

Board



Date: 13 December 2023

Item: Report of the Meeting of the Finance Committee held on 22 November 2023

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items considered by the Finance Committee at its meeting on 22 November 2023.

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 held on 22 November 2023 were published on 14 November 2023 and 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 considered by the Committee were:
- (a) Use of Delegated Authority;
 - (b) Finance Report – Period 7, 2023/24;
 - (c) TfL Energy Purchasing: Crown Commercial Service;
 - (d) Communications, CCTV, Access Control and Security Systems Maintenance and Upgrade Services Contract; and
 - (e) Forthcoming Key Procurement Activities.
- 3.3 A summary of the items considered and decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 6 March 2024.

4 Issues Discussed

Use of Delegated Authority

- 4.1 The Committee noted the paper on the use of delegated authority. Since the last meeting of the Committee on 11 October 2023, there had been no use of Chair's Action; one use of Procurement Authority by the Commissioner in

relation to the Bus Stops and Shelters Maintenance Services Contract award; and one Mayoral Direction to TfL relating to the 18-25 Care Leavers' Discounted Travel Concession Scheme.

- 4.2 At the last meeting, it was reported that the Mayor had directed TfL to give six-months' notice to terminate the relevant provisions of the Travelcard Agreement. As provided for within the Mayoral Decision, the Direction was no longer applicable following agreement having been reached with the Department for Transport and Train Operating Companies which was financially acceptable to TfL.

Finance Report – Period 7, 2023/24

- 4.3 The Committee noted TfL's financial results to the end of Period 7 of 2023/24 - the year-to-date ending 14 October 2023.
- 4.4 A similar Finance Report is elsewhere on the agenda for this meeting of the Board.

TfL Energy Purchasing: Crown Commercial Service

- 4.5 The Committee approved Procurement Authority of £1077m for the purchase of electricity and natural gas pan-TfL for supply during the 2026/27, 2027/28 and 2028/29 financial years. This would extend the current arrangements, which allowed the continuation of the current energy purchasing and risk management strategy through the Crown Commercial Service Energy Framework.
- 4.6 The proposed approach ensured the ongoing supply of cost competitive electricity and gas supplies for TfL's operations in the near term, while also enabling the transition to renewable energy. The existing energy purchasing strategy envisaged TfL securing 50 per cent of its energy through renewable Power Purchase Agreement tranches over the coming years, in line with its ambition to run a zero-carbon railway by 2030.

Communications, CCTV, Access Control and Security Systems Maintenance and Upgrade Services Contract

- 4.7 The Committee granted additional Procurement Authority for the provision of maintenance and upgrade services for Communications, CCTV, Access Control and Security Systems provided by Telent Technology Services Limited across the TfL estate.

Forthcoming Key Procurement Activities

- 4.8 The Committee noted the summary of the major new procurements or contract extensions planned over the next 24 months and decisions that were anticipated to be required from the Committee by way of Chair's Action between the meeting and the next planned meeting in March 2024. It also highlighted significant forthcoming procurements that required approval at officer level during that period.

- 4.9 The two-year look ahead covered 247 contracts with an estimated total value of £14.7bn, and equivalent annual spend of £2.7bn.
- 4.10 Work on improving the visibility of the procurement pipeline would enable TfL to be prepared to meet a requirement in the Procurement Act 2023 for all contracting authorities to publish a pipeline notice within 56 days of the start of each financial year, setting out details of all procurements over £2m in value due to take place within that year. The Act was expected to come into force from October 2024. An update on implementation of the Act will be provided to Committee in March 2024.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Finance Committee on 22 November 2023

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