Draft TfL 2023 Business Plan

2022/23 to 2025/26

Board

7 December 2022

Objectives of this plan

Plan objectives:	How our draft plan meets the objective:
Outcome focused and integrated	• We have assessed this plan's progress against the quantified ambitions of the MTS as well as our Vision & Values roadmaps. • These assessments have supported our ability to ensure this plan improves outcomes against all objectives for which we have been off track.
Positive but realistic	• Our passenger income is growing, and we aim to rebuild it above current forecasts. But it is not possible for operational income to fully fund our capital investment. • We have a funding settlement with Government, which provided £200m of new capital funding, but this is ring-fenced to certain activities. We have no Government funding confirmed beyond March 2024.
Aligned with stakeholder expectations	• We have worked with stakeholders to understand their aspirations for this plan. • While we can't meet all aspirations, we have sought to make progress in identified priority areas for stakeholders, which include equality and inclusivity, carbon reduction, reliability and frequency, and maintaining a long-term view.
Confirmation we are moving towards financial sustainability	• This plan shows our operating account breaking even in 2023/24 then moving to a growing surplus. • While risks remain, this represents a £3bn turnaround since 2020/21 to move us back to a financially sustainable position, following the devasting impact of the pandemic.
Able to manage risk and uncertainty	• We still face significant risks, both within the funding settlement period and beyond. • The £500m GLA financing facility supports us to maintain a balanced budget.

Section 1

What this plan delivers

Outcome focused and integrated

Positive but realistic

Aligned with stakeholder expectations

Outcome focused and integrated

We have a balanced set of target outcomes based on the Mayor's Transport Strategy (MTS) and the roadmaps of our Vision and Values.

This section considers our progress on the MTS themes, which are aligned to our roadmaps. Progress on the Colleague roadmap is also set out along with how we are meeting stakeholder expectations.

Our progress on the Finance roadmap is set out in Section 2.

Mayor's Transport Strategy themes and outcomes

Healthy Streets and healthy people

Safe, Active, Efficient and Green

A good public transport experience

Connected, Accessible and Quality

New homes and jobs

Sustainable and Unlocking

Our Vision and Values roadmaps

- Customer
- Colleague
- Finance
- Green
- Foundation

Healthy Streets & Healthy People

Maintaining investment in safe and active travel at £150m a year throughout the plan will ensure we continue to make progress against these outcomes.

The expansion of the Ultra Low Emission Zone in 2023 will continue to improve London's air quality.

Outcome	2030 Aim	
Mode share	68%	Trips are by active, efficient & sustainable modes
Active	52%	Londoners do 20min active travel per day
Safe	-70%	Reduction in number of people killed or seriously injured on London's roads (against 2010-14 average)
	-45%	Reduction in customer injuries on TfL services (against current level)
Efficient	1.1m Inner 0.5m Outer	Car trips per day crossing cordons in inner and outer London
Green	26 Central 22 In. 19 Out.	Average roadside NO_2 concentration, ug/m^3, in central, inner and outer London
	4.4m	Tonnes CO_2 emissions (London transport network)

Headlines from the Business Plan:

- **Mode share, active travel and congestion:** £150m pa investment (including £69m pa for Boroughs) in walking, cycling and expanding bus priority programme. Further transformational investment beyond this plan would be required to reduce car usage enough to reach net zero and other MTS ambitions.
- **Road safety:** Progress expected through lower speed limits, changes to the Direct Vision Standard, continued delivery of the safer junction programme and Bus Safety Programme.
- **Air quality:** London-wide ULEZ in 2023, including a £110m scrappage scheme to provide grants to certain Londoners and organisations to scrap or retrofit their older vehicles and use cleaner, greener modes of transport, plus maintaining the Mayor's Air Quality Fund.
- **Green infrastructure:** Funding to support sustainable drainage and unlocking the benefits of biodiversity.

Spotlight on London Climate Budget

We have forecast our operational carbon emissions as a result of our Business Plan, showing we will continue the trend of significant reduction in emissions.

For the first time this year, the GLA Budget includes a requirement to articulate how our plan reduces carbon emissions to achieve the Mayor's 2030 net zero ambition.

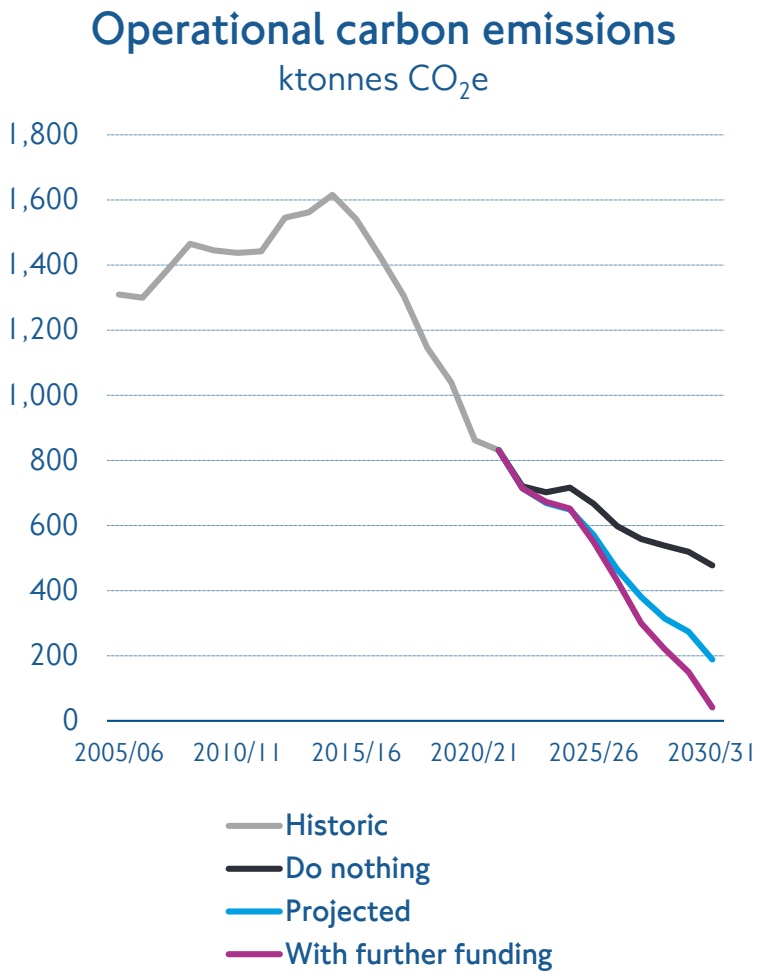
Scope: In the GLA Budget submission we have quantified our operational carbon emissions, which includes the fossil fuels and energy we consume to run TfL-branded services. Between now and 2025/26, we will need to broaden this to include our supply chain impact (goods, services, construction) and costs of adapting to climate change.

Impact of the plan: We have made and forecast to continue to make significant progress, supported by initiatives such as:

- Rollout of zero-emission buses by 2034, and keeping the pathway open to 2030
- Transitioning our support fleet to zero emission
- Power Purchase Agreements for renewable energy, plus private wire and waste heat initiatives
- Reduction in carbon emissions from our buildings
- Building in climate change adaptation to our renewals programme

Going further: Though this plan will continue our progress, further action would be required if we are to achieve net-zero operations by 2030, such as:

- Full zero-emission bus fleet by 2030
- Full decarbonisation of our buildings
- Zero-emission Dial-a-Ride fleet



A good public transport experience

We are protecting our bus services from the majority of consulted changes, expanding the network in outer London and investing in bus priority to improve journey times. Increased renewals of our assets will help to maintain reliability levels.

The customer experience will improve through the rollout of 4G and other initiatives.

Outcome	2030 Aim	
Mode share	68%	Trips are by active, efficient and sustainable modes
Connected	96.5%	Londoners living within 400m of bus stop
Quality	10 mph	Average bus speed
Accessible	5.4 min or less	Additional time by step free routes

Headlines from the Business Plan:

- **Major projects:** Completion of Elizabeth line, 4LM, Bank, Silvertown Tunnel, Old St, Barking Riverside
- **Increased investment in renewals:** Restoring investment in renewals from £635m in 22/23 to £850m pa in 25/26 to help protect reliability and journey times
- **Improving bus speeds:** delivery of our bus priority programme, including 25km of new bus lanes. We have reduced the scale of change in central London, following further funding being provided by the GLA, and we are increasing bus kms in outer London by over 1 million kms
- **Accessible:** The whole Elizabeth line and DLR, around a third of Tube, half of London Overground stations, all tram stops and all buses are now step-free. This plan will make further progress by completing committed schemes and starting a new step-free programme, leveraging third-party funding
- **Quality:** Reducing crowding and improving the quality of our rail and Underground services through the delivery of new Piccadilly line and DLR trains and the completion of the modernisation of the District, Hammersmith & City and Metropolitan lines.
- **Attracting new customers:** delivery of Bus Action Plan, 4G rollout by 2024 on LU (then Elizabeth line)

New homes and jobs

We will deliver Housing Infrastructure Fund schemes on London Overground and the DLR.

We will also invest in a pipeline of schemes focused on sustainable housing and accessibility so we can work effectively in partnership with third-party developers.

Outcome	2030 Aim	
New Homes & Jobs	38% London 56% Opportunity Areas	Proportion of people living in public transport accessibility level 4 or higher

Headlines from the Business Plan

- **Sustainable & accessible growth:** Delivery of committed step-free schemes including Knightsbridge, Bank (Northern) and Paddington (Bakerloo). We will also work with the GLA, boroughs and developers to ensure sustainable growth and sufficient public transport and active travel provision is appropriate to reduce car usage, including a sustainable housing and accessibility fund
- **Housing Infrastructure Fund:** used to buy 11 new DLR trains and support the delivery of a mixed-use development opportunity at Poplar Depot.
- **London Overground:** We have secured significant third-party funding to improve the East London line, the first phase will be delivered by 2025 and help unlock more than 7,000 new homes.
- **DLR Thamesmead:** Feasibility funding for a potential DLR extension to support growth in south east London. This extension would require additional investment
- **Commercial property (including the delivery of new homes):** Our commercial property company, TTL Properties (TTLP) Limited, will provide sustainable revenue to reinvest in public transport, while delivering thousands of new homes for the capital, many of which will be affordable.

Making TfL a great place to work

Last year, we set our vision to be the strong, green heartbeat for London. Our people are the key to making that vision a reality, and the Business Plan sets some key steps to supporting this.

Investing in staff facilities

- **Staff welfare facilities:** increased investment across all modes to bring them up to an acceptable standard, including toilets and facilities for bus drivers.
- **End Violence Against Women & Girls:** programme will provide safety and security improvements which will benefit our frontline colleagues as well as our customers.

Our TfL programme

This programme will look at all the elements in our operating model including structure, culture, processes, technology and governance with the dual aim of improving how we work as well as delivering recurring financial benefits that contribute towards ongoing financial sustainability. We have engaged with our colleagues and trade unions on the journey to date and will continue to do so.

Attracting and retaining colleagues

- **Strategic workforce planning:** will help us to map out what is required by aligning our resourcing and business strategies. This includes aligning our graduate and apprentice programmes to meet future skills needs.
- **Approach to reward:** our approach will support the attraction and retention of key skills and consider how we adopt a more segmented approach to reward, focusing on rewarding talent with skills critical to our future success and structuring our pay and reward offer accordingly.
- **Performance review frameworks:** we are developing frameworks to be employee-led – matching the aspirations of our people with the future skills and capability we will need.

Aligned to stakeholder expectations

Stakeholders have been engaged as a core part of how the Business Plan was developed. Key issues raised including equity, the environment, service quality and maintaining a long-term view.

Three engagement sessions were held to seek views on our Business Plan priorities with Healthy Streets Advisory Group, Business Advisory Group and the Inclusive Transport Forum. Attendee organisations:

- Age UK London
- Business LDN
- Canary Wharf Group
- Central London Alliance
- Confederation of British Industry
- Confederation of Passenger Transport
- Federation of Small Business
- Guide Dogs UK
- Inclusion London
- London Chamber of Commerce and Industry
- London Councils
- London Cycling Campaign
- New West End Company
- Royal National Institute for the Blind
- Sustrans
- Transport for All
- TfL Youth Panel
- Thoughtistic
- Valuing People Network
- Wheels for Wellbeing
- WhizzKidz

Key themes from these sessions:

- **Equity and inclusivity:** We used a new set of quantified inclusion metrics to assess the plan, alongside the existing outcomes within the Mayor's Transport Strategy. This demonstrated the plan makes significant improvements in key areas including improvement in air quality, continued investment in reducing road danger and greater access to active travel. Accessibility investment will continue in partnership with third-party funding opportunities.
- **Carbon reduction and climate change:** The plan reduces TfL's own carbon emissions significantly (as detailed on slide 5), with a full Adaptation Plan in the coming months.
- **Reliability and frequency:** The increase in renewals expenditure will help protect reliability, and the protection of service levels compared to the managed decline scenario helps to ensure service quality does not become a barrier to accessing the network.
- **Maintaining a long-term view:** This document sets our first multi-year plan since before the pandemic, while also ensuring that we set out long-term requirements especially around rolling stock and signalling.

Section 2

Our financial roadmap

Confirmation we are moving towards financial sustainability

Able to manage risk and uncertainty

Our financial roadmap

The Business Plan sets out our strategy for rebuilding our finances, improving efficiency and helping to secure our future.

Actively grow passenger demand, while creating new sources of revenue to reduce our reliance on fares income

- Increase passenger demand to 86 per cent for Tube and rail (excluding the Elizabeth line) and 91 per cent for buses of pre-pandemic levels by 2025/26
- Grow new revenue sources of at least £500m by 2023
- Increase non-fares revenue as a proportion of total income

Create and grow an operating surplus based on our own sources of income

- Reach operating financial sustainability by 2023/24
- Grow an operating surplus from 2024/25 onwards to fund investment

Maintain cash reserves to make payments and protect against shocks

- Maintain average cash balances of 60 days operating expenses, which is around £1.2bn
- Maintain Greater London Authority Financing Facility of £500m for additional protection against shocks and risks

Continue to deliver recurring cost savings to remain affordable for customers and taxpayers

- Continue to reduce like-for-like operating costs in real terms
- Deliver a further £600m of recurring operating cost savings by 2025/26

Fully fund our capital programme with a long-term Government settlement and an affordable level of debt

- Achieve a long-term funding settlement with Government
- Maintain an affordable level of debt based on a range of prudential indicators

Passenger demand: short term

The economic assumptions behind the short-term forecast in our Business Plan are based on latest data from GLA Economics, before the OBR published its assessment on 17 November. This will be updated in future planning processes.

The core assumptions of our demand forecasts are highlighted in the green boxes, along with other sensitivities.

We face downside risk due to the slow economy. Our passenger revenue is protected under our funding agreement until March 2024. The economy is predicted to be growing again by 2024, and unemployment falling, but we do face risk as set out later in this section.

FY Average pre-Covid Journeys (2018/19)	2022/23	2023/24
London Underground	77%	83%
London Overground	82%	86%
Docklands Light Railway	74%	78%
London Trams	77%	89%
Elizabeth line*	292%	285%
Buses	81%	90%
Total TfL (across all modes)	81%	90%

*Comparison to TfL Rail, before opening central section

A LONDON'S ECONOMY

GLA Economic Scenarios

Includes impact of population, employment, consumer expenditure etc.

RELATIVE TO GLA CENTRAL

	Profile	2024: GDP	2024: Jobs
1.	Fast recovery	+ 2.1%	+ 1.1%
2.	GLA Central	n/a	n/a
3.	Slow recovery	- 3.7%	- 1.3%
4.	Technical Recession	- 1.3%	- 1.3%
5.	2 year Recessionary Env.	- 6.3%	- 4.1%

B THE PATH TO "NEW NORMAL"

Office Work Profile / Peak Service Usage

Recovery in commuting, before economic factors. Transitions to Peak Service usage from 2023/24.

	2022/23	Mid-2023/24
1.	80%	88%
2.	65%	80%
3.	65%	80%
4.	55%	65%
5.	55%	65%

C ONGOING SEASONAL IMPACT

Ongoing Winter Suppression

Seasonal impact of cold/flu season

	1.	2.	3.
Winter '22+	- 1.25%	- 2.50%	- 3.75%

Passenger demand: medium term

During the pandemic, we developed a set of planning scenarios. c.20 factors were considered to create a range of coherent versions of London's future.

A Hybrid scenario has been developed as the centre ground of all scenarios based on the likelihood of each factor. This is fully analysed through our strategic transport models.

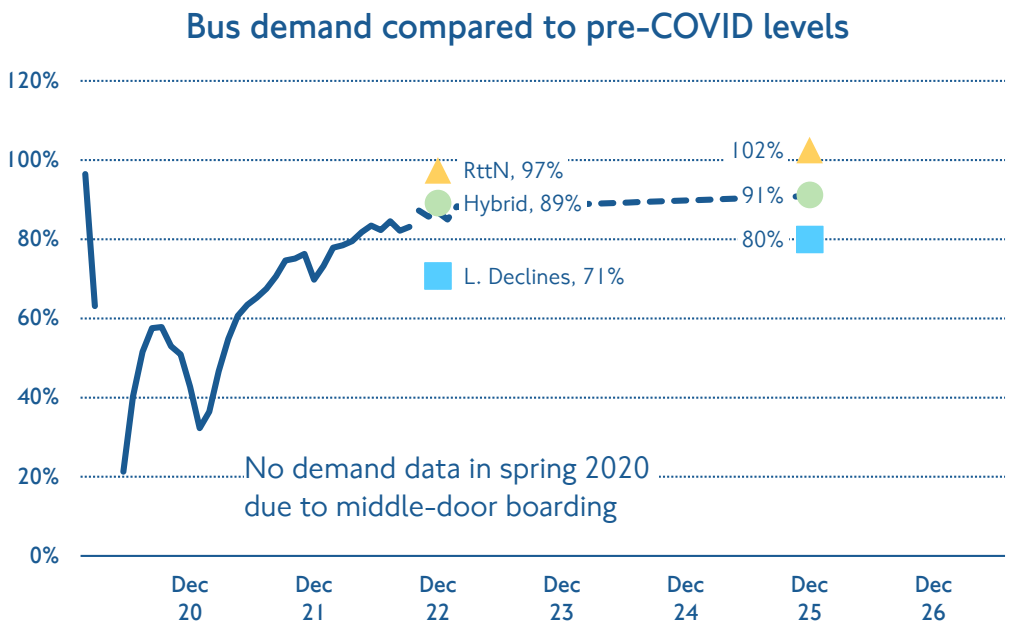
We are currently tracking close to the Hybrid scenario so our Business Plan continues with this profile to 25/26 such that Rail (exc. Elizabeth line) reaches 86% of pre-pandemic demand and Bus reaches 91%.

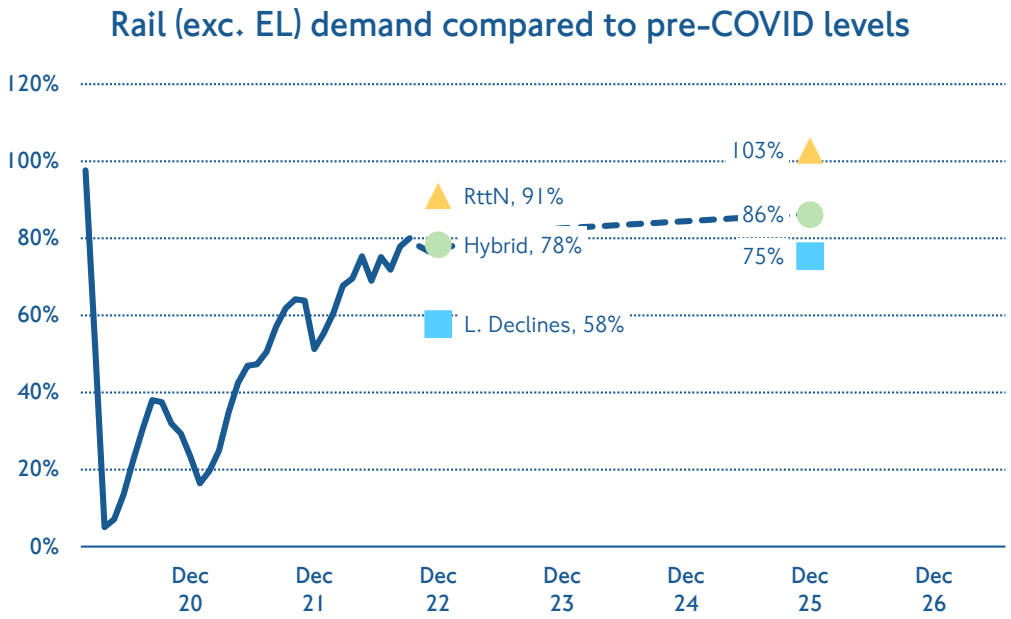
The charts show recent actual and our current forecast against the long-term planning scenarios.

The revenue and demand forecasts we use for financial planning apply a set of drivers (GDP, population, office return) to recent actuals.

Work continues to iterate this approach, especially in light of potential changes in post-pandemic elasticities and current economic / cost of living issues.

- Actual since 2020
- Central forecast
- Return to Nearly Normal
- London Declines
- Hybrid





Actively grow passenger demand

We have included a further revenue target to generate £140m per year from 2025/26, by actively growing customer demand above the current trend, reducing fare evasion and increasing other income sources.

The target

Background growth

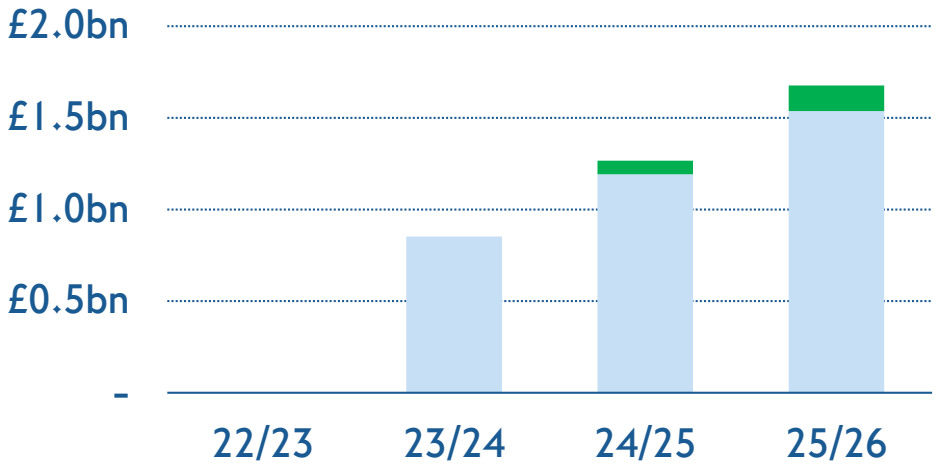
£1.5bn of growth expected by 25/26 due to economy, population, office return and fare changes

Targeted additional growth

24/25: **1.4%** £75m

25/26: **2.4%** £140m

Growth in passenger revenue from 22/23



The approach

We have a clear target. We are in the process of analysing our data, benchmarking and engaging with subject matter experts across the business to help identify options which we will then prioritise and put into action.

Now

- Analysis of demand
- Benchmarking
- Option gathering / workshops
- Assessment

December 22/ January 23

- Recommendations
- Way forward agreed with Executive Committee

By March 2023

- Initiatives started
- Embedded in Budget

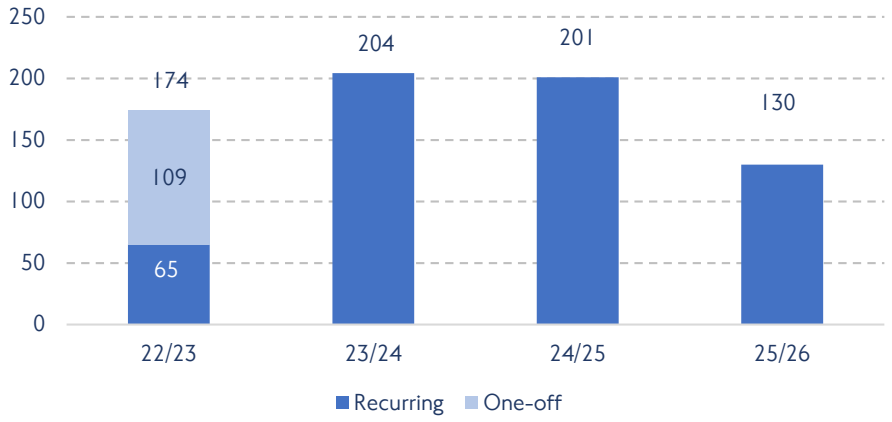
By March 2024

- Initiatives delivering to support targeted growth

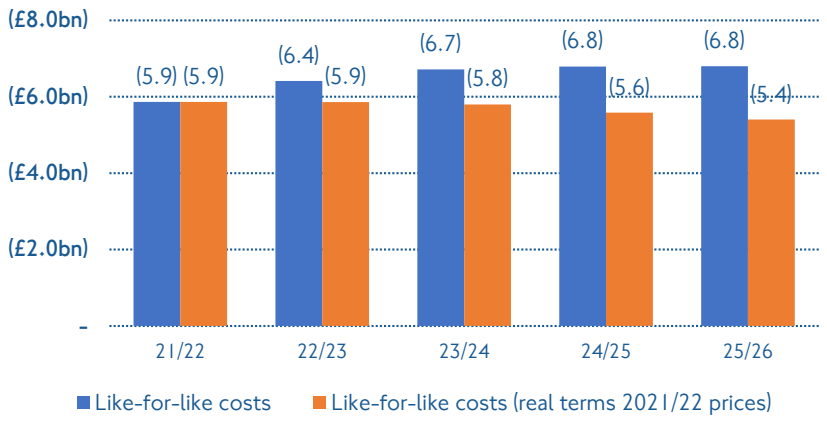
Continue to deliver recurring cost savings

As part of our Financial Sustainability Plan, we are targeting £600m of annualised savings by 25/26, taking the total to a cumulative circa £1.7bn between 2016/17 and 2025/26.

Operating cost savings (£m)



Like-for-like costs (£bn)



The initial phase of our £730m change programme started in 2019/20 and delivered annualised recurring savings of £398m by the end of 2021/22. We had circa £300m of our original savings target left to deliver – we have now stretched that to target a further £600m by 2025/26. This takes the total to a cumulative circa £1.7bn between 2016/17 and 2025/26.

We will deliver this through continuous savings. This will include energy efficiency – delivering on both our Green and Finance roadmaps.

2022/23 savings are lower than planned due to funding uncertainty throughout the year, however, we have made up this year's shortfall from one off savings that will need to be recurring in future.

In the short term, our like-for-like costs will rise as we are not able to fully offset the impact of high inflation. However, with our savings programme, we expect like-for-like costs in nominal terms to fall by more than £450m, or eight per cent, compared to 2021/22.

These savings are critical to our success and the scale of savings required means we need to adapt to new ways of working and work even more collaboratively with our suppliers and stakeholders.

Spotlight on the impact of inflation

Our funding settlement recognised the challenge of increasing inflation. We knew in August that this was a growing pressure, so the funding agreement includes a mechanism to adjust the level of funding based on the latest inflation forecasts.

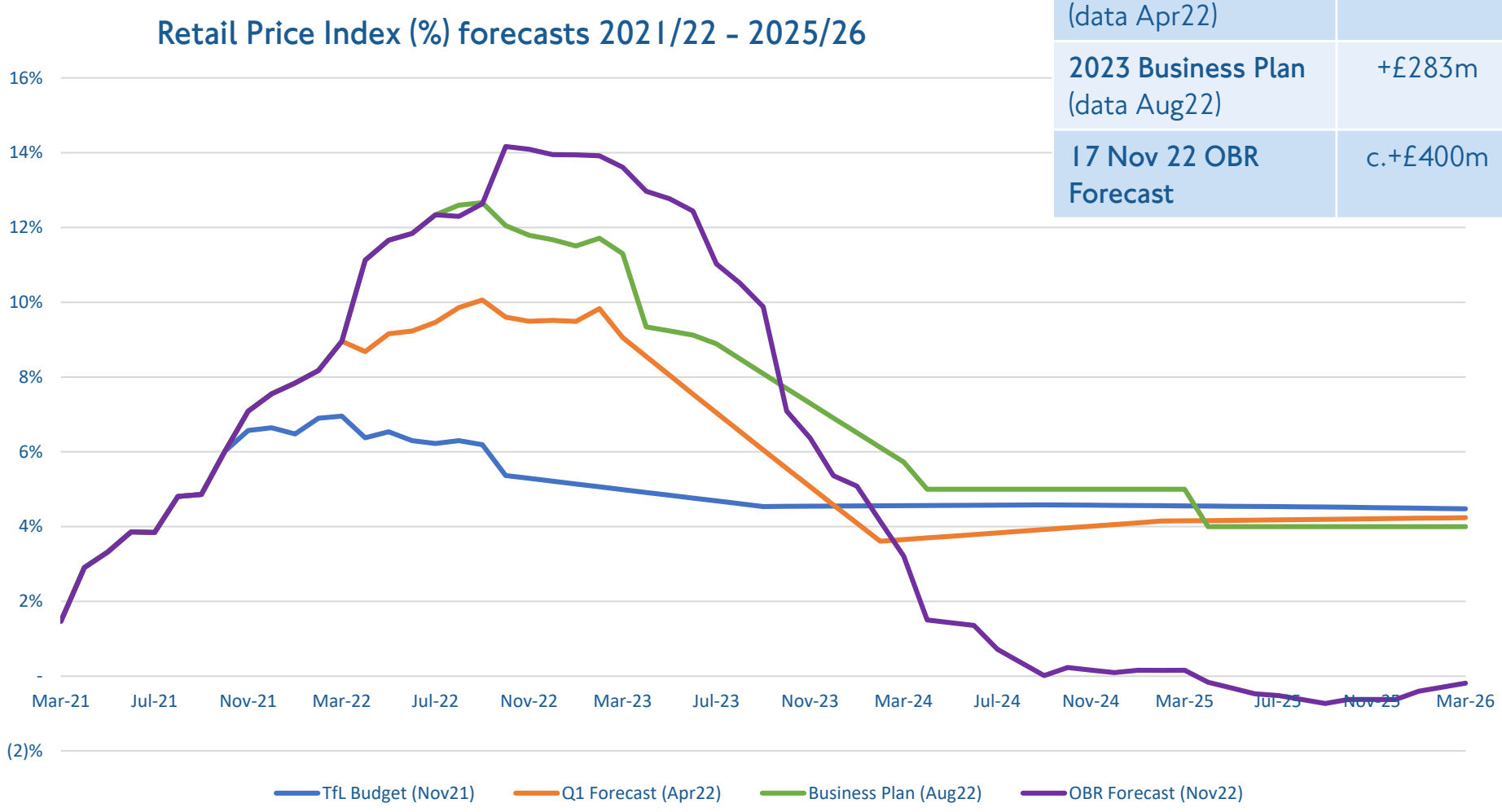
For 22/23, the adjustment is capped at £15m. In 23/24, the adjustment is not capped, but is subject to review and approval by DfT in January 2023.

We recognise the challenges to the public finances and that Government departments have not received increased funding due to higher inflation, but the funding settlement was agreed in the context of already rising inflation.

We are working to set out the necessary evidence for DfT's review.

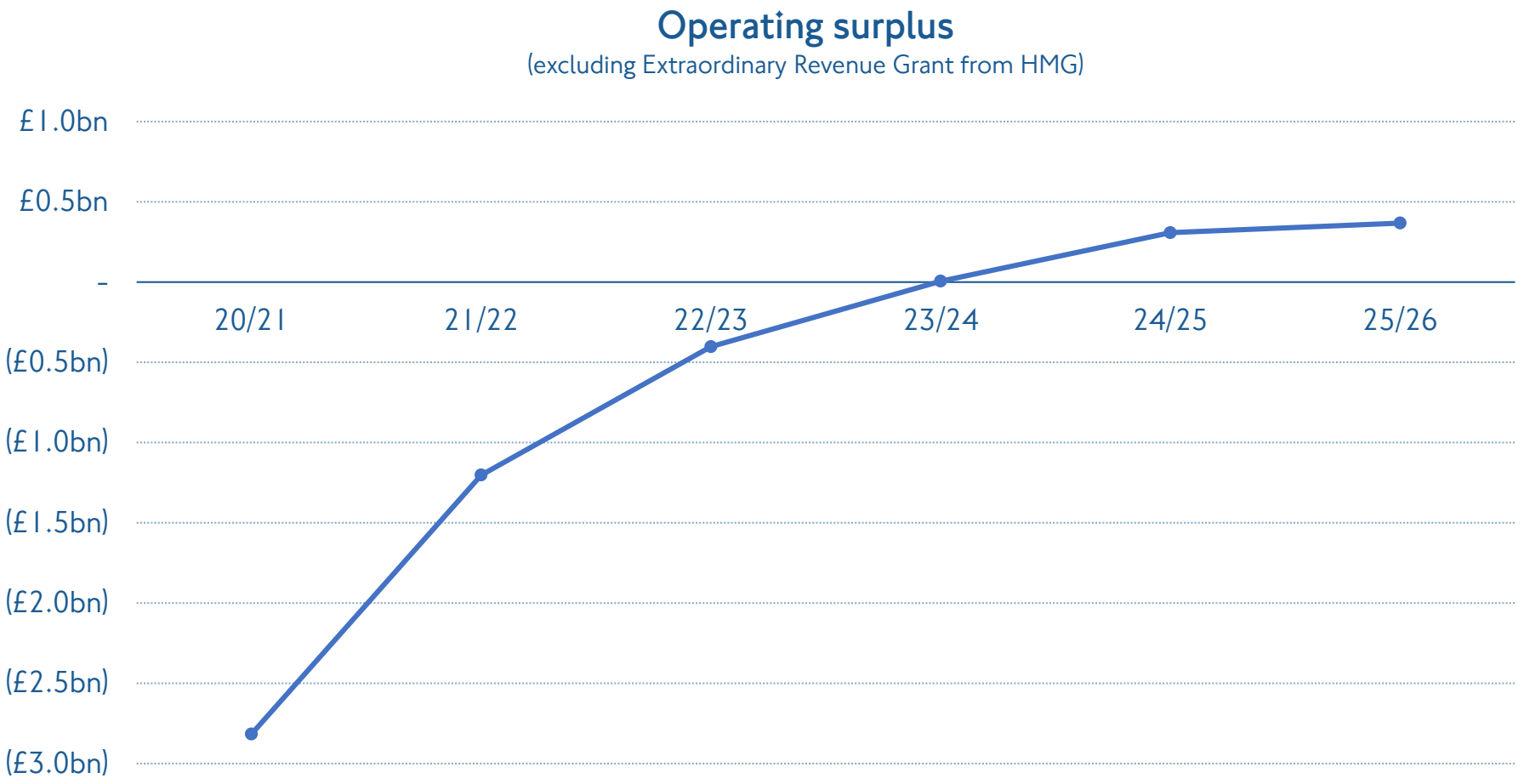
Inflation forecasts have continued to rise since we set the TfL Budget in March 2022, which is increasingly challenging to offset given the savings already assumed in the plan

Inflation Forecast vs. TfL Budget	FY 2023/24 Impact
Q1 Forecast (data Apr22)	+£145m
2023 Business Plan (data Aug22)	+£283m
17 Nov 22 OBR Forecast	c.+£400m



Create and grow an operating surplus

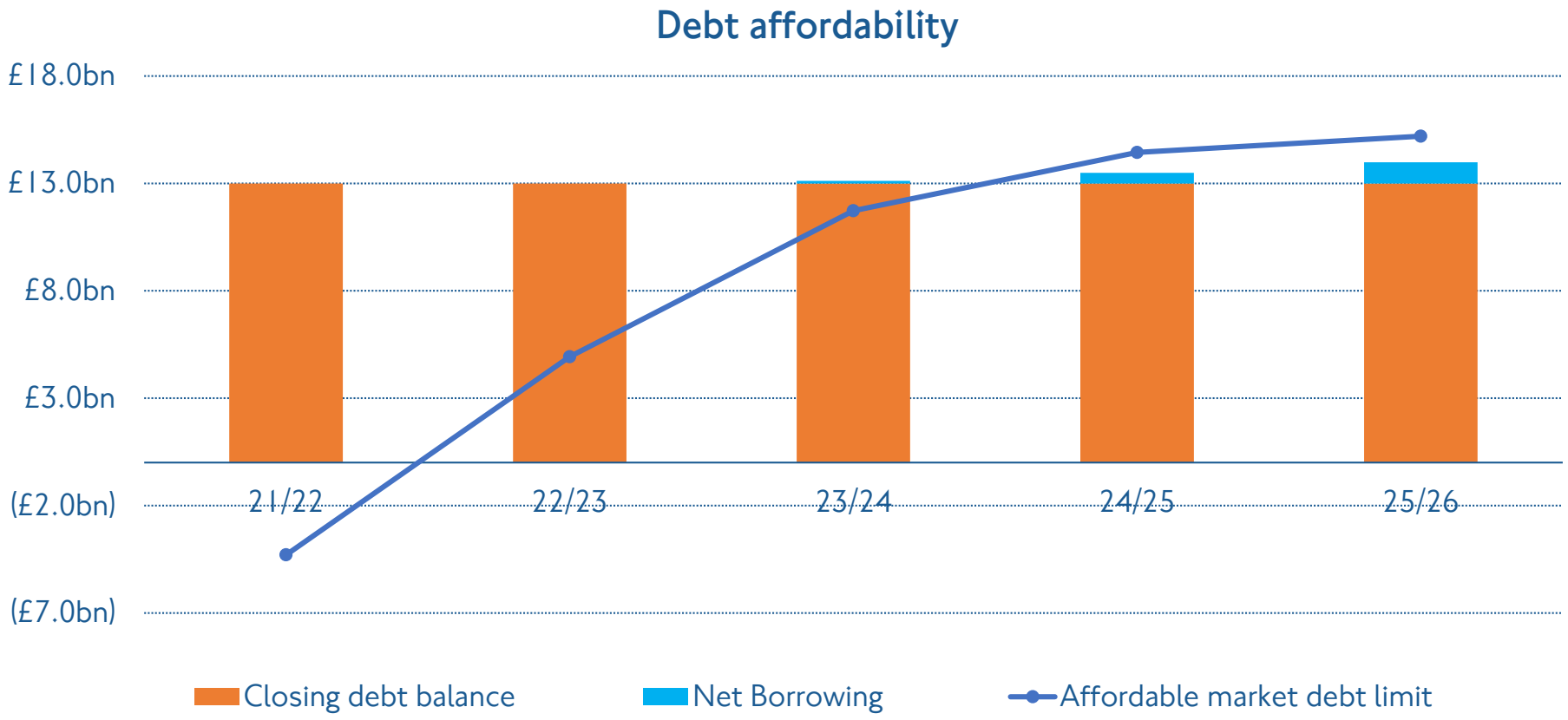
We are on track to complete a £3bn turnaround since 2020/21 and achieve financial sustainability at the operating level in 2023/24.



As we start to grow an operating surplus in 2024/25, this directly funds capital investment but also allows us to re-commence net borrowing to provide additional funding towards additional investment.

Fully fund our capital programme

Generating a sustainable operating surplus means there will be further borrowing headroom in the medium term.



It is not proposed we use the full headroom immediately as it would:

- be more borrowing than we've ever completed in a single year and could create uncertainty in the bond markets.
- create a 'boom and bust' cycle in capital investment, rather than a steady and sustainable run-rate.
- be very risky as small adverse movements in our operating results have a large impact on our headroom.

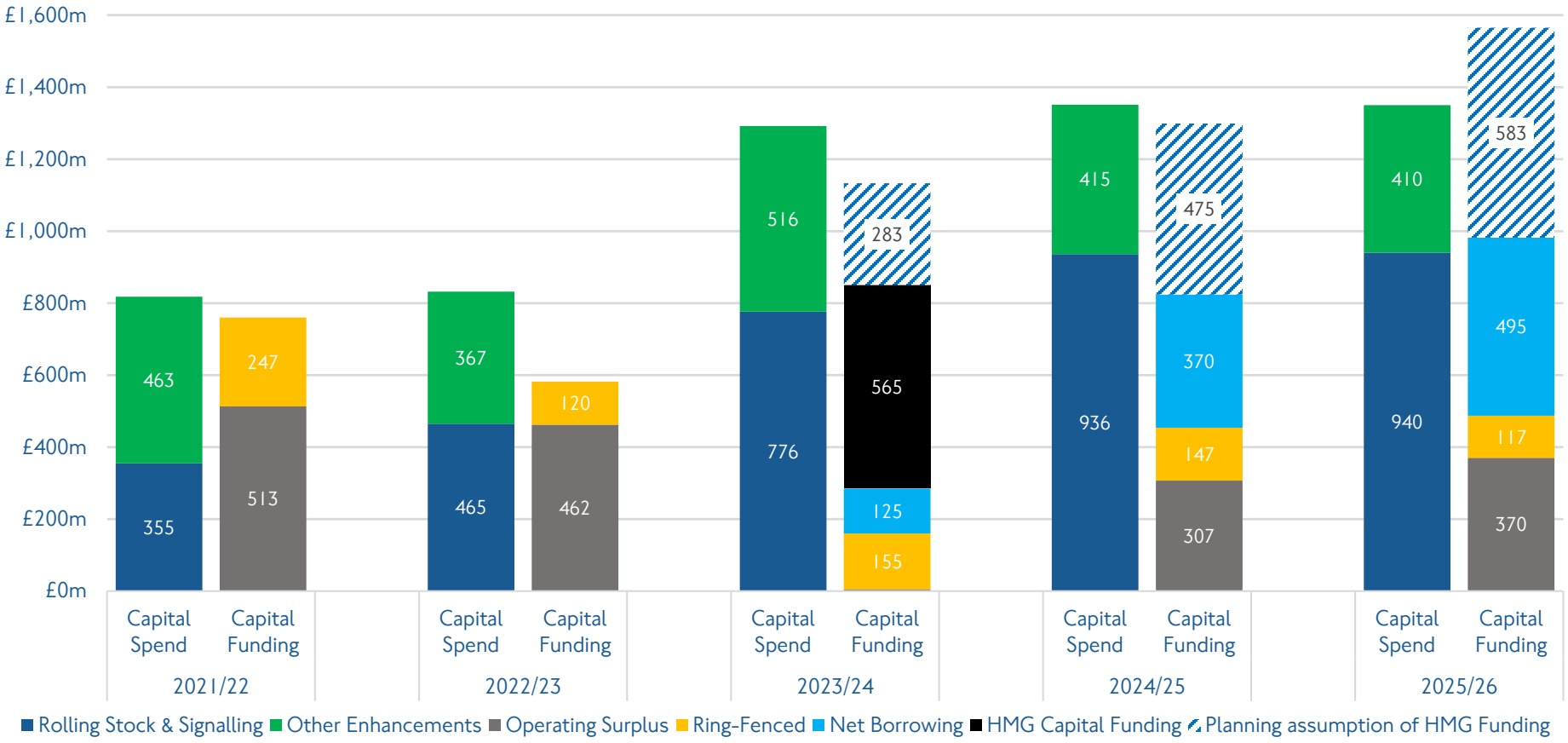
Fully fund our capital programme

In our funding settlements, the Government has set a target for TfL financial sustainability to be able to cover operating costs, financing costs, capital renewals and capital enhancements from our own sources of income. This Business Plan achieves that.

The Government has consistently recognised in the funding settlements that TfL is not expected to fund major capital projects from its operating incomes, as is consistent with other transport authorities.

By 2023/24 all Government funding will be used for capital expenditure, but this funding is required on an ongoing basis. Our current funding settlement runs to March 2024. This plan sets out a requirement for ongoing capital funding from Government in the order of £500-600m p.a. for major capital projects. This will be subject to future discussions with Government on longer-term capital funding. If we can agree further joint ambitions to progress projects supporting UK growth, bus electrification, and safe and active travel, we will be able to increase our delivery to achieve this.

The chart shows planned capital spend (excluding renewals, funded by operating expenditure) and funding. Hashed bars show planning assumption of further funding, including the 2023/24 inflation adjustment.

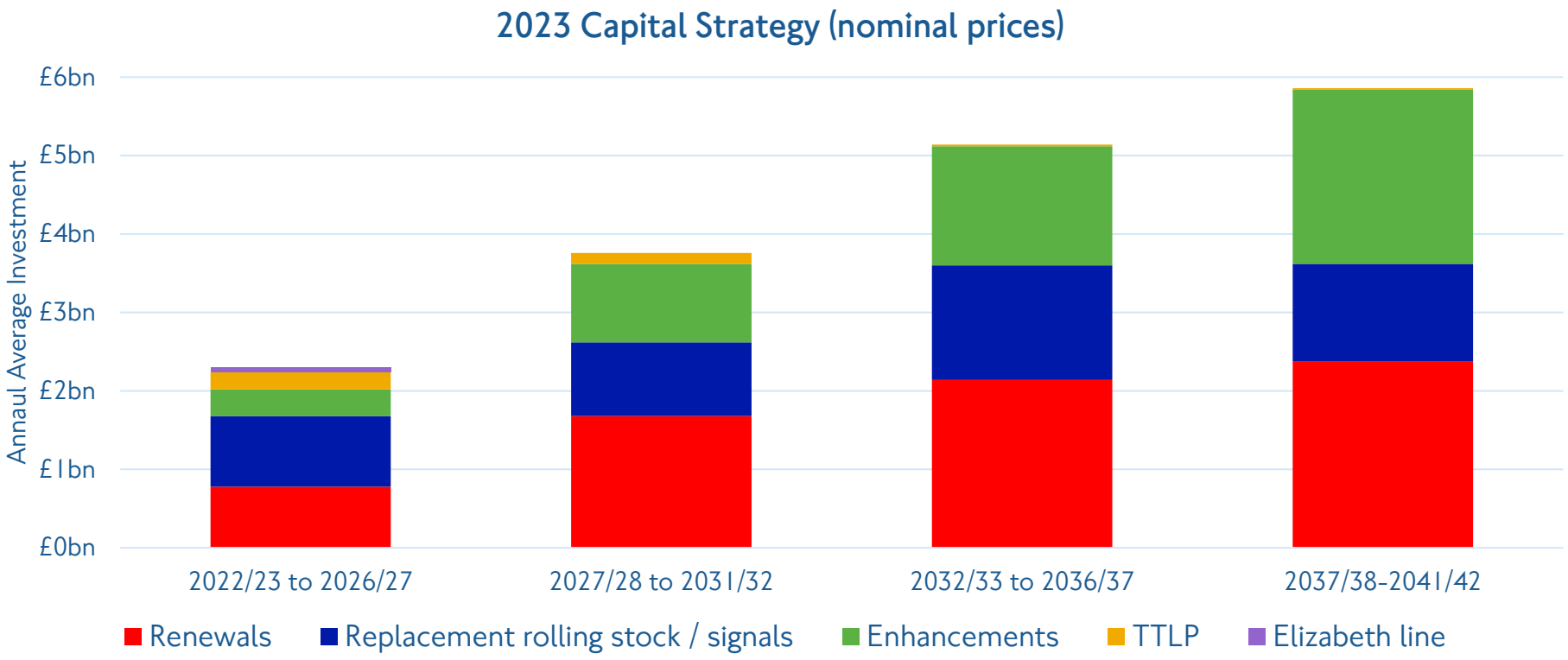


Spotlight on Capital Strategy

The Capital Strategy sets out an aspirational view of our capital investment for the next 20 years. The early years are the same as our Business Plan. Beyond that the plan sets out what is required to progress towards the MTS, and it is not fully funded.

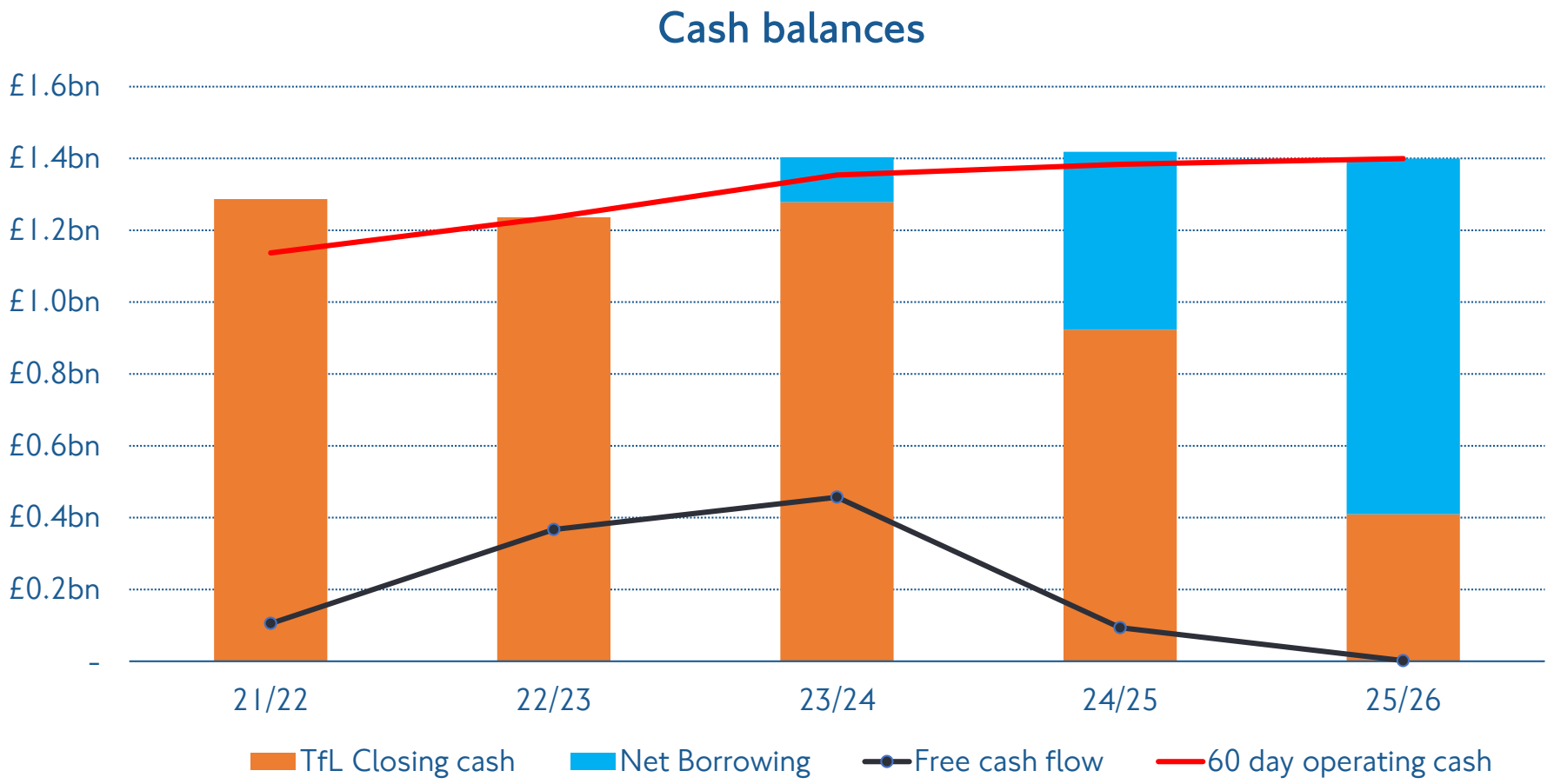
The Capital Strategy has been lightly updated since last year's. It continues to be based on the Long-Term Capital Plan approved by the Board in July 2021.

- The increase in investment over time is driven both by inflation – very significant over 20 years – and the long-term aspiration to increase activity to achieve the ambitions of the MTS.
- Replacement of rolling stock and signalling includes trains on Piccadilly line, DLR, Bakerloo line, Central line, Waterloo & City line, Jubilee line and Northern line, as well as Trams.
- Enhancements includes bus electrification capital costs, street improvements to promote active and safe travel, station upgrades, technology investment, line extensions and others.
- The total funding gap over the last 15 years, based on the aspirational increase in activity, is £20bn. This is an increase from last year's £16.8bn, driven by the increase in inflation.



Maintain cash reserves to protect against shocks

Our Treasury Management Policy is to maintain minimum cash reserves of 60 days operating costs. As operating costs rise over time, our 60 day operating cash reserve should grow with it.



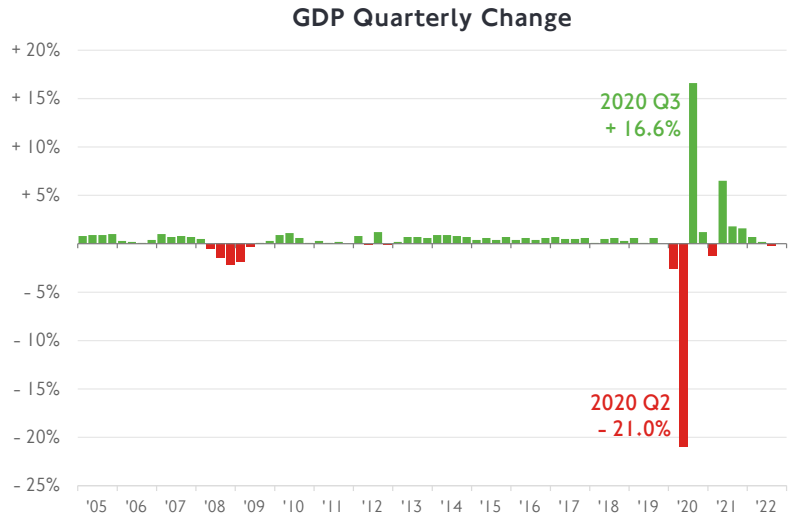
The Business Plan will maintain the necessary cash level, with the planned borrowing being used to fund capital investment.

Spotlight on economic volatility

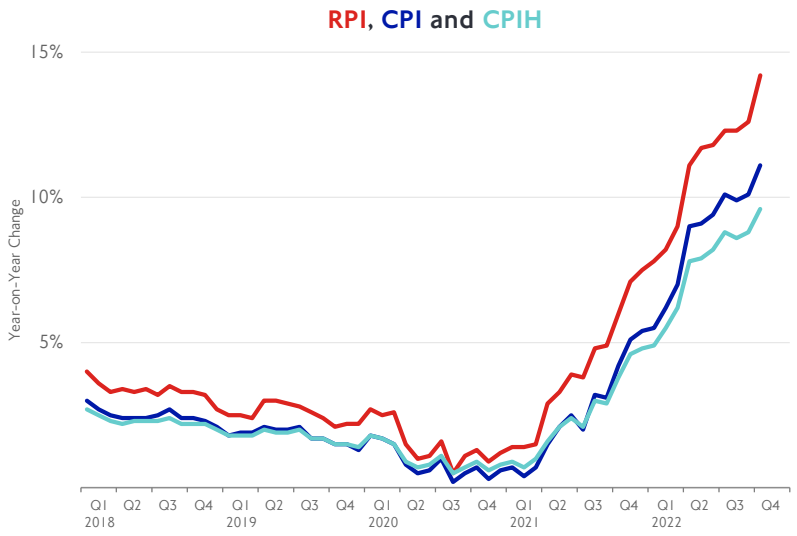
This is a plan produced amid considerable uncertainty. The Autumn Statement, while having little direct impact on TfL, showed the difficult context in which public sector organisations must work.

The latest Office for Budget Responsibility forecast shows the UK as already being in recession with lower growth projections for 2023 and 2024 as well as higher levels of inflation to continue.

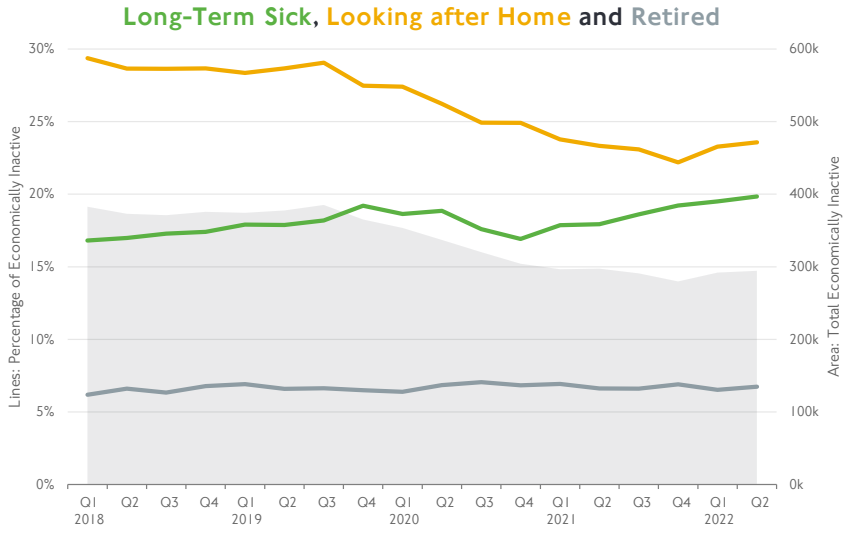
GDP Growth



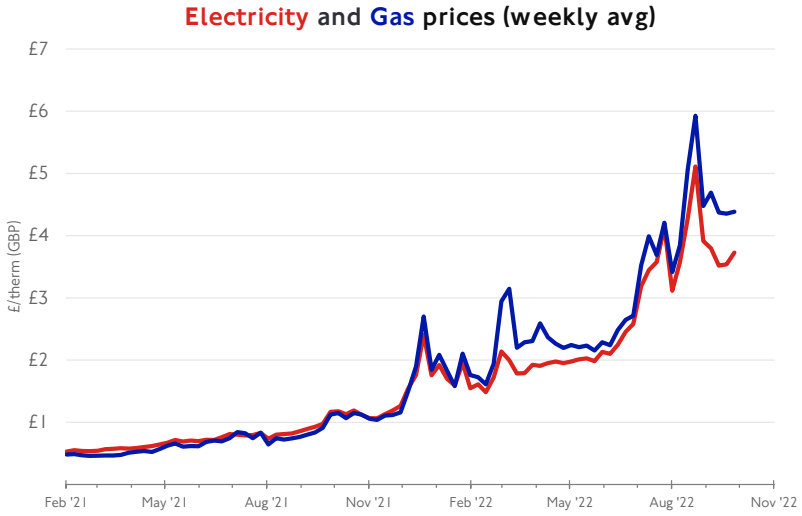
Inflation



Economic inactivity



Energy prices



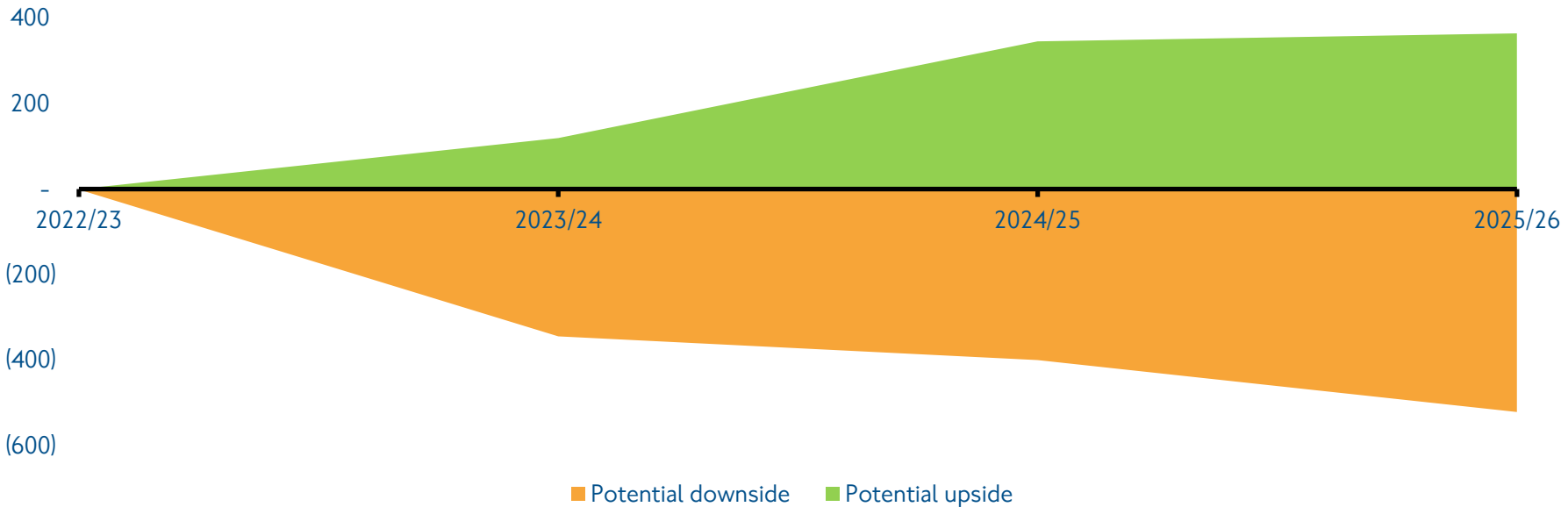
Maintain cash reserves to protect against shocks

We use stress tests to understand how external changes could impact our financial position and delivery of our Business Plan.

We know we face a number of significant financial risks mainly driven by macroeconomic uncertainty.

In addition to maintaining cash reserves, we also have access to financing facilities and have other mitigations available to maintain a balanced budget.

+£0.8bn / -£1.3bn impact over the plan



Stress tests:

- The uncertainty around the pandemic recovery, climate change, household finances, the UK's trading relationships post-Brexit, the war in Ukraine and the macro-economic climate, makes it more difficult than usual to forecast beyond the next two years.
- We have modelled a range of variables in our Business Plan, mainly driven by the macroeconomic uncertainty, to assess the sensitivity to our central case.
- Downside risk to our income driven by potential lower economic growth continuing is a major contributor to the potential downside.

Potential mitigations:

- Monitoring and assessing external and internal threat and opportunity indicators are key to our planning and reporting process, enabling us to respond to early warning signs and take actions to keep us on track.
- In the short term, we have access to the £500m GLA Financing Facility for additional protection against shocks and risks and allow us to balance our budget but this would have to be repaid over the medium term.
- We also continue to look for opportunities to be more efficient and grow our revenues.

Section 3

Appendix

Income statement

£m	2021/22 Actuals	2022/23 Forecast	2023/24 Plan	2024/25 Plan	2025/26 Plan
Passenger income	3,154	4,306	5,158	5,572	5,983
Other operating income	1,178	1,474	1,668	1,700	1,482
Business Rates Retention	1,844	1,819	1,867	1,985	2,025
Other revenue grants	1,789	1,024	274	242	245
Revenue	**7,965**	**8,623**	**8,967**	**9,499**	**9,735**
Operating cost	(6,462)	(7,109)	(7,822)	(7,969)	(8,000)
Operating surplus before interest and renewals	**1,503**	**1,514**	**1,145**	**1,530**	**1,735**
Capital renewals	(551)	(635)	(725)	(775)	(850)
Operating surplus before interest	**952**	**879**	**420**	**755**	**885**
Net interest cost	(439)	(417)	(415)	(448)	(515)
Operating surplus	**513**	**462**	**5**	**307**	**370**
Operating (deficit) / surplus (excluding Extraordinary Revenue Grant)	*(1,203)*	*(403)*	*5*	*307*	*370*

Capital expenditure funding analysis

£m	2021/22 Actuals	2022/23 Forecast	2023/24 Plan	2024/25 Plan	2025/26 Plan
Operating surplus	513	462	5	307	370
Capital enhancements	(463)	(367)	(516)	(415)	(410)
Ring-fenced funding for capital enhancements	247	120	438	147	117
Net borrowing	-	-	125	370	495
Surplus after enhancements	**297**	**215**	**52**	**409**	**572**
Rolling stock and signalling replacement	(355)	(465)	(776)	(936)	(940)
Government funding for rolling stock and signalling replacement	-	-	565	475	583
(Deficit)/surplus after rolling stock and signalling replacement	**(58)**	**(250)**	**(159)**	**(52)**	**215**

Cash flow statement

£m	2021/22 Actuals	2022/23 Forecast	2023/24 Plan	2024/25 Plan	2025/26 Plan
Net cash generated by operating activities	1,503	1,514	1,145	1,530	1,735
Less TTLP, LTIG and LTM	(22)	(40)	(25)	(44)	(49)
Net cash generated by TfL operating activities	**1,481**	**1,474**	**1,120**	**1,486**	**1,686**
Cash flows from investing activities					
Capital renewals	(551)	(635)	(725)	(775)	(850)
New capital investment	(818)	(832)	(1,292)	(1,351)	(1,350)
Ring-fenced capital funding	247	120	1,003	622	700
Working capital movements	(253)	240	351	112	(174)
Net cash utilised by investing activities	**(1,375)**	**(1,107)**	**(663)**	**(1,392)**	**(1,674)**
Free cash flow	**106**	**367**	**457**	**94**	**12**
Cash flows from financing activities					
Net interest paid	(439)	(417)	(415)	(448)	(515)
Debt repayment	-	(35)	(35)	(70)	(105)
New TfL borrowing	-	35	160	440	600
Net cash generated from financing activities	(439)	(417)	(290)	(78)	(20)
Net (decrease)/increase in cash	**(333)**	**(50)**	**167**	**16**	**(8)**
TfL cash balances	*1,287*	*1,236*	*1,403*	*1,418*	*1,410*

Changes to the scorecard: for Board approval

For approval:

- Change control Finance measures to align to revised Budget
- Change control passenger journeys target to align to income in revised Budget

The Business Plan, reflecting the funding agreement with Government, forms our Revised Budget for 2022/23.

Several scorecard targets are linked to the Budget and therefore require Board approval for change control.

This covers the financial metrics, as well as passenger journeys (on which the income in the Business Plan is based).

Finance

The financial targets need to align to the revised Budget (in line with the funding agreement)

Metric	Original target	**Revised target**
Cash balance (P13 periodic average)	£1.4bn	**£1.2bn**
OPEX vs budget £	£7,472m	**£7,109m**
CAPEX vs budget	£1,560m	**£1,466m**

Customer

The majority of other targets across the scorecard will not change, as the funding agreement does not materially impact 2022/23.

However we also propose to update the passenger journeys target to align to the latest forecast (and therefore the income forecast in the revised Budget).

Metric	Original target	**Revised target**
Public transport passenger journeys (millions)	3,262	**3,248**