

## **Transport for London**

### **Minutes of the Meeting**

**Chamber, City Hall, Kamal Chunchie Way, London E16 1ZE  
10.00am, Wednesday 5 February 2025**

#### **Members**

Sir Sadiq Khan (Chair)  
Seb Dance (Deputy Chair)  
Zoë Billingham CBE  
Professor Greg Clark CBE  
Councillor Ross Garrod  
Anurag Gupta  
Deborah Harris-Ugbomah  
Tanya Joseph  
Arthur Kay  
Anne McMeel  
Mark Phillips  
Marie Pye  
Keith Richards OBE (via Teams)  
Omid Shiraji  
Peter Strachan  
Sara Turnbull

#### **Government Observer**

Emma Ward, Director General, Road Transport Group, Department for Transport

#### **Executive Committee**

Andy Lord	Commissioner
Andrea Clarke	General Counsel
Stuart Harvey	Chief Capital Officer
Claire Mann	Chief Operating Officer
Lilli Matson	Chief Safety, Health and Environment Officer
Alex Williams	Chief Customer and Strategy Officer

#### **Staff**

Patrick Doig	Group Finance Director and statutory Chief Finance Officer (also representing Rachel McLean, Chief Finance Officer)
Jackie Gavigan	Secretariat Manager
Shamus Kenny	Head of Secretariat
Sue Taylor	Director of People (Ops), ER and Reward (for Fiona Brunskill, Chief People Officer)

## **01/02/25      Apologies for Absence and Chair's Announcements**

Keith Richards OBE attended the meeting via Teams and was able to participate in the discussion but did not count towards the quorum. The meeting was quorate.

Fiona Brunskill and Rachel McLean were unable to attend the meeting and were represented by Sue Taylor and Patrick Doig, respectively.

On behalf of the Board, the Deputy Chair congratulated the Chair, Sir Sadiq Khan, on his Knighthood.

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.

2025 marked a significant milestone for TfL, London's longest serving integrated transport authority, as it celebrated 25 years. During that time, it had overseen the biggest transformation of London's transport network since it was first introduced more than 160 years ago. There would be a series of celebratory events throughout the year to mark what had been achieved and plans for the future and the Board would be engaged with the programme. TfL's campaign would also link into the Railway 200 celebrations that marked the 200<sup>th</sup> anniversary of the modern railway.

On TfL Board Membership, the Chair, as Mayor, would shortly appoint a Member, to be nominated by the Trades Union Congress, with experience of the organisation of trade unions and matters relating to workers generally. With Anne McMeel and Professor Greg Clark CBE due to leave the Board later this year, TfL had commenced a campaign to recruit up to two new Members with local or central government finance and funding expertise and with commercial property development expertise, given the importance of these areas to TfL. Members were invited to submit any recommendations for individuals to approach.

At the end of 2024, Tricia Wright left TfL after 16 years of service. During that time, she served as HR Director London Underground, then the Chief People Officer and most recently as the Chief Officer leading the Pensions Review. Tricia had been at the heart of so much positive transformation at TfL and on behalf of himself and the Board, he thanked her for her service and wished her all the best for the future.

The Chair then discussed the need for a temporary part closure of the Piccadilly line between Rayners Lane and Uxbridge in December 2024, which was lifted in mid-January 2025. The closure was necessary, despite many mitigating actions being taken, as the aging fleet of trains were being damaged in that area due to the autumn's track conditions. On behalf of TfL, he apologised to the customers affected. The new fleet of trains, which were currently in production, would be less susceptible to the effects of such track conditions. This underscored the importance of continued investment in TfL's network.

At the last meeting of the Board, the Tunnel User Charging for the Silvertown and Blackwall Tunnels was approved. That paper set out the many benefits the new Silvertown Tunnel would bring and the planned opening on 7 April 2025 had been

announced. New bus routes serving the tunnel, which will be free for at least the first year, would also launch the same day.

As Mayor, the Chair had committed in 2024 to introduce a new Bakerloop bus route, to run between Waterloo and Lewisham. He was very pleased that TfL had launched a consultation on the proposed B1 express bus service, which built upon the continued success of the Superloop express bus services. The proposed route would mirror the route of the potential Bakerloo line extension and better connect people around southeast London, while also helping to demonstrate how much London needed the Bakerloo line extension.

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.

## **02/02/25      Declarations of Interests**

Since the last meeting of the Board, there had been one update to Members interests. Tanya Joseph has been appointed as a Non-executive Director of Project Everyone, an organisation that promotes the UN Sustainable Development Goals.

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

## **03/02/25      Minutes of the Meeting of the Board held on 4 December 2024**

**The minutes of the meeting of the Board held on 4 December 2024 were approved as a correct record, and the Chair was authorised to sign them.**

## **04/02/25      Matters Arising, Actions List and Use of Delegated Authority**

Andrea Clarke introduced the item. There had been no use of Chair's Action, nor use of specific authority delegated by the Board, since the last meeting of the Board on 4 December 2024.

A Mayoral direction was issued to TfL on 13 December 2024 in relation to implementing the March 2025 fare changes (MD3318). This has been reported to the Finance Committee and would be reported to the next meeting of the Audit and Assurance Committee.

Appendix 1 of the paper set out the progress against actions agreed at previous meetings, which were either completed or in progress. Since the publication of the papers, the breakdown of the estimated operational cost for the Silvertown and Blackwall Tunnels had been circulated to Members, closing out Action 75/12/24(1).

**The Board noted the paper.**

## **05/02/25      Commissioner's Report**

On behalf of everyone at TfL, the Commissioner congratulated the Chair on the recognition he received in the New Year's Honours. This was a testament to his dedication to public service and his commitment to making London a more sustainable, inclusive and forward-thinking city. TfL was proud to support the Mayor in this work.

The Commissioner congratulated Leon Hall, TfL's Head of Maintenance Readiness, on the award of a British Empire Medal in the New Year Honours for his outstanding charitable service. Leon was a role model for many of his colleagues across TfL.

The Commissioner thanked Tricia Wright, who left TfL in December 2024, after 16 years of service. He expressed his gratitude for her dedicated service and commitment to TfL, as well as her friendship to him and many others.

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     This year marked 25 years since TfL was established in 2000. Over that time, TfL had transformed how people moved around the city by expanding services, improving accessibility and driving innovation, while playing a critical role in the economic growth of London and the wider UK. The Commissioner was joined by 25 talented buskers at a launch event for the year's celebrations at Liverpool Street Underground station, where a new silver roundel and a series of eye-catching posters were unveiled. As it celebrated this milestone throughout the year, TfL would reflect on its achievements and look ahead to how it would continue shaping London's future.
- 2     This year also marks the 20<sup>th</sup> anniversary of the 7/7 attack on London's transport network. The events of 7 July 2005 had profoundly shaped the city and TfL, and later this year TfL would play its part in fitting events to remember the 52 people who lost their lives and the many more who were injured and affected by this dreadful incident.
- 3     In December 2024, Claire Mann represented TfL as a plaque was unveiled at Paddington Elizabeth line station, to honour and commemorate disability campaigner and former Chair of London TravelWatch and Transport for All, Alan Benson. Alan was a passionate advocate whose work significantly improved accessibility across London's transport network. The plaque's placement on the Elizabeth line was especially fitting, reflecting his pride in efforts to make travel more inclusive. His legacy continued to inspire progress, ensuring that public transport remained accessible for all.
- 4     Safety was at the heart of everything TfL did and the report provided an update on notable and significant safety incidents. Sadly, a number of incidents had occurred since the previous meeting, all of which were sobering reminders of the importance of safety and security for TfL's staff and customers.

- 5 The appalling attack on Jorge Ortega, a member of MTR Elizabeth line staff working at Ilford station, had been unspeakably difficult for everyone at MTR and TfL and the wider transport family, particularly those who worked closest to him. Jorge tragically lost his life while simply doing his job by helping customers travel around London. It was unthinkable that someone could lose their life due to an unprovoked act of violence while working. TfL's thoughts remained with his family, friends and closest colleagues, and it was working closely with the British Transport Police to support the investigation and strengthen safety measures for staff.
- 6 In a separate tragic incident, a 14-year-old boy lost his life on a bus in Greenwich following an attack. This emphasised the need to continue to tackle violence and antisocial behaviour across the network. TfL's partnerships with the Metropolitan Police Service, British Transport Police and local authorities were key to strengthening safety on public transport.
- 7 The report covered a further four tragic fatalities since the previous meeting. On 23 November 2024, a bus collided with a cyclist on Westferry Road, Tower Hamlets and the cyclist sadly died at the scene. On 11 December 2024, a customer sustained a head injury while descending stairs at Island Gardens station and sadly died in hospital approximately five weeks later. On 14 December 2024, a bus collided with a cyclist on Streatham Hill and the cyclist sadly died in hospital approximately two weeks later. On 28 December 2024, a customer who was on board a bus fell as it moved away from a bus stop on Finchley Road and sadly died in hospital approximately one week later.
- 8 Any fatality on the network was one too many and each loss was deeply felt across TfL. The Commissioner, the Board, the Executive and all at TfL expressed their sincere condolences and their thoughts were with the families and loved ones of those affected.
- 9 TfL had received the Rail Accident Investigation Branch's report following the death of a customer at Stratford station on 26 December 2023. It welcomed the recommendations from the independent investigation into the incident, which aligned with the findings of TfL's own internal investigation, and work had already begun to implement them.
- 10 TfL had a strong safety culture but these incidents reinforced the need for constant vigilance, learning and proactive risk management. In June 2024, as part of TfL's ongoing work to continuously improve safety performance, it commissioned an independent advisor to review safety governance within the organisation. The reports made 22 specific recommendations, in response to which TfL had identified appropriate actions to improve its safety governance, the rigour of its investigation processes and ensure it would 'fix, learn and continue to deliver'. This would be discussed further at the meeting of the Safety and Security Panel on 12 February 2025. The reports would be published on TfL's website shortly.
- 11 Members were assured that the safety culture included well established trauma response and support processes to support staff who witnessed or were

impacted by safety incidents, an open culture and a recently developed programme of trauma interventions.

- 12 Safer speeds were a key pillar of TfL's Vision Zero initiative on roads. Evaluation showed that reducing speeds on its main roads network had delivered an over 25 per cent reduction in people being killed or seriously injured. It was now looking at other locations where safer speeds could be rolled out and would work closely with London Councils in the year ahead to deliver those benefits more widely. TfL welcomed the opportunity to work even more closely with all the boroughs on how to reduce speeds on its road network and borough-maintained roads. Council leaders sometimes faced public resistance in understanding the reasons why certain roads were subject to 20mph speed limits. The Chair asked if a TfL representative could attend a meeting of London Councils to share best practice arising from the Lowering Speed Limits programme and marketing campaign on the purpose and impact of 20mph speed limits.  
**[Action: Lilli Matson]**
- 13 TfL wanted to ensure that the roundel at TfL stations represented a safe haven for anyone who, for whatever reason, needed a place of safety. Board Member Tanya Joseph offered to discuss potential partnerships and advocacy work that could help promote this awareness and understanding. The Chair also suggested that the outreach work carried out in schools by the London Transport Museum could help with this.  
**[Action: Claire Mann]**
- 14 Getting the right balance of lighting, lux levels and brightness was important for safety at stations, particularly for women and girls. A programme of replacing lighting with LED lighting and fixing defective lighting in a timely way was ongoing, particularly at older stations. The lighting standards would also be looked at from an engineering perspective to ensure the programme was achieving the right levels.  
**[Action: Stuart Harvey]**
- 15 Information on the community safety powers that the Operations officers held to deal with anti-social behaviour was available on the TfL website. Consideration would be given to what more could be done to promote awareness of those powers with colleagues and members of the public to enhance support and safety on the network.  
**[Action: Claire Mann / Siwan Hayward]**
- 16 The December festive and New Year period could be particularly challenging and was among the busiest periods for TfL, with millions of journeys made across its networks. Events such as Winter Wonderland and the New Year's Eve fireworks placed additional demand on TfL's services. Colleagues worked tirelessly to keep London moving, ensuring that services ran smoothly despite increased demand and some challenging weather conditions.
- 17 The Commissioner echoed the Mayor's comments on the Piccadilly line and apologised to anyone affected by the part-closure of the line. While customers between Rayners Lane and Uxbridge continued to benefit from Metropolitan line services, he understood the frustration at the lack of Piccadilly line provision. The weather conditions this winter had proved particularly challenging for the fleet, which was more than 50 years old, with significant wheel damage caused

by the rail conditions due to the extreme leaf fall. TfL's operational and maintenance teams had tried their utmost to mitigate this for customers. The new Piccadilly line trains would ease this issue and improve reliability when they came into service.

- 18 Consideration would be given to what more could be done to raise awareness and communicate with regular customers on the Piccadilly line service on the disruption and closing of the line, particularly due to the infrastructure work for the incoming new trains, which would be transformative for users on the line when they came into service. **[Action: Matt Brown / Claire Mann]**
- 19 When stations were closed on the Piccadilly line and on the network for engineering or other essential work, TfL would look to maximise the opportunity to integrate any maintenance work required, such as deep cleaning, repainting or more substantial works. **[Action: Stuart Harvey]**
- 20 The Commissioner apologised to regular customers of the DLR Cutty Sark station for the inconvenience caused by the unreliability of the escalators. As an urgent priority this year, TfL had brought forward funds from the Investment Programme for a full replacement of all the escalators, which would transform the station once complete. The commencement date would be communicated once confirmed, as the station would be shut while the work was carried out, and TfL had already engaged with relevant stakeholders on the plan.
- 21 In February 2025, TfL celebrated the 500 millionth journey made on the Elizabeth line since opening in May 2022. This milestone highlighted the vital role the line played in keeping London and the wider region moving. The line had transformed travel across the city, and TfL remained committed to ensuring it delivered the high-quality, reliable service that Londoners expected and deserved. It continued to deliver very high levels of customer satisfaction and was testament to the result of investment in transport infrastructure.
- 22 After several months with a reduced service, TfL had recently restored the previous weekday timetable on the Central line, which planned to run between 25 and 28 trains per hour in the morning and evening peaks between White City and Leytonstone. Customers between North Acton and Northolt, Leytonstone and Loughton and the Ealing Broadway branch would also see an increase in services compared to recent months. The Commissioner was grateful to Central line customers who had been extremely patient while TfL worked to repair the motors and wheels on the trains, which again showed why investment in transport assets was so vital.
- 23 Following the Board approval at the previous meeting of the initial user charges for the Silvertown and Blackwall Tunnels, the Commissioner confirmed that the new Silvertown Tunnel would open on 7 April 2025. This was an exciting moment for London, as plans for a new tunnel in that part of London were first announced over a decade ago. The 1.4km tunnel would link Newham to the Greenwich Peninsula and, supported by the new user charges, would make journeys faster and more reliable, with average journey time savings expected to be up to 20 minutes at peak times. The tunnel would support economic growth,

deliver better environmental benefits and increase the number of buses able to cross the river in the area from six to 21 buses an hour in each direction during the busiest times, including the new Superloop SL4 service between Canary Wharf and Grove Park, all of which would be zero-emission. Work was ongoing to encourage users to adopt auto-pay.

- 24 The Pedicabs (London) Act 2024 gave TfL the powers, for the first time, to regulate pedicabs in public places in the capital. On 27 January 2025, TfL launched a consultation inviting people to comment on the initial proposals. Pedicabs being unregulated has led to inconsistencies in the way services operated. TfL needed to ensure any regulations prioritised the safety of passengers and pedestrians and minimised fare issues, as well as dealing with anti-social behaviour caused by loud music and poor driving.
- 25 A Board Member briefing would be arranged on the Taxi and Private Hire action plan before it was published in March 2025.  
**[Action: Claire Mann / Alex Williams/ Secretariat]**
- 26 On 4 February 2025, the Commissioner joined Simon Lightwood, Parliamentary Under Secretary of State at the Department for Transport, councillors and other leaders from the community at Leyton station to announce the upgrade works to make the station step-free and improve its capacity, which would begin later this month. As well as enhancing the accessibility of the station, the joint project between TfL, the London Borough of Waltham Forest and the Government would increase capacity and improve the overall customer experience. It was expected to be completed by spring 2027 with minimal disruption to the Central line.
- 27 At the end of December 2024, the Commissioner visited Colindale station which re-opened to customers in a temporary state while the rest of the station was still under construction. The six-month closure of the station enabled the completion of heavy construction work, including the removal of the existing canopy and staircases and the installation of new staircases, as part of the station's major upgrade, giving the station step-free access for the first time. The team had delivered the work so far in a more efficient and cost-effective manner than ever before and had avoided a significant number of line closures, thereby minimising the impact to customers.
- 28 The project supported TfL's work to make the transport network more accessible. More than a third of Underground stations across the city provided step-free access, with the ambitious goal set to make 50 per cent step-free by 2030. Members welcomed and supported the ambition and the wider consideration being given to accessibility, which included the provision of toilets, seating and recognising that not everybody had access to smart phones to access tickets and information.
- 29 TfL had released an update to its popular TfL Go app, which now enabled customers to check their contactless and Oyster accounts while on the move, as well as continuing to provide real-time information for Tube, bus and rail services, including quieter times to travel. The update to the app, which had now



been downloaded over seven million times, would allow customers to easily view their journey history, check and apply for a refund for any incomplete journeys and top up pay as you go credit. TfL was working on the next tranche of updates to the app, which included further information for those planning cycling journeys so they could see their route more clearly.

- 30 TfL was delivering the expansion of contactless payment to National Rail stations across the southeast, on behalf of the Department for Transport and in partnership with the Rail Delivery Group, making travel even more convenient for many customers who used these services. At the start of February 2025, 47 more stations went live, with a further 49 stations getting contactless ticketing later in 2025. TfL was proud to be delivering the project for the Government and the national rail industry. The rollout was a significant step forward in making ticketing simpler, integrated and more attractive, reducing paper tickets and ensuring a better experience across London's wider transport system.
- 31 TfL had a rich history of innovation and had worked in partnership with the university sector on various programmes. There was a real opportunity to be bolder and more self-reflective in areas such as artificial intelligence, fares innovation and partnership working. The Chair encouraged Board Members to share any ideas they had on innovation and to provide challenge and scrutiny to the Executive team. Consideration would be given to what more could be done in the future to scale up the innovation work and partner with other organisations and third parties to utilise their expertise to help TfL solve some issues. Alex Williams would meet with Board Member Omid Shiraji to discuss the strategies and approaches to innovation work across the organisation.
- [Action: Alex Williams]**
- 32 TfL had launched a new uniform, which aimed to ensure that colleagues were easily identifiable to customers. It had been designed using new fabric technology and made more inclusive, with brighter colours and increased functionality for frontline staff. The Commissioner looked forward to seeing colleagues proudly wearing it in the year ahead.
- 33 A consultation had been launched on the first of the next tranche of proposed express bus routes to build on the success of the first phase of the Superloop and there would be further announcements in the year ahead.
- 34 Customers in North London welcomed the reopening of Kentish Town Underground station, just before Christmas 2024, after the essential replacement of the station's 26-year-old escalators. The work included reconfiguring the station's ticket hall, deep-cleaning and repainting the platforms and passageways, some new flooring and wall tiles and improved signage. The Commissioner had visited the station and was pleased to see the significant improvements.
- 35 Other activities included: the further expansion of 4G and 5G mobile connectivity across the network; continued efforts to ensure colleagues were carbon literate; the further rollout of zero-emission buses to routes across the capital; and

ongoing issuing of concessionary passes. Parents and children who had yet to renew or apply for an under-16 zip card were encouraged to do so urgently.

- 36 Across the year, TfL would look back and celebrate what it had delivered in the last quarter of a century and look forward to what it could achieve in the next 25 years and beyond.
- 37 The Government had publicly committed to providing TfL with funding certainty with a multi-year funding settlement as part of Spending Review 2025. In the macroeconomic climate, TfL had a challenge to balance investment in maintaining, enhancing and expanding the transport system, while ensuring financial sustainability. The Commissioner and the Executive Committee were determined to ensure that TfL continued to innovate and to make TfL more efficient and more responsive to the needs of Londoners, and deliver improvements that supported its commitments and those of the Government.
- 38 Delivery of these commitments to improving TfL was unwavering. Whether enhancing safety, expanding services, increasing accessibility or making services greener and more sustainable, the organisation would continue to focus on what mattered most for the people who relied on TfL every day, as well as its own colleagues and on making TfL a great place to work. The Commissioner thanked TfL colleagues for all that they do, day in, day out, and Executive Committee colleagues for their continued support.

**The Board noted the report.**

## **06/02/25 Finance Report — Period 9, 2024/25**

Patrick Doig introduced the item, which set out TfL's financial results to the end of Period 9 of 2024/25 (the year-to-date 1 April to 7 December 2024). The report would be discussed in detail at the meeting of the Finance Committee on 26 February 2025.

TfL's submission of its long-term funding business case to the Government included a funding requirement for major asset replacement. Assets such as rolling stock, signalling and major road assets could not be solely financed from TfL's operating incomes. Addressing the historic backlog of investment caused by short-term and uncertain Government funding in the past was crucial to keep people and goods moving around the city.

The business case also allowed TfL to bring forward investments in a range of projects that would contribute to the Government's missions on growth, housing, productivity, green energy and breaking down the barriers to opportunity. Taken collectively, the schemes in the business case would protect and grow London's annual net contribution to the national exchequer, which was already at a record level of £43.6bn per annum, supporting national finances and investment around the country.

TfL's investment in the UK supply chain in 2022/23 and 2023/24 was worth over £11bn in gross value added to the UK economy, supporting more than 100,000 high quality jobs per year in sectors such as engineering, manufacturing and technology.

Nearly a third of this activity and economic benefit was felt outside of London and more than half was with small and medium-sized enterprises that were the engine for future growth.

Securing a long-term funding settlement would allow TfL to continue to directly support the UK's emerging industrial strategy and the development of good jobs and skills, delivering for London and for the country. TfL recognised the challenges faced by the country and the Government on national finances and was grateful for the collaborative working with officials at the Greater London Authority and across Government and would continue that work to meet the challenges over the coming months.

Understanding and driving passenger demand across the network continued to be the primary focus. In 2024/25, TfL budgeted six per cent year-on-year growth in demand, based on nine per cent growth last year. Journeys had grown but in the year-to-date were just over 1.6 per cent higher than last year. This was 101 million fewer journeys than Budget with passenger income at £154m and four per cent lower than Budget, which was the key variance impacting TfL's financial position this year.

The general trend of demand being lower than Budget correlated with TfL's view that it was largely driven by external factors. The economic forecast that underpinned the Budget estimated gross domestic product (GDP) growth of between one per cent and 1.6 per cent this financial year, however GDP had continued to broadly flatline.

The latest data on retail sales volumes, a key driver of leisure demand, was a fall of 0.8 per cent in Quarter 4 of 2024 compared to the previous quarter and payrolled employment, a key driver of commuter demand, fell 0.2 per cent in December 2024 compared to the previous month. These highlighted the importance of driving growth and the benefits that brought to the whole economy.

There were some different patterns across modes and Elizabeth line journeys continued to show strong growth. Journeys were 11 per cent higher than last year and nearly two million higher than Budget. Tube journeys were 2.9 per cent higher than last year, although lower than Budget which planned for six per cent growth. Bus journeys were only 0.3 per cent higher than last year and lower than Budget. Bus customers often had lower household and disposable incomes so were impacted more by cost-of-living challenges. The Mayor and TfL were committed to continue to hold down bus fares, keeping them affordable and offering reliable and attractive journey times. Rail journeys were 2.5 per cent lower than last year, with journeys on the Trams 15 per cent lower than last year.

These trends were factored into TfL's submission into the draft 2025/26 Mayor's budget in November 2024 and, along with the latest data, were kept under review as TfL finalised its 2025/26 Budget to present to the Board in March 2025.

Overall operating costs were broadly on Budget, with cost pressures contained within the Budget contingency. TfL continued to look at potential mitigations for the lower revenue through operating costs and the capital programme to make further cost reductions. So far this year it had reduced non-permanent labour by over 400 and

was on track to achieve the 25 per cent reduction target in non-permanent labour and the use of consultants by the end of the year.

The outcome of the triennial TfL Pension Fund valuation as of 31 March 2024, the improved financial surplus that the valuation showed and the subsequent agreement reached with the TfL Pension Trustees, allowed TfL to reduce the employer contributions from the previous 27.3 per cent to 10.5 per cent for the next three years. This was a very significant reduction with no impact on member benefits or pensions. It was previously assumed to take effect from 2025/26, but TfL had accelerated delivery and brought it forward into 2024/25.

A prudent approach had been taken to the pensions valuation and the use of the surplus built up to ensure a reasonable balance and flex going forward. TfL as a responsible employer was held to account by the trustees and overseen by the Pensions Regulator. The surplus was around £3bn, of which £100m would be used per annum. The surplus was checked every three years as part of the valuation and adjusted if required.

The Commissioner thanked officers in the People and Finance teams who were involved in getting the agreement with the trustees in December 2024, which was a significant milestone that required notable management and intervention. He also thanked Maria Antoniou, Chair of the TfL Pension Scheme, as the trustees reaching the decision when they did based on the information they had available and with the support of the Mayor, meant that TfL could make considerable cost savings this financial year. In addition, he thanked the Chair of the Finance Committee and its Members for their flexibility in giving the approvals at short notice which enabled the final agreement to be reached.

Capital renewals were £556m in the year-to-date, £58m higher than last year due to increased renewals investment that TfL could fund itself to address the backlog of asset replacement, despite the revenue pressures.

Cash balances were broadly on target at £1.36bn at the end of Period 9, slightly higher than at the end of 2023/24, and in line with the Treasury Management Policy to hold 60 days of operating costs as a minimum cash balance.

TfL had accelerated some previously planned borrowing from future years into 2024/25 to help mitigate the lower than Budget operating surplus this year, so had less free cash flow which would otherwise have been used to fund capital investment. It would exceed the operational boundary for external debt in 2024/25, which was aligned with the original Budget, but borrowing would remain within the authorised limit. This was an acceleration of borrowing only and the overall level of borrowing to 2027/28 remained the same as previously planned.

Despite all the economic headwinds, there had been a huge turnaround in TfL's finances in delivering its first ever operating surplus in 2023/24 through revenue growth and cost control. Underlying revenue had increased by almost £3.5bn since 2020/21 and was almost £500m higher than last year, with increases from all revenue sources. Real terms like-for-like operating costs were almost £400m lower than

2020/21. This continued resolve meant it would deliver another operating surplus this financial year, for the second year in a row.

Despite the challenges faced, TfL had made an operating surplus of £50m in the year-to-date, which was £151m lower than Budget, resulting in a surplus of £42m after adjusting for timing differences. The latest Quarter 2 forecast was for an operating surplus of £23m this financial year, which was £138m lower than Budget, but was still a small growth in underlying surplus compared to 2023/24. The Quarter 3 forecast was being finalised and would be published on 19 February 2025. It would include the latest trends, impact of the accelerated pension savings and latest estimate on cyber incident costs.

The Chair noted that each year up until 2016/17, TfL's like-for like costs had been increasing, following which they started to reduce. Last year was the first time in the 25 years of TfL's history that it had delivered an operating surplus and it would deliver the second surplus in its history this financial year, which was a remarkable achievement.

TfL was focussed on ensuring it could deliver another year of operating surplus, as well as deliver on all its commitments in the Business Plan and in the Mayor's Transport Strategy, although the wider economic factors were proving challenging. TfL was in discussion with businesses, the leisure industry and councils on what more could be done to stimulate demand and ridership levels, which was its largest income source. It was drawing on all available economic evidence, as well as looking at innovations and options for changes to fare structures, incentives or other trials that could encourage demand, particularly on the bus network where the ridership statistics showed a worrying trend. These would be discussed at the upcoming Budget and Business Planning briefing session with Board Members and further information would be brought back to the Board at the appropriate time.

**[Action: Alex Williams / Rachel McLean]**

An update on minimising bad debt and fare evasion to increase income would be submitted to the Finance Committee.

**[Action: Rachel McLean]**

Emma Ward, Government observer, commented that the Government remained committed to supporting London and its transport network through the Spending Review. Department for Transport and TfL colleagues had worked collectively to secure £485m of capital funding for TfL next year and were continuing to work closely on a longer-term funding settlement beyond 2025. This was against the backdrop of fiscal, economic and wider geopolitical uncertainty. Transport was a critical enabler of growth and TfL as the largest transport operator in the country had a real impact on people's lives in terms of opportunity, health outcomes and safer streets, which were central to what the Government was looking to achieve. It was recognised that investment in the capital had a wider benefit to the country and TfL had a leadership role in how investment was driven into integrated transport networks.

**The Board noted the Finance Report.**

## **07/02/25      Report of the meeting of the Land and Property Committee held on 10 December 2024**

Committee Chair, Professor Greg Clark CBE, introduced the item. The meeting noted the use of Chair's Action to approve a joint venture on electric vehicle charging hubs, with an initial five sites but for up to 60, and a joint venture debt finance facility for a development at 10 King William Street.

Places for London was congratulated on the award of GRESB 5\* rating for Property Development, the challenge would be to maintain the high standards.

The Committee approved additional Land Authority to enable the feasibility assessment of new commercial sites for development for long-term income generation from the Platinum joint venture.

Members had a deep-dive on safety issues and noted the good performance. The meeting also discussed Places for London's role in housing delivery and a briefing was scheduled to which all Members were invited.

**The Board noted the report.**

## **08/02/25      Report of the meeting of the Programmes and Investment Committee held on 11 December 2024**

Committee Chair, Peter Strachan, introduced the item. Highlights from the meeting included the approval of authorities for the DLR Rolling Stock Replacement Programme, with a further update scheduled for March 2025. The Committee also approved authorities to enable the receipt of third-party income for the Pontoon Dock DLR station upgrade, with the Board recognising the importance of third-party funding for infrastructure and its role in supporting accessibility improvements.

The Committee noted the update on the Bakerloo line Upgrade Stage 1, which highlighted the work undertaken to date and the upcoming next steps and key milestones.

**The Board noted the report.**

## **09/02/25      Report of the meeting of the Finance Committee held on 18 December 2024**

Committee Chair, Anne McMeel introduced the item. Highlights from the meeting included a discussion on TfL Scorecard and the implications of the cyber incident, approval of authorities for the Communications, CCTV, Access Control and Security Systems Maintenance and Upgrade Services contract and the Track Labour Framework contract extension.

The Committee had good discussions on four strategic risks, including financial resilience and on the costs of non-permanent Labour and how this was being managed across TfL.

**The Board noted the report.**

**10/02/25     Any Other Business the Chair Considers Urgent**

There was no other urgent business to discuss.

**11/02/25     Date of Next Meeting**

The next scheduled meeting of the Board would be held on Wednesday 26 March 2025, at 10.00am.

The meeting closed at 11.52am.

Chair: \_\_\_\_\_

Date: \_\_\_\_\_