

This paper will be considered in public

1 Summary

- 1.1 The Finance Report Presentation at Appendix 1 sets out TfL's financial results to the end of Period 7, 2024/25 (1 April to 12 October 2024).

2 Recommendation

2.1 The Board is asked to:

- (a) note the Finance Report; and
- (b) note the TfL 2024/25 Budget and the TfL 2024 Business Plan remain in place and are the basis for Financial Authority for financial commitments that may be made before the TfL 2025/26 Budget is approved in March 2025 (save where unbudgeted Financial Authority is required, approval for which will be sought in accordance with Standing Orders).

3 Financial Reporting to the Board

Finance Report – Period 7, 2024/25

- 3.1 The Finance Report Presentation provides a summary of TfL's year-to-date financial performance against the Budget approved by the Finance Committee on 13 March 2024 (in accordance with authority delegated by the Board).

4 Draft Greater London Authority (GLA) Budget Submission

- 4.1 On 22 November 2024, TfL made a draft budget submission into the GLA Group consolidated budget, which is open to consultation from December 2024 and will be finalised in February 2025.
- 4.2 This submission covers an updated forecast for 2024/25 and a forward look from 2025/26 to 2027/28. It is an update and extension to the TfL 2024/25 Budget which was approved by the Finance Committee on 13 March 2024 and the TfL 2024 Business Plan which was approved by the Finance Committee on 22 December 2023, in each case under authority delegated by the Board.
- 4.3 This budget submission incorporates the £485m of capital funding for 2025/26 awarded in the Government's Budget 2024, published on 30 October 2024. This was made as part of Phase 1 of the Spending Review to enable TfL to continue to deliver its current capital programme and its committed major capital projects. This was confirmed in a funding settlement letter to the Mayor on the same day. A copy of [this funding settlement and earlier agreements](#) are published on TfL's website.

- 4.4 The 30 October 2024 funding settlement letter confirmed the Government's understanding of "the importance of long-term funding certainty to enable investment in critical upgrades to major capital projects" and stated that the Department for Transport would "continue to work with TfL with the aim to place it on a long-term financially sustainable footing as part of Phase 2 of the Spending Review".
- 4.5 With Phase 2 of the Spending Review just beginning, and the uncertainty over its capital funding beyond 2025/26, TfL has not produced its own medium-term business plan this year. For this budget submission, TfL has completed a focused update on the 2025/26 budget, with a lighter touch approach to the years 2026/27 and beyond, retaining key investment assumptions made in the TfL 2024 Business Plan. A more comprehensive update will be made in autumn 2025 following the outcome of Phase 2 of the Spending Review in spring 2025.
- 4.6 The TfL 2024 Business Plan remains in place until a replacement is approved by the Board and the TfL 2025/26 Budget is due to be approved by the Board in March 2025; until that time, therefore, in accordance with TfL's Standing Orders, Financial Authority is in place at the values set out in the TfL 2024/25 Budget and the TfL 2024 Business Plan.

List of appendices to this report:

Appendix 1: Finance Report Presentation

List of Background Papers:

None

Contact Officer: Rachel McLean, Chief Finance Officer
Email: rachelmclean@tfl.gov.uk