

Date: 8 March 2023

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 Financial Authority (unbudgeted), 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 23 November 2022, there have been:
 - (a) two uses of Chair's Action, in relation to the Bus Shelter advertising concession and Surface Technology Contract Retender Award;
 - (b) five uses of Procurement Authority by the Commissioner; and
 - (c) four Mayoral Directions to TfL (the first of which was omitted from the report in November) relating to: September 2022 fares revision (MD3028); permanent changes to free travel arrangements for older Londoners (MD3014); March 2023 Fare Changes (MD3083); and Low-Paid Transport Workers' Concession Scheme (MD3079).
- 1.3 Similar papers are submitted to the Land and Property Committee and 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 the remit of those Committees, 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 112, 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 two uses of Chair's Action since the last meeting.

Bus Shelter Advertising Concession

- 4.3 At its meeting on 6 October 2022, the Committee approved unbudgeted Financial Authority and Procurement Authority for the proposed extension of the Bus Shelter advertising contract. On 8 December 2022, the Committee was provided with an overview of the final negotiated position.
- 4.4 On 13 December 2022, the Chair of the Committee, in consultation with available Members, approved unbudgeted Financial Authority and Procurement Authority for the extension of the Bus Shelter advertising contract, in place of the Authorities previously given by the Committee on 6 October 2022.
- 4.5 The use of Chair's Action was considered appropriate as the decision was required ahead of this meeting. The public paper relating to this request has been published on tfl.gov.uk. The information in the appendix to that paper remains exempt from publication.

Surface Technology Contract Retender Award

- 4.6 On 15 February 2023, the Committee was asked to consider a request for Procurement Authority for the Surface Technology Contract Retender (STCR) agreements, including Automated Traffic Signals, Variable Message Signs, Overheight Vehicle Detectors and CCTV services.
- 4.7 On 18 February 2023, the Chair of the Committee, in consultation with available Members, approved Procurement Authority for the STCR agreements, noting that the Procurement Authority extended beyond the current Business Plan and Budget and provision would, therefore, need to be made in future Business Plans and Budgets.
- 4.8 The use of Chair's Action was considered appropriate as a decision was required ahead of this meeting. The decision was critical to secure an adequate mobilisation period to ensure supplier readiness to properly commence the works and services from 1 August 2023. The public paper relating to this request has been published on tfl.gov.uk. The information in the appendix to that paper remains exempt from publication.

5 Authority Approvals

- 5.1 Financial Authority is the authority to spend money, receive income, incur a financial liability or redistribute funds to relevant third parties in respect of

their respective allocated budgets. Financial Authority is automatically granted to the extent that an activity or Programme or Project is 'budgeted'. This paper reports on any use of unbudgeted Financial Authority.

- 5.2 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.
- 5.3 Land Authority is the authority to engage in a Land Transaction or to dispose of any assets. Use of Land Authority related to TTL Properties Limited will be reported to the Land and Property Committee.
- 5.4 The Board had delegated to the Committee approval of unlimited Financial Authority, 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 170.
- 5.5 Since the last meeting, the following use of delegated authority has been exercised.

Procurement Authority Commissioner:

- (a) Microsoft Retender Contract Award;
- (b) Advertising Panel LEDs Tranche 2 and 3, contract variation;
- (c) TfL spend on the GLA Collaborative Media Planning Buying Contract Award;
- (d) Extended Fleet Support Agreement for Sub Surface Lines and Victoria Line Upgrade; and
- (e) Bus Shelter Advertising Rights Concession.

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 are reported to this Committee.
- 6.8 There have been four Directions issued to TfL since the last report.

(a) **September 2022 fares revision** (MD3028 02/09/22)

The Mayor directed TfL to implement from 4 September 2022 an increase in the fee for obtaining an Oyster card from £5 to £7 and to make this fee non-refundable and to apply a peak fare to all journeys to/from Heathrow that include Zone 1 travel.

(b) **Permanent changes to free travel arrangements for older Londoners** (MD3014 17/01/23)

The Mayor approved revisions to the Older Persons' Freedom Pass and the 60+ London Oyster photocard validity to permanently remove free travel between the hours of 4:30am and 9:00am on weekdays (excluding bank holidays) and directed TfL to implement the changes on and from 18 January 2023. The time restriction had been in place temporarily since 15 June 2020 (under MD2642).

The change was introduced to meet conditions attached to Government funding settlements that were required to support TfL due to the impact of the coronavirus pandemic on TfL's finances. The change does not affect holders of the Disabled Persons' Freedom Pass on either TfL or National Rail services, where current acceptance would continue unchanged.

(c) **March 2023 Fare Changes** (MD3083 26/01/23)

The funding settlement with the Government, dated 30 August 2022, assumed that the Mayor would increase fares for 2023-24 in line with increases in national rail fares and provided that, if he did not do this, this would affect TfL's funding. The Government decided to increase national rail fares by 5.9 per cent for 2023-24. The Mayor approved an overall average increase on TfL fares under his control of 5.9 per cent. The Mayor directed TfL to implement the fare changes from 5 March 2023.

(d) **Low-Paid Transport Workers' Concession Scheme** (MD3079 02/02/23)

The Mayor directed TfL to introduce, implement and administer the Low-Paid Transport Workers' Concession Scheme as soon as practicable from April 2023. The travel concession will provide free travel on public passenger transport services on the TfL network to employees of TfL's directly contracted suppliers who are paid no more than 10 per cent above the London Living Wage, as well as to workers employed on this same level of pay by TfL's contracted public transport operators in cleaning roles dedicated to TfL's services.

List of appendices to this report:

None

List of Background Papers:

Minutes from previous meetings of the Committee.

Chair's Action paper on Bus Shelter Advertising Concession, issued on 8 December 2022.

Chair's Action paper on Surface Technology Contract Retender Award, issued on 15 February 2023.

Greater London Authority Decision Making Database.

Contact Officer: Howard Carter, General Counsel
Email: HowardCarter@tfl.gov.uk