

Date: 10 December 2024

Item: 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 Financial or Land Authority (in respect of matters within the Committee's remit) granted by the Commissioner and the TfL 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 1 October 2024, there have been:
- (a) no uses of specific authority delegated by the Board;
 - (b) two uses of Chair's Action in relation to: 10 King William Street – Joint Venture Debt Finance Facility; and Electric Vehicle Charging Hubs Joint Venture;
 - (c) one approval of Financial Authority or Land Authority by the Commissioner for High Barnet;
 - (d) three approvals of Financial Authority or Land Authority by the Chief Finance Officer; and
 - (e) one Mayoral Direction to TfL in relation to further financial support fund for Seven Sisters Market traders (MD3299).
- 1.3 Similar papers are submitted to the Finance Committee and Programmes and Investment Committee in respect of the use of Chair's Action or Programme and Project Authority and Procurement Authority granted by the Commissioner and the Chief Financial Officer in respect of matters within the remit of those Committees, together with relevant Mayoral Directions.

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 specific authority delegated by the Board since the last meeting of the Committee.

4 Use of Chair's Action

- 4.1 Under Standing Order 113, in situations of urgency, the Board delegates to each of the Chair, the Deputy Chair and the Chairs of any Committee the exercise of any functions of TfL on its behalf, including the appointment of Members to Committees and Panels. If the Chair, the Deputy Chair or the Chair of a Committee is unable to exercise authority due to unavailability or a conflict of interests, that authority may be exercised by the Chair or Vice Chair of any Committee. Members will be informed as soon as practicable following any use of Chair's action using the authority of Standing Order 113 and it must be reported to the next ordinary meeting.
- 4.2 The Finance Committee and Programmes and Investment Committee both receive a standing item on forthcoming procurement activity. This shows the pipeline of work where decisions will need to be taken and flags those that require Committee approval, and whether this is anticipated to be at a scheduled meeting or by Chair's Action. To support further transparency, a similar paper which flags upcoming transactions within this Committee's remit has been added to the agenda for this and forthcoming scheduled meetings.
- 4.3 There have been two uses of Chair's Action since the last meeting.

10 King William Street – Joint Venture Debt Finance Facility

- 4.4 Approval was sought for Places for London Limited to provide guarantees associated with the joint venture debt-finance facility agreement for the 10 King William Street property being developed in a joint venture with Helical plc, approval of Authorities for which was given by the Committee on 8 March 2023. The joint venture will create a seven-storey commercial office asset with best-in-class environmental and wellbeing credentials located partly over TfL's new Bank station entrance on Cannon Street. It will provide long-term income, investment diversification and will enhance Places for London's environmental sustainability performance and credentials.
- 4.5 On 8 November 2024, Members were asked to approve additional Land Authority to allow Places for London to enter into guarantees associated with joint venture debt finance for 10 King William Street in the sum set out in the exempt Appendix and as described in the paper.
- 4.6 The Chair excluded himself from any part of the discussion or decision-making process to avoid any perception of a conflict of interest given his previous role with the joint venture's proposed lender.
- 4.7 On 12 November 2024, the Vice Chair of the Committee, in consultation with Members, noted the paper and the exempt supplementary information provided in the exempt Appendix and approved additional Land Authority to

enable Places for London to enter into guarantees associated with joint venture debt finance for 10 King William Street in the sum set out in the exempt Appendix and paper.

- 4.8 The use of Chair's Action was considered appropriate as the decision was time critical to the joint venture's construction of the 10 King William Street property and was required before the next planned meeting of the Committee to avoid the risk of diminished anticipated returns and increased risk.
- 4.9 The public paper relating to this request has been published on tfl.gov.uk. The information in the Appendix to that paper remains exempt from publication.

Electric Vehicle Charging Hubs Joint Venture

- 4.10 On 8 November 2024, approval was sought for Authorities to enable Places for London to invest in a joint venture with Fastned UK Ltd (Fastned) to fund, design, build, operate and maintain electric vehicle charging infrastructure and ancillary facilities to support the electrification of road traffic in Greater London. This includes Land Authority for the 30-year lease of 10 sites from Places for London to the proposed joint venture. Approval was also sought to establish a new subsidiary.
- 4.11 An update on the joint venture was provided to the Committee on 1 October 2024 as part of the Chief Executive's Report where it was noted that approval by way of Chair's Action would likely be sought. A subsequent briefing to available Members of the Committee was also held on 4 November 2024.
- 4.12 On 12 November 2024, the Chair of the Committee, in consultation with available Members, noted the paper and the exempt supplementary information provided in the exempt Appendix, and:
 - (a) approved the formation of a wholly owned subsidiary to hold Places for London's shares in the new joint venture;
 - (b) approved Land Authority and unbudgeted Financial Authority, in the sums set out in the exempt Appendix, to support initial equity and lifecycle contributions for the five seed sites and five additional sites, and rental income for Places for London over a 30-year period per site; and
 - (c) noted that provision for electric vehicle hubs will need to be made in future iterations of the Places for London Budget and Business Plan.
- 4.13 The use of Chair's Action was considered appropriate to avoid delays in the launch of the proposed joint venture and knock-on delays to delivery timescales which would defer income generation by a financial year, as well as the resultant benefits. Reducing the time between final tender and contract award would also mitigate procurement risk, noting that an elongated process increases the risk of Fastned's tender submission becoming invalid due to price increases and/or market changes.

- 4.14 The public paper relating to this request has been published on tfl.gov.uk. The information in the Appendix to that paper remains exempt from publication.

5 Financial and Land Authority Approvals

- 5.1 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.
- 5.2 Land Authority is the authority to engage in a Land Transaction or to dispose of any assets.
- 5.3 Since the last meeting, the following use of delegated authority has been approved by the Commissioner:
- (a) High Barnet: approved increased Land Authority to enable Places for London to enter into a Conditional Joint Venture Agreement with Barratt London to take forward a proposed development at High Barnet. The Commissioner also delegated to the TfL Chief Finance Officer to review and consider any future third-party guarantees that might be required at a future point associated with this development.
- 5.4 Since the last meeting, there have been three uses of delegated authority which have been approved by the TfL Chief Finance Officer:
- (a) Liverpool Street: approved increased Land Authority to enable Places for London to pursue the acquisition of a freehold interest in 19-33 Liverpool Street;
 - (b) Whitechapel Project: approved increased Land Authority for capital costs associated with the renovation of properties adjacent to Whitechapel station, including expanding the scope of existing works to encompass six tenanted buildings to address health and safety matters; and
 - (c) Westfield White City: approved increased Financial Authority (for an unbudgeted amount) and Land Authority to close out legacy matters connected to the Phase 2 development, including but not limited to a 'no cost' transfer of land relating to Westfield access to a junction road structure, reimbursement of costs incurred by Westfield relating to such matters, including legal, engineering and development management costs.

6 Mayoral Directions to TfL

- 6.1 The Greater London Authority (GLA) Act 1999 (as amended) 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 also often made in relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.
- 6.2 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 set out the financial and other implications. If those implications change over time, that will be reported to the GLA.
- 6.3 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>.
- 6.4 Mayoral Directions relating to TfL are reported to the Board's Committees for discussion 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.
- 6.5 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.
- 6.6 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.
- 6.7 Mayoral Directions to TfL addressing technical issues with our statutory powers or commercial development activities within the remit of this Committee are reported to this Committee.
- 6.8 There has been one Mayoral Direction issued to TfL since the last meeting, which has also been reported to the Audit and Assurance Committee on 27 November 2024 and to the 4 December 2024 Board.

Further Financial Support Fund for Seven Sisters Market Traders ([MD3299](#))

- 6.9 Seven Sisters Market is an indoor market consisting of 38 traders and plays a vital role in London's Latin American community as a specialist, culturally specific amenity. The market was housed in a TfL-owned building that had to close. As the traders were unable to trade, [MD2724](#) directed TfL to provide financial assistance to traders until a temporary market opened at Apex Gardens, as part of the Seven Sisters regeneration project. The developer withdrew from the regeneration project and [MD2868](#) directed TfL to provide further financial support while TfL progressed new plans. [MD3097](#) directed TfL to provide further financial support across all traders as they were unable to trade until a temporary market opened. [MD3097](#) confirmed that TfL had planning permission for a temporary indoor market, which was expected to open in July 2023, and was applying to open a temporary outdoor market in October 2023.
- 6.10 The opening of a temporary market has been delayed due to significant unforeseen issues in the fabric of the building, which must be resolved to make the market safe; and is not now expected until 2025. On 16 October 2024, the Mayor directed TfL to make a fourth hardship payment to traders to support them until the temporary market opens.

List of appendices to this report:

None

List of Background Papers:

10 King William Street – Joint Venture Debt Finance Facility Chair's Action paper, issued 8 November 2024

Electric Vehicle Charging Hubs Joint Venture Chair's Action paper, issued 8 November 2024

Greater London Authority Decision Making Database

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