

Date: 5 October 2023

Title: Use of Delegated Authority

This paper will be considered in public

1 Summary

- 1.1 This 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 Authority and Programme and Project 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 last meeting of the Committee, on 19 July 2023, there have been:
- (a) no use of specific authority delegated by the Board;
 - (b) three uses of Chair's Action in relation to the London-wide Ultra Low Emission Zone (ULEZ) and Scrappage Scheme, the Connectivity Asset Renewal Programme – Future Operational Network and the London Underground Bank Station Capacity Upgrade;
 - (c) no approvals of Programme and Project Authority by the Commissioner nor by the Chief Finance Officer;
 - (d) One approval of Procurement Authority by the Commissioner in relation to a the High Voltage Power Batch C contract award. No Procurement Authority by the Chief Finance Officer; and
 - (e) no Mayoral Directions within the Committee's remit.
- 1.3 A similar report is submitted to the Finance Committee and the Land and Property Committee in respect of the use of Chair's Action and of Authorities granted by the Commissioner and the Chief Finance Officer and of relevant Mayoral Directions that fall within the remit of those Committees.

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 of the Committee.

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 three uses of Chair's Action since the last meeting of the Committee.

London-wide Ultra Low Emission Zone and Scrappage Scheme

- 4.3 On 23 August 2023, the Committee was provided with key updates on the London-wide ULEZ and associated scrappage scheme and asked to approve additional Programme and Project Authority totalling £59m and additional unbudgeted Financial Authority for operating expenditure totalling £64m. The requests were made to enable delivery of additional measures and increase support for Londoners and businesses via the scrappage scheme, before London-wide ULEZ launched on 29 August 2023.
- 4.4 In March 2023, the Committee had approved additional Programme and Project Authority of £35.5m to support the completion of London-wide ULEZ and the associated scrappage scheme, as part of the wider Air Quality and Environment Programme submission (now named the Environment Programme), increasing the total Programme and Project Authority to £247m.
- 4.5 On 27 August 2023, the Chair of the Committee, in consultation with available Members, noted the paper and approved:
- (a) additional Programme and Project Authority of £59m, of which £9m is to support the delivery of additional measures for London-wide ULEZ and £50m is to expand the scrappage scheme and is subject to the Mayor's decision, giving a total Programme and Project Authority of £306m; and
 - (b) additional unbudgeted Financial Authority of £64m for operating expenditure, of which £14m is to support the delivery of additional measures for London-wide ULEZ and £50m is to be provided by the Greater London Authority (GLA) to expand the scrappage scheme and is subject to the Mayor's decision, giving a total Financial Authority of £306m.

- 4.6 The use of Chair's Action was considered appropriate due to the need to implement the additional measures and to increase support via the scrappage scheme, in advance of the launch of the London-wide ULEZ expansion on 29 August 2023.
- 4.7 The public paper relating to this request has been published on [tfl.gov.uk](https://www.tfl.gov.uk).

Connectivity Asset Renewal Programme – Future Operational Network

- 4.8 On 31 August 2023, the Committee was asked to approve unbudgeted Financial Authority, Programme and Project Authority and Procurement Authority to secure

the ongoing provision of operationally critical data transmission services on the London Underground. This will be achieved through the replacement of multiple obsolete (but still operational) data networks with a single new and supportable data network, via a variation to the existing Thales Connect Contract (Connect Contract Variation). The Connect Contract Variation will also extend the term of the Thales Connect Contract and includes options to further extend the term to mitigate the risk of an overrun in migrating operationally critical services to this new data network and is being delivered under a project referred to as the Future Operational Network.

- 4.9 On 4 September 2023, the Chair of the Committee, in consultation with available Members, noted the paper and the exempt Appendix and:
- (a) approved unbudgeted Financial Authority, additional Programme and Project Authority, and additional Procurement Authority, in the sums set out in the exempt Appendix, for the Future Operational Network and operational expenditure for contract extensions to replace the obsolete Connect data networks and to cover TfL programme management and enabling costs, as described in the paper; and
 - (b) noted that the matters for which authority was sought above extend beyond the current Business Plan and Budget appropriate provision will need to be made in future Business Plans and Budgets.
- 4.10 The use of Chair's Action was considered appropriate as a decision was required ahead of this meeting. Approval to allow the issue of the Connect Contract Variation was required in early September 2023 to secure the price and programme for this essential data network renewals work, which includes a negotiated saving.
- 4.11 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.

London Underground Bank Station Capacity Upgrade

- 4.12 On 5 September 2023, the Committee was asked to approve an uplift in the Procurement Authority for the Bank Station Capacity Upgrade (BSCU) project and in particular the BSCU Design and Build contract with Dragados S.A. The increase to Procurement Authority was built in to the current BSCU Estimated Financial Costs and no increase was required to the Programme and Project Authority (£701.0m).
- 4.13 On 10 September 2023, the Chair of the Committee, in consultation with available Members, noted the paper and the exempt appendix and approved additional Procurement Authority for the BSCU contract in the sum requested in the exempt appendix.
- 4.14 The use of Chair's Action was considered appropriate as a decision was required before this meeting, to enable the commercial close out of the main works contract.
- 4.15 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 Programme and Project Authority Approvals

- 5.1 To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects.
- 5.2 Programme and Project Authority will normally be granted by the Committee for all programmes and projects as part of the defined Programmes within the overall Investment Programme. Where individual programmes or projects have a value in excess of £50m and have not already received full approval as part of a Programme, requests will be submitted to the Committee for consideration. Those programmes and projects with an estimated final cost of £50m or below, which have been approved by the Commissioner or the Chief Finance Officer, will be reported to subsequent meetings of the Committee.
- 5.3 Where the main contract has not yet been awarded, the Financial Authority and Estimated Final Cost may not be stated because they are commercially confidential.

Approvals by the Commissioner and Chief Finance Officer

- 5.4 Since the last meeting of the Committee, neither the Commissioner nor the Chief Finance Officer has approved any Programme and Project Authority requests within the Committee's remit.

6 Procurement Approvals

Approvals by the Commissioner and Chief Finance Officer

- 6.1 Since the last meeting of the Committee, no Procurement Authority has been granted by the Chief Finance Officer within the Committee's remit. The Commissioner approved Procurement Authority in relation to the High Voltage Power Batch C contract award.

7 Mayoral Directions to TfL

- 7.1 The Greater London Authority 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.
- 7.2 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.
- 7.3 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>.
- 7.4 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.

- 7.5 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.
- 7.6 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. That page will be updated as and when further Directions are made.
- 7.7 Mayoral Directions to TfL related to projects and programmes are reported to this Committee. There have been no Mayoral Directions to TfL within the Committee's remit since the last meeting.

List of appendices to this report:

None

List of Background Papers:

Minutes from previous meetings of the Committee.

Chair's Action papers in relation to the three uses of Chair's Action reported in this paper: London-wide Ultra Low Emission Zone and Scrappage Scheme, the Connectivity Asset Renewal Programme – Future Operational Network and the London Underground Bank Station Capacity Upgrade. The papers containing information that is not exempt from publication have been published on tfl.gov.uk.

Greater London Authority Decision Making Database.

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