

Transport for London

Minutes of the Meeting

**Chamber, City Hall, Kamal Chunchie Way, London E16 1ZE
10.00am, Wednesday 24 July 2024**

Members

Sadiq Khan (Chair) (up to Minute 42/07/24 (part))
Seb Dance (Deputy Chair, in the Chair from Minute 42/07/24)
Kay Carberry CBE
Professor Greg Clark CBE
Anurag Gupta
Dr Mee Ling Ng OBE
Anne McMeel
Mark Phillips
Marie Pye
Peter Strachan

Government Observer

Samantha Collins-Hill Deputy Director, London Partnerships and Delivery,
Department for Transport

Executive Committee

Andy Lord	Commissioner
Fiona Brunskill	Chief People Officer
Andrea Clarke	General Counsel
Stuart Harvey	Chief Capital Officer
Claire Mann	Chief Operating Officer
Lilli Matson	Chief Safety, Health and Environment Officer
Rachel McLean	Chief Finance Officer
Alex Williams	Chief Customer and Strategy Officer
Tricia Wright	Chief Officer – Pensions Review

Staff

Patrick Doig	Group Finance Director and statutory Chief Finance Officer
Jackie Gavigan	Secretariat Manager
Lorraine Humphrey	Director of Risk and Assurance
Shamus Kenny	Head of Secretariat
Dharmina Shah	Interim Chief of Staff to the Commissioner

38/07/24 Apologies for Absence and Chair's Announcements

Apologies for absence had been received from: Councillor Ross Garrod, Bronwen Handyside, Dr Nelson Ogunshakin OBE, Dr Nina Skorupska CBE and Dr Lynn Sloman MBE. The Chair, Sadiq Khan, had also indicated that he would need to leave

the meeting at 10.40am. The meeting was quorate. Samantha Collins-Hill was also attending the meeting in place of Emma Ward.

The Chair welcomed everyone to the meeting. The meeting was broadcast live on the Greater London Authority website and on TfL's YouTube channel, to ensure the public and press could observe the proceedings and decision-making.

With reference to the paper on the agenda on Board Appointments and Decision-making Structure (see Minute 48/07/24), the Chair welcomed the proposed changes to the decision-making structure, which reflected past Board discussions and the Board Effectiveness Review recommendations, as it would give the Board an even closer focus on the oversight of safety and security matters.

The Chair confirmed that, as Mayor, he had approved appointments to the Board, with effect from 9 September 2024, which included seven new Members and these would be announced shortly. He had reappointed Anurag Gupta, Marie Pye, Peter Strachan and Councillor Ross Garrod for four years, Mark Phillips for two years and Professor Greg Clark CBE and Anne McMeel for 12 months to provide continuity and support to the new Members. He thanked them all for agreeing to stay on. He was also consulting with the Trades Union Congress for a member to represent trade union interests.

On 8 September 2024, the terms of office of the following Members would expire: Kay Carberry CBE, Bronwen Handyside, Dr Mee Ling Ng OBE, Dr Nelson Ogunshakin OBE, Dr Nina Skorupska CBE and Dr Lynn Sloman MBE. On behalf of himself and Seb Dance, the Chair thanked them for their incredible service over the last eight years, which had included some real challenges. As reflected in the last two externally led Board Effectiveness Reviews, the Board was very high performing and each of those Members had made a key contribution to that.

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.

39/07/24 Declarations of Interests

Since the last meeting of the Board, there had been three updates to declarations: Anurag Gupta had completed his term as a Board Member at The Staff College; Anne McMeel had been appointed as a non-executive director to the Board of the Rail Safety Standards Board and as Chair of its Audit and Risk Committee and she had also been appointed as a Non-Executive director to the National Crime Agency Board; and Dr Nina Skorupska CBE had stood down as the Chief Executive of The Association for Renewable Energy and Clean Technology, previously known as Renewable Energy Association, on 28 June 2024.

Members confirmed that their declarations of interests, as published on tfl.gov.uk, were up to date and there were no interests to declare that related specifically to items on the agenda.

40/07/24 Minutes of the Meeting of the Board held on 12 June 2024

The minutes of the meeting of the Board held on 12 June 2024 were approved as a correct record, and the Chair was authorised to sign them.

41/07/24 Matters Arising, Actions List and Use of Delegated Authority

Andrea Clarke introduced the item. There had been no uses of Chair's Action, nor authority delegated by the Board, nor any Mayoral Directions to TfL since the last meeting of the Board on 12 June 2024.

The paper provided an update on progress against actions agreed at previous meetings.

The Board noted the paper and the actions list.

42/07/24 Commissioner's Report

The Commissioner introduced the report, which provided a review of the major issues and developments since the last meeting, and updated Members on significant projects and initiatives.

The key issues arising from the overview and discussion are summarised below:

- 1 TfL was working constructively with the new Government and continuing its productive engagement with officials, including having met with the Permanent Secretary and her team. The new administration provided further positive opportunities to showcase how investing in London's infrastructure and transport had a direct positive economic impact on the rest of the UK. By sharing its learnings, TfL could help other cities to reach net zero, achieve wider societal benefits and help the Government deliver its growth agenda. Over 100,000 jobs outside of London were supported through TfL's supply chain alone.
- 2 The Commissioner welcomed the focus on transport in His Majesty's speech at the state opening of Parliament. The Better Buses Bill and proposed legislation to improve the railways demonstrated the key role transport played in economic growth and productivity, not just in London but across the country. The Commissioner looked forward to continuing to work alongside the Mayor with the new administration to support this work.
- 3 Safety was at the heart of TfL. It continued to make huge strides towards reaching Vision Zero, although it was not complacent and there was always more to be done. Last year was the lowest on record for people being killed on its roads, excluding 2020 and 2021, which were heavily affected by the coronavirus pandemic. The number of deaths and serious injuries on London's streets was falling faster than the national average.

- 4 Two recent incidents had sadly resulted in fatalities and TfL's thoughts were with the families and friends of those lost. TfL colleagues were working hard on improving the safety of everyone across the network.
- 5 There had been recent reports of injuries at Ealing Broadway station on the Elizabeth line. While these incidents were rare, TfL took them extremely seriously and had already developed a range of enhancements at the station to increase customer safety, such as the installation of a new barrier to enhance the management of passenger flow, and the extension of handrails and additional staffing. Further work was underway with Network Rail to reduce the risk of such incidents occurring in the future.
- 6 Progress was accelerating towards the goal of eliminating work-related violence and aggression against everyone working for TfL. The number of incidents was unacceptable, and TfL was tracking a new target on its scorecard, alongside an ambitious 50-point action plan, including increasing the size of the Transport Support and Enforcement night team.
- 7 Members welcomed TfL's work on tackling work-related violence and aggression. Efforts to reduce fare evasion and work with policing partners to support successful prosecution of people who assaulted staff were key to this. Staff could understandably be reluctant to challenge people on fare evasion to avoid being the victim of an assault and the Chair asked if lessons could be learnt from staff attacks in other public-facing areas, such as retail. A publicity campaign around 'a fare is less than a fine' would be launched imminently and further information would be provided to Board Members when available.
[Action: Claire Mann / Alex Williams]
- 8 TfL continued to keep London moving through the recent busy period, which saw several significant events take place across the capital. These included: Trooping of the Colour on 15 June 2024; London Pride on 29 June 2024, with TfL as one of the official partners with its wrapped Pride bus and a large contingent of colleagues taking part; Taylor Swift concerts at Wembley, for which a special version of TfL's iconic Tube map was created; British Summer Time at Hyde Park and West End Live at Trafalgar Square; and Tennis at Queen's Club followed by the Wimbledon Championships. TfL also supported thousands of customers travelling to various viewing sites across the city for the Euros 2024 and close to 15,000 to and from the O2 arena for the largest free screening of the final match, which was planned with less than a week's notice. These events brought huge economic benefit to the city and TfL's role was key to their success. They required meticulous planning and dedication from colleagues across TfL to whom the Commissioner was very grateful and proud.
- 9 Further consideration was being given to how TfL planned for major sporting events held abroad but where home nations reached the latter stages of competitions, due to the scale of support and enabling customers travelling to watch teams in bigger venues.

- 10 At the Business London conference on 13 June 2024, which brought together around 200 of London's leading businesses, the Commissioner set out the important role TfL played in growing London's economy, which in turn positively impacted the rest of the UK.
- 11 TfL accommodated 1,500 businesses on its estate, which was a driver for economic growth across the country. Places for London successfully leased and rented out spaces to some of the bigger, well-known chains but also supported small and medium-sized enterprises and local businesses, which also encouraged people onto the network. The Board would continue to be kept updated on progress with this work.
- 12 In June 2024, TfL hosted 25 Chief Executive Officers from the American Public Transportation Association, who represented the top public transport authorities across the USA. Having visited Paris the week before, they were on a study mission to witness first-hand TfL's great work across the network and their feedback and positivity was overwhelming.
- 13 The Commissioner gave a keynote speech at the TransCityRail South conference, which was attended by industry leaders from Network Rail, High Speed 2 (HS2), other train operating companies and supply chain partners, and continued to make the case for long-term funding for TfL.
- 14 The Commissioner, along with other Chief Officers and some Board Members, recognised this year's cohort of the Steps into Work programme, aimed at people aged 16 and above with neurodevelopmental differences, at their graduation event in Stratford. He had also met with this year's Innovate finalists to discuss their aspirations and inspire them to pursue transport careers, in line with TfL's Colleague strategy.
- 15 On 23 July 2024, the Commissioner attended the Rail Forum Annual General Meeting in Derby, which was a national industry body with strong regional connections, including supporting the nationally and internationally important rail supply chain across the UK. He discussed the key role TfL and its supply chain played in helping the UK economy, with over 300 delegates in attendance.
- 16 London's boroughs were integral to the successful delivery of the Mayor's Transport Strategy. TfL continued to work closely with these key delivery partners, both through direct engagement with borough officers and councillors and via London Councils. In July 2024, TfL published its Local Implementation Plan (LIP) guidance, which was prepared in collaboration with borough representatives from each sub-region and London Councils from the LIP working group. The guidance provided TfL help for boroughs to invest in local transport schemes, which were essential for the delivery of sustainable transport across London.
- 17 The Commissioner would continue his programme of engagement, following the General Election and several council leadership changes. Earlier this week, along with Alex Williams, he had the first of these meetings with the leadership of Westminster City Council to further solidify their close working relationship.

- 18 London's buses were the most used form of public transport in the capital and nearly a third of all the buses in the UK operated in London. The Commissioner, along with the Mayor and the new Secretary of State for Transport, Louise Haigh, and hosted by Claire Mann, visited Waterloo bus depot to see first-hand TfL's world-leading transport network. The Secretary of State had the opportunity to ride on one of TfL's zero-emission Superloop services, which had just celebrated its first anniversary, as well as meeting several bus colleagues.
- 19 Data showed an increasing demand for Superloop services with an average growth of nine per cent higher than the network average. Ridership on the first route, SL8, had increased by 18 per cent between June 2023 and May 2024. The Superloop network had circled the capital since March 2024 and the final route, SL4, would begin operating between Canary Wharf and Grove Park once the Silvertown Tunnel opened in 2025.
- 20 TfL's bus priority programme continued at pace to deliver 25km of new bus lanes on London's roads by the end of March 2025. Since April 2024, TfL had delivered 750m of bus lanes in the boroughs of Hackney, Brent and Hounslow, and work was underway on 240m of new bus lanes on Greenford Road in Ealing.
- 21 TfL's efforts to improve bus stations also continued at pace. After completing a review of its 32 principal bus stations, in February 2024, a budget was confirmed to progress the changes. TfL had established a project team and developed a prioritised programme of activity based on safety, compliance and deliverability.
- 22 On 23 July 2024, the bus driver appreciation campaign was launched. A poster exhibition of bus colleagues, including drivers, which aimed to recognise their efforts and invaluable impact on the city was being held at North Greenwich and Stratford bus stations.
- 23 TfL aimed to have a fully zero-emission bus fleet with the latest safety features by 2030 and was further engaging with the Department for Transport (DfT) to share its expertise and knowledge as a transport leader to support the new Government's national bus agenda. Initial discussions had taken place on how TfL could cascade its exiting low-emission bus fleet to other parts of the UK without low-emission buses to deliver a real benefit outside of London. Discussions also included planning reform to enable the infrastructure for buses to be powered, as well as commercial arrangements, funding opportunities and a procurement approach that provided certainty to the bus industry.
- 24 The Elizabeth line continued to perform well. TfL had reached an agreement with the DfT, the Treasury and Alstom to procure 10 additional trains. The trains would start arriving in 2026, and would support the additional demand associated with HS2 and allowed for increased service levels on other sections of the line. The Commissioner thanked the teams both at TfL and the DfT who worked collaboratively to secure the funding, which in turn had secured the medium-term future of the Litchurch Lane plant in Derby.

- 25 Following the delivery of 4G wireless coverage to all Elizabeth line stations in May 2024, 4G and 5G coverage in the central section tunnels between Paddington and Liverpool Street was now live. Further sections towards Whitechapel would be connected in the coming weeks and further Underground stations and sections of tunnel would also go live during the year.
- 26 Work continued at pace on the delivery of the Silvertown Tunnel, with work underway to make changes to the wider highway network ahead of the tunnel opening next year. On 10 July 2024, TfL set out its proposed green and fair package of concessions and discounts for when the tunnel opened. During the eight-week consultation, Londoners could comment on the user charges, discounts and exemptions. The user charge would be subject to Board approval and Members will be informed of feedback from the public.
- 27 TfL had reached an agreement with Unite the Union at London Trams leading to the suspension of the industrial action.
- 28 TfL had opened a new entrance to Stratford station, which would give better access to customers coming from the south and south-west of the station.
- 29 The Mayor had allocated an additional £3m per annum to invest in refurbishing existing, and installing new, public toilets at stations. TfL was developing a prioritised investment programme for toilets across the network. The feasibility report would be published and circulated to Board Members. Consideration would also be given to the recent report by the Royal Institute of Public Health on public toilets. **[Action: Alex Williams]**
- 30 On 20 June 2024, TfL opened 10 new cycleways across London, adding another 35km to London's growing strategic cycle network. The first tranche of 460 new e-bikes had also been delivered for Santander Cycles, which were being hired out at around twice the rate of the classic bike. The fleet now stood at 1,500 and would grow to 2,000 e-bikes by the end of the summer.
- 31 The Commissioner thanked colleagues across TfL and its partners for all their continued hard work and dedication.
- 32 As it was the last meeting of the Board with this membership, the Commissioner, on behalf of the Executive Committee and everyone at TfL, thanked Members for all they had done and the contributions they had made. To those Board Members who were leaving, he extended a heartfelt thank you for their challenge, support and personal support since he became Commissioner. He was very grateful for what they had achieved to help steer TfL through some of the most turbulent years in its history. The Commissioner was sure that the outgoing Members would continue to be ambassadors for TfL going forward and wished them all well for the future.

The Board noted the report.

43/07/24 TfL Annual Report and Statement of Accounts for the Year Ended 31 March 2024

Patrick Doig introduced the item, which set out TfL's draft Annual Report and TfL Group Statement of Accounts for the year ended 31 March 2024.

Approval was sought for the Annual Report, which summarised TfL's achievements over the past year. The themes were covered in more detail and context in the annual update on the Mayor's Transport Strategy which was considered elsewhere on the agenda for this meeting.

On 5 June 2024, the Audit and Assurance Committee was updated on key accounting issues and progress of the audit for the Statement of Accounts. It was requested that approval of the Statement of Accounts for the year ended 31 March 2024 be delegated to the Audit and Assurance Committee for its meeting on 18 September 2024.

As had been the case since post-coronavirus pandemic, factors such as more scrutiny and burden on the audit market, and increased complexity in local government accounting and in TfL's operations, meant that the Accounts and the audit process could not be concluded at this stage. The deferral would still enable TfL to meet the deadline to approve the Accounts.

The Statement of Accounts showed an underlying picture of improving financial health and performance. The audit was well progressed with no significant issues of concern and a small number of items to be concluded. The Audit and Assurance Committee would be kept updated on progress ahead of its meeting on 18 September 2024.

Approval was sought for the parent company guarantees to TfL's subsidiary companies, which allowed TfL to exempt the subsidiaries from audit to simplify the process. The request included adding the guarantee to Crossrail Limited following the conclusion of the project and the joint sponsor arrangement, which meant the Accounts no longer needed to be separately audited.

Consideration would be given to quantifying the economic impact and financial benefit for the emergency services and wider public sector of permitting access to bus lanes for emergency vehicles. **[Action: Alex Williams]**

The draft Annual Report would acknowledge more fully the positive working relationship with trade union colleagues across TfL. **[Action: Alex Williams / Fiona Brunskill]**

Members thanked all officers and teams involved in the production of the Annual Report and the Accounts, including the external auditors.

The Board:

- (a) approved the 2023/24 Annual Report, subject to acknowledging more fully the positive working relationship with trade union colleagues across TfL;**

- (b) authorised the Chief Customer and Strategy Officer to make any further design or editorial changes to the Annual Report as may be required;**
- (c) considered the Statement of Accounts and, recognising that a decision on approval of the Statement of Accounts could not currently be made, delegated approval of the Statement of Accounts to the Audit and Assurance Committee and the provision of Standing Order 108 were disapplied for these purposes;**
- (d) subject to the approval of the Audit and Assurance Committee, agreed that the statutory Chief Finance Officer would make any adjustments arising from the work prior to the auditors, Ernst & Young LLP, signing their opinion or from any comments made by the board of any Subsidiary company. Should any changes be required to the Statement of Accounts, he would seek the approval of the Audit and Assurance Committee to make these changes;**
- (e) noted that the Chair of the Audit and Assurance Committee would sign and date the Statement of Accounts in due course;**
- (f) confirmed overall approval of the provision of an ongoing guarantee by Transport Trading Limited of all the outstanding liabilities of those of its subsidiary companies listed below, such guarantee enabling those subsidiaries to be exempt from the need to have their accounts audited:**
 - (a) Woolwich Arsenal Rail Enterprises Limited;**
 - (b) City Airport Rail Enterprises Limited;**
 - (c) London Underground Limited;**
 - (d) LUL Nominee BCV Limited;**
 - (e) LUL Nominee SSL Limited;**
 - (f) Docklands Light Railway Limited;**
 - (g) Tube Lines Limited;**
 - (h) Rail for London Limited;**
 - (i) Rail for London (Infrastructure) Limited**
 - (j) Tramtrack Croydon Limited;**
 - (k) London Buses Limited;**
 - (l) London Bus Services Limited;**
 - (m) London River Services Limited;**
 - (n) Transport for London Finance Limited;**
 - (o) Victoria Coach Station Limited; and**
 - (p) Crossrail Limited; and**
- (g) noted that, as a result of the application of IFRS 9 Financial Instruments, TfL's auditors, Ernst & Young LLP, requested that letters of financial support previously provided by Transport for London in respect of the liabilities of its subsidiaries be re-signed annually by TfL's statutory Chief Finance Officer. Board approval for the issue of such letters was granted when the subsidiaries were first established or acquired.**

44/07/24 Safety, Health and Environment Annual Report 2023/24

Lilli Matson introduced the paper, which summarised the key information and trends reported in the Safety, Health and Environment Annual Report for the 2023/24 financial year, although some road safety and work-related violence data was clearly marked as falling outside that period.

TfL continued to make positive progress towards its stretching safety, health and environment goals, although not all targets had been achieved and there remained a number of areas where more progress and continued organisational focus and investment was needed. The number of people killed or seriously injured on TfL's roads and customer injuries scorecard measures for 2023/24 had not been achieved, but the floor target was met.

On longer-term safety trends and Vision Zero performance on the road network, there was a 24 per cent reduction in the number of people seriously injured or killed over the last 10 years, which reflected TfL's evidence-led and targeted programme that had delivered real benefits. Areas of focus included bus station safety and slips, trips and falls on escalators and platforms. A pilot partner project had been launched this year to directly intervene and support victims of road crashes. Safety performance on capital delivery was consistently good with a further 49 per cent reduction in injuries on capital projects. The mandatory roll-out of body-worn cameras was helping to keep staff safe.

On health and wellbeing, the Occupational Health team had won awards for their industry leading, wellbeing initiatives. Defibrillators had been rolled out across the London Underground and London Overground network. The environmental milestone of the Ultra Low Emission Zone had delivered significant benefits in air quality for Londoners. TfL continued to deliver on its goals to decarbonise the network and other corporate environment objectives such as wildflower verges and sustainable drainage systems. More than 4,000 people had been trained across the organisation as part of the carbon literacy training programme.

Members noted the progress against the ambitious targets and that TfL played a leadership role in many, rather than having direct control. Overall performance on road safety continued to see successive improvements but not at the pace needed to reach the 2040 target. The Vision Zero action plan and schemes such as the Direct Vision Standard and the Bus Safety Standard were ramping up with further iterations that would tighten safety requirements. The new Safety and Security Panel would look at where TfL could have the greatest impact on road safety and how it could support the boroughs to close the strategic gap, married against the financial constraints.

TfL was managing and reducing carbon emissions but there were risks and challenges to the trajectory to 2030, such as the decarbonisation of the bus network, procuring energy at the right cost and decarbonisation of the grid which was beyond TfL's direct control.

Members welcomed the more holistic approach and application of lessons learnt with the safety improvements to the bus stations at Victoria and Walthamstow. Staff were

encouraged to be proactive in reporting near-misses and innovative work was underway on the use of artificial intelligence to identify and mitigate risk.

The Board noted the Safety, Health and Environment Annual Report 2023/24.

45/07/24 Annual Update on 2023/24 Delivery of the Mayor's Transport Strategy

Alex Williams introduced the item, which included the draft seventh annual progress report, summarising delivery of the Mayor's Transport Strategy (MTS) and the relevant elements of the London Environment Strategy in 2023/24. A proposed late appendix on the six-month monitoring report on the London-wide Ultra Low Emission Zone (ULEZ) had not been included but would be published and circulated to Members shortly and included in the final MTS annual progress report.

[Action: Alex Williams]

Members noted the trend information on ridership, which had increased across all modes, supported by the success of the Elizabeth line and the Superloop bus services. The increases were, however, lower than projected, which not only impacted TfL's Budget and Business Plan for the current year but could impact capital funding in the long-term. TfL had a good track record on accurately predicting ridership growth, but current projections were impacted by changes in travel patterns post-coronavirus pandemic and due to the ongoing cost-of-living crisis. TfL was monitoring the situation and looking at innovations in its fares and ticketing approach.

Progress was being made on the main aim of increasing the use of sustainable transport modes, which had increased to 64.2 per cent (from 62.3 per cent in 2022) with the 2041 target being 80 per cent. Measures in the Healthy Streets programme were being delivered and significant progress had been made on improving air quality, with the further evidence of progress to be demonstrated by the London-wide ULEZ six-month monitoring report. The take-up of electric vehicles also continued to increase, particularly in central London, but progress on this and on the provision of charging infrastructure needed to be accelerated.

Members noted that investment in transport had a direct impact on housing growth and that this could be further impacted by the Government's plans for rail reform.

Members noted the good progress overall, but that there was more to do in several areas to meet the trajectory for targets set out in the MTS. Members commended the report as readable and accessible, with clear data to support its narrative.

Members encouraged further engagement with boroughs to deliver the MTS, citing the patchy provision of electric vehicle charging in outer London. A delivery report with London Councils was shared with the boroughs last year and TfL would publish a similar report this year. It would also hold some further direct discussions with borough leaders to highlight progress and encourage further provision of electric charging.

[Action: Alex Williams]

Members recommended that the report be promoted widely with key stakeholders and boroughs, including with Government in relation to the long-term funding settlement, as it demonstrated TfL's positive contribution to London and the UK economy and wider Government targets such as housing and sustainability.

[Action: Alex Williams]

The Board noted the draft copy of Delivering the Mayor's Transport Strategy (MTS) 2023/24, prior to publication and noted:

- (a) progress against the desired outcomes of the MTS;**
- (b) that securing stable long-term funding was key to enabling TfL and the boroughs to continue to deliver on the MTS; and**
- (c) the need for a particular focus on further improving bus journey times and safety, which, together with long-term funding, are key to unlocking the full benefits of the MTS.**

46/07/24 Finance Report — Period 2, 2024/25

Rachel McLean and Patrick Doig introduced the item, which set out TfL's financial results to the end of Period 2 of 2024/25 (the year-to-date 1 April to 25 May 2024). The report had been discussed in detail at the meeting of the Finance Committee on 11 July 2024.

TfL's performance in 2023/24 had increased its underlying revenue by over £900m and reduced real term like-for-like operating costs by over £100m, compared to 2020/21. It had also increased its usable reserves to £448m and achieved an operating surplus. For the 2024/25 financial year, TfL had budgeted to make a surplus of £161m through further cost control and revenue growth.

At the end of Period 2, there was a small Budget deficit due to growth in passenger demand being four per cent, rather than the forecast six per cent. While there were potential time-specific explanations for part of this, the same trend was reflected in Period 3 (which ended on 22 June 2024) suggesting that post-coronavirus pandemic travel changes and the cost-of-living crisis was continuing to have an impact. The figures were being monitored and analysed to understand the root causes, so TfL could seek to address the factors within its control and, if necessary, begin to plan for scenarios where further revenue generation plans and cost controls would be required. TfL was working with the Greater London Authority's Economic team to analyse the data. TfL already had plans in place to deliver further savings, with £259m of savings embedded for 2024/25, of which £130m were budgeted to be recurring and the remainder one-off. TfL would need to manage an uncertain economic environment.

Capital renewals were up on last year, as TfL increased renewals investment to address the backlog of asset replacement. TfL expected to hit Budget over the full year and enhancements spend was in line with Budget in the year to date.

Following the end of the August 2022 Government funding agreement on 31 March 2024, which set a maximum usable cash reserve, cash balances were just over £1.35bn at the end of Period 2, over £140m lower than Budget, mainly because of a delayed asset sale.

TfL had started 2024/25 with a £250m contribution from Government for its major capital investment programmes, of which £245m was received in 2023/24. In June 2024, the Government confirmed a further £220m funding for 10 new Elizabeth line trains to enable capacity increases in the coming years. The Government recognised and agreed that, in common with other public transport authorities, TfL would continue to need support from the public purse for major investments. TfL continued to work with the constructive support of government officials. It had completed milestones relating to Department for Transport submissions: the updated Financial Sustainability Plan and Business Case, and a summary of its funding requirement. These set the groundwork for the capital funding for 2025/26 and potentially for further discussions to make the case for a multi-year settlement, to enable greater efficiency in planning and procurement. TfL continued to demonstrate the positive impact TfL had on jobs and growth, in London and across the UK.

On 15 July 2024, Moody's rating Agency had upgraded TfL's ratings, following the significant improvements in operating performance post-pandemic due to new revenue sources and the focus on cost control and robust governance practices. TfL's long-term ratings were upgraded to A2 from A3 and the short-term ratings to P-1 from P-2 with outlook changed to stable from positive. This followed the upgrade to TfL's long-term rating at the end of November 2023. This meant TfL had a visibly improved financial risk position and scored higher on counterparty credit metrics. Significantly TfL would be able to achieve immediate savings on its short term £1bn Commercial Paper programme. Members welcomed the reputational impact of the changes to TfL's credit ratings.

The Board noted the Finance Report.

47/07/24 Modern Slavery Statement

Rachel McLean introduced the item. The 2023/24 Modern Slavery Statement was TfL's ninth annual statement and set out the steps TfL had taken to investigate and mitigate the risks of modern slavery in TfL's business and supply chains. It had been reviewed by the Safety, Sustainability and Human Resources Panel on 16 May 2024 and was being considered by the TfL subsidiary companies listed on the Statement.

The approved Statement would be published by 30 September 2024 on TfL's website.

TfL was recognised as one of the leading organisations in the UK public sector in identifying and mitigating ethical sourcing and modern slavery risks, having been the first UK public sector body to join the Ethical Trading Initiative and Sedex (the Suppliers Ethical Data Exchange), and a founding affiliate of Electronics Watch.

The Statement outlined the spend categories that TfL had identified as posing the most significant risks and the activities it was taking to further investigate and mitigate those risks. TfL looked at the work of its suppliers and their suppliers.

The paper detailed the changes and updates included in the Statement compared to the 2022/23 Statement, in particular the addition of two risk categories on waste collection and solar panels. Attention was also drawn to the work TfL was doing, with the approval of its bus operators, to collaborate with bus manufacturers and Electronics Watch to achieve transparency regarding TfL's electric vehicles supply chains.

The Board noted the paper and:

- 1 approved the draft TfL Modern Slavery Statement, attached as Appendix 1 to the paper; and**
- 2 authorised the General Counsel to agree the final form of the Statement.**

48/07/24 Board Appointments and Decision-making Structure

As referenced by the Chair earlier in the meeting, he had, as Mayor, reappointed the following Members from 9 September 2024: Anurag Gupta, Marie Pye, Peter Strachan and London Councils' nominee Councillor Ross Garrod for four years to September 2028, Mark Phillips for two years to September 2026 and Professor Greg Clark CBE and Anne McMeel for one year to September 2025 for continuity and to support the new Members. He had also approved the appointment of seven new Members and was awaiting a Trades Union Congress recommendation. The new appointments would be announced shortly. Seb Dance thanked current and outgoing Members for their work and support, both to TfL and to him personally.

The Commissioner and Andrea Clarke introduced the item, which set out proposed changes to Standing Orders, the decision-making structure and proposed a delegation of authority to Seb Dance to make appointments to Committees and Panels. The proposals in the paper had been informed by engagement with Members on the outcomes from the Board Effectiveness Review 2023 and consideration to enhancing the Board's oversight on safety risk management. They were supported by Members and by the Commissioner and his Executive Committee, in particular the enhanced Board oversight on safety and security matters. The impact of the new arrangements would be monitored and kept under review.

To assist smooth running of meetings and decision-making, changes were proposed to Standing Orders to enable available Members to be co-opted onto a Committee or Panel to ensure meetings were quorate, and to enable the Deputy Chair and the Vice Chairs of Committees to exercise Chair's Action if the Chair of TfL or a Committee was unavailable through absence or a potential conflict of interest.

To allow sufficient oversight and consideration of strategic health and safety and security matters, it was proposed to replace the existing Safety, Sustainability and Human Resources Panel with a new Safety and Security Panel. This would be an

advisory panel, rather than a decision-making committee, as accountability for health and safety would continue to be met at officer level. To assist the Panel, it was proposed to engage an external special adviser to provide independent advice and support on safety and security matters and to extend the remit of the Independent Investment Programme Advisory Group (IIPAG) to include safety assurance. An IIPAG Safety sub-group would be established with clear terms of reference to ensure clarity of the respective roles and responsibilities of TfL teams and the sub-group members.

Given the synergies between sustainability and operations, it was proposed that the remit of the existing Customer Service and Operational Performance Panel be refocused into a new Customer, Sustainability and Operations Panel. The Panel would take a more strategic forward-looking approach, focussing on performance data trends and emerging issues. The Panel would continue to have input from a representative of TfL's Youth Panel. Due to the importance of sustainability, the operation of the new Panel would be kept under review to determine if it was the optimal approach for oversight of this topic. In future years, a dedicated panel to consider transformation and sustainability issues might be appropriate.

The meetings of the Audit and Assurance Committee, Finance Committee, Land and Property Committee and Programmes and Investment Committee would continue to consider environmental and sustainability issues when overseeing and taking decisions on items within their remit.

All people issues, including staff welfare issues, and remuneration would be considered in the new People and Remuneration Committee, which would replace the existing Remuneration Committee. This reflected good practice in the operation of similar committees in other organisations.

The 2024 Board Effectiveness Review would be led by the Deputy Chair. The 2025 Review was likely to be externally led and would focus on feedback on the operation of the new Board, the induction process and the bedding in of the new decision-making structure.

As the new structure would be in place from 9 September 2024, ahead of the next meeting of the Board, it was proposed that once the appointment process was completed, the Deputy Chair of TfL would appoint Members to the Committees and Panels, including the Chair and Vice Chair. The appointments would reflect Members' skills, expertise and interests, and discussions with the proposed Chair of each Committee and Panel (when appointed, if appropriate).

An induction programme was being developed for new Members, which would include briefings, site visits and early engagement on the development of the next Business Plan. Existing Members would be invited to attend all events and would be encouraged to pair up with new Members to assist with their induction.

The Board noted the paper and:

- 1 approved the revisions to Standing Orders, as described in the paper, and authorised the General Counsel to make changes to Standing Orders to give effect to them, from 9 September 2024;**

- 2 approved the new decision-making structure, with effect from 9 September 2024, which:
 - (a) stood down the Safety, Sustainability and Human Resources Panel, the Customer Service and Operational Performance Panel, and the Remuneration Committee; and
 - (b) established on a standing basis a Safety and Security Panel, a Customer, Sustainability and Operations Panel, and a People and Remuneration Committee;
- 3 approved the revised Terms of Reference of the Committees and Panels document, as set out in Appendix 1 of the paper, with effect from 9 September 2024;
- 4 delegated authority to the Deputy Chair of TfL to appoint the Chair and Vice Chair of each Committee and Panel and then, in consultation with each Chair and Vice Chair and Members, to agree the composition of each Committee and Panel, with effect from 9 September 2024; and
- 5 delegated authority to the Deputy Chair of TfL, in consultation with the Commissioner, to appoint a Special Adviser to support the work of the Safety and Security Panel.

49/07/24 Report of the meeting of the Programmes and Investment Committee held on 26 June 2024

Mark Phillips introduced the item, as he had chaired the meeting in the absence of the Chair and Vice Chair.

Due to some unexpected events, the meeting was inquorate and therefore Mark Phillips had exercised Chair's Action to approve the two items that required authority approvals: London Underground Four Lines Modernisation Programme; and Rail and Station Enhancements Programme - Annual Update.

The available Members also had a good discussion on the item on Asset Management Strategy Update and further updates on the strategy and the risks would be held once the new Members appointed to serve on the Committee had been inducted.

The Board noted the report.

50/07/24 Report of the meeting of the Land and Property Committee held on 3 July 2024

The Committee Chair, Professor Greg Clark CBE, introduced the item. This had been another productive meeting, focussed on Places for London activity. The previous year had seen good operational performance and good financial performance against benchmarks and its budget. The company was maturing and helped by input by both the Commissioner and Alex Williams.

Good progress was now being made on housing starts, following clarification from the Government on the issue of second staircases. A new Head of Retail had also been appointed by Places for London.

The Committee had a useful discussion on the orientation to purpose-built student accommodation and the benefits this may have and detailed discussions on assurance and Enterprise Risk.

The Committee had also congratulated staff on winning two awards at the European Transform Awards, which specialised in rebranding and brand development.

The Board noted the report.

51/07/24 Report of the meeting of the Customer Service and Operational Performance Panel held on 10 July 2024

Panel Chair, Dr Mee Ling Ng OBE, introduced the item. The Panel had discussed a wide-ranging agenda. She focussed on two very positive discussions.

The Panel welcomed a presentation from the London Transport Museum on its exemplar Schools Programme, which encouraged participants to consider safer and greener travel options. It was also hoped that the engagement with schools would encourage more pupils to consider a career in the transport industry.

In 2016, the Panel had looked at TfL's provision of Assisted Transport Services. The services offered had been transformed since then and were more fully integrated into the Mayor's Transport Strategy. The Panel commended all the staff involved in modernising the service, including the booking operations and a greener fleet, that had seen demand rising and the recruitment of new drivers. The service also worked closely with London boroughs and was also working with the NHS to support patient transport.

The Board noted the report.

52/07/24 Report of the meeting of the Finance Committee held on 11 July 2024

The Chair of the Committee, Anne McMeel, introduced the item. In addition to the issues already covered on the Board's agenda, she highlighted three discussions.

The Committee had a good discussion on the Greater London Authority Treasury Collaboration. As many of the key milestones of the collaboration were moving towards imminent completion and sufficient progress had been made, the Committee had authorised an increase in the TfL investment counterparty limit in respect of London Treasury Liquidity Fund LP from £10m to £900m. As Treasury collaboration was a new area, the Committee would keep it under review.

The annual update on third-party funding secured through spatial planning was welcomed as it generated substantial income to TfL.

The Committee also noted the energy purchasing strategy update. To achieve its target to decarbonise operations in line with net zero by 2030, TfL intended to increase the flexibility of the current strategy by allowing an increased volume of electricity procured via Power Purchase Agreements from 50 per cent up to 70 per cent, subject to value for money considerations.

The Board noted the report.

53/07/24 Any Other Business the Chair Considers Urgent

There was no other urgent business to discuss.

54/07/24 Date of Next Meeting

The next scheduled meeting of the Board would be held on Wednesday 16 October 2024 at 10.00am.

The meeting closed at 12.21 pm.

Chair: _____

Date: _____