are several factors thought to be impeding growth to date:

- Seasonality – timing of Easter, school holidays and the weather all have a strong influence on demand at this time of year
- National Rail strikes
- Service performance is below expectations, particularly on the Central and Northern lines
- Economy – recent indicators show weaker employment and retail sales growth within the London economy than assumed in our Budget.

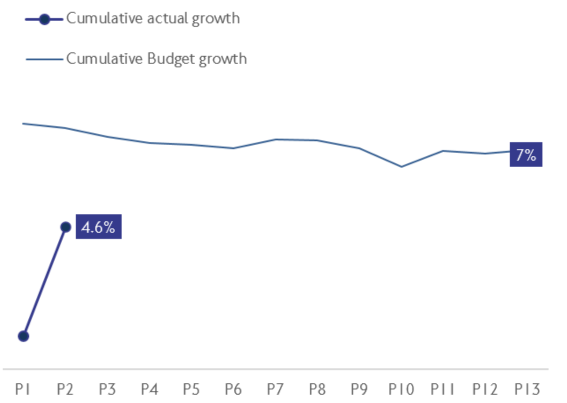
We are reviewing trends each period and updating our forecasts with our latest position on the risk to Budget.

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

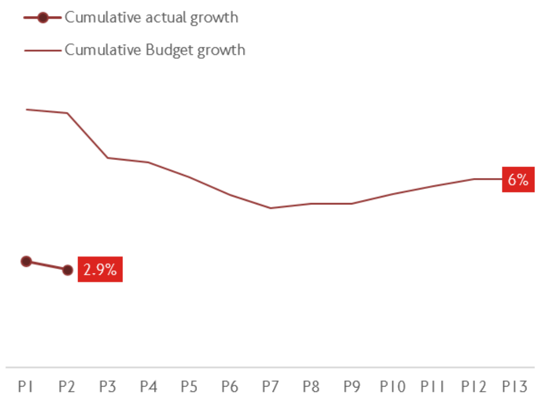
TfL		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	287	(6.5)	13.8	5.1%
	Y	549	(17.7)	21.3	4.0%



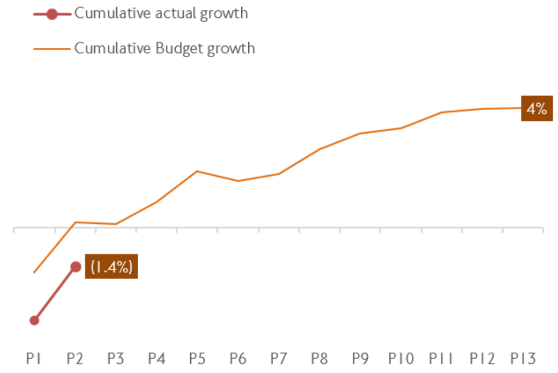
LU		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	95	0.3	7.0	8.0%
	Y	182	(5.5)	7.9	4.6%



Bus		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	151	(6.9)	3.9	2.7%
	Y	288	(12.9)	8.1	2.9%



Rail		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	24	(0.3)	0.1	0.5%
	Y	45	(0.7)	(0.6)	-1.4%

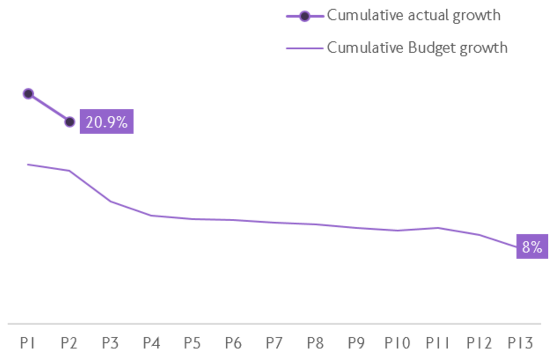


LO		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	15	(0.1)	0.5	3.8%
	Y	28	(0.9)	1.1	3.9%

DLR		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	8	(0.2)	(0.2)	-2.2%
	Y	15	0.0	(0.7)	-4.7%

Tram		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	1	(0.1)	(0.3)	-15.6%
	Y	2	0.1	(1.0)	-31.9%

EL		Absolute m	Var to Bud m	Var to Last Year (m/ %)	
	P	18	0.5	2.8	18.4%
	Y	34	1.4	5.9	20.9%



EL journeys are estimates and are subject to revision

Income statement

Total revenue is £28m behind Budget in the year to date, driven by lower passenger growth than expected. Other operating income is broadly in line with Budget.

Our core operating costs are £8m higher than Budget, mainly from higher bad debt charges from roads enforcement income. Investment programme costs are £12m lower than Budget from timing of scrappage payments and a timing contribution for Ferry Lane investment. Exceptional costs are £10m lower from central contingency - this is held to mitigate revenue uncertainty in the year.

Capital renewals are £10m higher than Budget, from timing differences. We expect to meet our Budget target of £795m this year.

£m	Actuals	Variance to Budget		Variance to last year	
Underlying passenger income	788	(24)	-3%	36	5%
DfT revenue top up	0	0	N/A	(52)	-100%
Passenger income	**788**	**(24)**	-3%	**(15)**	-2%
Other operating income	242	2	1%	49	25%
Business rates retention	334	0	0%	39	13%
Other revenue grants	69	(6)	-8%	20	40%
Revenue	**1,432**	**(28)**	-2%	**93**	7%
Core operating costs	(1,203)	(8)	-1%	(118)	-11%
Investment programme operating costs	(24)	12	34%	8	25%
Exceptional costs	(1)	10	92%	(1)	-189%
Operating surplus before interest and renewals	**205**	**(13)**	-6%	**(18)**	-8%
Capital renewals	(142)	(10)	-7%	(41)	-40%
Net interest costs	(65)	(2)	-3%	3	4%
Operating surplus / (deficit)	**(2)**	**(25)**	-17%	**(56)**	53%

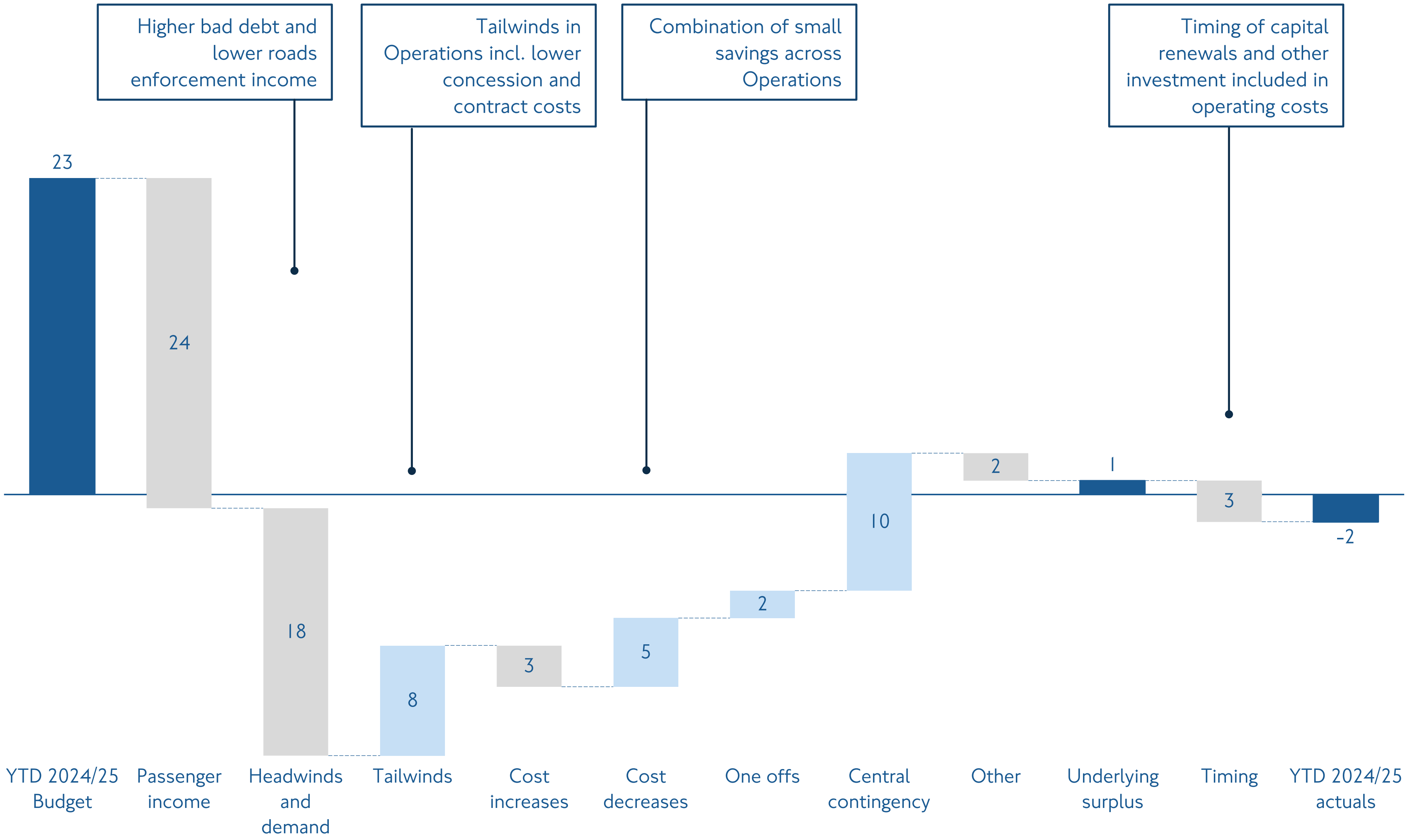
Income statement excludes Places for London

Operating surplus

Our operating deficit is £25m worse than Budget. After adjusting for timing differences – mainly in capital renewals and Investment Programme operating costs – we are making a small surplus of £1m, but are £22m behind Budget.

We are seeing a combined £42m pressure on our surplus from demand and volume pressures on passenger income, enforcement income and enforcement payment rates. Costs are otherwise performing better than Budget.

Operating surplus/ (deficit) variance to Budget (£m)



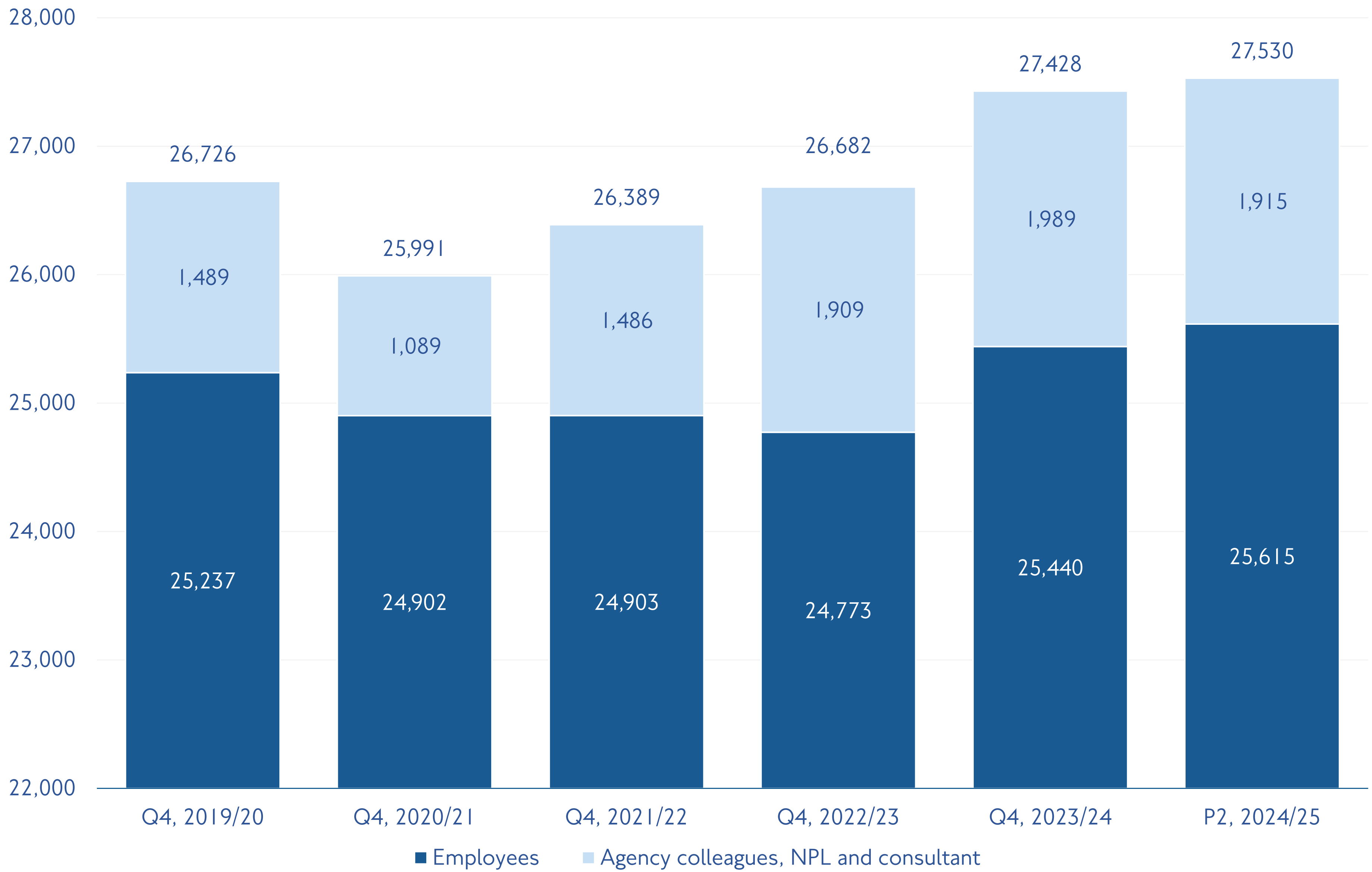
Colleagues

The increase in headcount 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 slightly above pre-pandemic levels, and up on last year, driven by recruitment of graduates and apprenticeship trainees, and ramp up of our capital programmes.

Agency and NPL colleagues have increased by just over 400 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



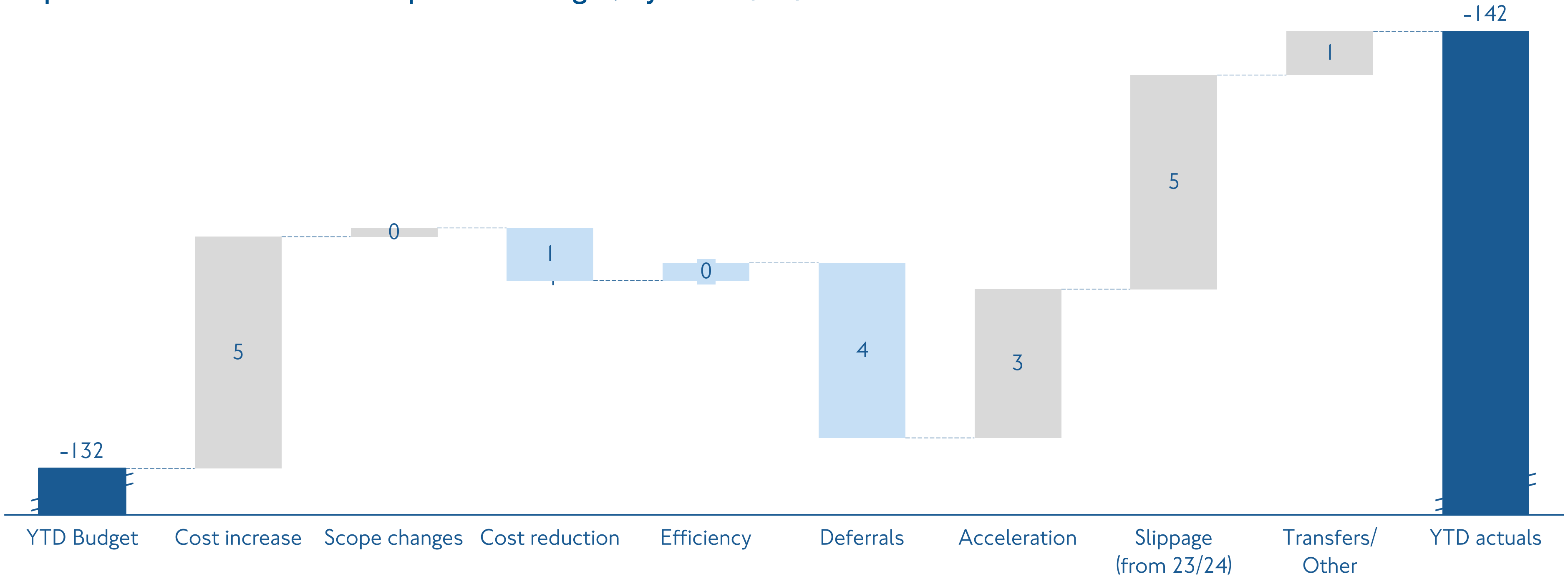
Capital renewals

Capital renewals are £142m in the year to date, £41m up on last year as we increase renewals investment to address the backlog of asset replacement.

Renewals spend is £10m higher than Budget in the year to date, largely a result of acceleration of LU renewals (civils, track maintenance and staff welfare) spend into earlier in the year. We expect to hit our Budget by year end.

£m	Actuals	Variance to Budget		Variance to last year	
Four Lines Modernisation	(1)	0	26%	(0)	(0)
Silvertown Tunnel	(0)	0	80%	(0)	0%
Streets, Bus & RSS Renewals	(38)	(3)	-9%	(18)	-85%
Environment	(4)	(0)	-10%	(2)	-135%
Rail & Station Enhancements	(0)	(0)	N/A	0	54%
LU Renewals	(75)	(7)	-11%	(16)	-27%
Technology	(19)	2	9%	(3)	-20%
Estates Directorate	(3)	(0)	-11%	(3)	-795%
Other (TPH, City Planning, Group etc)	(1)	(1)	264%	1	60%
Total	**(142)**	**(10)**	-7%	**(41)**	-40%

Capital renewals variances compared to Budget, by cause (£m)



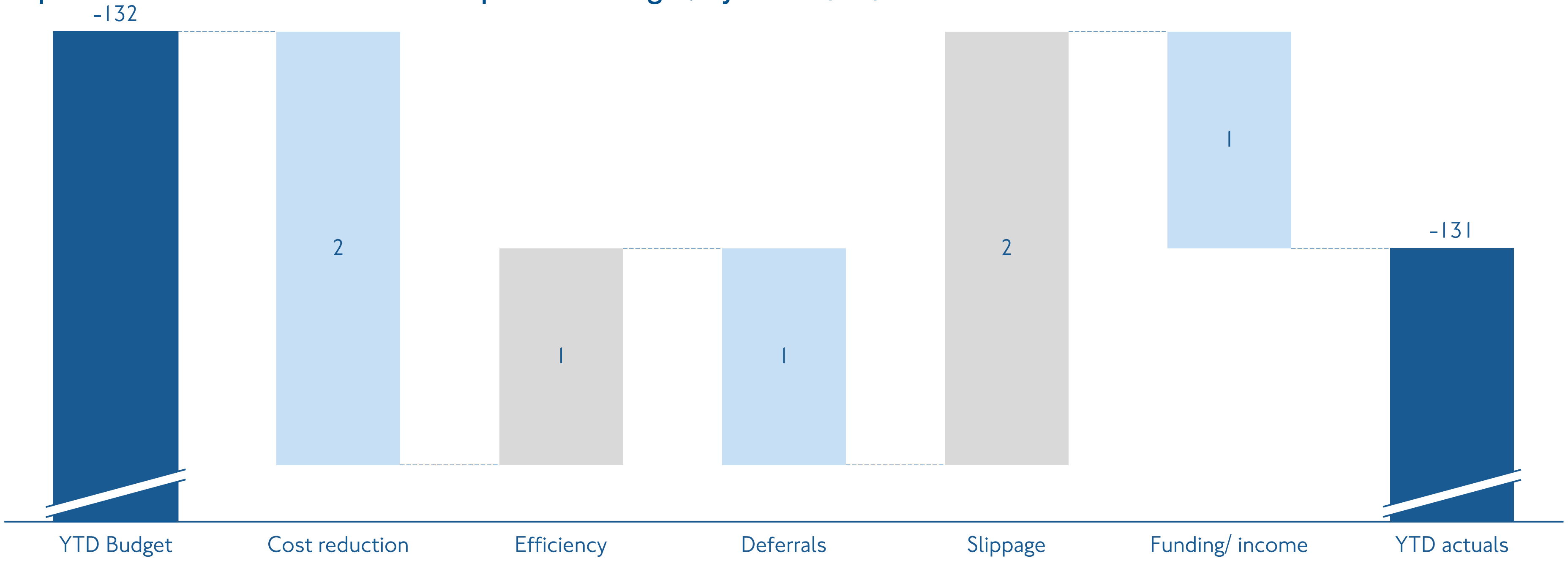
Capital enhancements

Capital enhancements £131m in the year to date, £5m lower than last year.

Enhancements spend is in line with Budget in the year to date, with £5m of Barking Riverside income claims now expected in Quarter 2, and some slippage on cycling and bus schemes in Safe & Healthy Streets.

£m	Actuals	Variance to Budget		Variance to last year	
Four Lines Modernisation	(11)	2	15%	5	32%
DLR Rolling Stock Replacement	(35)	1	3%	0	1%
Piccadilly Line Upgrade	(43)	0	1%	(1)	-3%
Bakerloo Line Trains	(0)	0	53%	(0)	-231%
Trams replacement	(0)	1	65%	(0)	-24%
Silvertown Tunnel	(1)	2	56%	1	41%
Other Enhancements	(40)	(5)	-16%	0	0%
Total TfL excl. Places and Crossrail	**(131)**	**0**	0%	**5**	4%
Places for London	(14)	7	33%	12	46%
Crossrail	(3)	7	70%	7	69%
Total	**(148)**	**15**	9%	**25**	14%

Capital enhancements variances compared to Budget, by cause (£m)



Cash flow

Cash balances are just over £1.35bn at the end of Period 2, over £140m lower than Budget and slightly up on last year.

Our cash balances are lower than Budget mainly as a result of a delayed asset sale - which is now expected in Quarter 2 – and adverse working capital, the latter from the final DfT revenue top up payment, which was received after the end of Period 2.

Our Treasury policy is to ensure we have on average 60 days of operating costs as our minimum cash balance, which will allow us to meet our payment obligations.

We maintain other sources of liquidity including an overdraft facility, a short-term financing facility and the £350m GLA financing facility to absorb any shocks and withstand strategic, safety and operational risks.

Cash balances

£m	Actuals	Variance to Budget		Variance to last year	
Opening balance	1,353	(56)	-4%	115	9%
Change in cash balance	21	(85)	-80%	(18)	-46%
Closing balance	**1,374**	**(141)**	-9%	**97**	8%

Cash flow statement

£m	Actuals	Variance to Budget		Variance to last year	
Operating surplus before capital renewals and interest	205	(13)	-6%	(18)	-8%
Less LTIG and LTM	0	0	164%	(1)	-84%
Cash generated / (used) from operating activities	***205***	***(13)***	-6%	***(19)***	-8%
Capital renewals	(142)	(10)	-7%	(41)	-40%
New capital investment	(131)	0	0%	5	4%
Investment grants and ring-fenced funding	31	(78)	-71%	(154)	-83%
Working capital movements	(138)	(42)	-45%	(26)	-23%
Cash generated / (used) from investing activities	***(379)***	***(129)***	-52%	***(215)***	-132%
Free cash flow	(174)	(142)	-455%	(234)	-388%
Net interest costs	(65)	(2)	-3%	3	4%
Net borrowings	260	59	30%	213	454%
Cash generated / (used) from financing activities	***195***	***57***	42%	***216***	-1,029%
Change in cash balance	**21**	**(85)**	-80%	**(18)**	-46%

Reserves

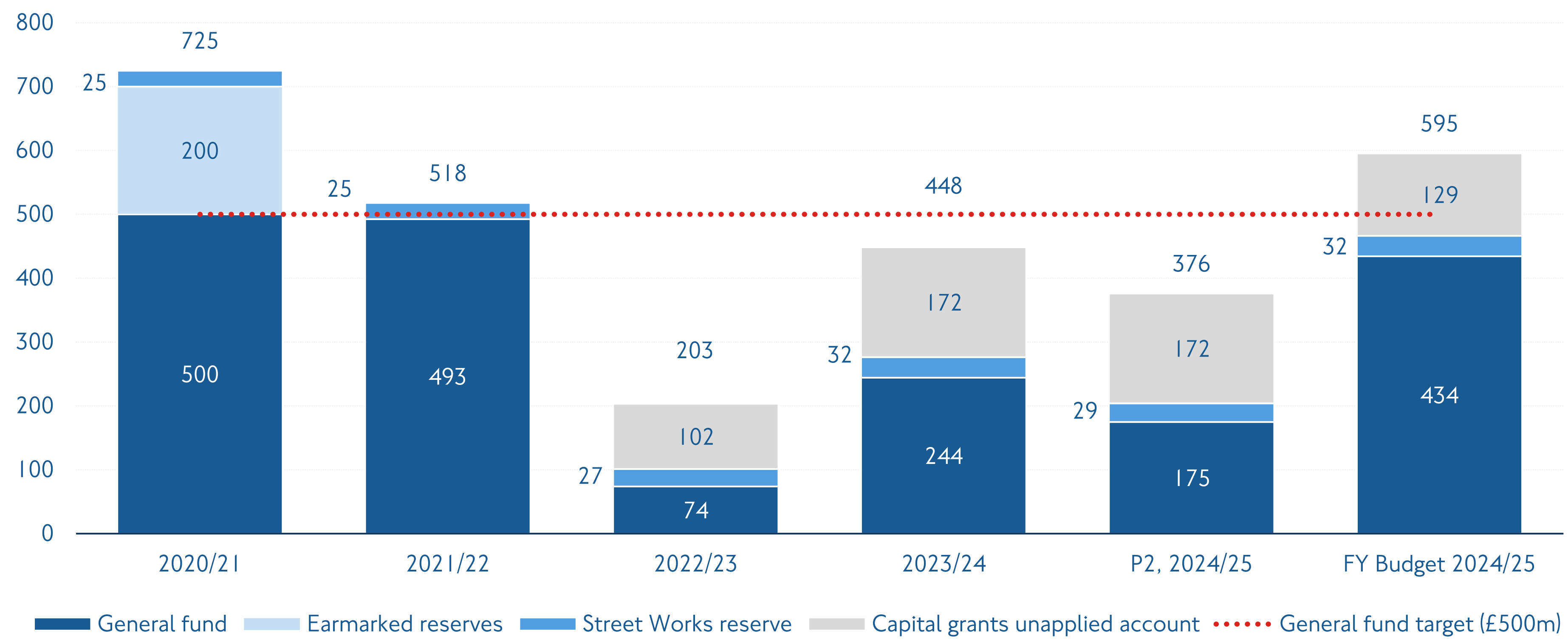
The pandemic has seen a material reduction in TfL's usable reserves, which primarily consist of its General Fund, Earmarked Reserves and Capital Grants Unapplied.

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. This was largely driven by the purchase of the Class 378 rolling stock. The savings from this purchase over the remaining life of the assets will further support TfL as it rebuilds its usable reserves.

The 2024 Business Plan set out our plan to grow usable 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
- Usable reserves at the end of 2023/24 were higher than Budget due to the December 2023 capital settlement from the DfT.
- Usable reserves at the end of P2 2024/25 decreased by £72m primarily due to adverse working capital movements.

Debt

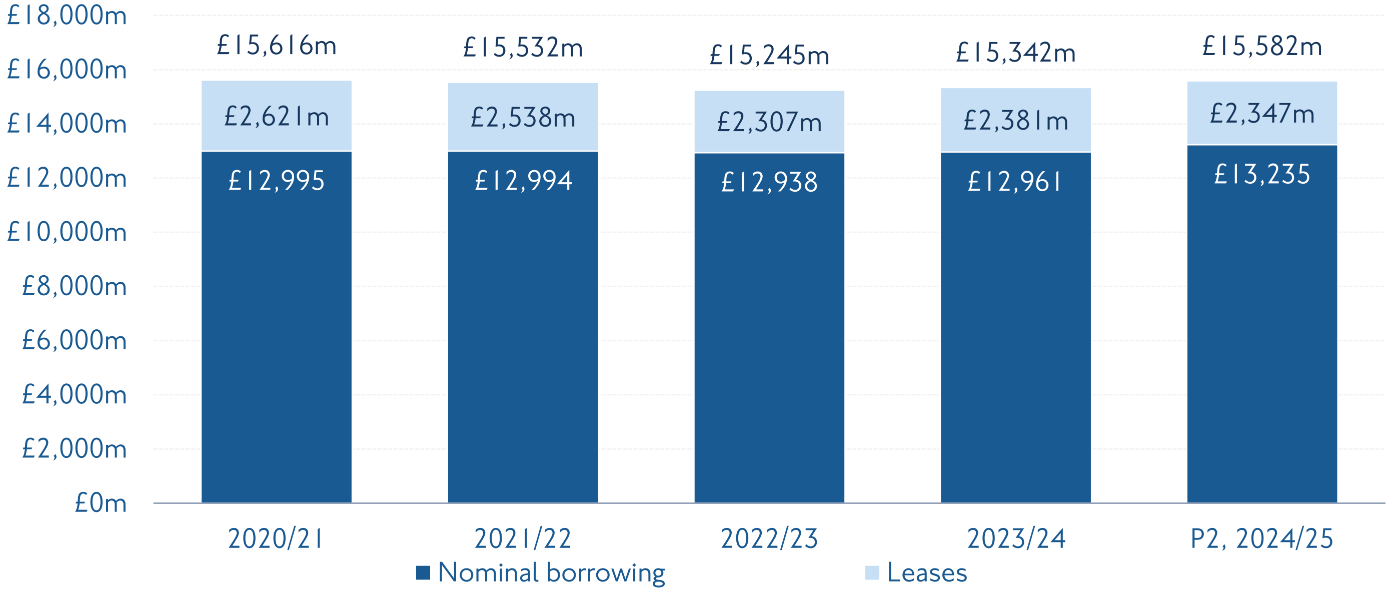
We have borrowed from a range of sources to help fund our capital programme, including Crossrail and major upgrades to our tube network.

Our level of outstanding borrowing has increased by £274m for the year, bringing our total borrowing balance to £13,235m. This is driven by an increase in our long and short-term borrowing, to suit our cash and liquidity needs.

Our total debt is forecast to increase in later this year as we borrow to fund our investment programme and the Silvertown Tunnel opens and comes on balance sheet.

Prudential indicator debt limits	£m
Nominal borrowing	13,235
Operational boundary	13,454
Authorised limit	14,654

Total debt (£m)



90%

90% of our borrowing is at a fixed rate of interest

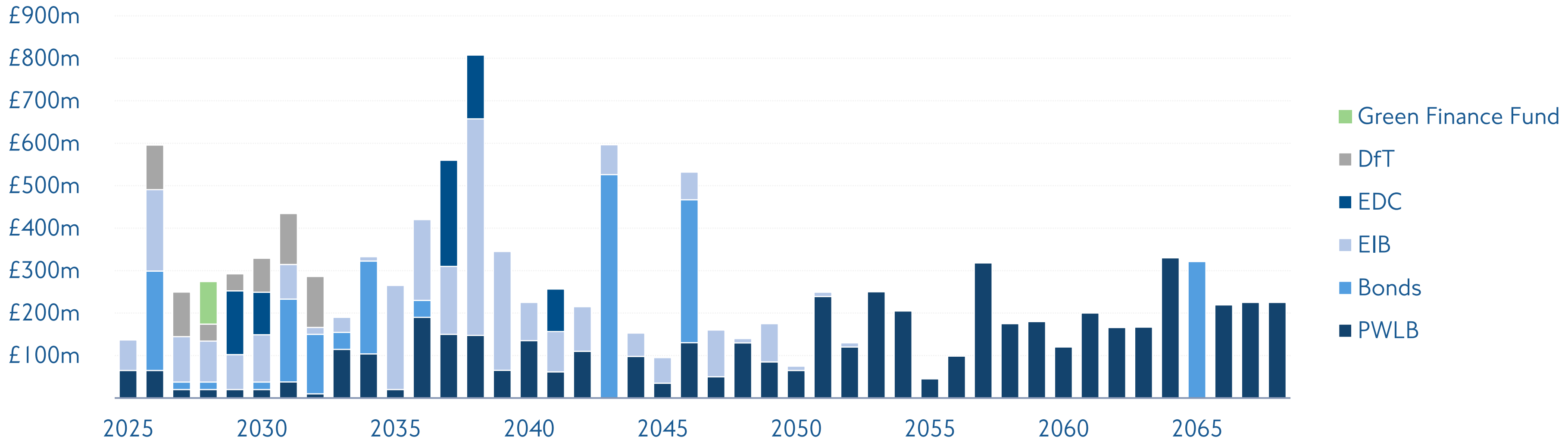
3.6%

The weighted average interest rate on our borrowing is around 3.6%

19-years

The weighted average tenor of our borrowing is around 19 years

TfL borrowing maturity profile



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 both the long-term and short-term ratings by one notch to A2/P-1 in July 2024 and changed the outlook to stable.

There have been no other changes since our Quarter 4 update to the Board.

	S&P	Moody's	Fitch
Long-term rating	AA-	A2	AA-
Outlook	Stable	Stable	Stable
Short-term rating	A-1+	P-1	F1+
Last changed/affirmed	May 2024	July 2024	Apr 2024

S&P

On 20 May 2024, S&P upgraded TfL's long-term credit rating to AA- from A+ and the short-term credit rating to A-1 from A-1. The outlook is stable. The key drivers for S&P include the post-coronavirus pandemic recovery in passenger demand, which S&P expects to remain high, cost-efficiency measures, supporting our ability to cope with external shocks and rebuild flexibility within our operations and the expectation of a gradual increase in capital investments and the quality of services.

Moody's

On 15 July 2024, Moody's upgraded TfL's long-term credit rating to A2 from A3 and the short-term credit rating to P-1 from P-2. The outlook was changed to stable from positive. The rating is based on "significant improvements in TfL's operating performance" which Moody's expect to be sustained with growing operating surpluses over the medium term. Moody's stated the following as key drivers for this - the recovery in passenger revenue post-pandemic, new revenue sources and TfL's robust governance practices, particularly its focus on cost control, which have eliminated the need for any financial support from the central government to fund operations.

Fitch

Fitch reaffirmed our credit rating in January 2024 and upgraded the outlook from negative to stable on 15 April 2024, reflecting the change in the UK rating (with which our rating is equalised).

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TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

Board

Date: **24 July 2024**

Item: **Modern Slavery Statement**

This paper will be considered in public

1 Summary

1.1 The Modern Slavery Act 2015 (the 2015 Act) requires the publication of an annual Modern Slavery Statement (the Statement). This paper describes the activity undertaken in compliance with the 2015 Act, including changes and updates from the previous Statement and details of ongoing activity. It seeks backward looking approval of a Statement for the financial year 2023/24 (1 April 2023 to 31 March 2024) that is required to be made and published, as set out in Appendix 1.

1.2 At its meeting on 16 May 2024, the Safety, Sustainability and Human Resources Panel considered the draft Modern Slavery Statement, as part of its wider consideration of responsible procurement.

2 Recommendation

2.1 **The Board is asked to note the paper and:**

(a) approve the draft TfL Modern Slavery Statement, attached as Appendix 1 to this paper; and

(b) authorise the General Counsel to agree the final form of the Statement.

3 2023/24 Statement

3.1 A Statement is required to be made annually, within six months of the end of the financial year (i.e. by 30 September) and must be published on the TfL website "with a direct link in a prominent place on the homepage". That Statement must be approved at Board level prior to publication.

3.2 TfL's approach is to require all its operating subsidiaries to make a single statement approved by the Board, whether or not they reach the turnover threshold set out in the 2015 Act. The proposed draft Statement is included at Appendix 1 and has been approved by a number of TfL's subsidiary companies, subject to Board approval and will be considered by the remaining subsidiaries who are listed in the draft Statement before its publication at the end of September.

4 Updates from the 2022/23 Statement

4.1 The 2023/24 Modern Slavery Statement and supporting work saw the addition of two identified risk categories, to further increase transparency and risk mitigation. These are waste collection and solar panels.

Key and ongoing activity

4.2 2023/24 was an active year, where we built on our work to date and continued to identify categories and contracts which are likely to present a significant risk of human rights abuses and poor working conditions, and to develop appropriate mitigations. The paragraphs below outline our activities.

4.3 In 2023/24 we continued to manage our high-risk contracts, including uniforms, electronics, facilities management, construction, electric vehicles, and solar panels, and to evaluate tenders and embed contract conditions that address modern slavery risk.

4.4 This year, Places for London issued a joint venture tender for the Limmo Development site, a residential-led development in Canning Town that will deliver around 1,500 homes. Tender questions were included to ask developers how they will set up their construction sites to manage the risk of modern slavery, including how they manage recruitment processes with third parties. We will work with the successful bidder to ensure that contract requirements are adhered to and risks are mitigated effectively.

4.5 TfL continues to take a proactive approach to managing the risk of worker exploitation in the cleaning, security, and catering sectors by including direct employment requirements. As of 31 March 2024, our cleaning contractor directly employed 2,302 cleaning staff and our security services contractor directly employed 461 staff. All contracted and sub-contracted workers on these contracts receive the current London Living Wage rate or above. TfL will continue to provide free travel to around 2,646 workers including cleaners, catering, and security staff from April 2024.

4.6 In 2023/24, with the approval of our bus operators, we began collaborating with bus manufacturers and Electronics Watch, an industry-independent not-for-profit organisation, to achieve transparency regarding our electric vehicles supply chains. There is a three-year programme which aims to improve working conditions and strengthen workers voices in the supply chains of low emission vehicle batteries, where there are well documented human rights risks associated in the production and in the sourcing of raw material inputs such as cobalt, lithium, nickel and tin. The programme applies the successful worker-driven monitoring model of Electronics Watch to the electric vehicle market. The information collected through this engagement will inform the Electronics Watch monitoring activity, which has a presence in key countries of the battery supply chain. This monitoring activity will enable TfL, its bus operators, and manufacturers to understand more about their multi-tiered supply chains and to act appropriately. It will also support TfL in achieving a just transition to net zero, ensuring that workers in its supply chains are not negatively impacted in the process of achieving this goal.

4.7 In 2024/25, we will expand our risk-management approach to include modern slavery requirements in the tender for cycle hire across London, which includes e-bikes and therefore has similar human rights risks in the supply chain as electric buses. We have used the learning and experience to date from our participation in the Electronics Watch electric vehicle programme to include transparency requirements in tenders relating to e-bikes. We will use this to engage with the successful supplier to work with them in identifying human rights risks.

4.8 We risk assessed all of our current suppliers using the Cabinet Office tool and invited all medium to high-risk suppliers to complete the Modern Slavery Assessment Tool. At the time of writing the Statement, 89 per cent of the 44 invited suppliers have completed the assessment, an increase from 80 per cent in the previous year. We will continue to use contract management and supplier relationship management channels to encourage those that have not engaged to do so. We are also investigating whether there is a mechanism whereby those that have completed can demonstrate this publicly, to further encourage those that haven't. We will also explore the option to share anonymised scores with all suppliers so they can see how they are scoring compared to their peers, to incentivise them to aim for higher scores.

List of appendices to this report:

Appendix 1: Draft Modern Slavery Statement 2023

List of background papers:

None

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Appendix 1

Transport for London
Modern Slavery Statement 2023/24

Period covered by this statement

Transport for London's (TfL) financial year end occurs on 31 March. This statement covers the financial year 1 April 2023 – 31 March 2024.

Organisations covered by this statement

This statement covers Transport for London, its subsidiary company Transport Trading Limited and the following subsidiary companies of Transport Trading Limited:

Crossrail Limited
Docklands Light Railway Limited
London Buses Limited
London Bus Services Limited
London River Services Limited
London Transport Museum Limited
London Transport Museum (Trading) Limited
London Underground Limited
Places for London Limited
Rail for London (Infrastructure) Limited
Rail for London Limited
Tramtrack Croydon Limited
TTL Blackhorse Road Properties Limited
TTL Earls Court Properties Limited
TTL Build to Rent Limited
TTL Kidbrooke Properties Limited
TTL Landmark Court Properties Limited
TTL Southwark Properties Limited
TTL South Kensington Properties Limited
TTL Wembley Park Properties Limited
Tube Lines Limited
Victoria Coach Station Limited

Dormant subsidiaries covered in previous statements have been removed from the above list. More information on TfL and its subsidiaries can be found on our website: https://content.tfl.gov.uk/tfl-subsidiary-organisation-chart-july-2023-web.pdf

Introduction

This Statement is designed to satisfy the requirements of Section 54 of the Modern Slavery Act 2015, by informing our customers, suppliers, staff, and the public about TfL's policy with respect to modern slavery, human trafficking, forced and bonded labour and labour rights violations in its supply chains, and the steps taken to identify, prevent and mitigate the risks. This is TfL's ninth annual statement to be published under the Act and relates to the period 1 April 2023 to 31 March 2024.

1 Our organisation and supply chain

TfL is the integrated transport authority responsible for delivering the Mayor of London's strategy and commitments on transport. We run the day-to-day operation of the Capital's public transport network and manage London's main roads. In a normal year of operations, more than 31 million journeys are made across our network each day.

Responsibility for managing TfL's supply chain sits with our Procurement and Commercial (P&C) function, reporting to the Chief Finance Officer, who in turn reports to the Commissioner of TfL. During 2023/24 TfL spent in excess of £7.3bn on goods, services and works required to operate and upgrade services across all transport modes.

Our key suppliers represent around 67 per cent of our addressable spend. These suppliers offer a wide range of strategically important goods and services to TfL. A large proportion of our key suppliers are registered in the United Kingdom (UK) but many of their operations and supply chains are global. Some of our suppliers have complex supply chains with multiple tiers of sub-contracting and, in some cases, such as construction or electronic equipment, we have little visibility over where products are made. Therefore, we are using a risk-based approach, taking expert advice from the Ethical Trading Initiative (ETI) and Electronics Watch where relevant, prioritising steps to achieve greater supply chain visibility where our risks are highest, and recognising that workers in the lowest tiers of supply chains are often the most vulnerable.

2 Policies in relation to modern slavery

In March 2021, the Mayor published the refreshed Greater London Authority (GLA) Group Responsible Procurement (RP) Policy and its associated Responsible Procurement Implementation Plan (RPIP). The RPIP sets out how the GLA and its functional bodies (including TfL) will deliver the goals of the GLA Group Responsible Procurement Policy, between 2022 and 2024.

This document is a high-level strategic policy setting out the GLA Group's plans, ambitions, and commitments for ensuring continuous improvement in London delivered through the Group's procurement activities. It supports the delivery of the Mayor's commitments and strategies, reflects best practice and demonstrates that our procurement activities meet legislative requirements, including the Modern Slavery Act 2015.

The GLA Group RP Policy commits us to promote ethical sourcing and addresses risks of modern slavery by:

- adopting the nine provisions of the ETI Base Code[1], or equivalent, as the standard we expect of our suppliers ensuring our supply chain supports working conditions that are legal, fair, and safe;
- adopting a risk and opportunity-based approach to identify contracts and areas of spend where there may be a high risk of poor working conditions, modern slavery, forced labour, human rights abuses, sourcing from conflict-affected areas or negative impacts on security and crime;
- seeking to improve transparency within the supply chain by working with suppliers and in partnership with the ETI and Electronics Watch; and
- seeking to improve any poor performance identified as part of a process of continuous improvement, reflecting existing and emerging legislation and guidance where relevant.

The GLA Group RP Policy is supported by the Responsible Procurement Implementation Plan (RPIP) 2022-24 which sets out the key actions to deliver the commitments of the RP Policy, and shapes the work outlined in this Modern Slavery Statement. It commits TfL, as a member of the GLA Group, to:

- improve the performance of key suppliers, and those assessed to be medium to high risk, by utilising the Cabinet Office Modern Slavery Assessment Tool (MSAT);
- structure commercial development arrangements to ensure relevant GLA Group best practice modern slavery due diligence provisions are undertaken by property development companies, consortia, and suppliers; and
- collaborate with partner organisations, such as the ETI and Electronics Watch, to improve supply-chain transparency of the mining and manufacturing of minerals used in batteries for electric vehicles and state-sponsored forced labour risks, such as the treatment of Uyghur Muslims in China, in our supply chains.

To support the business in implementing the GLA Group RP Policy and RPIP, TfL hosts the GLA Group's Central Responsible Procurement Team (CRPT) within its P&C function.
The CRPT works with TfL, along with the wider GLA Group, to prioritise and deliver the commitments of the RP Policy, including how we plan to promote ethical sourcing practices and address risks of modern slavery. The CRPT chairs and coordinates

[1] https://www.ethicaltrade.org/eti-base-code

a practitioner learning group to share best practice, manage emerging risks and ensure delivery of the RP Policy.

3 Risk assessment and management

The groups of people at highest risk of being subjected to modern slavery in our UK-based supply chain include construction workers and those undertaking service contracts in sectors such as cleaning, catering, security, and waste management, where low pay, migrant labour and/or indirect labour are prevalent.

The highest risks of poor working conditions and human rights abuses from our global supply chain are associated with the production and manufacture of electronic equipment, textiles and materials used in our construction and infrastructure projects including solar panels. As TfL transitions to a zero emission fleet, its exposure to risks associated with the mining and extraction of conflict and rare earth minerals, such as copper, lithium, nickel, tin, and cobalt, used in the production of batteries for electric vehicles, has also increased. We are working with partners, such as Electronics Watch, to address these risks as outlined in Section 6.

TfL recognises the corresponding source countries and associated sector risks in its supply chains for these categories to be as follows:

Category	Country	Identified Sector Risks
Construction	United Kingdom	Multi-tiered supply chains involving the use of labour agencies which could result in poor labour practices due to lack of transparency. Unethical practices including workers being charged unlawful or excessive recruitment fees, workers being misinformed about terms of employment, and the withholding of passports may take place.
Facilities Management: cleaning, security, and catering services	United Kingdom	Low skilled labour; migrant labour; agency labour leading to lack of transparency in employment practices.
Electronic equipment	China, East Asia, Eastern Europe	Labour intensive, often low-skilled work; mining of raw materials in high-risk countries. Poor labour practices including underpayment of wages, delayed payment, or wage deductions; physical abuse; working excessive overtime; worker's visa or permit is tied to a single employer; and financial penalties for early contract termination.
Uniforms and workwear	Bangladesh, China	Risks include gender inequality; weak protection of workers' rights; poor labour practices including excessive overtime, underpayment, or deduction of wages; financial penalties for leaving employer and structural integrity of factories.

Steel and steel components	China, Europe, Japan, India, USA	Country of production where labour rights might not be well protected; low-skilled labour, and dirty, dangerous, or difficult work in mines and smelting plants leading to poor labour conditions.
Stone	Brazil, China, Europe, India, USA	Country of production - US State Department of Labour highlights multiple countries where child and forced labour exists in quarries; child labour and unsafe working conditions.
Batteries	Cobalt – Democratic Republic of Congo (DRC); Lithium - Chile, Bolivia, China; Nickel – Indonesia, Philippines; Tin – Bolivia; Copper – Chile and semi-conductors – China, Malaysia, Taiwan	Sourcing of minerals presents the greatest risk to human rights abuses. Political instability or conflict particularly in the DRC; weak protection of civil liberties and workers' rights; safe and healthy working conditions in mines can be poorly regulated and protected, particularly in artisanal mines.
Personal Protective Equipment (PPE)	China and Malaysia	Similar risks to those for uniforms and workwear
Waste Collection	United Kingdom	High risk of modern slavery, with two thirds of modern slavery victims in the UK working in the waste industry. Low paid, often migrant labour; prevalence of subcontracting and agency work leading to lack of transparency on employment practices. High profile cases in the press against waste suppliers operating in the UK.
Solar Panels	China	Reliance on manufacturing in China, with well documented state-sponsored forced labour practices, especially in the Xinjiang region affecting the Uyghur population.

TfL mitigates and manages these risks through its due diligence processes. A summary of our activity this year is set out in Section 4 below.

4 Due diligence

Through robust procurement and governance processes our P&C staff identify categories and contracts which are likely to present a high risk of human rights abuses and poor working conditions. This includes the use of an RP checklist for each tender and a spend category risk assessment.

All relevant procurements include a question at supplier selection stage on compliance to Section 54 of the Modern Slavery Act 2015. TfL continues to include award criteria and contractual requirements in contracts where a significant risk of human rights abuse is identified.

We obtain assurances from our supply chain directly through our suppliers as part of the tendering process and then via online platforms such as the Supplier’s Ethical Data Exchange (Sedex), where we access independently verified audit reports of factories as part of our contract management processes.

We have undertaken a risk assessment of our supply chain and invited medium and high-risk suppliers to complete the MSAT. We held a supply chain engagement event to encourage completion of the MSAT and hosted two due diligence workshops through our membership with the Supply Chain Sustainability School. This is to support our suppliers in improving their policies, practices, and processes in preventing modern slavery in our supply chains. More information about supplier completions of the MSAT is in the section below.

The following section highlights this year’s interventions at the procurement and contract management stages. We have reviewed our contract pipeline and undertaken work to include requirements in future contracts with the expectation that the range of categories and number of contracts will increase as our approach continues to mature.

Examples of how TfL manages these matters

Electronic equipment
TfL is a founding member of Electronics Watch - an independent monitoring organisation that assists public sector buyers to meet their responsibility to protect the human rights of electronics workers in their global supply chains. Electronics Watch contract conditions, where suppliers are required to disclose the factories where goods and key components are produced, are included in our tenders for electronic equipment. For relevant tenders, bidders are also asked to outline how they would work towards establishing supply chain transparency over the duration of the contract, to assist with monitoring and improving labour conditions at sites of production.

Our frameworks for purchasing Oyster Cards and Information and Communication Technology (ICT) hardware included the Electronics Watch contract conditions. We work closely with Electronics Watch and our ICT reseller to improve the level of supply chain information that is shared with us, including going into component level factory disclosures as we recognise the risk increases further down our supply chain. In 2023/24, we continued engaging with Electronics Watch affiliates in Europe to learn from their experiences with brands and used our combined purchasing leverage to request greater engagement and transparency from them.

Low Emission Vehicle Programme

In 2023/24, we continued our involvement in the Electronics Watch Low-Emission Vehicle Programme. In particular, we engaged with the Managing Directors from all eight of TfL's contracted bus operating companies (who procure and operate the zero-emission London buses), with a view to engaging with zero-emissions bus manufacturers.

In 2024/25, we will continue to collaborate with relevant bus manufacturers and Electronics Watch on a confidential basis, focusing on human rights due diligence and supply chain transparency. The information collected through this engagement will inform the Electronics Watch monitoring activity, which has a presence in key countries of the battery supply chain, including the Democratic Republic of Congo, Indonesia, Bolivia, the Philippines, China, Malaysia, and Taiwan. This monitoring activity will enable TfL, its bus operators, and manufacturers to understand more about their multi-tiered supply chains and to act appropriately to remedy any violations. It will also support TfL in achieving a just transition to net zero, ensuring that workers in its supply chains are not negatively impacted in the process of achieving this goal.

In 2024/25, we will also expand our risk-management approach to include requirements in the tender for cycle hire across London, which includes e-bikes and therefore has similar human rights risks in the supply chain as passenger vehicles.

Property developments and construction sites

The construction sector is a large part of our risk profile. TfL's significant property development portfolio therefore requires thorough due diligence and mitigation activity.

In 2023/24 standardised tender questions and contractual requirements were included in Limmo Development joint venture tender run by Places for London. Limmo is a residential led development that would deliver circa 1500 homes in Canning Town, East London. Tender questions asked developers and potential Joint Venture partners how they will set up their construction sites to manage the risk of modern slavery, including how they manage recruitment processes with third parties. In 2024/25, tender requirements will be followed up with the successful bidder.

On our construction sites where we are the principal contractor, we have displayed the Gangmasters and Labour Abuse Authority worker checklist posters explaining the rights as a worker in the UK and where to find more information. These are translated into Romanian, Bulgarian and Polish and are being displayed on site noticeboards and in welfare units. Where we are not principal contractor, we have encouraged our suppliers to do the same and will continue to do so in the year ahead.

Managing our commercial property estate

Places for London (formerly TTL Properties Limited) is our subsidiary commercial property company. It plans to deliver 20,000 homes over the next ten years and currently manages around 1,300 commercial tenants.

In 2023/24, we analysed our customer segments for modern slavery risk, and sent the information to the property management team, so that it can inform their inspection schedule as well as the inspections themselves.

Places for London has also formed Customer Advisory Groups for its retail and arches customers, respectively. The purpose of the Customer Advisory Groups is to provide further engagement between Places for London as landlord and its tenant customers, and to discuss and update on important policies and other matters. We discussed modern slavery at the Customer Advisory Groups in 2023/24 and will continue to have it on the agenda for meetings in 2024/25.

To further raise awareness of modern slavery, we also included modern slavery as a topic in the customer information campaign on compliance and safety.

Facilities management (cleaning, catering, and security services)
TfL has taken a proactive approach to manage the risks of worker exploitation in the cleaning, catering, and security services contracts by including direct employment requirements in each contract. At the close of the financial year 2023-24, our security contractor directly employed 461 colleagues while the cleaning contractor directly employed 2,302 employees. All contracted and sub-contracted workers on these contracts receive the current London Living Wage rate or above. TfL continues to provide free travel to around 2,646 workers including cleaners, catering, and security staff from April 2024.

Uniforms
In 2023/24 we have strengthened the requirements for our uniforms contract relet, which will be awarded in 2024/25. The requirements include commitments to publish factory locations on the Open Apparel Registry and engagement with ETI development programmes where relevant. This ensures transparency and allows us to adhere to the reporting requirements of our ETI membership, as well as appropriately manage the risk of state-sponsored forced labour in our textile supply chains.

Modern Slavery Assessment Tool
This year, we continued our campaign to invite medium and high-risk suppliers to complete the MSAT and used contract management to improve the response rate. As of the end of the financial year, 44 suppliers have been invited with an 89 per cent completion rate, an increase from 80 per cent last year. We set a Key Performance Indicator for all 44 suppliers to score 70 per cent or above (the threshold to achieve a ‘Green’ status) by March 2024. To date, 50 per cent of those suppliers who have completed the MSAT have hit this threshold. A further 10 per cent of suppliers are currently in the process of improving their score by revisiting their submission. Contract managers of those suppliers that have not completed the MSAT will continue to emphasise the importance of completion to TfL during contract review meetings.

Solar panels
TfL is continuing efforts to decarbonise our energy sources. Just transition is a crucial consideration as we uptake more renewable energy, ensuring that we are striving towards environmental commitments in a way that is fair and inclusive and

creating decent work opportunities and leaving no one behind. TfL works to address human rights concerns in the renewable energy supply chains and make London's transition to a zero-carbon city fair and just for workers in our supply chains.

In 2023/24, TfL engaged with solution providers on the Retrofit Accelerator for Homes Innovation Partnership to discuss the issue of Uyghur Muslim forced labour in the supply chains of polysilicon. This is part of TfL's arrangement to provide procurement services to the GLA.

In 2023/24, we also began preparation for the procurement of a Solar Private Wire Framework that will increase our exposure to risks of forced labour, including state sponsored forced labour, in the solar photovoltaic (PV) supply chain. To address these risks, relevant areas of the framework agreement have been developed, setting out requirements for suppliers to adhere to the ETI Base Code, provide PV supply chain visibility, and monitor and report on labour practices in the PV supply chain. Where reasonably practicable, the supplier will also be asked to provide third-party social audit reports to TfL. TfL Responsible Procurement Managers will work with the supplier to address any non-compliance issues.

To address shared modern slavery and forced labour risks, TfL regularly engages with industry and civil society organisations. For example, we attended the Supply Chain Sustainability School's Net Zero Summit in September 2023 where Just Transition was a key focus of the discussion.

Industry engagement

The CRPT continues to chair the pan-GLA Group practitioner learning group to share best practice and collaborate across the Group in relation to modern slavery due diligence. The group meets quarterly and has assisted with the roll out of the MSAT campaigns and sharing best practice from TfL's engagement with the Department for Transport modern slavery group and other industry bodies such as the ETI, Sedex and Electronics Watch.

The CRPT continues to utilise its networks to collaborate and share knowledge on socially responsible procurement, a key part of continuously improving our approach and sharing successes and challenges with our peers. The CRPT are also members of the International Working Group on Ethical Public Procurement. The Responsible Procurement Manager attended two meetings in 2023/24 where new working groups were formed to progress on policy, practice, and research in the field. Key learnings will be incorporated into future relevant procurements across TfL and the GLA Group.

London Transport Museum

London Transport Museum (LTM) assessed its top 20 retail suppliers' approaches to modern slavery by inviting them to complete the MSAT. All 20 suppliers completed the assessment, with a wide range of scores, evidencing a breadth of maturity in combatting modern slavery. LTM promoted training materials and workshops to their retail suppliers to help improve their MSAT scores and develop their risk management approaches.

LTM's catering supplier has a comprehensive modern slavery statement and has taken proactive steps to manage their labour exploitation risks. Aligning to TfL's contract terms, the supplier uses the Sedex Self-Assessment Questionnaire (SAQ) with their supply chain to capture supply chain transparency data and gain greater visibility of working conditions. The supplier is targeting to have all their suppliers complete SAQs by the end of 2025.

5 Training and Awareness Raising

This year we continued to focus on training and raising awareness, especially in relation to our supply chain and Places for London customers.

Upskilling our supply chain to help manage our shared risks is a key priority for us, recognising that some suppliers are further on their journey than others. In 2023/24, we arranged two workshops via the Supply Chain Sustainability School to suppliers completing the MSAT. These three-hour workshops trained suppliers in best-practice due diligence, risk assessment, supply chain mapping and other key areas to support any gaps in their MSAT responses.

Additionally, the CRPT provided a bespoke three-hour workshop with the lead Modern Slavery Consultant from the Supply Chain Sustainability School to the Retrofit Accelerator for Homes Innovation Partnership solution providers to specifically address the complexities of forced labour risks in polysilicon supply chains.

In 2023/24, Places for London repeated the 'spotting the signs' training for its property team, with 30 people completing the training. They also launched a responsible business skills programme. The programme, which lasts 12 months and is delivered by charity Heart of the City, will take around 40 of our small business customers through training on a range of responsible business practices, including managing their workforce and supply chain. The content includes modern slavery and how it relates to small businesses.

6 Reporting, key performance indicators (KPIs) and Goals for 2024/25

The Responsible Procurement team co-ordinates the TfL and GLA Group approach to promoting ethical sourcing practices and addressing the risks of modern slavery, including metrics to monitor continuous improvement.

Our priorities for the year 2024/25 will be a combination of quantifiable key performance indicators and ongoing participation in projects, programmes, and initiatives:

KPIs:

Training: Ensure staff in the Project Management Office working on relevant risk categories, including construction and capital projects, complete the Home Office Modern Slavery e-learning module.

MSAT: All TfL suppliers who have been assessed to be high and medium risk, to complete the tool and achieve an MSAT score of a minimum 70 per cent by March 2025. We will work with lower scoring suppliers to support improvements to their scores and encourage more suppliers to complete the assessment.

Goals for 2024/25:

Internal Capability & Capacity: New TfL staff in the Safety, Health and Environment Directorate, Places for London and the Capital Delivery and Projects community will be prioritised to receive training via TfL's membership of the Supply Chain Sustainability School.

Supplier development: Continue to raise awareness of modern slavery to our supply chain, assisting suppliers by providing workshops, resources, training materials and bidder briefings. Specific attention will be paid to London Transport Museum suppliers.

Peer Learning: Chair the pan-GLA Group practitioner learning group to share best practice and collaborate across the GLA Group and wider London Responsible Procurement Network in relation to modern slavery due diligence.

External collaboration: Continue to collaborate with partner organisations such as the ETI and Electronics Watch to address supply chain transparency and human rights due diligence issues, for example in the context of solar panels and zero-emission buses.

This Statement has been approved and published by the TfL Board and will continue to be reviewed at least once annually.

Andrea Clarke, General Counsel **30 September 2024**

On 24 July 2024, the TfL Board approved the TfL Slavery and Human Trafficking Statement 2023/24 and authorised the General Counsel to agree the final form of the Statement.

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Board

Date: **24 July 2024**

Item: **TfL Membership and Decision-making Structure**

This paper will be considered in public

1 Summary

1.1 This paper provides a short update on Board recruitment and sets out proposed changes to the decision-making structure, following further engagement with Members on the Board Effectiveness Review 2023 and consideration to enhancing the Board's oversight on safety risk management.

1.2 As advised at the meeting on 12 June 2024, the Mayor has re-appointed himself as Chair of TfL and Seb Dance as Deputy Chair of TfL. Following a recruitment campaign, the Deputy Chair is in the process of making recommendations to the Mayor, reflecting the desired skills and experience mix and the appointments will be announced shortly, to take effect from September 2024.

1.3 Changes are proposed to amend Standing Orders to enable available Members to be co-opted onto a Committee or Panel to ensure meetings are quorate and for the Deputy Chair and the Vice Chairs of Committees to be able to exercise Chair's Action if the Chair is unavailable through absence or a potential conflict of interest. It is also proposed to add hyperlinks to existing references to the availability of information, where it is already available online.

1.4 The changes proposed to TfL's decision-making structure are to replace the existing Safety, Sustainability and Human Resources Panel, Customer Service and Operational Performance Panel and the Remuneration Committee with: a dedicated Safety and Security Panel; a Customer, Sustainability and Operations Panel; and a People and Remuneration Committee, while further mainstreaming sustainability issues in the work of the Audit and Assurance Committee, Finance Committee, Land and Property Committee and Programmes and Investment Committee. Revised Terms of Reference of the Committees and Panels is set out in Appendix 1.

1.5 To enable these changes to take effect from the date that appointments and re-appointments to the Board take effect, on 9 September 2024, it is also proposed that the Board delegates authority to the Deputy Chair of TfL to appoint the members of the Board's Committees and Panels including the Chair and Vice Chair. This will be done following the confirmation of all appointments, an evaluation of Members' skills, expertise and interests, and discussions with the proposed Chair of each Committee and Panel (when appointed, if appropriate).

2 Recommendation

2.1 **The Board is asked to note the paper and:**

(a) approve the revisions to Standing Orders, as described in this paper, and authorise the General Counsel to make changes to Standing Orders to give effect to them, from 9 September 2024;

(b) approve the new decision-making structure, with effect from 9 September 2024, which:

(i) stands down the Safety, Sustainability and Human Resources Panel, the Customer Service and Operational Performance Panel, and the Remuneration Committee; and

(ii) establishes on a standing basis a Safety and Security Panel, a Customer, Sustainability and Operations Panel, and a People and Remuneration Committee;

(c) approve the revised Terms of Reference of the Committees and Panels document, as set out in Appendix 1, with effect from 9 September 2024;

(d) delegate authority to the Deputy Chair of TfL to appoint the Chair and Vice Chair of each Committee and Panel and then, in consultation with each Chair and Vice Chair and Members, to agree the composition of each Committee and Panel, with effect from 9 September 2024; and

(e) delegate authority to the Deputy Chair of TfL, in consultation with the Commissioner, to appoint a Special Adviser to support the work of the Safety and Security Panel.

3 Mayoral Appointments to TfL

3.1 Under the Greater London Authority Act 1999 (as amended) (the GLA Act), the Mayor appoints between eight and 17 Members to TfL.

3.2 The Mayor appointed himself as a Member of TfL and, therefore, he is the Chair. He re-appointed Seb Dance as a Member of TfL, from 7 May 2024, and following the London Assembly confirmation hearing on 29 May 2024, reappointed Seb Dance as Deputy Chair of TfL from 6 June 2024.

3.3 The GLA Act sets out requirements for the composition of the Board. In addition, Members of the Board considered the skills, knowledge and experience that would be required on the Board to best serve the needs of TfL over the next Mayoral term and beyond. This was informed by the externally led Board Effectiveness Review 2023 and the collective experience of existing Members, with input from the Commissioner and Chief Officers.

3.4 Following the engagement of an executive search firm and an open recruitment campaign, a shortlist of potential candidates were interviewed. The Deputy Chair is in the process of making recommendations to the Mayor, reflecting the desired skills and experience mix and the appointments will be announced shortly. The appointments will take effect from September 2024.

3.5 An induction programme is being developed for new Members, which will also include briefings, site visits and early engagement on the development of the next

Business Plan. Existing Members will be invited to attend all events and will be encouraged to pair up with new Members to assist with their induction.

4 Changes to Standing Orders

4.1 In addition to the changes required to reflect the proposed changes to the decision-making structure below, two further substantive changes are proposed to Standing Orders, along with some minor amendments to provide greater clarity (such as gender neutral terminology) or to provide links to information that the Standing Orders refer to.

4.2 The Terms of Reference of each Committee and Panel set the minimum number of Members who must be physically present in the meeting room for the meeting to be quorate, as required by the meeting provisions of the Local Government Act 1972 that apply to our meetings. While, by exception, Members may attend and contribute to meetings through video-conferencing facilities, they cannot count toward the quorum.

4.3 On occasion, it has proven difficult to achieve a quorum for some meetings, including when called at short notice, due to late changes to the availability of Members. The size of the membership of each Committee and Panel could be increased, but this impacts the effectiveness of meetings and impinges on the time commitments of Members. It is proposed that Standing Orders be amended to enable additional Members to be co-opted to serve on a Committee or Panel for a meeting, as and when required, to achieve a quorum.

4.4 Standing Orders also provide for the Chair of TfL or the Chair of Committees and Panels to take decisions by Chair’s Action in cases of urgency. As far as possible, Members are given advance notice of such decisions including a paper to the meeting preceding the date for any decision to enable some discussion of the issues by the Committee. There are, of course, occasions when Chair’s Action will have to be exercised due to unforeseen issues, in which case a briefing will be offered ahead of any decision being taken where possible.

4.5 If the Chair of a Committee is unavailable to take a decision on a matter within that Committee’s remit (which may be due to absence or a potential conflict of interest) the decision can only be taken by the Chair of another Committee or Panel. Although the Vice Chair of the Committee is likely to be familiar with the background of the item and to have been present for any previous Committee discussions or briefings on the topic, there is currently no mechanism for them to exercise Chair’s Action in the absence of the Chair. There is also no provision, other than a specific delegation of authority, for the Deputy Chair of TfL to take urgent decisions on matters reserved to the Board in the absence of the Chair, nor to take decisions under Chair’s Action in the absence of a Committee Chair, despite being a member of most Committees.

4.6 It is proposed that the Chair’s Action process be amended to remove reference to the Chairs of Panels but to extend it to include decisions being taken by the Deputy Chair of TfL and the Vice Chairs of Committees.

5 Changes to the Decision-making Structure

Background

5.1 The decision-making structure of the Board was discussed as part of the Board Effectiveness Review 2023, particularly as the remit of the Safety, Sustainability and Human Resources Panel was very wide, with safety discussions naturally taking priority, meaning sustainability and people issues were at risk of being crowded out.

5.2 While no changes were made to the decision-making structure at the time, it was agreed that this would be kept under review and some interim measures were taken. Changes were made to the organisation of the meetings of the two Panels to give priority to the discussion of strategic items and we alternated the priority of the three key themes on the agenda of the Safety, Sustainability and Human Resources Panel. From February 2024, a representative from TfL's Youth Panel has also attended meetings of the Board's Panels.

5.3 While giving greater priority to strategic items has been a benefit, the agenda of the Safety, Sustainability and Human Resources Panel remains heavy. The options of further streamlining the agenda or extending the meetings was considered, but it was also recognised that the time of Members is limited.

5.4 On 18 October 2023, the Board had an informal discussion following the Sandilands Tram overturning sentencing hearing. On 15 November 2023, the Safety, Sustainability and Human Resources Panel considered a detailed paper on TfL's approach to safety risk management, following the sentencing hearing and informal Board discussion. This set out several actions that TfL was taking to further improve its safety culture and assurance. It was agreed that the General Counsel would lead on considering how best to enhance Board-level safety scrutiny and oversight of our safety performance including assurance oversight. Members and the Commissioner were also keen for the Board to have more oversight and discussion of security issues.

5.5 Members have also agreed that to deliver their stewardship and oversight function, the papers submitted to, and discussions at, meetings of Committees and Panels need to focus on strategic issues, informed by data, and also to allow space for discussions on future issues, such as innovation and future regulatory challenges.

Enhancing Board oversight of safety and security – proposal for a Safety and Security Panel

5.6 Members currently receive information on health and safety matters through several means at different meetings, and every meeting of the Board and its Committees and Panels starts with an invitation from the Chair for Members to raise any safety issues, either at the meeting or with Chief Officers.

Board:

(a) the Commissioner's Report to each meeting includes progress against the Mayor's Transport Strategy targets and the Scorecard measures and has a dedicated section on safety and security;

(b) the summary report from each meeting of the Safety, Sustainability and Human Resources Panel, with its Chair highlighting significant issues;
(c) the annual approvals of the Business Plan, Budget and TfL Scorecard (with Members having early informal engagement in the development of each);
(d) the Annual Report, which includes specific information on health and safety performance; and
(e) the Safety, Health and Environment (SHE) Annual Report.

Audit and Assurance Committee:

(a) considers Enterprise Risks, including those covering safety and security, and has oversight of all overdue audit actions and a detailed report on those that are overdue by 100 or more days.

Safety, Sustainability and Human Resources Panel:

(a) provides specific scrutiny and advice on our safety performance and our approach to safety and safety culture. A quarterly SHE Report is submitted to each meeting and it considers reports on specific SHE performance and activity, including SHE safety management, SHE culture, and bus safety; and
(b) Enterprise Risk updates are submitted, at least annually, on the management of Enterprise Risk 1 'Inability to deliver safety objectives and obligations', Enterprise Risk 2 'Attraction, retention, wellbeing and health of our employees' and Enterprise Risk 3 'Environment including climate adaptation' based on second line of defence audit work by the Quality, Safety and Security Assurance team and third line of defence work by the Internal Audit team.

5.7 All Board Members receive a notification of each Committee and Panel meeting and a copy of the meeting papers (unless there is a known conflict).

5.8 Following the Sandilands sentencing outcome and the review of TfL's safety risk management approach, the Commissioner, Chief Safety, Health and Environment Officer and some Members raised the possibility of a meeting dedicated to safety to enable Members to have a clearer oversight. There are also synergies between safety and security issues.

5.9 To allow sufficient oversight and consideration of strategic health and safety and security matters, a specific Board Safety and Security Panel is proposed. An advisory panel, rather than a decision-making committee, is considered appropriate as accountability for health and safety should continue to be met at officer level.

5.10 On security specifically, the new Panel will consider:

(a) assessment of the external environment, controls and maturity, to reduce the threat, vulnerability and impact of security issues covering: physical, cyber (including artificial intelligence), financial crime, personal, information, personnel, fraud, resilience and crime and anti-social behaviour; and
(b) crime prevention and reduction including tackling workplace violence and aggression, and violence against women and girls.

5.11 TfL is committed to be as transparent as possible. Meetings of the Board and its Committees and Panels are held in public, with as much information discussed in public, prior to the press and public being excluded to discuss the information that is exempt from publication.

5.12 It is also proposed that consideration be given to engaging an external special adviser to provide independent advice and support to the Panel on safety and security matters. A previous iteration of the Safety, Sustainability and Human Resources Panel had safety advisers.

5.13 Executive teams across TfL managing the Investment Programme have for many years benefitted from the input and scrutiny provided by the Independent Investment Programme Advisory Group (IIPAG). That model has in recent years also been used to support the executive teams that supported the delivery of the Crossrail project (once TfL took over responsibility for its governance) and most recently the Places for London team. IIPAG members attend and contribute to meetings of the Programmes and Investment Committee and the Land and Property Committee (and previously to the former Elizabeth Line Committee). The current recruitment round for new IIPAG members includes adding additional specialist resource on safety assurance to form a IIPAG Safety sub-group, which will have clear terms of reference to ensure clarity of the respective roles and responsibilities of TfL teams and the sub-group members. The IIPAG Safety sub-group would also attend meetings of the Panel.

5.14 Safety information reported to the Board and the Audit and Assurance Committee will continue as above, with the reports from the Safety and Security Panel replacing the current Safety, Sustainability and Human Resources Panel.

Consideration of strategic sustainability/environment matters – proposal for a Customer, Sustainability and Operations Panel

5.15 The Mayor's Transport Strategy includes stretching net zero commitments and we aspire as an organisation to be a green heartbeat for London. Sustainability and consideration of environmental matters, including climate adaptation, will increasingly be key to everything we do and must continue to be mainstreamed into all areas of our work.

5.16 Given the synergies between sustainability and operations, it is proposed that the remit of the Customer Service and Operational Performance Panel be refocused into a new Customer, Sustainability and Operations Panel. The Panel would take a more strategic forward-looking approach, focussing on performance data trends and emerging issues.

5.17 The Panel will also have input from a representative of TfL's Youth Panel, who are very focussed on operations and committed to and knowledgeable of sustainability issues.

5.18 The meetings of other Committees will continue to consider environmental and sustainability issues when overseeing and taking decisions on items within their remit. The mainstreaming of this has been further specified in their proposed Terms of Reference:

(a) the Finance Committee already has oversight of non-programme related financial sustainable/environment matters, for example the Power Purchase Agreements. Going forward, matters such as climate-related financial disclosure and Enterprise Risk 3 'Environment including climate adaptation' will be reported to the Committee in view of the significant budget implications over the next five-10 years. It will also consider sustainability as part of its engagement in business planning and budget discussions;

(b) the Programmes and Investment Committee will continue to review and further enhance sustainability and environment as part of oversight of the individual elements of the Investment Programme; and

(c) the Land and Property Committee will continue to review and further enhance sustainability and environment as part of its remit. A representative of the Places for London leadership team will also attend meetings of the new Safety and Security Panel (as is currently the case with meetings of the Safety, Sustainability and Human Resources Panel).

5.19 Given the importance of sustainability, the operation of the new Customer, Sustainability and Operations Panel and the enhanced focus in the Terms of Reference of Committees will be kept under review to determine if this is the optimal approach for oversight of this topic. In future years it may be appropriate to consider a dedicated panel to consider transformation and sustainability issues, as is being considered in other sectors.

Proposals for a People and Remuneration Committee

5.20 There has always been some degree of overlap between the agendas of the current Remuneration Committee and the people elements considered by the Safety, Sustainability and Human Resources Panel. It is therefore appropriate to include all people issues, including staff welfare issues, and remuneration decisions in one meeting. This reflects good practice in the operation of similar committees in other organisations.

5.21 During the informal discussions on the Board Effectiveness Review 2023, the Chair of the Remuneration Committee supported the idea of the Committee having a wider remit as this would inform its discussions on succession planning and talent management. The new remit would need a larger Committee with additional Members and a minimum of four meetings per year.

Land and Property Committee considerations

5.22 When the Land and Property Committee was established, it was agreed that its Terms of Refence would be kept under review. Understandably, over the first two years of its operation, the Committee has primarily focussed on the standing-up and bedding-in of the governance arrangements for TfL's property company, Places for London Limited, and the assurance processes to support its leadership team and to provide assurance to TfL and the Committee on its operation and delivery.

5.23 We are looking at the operation of the Committee as it moves from overseeing the setting up of Places for London as an organisation and moves to a clearer focus on its delivery. Proposed changes to its Terms of Reference set out the papers it will regularly receive from Places for London.

5.24 Consideration is being given to the role of the Committee in regard to other aspects of TfL's estate, beyond those within the remit of Places for London. Any proposed changes will be submitted to a future meeting of the Board for approval.

Board Effectiveness

5.25 The proposals in relation to the new Committee and Panel structure have been shared with the person from Deloitte's specialist board advisory team that led the Board Effectiveness Review 2023. The proposals were supported, including the need to keep the sustainability proposals under review. The 2024 Board Effectiveness Review will be led by the Deputy Chair, but the 2025 Review is likely to be externally led, to get feedback on the operation of the new Board, the induction process and the bedding in of the new decision-making structure.

Forward Plans for meetings

5.26 The outcomes from the Board Effectiveness Review 2023, further endorsed by the informal engagement with Members on the proposals in this paper, supported the desire for meetings to have a much sharper focus on strategic issues and risks. Good progress has been made with the existing Panels to discuss strategic items first at meetings.

5.27 Forward plans for meetings usually comprise of a mix of standing items, annual or ad-hoc items and items suggested by officers or items requested by Members at meetings during the discussion of items, including the standing item on the forward plan.

5.28 Subject to the new Terms of Reference being agreed at this meeting, the forward plans will be reviewed and refreshed to ensure they align with the sharper strategic focus for each meeting. There will, inevitably, be some overlap between meetings. Work will also be undertaken to review and streamline the standing performance reports submitted to meetings to ensure they maintain a strategic focus.

5.29 The lead officers at, and the Chair of, each meeting will be mindful of this when considering offers of, or Member requests for, future papers and when agreeing actions. The actions list for each Committee and Panel will also be reviewed to ensure that as many actions as possible are closed out and that those that remain open are mapped to the appropriate Committee or Panel.

5.30 A programme of informal briefings and site visits will also be maintained.

6 Appointments to Committees and Panels

6.1 Appointments will need to be made to the Board's Committees and Panels to reflect the changes to the composition of the Board and to the decision-making structure proposed above. The decisions on composition will reflect the required skills, knowledge and experience of individual Members and their preferences. There should be some overlap in membership of the Committees and Panels to ensure issues are considered in the round.

6.2 As the next scheduled meeting of the Board is not until 16 October 2024, it is proposed that the Deputy Chair be delegated authority to appoint the Chair and

Vice Chair of each Committee and Panel and then, in consultation with each Chair and Vice Chair and Members, to agree the composition of each Committee and Panel.

List of appendices to this report:

Appendix 1: Proposed Revisions to the Committees and Panels Terms of Reference.

List of Background Papers:

Standing Orders
Board Effectiveness Review 2023

Contact Officer: Andrea Clarke, General Counsel
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Appendix 1

TfL Committees and Panels Terms of Reference

From 9 September 2024.

Deleted: 18 December6 October 2023

Introduction

1. The TfL Board may establish committees, sub-committees, advisory panels (panels) and other bodies as permitted by Schedule 10 to the Greater London Authority Act 1999 (as amended) (the GLA Act).

2. The TfL Board has established the following Committees of the Board on a standing basis:

   (a) Audit and Assurance Committee;

   (b) Finance Committee;

   (c) Land and Property Committee;

   (d) Programmes and Investment Committee; and

   (e) People and Remuneration Committee.

3. Committees and Sub-Committees may establish further bodies in a form permitted by Schedule 10 to the GLA Act subject to the approval of, and to any conditions imposed by, the Board.

4. The Chair of any Committee (or the Vice Chair in the Chair's absence) may appoint, with the agreement of the Chair of TfL, an additional member or members to that Committee. This will be reported to the Board at the next ordinary Meeting.

5. The TfL Board has established the following Panels on a standing basis:

   Deleted: Advisory

   (a) Customer, Sustainability and Operations Panel; and

   Deleted: Customer Service and Operational Performance Panel; and

   (b) Safety and Security Panel.

   Deleted: Safety, Sustainability and Human Resources Panel

6. Panels may advise and support the work of the Board and its Committees but are not constituted as committees of the Board or as sub-committees of any such committee.

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7. The following matters are specified in this document for each Committee in paragraphs 2 and 3 and each Panel in paragraph 5:

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   (a) its status for the purposes of Part 5A of the Local Government Act 1972 and reporting;

   (b) attendance and quorum;

   (c) frequency of meetings;

(d) terms of reference; and

(e) as appropriate, its relationship with other Committees and Panels.

8. The membership of each Committee and Panel, including its Chair and Vice Chair, will be approved by the Board in accordance with Standing Orders, based on the skills, knowledge, and expertise of Members.

9. Part 1 of TfL Standing Orders will apply to proceedings of the Committees, Panels and any other bodies established by the Board under Schedule 10 of the GLA Act.

10. All Members of TfL may attend any Committee or Panel meeting but they may only vote at a Committee meeting if they are members of the relevant Committee.

11. Any Member of TfL may submit a request to the General Counsel to receive the agenda, papers and/or minutes relating to meetings of any Committees, Sub-Committees and Panels of which he or she is not a member. The General Counsel shall provide the requested documents to that Member at the same time as they are provided to members of the relevant Committee, Sub-Committee or Panel.

Document history

12. This document was approved by the Board on 24 July 2024, replacing the version last updated on 18 December 2023.

Deleted: <#>whether of an executive or advisory status;¶
<#>its status for the purposes of Part 5A of the Local Government Act 1972;¶
<#>membership; ¶
<#>the Chair; ¶
<#>quorum; ¶
<#>frequency of meetings; ¶
<#>procedural or reporting arrangements; and ¶
<#>secretarial arrangements. ¶

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Deleted: <#>This document was originally approved by the Board on 10 November 2017. The following updates were approved or authorised by the Board:¶
<#>26 July 2018, 22 May 2019 and 29 July 2019: Terms of Reference of the Remuneration Committee amended to reflect changes to membership, job titles and the staff that fall within the remit of the Committee; ¶
<#>30 September 2020 (by Chair's Action): to include the Terms of Reference of the Elizabeth Line Committee and associated changes to the Terms of Reference of other Committees and Panels; and¶
<#>7 May and 6 September 2021 to reflect changes to the Board, resulting in Members leaving Committees and Panels.¶
<#>1 January 2022 (approved 8 December 2021) to reflect changes to the Board and a substantive review of Committee and Panel membership. ¶
<#>3 February 2022 (approved 2 February 2022) to reflect a change to Board and Committee membership and changed by the General Counsel, under Standing Order 5(b), to reflect changes in Postholders, titles and responsibilities of Officers. ¶
<#>1 April 2022 (approved 23 March 2022) to include the terms of reference of a Land and Property Committee, including related changes to the Finance and Programmes and Investment Committees; and changes to the terms of reference of the Finance Committee following a general delegation from the Board in relation to treasury management strategies and policies. ¶
<#>8 June 2023 (approved 7 June 2023) to add Anurag Gupta to the Land and Property Committee (replacing Heidi Alexander who stood down on 31 March 2023).¶
<#>26 July 2023 (approved 7 June and 25 July 2023) to reflect the standing down of the special purpose Elizabeth Line Committee and completion of the Crossrail project, officer and Government role changes and changes to appointments to the Finance Committee, Land and Property Committee and Programmes and Investment Committee.¶
<#>16 October 2023 (approved 25 July) to reflect the changes to the Committees listed above following the departure of Ben Story who stood down from the Board on 29 September (and to also reflect the departure of Cllr Kieron Williams who stood down from the Board on 13 October 2023).¶
<#>On 18 December 2023, Councillor Ross Garrod was appointed to the Committees and Panels by the Deputy Chair of TfL, under the authority delegated by the Board on 18 October 2023.¶

Audit and Assurance Committee

Status and Reporting

1. The Committee is decision-making, with full delegated powers within its terms of reference. Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.
2. The Committee will report any meeting to the Board at the next ordinary Meeting.

Attendance and Quorum

3. Members will be appointed in accordance with Standing Orders and an up-to-date list will be maintained on tfl.gov.uk.
4. The quorum for the meeting is three Members.
5. Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting.
6. The Secretary to the meeting will be agreed by the General Counsel.
7. Attendance at the meeting will generally include:
    - Chief Finance Officer
    - General Counsel
    - Director of Risk and Assurance
    - External Auditors

Frequency of Meetings

8. The Committee will meet at least four times a year or at such greater frequency as determined by the Chair.
9. A special meeting of the Committee may also be convened by a written requisition delivered to the General Counsel by any of the following:
    (a) the Chief Finance Officer;
    (b) the Director of Risk and Assurance;
    (c) the Chief Safety, Health and Environment Officer; or
    (d) the External Auditors.
10. Special meetings will be held within 10 working days of receipt of the requisition by the General Counsel.

Commented [SK1]: The Status and Reporting and Attendance and Quorum sections throughout have been amended to this simpler format.

Deleted: Status Decision-making with full delegated powers within its terms of reference.¶
Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.¶
Membership¶
Chair
...

Terms of Reference

11. To review the arrangements put in place by Officers to ensure that the TfL Group prepares its Annual Statement of Accounts and other published financial reports in accordance with all relevant legislation and accounting standards.

12. The Committee will review the Annual Statement of Accounts and the Annual Report:

    (a) including any statements therein made by the Board;

    (b) monitoring the accounting policies used in their preparation; and

    (c) monitoring significant financial reporting judgements.

13. At least annually, members of the Committee will meet separately with each of the Director of Risk and Assurance, the Chief Finance Officer and the chair of the Independent Investment Programme Advisory Group (IIPAG) without any other Officer being present.

14. To review the effectiveness of the systems of internal control in place throughout the TfL Group, based on reports from management, Internal Audit and the External Auditors. Internal control is not restricted to financial control but includes, inter alia, the arrangements that management has put in place for:

    (a) the systematic identification of business risks and mitigating controls and procedures for ensuring these are properly implemented and effective;

    (b) legal compliance;

    (c) budgetary control;

    (d) oversight and assurance of the Investment Programme

    (e) oversight and assurance on sustainability policies, including climate adaptation; and

    (f) ensuring a systematic approach to minimise the risk of fraud.

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15. To ensure that an adequate and effective system of internal audit and assurance is maintained.

16. To agree external audit fees.

17. To maintain an oversight of corporate governance throughout the TfL Group and receive, on an annual basis, reports from the General Counsel and the Director of Risk and Assurance on the implementation, operation of and compliance with TfL's Code of Corporate Governance.

18. To maintain an overview of the Standing Orders in respect of contract procedure rules, financial regulation and codes of conduct and behaviour.

19. To recommend the adoption of the Annual Governance Statement.

20. To review the appropriateness of the response to reports under 'whistleblowing' procedures.

21. To review, and exceptionally to request, the carrying out of audits and reviews of health, safety and environmental management systems and resilience policies, arrangements and procedures, as necessary, and to review progress with the implementation of recommendations arising from such audits.

22. To review the integrated assurance framework.

23. To approve the integrated assurance plan.

24. To have oversight of enterprise risks.

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25. The Committee will:

    (a) be kept apprised of any proposed external audit inspections;

    (b) receive copies of any external audit inspection reports; and

    (c) receive internal reports on the implementation of procedures and controls to address issues raised therein.

26. The Committee may call upon any Chief Officer or other Officer to provide it with information, either orally or in writing. The Committee may also have access to all TfL Group records and documentation for the purposes of exercising its functions as an audit committee and for no other reason.

Relationship with Internal Audit

27. The Committee will review the audit plans and scope of Internal Audit and available resource and shall be able to require Internal Audit to carry out specific investigations.

28. The Committee will review and discuss audit findings and monitor management responses to these findings to ensure appropriate follow-up measures are taken.

29. Upon resignation the Director of Risk and Assurance will report to the Committee as to the reasons for resignation.

Relationship with External Audit

30. The Committee will meet with the External Auditors before the audit commences to communicate any matters of which the Committee considers the External Auditors should be aware, and to review the audit plans and scope.

31. The Chief Finance Officer shall make available to the Committee such information and explanations as it requires in order for it to discuss with the External Auditors any issues arising from the audit and to carry out its review of:

(a) the Annual Report and Statement of Accounts;

(b) the Annual Audit Letter, together with management's responses; and

(c) other external audit reports.

32. Following the completion of each statutory audit, the Committee will review the effectiveness of the External Auditor's performance and its independence and objectivity.

33. At least annually the members of the Committee shall meet with the External Auditors without any Officer being present.

34. The Committee will develop and implement policy on the engagement of the external auditors to supply non-audit services.

Relationship with the Independent Investment Programme Advisory Group (IIPAG)

35. At least once each year, the Committee will review:

(a) the content of the annual workplan and budget for the IIPAG, considering any recommendations made by the Programmes and Investment Committee and, where the Committee considers changes to the workplan and/or budget are appropriate, it may approve those changes; and

(b) the activities of the IIPAG in implementing that workplan (as it may have been amended).

36. The Committee will review the quarterly reports of the IIPAG and the management response to those reports.

TfL Scorecard

37. Annually to review and agree the outcome of the TfL Group Scorecard.

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<#>The Committee will report any meeting to the Board at the next ordinary Meeting.¶

Finance Committee

Status and Reporting

1. The Committee is decision-making, with full delegated powers within its terms of reference. Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.
2. The Committee will report any meeting to the Board at the next ordinary Meeting.

Attendance

3. Members will be appointed in accordance with Standing Orders and an up-to-date list will be maintained on tfl.gov.uk.
4. The quorum for the meeting is three Members.
5. Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting.
6. The Secretary to the meeting will be agreed by the General Counsel.
7. Attendance at the meeting will generally include:
   - Government Observer
   - Commissioner
   - Chief Finance Officer

Deleted: Status Decision-making with full delegated powers within its terms of reference.¶
Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.¶
Membership¶
Chair ...

Frequency of Meetings

8. The Committee will meet at least four times a year or at such greater frequency as determined by the Chair.

Terms of Reference

Safety, Security and Sustainability

9. When providing advice or assistance to the Board, or determining or noting issues within its remit, the Committee will consider safety, security and sustainability issues.

Advice to the Board

10. The Committee will advise on and assist the Board with issues relating to financial matters including income generation and, in particular, provide advice in relation to the following matters reserved to the Board for determination:
    (a) TfL's Business Plan;
    (b) the TfL Group Budget;

(c) annually, Prudential Indicators (including the authorised limit for borrowing);

(d) climate-related financial disclosures and environmental matters (including climate adaptation) that have significant budget implications; and

(e) the disposal or transfer of the whole or any part of TfL's or a Subsidiary Entity's Undertaking when the number of staff involved exceeds 100.

Treasury Management Strategy

11. The Committee will approve:

    (a) annually, the Treasury Management Strategy (including the borrowing and investment strategies);

    (b) Treasury Management Policies;

    (c) policies regarding the exercise of power to issue guarantees and indemnities associated with guarantees;

    (d) policies regarding the exercise of power to give financial assistance; and

    (e) policies regarding the exercise of power to enter into derivative investments.

12. The Committee will monitor the implementation of the annual Treasury Management Strategy and may approve, notwithstanding the value of any transaction, the implementation of any liability management exercise exceeding delegated authorities of Officers as may be required by the annual Treasury Management Strategy and/or Treasury Management Policy Statement.

Derivative Investments

13. The Committee will monitor the implementation of the TfL Group Policy Relating to the Use of Derivative Investments and may:

    (a) approve, notwithstanding the value of any transaction, proposals for individual and/or any programme of derivative investments pursuant to section 49 of the Transport for London Act 2008 and issue guidance and directions as to the exercise of functions pursuant to that section, provided that any such approvals, guidance and directions are in accordance with the TfL Group Policy Relating to the Use of Derivative Investments; and

    (b) approve, as part of the annual Treasury Management Strategy, exposure limits relating to counterparties to derivative investments.

Commercial Development

14. The Committee is authorised by Standing Orders to review and grant Authorities in relation to Commercial Development opportunities at the financial

values set out in Standing Orders, save in respect of Commercial Land Transactions, such matters being in the remit of the Land and Property Committee.

15. Notwithstanding the authorisation at paragraph 6 above, the Committee is authorised to review and approve from time to time the terms of reference for any steering group which has oversight of Commercial Development activity related to the provision of consultancy services for a commercial return.

Taxi Fares and Taxi and Private Hire Licence Fees and Regulations

16. The Committee is authorised to approve
    - (a) proposals to make, amend or revoke:
        - (i) London cab orders, to the extent they prescribe fares for hackney carriages;
        - (ii) London taxi sharing scheme orders, to the extent that they prescribe fares for hackney carriages, but in relation to a fixed-fare taxi-sharing scheme, only to the extent that they prescribe a fare in excess of £20, but excluding all such schemes operating on a continuous basis; and
        - (iii) regulations under the Private Hire Vehicles (London) Act 1998, to the extent that they prescribe vehicle licence or application fees, driver licence or application fees and operator licence or application fees, but excluding fees for the variation of operator licences;
    - (b) proposals to amend vehicle licence or application fees and driver licence or application fees in relation to hackney carriages, excluding test or examination fees;
    - (c) proposals to make, amend or revoke any other regulations or byelaws, except for those London cab orders and regulations under the Private Hire Vehicles (London) Act 1998 that are delegated to other Officers pursuant to standing orders 131 and 140;

Transactions

17. The Committee is authorised by Standing Orders to review and grant Authorities, whether or not budgeted, in respect of any Transactions valued over £100m save for Transactions the Authorities for which are otherwise within the remit of the Land and Property Committee and the Programmes and Investment Committee, or otherwise specified under standing order 101.

18. The Committee is authorised by Standing Orders to approve any of the following in relation to Commercial Development opportunities or Transactions under its consideration:

    (a) formation, dissolution or disposal by TfL or any Subsidiary Entity of any:

        (i) Subsidiary Entity; or

        (ii) Associate or Joint Venture Entity; and

    (b) acquisition or disposal by TfL or any Subsidiary Entity of more than 25 per cent of the ownership of any corporate entity.

Relationship with Land and Property Committee and Programmes and Investment Committee

19. Where it is agreed by the Chairs of the Land and Property Committee or the Programmes and Investment Committee and the Finance Committee that any Authorities ordinarily within the remit of the Finance Committee are better to be considered by the Land and Property Committee or the Programmes and Investment Committee (as permitted under the terms of reference of the Committees), they shall be within the remit of the Land and Property Committee or the Programmes and Investment Committee; and that Committee is authorised by Standing Orders in respect of such matters to review and grant any Authorities.

Mayoral Directions

20. The Committee will consider at each meeting a report on the implementation of any applicable Direction from the Mayor relating to TfL's statutory powers from a technical perspective or relating to TfL's Commercial Development activities, save in respect of Commercial Land Transactions, such matters being in the remit of the Land and Property Committee.

Reporting to the Board

21. The Committee will report any meeting to the Board at the next ordinary Meeting.

Land and Property Committee

Status and Reporting

1. The Committee is decision-making, with full delegated powers within its terms of reference. Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.
2. The Committee will report any meeting to the Board at the next ordinary Meeting.

Attendance

3. Members will be appointed in accordance with Standing Orders and an up-to-date list will be maintained on tfl.gov.uk.
4. The quorum for the meeting is three Members.
5. Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting.
6. The Secretary to the meeting will be agreed by the General Counsel.
7. Attendance at the meeting will generally include:
   - Greater London Authority representative
   - Chief Finance Officer
   - Chief Customer and Strategy Officer
   - Director and Chief Executive, Places for London Limited
   - Chief Finance Officer, Places for London Limited
   - representatives from the Risk and Assurance Directorate and from the Independent Investment Programme Advisory Group Places for London sub-group

Deleted: Status Decision-making with full delegated powers within its terms of reference.¶
Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.¶
Membership¶
Chair ...

Frequency of Meetings

8. The Committee will meet at least four times a year or at such greater frequency as determined by the Chair

Terms of Reference

Safety, Security and Sustainability

9. When providing advice or assistance to the Board, or determining or noting issues within its remit, the Committee will consider safety, security and sustainability issues.

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Advice to Board

10. The Committee will advise the Board on commercial property related activities.

11. The Committee will provide advice as necessary in relation to changes to the membership and remit of the Committee as it considers appropriate from time to time, such maters being reserved to the Board for determination:

12. The Board will retain authority to sign off the annual review of the overall effectiveness of the Committee.

Remit

13. The Committee will give guidance on strategic direction on behalf of TfL and ensure alignment between the vision, purpose and corporate plans relating to land and property development including the activities of TfL's wholly owned subsidiary Places for London Limited (Places for London) and its subsidiaries and relevant policies of the Mayor's Transport Strategy and London Plan, including affordable housing.

14. The Committee will promote the longer-term success and financial sustainability of TfL's land and property development activities while safeguarding operational delivery and assets.

15. The Committee will facilitate effective delivery, and enable Places for London to operate successfully as a commercial enterprise.

16. The Committee will receive an annual report on land and property development, which will include details of the number of development projects where framework partners were engaged.

17. Each ordinary meeting of the Committee will receive papers from Places for London covering financial performance, delivery of the programme of work for each business portfolio, the future pipeline of work and assurance plans and reports.

18. Consideration and approval of matters relating to the financing of Places for London are within the remit of the Finance Committee, not the Land and Property Committee.

Decision Making and Authorities

19. The scope of Committee activities will incorporate:

    (i) approval annually of TfL's Land and Property Development Business Plan and key performance indicators;

    (ii) review of Places for London's performance against its Property Investment Strategy, Business Plan and key performance indicators; and

    (iii) oversight of the effective operation of Places for London.

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20. The Committee is authorised by Standing Orders to review and grant Authorities in relation to Commercial Land Transactions at the financial values set out in Standing Orders.

Relationship with Finance Committee and Programmes and Investment Committee

21. Where it is agreed by the Chairs of the Finance Committee or the Programmes and Investment Committee and the Land and Property Committee that any Authorities ordinarily within the remit of the Land and Property Committee are better to be considered by the Finance Committee or the Programmes and Investment Committee (as permitted under the terms of reference of the Committees), they shall be within the remit of the Finance Committee or the Programmes and Investment Committee; and that Committee is authorised by Standing Orders in respect of such matters to review and grant any Authorities.

Mayoral Direction

22. The Committee will consider at each meeting a report on the implementation of any applicable Direction from the Mayor relating to TfL's land and property development activities.

Deleted: Advice to Board¶
<#>The Committee will advise the Board on commercial property related activities.¶
<#>The Committee will provide advice as necessary in relation to changes to the membership and remit of the Committee as it considers appropriate from time to time, such maters being reserved to the Board for determination:¶
<#>The Board will retain authority to sign off the annual review of the overall effectiveness of the Committee. ¶
¶

Programmes and Investment Committee

Status and Reporting

1. The Committee is decision-making, with full delegated powers within its terms of reference. Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.
2. The Committee will report any meeting to the Board at the next ordinary Meeting.

Attendance

3. Members will be appointed in accordance with Standing Orders and an up-to-date list will be maintained on tfl.gov.uk.
4. The quorum for the meeting is three Members.
5. Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting.
6. The Secretary to the meeting will be agreed by the General Counsel.
7. Attendance at the meeting will generally include:
   - Government Observer
   - Commissioner
   - Chief Finance Officer
   - Chief Capital Officer
   - representatives from the Chief Capital Office and the Chief Customer and Strategy Office
   - representatives from the Risk and Assurance Directorate and from the Independent Investment Programme Advisory Group

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Status Decision-making with full delegated powers within its terms of reference.¶
Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.¶
Membership¶
Chair

Frequency of Meetings

8. The Committee will meet at least four times a year or at such greater frequency as determined by the Chair.

Terms of Reference

Safety, Security and Sustainability

9. When providing advice or assistance to the Board, or determining or noting issues within its remit, the Committee will consider safety, security and sustainability issues.

Advice to the Board

10. The Committee will advise on and assist the Board with issues relating to TfL's overall Investment Programme matters and, in particular, provide advice in relation to the following matters reserved to the Board for determination:

    (a) proposals for schemes under the GLA Act for the transfer of the following (prior to submission to the Mayor):

        (i) property, rights and liabilities between TfL and its Subsidiary Entities or between its Subsidiary Entities; and

        (ii) key system assets;

    (b) proposals for schemes under the GLA Act for the transfer of the following (prior to submission to the Mayor):

        (i) property, rights and liabilities between TfL and its Subsidiary Entities or between its Subsidiary Entities; and

        (ii) key system assets; and

    (c) disposal or transfer in connection with the delivery of TfL's Investment Programme of the whole or any part of TfL's or a Subsidiary Entity's Undertaking when the number of staff involved exceeds 100.

Approval of Programmes

11. The Committee is authorised by Standing Orders to review and grant any Authorities in relation to Programmes and Projects at the financial values set out in the Standing Orders. Programmes will be reviewed annually and, at such annual review, Authorities may be adjusted or confirmed.

12. The Committee is authorised by Standing Orders to approve any of the following in relation to any Programme or Project or Transactions under its consideration:

    (a) formation, dissolution or disposal by TfL or any Subsidiary Entity of any:

        (i) Subsidiary Entity; or

        (ii) Associate or Joint Venture Entity; and

    (b) acquisition or disposal by TfL or any Subsidiary Entity of more than 25 per cent of the ownership of any corporate entity.

13. The Committee will:

    (a) monitor the delivery of the TfL overall Investment Programme, including progress and significant variances within each Programme,

(b) consider the forward programme of Investment Programmes approvals, including when decisions on procurement strategies are required, and indicate if the Committee requires further information or input;

(c) monitor a summary of any authority exercised by the Commissioner or the Chief Finance Officer under Standing Orders since the last meeting;

(d) monitor the approach to the scrutiny of programmes and projects;

(e) monitor the implementation of the Transport Strategy and the integration of the Transport Strategy and plans with other Mayoral, national and international strategies and frameworks for transport; and

(f) consider reports on proposals for long term transport planning issues and studies.

Relationship with the Independent Investment Programme Advisory Group (IIPAG)

14. At least once each year, the Committee will review:

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(a) the content of the annual workplan and budget for the IIPAG and make recommendations to the Audit and Assurance Committee as appropriate; and

(b) the activities of the IIPAG in implementing that workplan (as it may have been amended with the approval of the Audit and Assurance Committee).

15. The Committee will review the quarterly reports of the IIPAG and the management response to those reports.

16. The Committee will receive project and programme level advice from the IIPAG on any approvals sought from the Committee or the Board.

Relationship with Finance Committee and Land and Property Committee

17. Where it is agreed by the Chairs of the Finance Committee or the Land and Property Committee and the Programmes and Investment Committee that any Authorities ordinarily within the remit of the Programmes and Investment Committee are better to be considered by the Finance Committee or the Land and Property Committee (as permitted under the terms of reference of the Committees), they shall be within the remit of the Finance Committee or the Programmes and Investment Committee; and that Committee is authorised by Standing Orders in respect of such matters to review and grant any Authorities.

Mayoral Directions

18. The Committee will consider at each meeting a report on the implementation of any applicable Direction from the Mayor relating to TfL's Programmes and Projects.

Deleted: Reporting to the Board¶
<#>The Committee will report any meeting to the Board at the next ordinary Meeting.¶

People and Remuneration Committee

Status and Reporting

1. The Committee is decision-making, with full delegated powers within its terms of reference. Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.

2. The Committee will report any meeting to the Board at the next ordinary Meeting.

Attendance

3. Members will be appointed in accordance with Standing Orders and an up-to-date list will be maintained on tfl.gov.uk.

4. The quorum for the meeting is three Members.

5. Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting.

6. The Secretary to the meeting will be agreed by the General Counsel.

7. Attendance at the meeting will generally include:

   - Commissioner
   - Chief People Officer

Frequency of Meetings

8. The Committee shall meet at least four times a year or at such greater frequency as determined by the Chair.

Terms of Reference

Strategic Overview

9. The Committee will maintain a strategic overview of TfL's Colleague Strategy, including reward and remuneration policies, talent, management, and inclusion.

10. The Committee will receive a report at least once each year addressing remuneration on a pan-TfL basis including base pay and performance awards and will use that report to inform its decisions on senior officer remuneration.

11. The Committee will receive a report at least once each year addressing pay gaps between those within TfL's workforce who may have a protected characteristic and those who do not, including, but not limited to, gender and race.

Deleted: Status Decision-making with full delegated powers within its terms of reference.¶
Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.¶
Membership¶
Chair

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Deleted: and its arrangements for talent management and succession planning.¶

12. The Committee will receive regular update reports on TfL’s approach to talent management and succession planning.

13. The Committee will receive a report at least once each year addressing progress against TfL’s Colleague Strategy.

Remuneration Approvals

14. The Committee will review from time to time the remuneration of the Commissioner, Chief Officers and Directors reporting to the Commissioner.

Deleted: following Officers:¶
<#>the Commissioner¶
<#>the Chief Finance Officer¶
<#>the General Counsel¶
<#>the Chief Customer and Strategy Officer¶
<#>the Chief Capital Officer¶
<#>The Chief Operating Officer¶
<#>the Chief People Officer¶
the Chief Safety, Health and Environment Officer

15. In considering the remuneration of the individuals listed above, the Committee will take into account:

(a) the need to remunerate at a level that is competitive in comparison with the external market and peer organisations;

(b) the need to remunerate at a level that attracts, motivates and retains high calibre, suitably qualified individuals to manage TfL successfully while also, in a fair and reasonable manner, rewarding them for their individual contributions to TfL’s long-term success, without paying more than is necessary;

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(c) the context of remuneration levels across TfL, including the level of changes to remuneration across the workforce; and

(d) as appropriate, any views expressed by the Mayor on senior salary levels.

16. The Committee will determine the level of any annual performance award for the Commissioner within the parameters of the performance award arrangements in their contract of employment, taking into account the TfL Group Scorecard outcome as agreed by the Audit and Assurance Committee.

17. The Committee will consider the Commissioner’s recommendations for annual performance awards proposed for the roles under the Committee’s remit.

Deleted: individuals listed above

18. The Committee will, in line with the criteria laid out in the applicable process, determine the salary for any person proposed to be appointed as an Officer of TfL with an annual basic salary of £100,000 or more.

Deleted: <#>The Committee will receive a report at least once each year addressing remuneration on a pan-TfL basis including base pay and performance awards and will use that report to inform its decisions on senior officer remuneration.¶

19. The Committee will have oversight of any proposed exit payments for the Commissioner, Chief Officers and other Directors reporting to the Commissioner working to the following framework:

Deleted: <#>The Committee will, as appropriate, take into account any views expressed by the Mayor on senior salary levels.¶
<#>The Committee will receive a report at least once each year addressing pay gaps between those within TfL’s workforce who may have a protected characteristic and those who do not, including, but not limited to, gender and race.¶
<#>The Committee will receive regular update reports on TfL’s approach to talent management and succession planning.¶

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Framework for approving exit payments

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Role	Approval to initiate settlement discussions	Negotiation of settlement terms	Approval of proposed settlement agreement
Commissioner	Chair of TfL	Chair of the People and Remuneration Committee	TfL Board
Chief Officers, Directors reporting to the Commissioner and appointments made by the Board	Commissioner	Chief People Officer	People and Remuneration Committee

20. In addition, in circumstances where there is a proposed exit payment outside of standard redundancy terms and which exceeds £100,000 (excluding notice periods, which are contractual) this would also be considered by the Committee irrespective of the grade and/or salary of the employee.

Deleted: Reporting¶
<#>The Committee will report any meeting to the Board at the next ordinary Meeting.¶

Customer, Sustainability and Operations Panel

Deleted: Service and Operational Performance

Status and Reporting

1. The Panel is advisory. Part 5A of the Local Government Act 1972 is not applicable as this Panel is not a Committee or Sub-Committee of TfL. The Panel will operate as if sections 100A to 100E and their interpretive provisions within Part 5A of the Local Government Act 1972 did apply.

2. The Panel will report any meeting to the Board at the next ordinary Meeting.

3. Where consideration is given by the Panel to a matter with significant financial, safety, security or sustainability consequences, a summary of any comments or recommendations (if any) will be provided to the Commissioner and either the Finance Committee or other Committees as appropriate and will be reflected in the report to the Board. Similar reports will also be provided to the Audit and Assurance Committee where a matter of relevance to that Committee is considered.

Deleted: Programmes and Investment Committee

Attendance

4. Members will be appointed in accordance with Standing Orders and an up-to-date list will be maintained on tfl.gov.uk.

5. The quorum for the meeting is three Members.

6. Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting.

7. The Secretary to the meeting will be agreed by the General Counsel.

8. Attendance at the meeting will generally include:

- Chief Customer and Strategy Officer
- Chief Operating Officer
- Chief Safety, Health and Environment Officer
- Representatives from the Risk and Assurance Directorate
- TfL Youth Panel representative

Deleted: **Status** Advisory within its terms of reference.¶
Part 5A of the Local Government Act 1972 not applicable as this Panel is not a Committee or Sub-Committee of TfL. The Panel will operate as if sections 100A to 100E and their interpretive provisions within Part 5A of the Local Government Act 1972 did apply.¶
Membership¶
Chair ...

Frequency of Meetings

9. The Panel shall meet at least four times a year or at such greater frequency as determined by the Chair.

Terms of Reference

10. The Panel will maintain a strategic overview and provide strategic advice on all matters relating to TfL's customer service, its operational performance and

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sustainability, to reflect TfL's ambition to be a strong green heartbeat for London. This will include:

(a) non-financial operational performance across all TfL services and other customer service performance indicators;

(b) TfL environmental performance and progress against the Corporate Environment Plan;

(c) TfL's Customer Strategy and Action Plan;

(d) TfL's Transparency Strategy;

(e) fares and ticketing technology and data;

(f) progress against TfL's Equity in Motion plan and other matters relating to accessible transport, including step free access and assisted travel;

(g) enforcement activity relating to Taxis and Private Hire;

(h) preparation and regulation of new transport services; and

(i) artificial intelligence impact on transport services.

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Procedure¶
<#>The Panel will report any meeting to the Board at the next ordinary Meeting.¶
<#>Where consideration is given by the Panel to a matter with significant financial consequences, a summary of any comments or recommendations (if any) will be provided to the Commissioner and either the Finance Committee or Programmes and Investment Committee as appropriate. Similar reports will also be provided to the Audit and Assurance Committee where a matter of relevance to that Committee is considered.¶

Safety and Security Panel

Status and Reporting

1. The Panel is advisory. Part 5A of the Local Government Act 1972 is not applicable as this Panel is not a Committee or Sub-Committee of TfL. The Panel will operate as if sections 100A to 100E and their interpretive provisions within Part 5A of the Local Government Act 1972 did apply.

2. The Panel will report any meeting to the Board at the next ordinary Meeting.

3. Where consideration is given by the Panel to a matter with significant financial, safety, security or sustainability consequences, a summary of the comments and recommendations (if any) will be provided to the Commissioner and either the Finance Committee or other Committees as appropriate and will be reflected in the report to the Board. Similar reports will also be provided to the Audit and Assurance Committee where a matter of relevance to that Committee is considered.

Attendance

4. Members will be appointed in accordance with Standing Orders and an up-to-date list will be maintained on tfl.gov.uk.

5. The quorum for the meeting is three Members.

6. Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting.

7. The Secretary to the meeting will be agreed by the General Counsel.

8. Attendance at the meeting will generally include:

   - any special adviser(s) appointed by the Board
   - Commissioner
   - Chief Capital Officer
   - Chief Safety, Health and Environment Officer
   - Chief Operating Officer
   - General Counsel
   - Representatives from the Risk and Assurance Directorate

Frequency of Meetings

9. The Panel will meet at least four times a year or at such greater frequency as determined by the Chair.

Deleted: Human Resources

Deleted: Programmes and Investment Committee

Deleted: <#>Chief People Officer¶

Deleted: <#>epresentatives from Operations and from Customer and Strategy¶
Status Advisory within its terms of reference.¶
Part 5A of the Local Government Act 1972 not applicable as this Panel is not a Committee or Sub-Committee of TfL. The Panel will operate as if sections 100A to 100E and their interpretive provisions within Part 5A of the Local Government Act 1972 did apply.¶
Membership¶
Chair ...

10. The Panel will also receive security briefings, as and when required, to understand the constantly evolving threat landscape.

Terms of Reference

11. The Panel will provide strategic oversight and advice on all matters relating to health and safety and security, in particular:

(a) health, safety and security matters including compliance, assurance and resilience;

(b) TfL's Customer Safety Plan;

(c) assessment of the external environment, controls and maturity, to reduce the threat, vulnerability and impact of security issues covering: physical, cyber (including artificial intelligence), financial crime, personal, information, personnel, fraud, resilience and crime and anti-social behaviour;

(d) crime prevention and reduction including tackling workplace violence and aggression and violence against women and girls; and

(e) responsible procurement and the Annual Modern Slavery Statement.

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<#>responsible procurement. ¶

Deleted: Procedure ¶
<#>The Panel will report any meeting to the Board at the next ordinary Meeting.¶
<#>Where consideration is given by the Panel to a matter with significant financial consequences, a summary of the comments and recommendations (if any) will be provided to the Commissioner and either the Finance Committee or Programmes and Investment Committee as appropriate. Similar reports will also be provided to the Audit and Assurance Committee where a matter of relevance to that Committee is considered.¶

Board

Date: **24 July 2024**

Item: **Report of the Meeting of the Programmes and Investment Committee held on 26 June 2024**

This paper will be considered in public

1 Summary

1.1 This paper provides a summary of the items considered by Members of the Programmes and Investment Committee at its meeting on 26 June 2024. Due to some unexpected events, the meeting was inquorate. Mark Phillips chaired the discussion of items and exercised Chair's Action to approve the two items that required decision.

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 26 June 2024 were published on 18 June 2024 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 Members were:

(a) Use of Delegated Authority;

(b) Investment Programme Report Quarter 4: Periods 10, 11, 12 and 13, 2023/24;

(c) Independent Investment Programme Advisory Group (IIPAG) Quarterly Report;

(d) TfL Project Assurance Update;

(e) London Underground (LU) Four Lines Modernisation (4LM) Programme;

(f) Streets, Bus and Rail and Sponsored Services (RSS) Renewals Programme;

(g) Rail and Station Enhancements Programme - Annual Update;

(h) Asset Management Strategy Update; and

(i) Forthcoming Key Procurement Activities.

3.3 A summary of the items considered and the decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 20 September 2024.

4 Issues Discussed

Use of Delegated Authority

4.1 Members noted details of the use of Chair's Action in relation to approving authorities relating to the Elizabeth line: Service Frequency Increase to Support High Speed 2. There had also been two approvals of Procurement Authority in relation to: Purchasing S Stock and 09TS Compressors; and Depots Delivery Integrator variation to extend the contract for a further two years. There had been no other use of delegated authority by the Commissioner or the Chief Finance Officer nor Mayoral Directions to TfL within the Committee's remit.

Investment Programme Report Quarter 4: Periods 10, 11, 12 and 13, 2023/24

4.2 Members noted the update on the progress and performance in Quarter 4 of 2023/24 (10 December 2023 to 31 March 2024) of TfL's Investment Programme. TfL had delivered 23 of the 28 milestones on time or earlier.

4.3 Members noted that good progress continued to be made with delivering the Investment Programme including with major projects, step-free access, environment initiatives, safe and healthy streets, the technology programme and renewals. They also noted an update on the continued work to maximise efficiencies, learn the lessons from missed milestones, improve the visibility of Cycleway 4 (London Bridge to Greenwich) and the continued focus on safety matters. There had been ongoing engagement between the LU 4LM teams to fully test the new system, investigate any incidents and learn any lessons from this work.

Independent Investment Programme Advisory Group Quarterly Report

4.4 Members noted the update on the IIPAG work undertaken since the last report to the Committee in February 2024.

4.5 IIPAG had conducted three programme level reviews in the period, covering the LU 4LM, the Street, Bus and RSS Renewals, and Rail and Station Enhancements. IIPAG had identified one systemic issue relating to the Street, Bus and RSS Renewals Programme. IIPAG made observations on the ongoing concerns about asset condition, which reflected funding shortages and the growing impacts of these. Management had provided a response to the findings and were working to address these.

TfL Project Assurance Update

4.6 Members noted the update on the project assurance work undertaken between 7 January and 25 May 2024.

4.7 The Project Assurance team had undertaken three programme reviews with IIPAG during the period, and 17 project assurance reviews, with IIPAG involved in four of them. These reviews raised a total of 79 recommendations and identified three critical issues. Overall, the project teams had continued to make good progress with addressing the recommendations and the number of overdue recommendations remained at a low level.

London Underground Four Lines Modernisation Programme

4.8 Members noted progress with the delivery of the LU 4LM Programme. The next two Signal Migration Areas (SMAs) to go live were SMA 8 (Finchley Road to Preston Road) and SMA 9 (the Harrow area). Good progress had been made with commissioning this work, including providing operator training and with the preparations to introduce a new timetable in early 2025 between Stepney Green and Upminster to improve journey times. Given the complexity of the work, the date for completion of SMA 8 had been moved back from October 2024 to early 2025 and remained on track to be completed to this revised schedule.

4.9 Mark Phillips exercised Chair's Action and approved additional Programme and Project Authority and Procurement Authority for the Automatic Train Control signalling contract. Approval was also given for the transfer of Programme and Project Authority and Financial Authority for the signalling element of the works at Aldgate Junction to the LU Renewals Programme.

Streets, Bus and Rail and Sponsored Services Renewals Programme

4.10 Members noted an update on the achievements and progress of the Streets, Bus and RSS Renewals Programme. Overall, despite the challenges faced with the funding position, the Programme had performed well this year.

4.11 Members noted an update on the condition of TfL assets and the arrangements in place to manage risks and escalate matters to senior management. A Member highlighted the need to look further at lessons learnt from the Hatfield train derailment investigation about setting the appropriate levels of escalation.

Rail and Station Enhancements Programme - Annual Update

4.12 Members noted an update on the achievements and progress of the Rail and Station Enhancements Programme. Regarding unforeseen costs for additional works, a Member suggested that risks of additional costs and late design changes should be covered in the risk section of the report.

4.13 Mark Phillips exercised Chair's Action and approved increased Programme and Project Authority for the Programme.

Asset Management Strategy Update

4.14 Members noted an overview of TfL's Asset Management Strategy. This item addressed a request from the Chair of the Customer Service and Operational Performance Panel for a full, up to date register of the condition of operational assets. Members noted that TfL had recently reviewed its Business Plan to ensure it prioritised renewals, both in the current plan and going forward and Members will be updated on asset condition as part of the Business Planning process.

4.15 The Capital team had continued to make good progress with data management, aimed at better understanding the condition of assets. The use of artificial intelligence to assist with managing the asset base was highlighted. Officers stressed the need to embed the new processes for gathering good quality data in the first instance. This would lay the groundwork for the potential further use of artificial intelligence, to maximise process effectiveness.

Forthcoming Key Procurement Activities

4.15 Members noted the summary of the major new procurements or contract extensions planned over the next two years and decisions that were anticipated to be required from the Committee by way of Chair's Action between this meeting and the next planned meeting in September 2024. The paper also highlighted the significant forthcoming procurements that required approval at officer level during that period.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Programmes and Investment Committee on 26 June 2024

Contact Officer: Andrea Clarke, General Counsel
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Board

Date: **24 July 2024**

Item: **Report of the Meeting of the Land and Property Committee held on 3 July 2024**

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 3 July 2024.

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 3 July 2024 were published on 25 June 2024 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) Finance Report – 2023/24 Full Year;

(d) Places for London Quarterly Performance Report;

(e) Places for London Assurance Update;

(f) Places for London Delivery Portfolios;

(g) Places for London End of Year Valuation Results;

(h) Enterprise Risk Update – Financial Sustainability (Places-L0-03); and

(i) Enterprise Risk Update – Environment Including Climate Adaptation (Places-L0-05).

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 1 October 2024.

4 Issues Discussed

Use of Delegated Authority

4.1 The Committee noted one approval of Land Authority by the Commissioner for the Fenwick South development, Clapham, Lambeth.

Chief Executive's Report

4.2 The Committee noted the update on issues and developments since the meeting of the Committee on 11 March 2024, including significant progress in health and safety culture and compliance.

4.3 Savills had been appointed as Places for London's Real Estate Partner and would be tasked with reviewing the current Places for London housing programme. Its final report, including critical path dates, would be shared with the Committee.

4.4 Approval in relation to the change in scope of the Southwark Over Station Development to mixed use student accommodation would be submitted to a future meeting.

4.5 The Committee congratulated staff on winning two awards at the European Transform Awards, which specialised in rebranding and brand development. A copy of the Marketing Strategy would be sent to all Members.

Finance Report – 2023/24 Full Year

4.6 The Committee noted the Finance Report to the end of Quarter 4 of 2023/24 (the financial year ending 31 March 2024).

4.7 Results showed a strong operational performance, despite challenging market conditions, which impacted capital spend. Places for London was on target to meet all other performance indicators.

Places for London Quarterly Performance Report

4.8 The Committee noted the update on market context, health and safety, financial performance, operational performance, project updates and understanding Places for London's impact, for the period 7 January to 31 March 2024.

4.9 A Health and Safety Strategy was being developed. A successful Safety, Health and Wellbeing Stand Down Day had been held on 25 April 2024.

4.10 The Retail Strategy would be submitted to a future meeting for discussion.

Places for London Assurance Update

4.11 The Committee noted progress with assurance activity across Places for London during Quarter 1 of 2024/25 (1 April to 22 June 2024) and updates on the status of all open assurance recommendations at the end of Period 2 (25 May 2024).

4.12 There were no overdue audit actions. Work continued to develop Places for London's Risk Appetite and Tolerance approach.

Places for London Delivery Portfolios

4.12 The Committee noted the update on Places for London's two major capital portfolios of work, property development and asset management, and the performance against milestones.

4.13 Members welcomed the report and stressed the importance of transparency in the change control mechanisms.

Places for London End of Year Valuation Results

4.14 The Committee noted the overview of the end of year valuation for Places for London's investment assets and joint ventures.

4.15 The annual valuation was produced using asset-specific data and market information and carried out by an independent company.

Enterprise Risk Update – Financial Sustainability (Places-L0-03)

4.16 The Committee noted the overview of Enterprise Risk L0-03, defined as the "ability to maintain a healthy and viable financial position over the short and medium term".

4.17 The risk was deemed as Adequately Controlled with a Target Assessment as Low.

4.18 An informal briefing on a financial-distress plan would be arranged.

Enterprise Risk Update – Environment, Including Climate Adaptation (Places-L0-5)

4.19 The Committee noted the overview of Enterprise Risk L0-05, looking at the impact of changing climate, including an increased likelihood of flooding and extreme weather events on Places for London's portfolio.

4.20 A report on insurance would be submitted to the next meeting, alongside further updates on Enterprise Risks.

List of appendices to this report:
None

List of Background Papers:

Papers submitted to the Land and Property Committee on 3 July 2024.

Contact Officer: Andrea Clarke, General Counsel
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Board

Date: **24 July 2024**

Item: **Report of the Meeting of the Customer Service and Operational Performance Panel held on 10 July 2024**

This paper will be considered in public

1 Summary

1.1 This paper provides a summary of the items considered by Members of the Customer Service and Operational Performance Panel at its meeting on 10 July 2024. The meeting was inquorate but all items on the agenda were for noting except for the minutes of the last meeting.

2 Recommendation

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

3 Panel Agenda and Summary

3.1 The papers for the meeting of the Panel held on 10 July 2024 were published on 2 July 2024 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 Members were:

(a) Assisted Transport Services (ATS) Update;

(b) Cycling Action Plan 2;

(c) Santander Cycles Customer Hires;

(d) Bus Ridership and Superloop Demand Monitoring;

(e) London Transport Museum (LTM) – School Programmes;

(f) Elizabeth line Performance;

(g) Customer Service and Operational Performance Report – Quarter 4, 2023/24; and

(h) Risk and Assurance Report Quarter 4 2023/24.

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 Panel on 2 October 2024.

4 Issues Discussed

Assisted Transport Services Update

4.1 Members noted the work carried out to progress the ATS Strategy since the last update to the Panel on 5 December 2023. It also provided an update on how ATS continues to adapt to support Londoners with reduced mobility in the post coronavirus pandemic world.

4.2 Excellent progress continued to be made with operating the new online booking and scheduling system. The new booking app was proving to be popular with customers. Other key highlights were the continued growth in demand for Dial-a-Ride, the Taxicard service and the introduction of the Multi Occupancy Accessible Transport service across London.

4.3 Members welcomed and commended the work of the Travel Mentoring service and stressed the need to further promote this. Given the number of referrals to it by the NHS, it was suggested that the NHS be approached again to provide a contribution to the cost of the service.

4.4 The results of the customer satisfaction survey would be reported to the Panel. This would include a further breakdown of the growth in demand for ATS to show the split between new customers and existing customers making more trips.

Cycling Action Plan 2

4.5 Members noted the annual update on the Cycling Action Plan. The update focused on the latest trends in cycling and provided a summary of the key interventions and milestones achieved in the last 12 months, since the publication of the Cycling Action Plan 2.

4.6 Members noted the continued growth in cycling rates among all demographic groups, including the steady increase in cycling from those from Black and Ethnic Minority groups and households with an income under £20,000. It was suggested that officers consider working with minimum wage employers on the provision of facilities to support cycling and with cycle repair companies to provide their services in areas of deprivation.

4.7 TfL was also working to deliver several initiatives to further improve safety, such as driver awareness, and details of these would be provided in future reports.

4.8 Members requested that a breakdown be provided on the trends in demand between inner and outer London residents.

4.9 A further update would be provided to the Panel on micromobility and the progress with the introduction of legislation to regulate the activities. Members stressed the need for further action to address the problems with discarded hire cycles causing an obstruction on pavements, such as the provision of storage. In response to questions, officers suggested that TfL could look to review their training offer to the boroughs to cover micromobility training and increase knowledge sharing. A Member also suggested that TfL consider working with boroughs to provide a contact number that the public and street wardens could use to facilitate the speedy collection of discarded cycles.

Santander Cycles Customer Hires

4.10 Members noted the summary of changes in demand of Santander Cycles customer hires within the market, including details of the uptake of pedal cycles and electric cycles, ahead of the contract re-let in 2025.

4.11 Demand among member hires remained strong but there had been a decline in non-member users, which could be due to competition, the changes in the tariffs, and customers experiences with the lack of contactless payment options. TfL had put in place measures to mitigate the decline in trade, such as a day pass with an unlimited trip option and the continuing roll out of e-bikes that had proven very popular. TfL had also carried out a wide range of marketing, including on social media, to target all age groups.

Bus Ridership and Superloop Demand Monitoring

4.12 Members noted the update on activities to attract more customers to the bus network and a summary of trends in bus journeys. The paper also provided the initial findings from the monitoring of the Superloop routes.

4.13 The bus network had continued to grow and the Superloop service, including the rebranded express services, had continued to outperform the general bus network. It was noted that good progress continued to be made with improving bus priority, through for example providing buses lanes.

4.14 Further updates would be reported to the Panel.

London Transport Museum – School Programmes

4.15 Members noted the overview of the LTM’s School Programmes, including the positive impact of this work and ambitions for the future.

4.16 LTM, a wholly owned subsidiary within the TfL Group and a registered charity, aims to advance the heritage of transport in London and to educate the public about the role of transport in the life and work of London past, present and future. LTM delivers a range of programmes across London and works with schools to teach green skills.

4.17 Members recognised that this was a unique programme and were particularly impressed with the value of the work on teaching green skills in schools. They noted the merits of raising awareness of the benefits of this work to help expand the programme and secure additional funding from government.

Elizabeth line Performance

4.18 The Panel noted an update on Elizabeth line operational performance, including feedback on customer experience, covering Periods 12 and 13 of 2023/24 (4 February to 31 March 2024) and Periods 1 and 2 of 2024/25 (1 April to 25 May 2024).

4.19 Passenger numbers had continued to grow strongly and customer satisfaction levels remained high. Work was underway to fit aluminium filters to the fleet to prevent litter getting caught in the doors. Members requested that public information notices be provided to prevent littering. Officers would also explore the need for further signage at Heathrow to direct customers to the Elizabeth line services. Future updates to the Panel would provide details of service curtailments to Heathrow and ways to minimise these.

4.20 Challenges remained in relation to Network Rial infrastructure in the west. Network Rail had developed an improvement plan to address the challenges.

4.21 TfL was exploring adding some carefully positioned interventions at Ealing Broadway to improve customer experience when boarding and leaving the train, with a view to rolling out the learning on other platforms on the network with Network Rail.

Customer Service and Operational Performance Report – Quarter 4, 2023/24

4.22 Members noted the report for Quarter 4 of 2023/24 (10 December 2023 to 31 March 2024), which outlined performance and key priorities.

4.23 Ridership across the network had continued to improve with strong growth on the Elizabeth line. The Customer Care scores continued to improve.

4.24 It was requested that the format of the report be reviewed to focus on strategic performance issues. Consideration would also be given to providing a paper that covered key issues in the current quarter.

4.25 Officers were in the process of reviewing the data to look at the impact of the off-peak Fridays trial, and an update on this would be provided to a future meeting.

4.26 Further information would also be provided on the rise in complaints on the London Overground, TfL's policy on graffiti on trains and signal failures on the Piccadilly line.

Risk and Assurance Report Quarter 4 2023/24

4.27 Members noted the update on the status of and changes to Enterprise Risk 6 – Deterioration of Operational Performance. TfL had exceeded targets in relation to the audit plan which reviewed works against the risk.

4.28 The paper also set out details of audits completed in Quarter 4 of 2023/24. There had been continued focus on closing audit actions. The paper also provided details of a fraud prosecution and an update on cancelled and deferred work in the quarter.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Customer Service and Operational Performance Panel on 10 July 2024.

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Board

Date: **24 July 2024**

Item: **Report of the Meeting of the Finance Committee held on 11 July 2024**

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 11 July 2024. The Chair re-ordered the agenda and Items 7 and 12, Greater London Authority (GLA) Treasury Collaboration and TfL General Consumable Contract Extension, were considered immediately after Item 5, Use of Delegated Authority. The report order below reflects the original agenda order.

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 11 July 2024 were published on 3 July 2024 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) Finance Report – Period 2, 2024/25;

(c) GLA Treasury Collaboration;

(d) Annual Update on Third-Party Funding Secured Through Spatial Planning;

(e) Energy Purchasing Strategy Update;

(f) Procurement Act 2023 Update;

(g) Forthcoming Key Procurement Activities;

(h) TfL General Consumable Contract Extension; and

(i) Risk and Assurance Report Quarter 4 2023/24.

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 9 October 2024.

4 Issues Discussed

Use of Delegated Authority

4.1 The Committee noted the paper on the use of delegated authority. Since the meeting of the Committee on 13 March 2024, there had been no use of specific authority delegated by the Board, nor any Mayoral Directions to TfL.

4.2 There had been two uses of Chair’s Action in relation to the London Cycle Hire Scheme Sponsorship Commercial Strategy and Track Delivery Partnership Contract Year 6. There had also been one use of Chair’s Action, on behalf of the Programmes and Investment Committee, in relation to the Elizabeth line: Service Frequency Increase to Support High Speed 2.

4.3 There had been one grant of unbudgeted Financial Authority in relation to bus contracts and 11 grants of Procurement Authority as set out in the paper.

4.4 Once the current round of bus contract retendering was completed, a report on the overall position and whether the exercise had resulted in any net financial pressures or opportunities would be brought to a future meeting of the Committee.

Finance Report – Period 2, 2024/25

4.5 The Committee noted TfL’s financial results to the end of Period 2 of 2024/25, the year-to-date ending 25 May 2024.

4.6 A similar Finance Report is elsewhere on the agenda for this meeting of the Board.

Greater London Authority Treasury Collaboration

4.7 The Committee noted the update on recent progress in relation to the investment collaboration between TfL Treasury and the GLA investment subsidiary London Treasury Limited.

4.8 As many of the key milestones of the collaboration were moving towards imminent completion and sufficient progress had been made, the Committee authorised the managing Chief Finance Officer to approve an increase in the TfL investment counterparty limit in respect of London Treasury Liquidity Fund LP from £10m to £900m, following confirmation from the Group Treasurer of satisfactory delivery of the changes proposed under the GLA investment collaboration, as anticipated in TfL’s Treasury Management Strategy 2024/25 and TfL’s Treasury Management Policies approved by the Committee in March 2024.

4.9 An update on progress with the arrangements would be included in the Treasury Activities paper to the meeting of the Committee in October 2024.

Annual Update on Third-Party Funding Secured Through Spatial Planning

4.10 The Committee noted the update for the 2023/24 financial year on income secured by TfL Spatial Planning, including Mayoral Community Infrastructure Levy (CIL), other developer contributions and wider third-party funding sources related to housing, growth and regeneration.

4.11 Income from developers in 2023/24 continued to be an important funding stream, supporting the delivery of the Mayor's Transport Strategy and key TfL priorities. Funding generated through Mayoral CIL and Crossrail section 106 agreements had reached £1.5bn, which was a significant milestone and MCIL continued to play a vital role in the financing arrangements for the Elizabeth line.

4.12 In addition, planning authorities in London spent £109m in Borough CIL, much of which went towards transport and public realm. TfL continued to leverage third-party funding sources, which played an increasingly critical role in delivering its objectives, such as step-free access, Healthy Streets and enabling new homes and jobs. TfL Spatial Planning continued to seek further opportunities and an action plan would be developed this year to optimise and better coordinate these opportunities and help manage and mitigate risks.

Energy Purchasing Strategy Update

4.13 The Committee noted the update on the Energy Purchasing Strategy which had been reviewed in light of market conditions, carbon targets and TfL's experience to date.

4.14 Corporate Power Purchase Agreements (PPAs) remained the preferred renewables purchasing option, with the remaining non-PPA volumes procured through the existing mechanism with the Crown Commercial Service framework. To achieve its target to decarbonise operations in line with net zero by 2030, TfL intended to increase the flexibility of the current strategy by allowing an increased volume of electricity procured via PPAs from 50 per cent up to 70 per cent, subject to value for money considerations.

4.15 The project team would consider the detailed mechanics and procurement strategy over the coming months. An outline of the procurement strategy, including the PPA parameters, would be brought to the Committee prior to commencing the next procurement.

Procurement Act 2023 Update

4.16 The Committee noted the update on the new Procurement Act 2023, which had a planned implementation date of 28 October 2024, including the core objectives and key changes of the reforms.

4.17 The objectives of the reforms were to create a simpler and more commercial system, open public procurement to new entrants and embed transparency through the commercial lifecycle. Several contract award procedures from existing regulations were reduced to three procedures under the Act, which would provide some flexibility for contracting authorities in designing procedures.

4.18 To manage the successful implementation of the business change, a programme group had been established to develop a roadmap for the work and provide clear guidance for colleagues on using the more flexible procedures and how TfL governance and assurance would apply. Further learning and development would be provided, a dedicated SharePoint webpage had been launched and proactive engagement with stakeholders was planned to raise awareness more widely.

Forthcoming Key Procurement Activities

4.19 The Committee noted the summary of the major new procurements or contract extensions planned over the next two years and decisions that were anticipated to be required from the Committee by way of Chair's Action over the next six months. It also noted the significant forthcoming procurements that required approval at officer level during that period.

4.20 The two-year look ahead included those projects with an estimated value of £1m or over and covered 271 contracts with an estimated total value of £18bn, and equivalent annual spend of £3.1bn when prorated by the length of the contracts. In future papers to the Committee, the summary information on the two-year look ahead would be broken down further to show the revenue and expenditure activity separately.

4.21 In Operations, five contract awards were currently forecast to require Committee approval in the next six months. An update would also be provided to the Committee on the procurement process for each of the DLR, Elizabeth line and London Overground concessions.

TfL General Consumable Contract Extension

4.22 The Committee granted Procurement Authority to extend the current TfL General Consumable contract – Hayley Rail Vendor Managed Inventory for a maximum period of three years and six months from 1 October 2024 to 31 March 2028.

4.23 The pan-TfL framework agreement for the supply of general consumable goods was awarded to Hayley Rail, which commenced on 1 April 2020. Hayley Rail supplied a variety of maintenance materials including fixtures and fasteners, oils and greases, tools and personal protective equipment (PPE), as well as the majority of the coronavirus PPE, which was critical to preserve the day-to-day safety of TfL's services.

4.24 The initial duration of the framework was for four years with an option to extend by a period of up to four years. Procurement Authority was granted at officer level for the sum anticipated to be spent over the initial four years only. It was made clear that, should any option to extend the contract be exercised beyond that Authority, Procurement Authority would need to be sought from the Committee. At the end of that four-year period, the contract was extended for a period of six months by agreement with Hayley Rail. Due to underspend at that time, no additional Procurement Authority was required.

4.25 Commercial discussions had taken place with Hayley Rail and the proposed extension provided the greatest opportunity to deliver value for money and mitigate future cost pressures.

Risk and Assurance Report Quarter 4 2023/24

4.26 The Committee noted the overview of the status of and changes to Enterprise Risk 5 – Efficient and high performing supply chains and effective procurement (ER05), Enterprise Risk 7 – Financial resilience (ER07) and Enterprise Risk 9 – Changes in customer demand (ER09) in Quarter 4 of 2023/24 (10 December 2023 to 31 March 2024). It also noted the findings from the assurance activity associated with the risks.

4.27 Risk review workshops had been undertaken for ER05, ER07 and ER09. ER05 and ER07 had been discussed by the Executive Committee and were scheduled to be brought to Committee meeting in October 2024. Discussions were taking place internally on what audits should be undertaken on ER09 going forward.

4.28 The 85 per cent target had been exceeded for Internal Audit and Quality, Safety and Security Assurance audits. There were two requires improvement audits and an increased trend in requires improvement findings, which was due to the move to more risk-based auditing with a focus on areas of concern and less memos being produced. There was a continued focus on closing overdue audit actions and the trend was improving with five remaining at the end of the quarter.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the meeting of the Finance Committee held on 11 July 2024.

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