

Date: 26 June 2024

Title: 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 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 28 February 2024, there have been:
- (a) no uses of specific authority delegated by the Board;
 - (b) one use of Chair's Action in relation to approving authorities relating to the Elizabeth line: Service Frequency Increase to Support High Speed 2 (HS2);
 - (c) two approvals of Procurement Authority in relation to Purchasing S Stock and 09TS Compressors; and Depots Delivery Integrator variation to extend the contract for a further two years.
 - (d) no approval of unbudgeted Financial Authority by the Commissioner nor Chief Finance Officer; and
 - (e) no Mayoral Directions within the Committee's remit.
- 1.3 Similar papers are submitted to the Finance Committee and the Land and Property Committee in respect of the use of Chair's Action, Authorities granted by the Commissioner and the Chief Finance Officer and any 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 has been one use of Chair's Action since the last meeting of the Committee.

Elizabeth Line: Service Frequency Increase to Support HS2

- 4.3 With the agreement of the Chair (due to a declared interest) and the Chair of the Finance Committee, this Chair's Action request was submitted to the Chair of the Finance Committee.
- 4.4 In December 2023, the Committee approved authorities for five additional Elizabeth line trains to support HS2 customers. On 4 June 2024, members of this Committee (except for the Chair) and members of the Finance Committee received a paper that now proposed 10 additional trains to support service enhancements on the Elizabeth line to respond to the pressures and opportunities on the network.
- 4.5 On 6 June 2024, the Chair of the Finance Committee, in consultation with available Members of this Committee (excluding its Chair) and the Finance Committee, noted the paper and the exempt supplementary information. Subject to receipt of a final signed funding letter from Government (which has subsequently been received) she approved unbudgeted Financial Authority, Programme and Project Authority and Procurement Authority for the service enhancements.
- 4.6 The use of Chair's Action was considered appropriate as a decision to enter into the agreement was required before the date of this meeting and the decision was critical to agreeing the contract variation with Alstom and issuing the notice to proceed with the order for 10 additional class 345 trains for the Elizabeth line in line with the funding conditions set by Government. The public paper will be published on [tfl.gov.uk](https://www.tfl.gov.uk) in due course.

5 Programme and Project Authority and Procurement 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.
- 5.4 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.

Approvals by the Commissioner and Chief Finance Officer

- 5.5 Since the last meeting of the Committee, the Commissioner has approved:
- (a) Purchasing S Stock and 09TS Compressors – Overhaul: Procurement Authority of £51, 888,086 was approved to Knorr-Bremse Rail Systems (UK) Limited; and
 - (b) Depots Delivery Integrator variation to extend the contract for a further two years: Procurement Authority £27,524,862.67 was approved for the variation of the contract with Lendlease Construction (EMEA) Limited and Jacobs UK Limited joint venture.

6 Financial Authority Approvals

- 6.1 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.
- 6.2 Since the last meeting of the Committee, neither the Commissioner nor the Chief Finance Officer has approved any unbudgeted Financial Authority requests within the Committee's remit.

7 Mayoral Directions to TfL

- 7.1 The Greater London Authority (GLA) Act 1999 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 often issued in relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.
- 7.2 Mayoral decision papers inviting the Mayor to issue a direction 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 relating to TfL are reported to the Board's Committees for information 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: <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.
- 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:

Elizabeth line Chair's Action paper, issued 4 June 2024
Greater London Authority Decision Making Database.

Contact Officer: Andrea Clarke, General Counsel
Email: AndreaClarke@tfl.gov.uk