

Board



Date: 7 February 2024

Item: Report of the Meeting of the Land and Property Committee held on 20 December 2023

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items considered by the Land and Property Committee at its meeting on 20 December 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 20 December 2023 were published on 12 December 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) Chief Executive's Report;
- (c) Places for London Quarterly Performance Report;
- (d) Places for London Assurance Update;
- (e) Establishment of a Programme Management Office;
- (f) Mid-Year Valuation Results;
- (g) Enterprise Risk Update – Failure to Prevent Safety Incidents or Meet Safety Commitments (Places-L0-1);
- (h) Financial Metrics; and
- (i) Skills and Education Programme.

- 3.3 A summary of the items considered is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 11 March 2024.

4 Issues Discussed

Use of Delegated Authority

- 4.1 The Committee noted one use of unbudgeted Financial Authority and Land Authority by the Chief Finance Officer of £4.97m for improvement works to the Wood Lane Arches. There had been no other uses of delegated authority nor any Mayoral Directions to TfL within the remit of the Committee.

Chief Executive's Report

- 4.2 The Committee noted the update on issues and developments since the meeting of the Committee on 21 September 2023, including the brand launch and the tender launch for electric vehicle ultra-rapid charging hubs.
- 4.3 The Committee was informed that TfL had been granted permission by the Planning Inspectorate for the development at South Kensington station, which had originally been refused local planning consent in November 2021.
- 4.4 Recruitment was underway for several key posts, including the critical role of Head of Retail, with a focus on place making.
- 4.5 There was no further clarity on the regulations relating to second staircases, which was creating significant delay and uncertainty in the commercial development and property markets.

Places for London Quarterly Performance Report

- 4.6 The Committee noted the update on market context, health and safety, financial performance, operational performance, project updates and understanding Places for London's (Places) impact from 23 July to 15 October 2023, which was positive overall despite the challenging market conditions.
- 4.7 All health and safety updates were also reported to the meetings of the Safety, Sustainability and Human Resources Panel, of which Dr Nina Skorupska CBE was the Vice-Chair.

Places for London Assurance Update

- 4.8 The Committee noted progress with assurance activity across Places during Quarter 3 of 2023/24 (17 September to 9 December 2023) and updates on the status of all open assurance recommendations at the end of Period 8 (11 November 2023).
- 4.9 Continuous improvements had been made and there were no overdue recommendations.
- 4.10 The Independent Investment Programme Advisory Group had recently completed a review on property disposals. All recommendations had been accepted.

- 4.11 The subject of residential assets and options for providing temporary accommodation for London boroughs would be discussed at a future briefing.

Mid-Year Valuation Results

- 4.12 The Committee noted the overview of the mid-year valuation for Places' investment assets and joint ventures.

Enterprise Risk Update – Failure to Prevent Safety Incidents or Meet Safety Commitments (Places-L0-1)

- 4.13 The Committee noted the overview of Places' Level 0 Enterprise Risk 1 'Failure to prevent safety incidents or meet safety commitments' (Places-L0-1).
- 4.14 TfL's Safety, Health and Environment team provided robust assurance on all aspects of health and safety, benchmarking against the highest standards. This was work which would evolve and mature as the organisation developed.
- 4.15 The current risk management was considered adequate, with areas for improvement highlighted in the paper.

Financial Metrics

- 4.16 The Committee noted the update on Places' review of its existing suite of investment metrics and how these metrics support the delivery of the Business Plan, including the target for financial return to TfL as stakeholder, and balance risk exposure across the activities that Places is involved in.
- 4.17 Members supported the approach to establish a Places Weighted Average Cost of Capital (WACC) rate and a set of risk-adjusted WACC rates taking account of the different risks.
- 4.18 An informal briefing on financial metrics would be arranged.

Skills and Education Programme

- 4.19 The Committee noted the update on the performance and future direction of Places' skills and education programme, which forms a key pillar within its wider Environmental, Social and Governance strategy.
- 4.20 The Committee welcomed the work of Places as a leader and facilitator of growth and skills, particularly among young people. A site visit to Build East training centre would be arranged.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Land and Property Committee on 20 December 2023

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