

**Board**



**Date:** 12 October 2022

**Item:** Report of the Meeting of the Finance Committee to be held on 6 October 2022

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides a summary of the items to be considered by the Finance Committee at its meeting to be held on 6 October 2022 (after the date that the papers for this meeting of the Board are published).

## **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 to be held on 6 October 2022 were published on 28 September 2022. The papers 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 to be considered by the Committee are:

- (a) Use of Delegated Authority;
- (b) Finance Report;
- (c) Prudential Indicators - Outturn for the year ending 31 March 2022;
- (d) Treasury Activities;
- (e) GLA Investment Fund;
- (f) Taxi Fares and Tariffs Update;
- (g) Crossrail Asset Restructuring;
- (h) Premises and Fabric Maintenance for Elizabeth Line;
- (i) Connect Contract Extension; and
- (j) Bus Shelter Advertising Concession.

- 3.3 A summary of the items to be considered and the decisions required is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 23 November 2022.

## **4 Issues Discussed**

### **Use of Delegated Authority**

- 4.1 The Committee is asked to note the paper on the use of delegated authority. Since the meeting on 22 June 2022, there has been:
- (a) five uses of Chair's Action (\*four of which are also reported to the Board): three in relation to extensions to the funding settlement with Government (prior to a long-term settlement being agreed by the Board on 30 August 2022)\*; one in relation to changes to the Santander Cycles – 2022 Scheme Tariff Change\*; and one in relation to extending the terms of the Elizabeth line Concession Agreement by two years;
  - (b) five uses of Procurement Authority or Land Authority by the Commissioner or the Chief Finance Officer; and
  - (c) two Mayoral Directions to TfL in relation to: revision of the Mayor's Transport Strategy and road-user charging guidance; and September 2022 fares revision.

### **Finance Report**

- 4.2 The Committee is asked to note TfL's financial results to the end of Period 5, 2022/23 - the year-to-date ending 20 August 2022. A similar paper is provided elsewhere on the agenda for this meeting and any comments from the Committee will be relayed to the Board during the discussion of that item.

### **Prudential Indicators - Outturn for the year ending 31 March 2022**

- 4.3 The Committee is asked to note the Prudential Indicators Outturn for the year ending 31 March 2022. The prudential indicators and debt limits were approved by the Board on 16 March 2021. These were based on figures in TfL's Budget and Business Plan (as approved by the Board on 9 December 2020), adjusted for known significant changes in assumptions relating to revenue, cost and funding where relevant, and subject to assumptions on future Government funding at the time these limits and indicators were approved.
- 4.4 TfL's 2021/2022 Statement of Accounts was used to calculate the outturn. The outturn for the financial year 2021/2022 is satisfactory upon comparison with the Prudential Indicators approved.

### **Treasury Activities**

- 4.5 The Committee is asked to note the update on treasury activities for the period from 17 February to 16 September 2022.

### **GLA Investment Fund**

- 4.6 The Committee is asked to note background information on potential collaboration between TfL and the Greater London Authority (GLA) in respect of management of cash investments held by each of the GLA and TfL.

### **Taxi Fares and Tariffs Update**

- 4.7 The Committee is asked to note an update on the impact of the changes to taxi fares and tariffs made in April 2022, cost pressures for taxi drivers and the situation with the demand for taxis at Heathrow Airport particularly following the opening of the Elizabeth line. The paper also provides an overview of the forthcoming taxi fares and tariffs consultation.

### **Crossrail Asset Restructuring**

- 4.8 Due to different remits, both the Committee and the Elizabeth Line Committee are being asked to approve elements of a restructure and simplification of the intragroup lease arrangements for the Crossrail Central tunnel Operating Section land and related assets. The proposal impacts solely on the internal TfL intragroup structuring and financing arrangements. There is no additional expenditure proposed, or impact on values reported at the consolidated TfL Group level.
- 4.9 The arrangements also require Sponsor approval by the Department for Transport and these discussions are ongoing.

### **Premises and Fabric Maintenance for Elizabeth Line**

- 4.10 The Committee is asked to approve Procurement Authority for a variation to the existing 1FM premises and fabric maintenance services contract to provide services to Elizabeth line stations, shafts and portals. The request relates to business as usual protection of safety critical assets.

### **Connect Contract Extension**

- 4.11 The Committee is asked to approve additional Procurement Authority and Programme and Project Authority to extend the Connect Contract delivering London Underground's digital radio and transmission system for a further three years (to 21 November 2026).

### **Bus Shelter Advertising Concession**

- 4.12 The Committee is asked to note an overview of the advertising market and how TfL proposes to maximise its revenue from its advertising estate. The Committee is then asked to approve unbudgeted Financial Authority and Procurement Authority to extend the current Bus Shelter Advertising concession with JCDecaux.

- 4.13 The proposed extension will ensure the co-expiry in March 2025 of this contract and TfL's other key advertising contract: the Advertising Partnership Agreement with Global, which covers all Rail and Underground advertising.

**List of appendices to this report:**

None

**List of Background Papers:**

Papers submitted to the Finance Committee on 6 October 2022

Contact Officer: Howard Carter, General Counsel  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)