

Transport for London

Minutes of the Meeting

Committee Rooms 4 and 5, City Hall, The Queen's Walk, London
10.00am, Tuesday 19 July 2016

Members

Sadiq Khan	Chair
Val Shawcross CBE	Deputy Chair
Sir John Armitt CBE	Member
Sir Brendan Barber	Member
Baroness Grey-Thompson DBE	Member
Angela Knight CBE	Member
Michael Liebreich	Member

Staff

Mike Brown	Commissioner
Howard Carter	General Counsel
Leon Daniels	Managing Director, Surface Transport
Michele Dix	Managing Director, Crossrail 2
Vernon Everitt	Managing Director, Customers, Communication and Technology
Steve Griffiths	Chief Operating Officer, London Underground (for Minute 59/07/16)
Sir Terry Morgan CBE	Chairman, Crossrail Limited
Ian Nunn	Chief Finance Officer
Clive Walker	Director, Internal Audit
Mark Wild	Managing Director London Underground
Alex Williams	Managing Director, Planning
Shamus Kenny	Head of Secretariat

47/07/16 Apologies for Absence and Chair's Announcements

Apologies for absence had been received from Eva Lindholm and Keith Williams.

The Chair introduced and welcomed Val Shawcross CBE to her first meeting of the Board as the Deputy Chair of TfL and thanked the other Members for agreeing to extend their period of office while the recruitment to the Board was ongoing. A paper elsewhere on the agenda provided further information.

The Chair also welcomed Mark Wild to the meeting, as the new Managing Director, London Underground.

48/07/16 Declarations of Interest

Members confirmed that their declarations of interests, as published on tfl.gov.uk, were up to date and there were no interests that related specifically to items on the agenda.

Michael Liebreich had updated his declaration since the last meeting of the Board to include a shareholding (less than 0.2 per cent) in ChargePoint Inc, a US company that

operated the largest Electric Vehicle charging network in the world, though it was not currently operating in the UK.

49/07/16 Minutes of the Meeting of the Board held on 17 March 2016

The minutes of the meeting of the Board held on 17 March 2016 were approved as a correct record and the Chair was authorised to sign them.

50/07/16 Matters Arising, Actions List and Use of Delegated Authority

Howard Carter introduced the item. Delegated authority had been exercised by the Finance and Policy Committee in relation to four items: the Northern Line Extension; TfL Group Banking Arrangements; Railways Pension Scheme – TfL Assurance to Trustees; and Commercial Exploitation of Contactless Systems.

There were no outstanding actions from previous meetings.

The Board noted the actions list and use of delegated authority granted by the Board.

51/07/16 Commissioner's Report

Mike Brown welcomed Sadiq Khan as the new Mayor and Chair of TfL and Val Shawcross CBE as the Deputy Mayor for Transport and Deputy Chair of TfL. He also thanked the former Members of the Board for their contribution: Peter Anderson, Richard Barnes, Charles Belcher, Roger Burnley, Brian Cooke, Daniel Moylan, Bob Oddy and Steve Wright.

Mike Brown welcomed Mark Wild, the new Managing Director, London Underground. Mark had previously managed the world's biggest tram network, large suburban railway and bus services and capital and maintenance programmes. Mark had also worked with TfL before on major Tube projects, including the introduction of modern signalling on the Jubilee and Victoria lines.

Mike Brown introduced his report, which provided an overview of major issues and developments since the report to the meeting on 17 March 2016 and updated Members on significant projects and initiatives.

The key issues arising from the overview and discussion are summarised below.

- (a) The result of the EU referendum had caused political and economic uncertainty over the last few weeks. TfL's role remained unchanged and the Chair and Commissioner reiterated that everyone was welcome as part of the TfL family and even greater workforce diversity was required to ensure that TfL fully reflected the city it served. They also reiterated that TfL's customers and staff had the right to travel and work on the network without fear of abuse or intimidation. Tackling all forms of hate crime was a top priority for the Mayor, for TfL and for the police. The Mayor was about to launch a #Londonisopen campaign. The GLA group was working together to assess the potential impacts of the referendum result and how to best target its lobbying effort. The Finance and Policy Committee was discussing the impact, including the implications for commercial development revenue, the cost of borrowing and TfL's supply chain. TfL would also engage with

key groups that were also assessing the impact, like the Institute of Civil Engineers.

- (b) TfL had embarked on a major cost savings and efficiencies review. The savings necessary to deliver the first two years of the Mayor's fare freeze had already been identified and the full plan would be set out in the New Transport Plan for London in the autumn. Action to date included: reductions in agency staff (particularly in IT); a recruitment freeze for all but the most essential roles; opening an exit programme for Directors and band 5 senior managers; freezing base pay for all Directors; a review of nominee passes for those earning a base salary over £100,000; stopping or deferring lower value IT projects; and reviewing the value TfL got from third party contracts as this represented the majority of TfL's spend. Regular updates would be provided to the Board.
- (c) Night tube services on the Central and Victoria lines would launch on 19 August 2016, with other lines to follow. These would provide a real boost to London's night time economy. The services would run six trains per hour in central London between 12.30am and 5.30am. A comprehensive plan was in place to ensure TfL was operationally ready and dealt quickly and sympathetically with neighbours that were impacted by noise.
- (d) The Mayor had launched an independent and comprehensive review of the customer impact of the recent closures of London Underground (LU) ticket offices. The terms of reference and timeline for the review would be shared with Members. At key rail interchange stations like Paddington, TfL was working with Network Rail to improve wayfinding signage. **[Action: Mark Wild]**
- (e) LU passenger journeys in 2015/16 saw a new high at 1,349.3 million, an increase of 3.4 per cent (43.9 million journeys) from last year, and 5.6 million more than budget.
- (f) Eighty of the planned new walk through air conditioned S stock trains had been delivered for the District line. All trains would be in service by December 2016.
- (g) Good progress continued on major infrastructure works. Retaining walls were being built for the new stations at Battersea and Nine Elms for the Northern Line Extension. Tufnell Park had reopened to the public and now featured two new lifts and a larger ticket hall with a new automatic wide gate. The escalators at Walthamstow Central had been modernised, making them more reliable. The programme of work at Victoria would more than double the size of the existing station and provide nine new escalators in addition to the eight new lifts. TfL was preparing to open the new North Ticket Hall and entrance in Cardinal Place at the end of 2016. The smaller plaza glass entrance at Tottenham Court Road station was now under construction and on schedule to open in October 2016. The modernisation of Bank station had begun, which would increase capacity by 40 per cent in 2021.
- (h) London Overground's Public Performance Measure continued to show an upward trend since TfL had taken over and reached 95 per cent at the end of Period 2, 2016/17. TfL was working with Network Rail to ensure passengers were given accurate information as Network Rail dealt with the sinkhole under the tracks at Forest Hill.

- (i) Journey time reliability (JTR) on the TfL Road Network for 2015/16 was 87.8 per cent. This was 0.8 percentage points better than target, though 0.5 less than 2014/15, against a background of challenging conditions including increased demand for road space and planned disruption for highways improvements, as part of the Road Modernisation Plan. JTR on the bus network continued to impact on bus passenger journeys, which were particularly low in Quarter 4.
- (j) TfL continued to bring successful prosecutions against utility companies that were not adhering to roadworks legislation and permit conditions. There had been three successful prosecutions in the last three weeks including against BT. Mike Brown had asked for a meeting with BT's Chief Executive, as they were a major reoffender. Although the fines were low for the significant disruption caused, publication of the prosecutions and a new league table of the worst offenders did cause reputational damage that resulted in pressure for compliance from shareholders.
- (k) TfL had undertaken a number of consultations for road improvement schemes in spring 2016 and was reviewing the results and working with stakeholders. The results would be released over the next few months and TfL would announce its plans for each scheme and its future priorities.
- (l) On the Silvertown crossing, the Development Consent Order application had been accepted by the Planning Inspectorate and a public examination would take place in autumn 2016. In parallel, the Mayor would undertake a review of the Silvertown tunnel.
- (m) TfL was committed to reducing CO2 emissions in London. 13,000 signal heads (around 15 per cent of all sites) had been converted to LED technology. This would save £450,000 per annum on energy costs and cut CO2 emissions by over 16,000kg per annum. TfL was also publicising the Ultra Low Emission Zone (ULEZ) scheme, to ensure operators were ready for its introduction. TfL had also converted more bus routes to low emission vehicles, with 1,800 hybrid diesel-electric buses in the fleet. The percentage of hybrids would rise from 20 per cent to around a third (more than 3,000 vehicles) by 2020 to comply with the ULEZ requirements for cleaner double-deck vehicles.
- (n) The Annual Casualties in London report had been published. It showed that the number of people killed or seriously injured (KSIs) on London's roads fell by three percent in 2015 to the lowest level since records began. Although good progress was being made, there was still much to do. TfL had started a programme of work to improve and promote safety, increase transparency and to contribute to the Mayor's target of reducing the KSIs on the Capital's roads by 50 per cent by 2020. Positive action was being taken to address the rise in the number of fatal collisions involving motorcyclists. On 1 February 2016, TfL launched its world-leading programme to drive improvements in safety across London's bus network, which was already one of the safest in the world. New standards would be announced in 2016 that would require new buses introduced to the fleet from September 2017 to be fitted with new life-saving features. It was agreed that TfL's Annual Report and other monitoring reports should include information on bus related KSIs and trends.
[Action: Leon Daniels]
- (o) The first phase of the Cycle Superhighway (CSH) programme was complete and TfL would publish a series of consultation reports on various CSH schemes over the coming months. A full evaluation of CSH usage and lessons learned from their

design and location, as well as the construction process, was planned. TfL was getting feedback from cyclists and other road users on signage and it regularly checked with the emergency services that the segregated routes did not impact on their ability to respond to incidents; to date no significant concerns had been raised. CSH usage was well over 90 per cent, except where access was difficult such as Wandsworth Bridge.

- (p) Freight remained a top priority for TfL and the Mayor. TfL hosted the Freight Forum, which looked at increasing the number of retimed deliveries. Mike Brown outlined TfL's continued commitment to the ground breaking behaviour change Construction Logistics Cycle Safety (CLOCS) programme, when he hosted the CLOCS progress event that included the launch of new low-profile trucks from Volvo, Scania and Dennis Eagle. The London Freight Enforcement Partnership agencies continued to focus on commercial vehicle safety. More than 7,000 HGV drivers had attended TfL's Safe Urban Driving course, where they learned how to share the road safely with vulnerable road users.
- (q) TfL had published the first ever directory of construction consolidation centres for London. The aim was to map and promote the nine centres and their capabilities to developers, so they used them as part of their construction supply chains.
- (r) Following approval by the Board on 17 March 2016, changes to Private Hire Vehicle Regulations had been published and came into effect for new licensees on 27 June. Existing licence holders had been given additional time to prepare for the changes. TfL had taken the opportunity afforded by a new Mayor to work to realign its relationship with the Taxi and Private Hire trades and to improve communications. TfL continued to deter and disrupt illegal minicab activity in a number of central London hotspots through the multi-agency Operation Neon. Developments on enforcement were planned and would be reported to the Board.
- (s) TfL's twitter feeds now had more than four million followers. In June 2016 TfL launched a world first pilot with Twitter, allowing customers to opt in to be automatically alerted of severe delays on certain LU and Rail services as soon as they occurred. Over 2,000 customers signed up for the pilot in the first week and more than 5,000 customers were already using the service.
- (t) Android Pay was launched in May 2016. Over 10.4 million journeys had been made to date and mobile contactless payments now represented around 4.5 per cent of the total journeys made using TfL's contactless payment systems. Contactless payment on the River Bus network also went live from 24 May 2016. TfL continued to work with the Department for Transport and Train Operators to encourage the use of integrated and contactless ticketing for the convenience of customers, with a focus on key gateway stations into London following the success at Gatwick airport.
- (u) On 17 March 2016, TfL appointed Exterior Media as its advertising partner for the world's largest rail advertising contract. The partnership covered the advertising space on trains and at more than 400 stations, bringing together for the first time all activity across TfL's Underground, Overground, Tram and DLR networks and the Victoria Coach Station. The partnership would provide around £1.1bn to TfL's commercial revenue targets of £3.4bn by 2023.
- (v) The 100 Years of Women in Transport programme launched its legacy phase at City Hall on 16 May 2016 and would now be referred to as just Women in

Transport. The programme had been a huge success, not only showcasing the achievements and contribution of women to the transport industry but helping to engage future generations, for example through the new schools Initiative.

- (w) To mark the London Pride event, TfL in a joint venture with Siemens installed 48 pedestrian signals around Trafalgar Square showing symbols celebrating same-sex relationships.
- (x) The Mayor had launched plans to crack down on polluting vehicles in London and there had been an unprecedented number of responses to the consultation, which closed on 29 July 2016.
- (y) Good progress had been made on reviewing options for the pedestrianisation of Oxford Street, which was a Mayoral manifesto commitment. TfL was working with all those involved including the West End Partnership and Westminster City Council.
- (z) Crossrail 2 had received funding from the Chancellor in his March 2016 budget, which TfL would match. Sir Andrew Adonis had been appointed as Chair of the Crossrail 2 Limited Programme Board.

The Board noted the Commissioner's report.

52/07/16 Operational and Financial Performance and Investment Programme Reports – Fourth Quarter 2015/16

Ian Nunn, Mark Wild, Leon Daniels, Vernon Everitt and Terry Morgan introduced the paper, which informed the Board of TfL's Operational and Financial Performance and presented the Investment Programme Report for the fourth quarter of 2015/16 (13 December 2015 to 31 March 2016).

The key issues arising from the reports and discussion are summarised below.

- (a) TfL's finances showed some slippage against Budget over the full year. The Operating Account was £202m under Budget while the Capital Account was £113m lower than Budget. Total cash balances (including funds ring fenced for the Crossrail project) stood at £3.3bn, £315m higher than Budget. Over the full year, TfL used £1,364m of its cash reserves to help fund its capital investment programme.
- (b) Mark Wild's biggest impression on returning to London Underground (LU) was the passion and energy of station staff. The new model was having a positive effect on both staff and customers, though it was recognised that there were some issues on rostering. He and his staff would fully engage in the Mayor's independent review.
- (c) LU investment highlights were: the ongoing work to improve capacity and access to a range of key stations including Tottenham Court Road, which would provide step free access when a new entrance opened in September; work to maintain and improve LU's large asset base, which had resulted in three awards, including best apprenticeship development scheme; remodelling at Putney Bridge, which saved a minute out of each journey and which supported the provision of metro services; the use of two powerful piling rigs at Nine Elms that would save six weeks in the Northern Line Extension programme; good progress on the Four

Lines Modernisation (4LM) Programme, which would radically transform 40 per cent of the LU network; and LU had gone three million hours without a RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) accident.

- (d) Mark Wild had visited the Bombardier factory in Derby to see first hand the work on the trains and signalling for the 4LM programme and progress with the new Crossrail train, which had just entered the test track.
- (e) Surface Transport investment highlights included: progress with the Elephant & Castle Major Road Improvement Scheme to address a major road traffic safety hot spot, while improving the public realm; TfL would have the largest zero-emission bus fleet in the world outside of China when it added a further 50 single deck electric buses to its 30 strong fleet (which included five double deck vehicles running on Oxford Street);
- (f) The Crossrail project remained on time and within its funding envelope, though there were still significant commercial pressures. Delivery of new trains would start next year and would run on the lines out of London Paddington and Liverpool Street. The project was 75 per cent complete, with track at 35 per cent and progressing at 1km a week. Good progress continued to be made on stations, in particular the intricate work at Whitechapel and Farringdon. Abbey Wood station would be completed in 2017 and would aid regeneration. Crossrail had a permanent display in the London Transport Museum on its architecture and was close to its £10m fundraising target for art in its stations. The Chair asked that his thanks for the work on the Crossrail project to date be passed on to the Crossrail team.
- (g) The underlying trend on LU Lost Customer Hours was very good for Quarter 4. London Overground had been impacted by Network Rail issues but remained very close to target. Bus Excess Wait Time also remained close to target with Journey Time Reliability on the TfL Road Network better than expected.
- (h) While London's transport services were very safe, TfL was not complacent. "We Stand Together" had been launched as an initiative to tackle hate crime on London's transport services. Activity included a number of action days, engagement with local communities and working with the police.
- (i) Safety performance remained good but was a source of continuous and relentless focus. Following an injury to a worker at Whitechapel station involving plant, LU had looked at the circumstances with the contractor and Mike Brown had spoken to the contractor group's Chief Executive.
- (j) The introduction of the Hopper tickets on buses offered an opportunity to increase passenger numbers. Customer satisfaction across services remained good with some services showing record levels.
- (k) Complaints on London Overground were low compared to other operators but reflected work to be done on the services taken over on the West Anglia services. Lower figures on Trams were attributed to disruption as part of upgrade work and on the Emirates Air Line due to the shut-down period.
- (l) Although Dial-a-Ride customer satisfaction scores were very high, complaints had increased significantly since the previous quarter, due to the availability of

services at peak times. Leon Daniels would provide a note to Members on the work to restructure the Dial-a-Ride service and the other options to assist people who were unable to use public transport. **[Action: Leon Daniels]**

- (m) Members discussed the headcount figures for full time staff. The higher than target figures were largely due to late leavers from station changes and bringing in staff from contractors where this offered better value. Headcount was being managed centrally and had reduced significantly since the 2015/16 year end. While the budgeting of headcount numbers was poor but improving, the key issue was that employment costs were within one per cent of budget.

Ian Nunn reminded Members that this would be the last quarterly report in the current format. A significantly improved report would be provided for the first quarter of 2016/17, which would make the financial data more accessible, easier to understand and to read across from the accounts.

The Board noted the Operational and Financial Performance and Investment Programme Reports for the fourth Quarter 2015/16.

53/07/16 TfL Annual Report and Statement of Accounts for the Year Ended 31 March 2016

Ian Nunn and Vernon Everitt introduced TfL's Annual Report and Accounts for the year ended 31 March 2016. On 14 June 2016, the Audit and Assurance Committee had reviewed the document and supported its approval.

Ian Nunn confirmed that the accounts had been subject to public consultation. He had since signed the accounts and TfL's auditors, Ernst & Young had audited the accounts and would sign them.

The Board:

- 1 approved the 2015/16 Annual Report;**
- 2 authorised the Managing Director, Customers, Communication and Technology, to make any further design or editorial changes to the Annual Report as may be required;**
- 3 approved the Statement of Accounts and to agree that the Chief Finance Officer will make any adjustments arising from the work prior to the auditors signing their opinion. Should any changes be required to the Statement of Accounts which, in the opinion of the Chief Finance Officer, are material, he will seek the approval of the Board to these changes; and**
- 4 approved the extension, for the year ended 31 March 2016 and all subsequent years and in respect of all subsidiary companies of Transport Trading Limited, of the approval given by the Finance and Policy Committee (acting under delegated authority from the Board) on 5 June 2014 in relation to the giving of parent company guarantees in respect of the liabilities of any of its subsidiary companies as provided for in section 479A of the Companies Act 2006 (which approval may be withdrawn by the Board).**

54/07/16 Strategic Risk Management and Assurance Annual Report 2015/16

Ian Nunn introduced the paper, which summarised the key Strategic Risk Management activity in TfL in 2015/16 and the next steps. On 14 June 2016, the Audit and Assurance Committee had noted the report.

The Board noted the report.

55/07/16 TfL Budget 2016/17 and Business Plan Adjustment

Ian Nunn introduced the paper, which updated the Board on adjustments to the TfL Budget 2016/17 and Business Plan that had been approved by the Board in March 2016. On 8 July 2016, the Finance and Policy Committee endorsed the recommendations in the paper and discussed the potential impact of the European Union Referendum result. The Committee would have a further discussion on the impact of the Referendum result on 27 July 2016.

The Board noted the paper and approved the adjustments to the TfL Budget 2016/17.

56/07/16 Crossrail 2

Michele Dix introduced the paper, which provided an update on the project status following the support from the National Infrastructure Commission Report published in March 2016 and subsequent Government funding. The paper sought revised authorities consistent with the current plans. On 8 July 2016, the Finance and Policy Committee endorsed the recommendations in the paper.

The Board noted the paper and:

- 1 noted the plan to update the Crossrail 2 business case by March 2017 and submit a hybrid Bill in 2019;**
- 2 noted the Government commitment to provide £80m for the development of Crossrail 2, of which £35m was to be provided during 2016/17;**
- 3 noted the revised TfL budget recognised the Government funding and match funding from TfL; and**
- 4 agreed an increase in total Project Authority to £55.07m.**

57/07/16 Cycle Hire Re-let Programme

Leon Daniels introduced the paper and the related supplementary information on Part 2 of the agenda. The paper sought approval for Procurement Authority to enter into Contracts and variations to those Contracts in relation to the Programme to facilitate transition away from the current contract for Cycle Hire Scheme services provided by Serco Limited, which was due to expire on 31 July 2017. Authority was also sought for the programme delivery and subsequent maintenance of the remaining Cycle Hire services until the end of the initial term of their respective contracts and for future variations to the Contracts.

The proposed changes would improve efficiency and enable TfL to consider customer service improvements, such as fare capping in combination with other TfL services.

On 8 July 2016, the Finance and Policy Committee reviewed the report and endorsed the recommendations. Some of the figures in the recommendations on Part 2 of the agenda had subsequently been refined following discussions with the suppliers.

The Board noted the paper, the related paper on Part 2 of the agenda and the updated figures in the Part 2 recommendations and:

- 1 approved the award of the bike management and supply contract to Serco Limited;**
- 2 approved Transport for London or any Subsidiary (as described in paragraph 8 below) entering into the following contracts in relation to services for the London Cycle Hire Scheme (LCHS) (as more particularly described in the paper), and approved Procurement Authority up to the maximum value in each case stated in the revised recommendations laid round at the meeting during the discussion on Part 2 of the agenda:**
 - (a) a variation to the revenue collection contract between Transport Trading Limited (TTL) and Cubic Transportation Systems Limited for the provision of back office, front office and app related services;**
 - (b) a variation to the bus shelters contract between London Bus Services Limited (LBSL) and Mitie Transport Limited to provide cleaning services;**
 - (c) a contract with its preferred bidder for the implementation and provision of bike management and supply services; and**
 - (d) a licence agreement with 8D Technologies Inc. (8D) for the purchase of a perpetual licence to use 8D's intellectual property rights in the LCHS and to upgrade the LCHS software system;**
- 3 noted that TTL proposed to enter into a call-off contract pursuant to the Contact Centre Services Framework between TTL and the preferred bidder for the implementation and provision of contact centre services for the LCHS as described in the paper, up to the maximum value stated in the paper on Part 2 of the agenda and that Procurement Authority would be sought separately for this in accordance with Standing Orders;**
- 4 approved Project Authority and Procurement Authority, of up to the maximum value stated in the paper on Part 2 of the agenda, for TfL or its relevant Subsidiary to enter in future into variations or extensions of the contracts referred to in paragraphs 2 and 3 above (Contracts), provided that Financial Authority was in place;**
- 5 noted that Financial Authority of the amount stated in the paper on Part 2 of the agenda exists up to April 2024 but some extensions to the Contracts may continue beyond 2024 and provision for them would need to be made in future Business Plans;**

- 6 authorised TfL Officers to agree the final terms and execution (whether by deed or otherwise on behalf of TfL or any Subsidiary (as appropriate)) of any documentation to be entered into in connection with the completion and implementation of the Contracts (and any variations or extensions to those Contracts pursuant to paragraph 4 above) and any of the matters referred to in them (including, without limitation, all instructions, agreements, deeds, guarantees, indemnities, announcements, notices, contracts, certificates, letters or other documents); and**
- 7 authorise TfL Officers and Subsidiaries to do all such things as they consider necessary or desirable to facilitate the execution and implementation of the Contracts (and any variations or extensions to those Contracts pursuant to paragraph 4 above) and the matters referred to in it.**
- 8 The following Officers and Subsidiaries shall have delegated authority:**
 - (a) TfL Officers: the Commissioner, Managing Director Surface Transport, Chief Finance Officer and General Counsel; and**
 - (b) Subsidiaries: Subsidiaries of TfL including (without limitation) LBSL and TTL and any other subsidiary (whether existing presently or to be formed) of TTL and any of the directors of the relevant company shall be authorised to act for and on behalf of that company.**

58/07/16 Central Line Improvement Programme

Mark Wild introduced the paper and the related supplementary information on Part 2 of the agenda. The paper sought approval for budgeted Project Authority of £29.17m (outturn including risk) for the definition stage of the Central Line Improvement Programme. This included programme and engineering management, the design of CCTV, LED lighting, a Passenger Information System and works to comply with the Rail Vehicle Accessibility Regulations and the design, manufacture and supply of a replacement Data Transmission System for the Central line fleet. The definition stage would be completed by 31 July 2017. By 2022 the Improvement Programme would improve fleet performance and reduce operating costs. Beyond 2022, the objective was to build on the improved availability and reliability of the fleet to increase capacity on the line. TfL was examining ways to refresh the stock without impacting on service levels. The Mayor would be visiting Bombardier's factory in Derby soon.

On 8 July, the Finance and Policy Committee had reviewed the papers and endorsed the recommendation.

The Board noted the paper and the supplementary information on Part 2 of the agenda and approved Project Authority of £29.17m (outturn including risk) for the definition stage of the Central Line Improvement Programme and the design, manufacture and supply of a replacement Data Transmission System for the Central line fleet.

59/07/16 London Underground Operations Delivery Model

Mark Wild and Steve Griffiths introduced the paper and the related supplementary information on Part 2 of the agenda. The paper set out the commercial and contractual position regarding the secondment agreement between Amey and Tube Lines Limited entered into on 31 December 2002 (the Secondment Agreement) and sought a decision

as to the continuation or otherwise of that arrangement. On 8 July 2016, the Finance and Policy Committee had endorsed the recommendation in the paper.

The Board noted the commercial and contractual position regarding the secondment agreement between Amey and Tube Lines Limited entered into on 31 December 2002, as set out in the papers on Part 1 and Part 2 of the agenda and:

- 1 approved the service by Tube Lines Limited of notice of termination of the Amey Secondment Agreement on or before the required date and otherwise in accordance with the terms of the Secondment Agreement and to make such other arrangements and do such other things as may be necessary or desirable to ensure an orderly termination and handover; and**
- 2 subject to the approvals in paragraph 1 above:**
 - (a) delegated to the TfL Officers authority to issue the notice of termination and agree any other matters required or desirable to ensure an orderly termination;**
 - (b) authorised the agreement and execution (whether by deed or otherwise) on behalf of TfL or any Subsidiary (as appropriate) of any documentation to be entered into in connection with the completion and implementation of the termination;**
 - (c) authorised the TfL Officers to do all such other things as they consider necessary or desirable to facilitate the termination; and**
 - (d) delegated to TfL Officers authority to negotiate and agree the terms of any revised arrangements (including any additional sums payable up to the sum set out in paragraph 2.1(iv) of the paper on Part 2 of the agenda with Amey for 2017 as described in paragraph 5.3 of the paper on Part 2 of the agenda.**
- 3 The following Officers and Subsidiaries shall have delegated authority:**
 - (a) TfL Officers: the Commissioner, Chief Finance Officer, Managing Director of London Underground and General Counsel; and**
 - (b) Subsidiaries: Subsidiaries of TfL including Transport Trading Limited and any other subsidiary (whether existing presently or to be formed) of Transport Trading Limited and any of the directors of the relevant company shall be authorised to act for and on behalf of that company**

60/07/16 Modern Slavery Statement

Howard Carter introduced the paper, which sought agreement to a Modern Slavery Statement. The paper set out the requirements of the Modern Slavery Act 2015 and the approach that TfL proposed to take. Subject to Board approval, the draft statement had been approved by Transport Trading Limited and its subsidiary companies.

The Chair wanted TfL to be a beacon to other organisations. A regular report on TfL's ethical procurement activities would be provided to the Safety, Sustainability and Human Resources Panel. **[Action: Ian Nunn]**

The Board noted the paper and:

- 1 approved the draft TfL Modern Slavery Statement appended to the paper; and**

- 2 authorised the General Counsel to agree the final form of the Statement including, without limitation, any changes necessary or desirable to reflect the prevailing position on the GLA Group Responsible Procurement Policy.**

61/07/16 TfL Membership Update

Howard Carter introduced the paper, which provided an update on the membership of TfL and the recruitment process for new Members, following the Mayoral election on 5 May 2016. The Mayor had appointed himself as Chair of TfL and Val Shawcross CBE as Deputy Chair of TfL. The Mayor reappointed seven Members until 5 September 2016 to enable the recruitment process for new Members to conclude.

The Board noted the paper and:

- 1 noted the current position on the Mayor's appointments of Members to TfL, as set out in Appendix 1 and that a further update would be provided in September 2016;**
- 2 noted that the Finance and Policy Committee exercised the powers delegated by the Board on 17 March 2016 to appoint Val Shawcross CBE as a member of the Committee and also appointed her as its Chair;**
- 3 agreed to waive the requirement for the Rail and Underground Panel and the Surface Transport Panel to meet four times in 2016/17; and**
- 4 noted the intention that TfL's nomination to the Board of Crossrail Limited will be appointed in September 2016.**

62/07/16 TfL's Decision Making Structure

Howard Carter introduced the paper, which set out proposed changes to TfL's decision making structure, including its Authorities, to enable the Board to focus on strategic issues and its stewardship role, as recommended by the Deloitte Review of Board Effectiveness. The main changes were to separate the finance matters and programme and investment decisions into separate Committees to enable major investment decisions to be taken at a programme level. A new Panel was also proposed to give an even sharper focus on customer service and on operational performance across TfL. HR specific issues would also be addressed by a Panel.

A further paper would be submitted to the Board on 22 September 2016, confirming the outcome of the Member recruitment process and seeking agreement to revised Standing Orders and the terms of reference for TfL's Committees and Panels. That meeting would also be asked to agree the membership of TfL's Committees and Panels and to appoint a TfL nominee to the Board of Crossrail Limited.

The Board noted the paper and:

- 1 approved the proposed changes to the Committees and Panels structure and the approach to revising authorities, to be implemented following the meeting of the Board on 22 September 2016; and**
- 2 noted that the General Counsel would submit proposed amendments to Standing Orders and the terms of reference and membership of the Committees and Panels at the meeting of the Board on 22 September 2016.**

63/07/16 Delegation to the Finance and Policy Committee of Matters Reserved to the Board

Howard Carter introduced the paper, which asked the Board to delegate to the Finance and Policy Committee authority to approve any matters reserved to the Board between the scheduled meetings of the Board in July and September 2016. It was agreed that exercise of that authority would be subject to the consent of the TfL Chair.

The Board agreed:

- 1 subject to paragraph 2 below, to delegate to the Finance and Policy Committee, from 20 July until 21 September 2016, authority to approve any matter reserved to the Board and in relation to any Financial, Project, Land or Procurement Authority approved, the authority to delegate to the TfL Officers and Subsidiaries (defined in paragraph 2.2 below):**
 - (a) the ability to agree the terms of and execute (whether by deed or otherwise) on behalf of TfL or any Subsidiary (as appropriate) any documentation to be entered into in connection with such projects or transactions (including, without limitation, all agreements, deeds, guarantees, indemnities, announcements, notices, contracts, certificates, letters or other documents); and**
 - (b) to do all such other things as they consider necessary or desirable to facilitate the execution and implementation of the projects or transactions.**
- 2 The exercise of any authority delegated by paragraph 1 above would be subject to the consent of the TfL Chair.**
- 3 The following TfL Officers and Subsidiaries shall have delegated authority:**
 - (a) TfL Officers: the Commissioner, Chief Finance Officer, Managing Director London Underground, Managing Director Surface Transport and General Counsel; and**
 - (b) Subsidiaries: all subsidiary companies of TfL including Transport Trading Limited and any other subsidiary (whether existing presently or to be formed) of Transport Trading Limited: any of the directors shall be authorised to act for and on behalf of any such subsidiary.**

64/07/16 Report of the Meeting of the Audit and Assurance Committee held on 14 June 2016

In the absence of the Committee Chair, Howard Carter introduced the summary report of the meeting of the Audit and Assurance Committee held on 14 June 2016.

The Board noted the summary report.

65/07/16 Report of the Meeting of the Safety, Accessibility and Sustainability Panel held on 30 June 2016

Panel Chair, Michael Liebreich, introduced the summary report of the meeting of the Safety, Accessibility and Sustainability Panel held on 30 June 2016. He highlighted the

discussions on the Bus Safety Programme and on reducing the slips, trips and falls on buses in motion. Sir John Armit CBE recommended that data for customer and employee safety should be shown separately. **[Action: Leon Daniels and Mark Wild]**

The Board noted the summary report.

66/07/16 Report of the Meetings of the Finance and Policy Committee held on 21 April and 8 July 2016

Committee Chair, Val Shawcross CBE, introduced the summary report from the meetings of the Finance and Policy Committee on 21 April and 8 July 2016.

The Board noted the summary report.

67/07/16 Any Other Business the Chair Considers Urgent

There were no items of urgent business.

68/07/16 Date of Next Meeting

The date of the next meeting was Wednesday 22 September 2016 at 10.00am.

69/07/16 Exclusion of Press and Public

The Board agreed 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 exempt appendices to the following items: Cycle Hire Re-let Programme; Central Line Improvement Programme; and London Underground Operations Delivery Model.

There being no further business, the meeting closed at 12.10pm.

Chair: _____

Date: _____