

Transport for London

Minutes of the Land and Property Committee

Conference Rooms 1 and 2, Ground Floor, Palestra,
197 Blackfriars Road, London, SE1 8N
10.00am, Wednesday 20 December 2023

Members

Professor Greg Clark CBE (Chair)
Dr Nina Skorupska CBE (Vice Chair) (via Teams)
Anurag Gupta
Anne McMeel
Marie Pye (via Teams) (from Minute 80/12/23)

Greater London Authority Observer

Lyn Garner, Chief Executive Officer, London Legacy Development Corporation (from Minute 72/12/2023)

Executive Committee

Andrea Clarke Interim General Counsel
Alex Williams Chief Customer and Strategy Officer

Places for London Limited Leadership Team

Graeme Craig Director and Chief Executive Officer
Mark Farrow Director of Strategy and Planning
Lester Hampson Property Development Director
Daniel Lovatt Director of Asset Management
Martin Mohamad Head of Investment
Digby Nicklin Chief Finance Officer
Lisa-Jane Risk Head of Operations

Staff

Karen Bain Project Assurance Review Manager
Justine Curry Interim Director of Legal
Patrick Doig Group Finance Director and statutory Chief Finance Officer
Lorraine Humphrey Director of Risk and Assurance
Emile MacDonald
-Williams Head of Safety, Health and Environment Business Partnering
(for Minute 74/12/23)
Paolo Nistri Senior Construction Skills Manager (for Minute 76/12/23)
Michael Wood Senior Safety, Health and Environment Business Partner
Sue Riley Secretariat Officer

Independent Investment Programme Advisory Group (IIPAG)

Ray Christopher Chair, IIPAG Places for London Sub-Group
Peter Cornforth Member, Places for London Sub-Group

Special Advisors to the Places for London Leadership Team

Sherin Aminossehe
Peter Vernon

65/12/23 Apologies for Absence and Chair's Announcements

An apology for absence had been received from Seb Dance. Marie Pye had given apologies for lateness. Dr Nina Skorupska (CBE) and Marie Pye were attending the meeting via Teams and were able to participate in the discussion but did not count towards the quorum. The meeting was quorate.

The Chair welcomed everyone to the meeting. The meeting was being broadcast live to TfL's YouTube channel, to ensure the public and press could observe the proceedings and decision making.

The Chair welcomed Digby Nicklin to his first meeting of the Committee as Chief Finance Officer for Places for London. Sherin Aminossehe and Peter Vernon, special advisors to the Places for London leadership team, were also welcomed to the meeting.

The Chair reminded those present that safety was paramount at TfL and encouraged Members to raise any safety issues during discussions on a relevant item or with the appropriate member of the Executive Committee after the meeting.

66/12/23 Declarations of Interests

Members confirmed that their declarations of interests, as published on [tfl.gov.uk](https://www.tfl.gov.uk), were up to date and there were no interests to declare that related specifically to items on the agenda.

67/12/23 Minutes of the Meeting of the Committee held on 21 September 2023

The minutes of the meeting of the Committee held on 21 September 2023 were approved as a correct record, subject to the correct spelling of Peter Cornforth's name on the attendance list, and the Chair was authorised to sign them.

68/12/23 Actions List and Matters Arising

Andrea Clarke introduced the item, which set out progress against actions agreed at previous meetings of the Committee.

The Committee noted the updated Actions List.

69/12/23 Use of Delegated Authority

Andrea Clarke introduced the item. Since the last meeting of the Committee, on 21 September 2023, there had been one use of unbudgeted Financial Authority and Land Authority by the Chief Finance Officer 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.

The Committee noted the paper.

70/12/23 Chief Executive's Report

Graeme Craig introduced the report, which provided an overview on major issues and developments since the meeting of the Committee on 21 September 2023, including the launching of the new brand and the tender for a partner for the electric vehicle ultra-rapid charging hub.

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.

Recruitment was underway for several key posts including the critical role of Head of Retail, with a focus on place making.

The six-month review of the Places for London operating model would include an assessment of partnership working, and regular updates would be provided in future reports.

An asset management approach was being taken to all developments, with asset plans being produced for each location.

There was no further clarity on the regulations relating to second staircases, which continued to create significant delay and uncertainty in the commercial development and property markets.

Places for London had identified 50 locations adjacent to Network Rail land for development, and the easiest would be progressed first.

The Committee welcomed the report and congratulated staff on work to date.

The Committee noted the report.

71/12/23 Places for London Quarterly Performance Report

Graeme Craig introduced the report, which provided an update on market context, health and safety, financial performance, operational performance, project updates and understanding of Places for London's impact. Lisa-Jane Risk, Digby Nicklin, Daniel Lovatt, Lester Hampson and Mark Farrow were also in attendance.

Members were advised that, in line with the rest of TfL, a health and safety update would be provided to the Safety, Sustainability and Human Resources Panel, of which Dr Nina Skorupska CBE was the Vice-Chair.

In future, the safety assurance update would be provided at the start of the quarterly performance report.

The income statement was strong, despite challenging market conditions, with good debt recovery rates and outperforming predictions. Some spend had been deferred due to planning uncertainty, which had led to an underspend, but this had been offset by income investments.

Updated information on arrears (9.6 per cent) and rent collections (94.1 per cent) was provided.

There had been a positive market response to the launch of the procurement for the electric vehicle charging hub joint venture partner, with the initial market stage finishing in January 2024.

The scorecard for 2024/25 would be finalised before the end of this financial year, alongside a strategic long-term scorecard for the next four years, providing both quarterly and annual information.

The Investment Strategy was being reviewed with a focus on prioritising opportunities using financial metrics. The Committee encouraged the inclusion of social and environmental assessments factors, as well as economic, to be fed into the scorecards.

Further information would be provided to Members on the industrial income category. **[Action: Daniel Lovatt]**

A more responsive, pro-active approach to asset disposals was needed in a fluctuating market, which was dependant on more accessible and meaningful data.

The Committee noted the report and the exempt supplementary information on Part 2 of the agenda.

72/12/23 Places for London Assurance Update

Lorraine Humphrey introduced the item, which provided an update on progress with assurance activity 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). Karen Bain was also in attendance. Ray Christopher presented the Independent Investment Programme Advisory Group (IIPAG) reports.

Continuous improvements had been made and there were no overdue recommendations.

IIPAG had recently completed a review on property disposals. All recommendations had been accepted.

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

[Action: Daniel Lovatt/Lester Hampson]

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda.

73/12/23 Mid-Year Valuation Results

Daniel Lovatt introduced the item, which provided a detailed overview of the mid-year valuation for Places for London's investment assets and joint ventures.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda.

74/12/23 Enterprise Risk Update – Failure to Prevent Safety Incidents or Meet Safety Commitments (Places-L0-01)

Lisa-Jane Risk introduced the item, which provided an overview of the Level 0 Enterprise Risk 1. Emile MacDonald-Williams and Michael Wood were also in attendance.

Embedding a safety culture across Places for London, as well as within the supply chain and across stakeholders and partners, was key. The leadership team regularly attended safety tours.

TfL's Safety, Health and Environment (SHE) team provided robust oversight on all aspects of health and safety, benchmarking against the highest standards. This work would evolve and mature as the organisation developed.

TfL's SHE team had considerable experience in providing safety oversight across a range of complex activities, which could readily be adapted to Places for London.

The current risk management was considered adequate, with areas for improvement highlighted in the paper.

Lyn Garner offered to share with Places for London examples of best practice and lessons learnt by the London Legacy Development Corporation, particularly in relation to construction safety. **[Action: Lyn Garner/Lisa-Jane Risk]**

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda.

75/12/23 Financial Metrics

Digby Nicklin introduced the item, which provided an update on the review of the 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 shareholder, and balance risk exposure across the activities that Places for London is involved in.

Members supported the approach to establish a Places for London Weighted Average Cost of Capital (WACC) rate and a set of risk-adjusted WACC rates taking account of the different risks.

An informal briefing on financial metrics would be arranged. **[Action: Secretariat]**

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda.

76/12/23 Skills and Education Programme

Lisa-Jane Risk introduced the item, which provided an update on the performance and future direction of Places for London's skills and education programme, which forms a key pillar within its wider Environmental, Social and Governance strategy. Paolo Nistri was also in attendance.

The Committee welcomed the work of Places for London in this area as a leader and facilitator of growth and skills, particularly among young people, and encouraged the team to grow this activity and its positive impact in and across the capital.

A site visit to the Build East training centre would be arranged. **[Action: Secretariat]**

Funding for future programmes would be secured from employer contributions, built into the procurement contracts and through matched funding grants and partnership working across the Greater London Authority.

Staff would ensure that all skill synergies across TfL were being followed up.

[Action: Paolo Nistri]

The Committee noted the paper.

77/12/23 Members' Suggestions for Future Discussion Items

Andrea Clarke introduced the item. No additional suggestions were raised for future discussion items on the forward plan or for informal briefings, other than those already noted during the meeting.

The Committee noted the forward plan.

78/12/23 Any Other Business the Chair Considers Urgent

There was no other urgent business to discuss.

79/12/23 Date of Next Meeting

The next scheduled meeting of the Committee was due to be held on

Tuesday 19 March 2024 at 2pm but as the date falls within the pre-election period for the 2024 Greater London Authority elections, Members would be consulted on a revised date.

80/12/23 Exclusion of the Press and Public

The Committee agreed to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), when it considered the exempt information in relation to the items on: Places for London Quarterly Performance Report; Places for London Assurance Update; Mid-Year Valuation Results; Enterprise Risk Update – Failure to Prevent Safety Incidents or Meet Safety Commitments (Places-L0-1); and Financial Metrics.

The meeting closed at 1.05pm.

Chair: _____

Date: _____