

Date: 22 June 2022

Item: Use of Delegated Authority

This paper will be considered in public

1 Summary

- 1.1 The use of delegated authority is a standing item on the agenda to inform the Committee of any use of delegated authority by the Committee, through Chair's Action or of Procurement or Land Authority (in respect of matters within the Committee's remit) granted by the Commissioner and the Chief Finance Officer in accordance with delegated authorities under TfL's Standing Orders since the last meeting of the Committee. The paper also provides information on Mayoral Directions to TfL within the Committee's remit.
- 1.2 Since the meeting of the Committee on 9 March 2022, there has been:
- (a) four uses of Chair's Action, one relating to the Actuarial Valuation of the TfL Pension Fund, and three contract extensions relating to Cleaning Services, iBus and Mechanical and Electrical Maintenance Services;
 - (b) two uses of Procurement Authority by the Commissioner, in relation to High Voltage Power Upgrade Framework call-off contracts and the SAP Master Service Agreement contract variation, and no use by the Chief Finance Officer;
 - (c) no use of Land Authority by the Commissioner nor the Chief Finance Officer; and
 - (d) no Mayoral Directions to TfL.
- 1.3 A similar paper is submitted to the Programmes and Investment Committee in respect of any use of Chair's Action or Procurement Authority and Programme and Project Authority granted by the Commissioner and the Chief Finance Officer in respect of matters within that Committee's remit, together with relevant Mayoral Directions.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Use of Authority Delegated by the Board

- 3.1 There has been no use of authority delegated by the Board since the last meeting.

4 Use of Chair's Action

- 4.1 Under Standing Order 113, 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, including the appointment of Members to Committees and Panels. Any use of Chair's Action is reported to the next ordinary meeting.
- 4.2 There have been four uses of Chair's Action since the last meeting. One related to the Actuarial Valuation of the TfL Pension Fund. Three related to contract extensions for Cleaning Services, iBus and the Mechanical and Electrical Maintenance Services.

Actuarial Valuation of the TfL Pension Fund

- 4.3 A paper was issued to Members on 18 March 2022, which provided an update on the triennial actuarial valuation of the TfL Pension Fund as at 31 March 2021. It sought approval of certain proposed provisions in response to that valuation.
- 4.4 On 24 March 2022, the Chair of the Committee, in consultation with available Members, granted authority for commitments to be made to the TfL Pension Fund.
- 4.5 The use of Chair's Action for this item was considered appropriate as consideration of the matter was required in the very short term, outside of the meeting cycle.
- 4.6 The paper has been published on the TfL website but the appendix remains exempt from publication.

Contract extensions

(a) Cleaning Services Contract Extension

- 4.7 A paper was issued to Members on 24 March 2022.
- 4.8 On 28 March 2022, the Chair of the Committee, in consultation with available Members, approved the requested additional Procurement Authority for the extension of a contract for the supply of cleaning and associated services across the TfL estate.

(b) iBus Contract Extension

- 4.9 A paper was issued to Members on 27 April 2022.
- 4.10 On 29 April 2022, the Chair of the Committee, in consultation with available Members, approved the requested Procurement Authority for the extension of the contract for the supply and maintenance of the iBus system with Trapeze ITS Switzerland GmbH (Trapeze) until 2 May 2025, with additional annual options to extend for a further two years until 2 May 2027.

- 4.11 The extension will ensure a continuation of the current iBus services until these have been transferred to iBus2, a successor system which is currently being procured.

(c) Mechanical and Electrical Maintenance Services Contract Extension

- 4.12 A paper was issued to Members on 13 May 2022.
- 4.13 On 16 May 2022, the Chair of the Committee, in consultation with available Members, granted the requested additional Procurement Authority for the extension of a contract for the supply of mechanical and electrical maintenance services across the TfL estate.
- 4.14 The use of Chair's Action for each of these extensions was considered appropriate as a decision was required ahead of this meeting.
- 4.15 The papers have been published on the TfL website but the appendices remain exempt from publication.
- 4.16 In response to the consultation with Members on the number of contract extensions for which approval had currently been sought, the Chair asked for a report on the overall procurement strategy on the major contracts with expiry dates within the next two years, which is on the forward plan for the October 2022 meeting.

5 Procurement and Land Authority Approvals

- 5.1 Procurement Authority is the authority to make a binding or contractual commitment with a supplier for the purchase of goods, services, land or works or to receive income arising from TfL Group activities in the areas of goods, services, land or works.
- 5.2 Land Authority is the authority to engage in a Land Transaction or to dispose of any assets.
- 5.3 The Board had delegated to the Committee approval of unlimited Procurement Authority and Land Authority in relation to Transactions and Commercial Development opportunities. The approvals delegated to the Commissioner and the Chief Finance Officer are set out in the Table of Authorities in Standing Order 169.
- 5.4 Since the last meeting, the Commissioner has approved Procurement Authority for two High Voltage Power Upgrade Framework call-off contract awards on 31 March 2022 and for the SAP Master Service Agreement contract variation on 13 June 2022. The Commissioner has not granted any Land Authority.
- 5.5 Since the last meeting, there has been no use of delegated authority to approve Procurement Authority nor Land Authority by the Chief Finance Officer.

6 Mayoral Directions to TfL

- 6.1 The Greater London Authority (GLA) Act 1999 (as amended), permits the Mayor to issue to TfL general directions as to the manner in which TfL is to exercise its functions or specific directions as to the exercise of its functions (or not to exercise a power specified in the direction). Directions are also often made in relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.
- 6.2 The Mayor makes Mayoral Directions through Mayoral Decisions. Papers for Mayoral Directions set out the financial and other implications. If those implications change over time, that will be reported to the GLA.
- 6.3 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>.
- 6.4 Mayoral Directions fall into three broad categories: those addressing technical issues relating to statutory powers; those related to commercial development activities; and those related to projects and programmes. Mayoral Directions relating to TfL are reported to the Board's Committees for discussion as soon as possible after they are received by TfL or published. Regular reports will list the relevant Directions for as long as they are applicable.
- 6.5 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.
- 6.6 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.
- 6.7 Mayoral Directions to TfL addressing technical issues with our statutory powers or related to our commercial development activities are reported to this Committee.
- 6.8 There have been no Directions issued to TfL since the last meeting.

List of appendices to this report:

None.

List of Background Papers:

Minutes from previous meetings of the Committee.

Greater London Authority Decision Making Database.

Chair's Action papers – issued on 18 and 24 March, 27 April and 13 May 2022 and subsequently published on tfl.gov.uk

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