

Transport for London
Minutes of the Meeting
Teams Virtual Meeting
10.00am, Wednesday 28 July 2021

Members

Sadiq Khan (Chair)
Heidi Alexander (Deputy Chair)
Cllr Julian Bell
Kay Carberry CBE
Prof. Greg Clark CBE
Bronwen Handyside
Dr Alice Maynard CBE
Anne McMeel
Dr Mee Ling Ng OBE
Dr Nelson Ogunshakin OBE
Mark Phillips
Dr Nina Skorupska CBE
Dr Lynn Sloman MBE

Government Special Representative

Becky Wood

Executive Committee

Andy Byford	Commissioner
Howard Carter	General Counsel
Graeme Craig	Director, Commercial Development
Michèle Dix CBE	Managing Director, Crossrail 2
Vernon Everitt	Managing Director Customers, Communication and Technology
Stuart Harvey	Director of Major Projects
Simon Kilonback	Chief Finance Officer
Lilli Matson	Chief Safety, Health and Environment Officer
Gareth Powell	Managing Director, Surface Transport
Shashi Verma	Chief Technology Officer and Director of Strategy
Mark Wild	CEO, Crossrail Limited
Tricia Wright	Chief People Officer

Staff

Patrick Doig	Divisional Finance and Procurement Director and interim statutory Chief Finance Officer
Jackie Gavigan	Secretariat Manager
Philip Hewson	Head of Procurement – Strategy & Performance (for Minute 54/07/21)
Kate Keane	Chief of Staff to Commissioner
Shamus Kenny	Head of Secretariat
Christopher Kingston	Business Strategy Manager (for Minutes 52/07/21 and 53/07/21)
Pritesh Patel	Head of Financial Planning and Analysis (for Minutes 52/07/21 and 53/07/21)
Rajiv Sachdeva	Interim Group Finance Director
Rachel Shaw	Head of Financial Accounting and Tax (for Minute 50/07/21)
Martin Taylor	Senior Business Strategy Manager (for Minutes 52/07/21 and 53/07/21)
Ken Youngman	Divisional Finance Director, Commercial Development

44/07/21 Apologies for Absence and Chair's Announcements

The Chair welcomed everyone to the meeting, which was being broadcast live on the Greater London Authority website and on YouTube to ensure the public and press could observe the proceedings and decision-making. Apologies for absence had been received from Ben Story and Andrew Gilligan, the Government Special Representative. Andy Lord, Managing Director London Underground and TfL Engineering, and Alex Williams, Director of City Planning, were also unable to attend the meeting.

The meeting was being held using Teams due to several logistical issues in relation to the holding of a physical meeting at City Hall, including limited capacity. As the flexibility of meetings regulations expired on 6 May 2021, all decisions required would be taken by the Chair, exercising Chair's Action, following the discussion of the item with Members.

The Chair welcomed Becky Wood to the meeting. She had recently been appointed as a Government Special Representative, as part of the funding agreement, and would attend the meetings of the Board, Finance Committee and Programmes and Investment Committee.

In his role as Mayor, the Chair confirmed that he intended to reappoint Members whose terms of office were due to expire on 5 September 2021 for a further three-years to September 2024. Dr Alice Maynard CBE had decided to stand down at the end of her current extended term, to devote more time to her own business and other work. The Chair and Members thanked her for her work supporting TfL and the users of its services, first as a member and Chair of the Independent Disability Advisory Group and, since 2016, as an active and engaging Member of the Board. She was commended for her contributions on a wide range of topics, particularly around customer service and on ensuring the needs of disabled people were considered both in service delivery and in planning and project delivery, which had been invaluable. A recruitment campaign was underway to appoint new Members ahead of the meeting of the Board in October 2021.

The tragic tram overturning at Sandilands on 9 November 2016 saw the loss of the lives of seven people; Dane Chinnery, Donald Collett, Robert Huxley, Philip Logan, Dorota Rynkiewicz, Philip Seary and Mark Smith. The Inquest jury had recently reached its conclusions and the Senior Coroner was currently considering whether to make a report on the Prevention of Future Deaths and what recommendations to make. The thoughts of everyone at TfL continued to be with the families of those who lost their lives and they were doing all they could to ensure that such a tragedy did not happen again.

Staff and contractors were thanked for their efforts during the coronavirus pandemic and the work on the recovery, including the active engagement programme to welcome people back onto public transport. TfL continued to support its staff and contractors. Since the last meeting, there had been two further Covid-19 related deaths, bringing the total of staff and contractor deaths to 92, of which 53 were bus drivers; the thoughts of the Board and staff were with their families and friends.

On behalf of the Board, the Chair thanked Michèle Dix CBE, who was about to retire and Chris Macleod, who retired at the end of June 2021, for their service to TfL. Michèle Dix CBE joined TfL in 2000 and during her long and successful career had led on the Congestion Charge and the first Low Emission Zone, and had been the Managing Director of Planning and most recently the Managing Director of Crossrail 2. She was awarded a CBE in 2015 for her services to transport and had been described as one of

the top 50 most influential women in Engineering and as the best transport planner in Britain. Chris Macleod had worked at TfL for 15 years, most recently as the Director of Customer and Revenue. He and his team devised 'Every Journey Matters', which epitomised TfL's purpose of delivering transport for all Londoners. His work had cemented TfL's reputation as the best transport authority in the world, with cities and governments around the globe seeking to emulate it.

The Chair also welcomed two new recent senior appointments to TfL: Marcia Williams as the Director of Diversity, Inclusion and Talent and Louise Cheeseman as the Director of Buses.

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 TfL staff after the meeting. No matters were raised.

45/07/21 Declarations of Interests

Cllr Julian Bell had been appointed as a strategic advisor for BECG (Built Environment Communications Group). His declaration and biography published on tfl.gov.uk would be updated to reflect this employment and changes to former roles.

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

46/07/21 Minutes of the Meeting of the Board held on 9 June 2021

Howard Carter informed the Board of an amendment to Minute 30/06/21 to correct the reference to the month of the tram overturning at Sandilands, which now read 9 November 2016.

Subject to the correction of the date of the tram overturning at Sandilands in Minute 30/06/21, the Chair, following consultation with Members, approved the minutes of the meeting of the Board held on 9 June 2021. The minutes would be provided to the Chair for signature at a future date.

47/07/21 Matters Arising, Actions List and Use of Delegated Authority

Howard Carter introduced the paper. Since the last meeting, there had been no use of Chair's Action nor use of specific authority delegated by the Board nor any Mayoral Direction to TfL.

Members noted the progress against the actions from previous meetings, set out in Appendix 1 to the paper.

The Board noted the paper.

48/07/21 Commissioner's Report

Andy Byford 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 were:

- 1 The Commissioner echoed the Chair's thanks to Michèle Dix CBE and Chris Macleod on their retirement for their significant contributions to TfL. He also welcomed the opportunity to appoint the two new Directors to the Executive team. The Commissioner thanked Dr Alice Maynard CBE for her impressive contribution at TfL in helping people with accessibility issues and in the customer realm. He also welcomed Becky Wood to the meeting.
- 2 As reported by the Chair, 92 colleagues had died as a result of Covid-19. Thoughts remained with those colleagues who had tragically lost their lives and TfL continued to offer any support it could to their families and friends. There would be a memorial to recognise the critical role of transport workers during the pandemic and to ensure that those who died were never forgotten.
- 3 On 7 July 2021, the Commissioner joined the Mayor and representatives from the emergency services to lay wreaths at the memorial in Hyde Park in remembrance of those who tragically lost their lives in the 2005 attacks on London's transport network, and who would never be forgotten.
- 4 Under the Mayor's leadership, the requirement to keep the wearing of face coverings as a condition of carriage on the TfL network had been retained to help keep customers safe and support the Capital while it recovered from the effects of the coronavirus pandemic. This requirement had been communicated to customers, including through signage and announcements, and compliance on all modes of transport remained high. Customers were encouraged to report non-compliance to TfL staff, who collated data reports and could deploy enforcement officers where hotspots were identified. TfL had led other transport authorities and metropolitan mayors across the UK to retain the wearing of face coverings and the take up on TfL's networks was far higher than in the rest of the country.
- 5 TfL continued to offer employees a rapid testing service and vaccine clinics at facilities in its buildings. It was working with the Government to mitigate the impact of staff being advised to self-isolate by the NHS Covid-19 Test and Trace app on service operations, which had resulted in recent temporary suspension of some Tube lines.
- 6 On 21 July 2021, the Sandilands Inquest concluded, and the jury found that the seven people who died in the tram crash in Croydon on 9 November 2016 died as a result of an accident with contributory factors. Those who lost their lives in the tragedy would never be forgotten. The Inquests had been deeply distressing for their families and friends and all those involved, and the Commissioner reiterated his continued support to everyone affected. TfL had supported the Inquests and Coroner throughout the process in every way it could and Mark Davis, the Trams General Manager, was in attendance throughout. TfL had worked closely with the Rail Accident Investigation Branch and the Office of Rail and Road and had introduced several additional safety measures on the tram network in recent years

to ensure nothing like this could ever happen again. Safety would always be TfL's number one priority, and it continued to review its operation and to work with the wider tram industry to introduce any further measures that may benefit the people who rely on its services. Gareth Powell confirmed that lessons learnt were shared by TfL across the UK transport networks. TfL was a founding member of a safety group for all tram operators and had hosted several fora for other tram operators and shared knowledge internationally. TfL was part of a network with other UK cities that had new or made enhancements to tram systems and disseminated information there. It also applied lessons learnt to other modes of transport.

- 7 The Commissioner thanked colleagues and contract partners for their continued hard work and their unwavering commitment to supporting London and Londoners through such challenging times. In addition to the usual challenges, TfL had successfully supported two major sporting events – the UEFA European Championship games at Wembley and the tennis at Wimbledon – ensuring fans and teams were transported to these events and home safely.
- 8 On 19 July 2021, TfL launched its campaign to encourage people back on public transport, which was aligned with the Mayor's #LetsDoLondon Campaign and would help boost recovery on the network.
- 9 Hammersmith Bridge re-opened to pedestrians and cyclists on 17 July 2021, after 11 months of closure, as well as vessels being able to pass underneath. This was a temporary measure whilst a permanent solution was being agreed with the two borough councils on either side of the bridge.
- 10 TfL, under the Mayor's leadership, had opened a consultation today on new proposals to change the Congestion Charge scheme. The proposed changes included reducing the hours of operation, a daily charge of £15 and concessions for residents. The proposals ensured the Congestion Charge continued to meet its primary objectives to reduce traffic and congestion in central London, improve London's air quality, reduce carbon emissions and encourage more journeys to be made by walking, cycling or public transport. At the same time, the proposals recognised the changing context of travel patterns as London moved to the next phase of pandemic recovery. The consultation would run until 6 October 2021.
- 11 Great progress had been made on the Northern Line Extension, which was running trial operations and would deliver a state-of-the-art transport network and two new stations to improve the lives of residents around Battersea Power Station.
- 12 Excellent progress had also been made on the Crossrail project, which was in the trial running phase. Trains were running through the central tunnels and operating a 12 trains per hour timetabled service. The blockade had been very successful, and more stations were handed over at Canary Wharf and Whitechapel, with the handover of Paddington station expected over the coming weeks. The line was expected to open within the first half of 2022.
- 13 Elsewhere on the agenda, the Board was asked to approve a Revised Budget, which built on the Budget approved in March 2021. It outlined how TfL remained on track to reduce the funding gap, deliver the recurring savings required as part of the Business Plan, and work towards becoming financially sustainable by April 2023. A condition of TfL's funding agreement with the Government was the requirement to review TfL pensions. Sir Brendan Barber, former General Secretary of the Trades

Union Congress and Chair of the Advisory, Conciliation and Arbitration Service, had been appointed as an independent lead for the review, alongside pensions expert Joanna Segars OBE. The review was independent and had no pre-determined outcome. An update would be reported back in due course.

- 14 Following the recent incidents of surface flooding caused by exceptional rainfall volumes, Lilli Matson and Gareth Powell confirmed that TfL had been prepared and had a command structure in place. There was forewarning for the second event and actions were taken in the days beforehand, such as preparing tankers, checking pumps and proactively deploying resources to the areas that would be affected. The safety of customers and the network and emergency service access were given priority. A review was carried out immediately after the event and another later so lessons and extra precautions could be built in for future events. To assist with future preparedness, TfL was reviewing asset planning and future investment planning, building an evidence base on vulnerable aspects of the network and working with others, so that joint action could be taken across London to build resilience for future events.
- 15 TfL took seriously any abuse of bus drivers. Gareth Powell confirmed that bus driver training encouraged bus drivers to recognise and report when they were subjected to abuse and hate crimes. This enabled support to be offered and the British Transport Police to take action and prosecution sought wherever possible.
- 16 TfL had received the Healthy Transport Award in recognition of the measures taken to protect bus staff during the coronavirus pandemic. Gareth Powell thanked Unite for its contribution to the good collaborative working with the bus company management teams and TfL to help put the measures in place. TfL was working on how all colleagues were recognised appropriately with their own employers and more formally for the work they were doing in keeping transport going for essential travel.
- 17 Gareth Powell confirmed that there had been a small number of incidents by users on the e-scooter trial where the terms of the trial were breached. These riders had been warned or denied access by the operators. As a controlled trial, operators could ensure that riders were insured and licenced, which helped control the illegal use of e-scooters.
- 18 Vernon Everitt confirmed that the Inclusive Transport Forum brought together policy representatives from national organisations to benefit from their expertise and experience. A list of the issues discussed at the meetings could be circulated to Members. **[Action: Vernon Everitt]**
- 19 Members welcomed the planned update of the Vision Zero Action Plan. Although the last year had seen an overall decrease in the number of deaths and serious injuries on the roads, the figures remained too high as 96 people had lost their lives and nearly 3,000 had been seriously injured. TfL continued to work to reduce the numbers and there had been a 52 per cent reduction in the number of people killed or seriously injured on the roads since the mid-2000s. The Vision Zero update would examine where problems remained, including motorcyclist safety, safety of e-scooter users, new road users and new traffic movements. TfL would continue its resolve and focus in this area using the new evidence.

- 20 Gareth Powell confirmed that TfL used data from various sources on safety, performance and desire lines to balance bus and cycle priorities on roads to ensure the right use of limited road space. Decisions were made on a road by road basis.
- 21 Temporary measures and experimental initiatives to promote active travel that were put in place during the coronavirus pandemic, such as the Streetscape programme, were extensively monitored to assess the performance of the schemes. Permanent, longer-term changes were subject to consultation or experimental traffic orders and a timeframe was being worked on over the next few months, alongside the London boroughs. Low traffic neighbourhoods were an excellent road safety measure to manage traffic and remove traffic from certain areas. Funding was required for road safety investment to continue.
- 22 Members noted that TfL had successfully appealed against the High Court judgment on the Bishopsgate Streetscape scheme, which was an endorsement of the Mayor's Transport Strategy and the Streetscape programme.

The Board noted the Commissioner's Report.

49/07/21 Elizabeth Line Operational Readiness and Crossrail Update

Andy Byford introduced the item, which provided an update on readiness for the operations and maintenance of the railway after handover from Crossrail and the status of the remaining work on the Crossrail project. Significant progress on major milestones had been achieved since the last meeting.

Mark Wild provided an update on progress. Safety performance levels remained high with a focus on zero harm. Approximately 2,500 people were on site and work continued to mitigate the risks and impacts of the effects of the coronavirus pandemic on the project.

Good progress had been made with the central station handover, with Woolwich and Liverpool Street stations recently handed over to TfL. Paddington and Whitechapel stations were expected to be handed over within the next four weeks. Some minor works remained at Abbey Wood station and works continued at Canary Wharf station to support its scheduled handover. Bond Street station would have a staged opening and would not constrain the opening window of the central section. West Drayton, Hayes & Harlington and Southall stations remained on schedule to be step-free by summer 2021. Work was progressing on the eastern section at Ilford and Romford stations, which were forecast to become step-free before the opening of the central section.

Timetabled trial running had increased to 12 trains per hour, with more intensive testing continuing over the next six weeks on the fleet of 70 trains. Integration of the train and signalling software and final integration testing was underway with the next blockade planned for October 2021, which was a key enabler to start trial operations by the end of the year. Safety critical integration tests had begun that would provide the verification safety evidence to proceed to the blockade. Completion of trial operations would mark the final step before passenger services could commence in the first half of 2022.

A revised stage opening plan for earlier opening of the Elizabeth line had been approved, which brought forward the Stage 5 benefits by up to six months. The revised schedule replaced Stage 4 with Stage 5b to connect the central section of Crossrail to the eastern

and western branches simultaneously. This would allow Elizabeth line trains to operate from Reading and Heathrow in the west to Abbey Wood and from Paddington to Shenfield in the east. The approach would de-risk the final timetable while also bringing forward most of the customer and income benefits of earlier end-to-end running.

The Board noted the paper.

50/07/21 TfL Annual Report and Statement of Accounts for the Year Ended 31 March 2021

Vernon Everitt and Patrick Doig introduced the draft Annual Report and TfL Group Statement of Accounts for the year ended 31 March 2021 for approval and publication and the provision of an ongoing parent company guarantee by Transport Trading Limited (TTL) to most of TfL's subsidiary companies.

The draft Annual Report paid fitting tribute to all staff, stakeholders and partner organisations who had supported TfL to keep London moving safely during the coronavirus pandemic and prepare for a strong and vibrant recovery. It recorded the significant achievements that were captured in the Scorecard, the positive delivery on safety and the Mayor's Transport Strategy progress, particularly around air quality, decarbonisation and making the network more accessible. It also recorded the progress that continued with transformational projects and innovation across TfL, such as the e-scooter trial, greening the bus network and partnership working on promotional activity to increase revenue streams.

Prior to the coronavirus pandemic TfL's financial performance had been strong. Through tight cost control, TfL had significantly reduced its net operating deficit, rebuilt cash reserves and was on trajectory to operational breakeven and financial sustainability. The draft Statement of Accounts showed that the pandemic had a catastrophic impact on TfL's finances. The Income Statement showed a deficit on the provision of services after tax of £911m, down from a surplus of £671m in 2019/20. TfL had run near-full levels of service for most of the year but had seen a significant decline in income with total passenger fares of £1.6bn, which was 66 per cent below the previous year and overall revenues were £3.4bn lower.

TfL responded to the drop in revenue through even tighter cost control and increased financial oversight, which kept operating expenditure at £7.4bn below 2019/20 levels, despite the costs of the additional safety measures necessitated by the pandemic. The drop in revenue required financial support from the Government to continue to run services with £2.5bn of extraordinary grant funding during the year.

Despite the extraordinary grant funding, the impact of the pandemic meant TfL had to draw down its reserves and, as at March 2021, had usable reserves of £887m, down from £1.6bn at March 2020. The majority of usable reserves was made up of the General Fund balance of £500m, which was unchanged from last year. The reserve was held to ensure sufficient cash-backed reserves were maintained to cover risks that may arise.

The reduction in usable reserves had come from earmarked reserves, which had reduced from almost £1.1bn in March 2020 to £362m in March 2021. These reserves formed part of the overall funding for TfL's Investment Programme. The reduction in

reserves highlighted the importance of ongoing capital funding from the Government to maintain critical investment projects.

On 1 June 2021, TfL reached agreement with the Government to extend financial support to 11 December 2021. The agreement provided £1.08bn in base funding and further support should passenger revenue be lower than forecast. This enabled TfL to continue to run near full levels of service to stimulate London's recovery and continue to deliver its critical capital programme.

The amount of funding and the conditions placed on TfL by the Government agreement meant a further £900m of savings or new income needed to be found this financial year compared to the approved Budget. In addition to making in-year operating account savings and deferring renewals spend, an element of the savings would come from further utilising cash reserves. Critically, the funding package allowed TfL to maintain useable cash reserves of £1.2bn throughout the funding period, in line with current liquidity policy.

The funding agreement also set out that Government would continue to work with TfL on long-term plans with an aim to agree a further settlement in December 2021 when the funding package expired. It was based on these assurances that the draft Statement of Accounts for 2020/21 continued to be prepared on a going concern basis.

Last year, the Auditor's Report contained a paragraph on material uncertainty relating to the availability of funding to deliver current operational and capital plans. Significant uncertainty remained as to the level of future funding to be received from the Government and a similar paragraph had been included in EY's Audit Report for 2020/21.

On 7 June 2021, the Audit and Assurance Committee considered the draft Statement of Accounts for the year ended 31 March 2021. Comments made by the Committee had been addressed in the documents. The Chair of the Committee, Anne McMeel, highlighted that significant work was ongoing to transform TfL's procurement and supply chain team and processes, which she expected would address the issues raised by TfL's external auditors.

On 20 July 2021, it was reported to TfL that a late audit adjustment had been made to increase the asset values of the TfL Pension Fund by £75m. The increase had not been reflected in the draft Statement of Accounts due to the late stage of receipt and the increase was not material in relation to the total asset values of the pension scheme. Had it been included, there would have been no impact on the usable reserves.

Members commended and thanked TfL's leadership, staff and partners for their outstanding work during the pandemic to keep London moving and reiterated the need for certainty over long-term funding to enable TfL to meet the challenges ahead for a sustained recovery and to help fuel the economy.

Andy Byford confirmed that, whilst grateful for the £5bn funding received from the Government to date, the short-term and last-minute nature of the funding deals did not provide value for money as the lack of certainty made long-term contracts and projects more expensive. TfL would deliver on the onerous conditions of the funding deals and hold the Government to their promise of a longer-term deal if tangible progress on the conditions was demonstrated. TfL's Financial Sustainability Plan could help the Government with levelling up, the green agenda and a job skills recovery across the

country.

The Chair, following consultation with the Board:

- 1 approved the 2020/21 Annual Report;**
- 2 authorised the Managing Director, Customers, Communication and Technology, to make any further design or editorial changes to the Annual Report as may be required;**
- 3 approved the Statement of Accounts and agreed that the Statutory Chief Finance Officer 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 which, in the opinion of the Statutory Chief Finance Officer, were material, he would seek the approval of the Board to those changes;**
- 4 noted that the Chair would sign and date the Statement of Accounts in due course;**
- 5 confirmed 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;**
 - (xvi) TTL Properties Limited;**
 - (xvii) TTL Blackhorse Road Properties Limited;**
 - (xviii) TTL Build to Rent Limited;**
 - (xix) TTL Earls Court Properties Limited;**
 - (xx) TTL FCHB Properties Limited;**
 - (xxi) TTL Kidbrooke Properties Limited;**
 - (xxii) TTL Landmark Court Properties Limited;**
 - (xxiii) TTL Northwood Properties Limited;**
 - (xxiv) TTL South Kensington Properties Limited;**
 - (xxv) TTL Southwark Road Properties Limited; and**
 - (xxvi) TTL Wembley Park Properties Limited; and**

6 noted 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 Chief Finance Officer. Board approval for the issue of such letters was granted when the subsidiaries were first established or acquired.

51/07/21 Safety, Health and Environment Annual Report 2020/21

Lilli Matson introduced the report, which set out the safety, health and environment (SHE) performance across all the TfL businesses for the financial year from 1 April 2020 to 31 March 2021. Some road safety data for Greater London and the TfL Road Network covered the calendar year from January to December 2020 to meet data verification requirements.

The report summarised TfL’s commitments to SHE through its Vision Zero objectives of eliminating deaths and serious injuries from the transport network, doing zero harm to people and working towards zero-carbon transport. It covered the safety performance of London’s roads, public transport network, capital delivery and policing and enforcement on TfL’s network. It focused on the impact of and TfL’s response to the coronavirus pandemic and the mitigations put in place to run essential services for those who needed them. It described how the physical and mental health of the workforce remained a priority as TfL coped with the impacts of the pandemic. It also highlighted efforts to improve air quality, reduce waste and towards carbon reduction.

The new SHE Directorate was stood up in 2020, so TfL had been well-placed to respond to the pandemic. The loss of 92 colleagues to Covid-19 was regretted by everyone and would never be forgotten. Whilst there continued to be a decline in the number of people killed and seriously injured on the road network, injuries to vulnerable road users such as cyclists had increased by 12 per cent. On the public transport network, the decrease in ridership had also resulted in a decrease in the number of people killed and seriously injured but all cases were vigorously investigated so lessons were learnt to avoid tragedies occurring in the future.

The pandemic had been a catalyst for innovation and building new partnerships. TfL had worked closely with academic institutions on a variety of topics, including to understand the causal factors into bus driver deaths and to implement new practices to keep the network safe. The publication of the road safety dashboard enabled the public to access information on street and neighbourhood safety. Support measures were being put in place for staff dealing with the impacts of Covid-19 and long Covid, which was impacting levels of absence and had ongoing impacts for mental health and wellbeing.

Focus on environmental performance had been sustained with the launch of the Ultra Low Emission Zone in April 2020 and preparations for its extension, which would deliver huge air quality benefits for Londoners. Procurement of renewable energy had been pushed forward to achieve a zero-carbon railway by 2030, with a decrease in CO₂ emissions over the year as TfL moved to renewable energy supplies.

The Chair, following consultation with the Board, approved the TfL Safety, Health and Environment Annual Report 2020/21 prior to publication.

52/07/21 Draft 2021/22 Revised Budget

The Chair had accepted this paper as a late item to allow for the latest financial information to be included.

Simon Kilonback introduced the paper, which presented the proposed 2021/22 Revised Budget. It covered progress in the first quarter of 2021/22 against the March Budget approved by the Board on 16 March 2021, and updated the Budget for the remainder of 2021/22 and the full financial year 2022/23.

By the end of Quarter 1, the net cost of operations before Government funding was £636m, which was £370m, or 37 per cent, better than the March 2021 Budget. This was driven by higher than expected passenger revenue, which was £175m better than the March 2021 Budget, as journeys increased at a faster rate than expected after steps 1 to 3 of the Government's Roadmap.

Operating costs were also £71m lower than budget as TfL continued to maintain tight spend controls, defer spend due to funding uncertainty and progress its savings plans. While performing better than the March 2021 Budget and against last year, the day-to-day deficit remained significantly worse than pre-pandemic levels. Compared to Quarter 1 2019/20, the net cost of operations excluding extraordinary funding from the Government was £600m worse, driven by almost £530m lower passenger income. Total capital expenditure in the Quarter reflected future funding uncertainty which had contributed to the £190m, or 41 per cent, favourable variance to Budget.

The Revised Budget updated TfL's position for 2021/22 and 2022/23, including the implications of the 1 June 2021 funding agreement and conditions. It built in the £1.08bn base funding, plus revenue top-up, which covered the funding period from 29 May to 11 December 2021. Including the extension to the previous agreement, which covered the period from 1 April 2021 to 28 May 2021, the total secured funding in 2021/22 was up to £1.4bn. Securing this funding meant TfL could continue to deliver essential services to help London through the next phase of the pandemic, and ensured its assets were maintained in a good and safe state of repair. The funding was flexible, covering any revenue shortfall depending on passenger numbers up to 11 December 2021.

The Revised Budget reflected the latest modelling which predicted passenger demand by the end of 2021/22 would only recover to 76 per cent of the pre-pandemic levels of 2018/19. A great deal of uncertainty remained around passenger demand and revenue, and scenario modelling indicated a range of +/- £200m for this financial year, which supported the case for continuation of the revenue true-up mechanism beyond the end of the current funding agreement.

The latest view of the funding support requirement expected for 2021/22 as compared to the March 2021 Budget had reduced from £2.7bn to £1.9bn. This was largely due to operating efficiencies and capital savings and deferrals, as well as an assumed use of cash. An additional £500m would be required after funding expired on 11 December 2021 to the end of the financial year, which increased to £550m if active travel and Healthy Streets (including borough funding) were restored to a level broadly in-line with last year.

The £1.9bn gap incorporated a net reduction of £700m against the March 2021 Budget, which included the £300m operational efficiencies required under the 1 June 2021 funding agreement through non-fares revenue and/or cost saving initiatives. It also included capital savings, mainly slippage and deferrals, and use of cash which were offset by additional capital cost pressure and contingency, and were considered essential with no remaining cash buffer to cover any type of asset failure. The £300m operating efficiencies were in addition to the savings already embedded in TfL's Business Plan, which totalled £730m from 2019/20 to 2024/25, of which £390m remained to be delivered by the end of 2024/25.

The funding support requirement gap for 2022/23 was now expected to be £1.2bn, improving by £0.3bn compared to the March 2021 Budget, due to a review of the capital programme and some operating efficiencies.

TfL's Financial Sustainability Plan set out a funding gap of on average £1.6bn per annum from 2023–2030, including £500m per annum of Vehicle Excise Duty, Greater London Boundary Charge or other sources of income. The capital investment programme reflected the funding uncertainty TfL currently faced and had been reduced by around £300m compared to the March 2021 Budget. TfL continued to prioritise safety and reliability in its capital investment programme, including continuing proactive renewals on street assets such as critical highways, tunnels and structure following the two and a half year pause up to last year.

TfL continued its journey to decarbonise the railway by 2030, in line with Mayoral objectives and Government ambitions, through continued investment in Healthy Streets, on clean energy such as installing solar panels and LEDs, and on expanding the Ultra Low Emission Zone.

When the Budget was approved on 16 March 2021, the Board also approved prudential indicators for 2021/22 and the following two years and the 2021/22 TfL Scorecard. Members noted that there were no changes required to the prudential indicators, as there were no significant changes to TfL's borrowing profile over the next two years, as a result of the 1 June 2021 funding agreement and the proposed Revised Budget. The suitability of the indicators continued to be monitored. Changes were required to the 2021/22 TfL Scorecard to align with the Revised Budget. These related to finance measures (Capex vs. Budget and Opex vs. Budget), passenger journeys compared to pre-pandemic levels and bus journey times.

TfL was working through a plan of actions to meet the conditions set out in the 1 June 2021 funding agreement and continued to work with Government for funding beyond 11 December 2021, and for a longer-term funding solution.

The Chair, following consultation with the Board, noted the paper and:

- 1 approved TfL's Revised Budget for financial years 2021/22 and 2022/23; and**
- 2 approved changes to the 2021/22 TfL scorecard, in line with the Revised Budget.**

53/07/21 Draft 2021 TfL Long-Term Capital Plan

The Chair had accepted this paper as a late item to allow for the latest financial information to be included.

Simon Kilonback introduced TfL's updated Long-Term Capital Plan (LTCP), which set out three scenarios for TfL's capital investment programme over the next 25 years, based on different levels of funding and varying potential travel demand outcomes.

TfL's traditional business planning horizon looked at plans for the next five years. Assets and investment required planning over a longer timeframe and the LTCP provided the longer view of investment that could be used to inform Business Plans and Budgets. It was less detailed than a Business Plan, but set out the broad shape of investment TfL expected to undertake.

Since 2018, TfL had been required to produce a Capital Strategy which was based on the LTCP. The 2021 Capital Strategy would be produced later this year as part of the Greater London Authority budget process, based on the updated LTCP. The LTCP was also used to directly inform the capital investment element of the Financial Sustainability Plan published in January 2021.

The LTCP acknowledged the uncertainty in planning for the future, both in the short and long term, by considering multiple scenarios rather than a single view of TfL's future investment programme. The scenarios were aligned where relevant to future scenarios TfL had developed for travel outcomes in London, and were the same scenarios being used in the ongoing review of service levels.

The 2021 LTCP was a refinement of last year's plan, rather than a completely new plan, and there had not been substantial re-prioritisation of scope within the plan. The focus for this year's update had been understanding the needs of assets and reflecting deliverability, and improving the outcomes quantification of the benefits and risks within each scenario, including mode share, asset condition, safety, carbon emissions and others.

The main updates included in the plan related to re-profiling or deferring schemes whose primary purpose was to increase rail capacity. While forecasts suggested this would still be needed in the longer term, the LTCP reflected that previously assumed timescales may now have more flexibility. The policy consistent scenario remained an ambitious vision for the future of London and included the investment required to achieve local and national aspirations.

The LTCP was the main source for creating the Medium-Term Capital Plan, which TfL was required to submit to the Department for Transport by 14 August 2021, as part of the conditions of the 1 June 2021 funding agreement. The plan would contain three scenarios created using the LTCP, in combination with the Revised Budget and the Capital Efficiencies Plan.

The presentation in Appendix 1 to the paper described this year's LTCP, including how each scenario had been defined, what scope would be delivered in each scenario, what cost this would entail and what outcomes would be achieved.

Work continued to further develop the assessment of outcomes in each of the LTCP scenarios as TfL prepared to submit the Medium-Term Capital Plan to the Government in August 2021. TfL would use the Spending Review process to continue to make the case for adequate funding to progress the necessarily ambitious investment programme that would contribute to achieving local and national policies. The updated LTCP would then inform financial and delivery planning through the rest of the year.

The Chair, following consultation with the Board, noted the paper and approved the 2021 TfL Long-Term Capital Plan.

54/07/21 Slavery and Human Trafficking Statement

Simon Kilonback introduced the item on the slavery and human trafficking statement (the Statement) that TfL was required to publish annually by the Modern Slavery Act 2015. On 30 June 2021, the Safety, Sustainability and Human Resources Panel considered a more detailed paper on Responsible Procurement, which included the draft Statement. The Panel supported the Statement and requested more regular updates on TfL's procurement activities and its linkages to sustainability.

The Statement was also considered and approved by each of TfL's subsidiary entities, subject to any changes to the Statement approved by the Board. From the discussions at the subsidiary company meetings, additional text had been included to explain assurance processes during the coronavirus pandemic.

The Chair, following consultation with the Board, noted the paper and:

- 1 approved the draft TfL Slavery and Human Trafficking Statement 2021, appended to the paper; and**
- 2 authorised the General Counsel to agree the final form of the Statement.**

55/07/21 Report of the meeting of the Finance Committee held on 23 June 2021

In the absence of the Chair, Heidi Alexander introduced the item. She highlighted three key issues from the meeting.

The Committee discussed the TfL Energy Purchasing and GLA Energy Procurement Collaboration Programme, which included the use of Power Purchase Agreements to procure more electricity from renewable providers. It endorsed the strategy, alongside the Greater London Authority, to offer an optional financial instrument.

Land Authority had been granted for the disposal of Lille Bridge Depot to support the Earls Court regeneration development, with the sale flexibility structured to protect TfL's financial interests.

The Committee also considered an update on the commercial development plan and the funding of TTL Properties Limited, which sought to use TfL land to deliver much needed housing in London and to generate additional revenue as set out in TfL's Financial

Sustainability Plan. The proposals aligned with the requirements of the 1 June 2021 funding agreement with Government.

The Board noted the report.

56/07/21 Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 30 June 2021

The Chair of the Panel, Kay Carberry CBE, introduced the item. She highlighted three of the issues discussed by the Panel.

A constructive discussion was held with Ian Skinner, HM Assistant Chief Inspector of Railways and Catherine Hui, HM Principal Inspector of Railways of the Office of Rail and Road (ORR) on rail safety regulation. The ORR considered TfL to have a good level of safety for workers, passengers and the public. The ORR's recommended areas for TfL focus for 2021/22 related to the integration of risk assessment to provide a systemic approach to risk control and improving risk controls at operational level, which were being addressed.

The Panel discussed the New Ways of Working Programme for non-operational staff following the experience of the coronavirus pandemic and feedback from staff. A hybrid model of home and office working would be phased in, which would also achieve savings as TfL rationalised its office accommodation.

The Panel also considered a paper on how responsible procurement contributed to TfL achieving its ambitions on sustainability and environmental issues. The paper included the Slavery and Human Trafficking Statement agreed earlier at this meeting.

The Board noted the report.

57/07/21 Report of the meeting of the Remuneration Committee held on 7 July 2021

In the absence of the Chair, the Vice-Chair of the Committee, Kay Carberry CBE, introduced the item. The Committee had reviewed the performance assessments of staff within its remit.

The Committee also considered the operation of the Senior Management Performance Awards Scheme in 2021/22. The payments element of the scheme had been suspended in 2020/21 due to the uncertainty over TfL's finances and the conditions related to the latest Government funding settlement sought continued pay restraint.

The Committee recognised that the performance awards were an integral part of the remuneration package for senior staff, who had also been subject to a pay freeze since 2016. Staff had gone above and beyond to deliver for Londoners during the coronavirus pandemic and benchmarking showed remuneration for many roles to be substantially below competitors, with many staff leaving over the last year. The Committee discussed the impact of the pay freezes and withdrawal of performance awards on attraction and retention and asked staff to develop options for the scheme for 2021/22 that linked to performance and out-performance against the Scorecard and attaining financial

sustainability, with payments deferred until TfL no longer required temporary support from the Government for operational costs.

The Board noted the report.

58/07/21 Report of the meeting of the Customer Service and Operational Performance Panel held on 14 July 2021

The Chair of the Panel, Dr Mee Ling Ng OBE, introduced the item. The Panel was pleased that customer care performance measures had shown further improvements during a difficult year.

The Panel had an extensive update on the requirement of customers (without a reason for exemption) to wear face coverings as a condition of carriage on TfL's Bus, Overground, Underground, River and Tram services. It fully supported the measure and the need to maintain a high level of compliance.

The Enterprise Risk on TfL's asset conditions was discussed, with a focus on safety and thus the need for adequate funding for renewals and maintenance programmes. The Panel discussed recent flooding events, how these were managed and lessons learnt to shape future mitigation measures.

The Board noted the report.

59/07/21 Report of the meeting of the Elizabeth Line Committee held on 15 July 2021

The Chair of the Committee, Heidi Alexander, introduced the item. The main project status issues and Elizabeth line readiness had been covered earlier in the meeting. The Committee had discussed these in detail along with safety, finance and risk. The assurance reports included all three lines of assurance and detailed discussions with the Project Representative and the Chair of the Independent Investment Programme Advisory Group Crossrail Sub-Group. The Committee also approved the workplan for the Sub-Group.

The Committee welcomed the National Audit Office report. It received a report from the Crossrail Complaints Commissioner and committed to work with him to resolve outstanding complaints and to assign a named individual to take forward any that were outstanding when the role of the Commissioner ended.

The Chair of the Committee approved the revised staged opening as detailed earlier in the meeting.

The Board noted the report.

60/07/21 Report of the meeting of the Programmes and Investment Committee held on 21 July 2021

In the absence of the Chair, the Vice-Chair of the Committee, Dr Nelson Ogunshakin OBE, introduced the item.

He highlighted the good progress on the Investment Programme, where most things were on target. The Committee commended the good commercial relationships established on the Barking Riverside, Northern Line Extension and Bank station projects and discussed the progress of the Four Lines Modernisation programme.

The Committee noted the issues raised by the Independent Investment Programme Advisory Group on staff losses across TfL to other major projects and how this may impact the delivery of capital projects. It had asked the Remuneration Committee to consider how key staff could be retained.

The Committee also authorised a £300m reduction in Programme and Project Authority for the Piccadilly Line Upgrade – Stage 1, which reflected efficiencies achieved since the authorisation in May 2018.

The Board noted the report.

61/07/21 Any Other Business the Chair Considers Urgent

There was no other urgent business.

62/07/21 Date of Next Meeting

The date of the next meeting was scheduled for Wednesday 20 October 2021 at 10.00am.

The meeting closed at 1.40pm.

Chair: _____

Date: _____