



Agenda

Meeting: Finance and Policy Committee

Date: Wednesday 12 March 2014

Time: 9.30am

**Place: Conference Rooms 1 and 2,
Ground Floor, Palestra,
197 Blackfriars Road, London,
SE1 8NJ**

Members of the Committee

Peter Anderson, Chair
Daniel Moylan, Vice Chair
Isabel Dedring

Angela Knight
Michael Liebreich
Eva Lindholm

This meeting will be open to the public. There is access for disabled people and induction loops are available.

Further Information

Copies of the papers and any attachments may be found at
<http://www.tfl.gov.uk/corporate/about-tfl/boardandchiefexecutives/papers/1438.aspx>.

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat; telephone: 020 7983 4913; email: ShamusKenny@tfl.gov.uk.

For media enquiries please contact the TfL Press Office; telephone: 0845 604 4141; email: PressOffice@tfl.gov.uk.

Howard Carter, General Counsel
Tuesday 4 March 2014

**Finance and Policy Committee
Wednesday 12 March 2014**

Agenda Part 1

1. Apologies for Absence and Chair's Announcements

2. Declarations of Interests

General Counsel

Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.

Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.

3. Minutes of the Meeting held on 23 January 2014

General Counsel

The Committee is asked to approve the minutes of the meeting held on 23 January 2014 and authorise the Chair to sign them.

4. Matters Arising and Actions List

General Counsel

The Committee is asked to note the updated actions list.

5. Operational and Financial Performance Report – Third Quarter 2013/14

Managing Director, Finance

The Committee is asked to note the Operational and Financial Performance Report for the third quarter of 2013/14.

6. TfL Budget 2014/15

Managing Director, Finance

The Committee is asked to recommend that the Board approves the TfL Budget for 2014/15.

7. TfL Prudential Indicators 2013/14 to 2016/17

Managing Director, Finance

The Committee is asked to recommend to the Board that it approves: revised limits for long term liabilities and total external debt for 2013/14, the TfL revised Prudential Indicators for 2013/14; the TfL Prudential Indicators for 2014/15 and the following two years; and the Treasury Indicators for 2014/15 and the following two years.

8. Group Treasury Activities

Managing Director, Finance

The Committee is asked to note the paper and the related paper on Part 2 of the agenda, which provide an update on Group Treasury activities from 1 April 2013 to date, as required by the Treasury Management Policy Statement and Treasury Management Practices 2013/14.

9. Treasury Management Strategy 2014/15

Managing Director, Finance

The Committee is asked to recommend that the Board approves the proposed TfL Treasury Management Strategy (TMS) for 2014/15. The TMS 2014/15 comprises the Investment Strategy 2014/15, the Borrowing Strategy 2014/15, the Risk Management Strategy 2014/15 and TfL Policy on Minimum Revenue Provision.

10. Treasury Management and Derivative Investments Policies 2014/2015

Managing Director, Finance

The Committee is asked to recommend that the Board approves the proposed TfL Treasury Management Policy Statement and Treasury Management Practices and the proposed TfL Group Policy relating to the use of Derivative Investments for 2014/15.

11. Exchange Rate, Commodity Rate and/or Price and Interest Rate Derivative Programmes

Managing Director, Finance

The Committee is asked to approve the derivative programmes proposed to mitigate TfL's exposure to exchange rate and commodity rate and/or price risks when these risks are encountered in the ordinary course of business and to interest rate risk on imminent and future borrowings.

12. Crossrail: Extension of the Interim Crossrail Limited Funding Payments Agreement with Network Rail

Managing Director, Finance

The Committee is asked to recommend that the Board approves the proposed extension of the interim Crossrail Limited Funding Agreement.

13. Crossrail Enhancements

Managing Director, Finance

The Committee is asked to make recommendations to the Board in relation to proposed enhancements to Crossrail.

14. Procurement of the Revenue Collection System and Services

Managing Director, Marketing, Communications and Customer Experience

The Committee is asked to note the paper, which provides an update on the progress of the procurement for revenue collection and associated services to replace those currently provided under a contract with Cubic until August 2015.

15. Contact Centre Strategy

Managing Director, Marketing, Communications and Customer Experience

The Committee is asked to note the paper and the related information on Part 2 of the agenda and to endorse the proposed approach.

16. Extension of Total Purchased Services Contracts

Managing Director, Rail and Underground

The Committee is asked to recommend that the Board exercises TfL's option to extend the term for the group of five Total Purchased Services contracts and supporting Framework Agreements by up to two years. These performance based contracts deliver maintenance on two thirds of the London Underground's operational network.

17. Transforming London's Roads: Road Investment Programme

Managing Director, Surface Transport

The Committee is asked to note the presentation.

18. Structures and Tunnels Investment Portfolio

Managing Director, Surface Transport

The Committee is asked to note the paper and to recommend that the Board approves the increase in Financial and Project Authority being sought in relation to the Structures and Tunnels Investment Portfolio.

19. Transport for London Road Network Capital Renewals

Managing Director, Surface Transport

The Committee is asked to note the paper and approve Project Authority to deliver the TLRN Capital Renewals Programme and approve an increase to the 2013/14 budget.

20. TfL Office Accommodation

Managing Director, Finance

The Committee is asked to recommend that the Board approves the acquisition of a third new accommodation hub, maintaining the key tenets of the Accommodation Strategy's objectives and continuing to deliver modern, fit for purpose workspace that enhances TfL as an organisation.

21. Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

22. Date of Next Meeting

Thursday 5 June 2014 at 10.00am.

23. Exclusion of Press and Public

The Committee is recommended to agree to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business.

Agenda Part 2

Papers containing confidential or exempt information, including supplemental information relating to items on Part 1 of the agenda.

24. Group Treasury Activities

Managing Director, Finance

Exempt supplemental information relating to the item on Part 1.

25. Treasury Management Strategy 2014/15

Managing Director, Finance

Exempt supplemental information relating to the item on Part 1.

26. Exchange Rate, Commodity Rate and/or Price and Interest Rate Derivative Programmes

Managing Director, Finance

Exempt supplemental information relating to the item on Part 1.

27. Crossrail: Extension of the Interim CRL Funding Payments Agreement with Network Rail

Managing Director, Finance

Exempt supplemental information relating to the item on Part 1.

28. Crossrail Enhancements

Managing Director, Finance

Exempt supplemental information relating to the item on Part 1.

29. Contact Centre Strategy

Managing Director, Marketing, Communications and Customer Experience

Exempt supplemental information relating to the item on Part 1.

30. Extension of Total Purchased Services Contracts

Managing Director, Rail and Underground

Exempt supplemental information relating to the item on Part 1.

31. TfL Office Accommodation

Managing Director, Finance

Exempt supplemental information relating to the item on Part 1.