

TRANSPORT FOR LONDON

AGENDA

BOARD MEETING

TO BE HELD IN ROOM AG16
ROMNEY HOUSE, MARSHAM STREET, LONDON SW1P 3PY
ON MONDAY 3rd JULY 2000, STARTING AT 2.35PM

1.	Introductions and Chair's report	Oral Item
2.	Appointments 2.1 Board Members and Advisors 2.2 Statutory and Administrative Appointments	
3.	TfL structure 3.1 Organisational Structure 3.2 Board Structure 3.3 Appointments to Senior Posts	
4.	Approval of Standing Orders	
5.	Internal Policy Statements – TfL	
6.	2000/01 Budget Inheritance	
7.	Procedural Items 7.1 Banking Arrangements 7.2 Adoption of the Common Seal 7.3 LRT Pension Fund Interim Deed of Participation 7.4 Orders Relevant to TfL made under GLA Act 1999 7.5 Statutory Delegations	Oral Item
8.	Manifesto of the Mayor for London www.london.gov	
9.	Any Other Business	Oral Item

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : BOARD MEMBERS AND ADVISORS

MEETING DATE : 3rd JULY 2000

1. INTRODUCTION

- 1.1 Appointments to the TfL Board are made by the Mayor. The Greater London Authority Act specifies that the Mayor may be a member of the TfL Board, and if so, will be the Chair.

2. BACKGROUND

- 2.1 Following an open advertisement, appointments to date are:

Ken Livingstone	Chair
Dave Wetzel	Vice Chair
Stephen Glaister	
Kirsten Hearn	
Mike Hodgkinson	
Ollie Jackson	
Jimmy Knapp	
Susan Kramer	
Robert Lane	
Joyce Mamode	
Paul Moore	
Steve Norris	
David Quarmby	
Tony West	

- 2.2 In addition, the Mayor has invited Lynn Sloman and Bryan Heiser to attend Board meeting and contribute to the board discussions. They are not Members of the Board and will not therefore, vote in Board meetings.

3. RECOMMENDATIONS

- 3.1 The Board is asked to note these appointments.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : STATUTORY AND ADMINISTRATIVE APPOINTMENTS

MEETING DATE : 3rd JULY 2000

3. INTRODUCTION

1.1 For effective operation, TfL require certain statutory and administrative appointments to be made. This paper proposes arrangements for these.

4. BACKGROUND

2.1 The required TfL statutory appointment is:

A Chief Finance Officer ('Section 151' Officer under Local Government Act of 1972)

The administrative appointments needed are:

Chief Executive

Secretary to the Board

2.2 For the Chief Finance Officer, the Secretary of State had appointed John Hughes, Director of Finance for London Transport. He has resigned this appointment. He is not now transferring to TfL in anticipation of his retirement in August.

2.3 Pending recruitment of a replacement director, the recommended Chief Finance Officer appointment is Simon Ellis (currently John Hughes deputy) whose substantive position is Financial Controller for TfL. His deputy as Chief Finance Officer is recommended to be Jeremy Howland (Treasurer for TfL).

2.4 Executive responsibility for TfL is exercised through the Chief Executive. For the record, the initial holder of this post (currently on a transitional basis) is Anthony Mayer. The Mayor proposes that the post should be re-titled 'Commissioner of Transport for London'.

2.5 A Secretary to the TfL Board is required. The proposal is that this appointment should be the Head of Administrative Services, Michael Swiggs, with the Assistant Company Secretary being Maureen Nolan.

2.6 Matters which are specific to taxis and traffic management orders are covered in the paper relating to Statutory Delegations.

3. RECOMMENDATIONS

- 3.1 The Board is invited to note and agree these appointments.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : ORGANISATIONAL STRUCTURE

MEETING DATE : 3rd JULY 2000

5. INTRODUCTION

- 1.1 This paper sets out the proposed organisational structure for Transport for London as at 3rd July 2000.

6. BACKGROUND

- 2.1 The creation of Transport for London arises from the combination of parts or all of the following predecessor organisations:

Traffic Director for London	Highways Agency
Traffic Control Systems Unit	Dial-a-Ride
Public Carriage Office	Transport Trading Ltd
Docklands Light Railway	London Buses Ltd
Victoria Coach Station Ltd	London Bus Services Ltd
Croydon Tramlink	London River Services Ltd
DETR	London Regional Transport
Government Office for London	

- 2.2 The organisational structure for the immediate future is set out in the attachment. This follows extensive discussion between the Mayor and the Chief Executive and other members of the TfL Transition Team, GLA officers and advisors.

3. RECOMMENDATIONS

- 3.1 The Board is invited to agree the revised structure on a provisional basis.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : BOARD STRUCTURE

MEETING DATE : 3rd JULY 2000

7. INTRODUCTION

1.1 The TfL management structure in the immediate future is based on an inherited set of standing orders and board framework. This will change rapidly.

8. BACKGROUND

2.1 Attached is a proposed interim board structure for TfL following discussions between the Mayor, Chief Executive and other members of the TfL Transition Team, GLA Officers and advisors.

2.2 Also attached is a chart showing the proposal that TfL establishes five management entities (boards or committees) to sit above its operating subsidiaries. The exact nature and duties of these entities is still being determined and is subject to further legal advice.

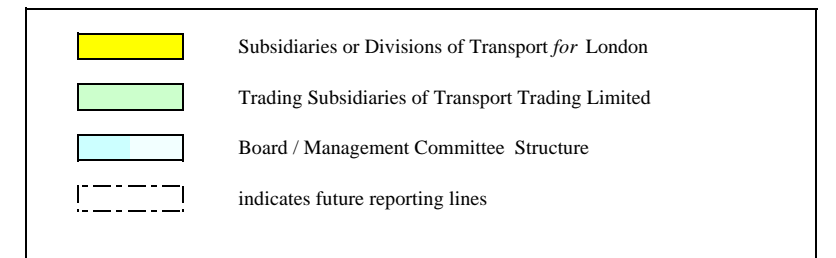
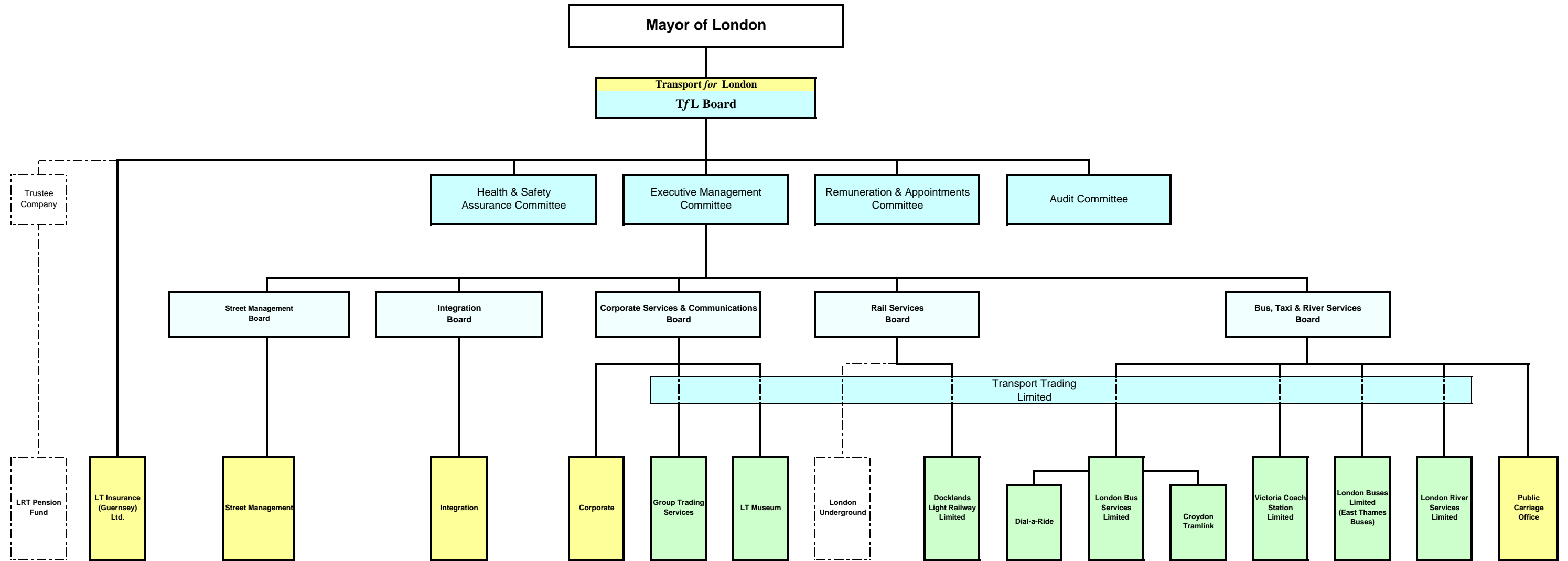
3. RECOMMENDATIONS

3.1 The Board is invited to:

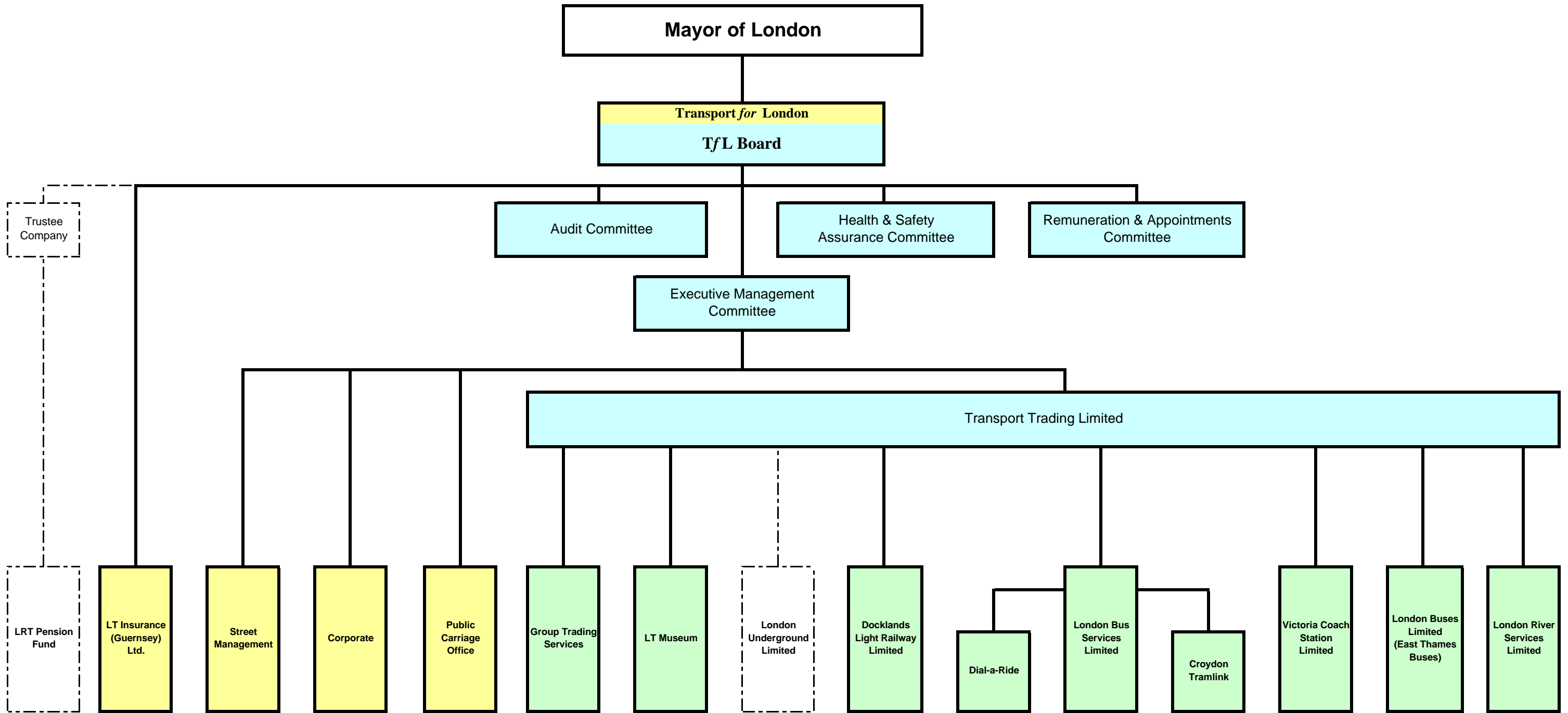
- (i) Note the initial structure and provisionally agree the proposed structure
- (ii) Delegate to the Chair power to progress the terms of reference and standing orders of the proposed entities and to determine appointments or appointment processes for these as appropriate; and
- (iii) Note that a progress report will be presented at the next Board meeting


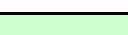
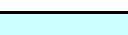
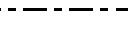
Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

Transport for London Proposed TfL Board Structure



Transport for London TfL Board Structure as at 3rd July 2000



	Subsidiaries or Divisions of Transport for London
	Trading Subsidiaries of Transport Trading Limited
	Board / Management Committee Structure
	indicates future reporting lines

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : APPOINTMENTS TO SENIOR POSTS

MEETING DATE : 3rd JULY 2000

9. INTRODUCTION

- 1.1 The purpose of this paper is to advise the Board of the programme for appointing to the senior posts in Transport for London.

10. BACKGROUND

- 2.1 There are seven senior positions in Transport for London: the Chief Executive and six director posts. This does not include London Underground.
- 2.2 The Chair of TfL has decided that all seven positions will be advertised, internally and externally, using a standard competitive selection process. A copy of the composite advertisement (for 6 posts) - appearing in the national and international press - is enclosed, together with a copy of the earlier advertisement of the Head of Street Management.
- 2.3 The timescale is to progress the selection over the next 2-3 months. It is intended that the Chief Executive position will be filled first in order that the appointed candidate can participate in the other selection procedures.
- 2.4 GLA Officers will, on this occasion, administer the recruitment process and are engaging the services of PwC to support the programme.

3. RECOMMENDATIONS

- 3.1 The Board is invited to endorse the approach outlined above and the principle of competitive selection; to delegate to the Chair the power to appoint to these senior positions and determine terms and conditions of appointment; and to determine the appropriate procedures for selection.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : APPROVAL OF STANDING ORDERS

MEETING DATE : 3rd JULY 2000

11. INTRODUCTION

1.1 Interim Standing Orders for TfL were authorised by the Secretary of State. It is for the TfL Board to agree the form of Standing Orders, effective from 3 July.

12. BACKGROUND

2.1 The TfL Organisation will develop rapidly over coming months. The attached Standing Orders for the Board reflect inherited structures, including a Chief Executive's Committee and a number of business boards.

2.2 These Standing Orders will be revised, to reflect planned developments in the management structure. This requires further consideration of the terms of reference for the planned new management boards, and their relationships with executive functions. It is intended to bring Standing Orders, reflecting this new structure, to the second TfL Board Meeting.

2.3 The attached Standing orders include the TfL Board's responsibility for its subsidiary, Transport Trading Limited. Membership of this Board needs to change, reflecting TfL ownership and departures of some current members.

3. RECOMMENDATIONS

3.1 The TfL Board is asked to approve the attached Standing Orders, applicable from 3rd July 2000, until further revisions are developed and agreed.

3.2 The TfL Board is asked to approve the following items in relation to the membership of the Board of Transport Trading Limited:

The resignation of John Hughes

The removal of Denis Tunnicliffe and Derek Smith

The appointment of Dave Wetzel (as Chair) and Joyce Mamode

The appointment of Anthony Mayer

The continuing appointments of Richard Smith, Clive Hodson and Michael Swiggs

The appointment of Maureen Nolan as Company Secretary

The Board is asked to approve that the Secretary lodges the appropriate forms with Companies House.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : INTERNAL POLICY STATEMENTS-TfL

MEETING DATE : 3rd JULY 2000

13. INTRODUCTION

1.1 TfL inherits policies from different predecessors. This paper invites the Board to agree a common Health and Safety Policy now; to note the programme of work regarding other policies; and to indicate a preferred way forward on employment policies in particular.

14. BACKGROUND

2.1 It is important for TfL to establish an agreed policy on Health and Safety matters. A proposal is attached (Appendix A) which the Board is invited to approve. The appropriate consultation process with staff and their representatives will then be initiated.

2.2 Other policies and standards are required. A list of the main requirements is attached (Appendix B) for information.

2.3 Day to day 'governance' issues (e.g. Finance, Procurement, and Information Systems) are, largely, in place.

2.4 On other aspects, particularly employment policies, there will be a need for guidance from the Board. All staff transfer with their existing terms and conditions of employment, and are covered by their different predecessor employers' policy statements. If TfL is to adopt common employment policies in the future (with or without harmonized terms and conditions) there must be full and extensive consultation with staff and their representatives. Initial policy proposals would need to be guided by the TfL Board, then form the basis of extensive staff and Trade Union consultation, before final versions are formally put to the Board for consideration and agreement.

2.5 Forums for informal discussions with staff and Trade Unions are already in place. No formal proposals on employment policy issues will be developed without first seeking and receiving advice from the TfL Board.

3. RECOMMENDATIONS

3.1 The Board is invited to:

- (i) Approve the Health and Safety Policy
- (ii) Note the actions on other policies and standards; and the need for further review of employment policy issues in particular

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : 2000/01 BUDGET INHERITANCE

MEETING DATE : 3 JULY 2000

1. INTRODUCTION

1.1 The paper asks the Board to note the TfL 2000/01 Budget inherited by the Mayor. It invites the Board to agree to a review of the Budget in the light of issues arising.

2. 2000/01 TfL BUDGET

2.1 The TfL Budget for 2000/01 is based on the addition of predecessor body plans for the current year. This has provided £400.7m of grant funding, of which £318.9m is GLA Transport grant with a further £9.9m as Standing Spending Assessment funding (Government local authority grant). Grant of £71.9m has been included in the Budget for the period between 1 April 2000 and 2 July 2000, to be paid directly to the individual predecessor bodies. The current position is therefore as follows:

2000/01 Available Grant Funding

	<u>£m</u>
Predecessor grant funding – pre 3 July 2000	71.9
GLA Transport Grant	318.9
Standard Spending Assessment (SSA)	9.9
Total Grant Funding Available	<u><u>400.7</u></u>

2.2 The Budget was drawn up by the Government Office for London (GOL) on the basis of the funding available to the predecessor organisations. It was the subject of public consultation undertaken by GOL in January 2000. The Budget contains no reserve or contingency provision.

2.3 We need to do further work on the extent of the extra cost pressures, any extra income receipts, and the options for balancing the Budget. It is suggested that the Chief Executive reviews the Budget and makes recommendations to the September meeting of the Board.

3. RECOMMENDATION

The TfL Board is asked to:

- Note the inherited 2000/01 Budget
- Agree to a report back from the Chief Executive, following review of the Budget, at the September Board meeting.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

BOARD PAPER

SUBJECT : BANKING ARRANGEMENTS

MEETING DATE : 3rd JULY 2000

15. INTRODUCTION

- 1.1 This paper seeks approval to enter into a guarantee with our bankers to enable them to combine (i.e. net) all balances within the Transport for London (TfL) group to enable it to invest any short-term surplus cash on the London Money Market.

16. BACKGROUND

- 2.1 All companies within the TfL Group bank with HSBC Bank plc (The Bank). Their charges and services are compared to competing banks every three years by evaluating tenders for the banking transaction business.
- 2.2 Under present Bank of England regulations The Bank may only net balances if a guarantee is entered into by TfL and its subsidiaries.
- 2.3 In the absence of the guarantee, netting can only be achieved by transferring balances through the books every night from each account, resulting in some 6000 unnecessary transactions p.a.

17. BENEFITS OF NETTING BALANCES

TfL is required to obtain the best available interest rates on surplus cash commensurate to minimum risk. Best rates are obtained by depositing the highest amount of cash. This is achieved by netting all surplus cash less overdrafts in every Group bank account.

3. RECOMMENDATIONS

- 3.1 The Board is asked to approve entering into a guarantee and to approve the following Resolutions :-
- (a) THAT it was, in the opinion of the Board members, for the benefit of Transport for London and for the purposes of its business that it should give the guarantee and sign and deliver to the Bank a guarantee from Transport for London and others.

 - (b) THAT the Chief Finance Officer and the Secretary be authorised on behalf of

Transport for London to sign the guarantee.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : LRT PENSION FUND INTERIM DEED OF PARTICIPATION

MEETING DATE : 3rd JULY 2000

18. INTRODUCTION

- 1.1 The purpose of this paper is to seek consent for TfL to enter into the Interim Deed of Participation attached as Appendix 1.

19. BACKGROUND

- 2.1 Staff transferring into the TfL group from London Regional Transport are members of the LRT Pension Fund. It is intended that those staff can remain in the LRT Pension Fund and that certain new staff can join.
- 2.2 Under the LRT Pension Fund rules, it is necessary for all participating employers to enter into Deeds of Participation with LRT as the present Principal Employer of the Scheme and with the LRT Pension Fund Trustee Company. This is a legal requirement to enable staff of participating employers to remain in the LRT Pension Fund.
- 2.3 The LRT Pension Fund is being restructured and the long term of the Deed of Participation for all participating employers has not yet been finalised. In the meantime new participating employers such as TfL are required to execute an interim deed of participation in the form attached as Appendix 1.

3. RECOMMENDATIONS

- 3.1 It is recommended that the Board approve on behalf of TfL the Interim Deed of Participation, subject to such amendments as may be authorised by the Chief Executive or the Director of Integration or their nominated representative and that the Secretary and the Assistant Secretary of TfL are severally authorised to sign, seal and deliver the Interim Deed of Participation on behalf of TfL including any additional deletions and amendments so authorised.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : ORDERS RELEVANT TO TfL MADE UNDER
GLA ACT 1999

MEETING DATE : 3rd JULY 2000

20. INTRODUCTION

- 1.1 GLA Act gave the Secretary of State power to make legally binding Orders in relation to specified matters.
- 1.2 Appendix 1 sets out a list of such Orders relevant to TfL that have been prepared by the Government Office for London ("GOL"). All of the Orders apart from items 21 to 30 will come into force on 3 July 2000. GOL has also advised that items 21 to 22 may be made by 3 July. The consequence of the remaining Orders not being in force is set out in Column 5 of the Appendix.
- 1.3 In relation to item 25 (the draft Transport for London (Transitional and Consequential Provisions) Order 2000) while there are no implications for TfL "start up" there are operational consequences of the Order not coming into force by 3 July 2000 as functions referred to in the Order cannot be exercised by TfL. It is proposed that LRT and TfL enter into an agreement under Section 298(6) of the GLA Act to enable TfL to exercise the Transferring Functions on behalf of LRT. A copy of the proposed agreement is set out in Appendix 2.

2. RECOMMENDATIONS

- 2.1 The Board is asked to note the Orders which will be made on 3 July 2000 and the consequences of those which will not be in force by that date.
- 2.2 The Board is asked to approve the agreement set out in Appendix 2 and to authorise Anthony Mayer (or if unavailable Mike Swiggs) to execute the agreement on behalf of TfL.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : STATUTORY DELEGATIONS

MEETING DATE : 3rd JULY 2000

21. INTRODUCTION

1.1 This paper is seeking a resolution of the Board of TfL, which is required to delegate the discharge of certain functions on behalf of TfL to committees or individuals or subsidiaries of TfL.

22. BACKGROUND

2.1 The GLA Act 1999 confers new statutory powers and also transfers statutory powers previously held by other bodies to TfL. These powers of TfL become "live" on 3 July 2000 and must be exercised by the Mayor or the Board, unless lawfully delegated.

2.2 In order to permit officers within the relevant departments of TfL to exercise these powers on behalf of TfL, the Board needs to exercise the power conferred upon it by paragraph 7 of Schedule 10 to the GLA Act permitting the Board to delegate the exercise of functions to committees or to individual members or officers or subsidiaries of TfL.

2.3 Delegations of statutory powers must be made in accordance with the law applying to TfL (including that relating to local authorities where applicable) and the particular powers delegated.

3. RECOMMENDATIONS

3.1 It is recommended that the Board DELEGATE the discharge of the functions of TfL listed in the attached schedule to the committees and/or officers and/or subsidiaries of TfL specified in the said schedule.

Anthony Mayer
(Transitional) Chief Executive
3rd July 2000

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT : MANIFESTO OF THE MAYOR FOR LONDON

MEETING DATE : 3rd JULY 2000

23. INTRODUCTION

- 1.1 Prior to his election on 5 May 2000, the Mayor issued a manifesto regarding his proposed policies once elected.
- 1.2 This document indicates the direction the Mayor wishes to take in relation to transport in London. The manifesto will provide the basis for the Mayor's transport strategy and other policy initiatives to promote and encourage safe, integrated, efficient and economic transport facilities and services for those who live or work in London and its visitors.

2. RECOMMENDATIONS

- 2.1 The Board of TfL is invited to note the manifesto of the Mayor and to work with the Mayor to facilitate the development, securing and implementation of the Mayor's transport policies and strategy in accordance with their duties under the Greater London Authority Act 1999 and other laws.

Dave Wetzel
Vice Chair
3rd July 2000