

Board



Date: 2 February 2022

Item: GLA Group Corporate Governance Framework Agreement

This paper will be considered in public

1 Summary

- 1.1 As part of its governance arrangements, the Greater London Authority (GLA) and its functional bodies are signatories to a GLA Group Corporate Governance Framework Agreement (the Agreement). The Agreement is an overarching commitment in relation to the culture and individual behaviours of the GLA Group and contains specific corporate governance commitments.
- 1.2 The functional bodies of the GLA are: Transport for London (TfL), the Mayor's Office for Policing and Crime (MOPAC), the London Fire Commissioner (LFC), the London Legacy Development Corporation (LLDC) and the Old Oak and Park Royal Development Corporation (OPDC).
- 1.3 The Agreement has recently been updated for this Mayoral term, and the London Assembly and each of the functional bodies of the GLA are asked to sign up to the revised Agreement, subject to its approval by the Mayor.

2 Recommendations

- 2.1 **The Board is asked to note the paper and:**
 - (a) **agree to sign up to the Greater London Authority Group Corporate Governance Framework Agreement, as set out in Appendix 1 to this report, subject to its approval by the Mayor without any substantive changes;**
 - (b) **authorise the Commissioner to sign the final version of the Agreement on behalf of TfL.**

3 Background

- 3.1 TfL has a range of rules and guidelines in place which can be viewed on the governance pages of its website: <https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-governed>.
- 3.2 The key Governance documents are:
 - (a) the GLA Act 1999 (as amended) which established the GLA and TfL and subsequent legislation which impacts on its remit and responsibilities.

(b) TfL's Standing Orders and the terms of reference of its Committees and Panels, which set out the decision-making processes and scheme of delegation.

(c) the GLA Group Corporate Governance Framework Agreement, the subject of this paper.

3.3 TfL reports on its compliance with its governance arrangements through the preparation of an Annual Governance Statement. That statement is submitted to its external auditor, reviewed by the Audit and Assurance Committee and included as part of the Annual Report and Statement of Accounts that are subject to approval by the Board each year.

4 Issues for Consideration

4.1 In 2009, following a review of the GLA's Corporate Governance, the Mayor and the Boards of the GLA's functional bodies signed up to a GLA Group Framework Agreement. The Agreement was reviewed again in 2016 and agreed by the Mayor, the London Assembly and the GLA's functional bodies.

4.2 The Agreement is a voluntary but firm commitment by all parties to be open, transparent and accountable for their actions and behaviour. It is also a commitment to hold to specific Mayoral and London Assembly expectations for the group to interact in a way that enhances accountability and service provision to Londoners. It is a high-level document that sets common principles that apply across the Group, with the methods of implementation left to each functional body to determine.

4.3 The Agreement has been reviewed by the GLA, TfL, MOPAC, LFC, LLDC and OPDC. Minor amendments have been incorporated to ensure the agreement is up to date. The updated Agreement is in Appendix 1. Appendix 2 shows the changes made in this new version.

4.4 Subject to approval of the Agreement by the Mayor, TfL, MOPAC, LFC, LLDC and OPDC have been asked to approve their participation through their own formal governance mechanisms, and to confirm in writing to the GLA's Monitoring Officer when this is done.

4.5 One change to the agreement is to remove the prescribed threshold for the declaration of gifts and hospitality. The GLA has set its threshold to £50, but it is proposed that TfL will retain its current threshold of £25.

4.6 TfL has in place protocols and processes that address all the requirements of the Agreement.

List of appendices to this report:

Appendix 1: Proposed updated Corporate Governance Framework Agreement
(clean version)

Appendix 2: Changes proposed to the Corporate Governance Framework Agreement

List of Background Papers:

None

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