

Transport for London

Minutes of the Finance and Policy Committee

Boardroom, 14th Floor, Windsor House, London
9.30am, Thursday 21 January 2010

Members

Peter Anderson	Chair of the Committee
Daniel Moylan	Deputy Chairman of TfL
Claudia Arney	Member
Christopher Garnett	Member (for part)
Sir Mike Hodgkinson	Member
Judith Hunt	Member
Eva Lindholm	Member
Kulveer Ranger	Member
Tony West	Member

In Attendance

Charles Belcher	Board Member
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Staff

Steve Allen	Managing Director, Finance
Howard Carter	General Counsel
Stephen Critchley	Chief Finance Officer
Peter Hendy	Commissioner
Rob Holden	Chief Executive, Crossrail
Ellen Howard	Director of Corporate Governance
Richard Parry	Interim Managing Director, London Underground
Gareth Powell	Director Group Business Planning and Performance (for part)
Clive Walker	Interim Director of Internal Audit
Shamus Kenny	Head of Secretariat

01/01/10 Apologies and Declarations of Interest

Apologies for absence were received from Steven Norris.

Peter Anderson declared an interest as a director of the Canary Wharf Group in relation to Crossrail and the Jubilee Line upgrade. Daniel Moylan declared an interest as Deputy Leader of the Royal Borough of Kensington and Chelsea, as a director of the London Transport Museum and as Chairman of Urban Design London. Christopher Garnett declared an interest as a member of the Olympic Delivery Authority and a non-executive director of Aggregate Industries. Sir Mike Hodgkinson declared an interest as a non-executive director of Crossrail Ltd.

02/01/10 **Minutes of the Meeting held on 24 November 2009**

The minutes of the meeting held on 24 November 2009 were approved as a correct record and signed by the Chair.

03/01/10 **Matters Arising and Actions List**

The Committee noted the Actions List.

04/01/10 **Project Monitoring – Project Approvals**

Steve Allen introduced the report, which gave details of project approvals given by the Commissioner and the Managing Director, Finance, in accordance with delegated authority under TfL Standing Orders.

The Committee requested that in future it be kept informed of the original project authority, any revised project authority and the expected final cost for each project.

[ACTION: Steve Allen]

The Committee noted the report.

05/01/10 **Trends in Passenger Demand**

Steve Allen introduced the report, which provided a summary of the trends in passenger journeys to the end of period 8 (14 November 2009). Data was reported in separate submissions from the operating modes London Underground, London Buses and London Rail. The trend data was close to that assumed in the Business Plan.

The Committee requested that future reports include details of the level of fraud and its impact on revenue on a regular basis.

[Action: Steve Allen]

A paper would be submitted to a future meeting on the extent of incomplete journeys using Oyster on the mainline National Rail network and an audit on London Overground after its first year of operation.

[ACTION: Steve Allen/Ian Brown]

The Committee noted the report.

06/01/10 **Prudential Code – Indicators of Prudence and Affordability – Outturn For The Year Ended 31 March 2009**

Stephen Critchley introduced the report, which detailed TfL's performance for 2008/09 against indicators required and defined in the CIPFA Prudential Code and approved by the Board in September 2008. The indicators were intended to demonstrate that TfL had exercised prudence in assessing the affordability of the capital expenditure and debt necessary to support the budget outputs. The report explained the reason why approved values had been exceeded in one Corporate indicator and one related Group indicator and the changes in procedures to improve in-year performance monitoring.

The Committee noted:

- 1 TfL's performance against approved indicators for 2008/09; and**
- 2 the procedures now in place to monitor performance against approved levels within the financial year.**

07/01/10 Freedom Pass Settlement – 2010/11

Daniel Moylan declared his interest as the Deputy Leader of the Royal Borough of Kensington and Chelsea. He left the meeting during the discussion of this item.

Steve Allen introduced the report, which provided information on the settlement between London Councils and TfL for the Freedom Pass and National Concessionary Permit use on TfL services of £251m for 2010/11, and the impacts on income for each of the operating businesses.

The Committee noted the settlement between London Councils and TfL for the Freedom Pass and National Concessionary Permit use on TfL services for 2010/11.

08/01/10 Crossrail Compensation Arrangements for Compulsory Purchase

Rob Holden introduced the report, which set out the legal position with regard to compensation for the compulsory purchase of property for the Crossrail Project, and the approach which Crossrail Limited was taking in relation to this matter. The report would also be included on the agenda for the Board meeting on 3 February 2010.

The Committee noted the report.

09/01/10 Any Other Business

No additional items of business were raised. The meeting closed at 10.30am.

The next meeting would be held on 9 March 2010 at 9.30am.

Chair: _____

Date: _____