

# Agenda

**Meeting: Board**

**Date: Wednesday 26 March 2025**

**Time: 10:00**

**Place: Chamber, City Hall - Kamal  
Churchie Way, London E16 1ZE**

## Members

Sir Sadiq Khan (Chair)  
Seb Dance (Deputy Chair)  
Zoë Billingham CBE  
Prof Greg Clark CBE  
Councillor Ross Garrod  
Anurag Gupta  
Deborah Harris-Ugbomah  
Tanya Joseph

Arthur Kay  
Anne McMeel  
Mark Phillips  
Marie Pye  
Keith Richards OBE  
Omid Shiraji  
Peter Strachan  
Sara Turnbull

## Government Observer

Emma Ward

Samantha Collins-Hill (alternate)

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](https://tfl.gov.uk/How-We-Are-Governed).

This meeting will be open to the public and webcast live on [TfL YouTube channel](#) and on the [Greater London Authority's Mayoral Webcasts page](#), except for where exempt information is being discussed as noted on the agenda.

There is access for disabled people and induction loops are available. A guide for the press and public on attending and reporting meetings of local government bodies, including the use of film, photography, social media and other means is available on [www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf](https://www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf).

## Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat .

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: [PressOffice@tfl.gov.uk](mailto:PressOffice@tfl.gov.uk)

Andrea Clarke, General Counsel  
Tuesday 18 March 2025

**Agenda  
Board  
Wednesday 26 March 2025**

**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 of the Board held on 5 February 2025**

General Counsel

**The Board is asked to approve the minutes of the meeting of the Board held on 5 February 2025 and authorise the Chair to sign them.**

**4 Matters Arising, Actions List and Use of Delegated Authority**

General Counsel

**The Board is asked to note the paper and to delegate authority to the Deputy Chair of TfL to review and make appointments to the Committees and Panels following the appointment of new Members.**

**5 Commissioner's Report**

Commissioner

**The Board is asked to note the Commissioner's Report, which provides an overview of major issues and developments since the report to the meeting on 5 February 2025 and updates Members on significant projects and initiatives.**

**6 Finance Report – Period 11, 2024/25**

Chief Finance Officer

**The Board is asked to note the Finance Report.**

## **7 TfL Budget 2025/26**

Chief Finance Officer

**The Board is asked to note the paper and approve the TfL Budget for 2025/26.**

## **8 TfL Prudential Indicators 2025/26 to 2027/28**

Chief Finance Officer

**The Board is asked to note the paper and approve: the TfL Prudential Indicators as set out in Appendix 1 for 2025/26 and the following two years; the Treasury Management Indicators as set out in Appendix 2 for 2025/26 and the following two years; and the annual TfL Policy Statement on Minimum Revenue Provision as set out in section 6 of the paper.**

## **9 2025/26 TfL Scorecard**

Commissioner

**The Board is asked to approve the 2025/26 TfL scorecard, subject to finalisation of the safety and security and colleague targets and authorise the Deputy Chair of TfL to approve any changes to the final safety and security and colleague targets as drafted, in consultation with available Members; and note the approach to Business Area scorecards for 2025/26.**

## **10 Board Effectiveness Review 2024**

General Counsel

**The Board is asked to note the outcomes of the Board Effectiveness Review 2024 and agree the proposed response, as set out in Appendix 1.**

## **11 Report of the Meeting of the Safety and Security Panel held on 12 February 2025**

Panel Chair, Zoë Billingham CBE

**The Board is asked to note the report.**

## **12 Report of the Meeting of the People and Remuneration Committee held on 24 February 2025**

Committee Chair, Peter Strachan

**The Board is asked to note the report.**

**13 Report of the Meeting of the Finance Committee held on 26 February 2025**

Committee Chair, Anne McMeel

**The Board is asked to note the report.**

**14 Report of the Meeting of the Programmes and Investment Committee held on 5 March 2025**

Committee Chair, Peter Strachan

**The Board is asked to note the report.**

**15 Report of the Meeting of the Audit and Assurance Committee held on 10 March 2025**

Committee Chair, Mark Phillips

**The Board is asked to note the report.**

**16 Report of the Meeting of the Customer, Sustainability and Operations Panel held on 13 March 2025**

Panel Chair, Marie Pye

**The Board is asked to note the report.**

**17 Report of the Meeting of the Land and Property Committee held on 18 March 2025**

Committee Chair, Professor Greg Clark CBE

**The Board is asked to note the report.**

**18 Any Other Business the Chair Considers Urgent**

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

**19 Date of Next Meeting**

**Wednesday 11 June 2025 at 10am.**



**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: \_\_\_\_\_





**Board**



**Date: 26 March 2025**

**Item: Matters Arising, Actions List and Use of Delegated Authority**

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### **This paper will be considered in public**

#### **1 Summary**

- 1.1 This paper informs the Board of any use of Chair's Action or authority delegated by the Board, any Mayoral directions to TfL and progress against actions agreed at previous meetings, since the last meeting of the Board on 5 February 2025.
- 1.2 The paper includes an update on Board Member appointments and seeks a delegation of authority from the Board to the Deputy Chair of TfL to review and make appointments to the Board's Committees and Panels following the confirmation of all appointments.
- 1.3 There has been no use of Chair's Action, nor specific authority delegated by the Board since the last meeting.
- 1.4 One Mayoral direction (MD3343) has been issued to TfL in relation to March 2025 Fare Changes. The direction revokes an earlier direction (MD3318) as it contained some minor administrative errors.
- 1.5 Appendix 1 sets out the progress against actions agreed at previous meetings.

#### **2 Recommendation**

- 2.1 **The Board is asked to note the paper and to delegate authority to the Deputy Chair of TfL to review and make appointments to the Committees and Panels following the appointment of new Members.**

#### **3 Appointments to the Board**

- 3.1 The Greater London Authority (GLA) Act 1999 (as amended) requires that at least one Member of the Board has experience and knowledge of the organisation of trade unions or matters relating to workers generally. The Trades Union Congress nominate an individual to meet the requirement for the Mayor to consider. Once appointed, as previously agreed by the Board, that Member will serve on the Customer, Sustainability and Operations Panel and the Safety and Security Panel.
- 3.2 With Anne McMeel and Professor Greg Clark CBE due to leave the Board later this year, in February 2025, TfL 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.

- 3.3 The process is ongoing and interviews will be held shortly. Members will be kept informed of the outcome of the process.
- 3.4 The successful candidate(s) will join the Board when the vacancies arise. The early recruitment process will enable Anne and Greg to provide some knowledge sharing and for the induction process to start as soon as possible to ensure a smooth transition.
- 3.5 The departure of two Members in 2024 and the appointment of up to two new Members, in addition to the TUC nominee, will necessitate some changes to the membership of Committees and Panels. To enable a smooth transition, it is proposed that the Board delegate authority to the Deputy Chair of TfL to review and make appointments to the Committees and Panels. The appointments to the Committees and Panels will be communicated to the Board when made and reported to the meeting following the exercise of delegated authority.

#### **4 Use of Chair's Action**

- 4.1 Under Standing Order 113, in situations of urgency, the Board delegates to each of the Chair, the Deputy Chair and the Chairs of any Committee the exercise of any functions of TfL on its behalf, including the appointment of Members to the Committees and Panels. If the Chair, the Deputy Chair or the Chair of a Committee is unable to exercise authority due to unavailability or a conflict of interests, that authority may be exercised by the Chair or Vice Chair of any Committee. Members will be informed as soon as practicable following any use of Chair's Action using the authority of this standing order and it must be reported to the next ordinary meeting.
- 4.2 There has been no use of Chair's Action since the last meeting.

#### **5 Use of Specific Authority Delegated by the Board**

- 5.1 General delegations of authority by the Board are set out in Standing Orders. For matters reserved to the Board, it can make specific delegations of authority to a Committee or an individual to exercise that authority.
- 5.2 There has been no use of specific authority delegated by the Board since the last meeting.

#### **6 Mayoral Directions to TfL**

- 6.1 The GLA Act 1999 permits the Mayor to issue to TfL general directions as to the manner in which TfL is to exercise its functions or specific directions as to the exercise of its functions (or not to exercise a power specified in the direction). Directions are often issued in relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.

- 6.2 Mayoral decision papers inviting the Mayor to issue a direction set out the financial and other implications. If those implications change over time, that will be reported to the GLA.
- 6.3 All Mayoral decisions are issued in writing, with the information that is not exempt from publication included on the GLA's Decisions Database on its website: <https://www.london.gov.uk/about-us/governance-and-spending/good-governance/decisions?order=DESC>.
- 6.4 Mayoral directions relating to TfL are reported to the Board's Committees for information as soon as possible after they are received by TfL or published. Regular reports will list the relevant directions for as long as they are applicable.
- 6.5 Annually the Audit and Assurance Committee considers the list as part of its consideration of the annual audit plan to ensure that appropriate audit resource is applied to assurance on TfL's work in implementing Mayoral directions. This will also be kept under review at each quarterly meeting of that Committee.
- 6.6 A summary of current Mayoral directions to TfL is maintained on the "How we are governed" page on our website, with links to the relevant Mayoral Decisions: <https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-governed>. That page will be updated as and when further directions are made.
- 6.7 Since the last meeting, there has been one Mayoral direction issued to TfL.
- 6.8 On 28 February 2025, the Mayor approved a revised March 2025 Fare Changes direction to TfL ([MD3343](#)), which revoked the original direction (MD3318) as it contained some minor administrative errors.

## **7 Actions List**

- 7.1 Appendix 1 sets out the progress against actions agreed at previous meetings.

### **List of appendices to this report:**

Appendix 1: Actions List

### **List of Background Papers:**

Minutes from previous meetings

Greater London Authority Decision Making Database

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**Board Actions List (to be reported to the meeting on 26 March 2025)**

**Actions from the meeting held on 5 February 2025**

Minute No.	Item/Description	Action By	Target Date	Status/Note
05/02/25 (1)	<p><b>Commissioner’s Report: London Councils and 20mph Speed Limits</b>                      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.</p>	Lilli Matson	2025	<p>We are liaising with London Councils for Lilli Matson to present at an upcoming Transport and Environment Committee meeting.</p> <p>As part of the existing engagement programme, we will offer senior level meetings with the 10 remaining boroughs that do not have a default 20mph speed limit, as an opportunity to present benefits and best practice.</p>
05/02/25 (2)	<p><b>Commissioner’s Report: Promoting Awareness of Safety of TfL Stations</b>                      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.</p>	Claire Mann	April 2025	<p>We want all our customers and staff to feel safe on our network and for the TfL network to be a beacon of safety for everyone, day and night. We are always open to engaging with stakeholders to promote awareness and understanding around this important issue. The team will get in touch with Board Member Tanya</p>

Minute No.	Item/Description	Action By	Target Date	Status/Note
				Joseph and others to discuss and understand what more can be done.
05/02/25 (3)	<p><b>Commissioner's Report: Lighting Standards at Stations</b> 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.</p>	Stuart Harvey	-	<p><b>Closed.</b> The lighting standard was reviewed and updated in 2023 to ensure alignment with relevant British Standards. The standards are based on lighting lux levels so the transition to LEDs will not require any further changes to the standard. We have, to date, replaced 80,000 lights covering 120 stations. This equates to approximately 53 per cent of the Tube network being upgraded with LED lighting. In 2025/26 we intend to replace a further 26,000 LEDs.</p>
05/02/25 (4)	<p><b>Commissioner's Report: Promoting Awareness of Community Safety Powers</b> 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.</p>	Claire Mann / Siwan Hayward	September 2025	A comprehensive review of the powers for our frontline enforcement officers will address the resource and capability needed to support effective and proportionate enforcement and safety across all modes on our network. There are already over 200 officers

Minute No.	Item/Description	Action By	Target Date	Status/Note
				with railway and community safety accredited powers who are also able to utilise byelaw powers to deal with issues such as fare evasion and anti-social behaviour. This review will look to increase that capability and provide better coordination between modes. Communication and engagement with colleagues and customers is continuous and will be a key part of this review.
05/02/25 (5)	<p><b>Commissioner's Report: Customer Communication on Piccadilly Line Disruption</b></p> <p>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.</p>	Matt Brown / Claire Mann	March 2025	<p><b>Completed.</b> We have provided updates as part of recent stakeholder and customer communications that a number of weekend part-closures on the Piccadilly line are required throughout 2025 to allow us to get the line ready for the new trains. A dedicated webpage has also been set up: <a href="#">Piccadilly line upgrade - Transport for London</a>.</p>

<b>Minute No.</b>	<b>Item/Description</b>	<b>Action By</b>	<b>Target Date</b>	<b>Status/Note</b>
<b>05/02/25 (6)</b>	<p><b>Commissioner's Report: Maintenance Work at Closed Stations</b></p> <p>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.</p>	Stuart Harvey	July 2025	We continue to work closely across the value chain to ensure we maximise opportunities to undertake enhanced maintenance works at stations during planned closures. A further update on progress, and a case study on how this has been accommodated and respective outcomes/benefits, will be shared at a future meeting.
<b>05/02/25 (7)</b>	<p><b>Commissioner's Report: Taxi and Private Hire Action Plan Briefing</b></p> <p>A Board Member briefing would be arranged on the Taxi and Private Hire action plan before it was published in March 2025.</p>	Claire Mann / Alex Williams / Secretariat	March 2025	<b>Completed.</b> A briefing has been arranged for 25 March 2025 to which all Members have been invited.
<b>05/02/25 (8)</b>	<p><b>Commissioner's Report: Innovation Work and Strategies</b></p> <p>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.</p>	Alex Williams	March 2025	A meeting will be arranged.
<b>06/02/25 (1)</b>	<p><b>Finance Report – Period 9, 2024/25: Innovations and Options to Stimulate Demand and Increase Ridership</b></p> <p>Innovations and options for changes to stimulate demand and increase ridership 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.</p>	Alex Williams/ Rachel McLean	July 2025	The innovation targets are embedded into our latest Budget. In addition, we plan to complete further work on innovation and an update will be provided by end of Quarter 1 of 2025/26.

Minute No.	Item/Description	Action By	Target Date	Status/Note
06/02/25 (2)	<p><b>Finance Report – Period 9, 2024/25: Minimising Bad Debt and Fare Evasion Update</b></p> <p>An update on minimising bad debt and fare evasion in order to increase income would be submitted to the Finance Committee.</p>	Rachel McLean	April 2025	A briefing session on road user charging was held on 26 February 2025. A further briefing on fare evasion and revenue protection is scheduled for 9 April 2025. All Board Members have been invited.

### Actions arising from previous meetings

Minute No.	Item/Description	Action By	Target Date	Status/Note
73/12/24 (1)	<p><b>Commissioner’s Report: Borough Local Implementation Plans (LIP) Funding Letters</b></p> <p>Boroughs had been informed of the LIP funding aggregate numbers and the anticipated allocations and letters would likely be issued in January 2025. The specific date would be confirmed with Board Member Councillor Ross Garrod and also with Councillor Kieron Williams.</p>	Alex Williams	March 2025	<b>Completed.</b> Letters were issued in March 2025, as planned.
73/12/24 (2)	<p><b>Commissioner’s Report: Cyber Security Incident Lessons Learnt</b></p> <p>Once the cyber security incident investigations and the independent review were finalised, the lessons learnt would be shared with the wider Board.</p>	Alex Williams	Ongoing	Board Members were briefed on 15 January 2025. The independent review is underway.
74/12/24 (1)	<p><b>Finance Report – Period 7, 2024/25: Insights to Encourage and Stimulate Ridership</b></p> <p>The Chair asked that an ideas session be held with Board Members to gather insights and experiences into what other cities were doing that worked well to keep customers and attract new ones to the network.</p>	Alex Williams	Ongoing	We are continuing to review and scope improvements to help increase passenger and ridership numbers. We will bring an update on this work to a future Customer, Sustainability and Operations Panel meeting as appropriate.



<b>Minute No.</b>	<b>Item/Description</b>	<b>Action By</b>	<b>Target Date</b>	<b>Status/Note</b>
74/12/24 (2)	<p><b>Finance Report – Period 7, 2024/25: Cyber Security Incidents Best Practice Discussion</b></p> <p>On persistent future threats to enterprise risks and overall preparedness longer-term, the Chair asked that the forum to share best practice on responses to cyber security incidents include discussion on the issue of insurance, joint procurement and the market response.</p>	Andy Lord / Alex Williams	Ongoing	The independent review of the cyber incident is underway, and this will shape our work on cyber security going forward.
75/12/24 (1)	<p><b>Silvertown and Blackwall Tunnels User Charges: Breakdown of Estimated Operation Cost</b></p> <p>Costs captured the annual availability payments of around £70m per year to Riverlinx. Members requested a breakdown of the estimated cost of operation of £100m per year.</p>	Alex Williams/ Rachel McLean	February 2025	<b>Completed.</b> A breakdown was shared with Members on 4 February 2025.
76/12/24	<p><b>Travel in London 2024 Annual Overview Report: Benefits of Air Quality and Decarbonisation Initiatives Study</b></p> <p>A study had been commissioned to assess the benefits of air quality and decarbonisation initiatives on health and this would be shared with Members when completed.</p>	Alex Williams	Ongoing	This study, commissioned by the Greater London Authority, will be shared with Members once completed.
60/10/24	<p><b>Finance Report - Period 5, 2024/25: Information on TfL Go App Evolution</b></p> <p>More details and background information on the TfL Go app evolution would be circulated to Board Members.</p>	Alex Williams	July 2025	We continue to consider the development of the app and an update is scheduled for the 3 July 2025 meeting of the Customer, Sustainability and Operations Panel.
16/03/24 (2)	<p><b>Commissioner’s Report: Bus Journey Improvements Information</b></p> <p>TfL monitored the impacts from improvements made to routes and services from bus priority measures, bus lanes and roadworks on bus journey times. More granular detail would be provided to the Customer Service and Operational Performance Panel and consideration would be given to how to better promote the information more widely to the public of the value and the benefits to customers.</p>	Claire Mann / Alex Williams	March 2025	<b>Completed.</b> A paper on Bus Performance was considered by the Customer, Sustainability and Operations Panel at the meeting on 13 March 2025.

<b>Minute No.</b>	<b>Item/Description</b>	<b>Action By</b>	<b>Target Date</b>	<b>Status/Note</b>
<b>05/02/24 (4)</b>	<b>Commissioner's Report: Thamesmead Site Visit</b> Board Members would be invited to attend a Thamesmead site visit and talk through the option plans.	Alex Williams / Secretariat	Spring 2025	A site visit will be arranged and all Board Members will be invited.
<b>52/07/23 (4)</b>	<b>Safety, Health and Environment Annual Report 2022/23: Benchmarking Environmental Targets</b> It was recommended that TfL benchmark its environmental targets for construction and engineering decarbonisation, biodiversity and recycling against the wider industry and consider how it could narrow or close that gap.	Lilli Matson	April 2025	A briefing for the Customer, Sustainability and Operations Panel on decarbonisation is being arranged. All Board Members will be invited.  TfL's environmental targets and performance will be reported to the Board in the 2024/25 Annual Report and the Safety, Health and Environment Annual Report.
<b>36/06/23 (5)</b>	<b>Commissioner's Report: Public Transport Credits Scheme</b> Evidence from the earlier scrappage schemes showed that around one-third of recipients did not purchase a new vehicle. Members would be updated on the uptake of the improved public transport credits scheme in due course.	Alex Williams	Ongoing	From launch on 30 January 2023 to scheme closure on 7 September 2024, there were 875 applications received for scrappage options, which included travel passes. A full review will be available as part of the scrappage scheme evaluation report, to be published in due course.

Minute No.	Item/Description	Action By	Target Date	Status/Note
36/06/23 (8)	<p><b>Commissioner's Report: Future E-bikes Contracting</b></p> <p>TfL was meeting with London Councils to discuss the future contracting of e-bikes and consistent ways of managing the service across the city, which would be reported back to the Customer Service and Operational Performance Panel in due course.</p>	Alex Williams	-	<p><b>Completed.</b> In November 2024, we set out a new enforcement policy for dockless rental e-bike and e-scooter parking on our roads. We also responded to the Department for Transport's recent on-street micromobility rental framework consultation. If granted new powers, our priority would be to enable these services to contribute positively to our city's transport network and goals while mitigating challenges associated with this market, such as parking of cycles. An update on micromobility will be included in the next annual Cycling Action Plan update scheduled for the 3 July 2025 meeting of the Customer, Sustainability and Operations Panel.</p>



**Board**

**Date: 26 March 2025**

**Item: Commissioner's Report**

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**This paper will be considered in public**

**1 Summary**

1.1 This report provides a review of major issues and developments since the meeting of the Board on 5 February 2025.

**2 Recommendation**

2.1 **The Board is asked to note the report.**

**List of appendices to this report:**

Appendix 1: Commissioner's Report – March 2025

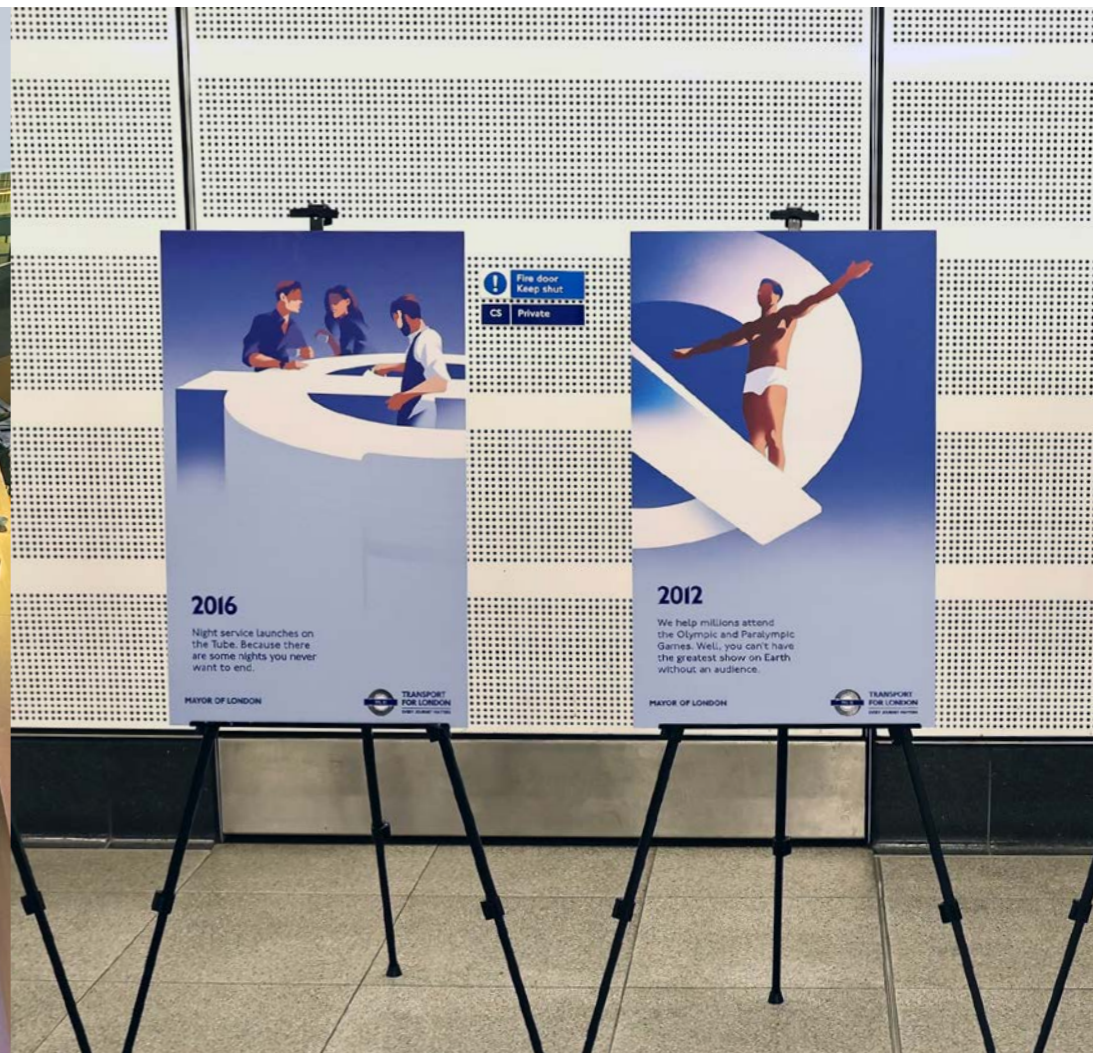
**List of Background Papers:**

None

**Andy Lord  
Commissioner  
Transport for London**







# Commissioner's report

March 2025

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# Introduction

Working together  
to make our capital  
safe, inclusive  
and connected

This report provides a review of major issues and developments since the Board meeting of 5 February. The updates within this report represent just a snapshot of the work teams across the organisation do, day in and day out, to keep London moving and thriving. Our commitment to safety, sustainability and customer service drives our work, ensuring that we support the capital's growth while improving the daily journeys of millions of people.

Since my last report, the Board will be aware of a fuel spillage incident at a bus garage owned and operated by Arriva London from which TfL-contracted buses operate. Detail of this incident is covered later in my report. Any pollution into London's waterways is completely unacceptable and we are committed to playing our part in tackling river pollution both from roads we control and our vehicle fleet. It was for that reason that I was pleased to join the Mayor earlier this month at the roundtable he convened to discuss the role we can play in restoring, protecting and improving London's waterways.

Safety is at the forefront of everything we do. Since the last Board meeting, I was pleased to speak at our Zero Harm Conference, which brought together industry leaders, partners and stakeholders to reaffirm our shared commitment to Vision Zero – eliminating deaths and serious injuries from London's transport system. Alongside this, we continue to review and enhance road safety measures, including the ongoing improvements to the A10 corridor to enhance road safety measures for all road users.

Accessibility remains a key priority, and we are making further progress in delivering step-free access across the network. I was pleased to be joined by Seb Dance, Deputy Mayor for Transport, Simon Lightwood MP, Minister for Local Transport, and representatives from Waltham Forest Council, including Leader Grace Williams and Deputy Leader Clyde Loakes at the launch event for works at Leyton station. This is a vital upgrade that will improve connectivity for customers on the Central line. In addition, plans to introduce step-free access at Northolt and Surrey Quays stations will further strengthen our commitment to ensuring that London's transport system is open to all.

Major infrastructure projects continue to shape the future of London's transport. The Silvertown Tunnel is on track for its opening on 7 April, providing much-needed resilience to cross-river travel in east London while supporting cleaner, more efficient journeys. Meanwhile, our ongoing efforts to modernise and decarbonise the network include the installation of LED lighting at King's Cross St Pancras, reducing energy consumption while improving the station environment for customers. We have now upgraded 120 stations in this way – more than 40 per cent of the network.

As part of our long-term vision, we continue to invest in the future workforce of London's transport industry. The latest apprenticeship programme has launched, offering opportunities across a wide range of disciplines, from engineering to project management, ensuring we develop the next generation of transport professionals. In addition, the recent Skills Late event at

the London Transport Museum provided a valuable platform for young people to explore careers in transport, hear from industry experts, and engage with hands-on activities designed to showcase the breadth of opportunities available. These initiatives demonstrate our commitment to developing skills, inspiring future talent and ensuring that TfL remains at the forefront of innovation and expertise.



A handwritten signature in black ink, appearing to read 'Andy Lord'. The signature is fluid and cursive, with a long horizontal stroke at the end.

**Andy Lord**  
Commissioner

# Safety and security

The safety of our customers and colleagues on the network is a key priority for us

This section begins with a summary of the most notable incidents that have occurred since the last report was published. This is followed by updates on our established safety programme that is in place to eliminate all deaths and serious injuries on London's transport network by 2041.

Safety is the priority in everything we do, and it is neither inevitable nor acceptable that anyone should be killed or seriously injured when travelling in London. We remain committed to delivering our Vision Zero action plan to eliminate all deaths and serious injuries on London's transport network by 2041, and our Bus action plan, which set out our priorities to ensure no one is killed on, or by, a bus by 2030.

We only report limited details about incidents while matters remain under investigation and pending the outcome of inquests and any regulatory or other legal proceedings.

## Safety incidents on the network

On 14 January, a customer fell while on a tram as it negotiated Reeves Corner in central Croydon. Sadly, the customer died in hospital on 8 March.

On 8 February, a car collided with a route 308 bus that was stationary at a bus stop on the opposite side of Lea Bridge Road, Clapton. The car driver suffered serious injuries and sadly died some hours later while in hospital.

On 24 February, a car collided with a route 395 bus that was stationary at a bus stop on the opposite side of Bessborough Road in Harrow. The car also collided with a number of pedestrians who were

in the vicinity of the bus stop. One of the pedestrians sadly died as a result of their injuries.

We have recently been notified that a customer sadly died in hospital on 30 December from injuries suffered when they fell while on board a route 5 bus on 15 March 2024.

On 18 February, there was a fuel spillage at Thornton Heath bus garage, owned and

operated by Arriva London. Protecting the environment is fundamental to everything we do, and we are working closely with Environment Agency, the London Fire Brigade and local authorities to limit any environmental impact. Any pollution into London's waterways is completely unacceptable and we will play our part in tackling river pollution both from roads we control and our vehicle fleet. A full investigation is under way into what happened.



We have an established safety programme in place



### Independent review of safety governance

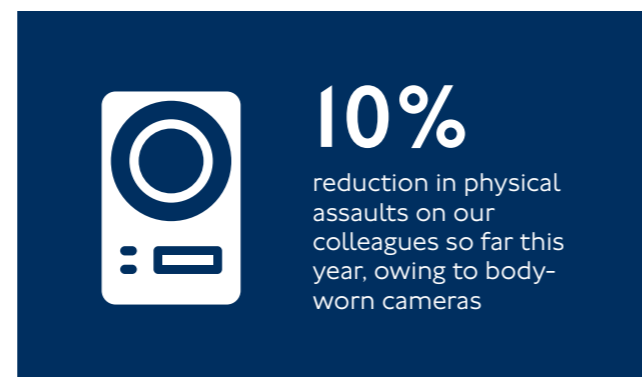
On 12 February, we published the findings of an independent review of our safety governance. The review was commissioned in June 2024 as part of our ongoing work to continuously improve safety performance and was completed by an independent advisor.

This consisted of two parts: our Safety Governance and Decision Making and a review of our Formal Investigation Report process. The overall finding of the review was that our current safety performance is good when benchmarked against other UK transport providers and the general trend is one of continuing improvement. In response to the 22 specific recommendations of the report, we have identified appropriate actions with the aim of improving our safety governance, the rigour of our investigation processes and ensuring we ‘fix, learn and continue to deliver’. The reports, recommendations and actions can be found on our website on the Safety, health and environment webpage. In the actions paper you can see some of the highlights of work we have already completed to improve safety governance, such as refreshing safety governance processes including the Executive Committee’s Safety sub-group, revising and launching new approaches to post-incident investigations following benchmarking with industry, launching pilots of new assurance approaches and further developing our leading indicator framework of metrics to track in the new financial year.

### Tackling work-related violence and aggression

We are committed to doing all we can to protect our colleagues and keep them safe in the workplace. On 31 January, we marked a year since body-worn cameras were made part of our essential kit for directly employed customer-facing colleagues in Bus Operations, London Underground Customer Operations, River Services and the Woolwich Ferry.

Simply wearing a body-worn camera is proven to be an effective preventative measure against staff assaults. So far this year, the number of physical assaults on our colleagues has reduced by more than 10 per cent, with the existence of camera footage also increasing the likelihood of a positive police response or court outcome against offenders. Since implementation, police requests for our body-worn camera footage have almost doubled. This means that more cases against offenders who assault and abuse our staff will be supported by camera evidence, which is more likely to lead to immediate ‘guilty’ pleas.



For example, in July 2024, at Bank station, a colleague was punched repeatedly in their head and face after a disagreement regarding directions. A fellow colleague and a member of the public intervened to restrain the suspect from throwing further punches. Body-worn camera footage was available, and in November 2024 the suspect pleaded guilty to charges of common assault and was ordered to pay total compensation of £300.

In August 2024 at Euston station, a customer service assistant asked a man to stop holding the doors open on a Northern line train. The man became aggressive, was shouting and swearing, and pushed our colleague. Body-worn camera footage was available, and in November 2024 the suspect pleaded guilty to charges of common assault and was ordered to pay total costs and compensation of £720.

### Crime and antisocial behaviour on public transport

On 4 February, our regular report on the levels and trends in crime and antisocial behaviour against our customers was published for the meeting of the Safety and Security Panel. This report brings together data from the Metropolitan Police Service (MPS) for the bus network, the British Transport Police (BTP) for London Underground, the Elizabeth line, London Overground, DLR and Trams, as well as our own data.

Due to the cyber incident we experienced last year and the MPS upgrade to its new crime recording system, Connect, this report only covers data and information from 1 January 2024 to 30 August 2024.

Although the report shows an increase of 6.8 per cent in incidents of reported crime across the network, the risk of anyone being a victim of, or witnessing, crime on services remains low, with 13.3 crimes reported for every million journeys made. This compares with the rate on the National Rail network of around 27 crimes reported for every million passenger journeys made, and against a backdrop of increases in reported crime across the UK, especially acquisitive crime such as shoplifting and theft.

The data shows an increase in some crime types, such as theft (up by 13 per cent) and violence overall (up by 20 per cent). Theft, primarily in the form of pickpocketing, still accounts for more than 50 per cent of all reported crime across our public transport modes. Following sustained efforts by our policing partners, especially the BTP, we have seen a welcome reduction in robbery. The increases in reported levels of hate crime and sexual violence should be seen in the context of efforts to improve confidence and make it easier to report incidents, as well as London-wide and national trends.

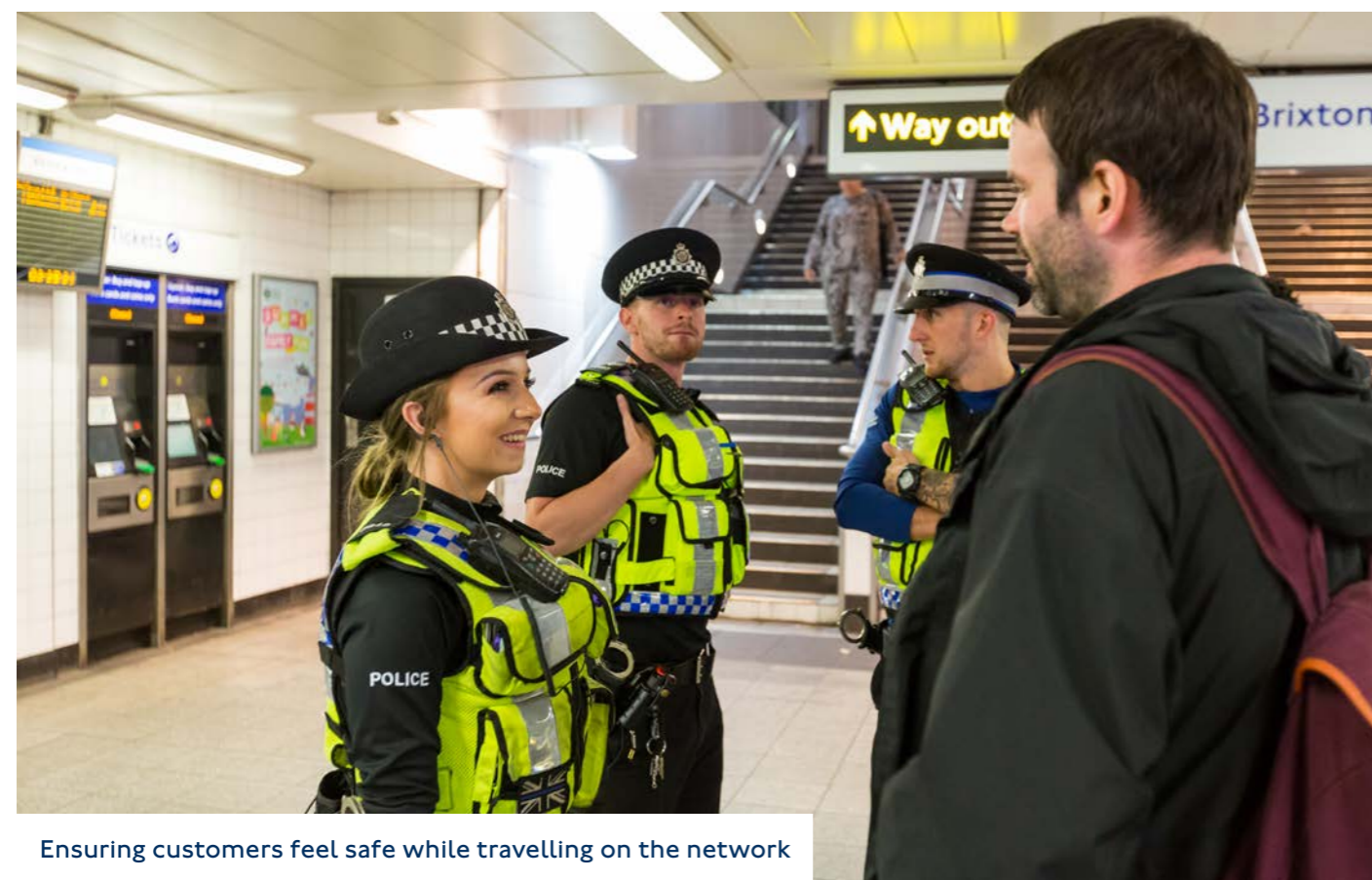
Tackling robbery continues to be a focus for our policing partners. Operation Surge is the MPS response to robbery on the bus network. Around 80 per cent of bus-related robberies happen at bus stops and victims are often young people under the age of 18. The MPS Roads and Transport Policing Command deploys high-visibility patrols to the highest-risk locations. In February, Operation Surge resulted in 99 arrests and 102 stop and searches.

The BTP's Operation Invert is a similar operation on the rail network, with high-visibility patrols deployed across identified stations and lines. For the months of January and February, it resulted in 51 arrests and 212 stop and searches.

We continue to deploy our own security and enforcement officers across the network to tackle the antisocial behaviour that makes customers and colleagues feel less safe. Since January, our officers have carried out more than 1,825 interventions to enforce breaches of our railway byelaws, with more than 291 interventions for conduct and behaviour of passengers leading to removal from the service,

premises or the refusal of travel. More than 777 people have been reported for offences under breaches of our byelaws and community safety accreditation powers that deal with antisocial behaviour on our transport network.

More than  
**777**  
people reported for offences under breaches of our byelaws and community safety accreditation powers



Ensuring customers feel safe while travelling on the network

### Tackling violence against women and girls

In partnership with the MPS, our trial of the use of specially designed CCTV cameras in 20 bus shelters continues. The trial is part of wider efforts to improve customer confidence to travel on the bus network, and ensure the whole network feels secure and welcoming for all customers. We started engaging with women using the shelters in February and we will continue to evaluate effectiveness of the cameras for the remainder of the year.

Our research highlighted many barriers faced by women and girls when reporting crime on our network. As part of our Ending Violence Against Women and Girls programme and in line with our commitments in our Equity in Motion strategy, we have begun to simplify our reporting functionality, which will add reporting of sexual harassment, hate crime, antisocial behaviour and safety concerns to our TfL Go app and website.

### Stamping out hate crime

Tackling hate crime remains a long-term priority for us and our policing partners, and we have a programme of activity under way to reassure communities across London that we take a zero-tolerance approach. We continue to work with the BTP, MPS Roads and Transport Policing Command and community organisations to tackle hate crime, reassure communities and improve confidence to travel on our network.

In February, the Community Security Trust (CST), who supports victims of hate crime, published its annual report into antisemitism. While there was a decrease of 18 per cent of hate incidents recorded by

CST from 2023, CST reported the second highest ever levels of antisemitism during 2024 with 3,528 incidents reported, and levels remaining 'enduringly' high since the start of the Israel – Gaza conflict.

We regularly engage with the Interlink Foundation and Board of Deputies, who work closely with schools and meet with CST and Shomrim on a weekly basis. We also engage with the Partnerships for Jewish Schools and local councils to support the Jewish community on matters including school pick-up and drop off.

Tell MAMA, who supports victims of Islamophobia, also published its annual report on Islamophobia in the UK. Tell MAMA reported the highest ever levels of hate crime during 2024, with 6,313 reports, an increase of 43 per cent on the previous year. They highlight increases being driven by events including the Israel – Gaza conflict and the misinformation and disorder across the UK in the summer of 2024.

Tackling all hate crime including Islamophobia remains a priority for us. Working with the police, we have carried out patrols around mosques and faith schools near transport hubs and at locations or routes where there have been reported incidents. We have also engaged with community representatives from The Muslim Councils of Britain and the Muslim Women's Network.

We will continue working with the police and engaging with the Muslim and Jewish communities to reduce fear of crime on our network and improve confidence to travel.





Increasing visibility of our bystander campaign throughout the city

For National Bystander Awareness Day on 13 March, we increased our activity across the network. This included increasing the visibility of our bystander campaign through our poster sites on London Underground and buses, demonstrating our commitment to support anyone who experiences hostility on our services. Our Transport Safety Enforcement Officers also engaged directly with our customers and staff on the day on our network, speaking about what hate crime is, how to be an active bystander and highlighting the importance of reporting any hate crime to the police. We also partnered with Protection Approaches again to offer hundreds of free places on bystander awareness training, which has proved very popular from our previous sessions around Hate Crime Awareness Week in October. The press release included an example of a woman who supported another woman who was being abused after attending the training last year.

#### Safeguarding our vulnerable customers

A core part of our work in preventing people from dying by suicide and

protecting people in mental health crisis is to recognise the extraordinary efforts of our colleagues. Our frontline colleagues intervene and support people in crisis daily.

In 2024/25, we had a total of 568 interventions, with 43 of our staff given Lifesaver awards, and 21 presented Safeguarding awards. We have started to deliver new suicide prevention training to our office-based colleagues assisting us in our active bystander efforts for this year. We also aim to encourage our customers as bystanders to spot the signs and to be confident to intervene.

We continue to engage with the London boroughs' suicide prevention groups, including community groups, NHS representatives, local councils and charitable organisations. The aim is to share best practice, support ongoing projects and escalate any areas of concern. In February, we worked with London Borough of Tower Hamlets, in partnership with Tower Hamlets GP Care Group, funded by the Department of Health and Social Care, to offer free health checks for workplaces in

the borough. These 15-minute screenings, assessing key health indicators, took place at Mile End and Bethnal Green. In total, 12 colleagues attended these screenings.

We continue to collaborate with our colleagues in River Services and we are developing a data-sharing agreement between agencies such as the Royal National Lifeboat Institution, London Ambulance Service, London Fire Brigade, MPS and Coast Guard so we can all have the best understanding of what is happening on our bridges and rivers.

#### Revenue protection

In January, our enforcement teams were featured on our social media channels to provide an insight into the various methods used by enforcement teams across the network. We have increased the frequency of on-board checking of contactless payment cards and other tickets and passes. We are using social media to raise awareness of our revenue enforcement work and our recent post received 14,800 likes on Instagram, as well as 476,100 views and 16,300 likes on TikTok.

Our in-house investigation team is rolling out training to support the identification and investigation of individuals who avoid paying for all or part of their full fare across our rail modes. Investigations continue while this training is rolled out, and a recent case investigated identified a passenger evading a fare by using a contactless payment card and failing to validate correctly for their journeys. An investigation into their travel patterns identified 299 occasions of fare evasion. The passenger attended court in January and was ordered to pay more than £1,000 to us.

#### International Ticketless Travel Summit

On 22 February, we hosted the second virtual International Ticketless Travel Summit. During the summit, Stockholm and Manchester transport authorities presented their initiatives to reduce fare evasion. Engagement with international transport authorities continues to inform our wider programme and initiatives to reduce fare evasion across the network.

#### Global Transport Ticketing Summit

Members of the Security Policing and Enforcement directorate presented at the recent Global Transport Ticketing Conference on fare evader behaviour profiles. This presentation was well received, and we were able to expand our benchmarking group summit network to include authorities from Athens, Bogota and Toronto.

We are also working with the Office of Rail and Road to provide evidence into the independent review of train operating companies' revenue protection practices, including the use of penalty fares and prosecutions. Responses have focused on our enforcement policy and revenue protection practices on our Elizabeth line and London Overground services, which are included in the review.

We are conducting analysis on the relationship between workplace violence and aggression and the techniques used to protect revenue. The results of this are intended to highlight methods to reduce incidents towards our colleagues while maximising the enforcement response across the network.



## Vision Zero

### Lowering Speeds Limits programme

Speeding remains one of the biggest risks to road users, with speed being reported as a contributory factor to around half of 2023 fatal collisions in London. We continue to investigate potential locations to extend our Lowering Speed Limits programme to help work towards our 2030 targets. Since the completion of Phase 2 of the Lowering Speed Limits programme in March 2024, 264km of our roads are subject to a 20mph speed limit. This equates to 52 per cent of all London's roads.

On 12 February, we undertook local engagement on the proposed introduction of a 20mph speed limit on A1205 Burdett Road in Tower Hamlets, with a view to introducing the lower speed limit by April 2025.



**52%**

of all London's roads are now subject to a 20mph speed limit

## Safe streets

### Safe and Healthy Streets

Over the last eight months, London's boroughs and the City of London have been developing three-year Local Implementation Plans to deliver the Mayor's Transport Strategy on their roads. The Mayor provides funding via TfL. This year, £87.6m will be allocated, which is an increase of £7.2m.

**In January, the Enfield Town Centre Liveable Neighbourhood scheme saw the delivery of a new public square and improvements to pedestrian infrastructure**

We have assessed all 33 plans and written to the boroughs setting out funding allocations. There are two new funds; the Safer Streets fund, aimed at transformational projects to improve safety and the Better Bus Partnerships fund, where seven bids have been shortlisted for further development.

These plans are expected to deliver 222 School Streets, 265 pedestrian crossings, 95km of additional cycleways and at least 20km of new bus lanes. There will be strong progress against Vision Zero with lower speeds in many locations and I0 scheme to tackle danger at junctions.

### Road safety schemes

We continue our work to improve the pedestrian crossings and add traffic calming measures in the form of raised tables (elevated sections of the road with a ramp each side) at Redcliffe Gardens in Kensington and Chelsea. We expect to finish this work before the end of March 2025.

We are also working on a new 'straight across' crossing on King's Cross Road at the

junction with Pentonville Road in Camden, which will be complete by the end of July 2025.

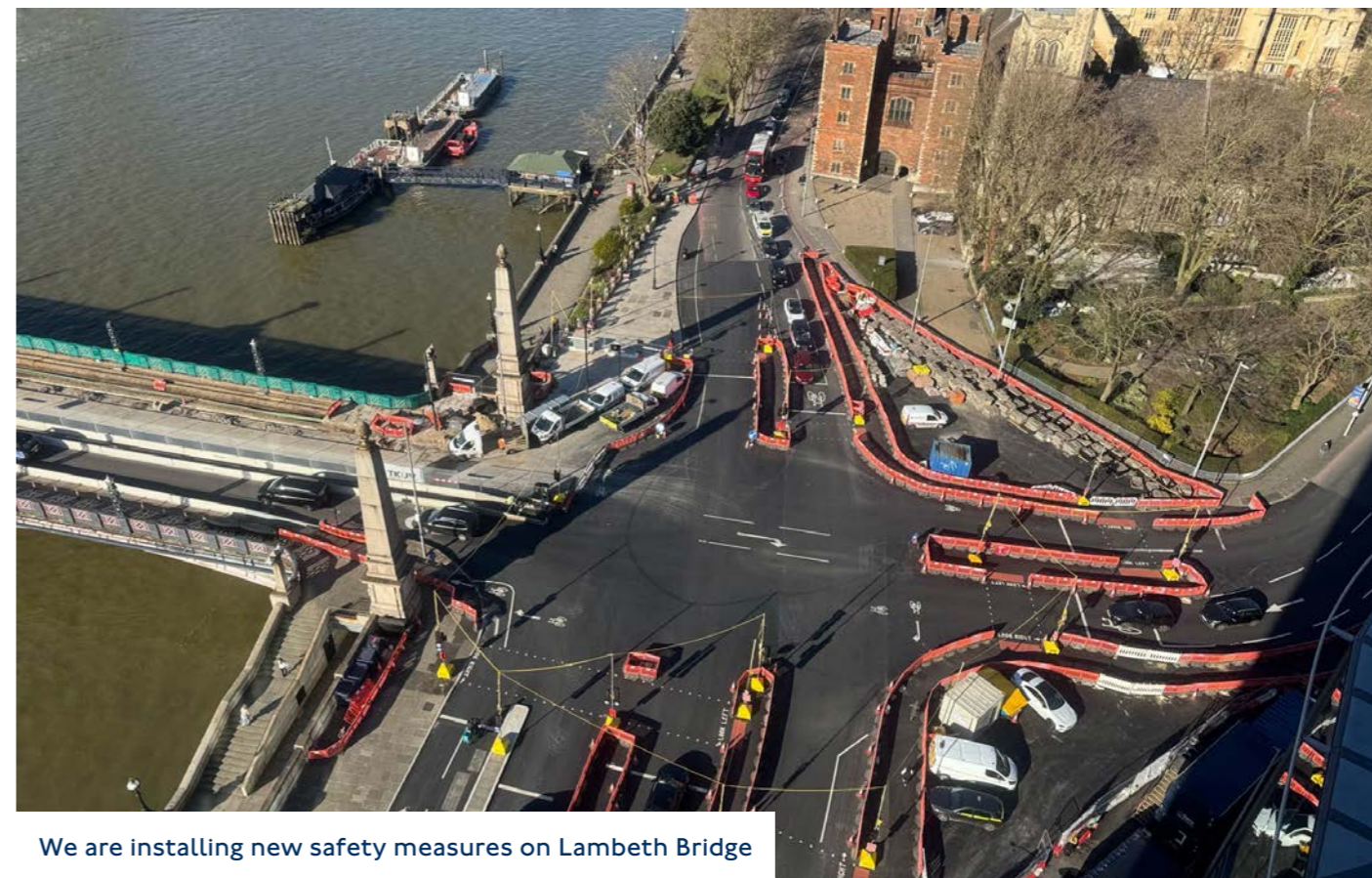
### Safer Junctions

Construction work continues on the Lambeth Bridge scheme, which will deliver safety improvements at the Millbank/Lambeth Bridge/Horseferry Road Safer Junction location. On 30 January we started installing new safety measures and carrying out urgent maintenance on Lambeth Bridge. This work will involve a series of partial and full closures of the bridge throughout the year.

Design and outcome planning work continues on the remaining junctions

covered by the programme, with detailed design planned to take place in the new financial year for the schemes at the junction of the A503 Seven Sisters Road and Woodberry Grove, Monument junction and Hogarth Roundabout. On 20 January, we released our consultation report on Hogarth Roundabout, outlining our next steps for the scheme and the changes proposed to the design in light of the response to the public consultation.

The public consultation on safety improvements in the Shoreditch area concluded on 10 February. We will now review the responses and set out our next steps in the consultation report, which we are aiming to publish in late spring.



We are installing new safety measures on Lambeth Bridge



## Safe vehicles

### Cargo bike action plan

We estimate that cargo bikes could replace up to 17 per cent of kilometres of van journeys in central London by 2030 and save up to 30,000 tonnes of carbon dioxide a year across Greater London. This would equate to around 100 million van kilometres saved per year, helping make London's streets safer, cleaner and less congested.

Data shows that cargo bike use increased 63 per cent in London from 2022 to 2023, according to analysis by Clean Cities. This rapid growth, combined with the fact that safety-related incidents have been few, demonstrates that cargo bikes can be a safe, clean and efficient alternative to vans for many delivery and servicing trips. Cargo bikes pose less danger to vulnerable road users than vans, as they are smaller, lighter and slower.

On 5 February, we published the London Safety Standard for Cargo Bikes in association with the Bicycle Association, to encourage good conduct and set out safety expectations for the growing cargo bike industry in London. This meets commitments made in our Cargo bike action plan, published in March 2023.

**Evidence shows that cargo bikes can be a safe, clean and efficient alternative to vans for many delivery and servicing trips**

This voluntary safety standard will drive good industry practice and deliver real safety benefits by eliminating casualties, directing good conduct and supporting the Mayor's Vision Zero safety objectives, all while supporting the continued growth of cargo bike use in London.

## Safe behaviours

### Road safety campaigns

We relaunched our powered two-wheelers campaign in January through social media, roadside outdoor advertising and online videos. The campaign targets both riders and drivers with a unified message to 'watch out for each other'.

The speed campaign relaunched in March on TV and radio, with new radio scripts being used in the campaign for the first time. This campaign aims to motivate drivers to change their behaviours by showing them that driving even 'a little' over the speed limit can still have devastating consequences.

### Police activity to support Vision Zero

We continue to work with the MPS to deliver London's Vision Zero commitments to reduce road deaths and serious injuries.

Between 28 January and 18 March the MPS identified 10 locations to tackle the most harmful and riskiest behaviours. A total of 4,849 Traffic Offence Reports were issued, including 282 for speeding, 282 for using mobile phones, 1,015 for no insurance and 269 for not wearing a seat belt.

### Safety improvements on the A10

On 26 February, we announced our intention to extend the existing average speed safety camera system currently in

place on the northern section of the A10 (from the M25 to Southbury Road) to cover the southern section (down to the A406), where currently there are only 'spot speed' cameras in place. This and other measures that we are taking in conjunction with Enfield Council and the Metropolitan Police Service – such as new lane markings and

an injunction prohibiting 'car cruising' – are supported by local residents and politicians who have been raising concerns about speeding drivers and antisocial road use. This will be a vital scheme to address road safety in an area where sadly people have lost their lives due to speeding.



Meeting commitments made in our Cargo bike action plan





Celebrating safety successes at our Zero Harm Conference

### Zero Harm Conference

On 20 February, we hosted our second Zero Harm Conference and Supplier Awards Ceremony. The event, which took place at City Hall, was focused around zero harm, ensuring everyone has the right to go home safe and healthy every day, without negatively impacting the environment.

This year's event built on last year's success and celebrated excellence in each of the areas of safety, health and environmental awareness and action. As before, shared knowledge and learning featured prominently as we highlighted the

great work that we, our suppliers and our contractors are doing to promote the zero harm concept.

As part of the event, we also highlighted successes across our supply chain and achievements in the safety, health and environment area by a number of our suppliers. This year, the winning entries in each category were as follows:

- Outstanding Carbon Reduction 2024 initiative: Morgan Sindall with Low Carbon Steel at Surrey Quays

- Outstanding Safety 2024 initiative: Tarmac Kier joint venture with Joe Strummer subway rain gardens
- Outstanding Health 2024 initiative: ADComms Ltd with Cable Avoidance Tool Scanning (Avoidance/Identification of Buried Services) Safety, Training and Competency
- Outstanding Environmental 2024 initiative: Morgan Sindall with occupational health hazards and control at DLR Beckton depot expansion

By celebrating achievements in this area, we reinforce our core values of responsibility and accountability, and help to ensure that safety, health and environmental awareness are at the heart of everything we do, with the aim to become a strong, green heartbeat for London.

### Meal and Grocery Delivery forum

On 6 February, we hosted our bi-annual Meal and Grocery Delivery Company Road Safety Forum. The event is a great opportunity for the industry to come together to discuss road safety by sharing information and good practices. One of the objectives of the forum is to maintain momentum and hold ourselves and each other to account on the commitments made in the Delivery Company Motorcycle Road Safety Charter that we published in 2023, with this session dedicated to e-bikes. While the charter and the forum are usually focused on motorcycle safety, we decided to dedicate this session to e-bikes, which are frequently used by couriers in the meal and grocery delivery industry.

We were pleased to welcome London's Walking and Cycling Commissioner Will Norman to February's forum, who thanked stakeholders for their continued engagement in road safety and spoke about the importance of e-bike safety. In addition, the London Fire Brigade gave a presentation on the important topic of lithium-ion battery fires. The remainder of the forum was dedicated to a group discussion on e-bike safety, including how to better communicate the risk associated with illegal vehicles and promote the safe purchase and use of e-bikes.



## Security

### Security policy

We have refreshed our internal security policy, which applies to everyone at TfL. It sets out how security is governed, expectations for our colleagues, the support available and how we continue to improve our security.

### Cyber incident

On 31 August TfL was subject to a sophisticated cyber incident. We notified the Information Commissioner's Office (ICO) on 2 September and have been liaising with the ICO since in relation to the personal data implications of the cyber incident.

On 13 February the ICO confirmed that they will not be taking any regulatory action against TfL as a result of the cyber incident and consider the matter closed, unless new information comes to light that significantly changes its understanding of the incident. The independent review of the cyber incident is ongoing.

### Using road user charging enforcement camera data to support the MPS

On 12 February, we agreed to a request from the MPS to reinstate its direct access to data from a number of our road user charging enforcement cameras. The cameras use automatic number plate recognition technology to enforce the Congestion Charge zone and the Low Emission Zone, and the MPS's access was

lost in 2022 when we upgraded our camera network. In the meantime, we have granted specific requests for data on a case-by-case basis, including to support security at the late Queen Elizabeth II's funeral and the King's coronation. We have now resolved the technical issues resulting from the upgrade.

The MPS request was supported by detailed assessments of the data protection/privacy and equalities impacts. Granting access will support the MPS in its prevention and detection of crime, thereby improving the safety and security of Londoners. The decision was made using powers delegated by the Mayor of London. The decision and supporting documents will be published on our website shortly.

**Granting access to some of our automatic number plate recognition enforcement cameras will support the MPS in its prevention and detection of crime**



Supporting the MPS to detect crime is part of our Vision Zero work



# Our customers

Working proactively to improve the customer experience

## London Underground

### New timetable for the Central line

Since late 2023, the Central line has faced significant challenges owing to motor failures as well as other age-related issues, which has resulted in fewer trains available for customers. To address this, a reduced timetable was introduced in February 2024 to offer a more consistent and reliable service while minimising unplanned cancellations.

With reinforced engineering and fleet teams, more trains have now been restored to service. As a result, the previous weekday Central line timetable was reinstated on 27 January 2025 increasing service frequency across most stations from Monday to Friday.

### New timetable for the Piccadilly line

Following widespread train wheel damage caused by Storm Darragh in December, Piccadilly line services between Uxbridge and Rayners Lane were suspended to protect the fleet and maintain service reliability. After extensive repair work, trains between Rayners Lane and Uxbridge resumed operation on 28 January. Additionally, service frequency has increased between Acton Town and Rayners Lane with the reinstatement of the Uxbridge service.

A new timetable was introduced on 13 January, in preparation for the introduction of new trains on the line. Peak-time service frequencies include eight trains per hour between Acton Town and Rayners Lane (approximately every seven to eight minutes) and four trains per

hour between Rayners Lane and Uxbridge (approximately every 15 minutes).

The Metropolitan line will continue operating as usual between Rayners Lane and Uxbridge, maintaining a combined peak frequency of more than 13 trains per hour (around every four to five minutes).

### New timetables for the Circle, District and Hammersmith & City lines

New timetables were introduced on 13 January, improving journey times for customers. These changes take advantage of recent signalling upgrades on the eastern sections of the Hammersmith & City and District lines, and mean that journey times will be up to three minutes faster when traveling to and from key stations like Embankment.



We are constantly reviewing and updating our services



### Delivering our Bus action plan

Since my last report, we have made good progress on commitments made in our Bus action plan:

- We completed 690 new Routemaster mid-life refurbishments, which includes fitting new moquette seating for our marked priority seats
- More than 7,000 bus drivers completed our new equality, diversity and inclusion training
- We have retrofitted 300 buses with intelligent speed analysis technology
- We replaced or renovated more than 180 of our bus shelters this financial year

Our focus on service quality and reliability continues with significant work undertaken to ensure schedules and timetables are appropriate to traffic conditions on the road network, and to use the tools available to us to improve journey times for our passengers.

More than  
**300**  
buses fitted with  
intelligent speed  
analysis technology



### Superloop express bus service

We have unveiled plans for the proposed SL11 Superloop express bus route, which would operate between Abbey Wood and North Greenwich, passing through Thamesmead and Woolwich. This route aims to enhance connectivity in outer London by offering faster links between key transport hubs, including the Elizabeth line, DLR, London Underground and National Rail services. The proposal includes renumbering the existing route 472 to function as an express service, thereby supporting regeneration efforts in the Thamesmead area and complementing potential DLR extensions. Public consultation on these plans is open from 3 March to 13 April.

On 31 January, we launched a consultation on the proposed Bakerloo express bus service, route BL1, at an event in south London attended by the Mayor of London and local stakeholders.

The new bus service is designed to closely follow the proposed Bakerloo line extension route, running between Waterloo, Elephant & Castle and Lewisham via Burgess Park, Old Kent Road, New Cross Gate, Lewisham station and Lewisham town centre. The proposed route would showcase the benefits of the Bakerloo line extension by improving connectivity even further in southeast London.

The proposed route BL1 would build on the success of the Superloop, a 138km express bus network completed last year that has transformed travel in outer London, adding more than six million kilometres per year to the capital's transport network.

As part of expanding the Superloop network, we are proposing several new express routes. Subject to consultation, two other routes forming part of this initial phase of the expansion include the SL11, between Abbey Wood and North Greenwich, supporting regeneration plans in Thamesmead, and SL12, between Rainham, Ferry Lane and Gants Hill, extending the Superloop network further into outer London. The two proposed routes would enable interchange with existing Superloop routes, with the SL11 connecting to the SL3 at Abbey Wood and Thamesmead, and the SL12 enabling easy interchange with SL2 at Gants Hill.

Improving connectivity in southeast London with a new proposed bus service designed to closely follow the proposed Bakerloo line extension route



We are proposing new express routes to expand the Superloop

### Elizabeth line

Work has started with GTS Rail Operations to ensure their smooth transition to concession operator in May.

Network Rail undertook track work over four weekends between 25 January and 16 February on the east of the line, with rail replaced between Stratford and Shenfield. The planned works on the east of the line included track replacement, drainage repairs, and general improvements and maintenance.

### DLR

#### Escalator replacements

We have secured funding to replace the four escalators at Cutty Sark station, which have had longstanding reliability issues and have been out of service for several months. We know this has been a frustrating experience for customers and we apologise for the inconvenience.

It will be necessary to close the station during the escalator replacement. We are working on a detailed customer and stakeholder communications plan for this period. The contract to confirm the escalator programme is in the process of being finalised, we will then be able to confirm the length of closure as well as the start date.

### London Trams

From 15 February to 23 February, we undertook planned engineering work to replace a section of track between Wellesley Road and East Croydon, with teams working around the clock during the closure to minimise disruption as

much as possible. While the Croydon town centre loop was closed to trams for these planned works, additional maintenance work undertaken included localised rail replacements, highway works, paving and drainage works, as well as platform works.

On 9 March, we undertook essential rail repair works on Lebanon Road to ensure a continued safe and reliable tram service.

### Road network

We have been working with utility companies and boroughs during this busy period of emergency utility roadworks, which have been causing impacts across the road network. One such instance was a burst water main on Marylebone Road which required a directional closure of Old Marylebone Road. Thames Water worked around the clock and was in regular communication with our operational teams to repair the leak before the Monday morning peak on 3 February. This is one of many instances of us actively working with other organisations to provide the best possible journeys for our customers and makes up part of the 7,700 days of disruption saved that we are on target to achieve this financial year.

We also saw major carriageway reconstruction on Wembley High Road, which started on 13 January and will run for five months. Works were originally planned to close the High Road to all traffic. However, with Bus Sense intervention we work closer with our borough partners to make data-driven, collaborative operational decisions based on a shared understanding, which meant we were able to keep bus

services running through these impactful works. We have worked with adjacent boroughs to minimise works on key routes and have minimised or postponed other works on diversion routes to help alleviate congestion across the network. As always with impactful work, we will continue to use Bus Sense intervention to monitor works and support the London Borough of Brent and upcoming events at Wembley.

### Events and protests

In January we began planning for the summer events calendar. We continue to support the Premier League and Football League programme on a weekly basis, in addition to the three England Rugby Six Nations matches at Twickenham against France, Scotland and Italy. We also helped facilitate the FI Live 75 event at The O2 on 18 February, which for the first time in the history of the sport saw every team launch their new car for the upcoming season at the same event.

We also supported the planning and delivery of the London Winter Run on 23 February and the St Patrick's Day Parade on 16 March, requiring multiple road closures and bus diversions in central London. The period also marked the start of another busy Wembley Stadium events period with England Women vs Spain Women in the UEFA Women's Nations League on 26 February and the men's League Cup final on 16 March.

Protests by the Palestinian Solidarity Campaign and affiliated groups continued to take place over the period in relation to the ongoing issues in the Middle East,

with a march to the US embassy taking place on 15 February. In addition, we also worked to minimise any transport impacts due to multiple protests over the period, most notably the Uniting the Kingdom and counter demonstration, Stand up to Racism on 1 February, and the Million Women Rise march on 8 March. For all these marches and demonstrations, we continue to work closely with our MPS colleagues on managing the transport impacts.

**For all marches and demonstrations we continue to work closely with our MPS colleagues on managing the transport impacts**



### Lane rental across London

We have been working in partnership with London boroughs and the DfT to develop a lane rental scheme framework for London, with a consistent set of rules for operating lane rental across 15 per cent of London's most sensitive streets. This has been shared with multiple stakeholders, including utility companies.

Our focus now is to onboard boroughs and support them to produce the information required to make applications to the DfT to operate lane rental schemes, working with colleagues in City Hall to support borough stakeholder engagement.

In this period the first tranche of four London boroughs (Camden, Enfield, Merton and Lambeth) has made lane rental scheme applications to the DfT, and we have held officer-level meetings with another 18 boroughs to encourage further take-up. We have also sent council cabinet members a prospectus to encourage more boroughs to progress schemes. As a result, we expect to hold engagement meetings with all the boroughs over the spring.

At the same time, we are engaged with the Government on the English Devolution Bill, which proposes to devolve lane rental scheme approval powers. We have responded to the consultation supporting the Government's favoured option to devolve these powers to Strategic Mayoral Authorities. If approved, this is expected to come into force in 2026.

### London River Services

We continue to play a leading role in the London water safety partnership, supporting education and training about the dangers on the river, creating a cohesive incident response and review process, improving frontline response and creating a database of incidents to understand trends.

### Woolwich Ferry

In February, we began our search for Marine Engineering and Boatmasters apprentices, engaging with local schools and colleges ahead of the apprentices joining in September.

### Customer Contact Centre

Following last year's cyber incident, we have been working hard to support affected customers. During the incident, our ticketing systems were temporarily taken offline, leading to delays in processing refunds for Oyster and contactless payments and preventing customers from applying for concessionary travel, including Zip, 18+, and 60+ Oyster photocard.

As part of our recovery efforts, we have now successfully cleared the remaining backlogs, processed more than 350,000 photocards, and issued interim travel refunds to customers who used alternative payment methods during the disruption. With applications now up to date, we have seen a significant improvement in service performance.

### Removing obstruction to the highway

Following the first annual supervisory review hearing in May last year, on 16 January 2025, the High Court determined that the injunctions granted for five years from 3 May 2023 in relation to Insulate

Britain and Just Stop Oil shall remain in place. Accordingly, our key roads and bridges will remain protected from disruptive protests. The next supervisory review hearing will take place on 12 May.

### E-scooter rental trial

Our London e-scooter rental trial has been running for three and a half years. There are now more than 1,100 designated parking bays, with around 4,500 e-scooters available for hire across 10 participating boroughs. For the period ending 9 February, 105,000 trips were made, making a total of 5.2 million trips since the trial began. The London Borough of Ealing installed an additional 50 parking bays and expanded the trial's geography to the rest of the borough.



### Taxi and private hire

Phase one of our new licensing and regulation system went live on 24 February. Phase two implementation is planned for later in 2025. Once fully operational, the system will act as the central repository for all licensing data and provides enhanced functionality to manage the administration of all licensing activities, including the processing of all taxi and private hire driver, vehicle and private hire operator

applications and other post licensing queries. It will improve online self-service functionality for licensees, as well as the security of our licensing material with new security measures included.

### Step-free access at Surrey Quays station

In February 2025, we confirmed significant upgrades to Surrey Quays station to enhance accessibility and accommodate local developments. Morgan Sindall Infrastructure was appointed as the main contractor for the project. The planned improvements include a new entrance on the north side of Lower Road, featuring a spacious ticket hall and a ticket gateline expected to serve 60 per cent of station users, thereby reducing congestion at the existing south entrance. Additionally, a new customer bridge with stairs to the platforms will alleviate crowding on current staircases, and step-free access will be provided for the first time to both platforms via two new lifts, benefiting individuals with mobility impairments and parents with pushchairs.

This project is part of a broader initiative to support the construction of 14,000 new homes in the area and is funded by the Ministry of Housing, Communities and Local Government, with contributions from British Land, the developer behind the Canada Water Masterplan. Construction started in late 2023 and will finish in summer 2026.





Work has started on delivering step-free access at Leyton station

### Step-free access at Northolt station

Enabling works started on 3 February at Northolt to provide step-free access at the station along with improved passenger and staff facilities, including an accessible toilet and waiting room.

### Step-free access at Leyton station

Work started on site at Leyton on 17 February to deliver step-free access and increase capacity to the station. The upgrade will deliver a new, larger ticket hall building, with additional ticket barrier gates

to reduce congestion, two new lifts and an overbridge to make the station step free from street to platform. The upgrades will improve the station environment leading to a smoother experience for the customer. The project is being jointly funded by us, the London Borough of Waltham Forest and government.

### Gallows Corner refurbishment

In March, we began essential works to renew and improve the Gallows Corner flyover in north-east London. This will

enable the major structure to continue to serve Londoners reliably for decades to come. These preparatory works will be followed by a full closure between June and September, closing the junction to all traffic except emergency service vehicles and our buses. The project is being funded by the DfT's Major Road Network Programme and the Mayor of London.

The full closure will have a substantial impact, with long queues and delays expected in the local area. As well as

engaging with local stakeholders, we are delivering a coordinated communications plan to make customers aware of the works, including a paid marketing campaign. Our travel advice encourages customers to avoid the area if they can, travel at off-peak times and switch their journeys to buses to avoid the worst of the disruption.



## Oxford Street

We are working with the Greater London Authority (GLA) and other key stakeholders to support the Mayor's aspirations for Oxford Street, including any potential pedestrianisation of the road.

In January, we undertook extensive traffic surveys across more than 150 locations in Westminster and Camden. The results of these will be used to inform the development and modelling of any detailed proposals for Oxford Street itself and the wider district. Subject to the outcome of the consultation on the creation of a Mayoral Development Corporation in the area, which also seeks comments on the principle of pedestrianising Oxford Street, the current intention is that we would consult on any detailed proposals in late 2025.

## High Speed 2

Since confirmation by Government that tunnelling works between Old Oak Common and Euston will go ahead, we have been working alongside The Euston Partnership members in several workshops looking at options for the Euston campus to give a best fit for all partners. We have started work on impact assessments, including bus, taxi and cycling provision. We have also begun a series of high intensity workstreams with HS2 on how to develop a viable 'do the minimum' London Underground station design that will be included in a spatial plan for Euston, to be agreed by June this year.

We continue to press the case for level boarding to be provided for Elizabeth line trains at Old Oak Common station and the matter has now been referred to the DfT for consideration after a preferred design solution was identified.

## Major projects

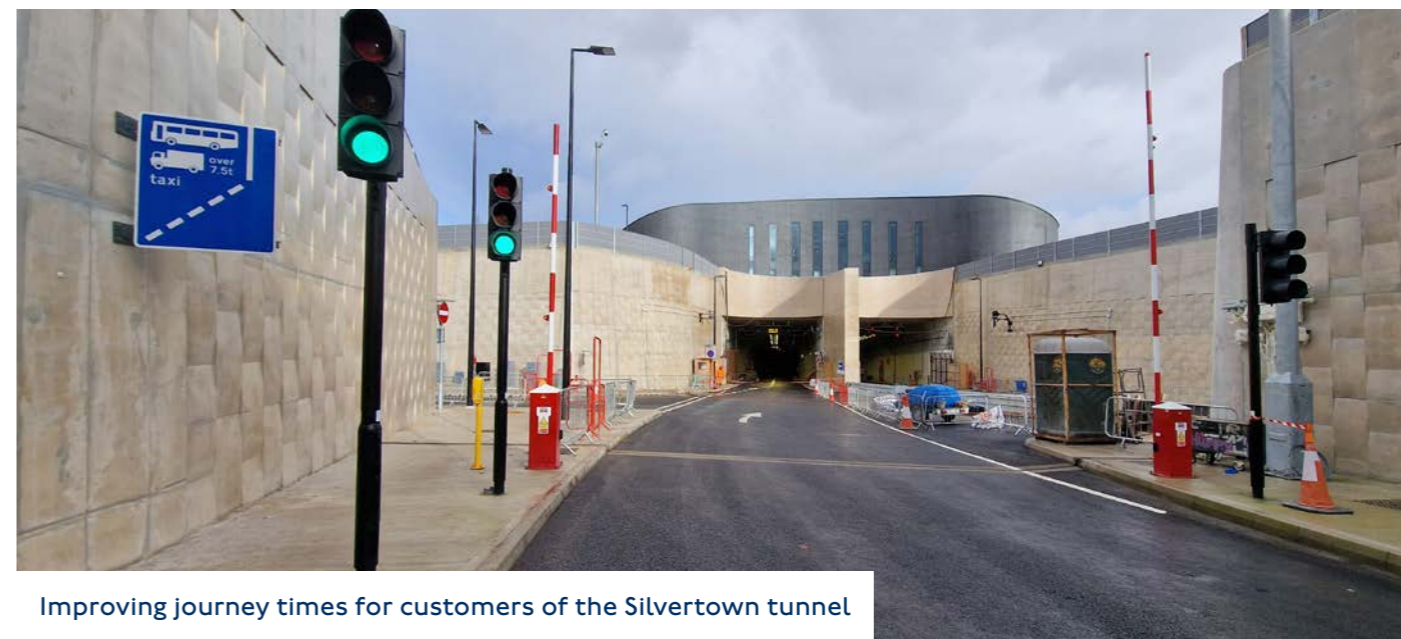
### Improving our Central line service

We are continuing to overhaul all Central line trains to deliver a safer, more reliable and accessible service. We hosted a visit for councillors from London Boroughs of Redbridge and Waltham Forest, as well as the London Assembly Transport Committee, to have a tour of the new train from Hainault station. We also hosted Meet the Manager events at Leytonstone and White City stations on 25 February, explaining the benefits of the new timetable and answering customer questions about Central line services.

It is essential that we engage with our key stakeholders impacted by the Central line reliability. The visit gave us the opportunity to discuss all the improvements and afforded stakeholders the chance to see the train enhancements first-hand. We also hosted a colleague from the Steps Into Work programme, who highlighted how impressed they were with the accessibility and LED lighting, as well as the updated voiceover.

### Piccadilly line upgrade

Since the arrival of the first new Piccadilly line train in October 2024, the train is currently in a period of extensive testing. The improvements being made as part of the Piccadilly line upgrade will help increase capacity, improve accessibility and enhance the comfort of customer journeys across the line. The new train will include double doors throughout, increased capacity, wheelchair bays and better visual displays for providing customer information.



Improving journey times for customers of the Silvertown tunnel

### New DLR rolling stock

We have now confirmed our plan with suppliers to rectify the signalling issues we found last year. Alongside this plan, we have restarted testing the new DLR trains. We are collaborating closely with the supply chain, and working hard to introduce the first new trains into passenger service as soon as possible and before the end of 2025.

### Silvertown tunnel

We are approaching the opening of the Silvertown tunnel in April, which will significantly reduce congestion and improve journey times for our customers.

We have launched direct customer communication to spread awareness of the tunnel opening date, user charges and support with pre-registration for all the available Silvertown and Blackwall tunnel charge discounts, which are aimed at local residents and small businesses.

Since 29 January, more than 2.7 million emails have been sent informing relevant customers of the tunnel opening, charges and discounts available. More than 1.5 million leaflets are being distributed to residential addresses across 13 boroughs in east London. A total of 35,000 leaflets will be distributed in the primary boroughs of Greenwich, Newham and Tower Hamlets at areas with high footfall through face-to-face marketing, and more than 80,000 businesses in these boroughs will receive leaflets on the business discount.

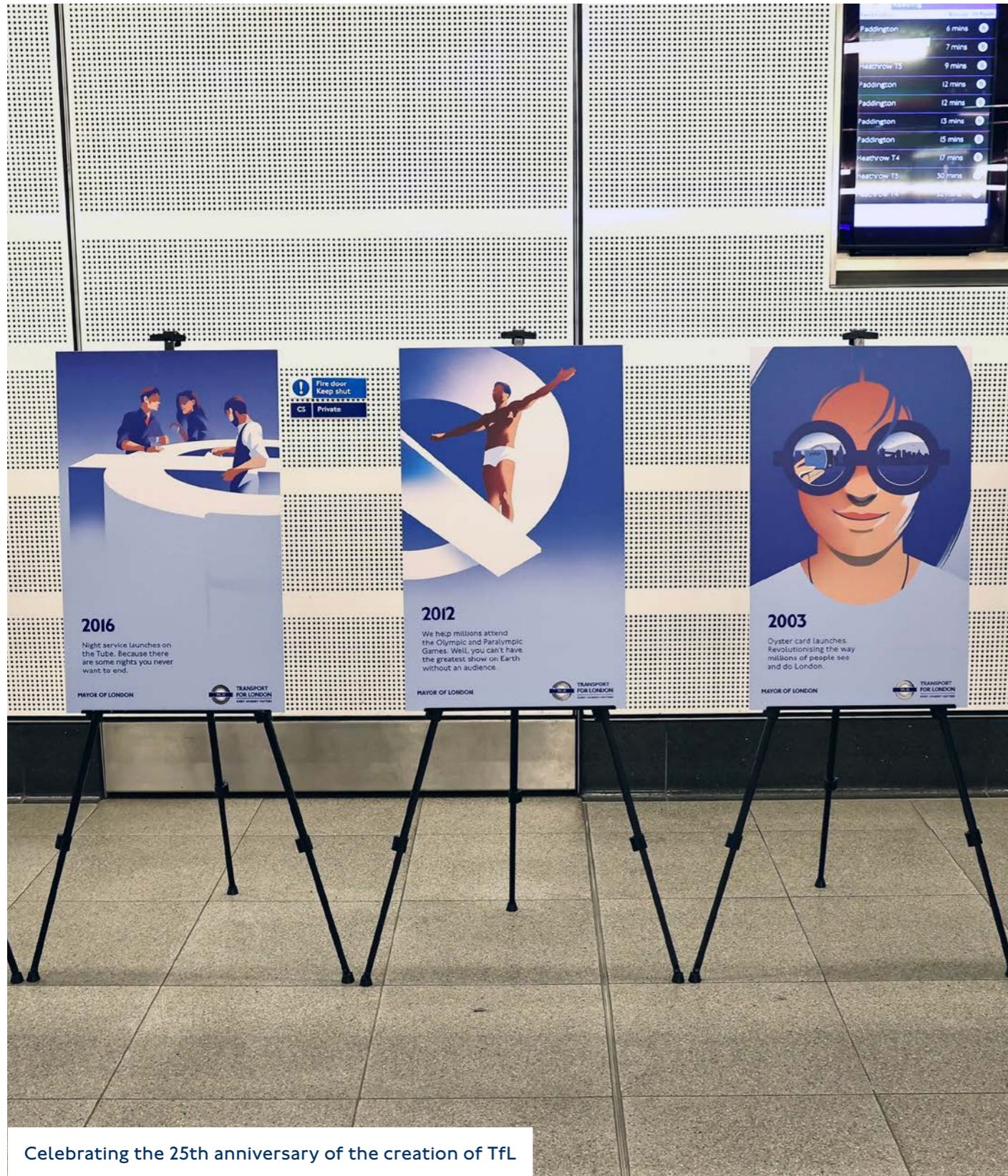
More than

**2.7m**

emails sent informing customers of the Silvertown tunnel opening







Celebrating the 25th anniversary of the creation of TfL

## Events and awards

### TfL turns 25

This year marks the 25th anniversary of the creation of TfL, transforming the capital's transport network, supporting jobs, homes and economic growth, and connecting Londoners to education, employment and leisure.

On 27 January, I had the pleasure of joining Director and CEO of London Transport Museum, Elizabeth McKay, and 25 talented buskers for an event at Liverpool Street Underground station to mark the start of our 25th anniversary celebrations.

**This year marks the 25th anniversary of the creation of TfL, transforming the capital's transport network, supporting jobs, homes and economic growth**

Journalists from BBC London and the London Standard joined us, while Britain's Got Talent winner Tokio Myers, the National Teacher of the Year and rapper MC Grammar recorded station public announcements for the occasion, and I unveiled our special TfL 25 roundel and a series of eye-catching new posters marking the improvements to public transport since TfL was established.

The event was just the start of our celebrations as we begin a year-long programme of events and activities for our colleagues and customers, including a number of events at the London Transport Museum. I look forward to an exciting year, proudly celebrating our achievements and looking ahead to our exciting future.

### Parliamentary event

On 12 February we hosted an event in Parliament to mark 25 years of TfL, and to brief MPs on our ambitions for the future, demonstrating how long-term investment in TfL will contribute to growth in London and across the country.

In total, 12 Parliamentarians attended, including Liam Conlon MP, Parliamentary Private Secretary to Secretary of State for Transport; Ruth Cadbury MP, Chair of the Commons Transport Committee; and Paul Kohler MP, Liberal Democrat Transport Lead. During the event, Paul Asser, MP for West Ham and Beckenham, committed to writing to the Treasury to make the case for the DLR extension to Thamesmead and a number of the MPs have posted on social media highlighting the event.





Tackling loneliness with a 'chatty cabins' initiative on the cable car

### IFS Cloud Cable Car events

On 7 February, we launched a 'chatty cabins' initiative on the IFS Cloud Cable Car as part of its 25th anniversary celebrations, inviting Londoners and visitors to spark new conversations as they fly above the Thames.

Each round-trip on a chatty cabin encouraged people to chat through a series of engaging questions about their favourite London moments, from cherished experiences in the city to what their favourite way of travelling is, with the aim to help support people's mental health and tackle loneliness.

This initiative builds on the Mayor's Strategy for Social Inclusion and the Reconceptualising Loneliness in London report published in 2022, which estimates 700,000 Londoners feel lonely 'always' or 'most of the time'. Loneliness disproportionately affects young, low-income, LGBTQ+, single parent, deaf or

disabled, or ethnic minority Londoners. Journalists from BBC London and the Spectator took trips on the chatty cabins and published positive coverage about the initiative.

Leading up to Valentine's Day, we launched a bespoke campaign across social media, digital posters and the Metro paper to encourage customers to use the cable car in the week leading up to Valentine's Day. Additionally, we also hosted a special Valentine's event from 13-15 February during selected hours. Tickets to the event includes fast-track access, a private cabin and Valentine's Day-themed treats.

### London Transport Museum events

On 7 February, museum visitors enjoyed performances by talented young musicians from some of London's top music schools.

This event marked the launch of Transported by Culture: Music, a new programme featuring live classical and jazz

performances in the museum's galleries, running until October 2025.

Inspired by the dynamic atmosphere of the West End, the museum is incorporating more art, culture and design into its programming to attract new audiences in Covent Garden. At the same time, it offers young musicians valuable real-world experience at the start of their careers, aligning with the museum's mission as an education and heritage charity.

On the evening of 30 January, the museum hosted a free Skills Late event to help young people kickstart their careers in transport, engineering and technology. The event was a success, reaching full capacity with 440 attendees aged 16 to 25, along with their friends, family and parents. It provided a valuable opportunity for attendees to connect with recruiting employers and explore a range of job opportunities.

This important education and social impact initiative is made possible thanks to the support of our industry partners, including ABM Industries, Cubic Transportation Systems, Hitachi Rail, Sopra Steria and Telent, as well as funding from John Lyon's charity, The Kusuma Trust, London Transport Museum Friends, and the Luke Rees-Pulley Charitable Trust.

On 30 January, London Transport Museum hosted a free Skills Late event to help young people kickstart their careers in transport, engineering and technology



Attracting new audiences at London Transport Museum



### Live poetry readings at Covent Garden

On 24 February, Covent Garden station came alive with the sounds of poetry as we hosted a special live reading event to celebrate six new poems featured across London Underground, London Overground and Elizabeth line trains.

Award-winning poets Niall Campbell, Imtiaz Dharker and Foyle Young Poet Lewis Corry captivated audiences with their readings, alongside talented TfL staff poets. Scottish writer Niall Campbell performed his poem 'February Morning' and shared works from fellow Scottish poets, while Lewis Corry delivered a powerful reading of his poem 2013, 'Daedalus never moved away for work'. Imtiaz Dharker, renowned poet, artist and filmmaker, also took part in the event, bringing her unique voice to the celebration.

The selection of poems featured at the event was truly international, including works by dissident Chinese poet Bei Dao, Indian poet Sujata Bhatt and Chinese-American poet Li-Young Lee. The great 17th-century religious poet George Herbert was also among those honoured. The chosen poems explored themes of renewal and the arrival of spring, reflecting on new life and the natural world's revival.

This memorable evening showcased the power of poetry in public spaces, offering Londoners a moment of reflection and inspiration during their travels.

## We hosted a memorable live reading event at Covent Garden station to celebrate six new poems featured across London Underground, London Overground and Elizabeth line trains

### Institution of Railway Signal Engineers

On 31 January, I attended the 'Signalling the Future' conference as a keynote speaker, joined by fellow speaker Gary Joynes, TfL Principal Engineering Leader, and others from across the global railway industry. The event was hosted by the Institution of Railway Signal Engineers, TechSoc and the IMechE Greater London Region, and included insightful presentations and knowledge sharing. Both client organisations and suppliers came together to think about how they can improve the signalling value chain. Our Capital team will continue to drive efficiencies across the supply chain.

### Fabric of London

We are delighted that alongside VCCP and Wavemaker UK, we won London's Greatest Advertising Competition, run by the Evening Standard and Outernet London, with our Fabric of London campaign. The Fabric of London creative was inspired by our iconic moquette seating fabric pattern that is seen on London's buses, trams, trains and the Tube. The creative entry included a bespoke moquette design that tells real stories shared by Londoners,

reflecting the vital role we play in bringing people from all backgrounds together and how we are the thread that connects Londoners and visitors with each other and to the city.

We launched the campaign at Outernet London on 6 February with our Customer Director, Emma Strain, in attendance,

alongside Londoners whose stories are featured in the campaign. The campaign ran until 4 March across Outernet and the Standard, including a piece recorded for the Standard podcast. We accompanied this with promotional posters across the networks, promotional material across our social media channels, a Made by TfL blog post and employee communications.



Our campaign won London's Greatest Advertising Competition

# Our colleagues

Ensuring our organisation is an inclusive and appealing place to work

## Viewpoint 2024

Following a delay due to the cyber incident, our annual staff engagement survey, Viewpoint, was open from 28 January to 28 February. Viewpoint plays a vital role in shaping the future of our organisation and making sure it is the best it can be for everyone. The responses provided will feed into our Colleague Roadmap for 2025/26, local people plans and wider projects across the business to help us do that.

**Our annual staff engagement survey, Viewpoint, plays a vital role in shaping the future of our organisation and making sure it is the best it can be for everyone**

This year, the management of Viewpoint was brought in-house to a new platform, offering greater flexibility to ask the right questions and providing quicker results to drive actions. The survey is now managed by a dedicated employee engagement team within the Chief People Office.

This year, 16,675 colleagues took part in the survey, which is just more than 61 per cent of all who were invited to participate. This is up from 58 per cent who completed the survey last year. The results will be analysed to identify any necessary actions to support our goal of making TfL a great place to work.

## Tackling imposter syndrome

Our Women's Colleague Network Group delivered an excellent programme aimed at tackling imposter syndrome, and I attended a final follow up workshop on 4 March to hear first-hand from colleagues about the different challenges that they face and that often are not visible or spoken about. I was really pleased to hear how impactful the programme has been for participants.

## Apprenticeships fairs

In February, we launched our apprentice campaign for 175 vacancies starting in September. These opportunities span 40 schemes in disciplines such as

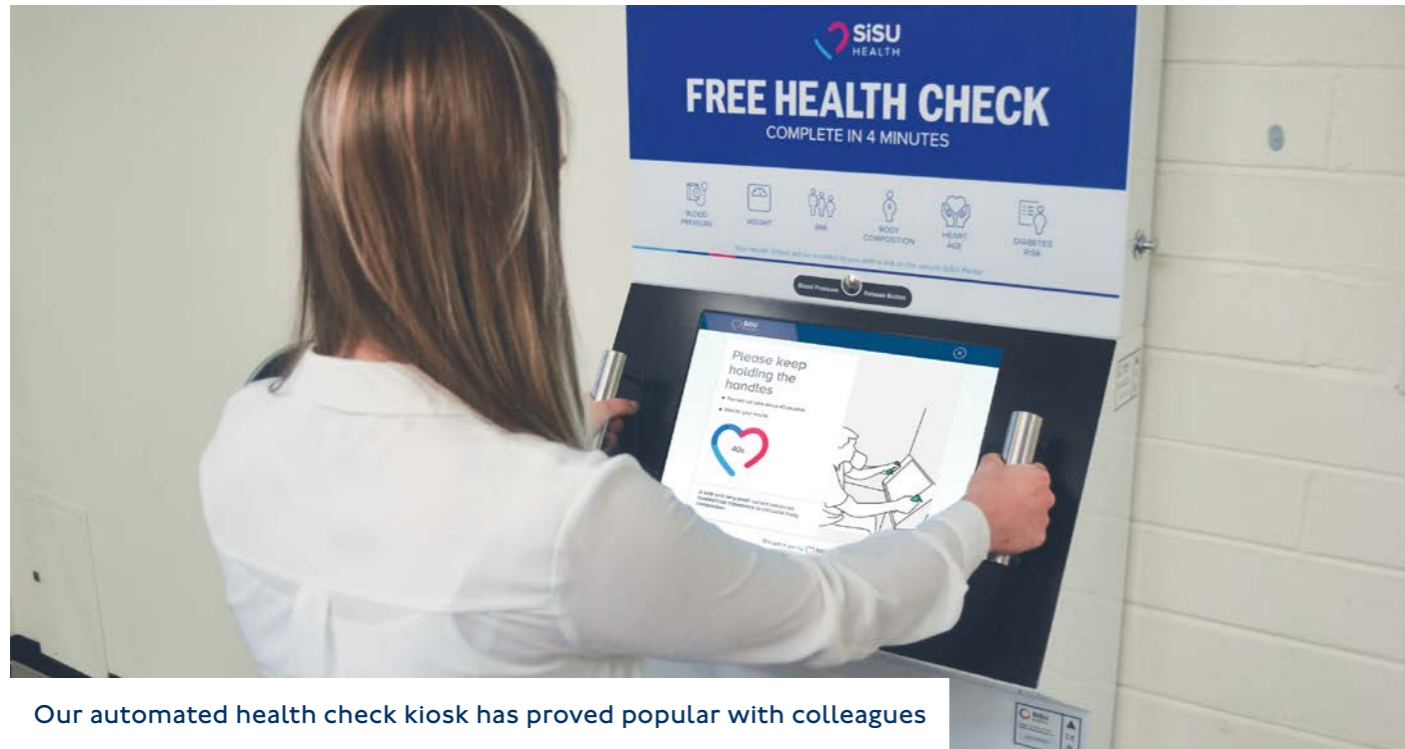
Engineering, Technology and Data, Real Estate, Finance, General Management, Project Management Office, Commercial and Procurement and Sustainability. New apprenticeships include Boatmaster and Marine Engineering.

To support the launch, we attended the TfL Supplier Skills Apprenticeship event on 11 February and will host our own TfL Apprenticeship event on 28 February. Additionally, we participated in 13 events across London in schools, colleges and at the borough level in support of National Apprenticeship Week.



Welcoming new talent into our community at TfL





Our automated health check kiosk has proved popular with colleagues

### Industrial action

Planned strike action on the Elizabeth line scheduled for 27 February and 1, 8 and 10 March was suspended. We undertook a significant amount of planning across our operational teams to mitigate and minimise disruption to our customers during any potential industrial action.

Operations Officer members of the Compliance, Policing, Operations and Security (CPOS) directorate took strike action on 20, 21 and 22 February. This was in relation to a trade dispute on the 2024 pay claim, the TfL Reward Strategy and the implementation of job families and role parity with similar roles in London Underground. The impact on our customers was minimal and we will continue to engage with our trade union colleagues and seek to resolve any outstanding issues.

### Pay gap report 2024

Our annual pay gap report was published on 28 February. The report shows that we continue to make strong progress on reducing the ethnicity pay gap, however we still face some challenges, we have seen slight increases to our median gender and disability pay gaps since 2023.

We remain committed to addressing gender, ethnicity and disability pay gaps over the coming years. In particular, we will focus on supporting the career development of colleagues to increase representation at all levels of the organisation.

### NHS workplace health checks

We are working with public health colleagues in various London boroughs to provide on-site NHS health checks at work. Several sessions in January and February were attended by 77 colleagues based

at Northumberland Park depot and 45 colleagues at Blackhorse Road station.

The reception from colleagues was positive, with many finding it more convenient to undergo the assessment while at work instead of at their GP's surgery, where they would have had to have made an appointment.

Since 4 March, we have had an automated health check kiosk in the restaurant at our Palestra Head Office building. In less than five minutes, the machine is able to check the height, weight, body mass index, blood pressure and heart disease risk of an individual, generating a report for them in the process. In the first week following its installation, approximately 70 colleagues used the kiosk, which is set to remain in place until 3 April. High blood pressure can cause a range of health problems and is regarded as a silent killer by health professionals, because very often the affected individuals are unaware that they are at risk. The regular monitoring of blood pressure is therefore particularly important, and the improved accessibility of testing equipment helps deliver this.

### Safety event for senior leaders in Operations

On 19 February, we held a safety-focused leadership event for all senior managers working in the Operations portfolio, encompassing all modes of transport, both rail and surface. The focus of the event was the importance of delivering our safety improvement plans and Vision Zero goals. The half-day session raised awareness of the impact that tragic incidents can have on victims and their families, and in particular the important role played by the Sarah Hope Line in providing help and support

after an incident has taken place. As part of the session, attendees reflected on the contribution they can make in developing a positive and proactive safety culture, mitigating risks, building relationships with operating partners and improving assurance and compliance outcomes.

### Demonstrating the importance of defibrillators

On 27 February, four members of the London Assembly's Health committee attended an event organised jointly by ourselves, the London Ambulance Service and the GLA's communications team at Liverpool Street station to draw attention to the importance of publicly accessible life-saving infrastructure on the transport network. Following an extensive roll-out programme during the last couple of years, there is now at least one defibrillator at every London Underground station, London Overground station, pier, Dial-a-Ride premises and bus interchange. The event highlighted this achievement, as well as the range of incidents that our operational staff respond to on a daily basis.

The committee members were shown the defibrillator in the main ticket hall and took part in interactive training led by the London Ambulance Service, which demonstrated how to properly use them. Members of the public were also invited to take part. Paul, a customer whose life was saved as a result of the use of a defibrillator, was reunited with the ambulance crew who saved his life, a moving moment captured by the press.

# Our green future

Taking strides to keep Londoners healthy and happy for years to come

## ULEZ One year report and scrappage scheme update

The London-wide ULEZ One year report was published on 7 March, covering the impact of the first year since its expansion across every London borough. The aim of the ULEZ is to reduce the number of older, more polluting vehicles on the road, therefore reducing emissions and concentrations of harmful pollutants, and decreasing the impact of poor air quality on the health of people living and working in London.

New data shows how the ULEZ has helped to improve air quality in the capital, alongside other TfL initiatives such as the Low Emission Zone, the introduction of more than 1,800 zero-emission buses (at the

tailpipe), the introduction of taxi and private hire vehicle age limits and emission-based licensing requirements.

Around 97 per cent of all vehicles seen driving in London are now ULEZ-compliant, and it is estimated that harmful roadside nitrogen dioxide (NO<sub>2</sub>) concentrations are 27 per cent lower across London, compared to a scenario without the ULEZ. The analysis shows that the ULEZ, and its expansion to outer London, is bringing cleaner air to all Londoners.

We also supported customers by launching the scrappage scheme in January 2023, providing financial assistance to help more eligible Londoners scrap their non-compliant vehicles. From March 2024,

an option was added for successful scrappage scheme applicants to choose to donate vehicles to support humanitarian and medical needs in Ukraine instead of scrapping them, and still receive the same grant payment.

Following the decline of application volumes and evidence of high measured compliance with the ULEZ standards, the scrappage scheme closed to new applications on 8 September 2024. A full evaluation of the scheme will be published this spring. To mitigate a potential impact of the closure, the temporary exemption for not-for-profit minibuses was extended by two years to 24 October 2027. The third-party offers ended on 8 November 2024, two months after the scheme closed.



Research shows that the ULEZ improves air quality in the capital



### **Monitoring air quality on the London Underground**

Due to the increased amount of research and data gathering we have completed across our network; we now know more than ever about air quality on the London Underground. Improving air quality and keeping dust levels to below legal exposure limits, set by the Health and Safety Executive, is a top priority for us, and monitoring air quality on the London Underground is a key pillar in our approach to improving air quality.

Each year air quality on our network is monitored by our independent partner, 4-Rail Services Limited. Our 2024 monitoring showed that dust levels, on average, remained broadly stable when compared to 2023. While there have been small increases, independent analysis, by 4-Rail Services, notes that these are not statistically significant. All recorded levels were within Health and Safety Executive's legal limits. Over the past five years we have seen dust levels falling on the network, down 21 per cent in our stations and 14 per cent in driver cabs, on average.

While continuing to invest in long-term improvements, to further our knowledge in this area, we will also be running a trial focused on developing low-cost air quality monitors, specifically for subway environments. It will run throughout 2025, with trial monitors due to be put in place over the summer.

### **Improving air quality and keeping dust levels on the London Underground to below legal exposure limits, set by the Health and Safety Executive, is a top priority for us**

The project is supported by funding through the European Institute of Technology Urban Mobility, and we will be working with a consortium of partners including RATP in Paris (a Parisian transport operator), Imperial College London and three technology suppliers. On 28 January, a successful walkabout took place with consortium partners to scope-out potential locations for the trial at three Underground stations, Hampstead, Tottenham Court Road and Baker Street.

#### **Solar Private Wire**

In October, we launched our Solar Private Wire tender, through which we are aiming to connect new solar photovoltaic technology that uses sunlight to generate electricity near our network, which may not necessarily be on our own estate. This will enable us to connect to solar private wire at a scale that far exceeds that which is available solely on our own buildings and land.

The purpose of the procurement exercise is to appoint a delivery partner to facilitate the roll out of solar energy generation directly connected to our network. As one of the largest single electricity consumers in the UK with a use of approximately 1.6 terra-watt hours per year, our aim is to use renewable energy opportunities and run our operations using 100 per cent renewable electricity.

Procuring renewable energy in this way means we would bypass public transmission and distribution networks for such energy, and significantly reduce carbon emissions associated with our operations. The scheme has the potential to connect to 64 megawatts of solar capacity to the network, which equates to five per cent of our annual electricity demand.

In February, we started stage two of the tender process, in which shortlisted applicants will submit a proposal for a solar development using a case study and we will assess their technical, financial, and commercial ability. We aim to finalise the procurement and appoint a delivery partner in early 2026.

#### **Zero-emission buses**

London continues to have the largest zero-emission bus fleet in western Europe, made up from hydrogen, battery electric and opportunity charged electric buses, which are topped up via a pantograph multiple times during the day. This commitment to environmentally friendly technologies supports our vision be a strong, green

heartbeat for London. We have 1,900 zero-emission electric buses operating across the capital, making up around 20 per cent of the fleet. This means that one in every five buses in London is using zero-emission technology and demonstrates how we are continuing to drive progress towards the Mayor's target for London to be a net zero city by 2030.

We have also completed the roll out of new electric buses on routes 320, 358 and 473.





Trialling electric construction vehicles for our projects

### Mobile charging trial for electric construction vehicles

We are trialling mobile charging for electric construction vehicles, which is the first initiative of its kind in the UK. In partnership with FM Conway, Volvo, SMT and Charge Fairy, we are using electric excavators and wheel loaders at sites in Kensington and Chelsea. Charge Fairy's mobile chargers monitor battery levels and recharge vehicles as needed, reducing emissions and improving efficiency. Over two weeks, the electric excavator alone has saved more than 100kg of carbon dioxide. This trial supports our goal of a net zero carbon London by 2030, while improving pedestrian safety as part of our Vision Zero commitment.

### King's Cross St Pancras lighting upgrade

On 14 February, we completed the task of fully converting King's Cross St Pancras station to Light Emitting Diode (LED) lighting. This involved replacing 6,000 traditional bulbs in every area of the station. We have upgraded 120 stations in this way, which means that more than 40 per cent of the London Underground network is now brighter and more efficiently lit, making journeys more comfortable and safer for our customers, and improving the working environment for our staff.

The upgrade is also significant in terms of our ongoing work to decarbonise the network. Since the new LED bulbs consume less power, we expect the upgrade to deliver an energy saving of 1,400 MWh per year (enough to power 500 homes), equivalent to 300 tonnes of carbon dioxide equivalent (CO<sub>2</sub>e) per annum. We also expect to make an operational cost saving of up to £455,000 in the first year, and then a saving of at least £300,000 per annum subsequently.

The conversion work was largely undertaken when the station was closed, which minimised inconvenience to customers. The majority of the new LED lamps and associated new equipment came from UK-based suppliers and installers, supporting the UK's growth and innovation in the lighting sector. By the start of the next decade, we aim to have converted all our stations to LED lighting.



# Our finances

Working to ensure financial stability for the long term

## Financial performance to end of Period II (1 April 2024 to 1 February 2025)

We delivered an operating surplus in 2023/24, reinvesting this in maintaining and improving our network. Our proposed 2024/25 Budget builds on this foundation, aiming to increase our ability to invest by continuing to deliver on our financial strategy:

### Grow and diversify our revenue

- Cumulative journey growth in the year to date to Period II is 1.3 per cent. In our 2024/25 budget we were targeting six per cent year-on-year journey growth over the full year, on top of the nine per cent we saw in 2023/24
- Despite growth on last year, journeys are 139 million lower than Budget, with passenger income £209m lower than Budget

### Deliver recurring cost savings

- Core operating costs are £76m higher than Budget, mainly from higher bad debt charges from enforcement income and pressures from higher bus retender costs
- To help mitigate the revenue pressure we have so far reduced non-permanent labour by 600 this year

### Grow our operating surplus

- We are making an operating deficit of £23m in the year to date. This is £150m lower than Budget as a result of revenue pressures and cyber incident impacts of £32m in the year to date
- We have seen several economic headwinds this year – slower economic growth, pressures on real-terms disposable income and a slower fall

in inflation than anticipated. This has led to slower than expected growth in passenger demand and higher cost inflation in the supply chain

- More recently, there was the cyber incident, throughout which we managed to prevent significant disruption to customers and Londoners. However, unplanned costs were necessarily incurred to ensure London could keep moving while dealing with the incident
- With a continued focus on cost control, use of contingency included in the 2024/25 Budget, and savings from lower employer pension contributions, the impact of these headwinds has been reduced and we are on track to deliver an operating surplus

### Fund our capital investment

- Capital renewals are £660m in the year to date, £34m up on last year as we increase renewals investment to address the backlog of asset replacement
- Renewals are £12m lower than Budget. We expect to renewals spend to be £27m lower than Budget over the full year

### Maintain liquidity to protect us against shocks

- Cash balances are £1.28bn at the end of Period II and are almost £50m lower than Budget, a result of revenue pressures offset by lower enhancement spend and increased borrowing
- The GLA financing facility of £350m offers additional protection against shocks and risks

## Quarter 3 forecast, 2024/25

Our Quarter 2 forecast was for an operating surplus of £23m, which was £138m lower than Budget. This was a result of lower passenger income (which was partly mitigated by our central contingency), lower road enforcement income, the financial impacts of the cyber incident, as well as cost pressures from higher bus tender price increases.

Our Quarter 3 forecast is for an operating surplus of £150m this year. This surplus will help fund investment in the transport network. The operating surplus is forecast to be £51m better than last year and £12m lower than Budget.

We established cost control measures earlier in the year to mitigate some of impact of lower revenue and have reduced our use of non-permanent labour by more than 600 full-time equivalent staff since the start of the year.

Our latest forecast reflects a slight worsening in passenger income, with journey growth showing some further decline since Quarter 2. Passenger income is now expected to be £240m lower than Budget and £52m lower than our Quarter 2 forecast.



The outcome of the triennial TfL Pension Fund valuation as at 31 March 2024, and the subsequent agreement with the TfL Pension Trustees, enables us to reduce our employer contributions from the current 27.3 per cent to 10.5 per cent for the next three years. This positive outcome helps us to balance our budget moving forward and means no change to employee pension arrangements. We have factored these lower employer pension contributions into our latest forecast, with savings of £226m in total for 2024/25.

#### **Budget 2025/26**

Our proposed 2025/26 Budget makes further progress against the Mayor's priorities and our strategic goals. It builds upon the operating surplus we delivered in 2023/24 and our forecasted operating surplus for 2024/25, with every penny of the resulting operating surplus reinvested into the maintenance and improvement of our network.

This is being achieved in the face of an uncertain macro-economic outlook, with economic growth relatively flat, higher market interest rates than in the last few years, and inflation which, while lower than the highs of 2022, is projected to remain higher for longer than was forecast at the time of our submission to the Mayor's 2025/26 Budget.

Notwithstanding these headwinds, our finance strategy shows how we are building a sustainable financial future. Our proposed budget for 2025/26 sets out how we will grow our ridership by 1.3 per cent and passenger income by £320m; grow all

our other sources of income while ULEZ compliance increases in line with the intended policy outcomes; and provide for £1.9bn of capital investment.

We will continue to deliver existing capital programmes, such as the replacement rolling stock on the Piccadilly line and the DLR, the production of 10 additional trains for the Elizabeth line, as well as make progress on new capital projects such as new rolling stock for the Bakerloo line and the trams fleet. We will also continue progressing the Mayor's priorities such as step-free access, securing progress on the DLR extension to Thamesmead and other priority growth schemes, supporting the roll out of Superloop 2 and delivering the enabling infrastructure and more zero-emission buses.

We are in positive discussions with the Mayor and Government to secure a longer-term capital funding settlement that would enable us to support growth and jobs across London and the wider UK.

Due to the current uncertainty, we are managing a range of risks for 2025/26 through the contingency we are holding in the budget as well as other levers at our disposal such as the £350m GLA financing facility, which would provide time to respond to new and significant shocks if required. We are rebuilding our cash reserves and maintaining our accounting reserves, as well as adopting a prudent approach to borrowing which puts us in a strong position to weather the current uncertainty and challenges in the year ahead, ensuring delivery of a safe, secure

and reliable network for our customers and an improved organisation for all our stakeholders.

#### **Sale of our prime digital roadside advertising sites**

On 13 February, we completed the sale of 13 of our prime digital roadside advertising sites, with the receipt of £80m that had been budgeted for. The new owner, Wildstone, has signed a 99-year lease, and they have sub-let all the sites back to the existing media owners (except Wandsworth where the media licence expired in January 2025).

The structure of the arrangement is unique, blending elements of commercial property and asset leasing, adapted to not facilitate our highway operations. Although the sites are effectively disposed of, we have ensured that the lease protects our commercial interests and that of highways operations.

We are not planning to dispose of any remaining roadside advertising sites, or the Tube/bus shelter assets. The operation of the latter was recently re-let through the Commercial Advertising team.

#### **Supply chain analysis**

On 6 February we launched our latest supply chain analysis at Acton's Rail Engineering Workshop, the centre of excellence for rail maintenance and engineering since 1922.

This report, produced by Hatch, a global engineering, project management and professional services firm, shows how our

investment into London's public transport network has huge benefits for our UK-wide supply chain. Across the past two years (2022/23 and 2023/24), we have spent more than £12bn with more than 3,000 UK suppliers. This expenditure supported 100,000 jobs per year and has helped generate more than £11bn in Gross Value Added to the UK economy over the period.

Around two thirds of our suppliers were based outside London, while nearly a third of this activity and economic benefit is felt outside London. Overall, more than half is with small and medium-sized enterprises.

The report reiterated how sustained investment in TfL can drive economic growth, within London as well as across the UK. Securing long-term funding will therefore enable us 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. We will continue to work collaboratively with the Mayor and Government to secure a long-term capital funding settlement.





Delivering affordable housing in Bollo Lane

## Places for London

### New home completions

Places for London continues to build thousands of new homes for Londoners. Work has started on sites that are delivering 4,300 homes, and more than 1,300 homes have been completed to date, of which 54 per cent are affordable. In March, Places for London achieved practical completion of Fenwick South, where they are building 46 affordable new homes for the London Borough of Lambeth, helping kickstart the regeneration of the Fenwick Estate.

On 30 January, alongside their partners Peabody and Vistry, Places for London marked the excellent progress on building 98 new affordable homes at Barkingside Yard, with an event featuring the Deputy Mayor for Housing and Residential Development, Tom Copley, and Cllr Kam Rai, the leader of Redbridge Council. The development has transformed a former builder's yard into much-needed social rent units that will provide homes for those on the council's waiting list. The development has been partly funded by the GLA's Affordable Housing Grant, which seeks to maximise the number of affordable homes across London.

Places for London continues to build new homes, with work starting on sites that will deliver 4,300 homes



### **New homes at Bollo Lane**

Places for London and their joint venture partner, Barratt London, have received the green light to provide up to 900 new homes at their Bollo Lane site. Each residential phase will deliver 50 per cent affordable housing. Construction on the first 195 homes is due to begin this spring. The second phase will deliver 455 new homes over the next five years.

### **New development at Bank station**

Places for London and Helical plc have entered into a £125m agreement with HSBC to fund a new development at Bank station. Located at 10 King William Street, it will sit above the Bank station entrance on Cannon Street, and provide an eight-storey office building, retail space and tenant amenities. Construction work has already started, and the building will be completed in December 2026.

### **Southwark development decision**

On 5 March, Places for London received planning approval for 44 new affordable homes and 429 self-contained student apartments with their partners Helical. This approval will enable them to begin detailed design on this project, which will improve the public area, enhance the external appearance of the station, provide new, modernised ticket machines, improve security features and deliver essential student accommodation, therefore reducing pressure on the wider housing market.

### **Barratt London and Places for London joint development**

On 22 February, following a fast-selling successful first phase, Barratt London and Places for London opened Stephenson House. This is the first building in the second phase of their joint development, Wembley Park Gardens.

Wembley Park Gardens is a new landmark development currently being built in the heart of Wembley Park, one of the biggest hot spots for first-time buyers. In the first half of 2024, 77 per cent of homes in the up-and-coming northwest London location were purchased by first-time buyers, highlighting its growing popularity.

### **High Barnet second consultation**

Places for London, in partnership with Barratt London, has completed the second round of pre-application public engagement events at High Barnet station in late February and early March. The station car park and adjacent storage yard have been identified by the council in their local plan as a priority location for new homes, and are proposing to build 300 new homes, with up to 40 per cent affordable housing. We are continuing to engage with the community and council ahead of the project being considered by the council's planning committee later this year.

### **Places for London partnership**

In January, Fastned and Places for London submitted their first planning application for 12 ultra-rapid electric vehicle charging bays. If approved, the new charging infrastructure at Hatton Cross will use 100 per cent certified renewable energy and accelerate London's transition to electric mobility, supporting the Mayor's sustainability goals.

### **Kilburn**

After securing planning permission to improve 11 arches along Kilburn Mews that are managed by Places for London, Morgan Sindall was appointed for the initial phase of works, which finished in January. The next phase – due to start in spring 2025 – will see the arches become suitable for commercial businesses to occupy. When complete, the project will enhance infrastructure including the historic arches, bridges, and surrounding external space between Kilburn High Road and Loveridge Road to create a new public realm off the busy High Street. The arch units will have new frontages and improved energy efficiency by utilising air source heat pumps to provide heating and cooling.

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## About us

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport. We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners' and helping to create a safer, fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made by walking, cycling or using public transport by 2041. To make this a reality, we prioritise safety, sustainability, health and the quality of people's experience in everything we do.

We run most of London's public transport services, including the London Underground, London Buses, the DLR, London Overground, Elizabeth line, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the IFS Cloud Cable Car.

We manage the city's red route strategic roads and are responsible for the maintenance, management and operation of more than 6,000 sets of traffic lights across the capital. The London boroughs are responsible for all the remaining roads within their boundaries. The experience, reliability and accessibility of our services are fundamental to Londoners' quality of life. Safety remains our number one priority and we continue to work tirelessly to improve safety across the network for both colleagues and customers.

Our vision is to be a strong, green heartbeat for London. We are investing in green infrastructure, improving walking and cycling, reducing carbon emissions, and making the city's air cleaner. The Ultra Low Emission Zone, and fleets of increasingly environmentally friendly and zero-emission buses, are helping to tackle London's toxic air. We are also improving public transport options, particularly in outer London, to ensure that more people can choose public transport or active travel over using their vehicles.

That is why we are introducing the outer London Superloop bus network, providing express bus routes circling the entire capital, connecting outer London town centres, railway stations, hospitals and transport hubs.

We have constructed many of London's most significant infrastructure projects in recent years, using transport to unlock economic growth and improve connectivity. This includes major projects like the extension of the Northern line to Battersea Power Station and Nine Elms in south London, as well as the completion of the London Overground extension to Barking Riverside and the Bank station upgrade.

The Elizabeth line, which opened in 2022, has quickly become one of the country's most popular railways, adding 10 per cent to central London's rail capacity and supporting new jobs, homes and economic growth. We also use our own land to provide thousands of new affordable

homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means using information, data and technology to make services intuitive and easy to use and doing all we can to make streets and transport services accessible and safe to all. We reinvest every penny of our income to continually improve transport networks for the people who use them every day. None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. By working together, we are creating brighter journeys and a better city.





**Board**

**Date: 26 March 2025**

**Item: Finance Report – Period 11, 2024/25**

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**This paper will be considered in public**

## **1 Summary**

- 1.1 The Finance Report presentation sets out TfL's financial results to the end of Period 11, 2024/25 (1 April 2024 to 1 February 2025).

## **2 Recommendation**

- 2.1 **The Board is asked to note the Finance Report.**

## **3 Financial Reporting to the Board**

### **Finance Report – Period 11, 2024/25**

- 3.1 The Finance Report Presentation at Appendix 1 provides a summary of year-to-date financial performance against the Budget approved by the Finance Committee on 13 March 2024, under authority delegated by the Board on 6 March 2024.

### **List of appendices to this report:**

Appendix 1: Finance Report Presentation

### **List of Background Papers:**

None

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# Finance Report

## Period 11, 2024/25

Management accounts from 1 April 2024 – 1 February 2025

### Board

26 March 2025



# Headlines

## Grow and diversify our revenue

- Cumulative journey growth in the year to date is 1.3%. In our budget we were targeting 6% year-on-year journey growth over the full year, on top of the 9% we saw in 2023/24.
- Despite growth on last year, journeys are 139 million lower than Budget with passenger income £209m lower than Budget.
- Our Quarter 3 forecast is for passenger income to be £245m up on last year, but £240m lower than Budget.

## Deliver recurring cost savings

- Core operating costs are £76m higher than Budget, mainly from higher bad debt charges from enforcement income and pressures from higher bus tender costs.
- To help mitigate the revenue pressure we have so far reduced non-permanent labour (NPL) by 600 this year.
- The outcome of the triennial TfL Pension Fund valuation as at 31 March 2024 and the subsequent agreement with the TfL Pension Trustees, allows us to reduce the employer contributions from the current 27.3 per cent to 10.5 per cent for the next three years. These lower employer pension contributions are factored into our latest forecast, with savings of £226m this year.

## Grow our operating surplus

- We are making an operating deficit of £23m in the year to date. This is £150m lower than Budget as a result of revenue pressures and cyber incident impacts of £32m in the year to date.
- Our Quarter 3 full-year forecast is for an operating surplus of £150m this year, which is £51m better than last year and £12m lower than Budget.

## Fund our capital investment

- Capital renewals are £660m in the year to date, £34m up on last year as we increase renewals investment to address the backlog of asset replacement.
- Renewals are £12m lower than Budget. We expect renewals spend to be £27m lower than Budget over the full year.
- We have secured £485m of government capital funding for 2025/26.

## Maintain liquidity to protect us against shocks

- Cash balances are £1.28bn at the end of Period 11 and are almost £50m lower than Budget, a result of revenue pressures offset by lower enhancement spend and increased borrowing.
- The Greater London Authority (GLA) financing facility of £350m offers additional protection against shocks and risks.



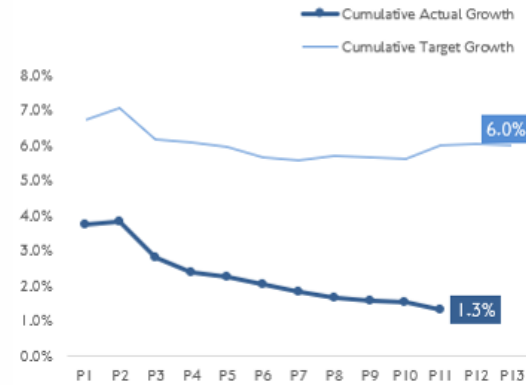
# Passenger journeys

In 2024/25 we have budgeted 6% year-on-year growth in demand. In the year to date, journeys are 1.3% up on last year, but are 139 million lower than Budget. This is largely owing to a range of economic factors, which are impacting both leisure and commuting demand. There have been other factors impacting customer choices including national rail strikes.

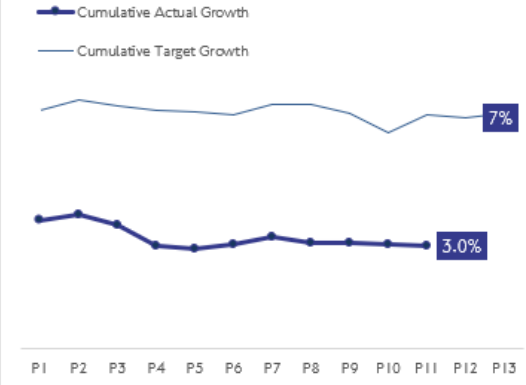
As a result of the cyber incident we have been estimating journey volumes based on income received since period 6. Our previous estimates for periods 6-8 were restated in our period 9 update to the Board, with access to partial journey data restored. There still remains a small level of uncertainty with the journey data until it is fully restored.

## Passenger journeys year-on-year growth and comparison to Budget

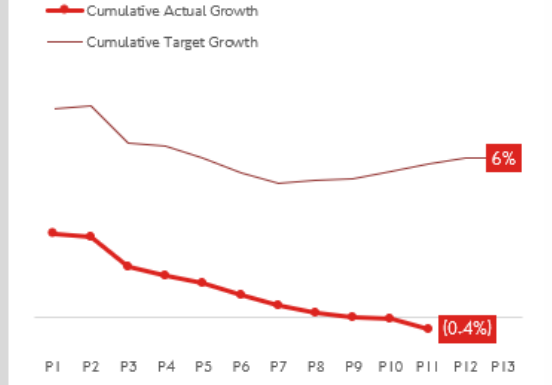
TfL	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	267	(28.5)	(2.5)	-0.9%	
	Y	3,021	(139.2)	39.7	1.3%	



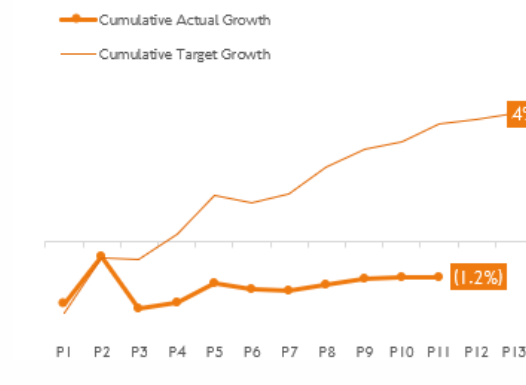
LU	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	89	(8.6)	2.2	2.5%	
	Y	1,019	(38.1)	30.1	3.0%	



Bus	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	138	(16.4)	(5.5)	-3.8%	
	Y	1,558	(88.9)	(6.0)	-0.4%	



Rail	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	22	(2.5)	(0.3)	-1.2%	
	Y	250	(13.6)	(2.9)	-1.2%	

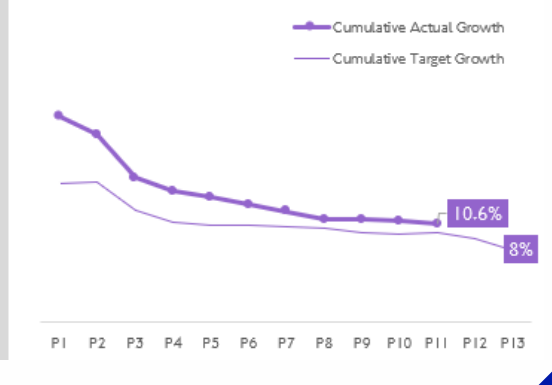


LO	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	14	(1.7)	(0.1)	-0.6%	
	Y	154	(8.8)	0.8	0.5%	

DLR	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	7	(0.6)	(0.0)	-0.3%	
	Y	82	(3.5)	(1.3)	-1.6%	

Tram	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	2	(0.2)	(0.2)	-10.1%	
	Y	15	(1.3)	(2.4)	-14.2%	

EL	Absolute m		Var to Bud m		Var to Last Year (m/ %)	
	P	17	(0.9)	1.1	6.9%	
	Y	194	1.4	18.5	10.6%	





# Our progress

Our underlying revenue has increased by over £4bn since 2020/21 and is more than £500m up on last year, with increases from all revenue sources.

Real terms like-for-like operating costs are almost £400m lower than in 2020/21.

## Grow and diversify our revenue

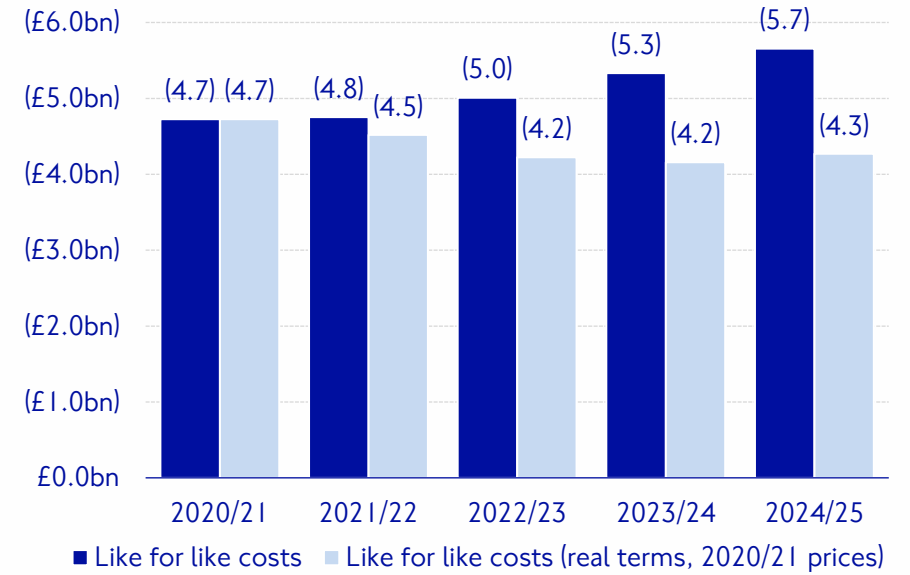
Revenue (excluding extraordinary funding)  
Year to Period II (£m)



Excludes all HMG pandemic related funding and one-off GLA funding

## Deliver recurring cost savings

Like-for-like costs since 2020/21 – Year to Period II (£bn)



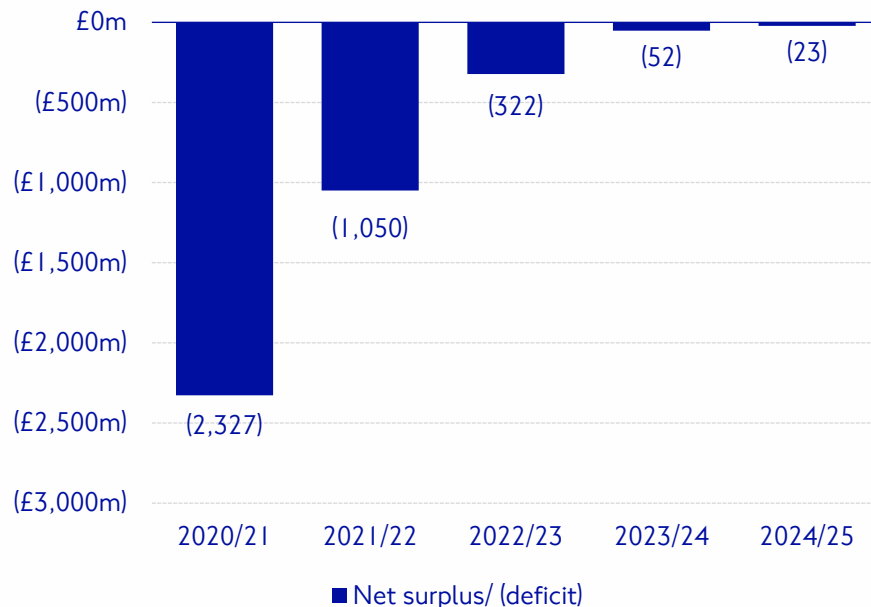
# Our progress

We turned an operating deficit into a surplus in 2023/24 through revenue increases and cost control. We are currently making a deficit, but expect to make a surplus of £150m by year end.

Our cash balance is broadly in line with our strategic minimum cash level; we are forecasting to end the year above £1.3bn of cash.

## Grow our operating surplus

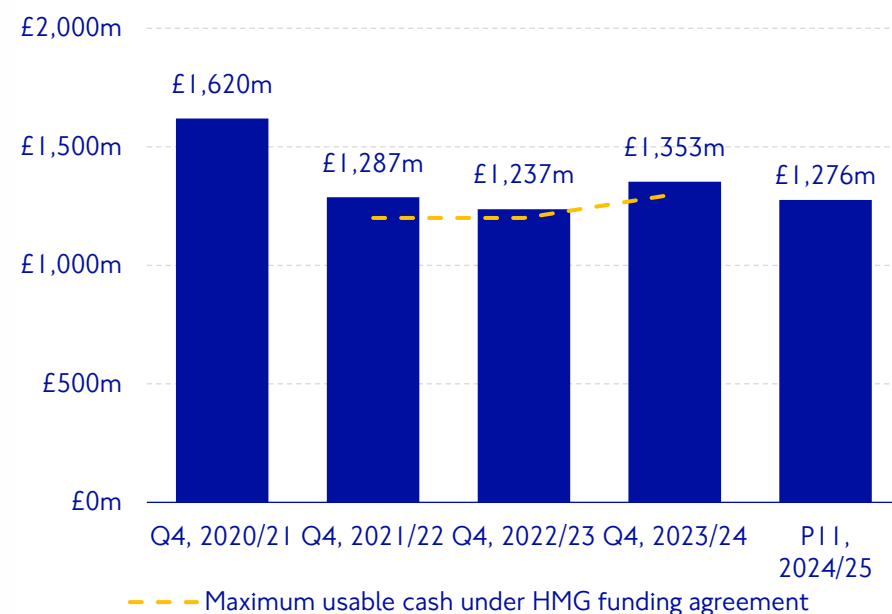
Operating surplus / (deficit) – Year to Period II (£m)



Excludes all HMG pandemic related funding

## Maintaining liquidity to protect us against shocks

Cash balance (£m)



# Economic context

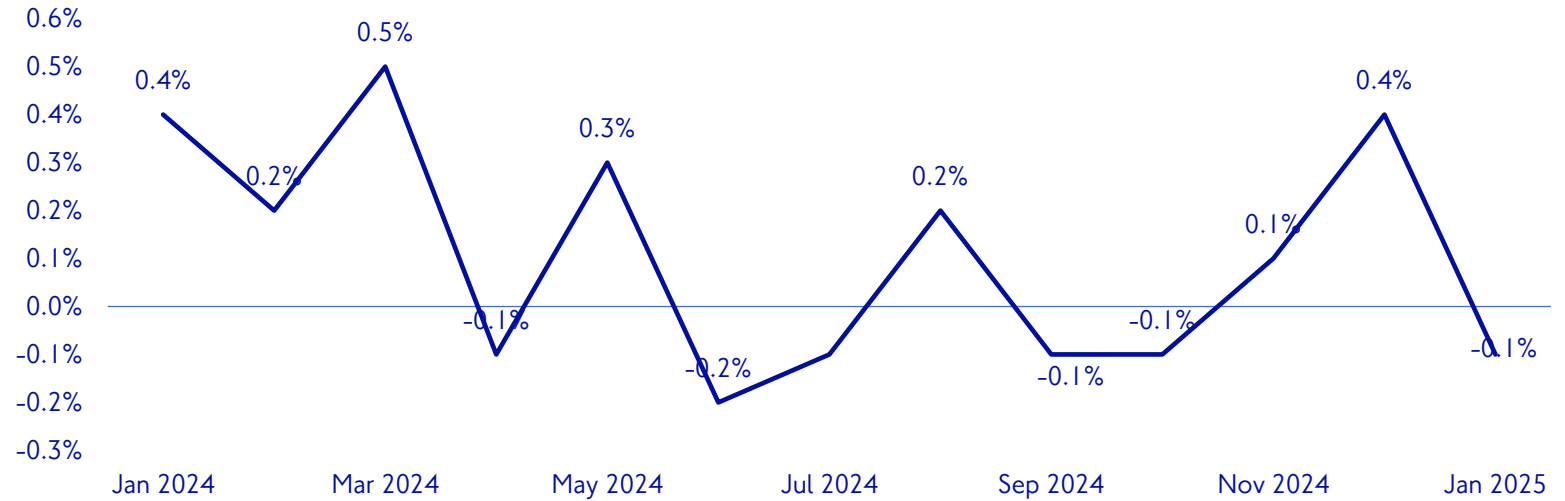
Economic growth has been lower than expected. The economic forecast that underpinned our Budget estimated gross domestic product (GDP) growth at between 1% and 1.6% this year. GDP has grown by 0.2% in the three months to January 2025, compared to the previous quarter.

Retail volumes are falling and have declined by 0.6% in the three months to January 2025 when compared with the preceding quarter.

A recent survey of business indicates that economic uncertainty is the main challenge they currently face, increasing significantly over recent months.\* Global economic uncertainty, already high from the war in Ukraine and geo-political uncertainties, has increased in recent months as a result of the current US administration's trade policy. This is likely to add to UK economic challenges.

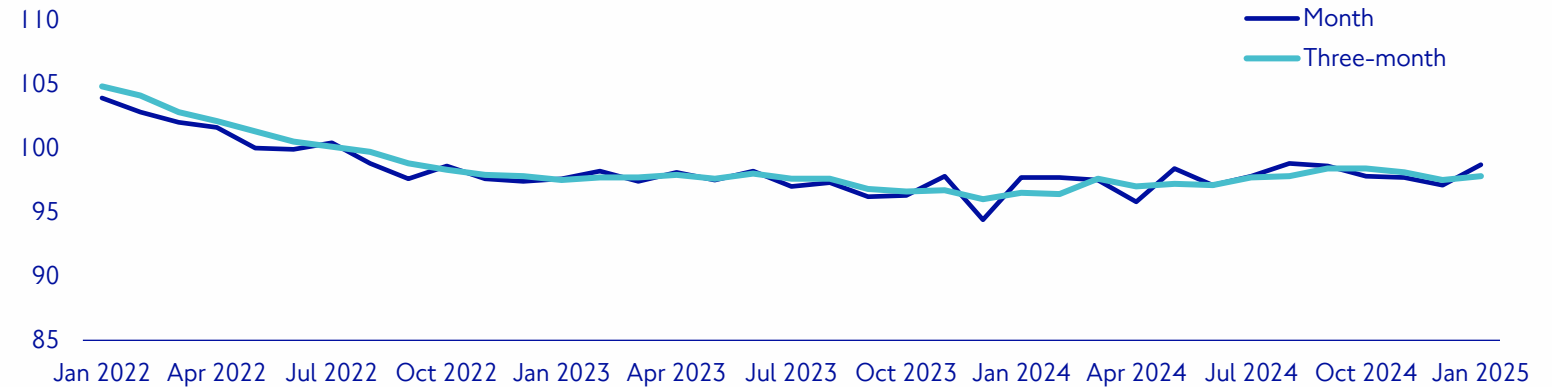
\* ONS, *Business Insights and the impact on the UK economy* (March 2025)

## UK economic growth remains sluggish



ONS, GDP monthly estimate, UK: January 2025 (March 2025)

## Retail sales have levelled off after a falling trend



ONS, Retail sales, Great Britain: January 2025 (March 2025)

**A strong, green heartbeat for London**





# Income statement

In the year to date we have an operating deficit of £23m.

Passenger income is £209m lower than Budget in the year to date, driven by lower passenger growth than expected. Other operating income is £46m up on Budget from higher ULEZ enforcement income.

Our core operating costs are £76m higher than Budget, mainly from higher bad debt charges from enforcement income. Exceptional costs are £86m lower than Budget, mainly from central contingency release, which was budgeted to mitigate risks on revenue and other unforeseen events.

	£m	Actuals	Variance to Budget		Variance to last year	
Passenger income		4,427	(209)	-5%	179	4%
DfT revenue top-up		0	0	N/A	(162)	-100%
<b>Passenger income</b>		<b>4,427</b>	<b>(209)</b>	<b>-5%</b>	<b>17</b>	<b>0%</b>
Other operating income		1,312	46	4%	92	8%
Business Rates Retention		1,836	0	0%	217	13%
Other revenue grants		240	2	1%	(67)	-22%
<b>Revenue</b>		<b>7,815</b>	<b>(161)</b>	<b>-2%</b>	<b>259</b>	<b>3%</b>
Core operating costs		(6,650)	(76)	-1%	(467)	-8%
Investment programme operating costs		(135)	(3)	-2%	146	52%
Exceptional costs		(27)	86	76%	(21)	-393%
<b>Operating surplus before interest and renewals</b>		<b>1,003</b>	<b>(154)</b>	<b>-13%</b>	<b>(83)</b>	<b>-8%</b>
Capital renewals		(660)	12	2%	(34)	-5%
Net interest costs		(365)	(8)	-2%	(15)	-4%
<b>Operating surplus / (deficit)</b>		<b>(23)</b>	<b>(150)</b>	<b>-118%</b>	<b>(132)</b>	<b>-121%</b>
<b>Places for London net contribution</b>		<b>28</b>	<b>6</b>	<b>25%</b>	<b>(7)</b>	<b>-21%</b>
<b>Operating surplus/ (deficit) including Places</b>		<b>5</b>	<b>(144)</b>	<b>-96%</b>	<b>(140)</b>	<b>-96%</b>

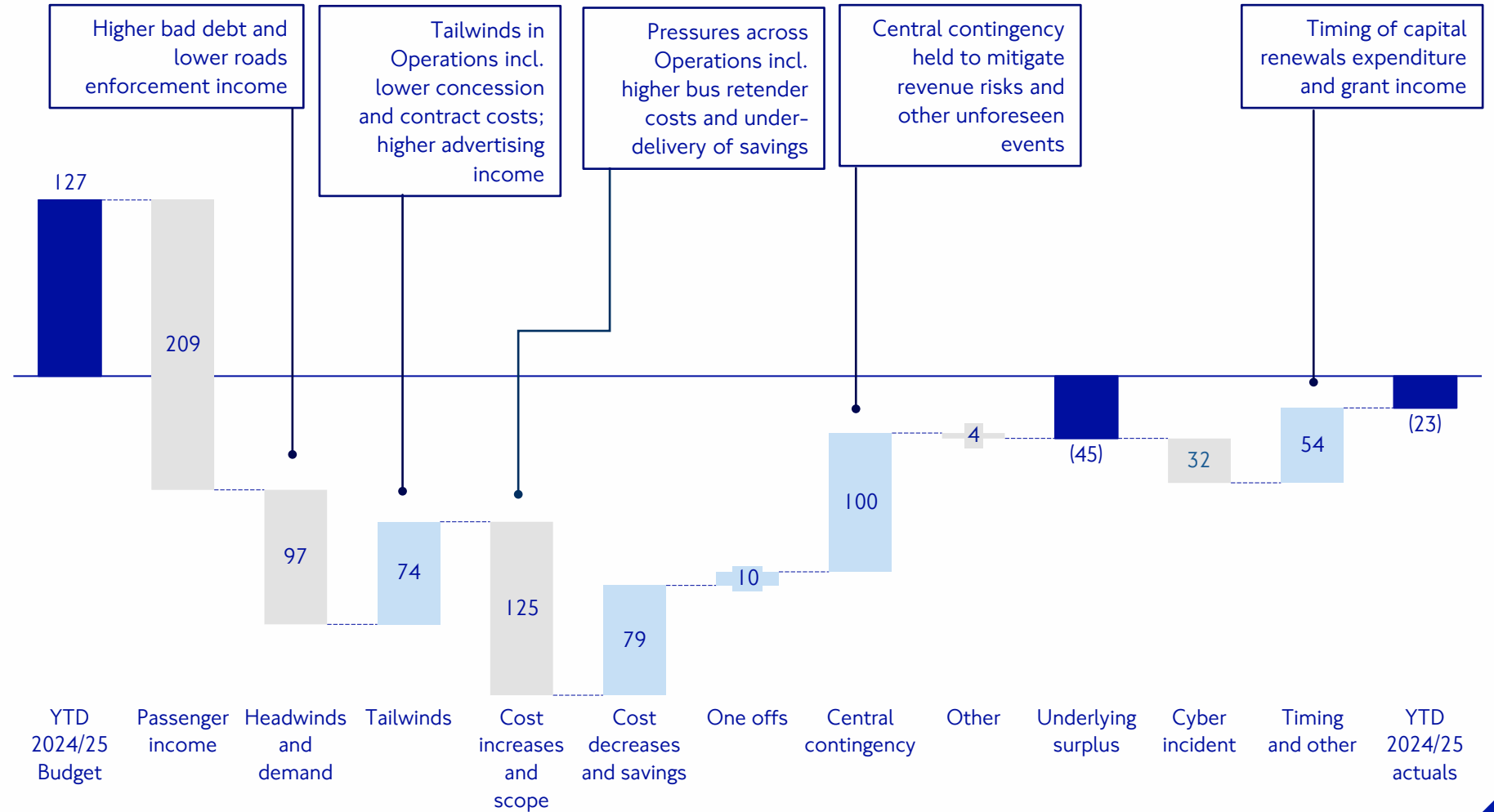


# Operating surplus

We have an operating deficit of £23m in the year to date, which is £150m worse than Budget. After adjusting for timing differences and cyber incident costs, we are making a deficit of £45m, £172m behind Budget.

We are seeing a combined £306m pressure on our surplus from demand and volume impacts on passenger income, roads enforcement income and enforcement payment rates. Our operating costs have also seen pressures from higher bus retender prices, which we have partly mitigated through savings.

## Operating surplus – year to date variances from Budget (£m)



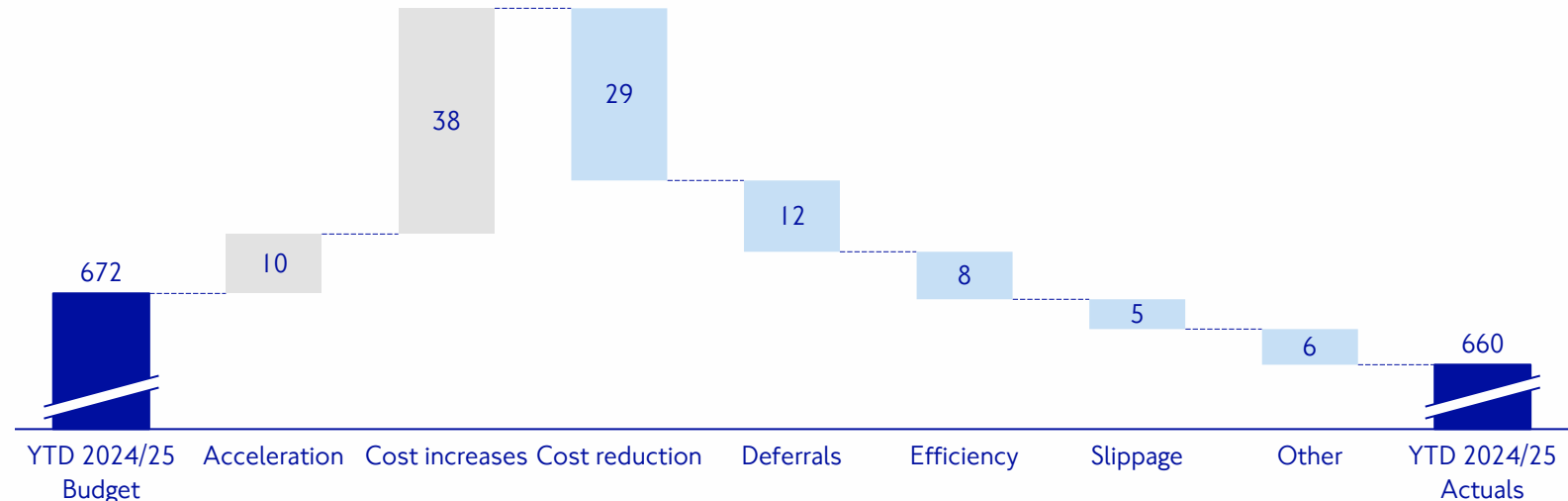
# Capital renewals

Capital renewals are £660m in the year to date, £34m up on last year as we increase our renewals investment to address the backlog of asset replacement.

Renewals spend is £12m lower than Budget in the year to date, largely driven by cost reduction in Technology projects (Payments and Hosting) and transfer to operating costs due to a move to software-as-a-service model on an IT project.

	£m	Actuals	Variance to Budget		Variance to last year	
Four Lines Modernisation	(4)	(4)	1	14%	0	8%
Silvertown Tunnel	(3)	(3)	1	28%	(2)	-516%
Streets, Bus & RSS Renewals	(139)	(139)	3	2%	(5)	-4%
Environment	(24)	(24)	(0)	-1%	(9)	-59%
Rail & Station Enhancements	(1)	(1)	(0)	-133%	2	67%
LU Renewals	(352)	(352)	3	1%	(11)	-3%
Technology	(119)	(119)	12	9%	(7)	-7%
Licensing & Regulation (TPH)	(8)	(8)	(2)	-35%	(4)	-112%
Estates Directorate	(10)	(10)	4	28%	2	16%
Overlays	(0)	(0)	(9)	100%	0	96%
<b>Total</b>		<b>(660)</b>	<b>12</b>	<b>2%</b>	<b>(34)</b>	<b>-5%</b>

## Capital renewals variances compared to Budget, by cause (£m)



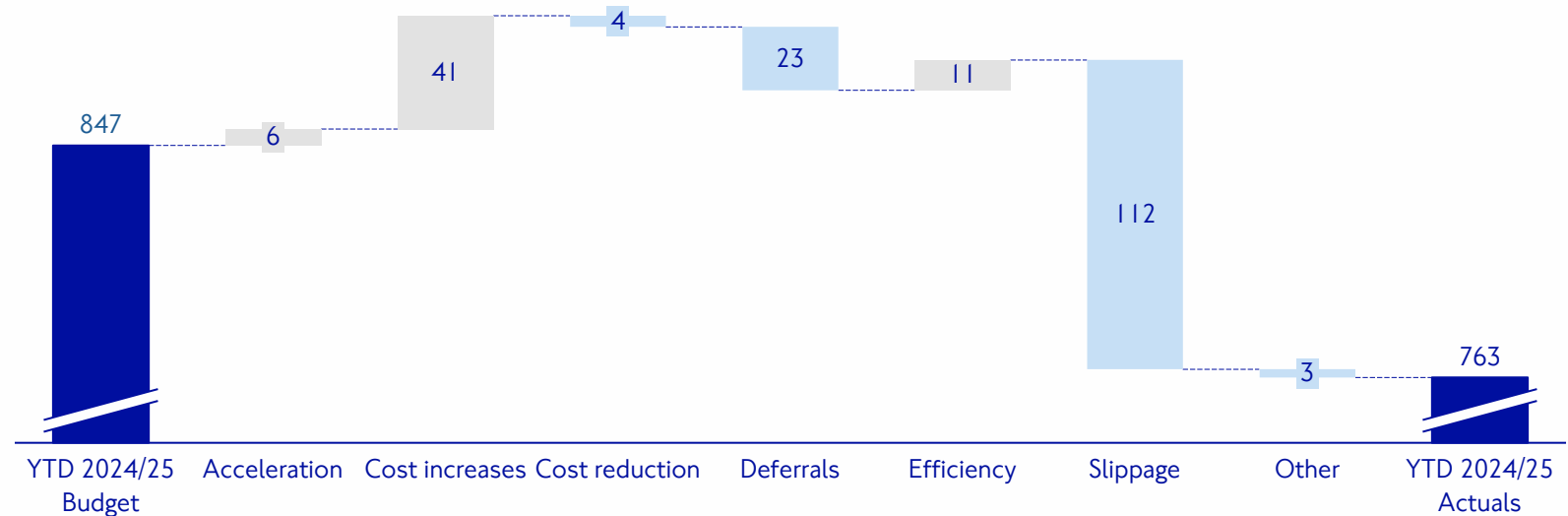
# Capital enhancements

Capital enhancements (excluding Places for London and Crossrail) are £763m in the year to date, £144m lower than last year.

Enhancements spend is £85m lower than Budget in the year to date, largely driven by re-phasing on Piccadilly Line Upgrade and 4LM programmes, and delays across DLR Rolling Stock programme.

	£m	Actuals	Variance to Budget		Variance to last year	
Four Lines Modernisation		(58)	4	6%	30	34%
DLR Rolling Stock Replacement		(164)	15	9%	21	11%
Piccadilly Line Upgrade		(254)	84	25%	95	27%
Bakerloo Line Trains		(5)	1	12%	(3)	-203%
Trams replacement		(2)	1	28%	(1)	-28%
Other Enhancements		(281)	(20)	-7%	1	0%
<b>Total TfL excl. Places and Crossrail</b>		<b>(763)</b>	<b>85</b>	<b>10%</b>	<b>144</b>	<b>16%</b>
Places for London		(122)	14	10%	(42)	-52%
Crossrail		(19)	19	50%	23	55%
<b>Total</b>		<b>(903)</b>	<b>118</b>	<b>12%</b>	<b>125</b>	<b>12%</b>

Capital enhancements variances compared to Budget, by cause (£m)





# Cash balances and cash flow

Cash balances are £1.28bn at the end of Period 11, down by almost £80m since the end of 2023/24, and almost £50m lower than Budget.

Our cash balances are lower than Budget mainly as a result of lower revenue, which has been partly mitigated through lower capital enhancement spend and increased borrowing.

Our Treasury policy is to ensure we have on average 60 days of operating costs as our minimum cash balance, which will allow us to meet our payment obligations. We are forecasting to be above the £1.3bn target for the year end.

Cash balances (£m)	Actuals	Variance to Budget		Variance to last year	
Opening balances	1,353	(56)	-4%	115	9%
Change in cash balances	(77)	10	11%	(84)	<-1000%
<b>Closing cash balances</b>	<b>1,276</b>	<b>(46)</b>	<b>-3%</b>	<b>31</b>	<b>2%</b>

Cash flow statement (£m)	Actuals	Variance to Budget		Variance to last year	
<b>Operating surplus before renewals and interest</b>	1,003	(154)	-13%	(83)	-8%
Less LTIG and LTM	2	3	244%	3	282%
<i>Cash generated / (used) from operating activities</i>	<b>1,004</b>	<b>(151)</b>	<b>-13%</b>	<b>(81)</b>	<b>-7%</b>
Capital renewals	(660)	12	2%	(34)	-5%
New capital investment (VOWD)	(763)	85	10%	144	16%
Investment grants and ring-fenced funding	149	(12)	-7%	(592)	-80%
Working capital movements	(21)	(25)	-663%	(185)	-113%
<i>Cash generated / (used) from investing activities</i>	<b>(1,295)</b>	<b>60</b>	<b>4%</b>	<b>(669)</b>	<b>-107%</b>
<b>Free cash flow</b>	<b>(291)</b>	<b>(91)</b>	<b>-45%</b>	<b>(749)</b>	<b>-163%</b>
Net financing costs	(365)	(8)	-2%	(15)	-4%
Net borrowings	579	108	23%	680	676%
<i>Cash generated / (used) from financing activities</i>	<b>214</b>	<b>100</b>	<b>88%</b>	<b>665</b>	<b>147%</b>
<b>Change in cash balance</b>	<b>(77)</b>	<b>10</b>	<b>11%</b>	<b>(84)</b>	<b>&lt;-1000%</b>



# Debt

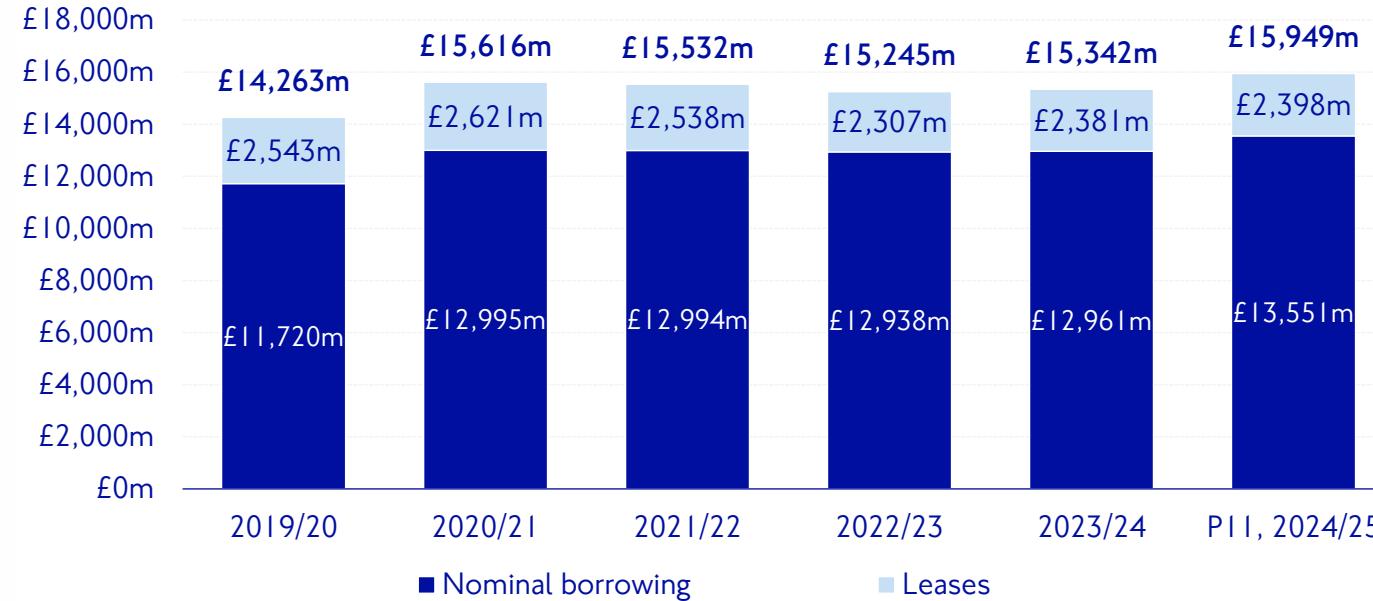
Our level of outstanding borrowing has increased by £590m for the year, bringing our total borrowing balance to £13,551m.

As part of preparing our submission into the 2025/26 GLA Mayor's Budget, we have accelerated previously planned borrowing from future years into 2024/25 to help mitigate the lower than Budget operating surplus this year. This means we have exceeded the operational boundary for borrowing in 2024/25, which is based on our original Budget, but our borrowing will remain within our authorised limit. This is an acceleration of borrowing only and the overall level of planned borrowing to 2027/28 remains the same as our 2024 TfL Business Plan.

Prudential indicator debt limits *	£m
Operational boundary	13,454
Authorised limit	14,654

\* Excludes PFI and long-term liabilities

## Total debt (£m)



**89%**

Around 89% of our borrowing is at a fixed rate of interest

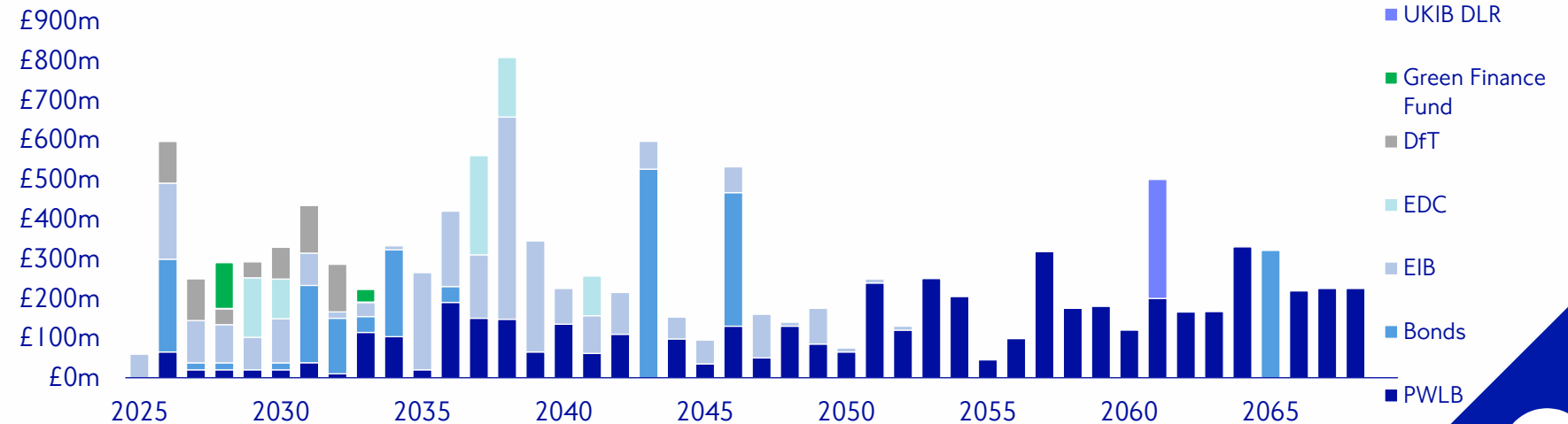
**3.6%**

The weighted average interest rate on our borrowing is around 3.6%

**18 years**

The weighted average tenor of our borrowing is just under 18 years

## Borrowing maturity profile (£m)



A strong, green heartbeat for London



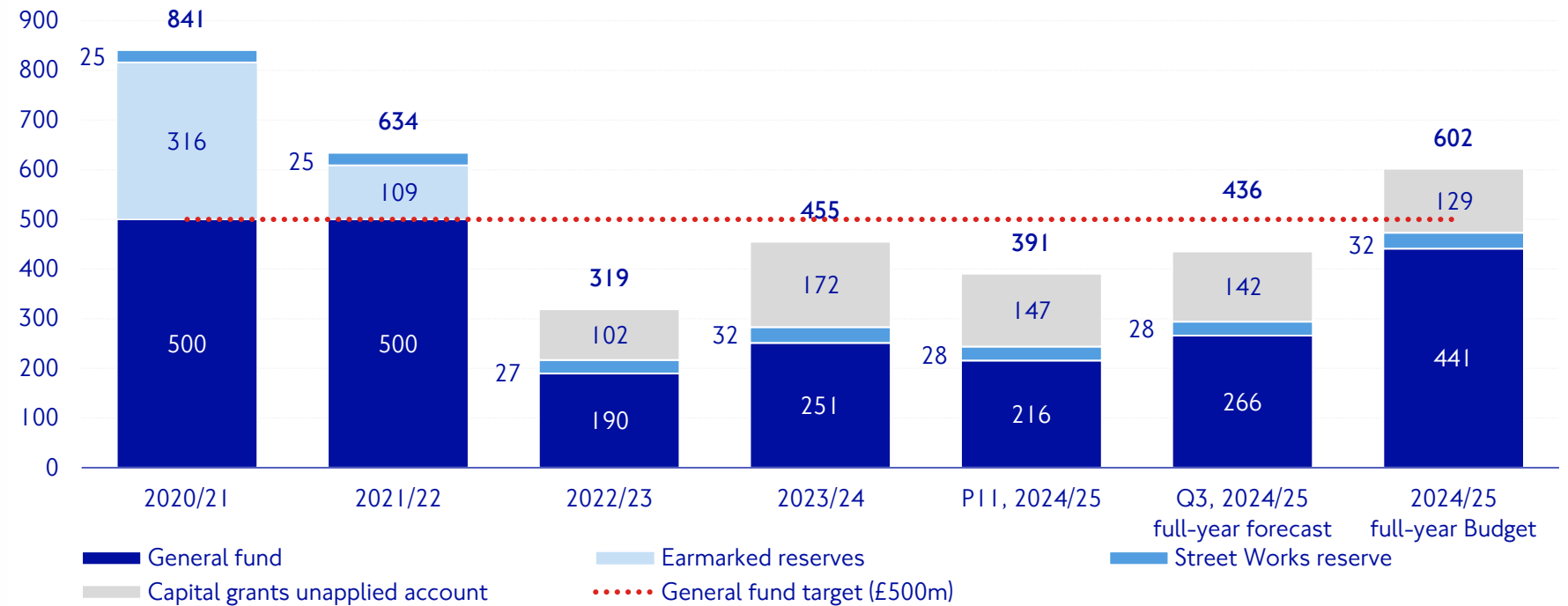
# Reserves

The pandemic has seen a material reduction in TfL's usable reserves, which primarily consist of its General Fund, Earmarked Reserves and Capital Grants Unapplied.

Usable reserves are generally lower than TfL's cash balance, as elements of cash will be restricted for certain purposes and because cash payments are made in arrears in-line with supplier payment terms.

At the end of 2022/23, TfL's General Fund reserves fell below our target of £500m. This was largely driven by the purchase of the Class 378 rolling stock. The savings from this purchase over the remaining life of the assets will further support TfL as it rebuilds its usable reserves.

## Usable reserves (£m)



- Usable reserves of the Corporation are those that can be applied to fund future expenditure. They are made up of the General Fund, Earmarked Reserves, the Capital Grants Unapplied Account and the Street Works Reserve
- The General Fund represents sufficient cash-backed reserves held by the Group to cover risks that may arise. The Group has a target General Fund balance of £500m, which was increased from £150m at the start of the pandemic in March 2020
- Usable reserves at the end of 2023/24 were higher than Budget due to the December 2023 capital settlement from the DfT.



# Credit ratings

We are rated by three major credit rating agencies. This allows us to attract interest from a wide pool of investors and gives us access to a range of funding sources.

There have been no changes since our Period 9 update to the Board.

	S&P	Moody's	Fitch
<b>Long-term rating</b>	AA-	A2	AA-
<b>Outlook</b>	Stable	Stable	Stable
<b>Short-term rating</b>	A-I+	P-I	FI+
<b>Last changed/affirmed</b>	May 2024	July 2024	Apr 2024

## S&P

On 20 May 2024, S&P upgraded TfL's long-term credit rating to AA- from A+ and the short-term credit rating to A-I+ from A-I. The outlook is stable. The key drivers for S&P include the post-coronavirus pandemic recovery in passenger demand, which S&P expects to remain high, cost-efficiency measures, supporting our ability to cope with external shocks and rebuild flexibility within our operations and the expectation of a gradual increase in capital investments and the quality of services.

## Moody's

On 15 July 2024, Moody's upgraded TfL's long-term credit rating to A2 from A3 and the short-term credit rating to P-I from P-2. The outlook was changed to stable from positive. The rating is based on "significant improvements in TfL's operating performance" which Moody's expect to be sustained with growing operating surpluses over the medium term. Moody's stated the following as key drivers for this - the recovery in passenger revenue post-pandemic, new revenue sources and TfL's robust governance practices, particularly its focus on cost control, which have eliminated the need for any financial support from the central government to fund operations.

## Fitch

Fitch reaffirmed our credit rating in January 2024 and upgraded the outlook from negative to stable on 15 April 2024, reflecting the change in the UK rating (with which our rating is equalised).





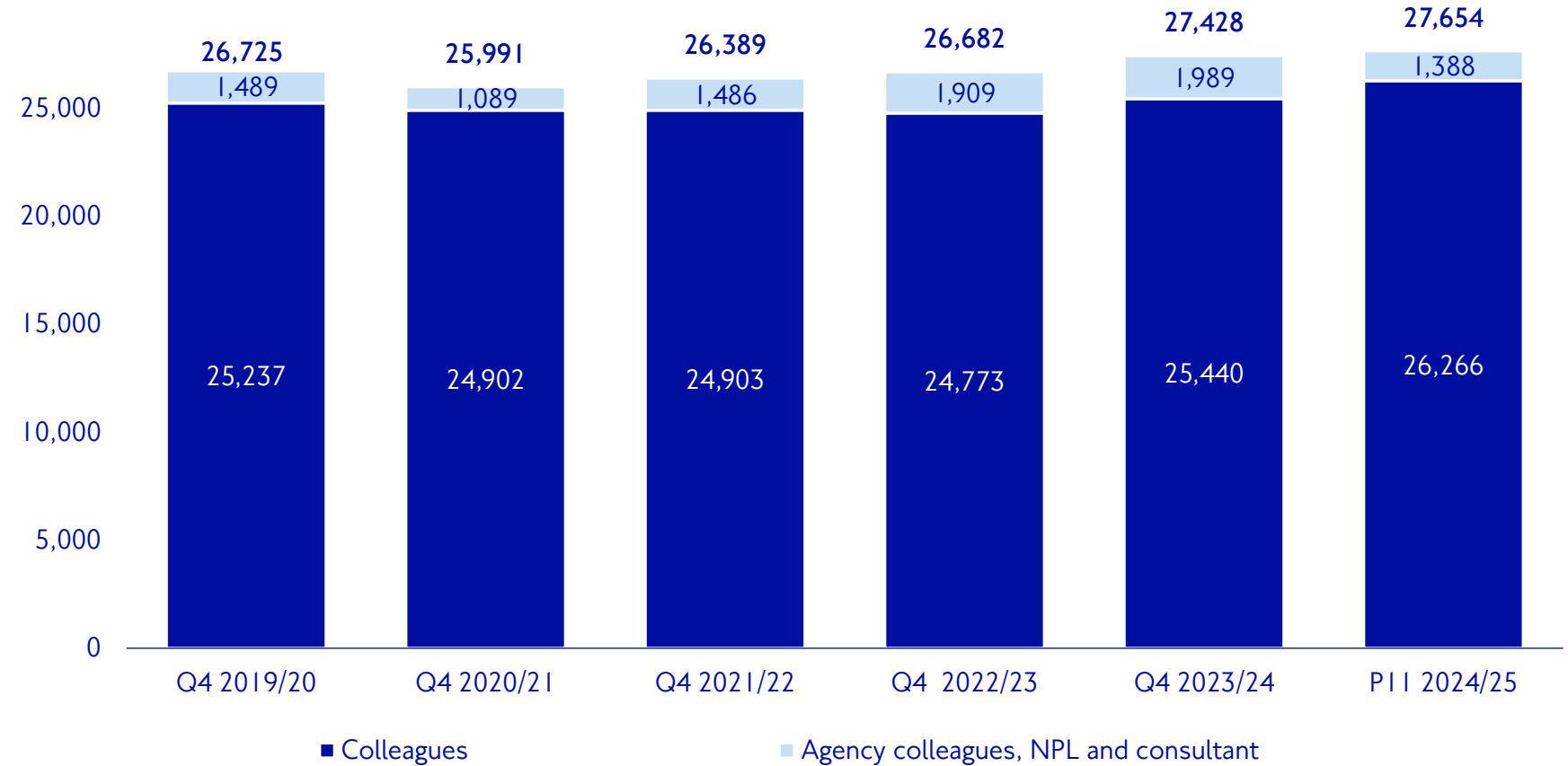
# Colleagues

The increase in headcount reflects the ramp up of our capital programme and new services introduced in the last three years, including the Elizabeth line, Northern Line Extension and Barking Riverside extension.

Permanent employee numbers are above pre-pandemic levels, and up on last year, driven by recent recruitment of graduates and apprenticeship trainees, and ramp up of our capital programmes.

Due to the actions we have been taking, NPL levels are 600 lower than at March 2024. A level of NPL is required to provide flexibility, particularly through time of change and temporary peaks in demand.

Headcount levels since 2019/20 (full-time equivalent)



# Quarter 3 forecast

Our Quarter 2 forecast was for an operating surplus of £23m, which was £138m lower than Budget. This was a result of lower passenger income, the financial impacts of the cyber incident, as well as cost pressures from bus tender price increases.

Our latest forecast is for an operating surplus of £150m, which is £12m lower than our Budget. We have seen a worsening in passenger income since Quarter 2, which is now expected to be £52m lower than our previous forecast.

The outcome of the triennial TfL Pension Fund valuation allows us to reduce our employer contributions from the current 27.3 per cent to 10.5 per cent for the next three years. We have factored these lower employer pension contributions into our latest forecast, with savings of £226m in total for 2024/25.

£m	Q3 full-year forecast	Variance to Budget		Variance to Q2 forecast	
Underlying passenger income	5,290	(240)	-5%	(52)	-1%
Other operating income	1,537	59	4%	(28)	-2%
Business Rates Retention	2,170	0	0%	0	0%
Other revenue grants	294	4	1%	4	1%
<b>Revenue</b>	<b>9,290</b>	<b>(177)</b>	<b>-2%</b>	<b>(77)</b>	<b>-1%</b>
Core operating costs	(7,713)	79	1%	208	3%
Investment programme opex	(166)	(13)	-8%	3	2%
Exceptional costs	(58)	79	135%	(35)	-151%
<b>Operating surplus before interest and renewals</b>	<b>1,353</b>	<b>(32)</b>	<b>-2%</b>	<b>100</b>	<b>8%</b>
Capital renewals	(768)	27	4%	30	4%
Net interest costs	(436)	(7)	-2%	(3)	-1%
<b>Operating surplus / (deficit)</b>	<b>150</b>	<b>(12)</b>	<b>-8%</b>	<b>127</b>	<b>555%</b>
<b>Places for London net contribution</b>	<b>28</b>	<b>3</b>	<b>10%</b>	<b>2</b>	<b>6%</b>
<b>Operating surplus/ (deficit) including Places</b>	<b>178</b>	<b>(9)</b>	<b>-5%</b>	<b>129</b>	<b>259%</b>

Our Quarter 2 forecast has been restated to reflect £25m costs previously forecast in Core operating costs, but is now expected in Other operating income



**Board**

**Date: 26 March 2025**

**Item: TfL Budget 2025/26**

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**This paper will be considered in public.**

## **1 Summary**

- 1.1 This paper considers TfL's proposed 2025/26 Budget which builds upon our November 2024 submission into the Mayor's 2025/26 Budget. Turning it into a detailed plan, which includes the latest assumptions and outlook, against which we can track progress throughout the year.
- 1.2 Our proposed 2025/26 Budget shows that for the third year running, TfL is forecasting to deliver an operating surplus in the face of a significant number of headwinds and that we will deliver against our key goals:
  - (a) Safety & security: ensuring everyone gets home safe and healthy;
  - (b) Colleague: being a great place to work for everyone to thrive;
  - (c) Customer: give people more reasons to choose sustainable travel;
  - (d) Green: tackling the climate and ecological emergency; and
  - (e) Finance: growing our income and controlling our costs to secure our future.

## **2 Recommendations**

- 2.1 **The Board is asked to note the paper and approve the TfL Budget for 2025/26.**

## **3 TfL 2025/26 Budget**

- 3.1 As set out in Appendix 1, this Budget confirms the progress we have made in strengthening our operating financial sustainability in 2024/25 and how we will maintain an operating surplus in 2025/26 due to:
  - (a) rising passenger demand which we expect to grow 1.3 per cent year-on-year generating £320m of additional revenue;
  - (b) growing our income from other sources – this will include completing a review of all non-fares related fees and charges to ensure these are appropriate and reflective of economic conditions;

- (c) managing the impact of increasing inflation and supply-chain costs and continuing to deliver recurring operating savings;
- (d) continuing to invest in the renewal of our assets ensuring service reliability and performance;
- (e) delivering the Mayor's priorities such as planning and consulting upon the launch of new "Superloop 2" routes by the end of 2025; and
- (f) rebuilding our cash: we are now rebuilding our cash reserves and accounting reserves. We will also continue to maintain the Greater London Authority (GLA) £350m financing facility to protect against further shocks.

#### **4 Section 25 of the Local Government Act 2003**

- 4.1 Under section 25 of the Local Government Act 2003, the Chief Finance Officer of the GLA must issue a statement when agreeing their annual budget and precept to report on the following matters:
  - (a) the robustness of the estimates made for the purposes of calculations; and
  - (b) the adequacy of the proposed financial reserves.
- 4.2 As a functional body of the GLA, TfL has followed the same principles and makes a statement in accordance with section 25 to support the GLA's section 25 statement. This should be read alongside the TfL 2025/26 Budget presentation in Appendix 1.
- 4.3 TfL is more dependent on fare income than similar transport authorities around the world, with fares covering around two-thirds of its operating costs. TfL's dependence on fare income was exposed during the pandemic, which had a catastrophic impact on its financial position. Prior to the pandemic, around 61 per cent of TfL's total income derived from passenger fares. Since then, TfL has rebuilt its finances, reduced the proportion of income from passenger fares to around 59 per cent and achieved its first operating surplus in 2023/24 to fund investment. TfL is on track to deliver a second operating surplus in 2024/25 and this has allowed TfL to start to rebuild its cash balances and usable reserves while restoring investment in critical asset renewals.
- 4.4 TfL does receive operating income from the Mayor through business rates retention and an element of the council tax precept. The amounts for 2025/26 assumed in the TfL 2025/26 Budget are in-line with the totals set by the Mayor's 2025/26 Budget.
- 4.5 However, like other transport authorities, TfL still needs capital funding from the Government for major asset replacements and enhancements. TfL only has confirmed £485m capital funding for 2025/26, although the Government has indicated it will work with TfL with the aim to place it on a long-term financial sustainable footing as part of the 2025 Spending Review.



- 4.6 TfL also continues to make applications for other Government grants for which it is eligible, including the Department for Transport Major Road Network Fund. This funding is assumed in the proposed 2025/26 TfL Budget, but if this funding is not secured the schemes they relate to will not be able to proceed.
- 4.7 In addition, the Budget includes costs to continue feasibility work for major growth schemes such as DLR Thamesmead, Bakerloo line extension and West London Orbital, which are subject to the agreement of future Government funding.
- 4.8 The Budget presentation outlines in more detail the following key considerations:
- (a) wider economic outlook, interest rates and inflation;
  - (b) passenger demand and fares policy;
  - (c) managing the growth in operating costs and capital investment requirements;
  - (d) our progress towards delivering on savings;
  - (e) our approach to borrowings and cash and maintaining our current level of accounting reserves; and
  - (f) the range of risks that we are managing through contingency and other mitigations.
- 4.9 In respect to robustness of estimates, the proposed TfL 2025/26 Budget incorporates the latest available inflation forecast published by the Office for Budget Responsibility (OBR) and 10-year UK gilt yields. Passenger income and other demand driven income sources rely on a mixture of OBR forecasts, market information and historical performance that is updated on a quarterly and periodic basis. Operating cost forecasts rely on the latest inflation forecast and service level assumption. Sensitivity analyses are also conducted to assess the impact of changes to cost inflation, fluctuations in ridership and other external factors.
- 4.10 TfL has a comprehensive savings programme which includes an unidentified savings target that is a similar size challenge to that we have taken in previous years. To support the delivery of revenue growth and cost reduction initiatives, we have developed a budget management plan. Progress against this management plan will be reviewed by the TfL Executive Committee on a periodic basis and reported to the Finance Committee at each meeting.
- 4.11 As set out in TfL's Treasury Management Policy, TfL aims to maintain a minimum level of cash reserves of at least 60 days' worth of forecast annual operating expenditure, on average. In respect to adequacy of accounting reserves, TfL's General Fund policy targets a balance of £500m and represents monies held for the following purposes:

- (a) a working balance to help cushion the impact of uneven cashflow and avoid unnecessary temporary borrowing; and
  - (b) a contingency to cushion the impact of unexpected events or emergencies.
- 4.12 The financial impact of the pandemic, and associated conditions of Government funding during that period, meant that TfL's General Fund reserves were depleted and reached a low of £190m in March 2023. TfL had been targeting to rebuild our General Fund reserves to £500m by 2025/26, but the headwinds we face and the lower operating surplus as a consequence in 2024/25 and 2025/26, means that we are only able to retain our General Fund at £250m – which is around the level TfL has had for the last three years.
- 4.13 However, TfL has a sufficient number of levers to absorb shocks and withstand strategic, safety and operational risks. If external or macroeconomic conditions worsen significantly, TfL may need to re-evaluate its expenditure plans or identify additional cost savings. To support TfL's ability to adjust its planned expenditure if required, additional commercial and financial controls are being introduced by the Chief Finance Officer to manage new expenditure commitments while uncertainty remains over revenue growth and cost savings delivery.
- 4.14 In the event of a large external shock, such as a significant economic downturn or increase in inflation, the £350m GLA Financing Facility has been retained. TfL also has access to other sources of borrowing such as the Public Works Loan Board.
- 4.15 It is essential that TfL keeps its budget assumptions and reserve levels under regular review throughout the financial year. The level of reserves will be reviewed by the TfL Executive Committee each period and reported to the Finance Committee and Board at each meeting.
- 4.16 In summary, the TfL Statutory Chief Finance Officer considers the level of reserves appropriate given known liabilities, risks and uncertainties facing the organisation, the robustness of the estimates used to set the proposed 2025/26 Budget and in the context of the financial mitigations it has available.

## **5 Next steps**

- 5.1 We will report on the progress of delivering against the 2025/26 Budget to the Finance Committee and Board throughout 2025/26.
- 5.2 We will work with Government to secure a long-term funding agreement as part of the 2025 Spending Review currently underway.
- 5.3 We will continue to work collaboratively across the wider GLA Group to ensure delivery of the Mayor's strategic priorities for London.

**List of appendices to this report:**

Appendix 1: TfL 2025/26 Budget - presentation

**List of Background Papers:**

[TfL submission into the Mayor's Budget 2025/26](#)

[The Mayor's final consolidated Budget for 2025/26](#)

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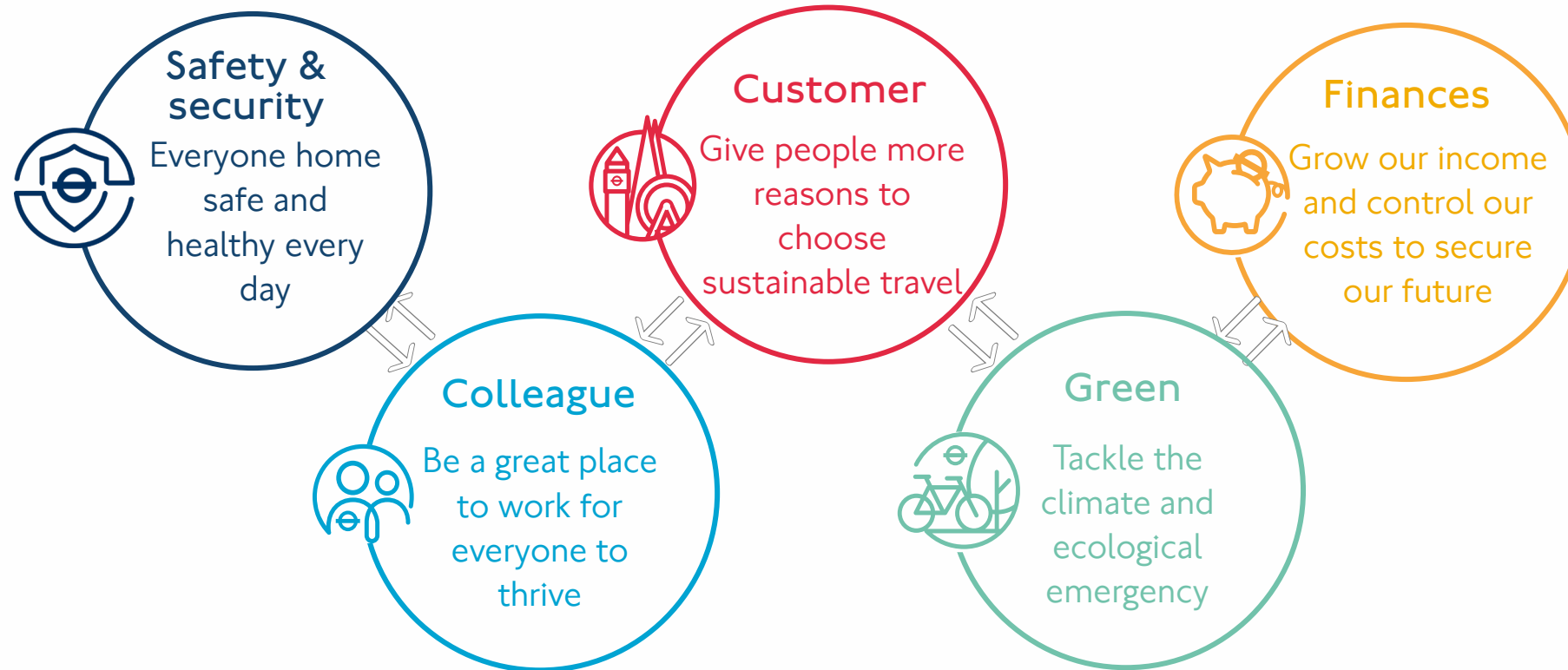


# TfL Budget 2025/26

TfL Board  
26 March 2025



# Our Budget makes further progress against our strategic goals and the Mayor's priorities



# Financial Summary

Building upon 2023/24, TfL will again deliver an operating surplus in 2024/25, of all which is reinvested into the maintenance and improvement of our network.

Our 2025/26 Budget shows how, for the third year running, TfL will deliver an operating surplus in the face of a significant number of headwinds.

Government has consistently recognised that it is not possible for TfL to fully fund all major projects and asset replacements from its own sources of income, and we await the outcome of 2025 Spending Review in June.

TfL is uniquely placed to deliver significant enhancements and improvements to the Capital's transport network: ensuring both prosperity and growth for London and the wider United Kingdom.

*\*assumes unidentified savings are recurring and includes £181m pension savings*

Journeys:

**3.7bn**

+1.3% vs 24/25

Revenue:

**£9,566m**

+3.0% vs 24/25

Operating Costs:

**£8.4bn**

Like-for-like flat (real terms)

Operating Surplus:

**£5m**

Surplus for the 3<sup>rd</sup> year running

Capital Investment:

**£1,897m**

£174m increase year-on-year

Cash Balances:

**£1,481m**

Maintaining at least 60 days operating cash

## Key highlights for 2025/26:

**Rising passenger demand:** we will grow our ridership by a further 1.3 per cent and passenger income by £320m.

**Other income sources:** Increased ULEZ compliance is delivering cleaner air for London. We are growing all our other sources of income.

**Continuing to deliver recurring operating cost savings:** targeting £352m\* of incremental recurring savings including already secured pension revaluation savings of £181m; total savings of £456m including one-off savings.

**We will continue to deliver an operating surplus for the third year running:** Demonstrating financial sustainability through delivery of an operating surplus which will be re-invested in our network

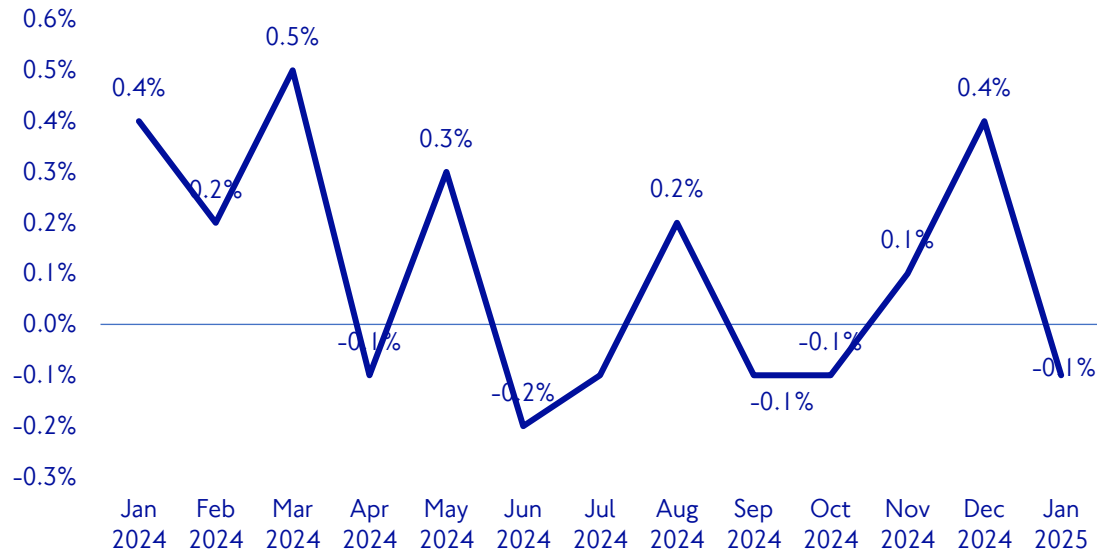
**Funding investment:** we are investing £1.9bn into our assets and maintaining the outcomes we set in our 2024 Business Plan.

**Rebuild our cash reserves:** we will hold just above 60 days' worth of operating costs and maintain a General Fund Reserve of £250m



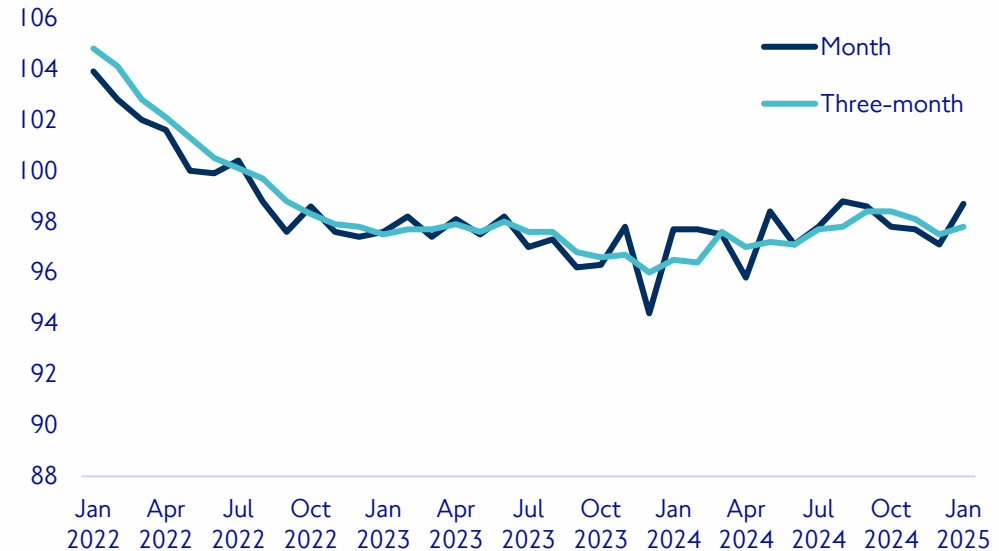
# The economic outlook has worsened since our initial submission into the Mayor's Budget in November 2024

## Economic growth remains sluggish



ONS, GDP monthly estimate, UK: January 2025 (March 2025)

## Retail sales are levelling off after a falling trend



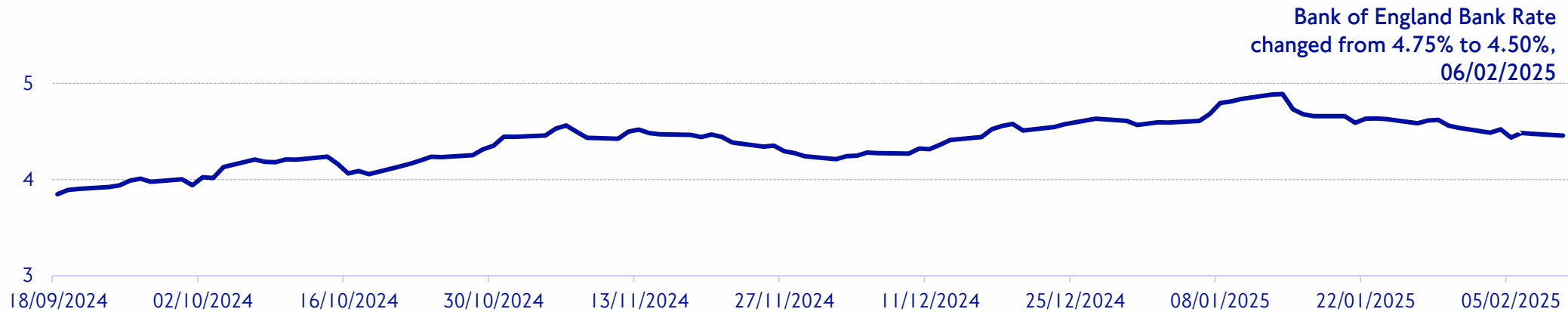
ONS, Retail sales, Great Britain: January 2025 (March 2025)



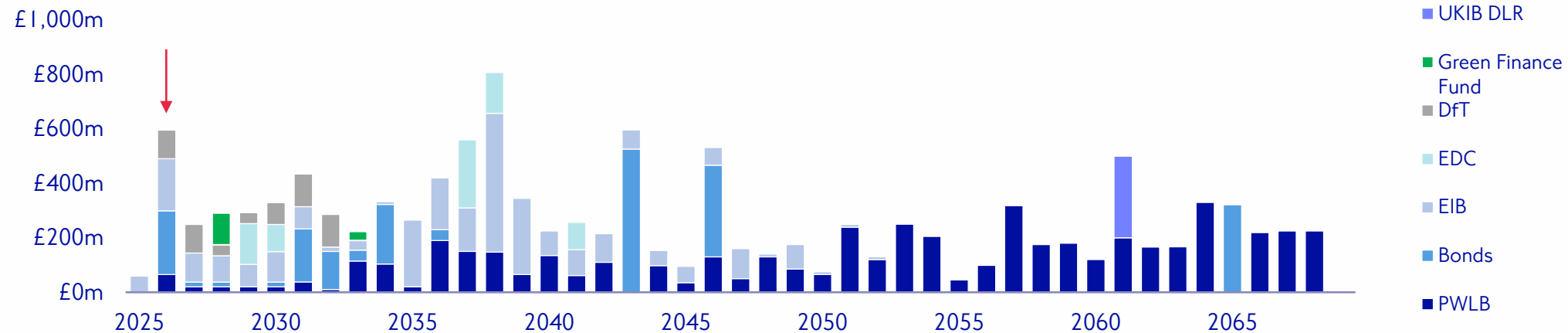


# Market interest rates have been increasing and 2025/26 is a peak year for our refinancing requirement

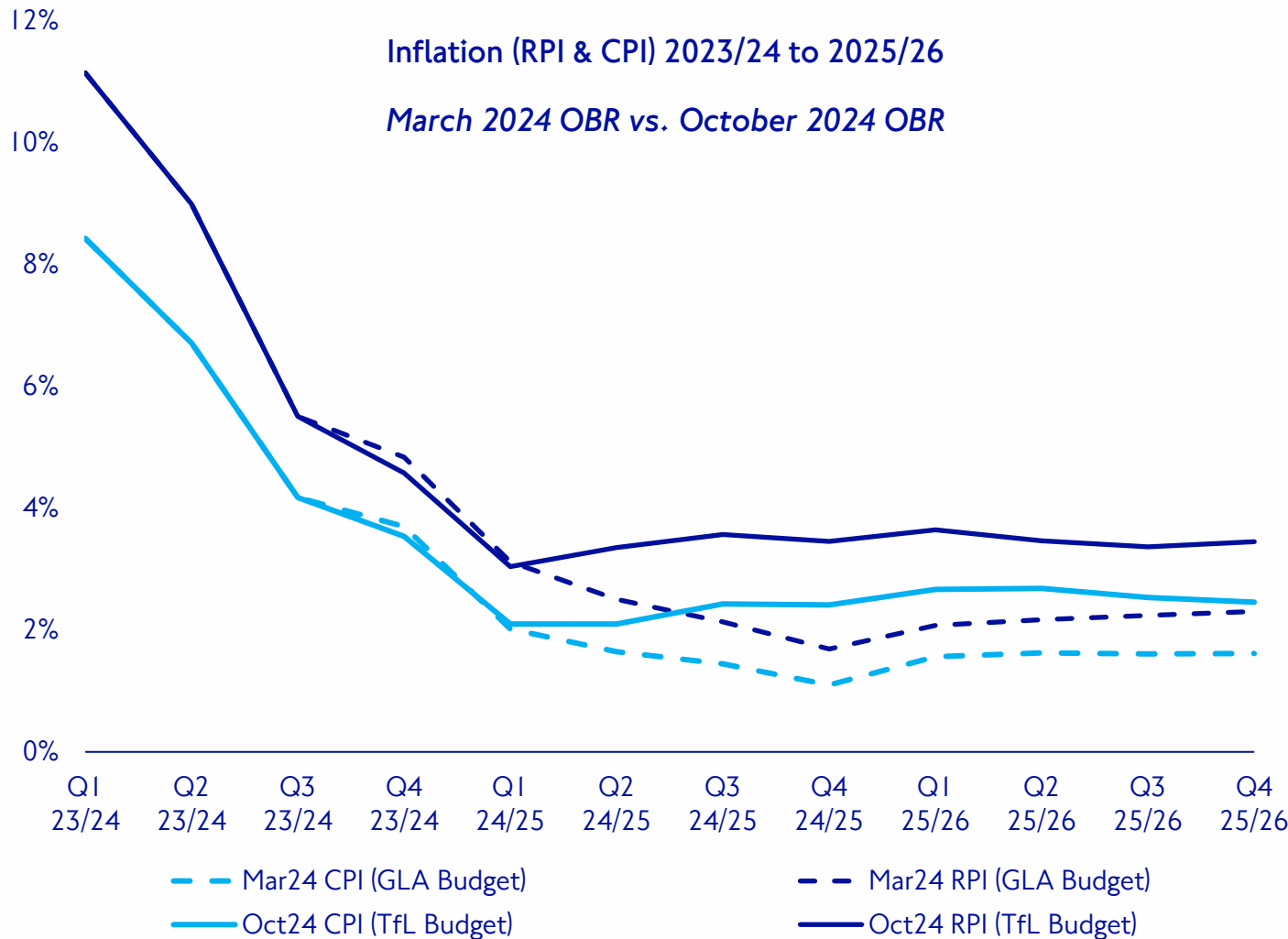
10-year UK gilt rates (%)



Borrowing maturity profile (£m)



# Inflation headwinds persist: higher for longer



The draft TfL Budget 2025/26 incorporates the inflation forecast published by the Office for Budget Responsibility (OBR) on 30 October 2024 alongside the UK Budget.

While inflation has fallen from the highs seen in prior years, it has not fallen as far in 2024/25 as was expected in our initial submission into the Mayor’s Budget in November 2024, which was based on the March OBR forecast.

Inflation is now expected to plateau at a higher level in the medium-term, presenting a headwind as our rail concessionaire contracts and bus contracts are indexed directly to inflation.



# Our financial strategy

Grow our income and control our costs  
to secure our future



# Our Finance Strategy shows how we are building a sustainable financial future

We will use the 2026 Business Plan which comes after the 2025 Spending Review too also review the financial strategy in the face of the high levels of uncertainty we are mitigating in the short term.

## Our strategic priorities



### Diversify and grow our revenue

We need to attract more customers on to our network, reduce our reliance on fares income and motivate our colleagues to achieve our revenue goals.



### Continually improve our efficiency

We need to continue to be affordable for our customers and the taxpayer. We'll do this by improving working practices to make TfL a great place to work, and targeting continuous savings.



### Build our resilience and continue to invest

We need to continue to run a safe and reliable transport system that delivers for London. We need to prepare for whatever challenges lie ahead and, through steady investment, deliver vital improvements for London.

## Our 2030 success measures

Ensure our income always exceeds our costs, delivering an operating surplus

Control our costs in real terms, targeting inflation minus 2 per cent

Secure long-term funding approach and settlement by 2025

Diversify and grow our revenue

Continually improve our efficiency

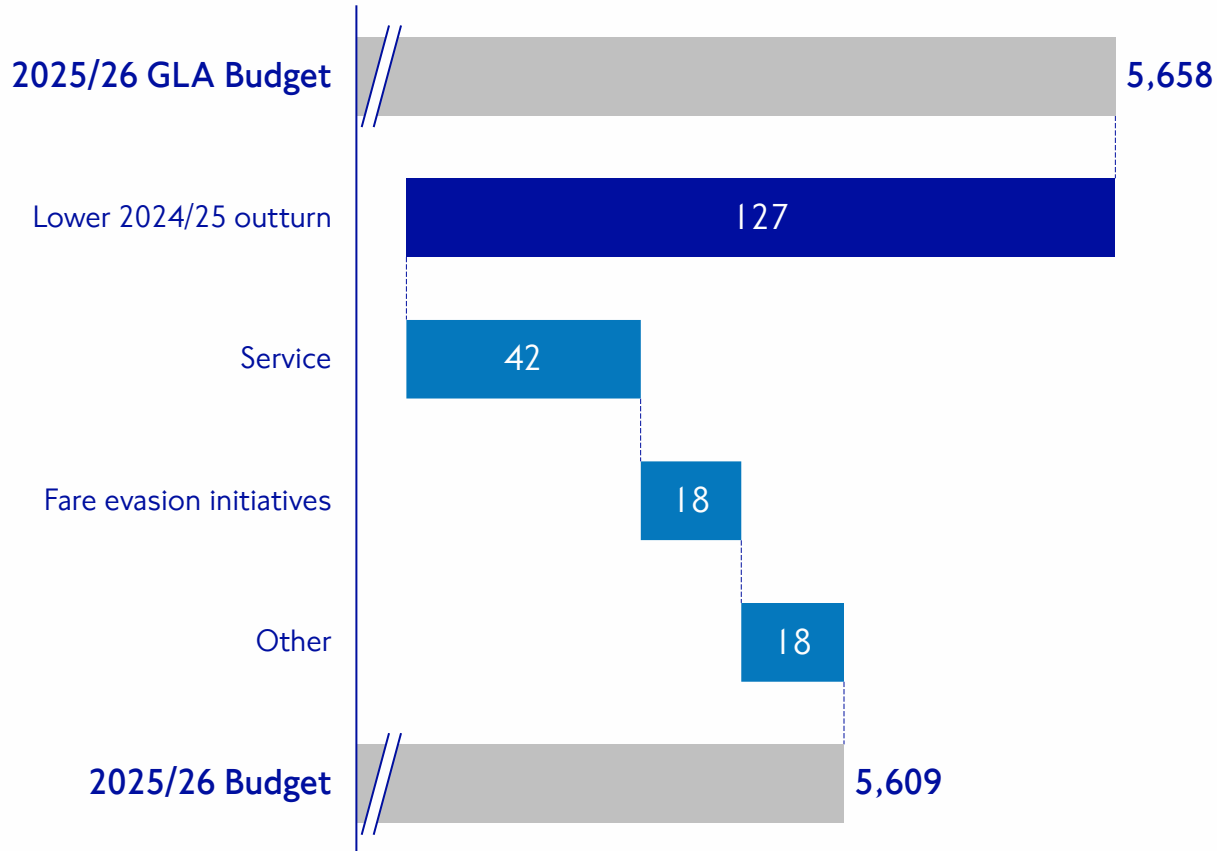
Build our resilience and continue to invest





# Our passenger income is lower than the Mayor's Budget due to the headwinds we face

2025/26 Passenger Income (£m)



Our passenger income is £48m lower than our submission into the Mayor's Budget in November 2024.

This is primarily due to the current lower than forecast demand trends we are seeing in 2024/25, particularly on Buses.

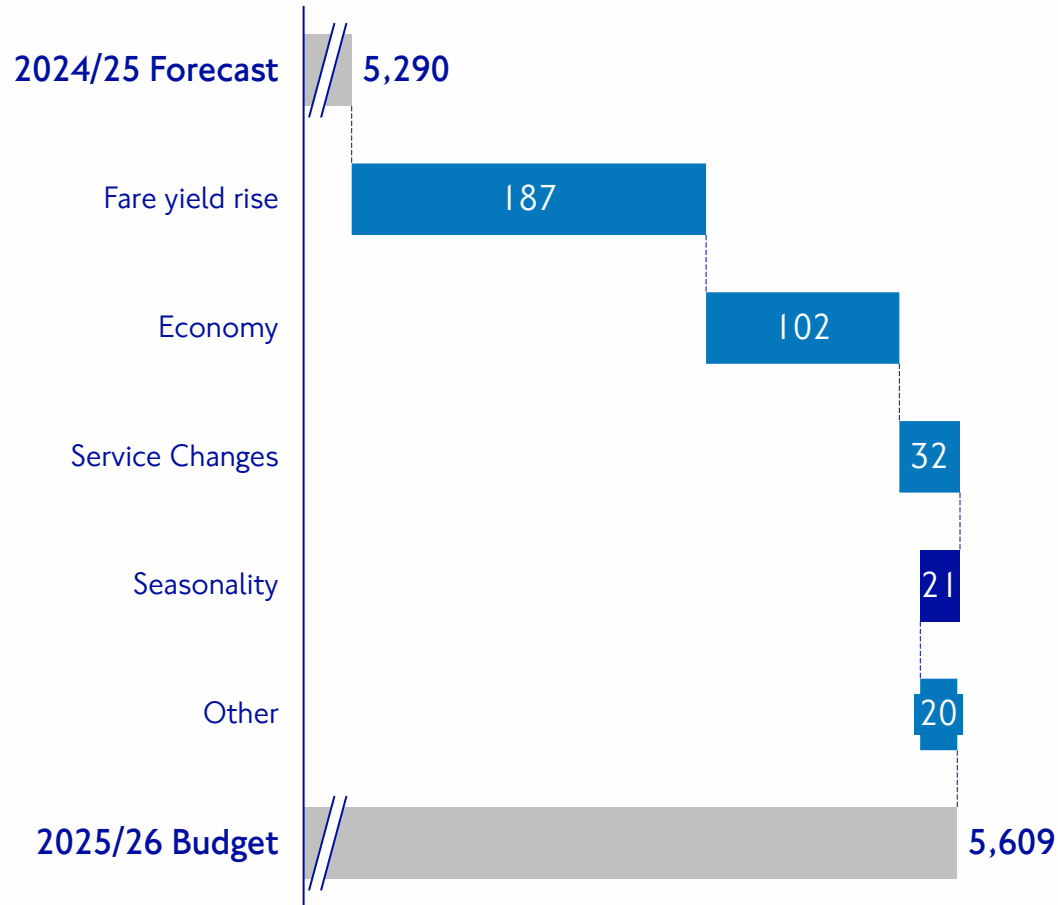
The trend on Buses is currently under investigation, but we are implementing our Bus action plans at improving safety, journey times and customer experience as well as extending services such as Superloop to drive improvements in demand.

We are also improving our LU and Rail services, improving customer journey time and expect additional growth from the Elizabeth line. We are stepping up our focus on reducing fare evasion and have assumed continued successful delivery of our plans in this area.



# Despite these headwinds, we continue to grow passenger income year on year

Passenger Income 2024/25 Forecast to 2025/26 Budget (£m)



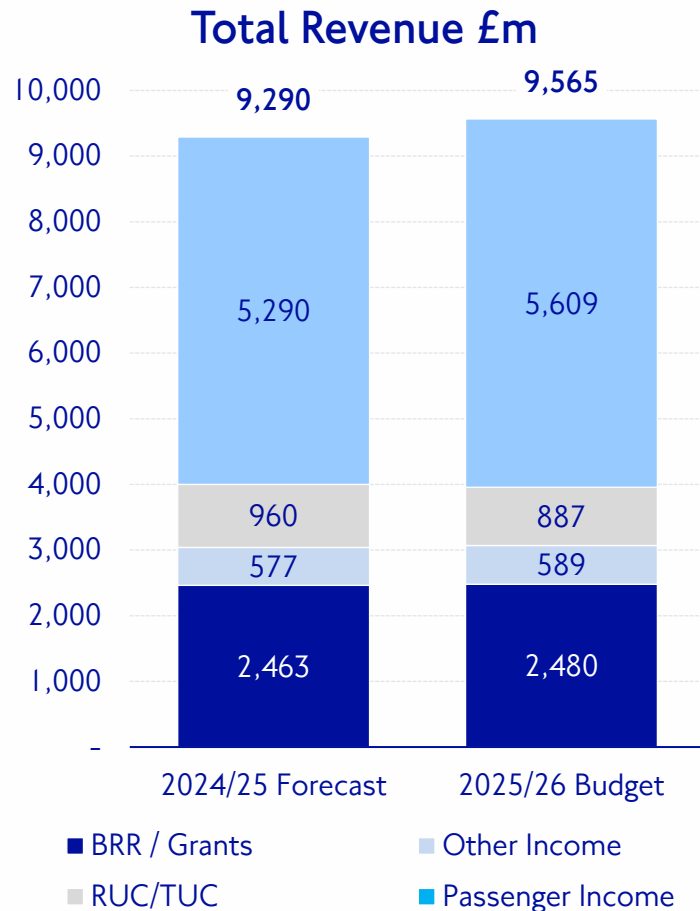
Our passenger demand continues to grow year on year, with especially strong demand growth on the Elizabeth line. Bus demand is not expected to grow year-on-year.

In December 2024, the Mayor approved a freeze of bus and tram fares, with Tube and rail fares, travelcards and nationally-regulated fares increasing by 4.6%. These new fares were implemented on 2 March 2025.

	Journeys	Pre-covid %	YoY demand growth %*	Yield %
LU	1,246	90%	2.5%	4.7%
Buses	1,870	84%	0.0%	1.2%
LO	187	98%	2.3%	5.1%
EL	244	442%	6.0%	4.5%
DLR	94	77%	-3.2%	5.3%
Trams	18	62%	0.7%	1.7%
<b>Total</b>	<b>3,658</b>	<b>91%</b>	<b>1.3%</b>	<b>4.7%</b>



# And we are also increasing income from other sources while achieving policy aims



Unlike transport providers in many other major cities around the world, TfL continues to receive well over half of its revenues from the fare box.

**Rising passenger demand:** we will grow our ridership by a further 1.3 per cent and passenger income by over £300m year-on-year.

**Income from Road and Tunnel User Charging:** the £210m GLA-funded scrappage scheme came to an end in 2024/25, having helped Londoners to move to cleaner vehicles\*. Income falls by just over £70m year-on-year which is in line with the intended policy outcomes.

**Other income:** we are growing our income from other sources – this will include completing a review of all non-fares related fees and charges to ensure these are appropriate and reflective of economic conditions.

**BBR / Grants:** Business rates retention (BBR) and Council Tax have increased in line with inflation and the totals set by the Mayor via his Budget process. 2025/26 does not include the one-off GLA funding for the scrappage scheme received in 2024/25.

**Places for London:** These figures exclude income from Places for London, which will make a net contribution of £28m in 2024/25 and £29m in 2025/26.

\*One-Year Report: [London-Wide Ultra Low Emission Zone – One Year Report](#)

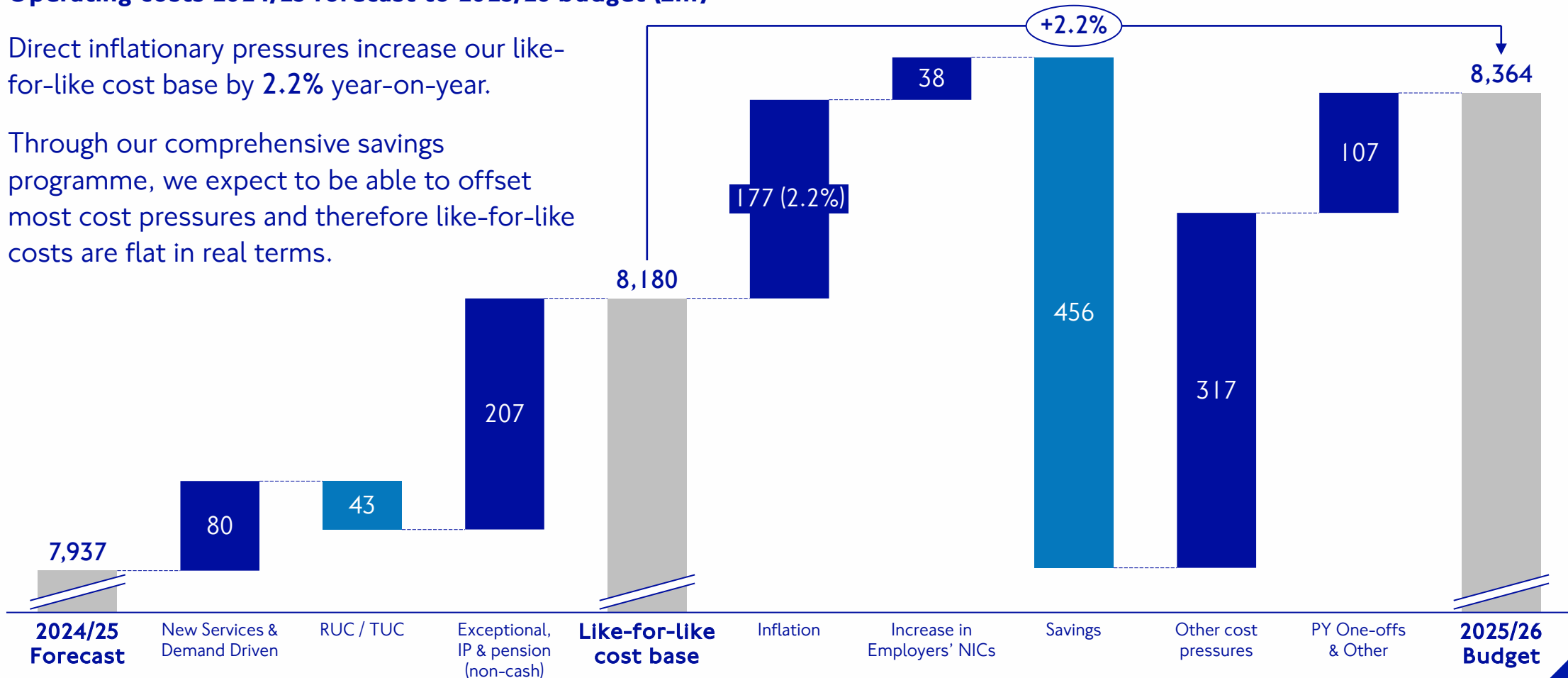


# We're managing the growth in operating cost, such that like-for-like costs are flat in real terms

## Operating costs 2024/25 forecast to 2025/26 budget (£m)

Direct inflationary pressures increase our like-for-like cost base by 2.2% year-on-year.

Through our comprehensive savings programme, we expect to be able to offset most cost pressures and therefore like-for-like costs are flat in real terms.

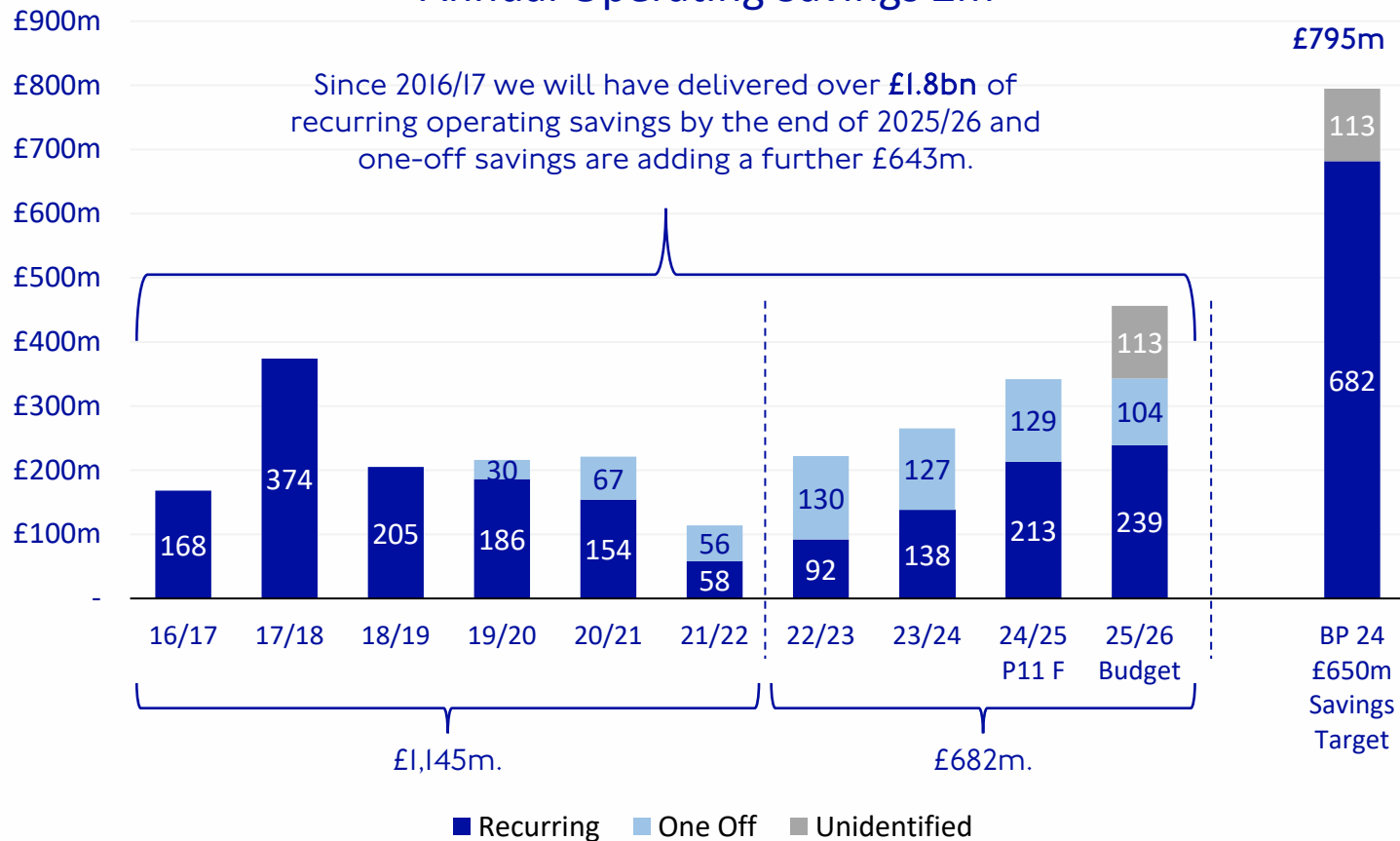




# We continue to deliver on savings to mitigate the impact of inflation and other cost pressures

## Annual Operating Savings £m

Since 2016/17 we will have delivered over **£1.8bn** of recurring operating savings by the end of 2025/26 and one-off savings are adding a further **£643m**.



In the 2024 Business Plan, we committed to delivering **£650m** of recurring operating savings between 2022/23 to 2025/26. This budget forecasts that this target will be delivered.

### How we will do this in 2025/26:

1. Lower employer pension contributions: through significant management effort we have secured and will deliver around **£180m** of savings in 25/26
2. We are building on the success this year of our 'swap out' initiative on NPL and extending into every aspect of NPL and consultancy.
3. We are reviewing all of our smaller projects to ensure they are value for money and benefits are being realised.

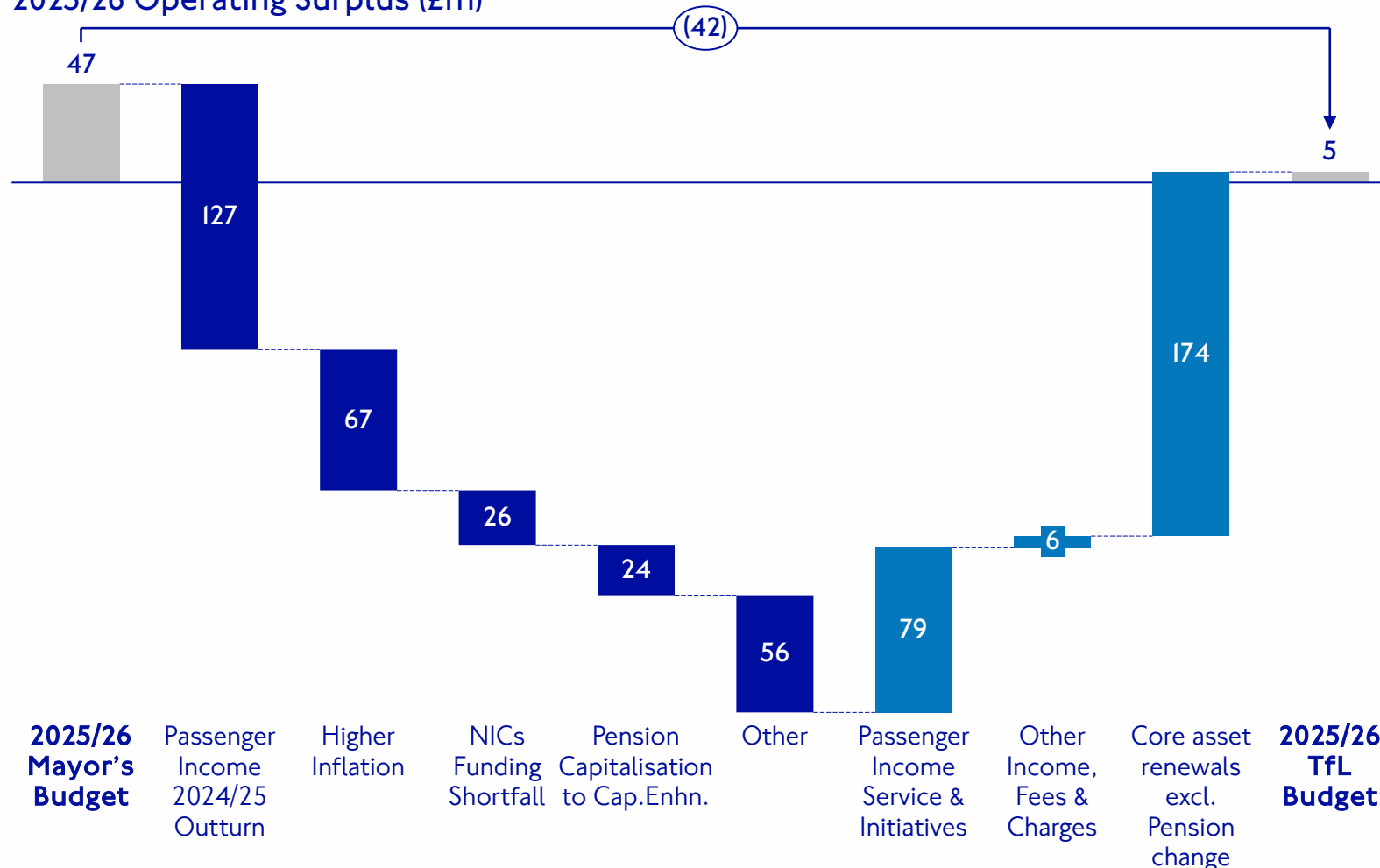
We still have an unidentified savings target of circa **£113m** which is a similar challenge to that we have taken in previous years.

We have also developed a budget management plan to support the delivery of revenue growth and cost reduction initiatives.



# We have mitigated the majority of the headwinds and pressures we are facing

2025/26 Operating Surplus (£m)



After mitigating the majority of the headwinds and pressures we are facing, we have a gap of £42m compared to our submission into the Mayor's Budget.

We have done this through going further on revenue and reviewing our investment in core asset renewals to ensure it is deliverable in-year, we have the right scope and is fully prioritised with no impact on safety, reliability and revenue.

Our core renewals investment is still over £700m (over £800m when including our Major road renewals), a substantial increase on the investment made pre-pandemic and during the pandemic years.

Overall, capital investment will rise from £1.7bn to £1.9bn.



# We have maintained an operating surplus to fund investment

£m	2024/25			2025/26 Budget			Variance YoY	
	2024/25 Forecast	Variance to 2024/25 TfL Budget		2025/26 TfL Budget	Variance to Mayor's Budget		2024/25 vs. 2025/26	
Passenger income	5,290	(240)	-4%	5,609	(48)	-1%	320	6%
Other operating income	1,537	59	4%	1,476	16	1%	(61)	-4%
Business Rates Retention	2,170	0	0%	2,192	-	0%	22	1%
Other revenue grants	294	4	1%	288	0	0%	(6)	-2%
<b>Total revenue</b>	<b>9,290</b>	<b>(177)</b>	<b>-2%</b>	<b>9,566</b>	<b>(32)</b>	<b>0%</b>	<b>275</b>	<b>3%</b>
Core operating costs	(7,713)	79	-1%	(8,094)	(175)	2%	(381)	5%
Investment programme opex	(166)	(13)	8%	(163)	9	-5%	3	-2%
Exceptional costs	(58)	79	-58%	(107)	(7)	7%	(49)	83%
<b>Total operating costs</b>	<b>(7,937)</b>	<b>145</b>	<b>-2%</b>	<b>(8,364)</b>	<b>(173)</b>	<b>2%</b>	<b>(427)</b>	<b>5%</b>
<b>Operating surplus before interest and renewals</b>	<b>1,353</b>	<b>(32)</b>	<b>-2%</b>	<b>1,202</b>	<b>(205)</b>	<b>-15%</b>	<b>(152)</b>	<b>-11%</b>
Capital renewals	(768)	27	-3%	(715)	206	-22%	53	-7%
Net interest costs	(436)	(7)	2%	(481)	(43)	10%	(46)	10%
<b>Operating surplus / (deficit)</b>	<b>150</b>	<b>(12)</b>	<b>-7%</b>	<b>5</b>	<b>(42)</b>	<b>-89%</b>	<b>(145)</b>	<b>-97%</b>
Places for London net contribution	28	3	13%	29	1	3%	1	2%
<b>Operating surplus / (deficit) including Places</b>	<b>178</b>	<b>(8)</b>	<b>-4%</b>	<b>34</b>	<b>(41)</b>	<b>-55%</b>	<b>(144)</b>	<b>-81%</b>



# Our goals

What this budget protects and delivers  
against our goals and the Mayor's priorities

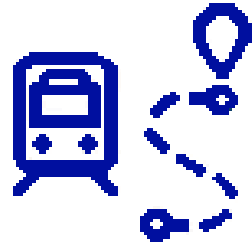




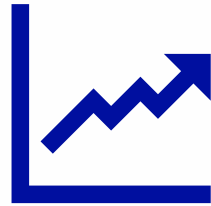
# We are progressing the Mayor's priorities



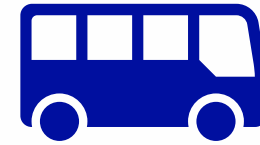
Step Free Access -  
Developing  
programme for  
50% of LU stations  
step-free



DLR  
Thamesmead -  
Progress  
towards TWAO



Other Growth -  
Progress other priority  
schemes: West London  
Orbital, BLE with  
borough support



Superloop 2  
Delivery of bus priority  
and supporting  
infrastructure



Zero-emission buses  
Start to deliver  
enabling  
infrastructure



# Delivering on our Safety and Security goal

## Everyone home safe and healthy every day



### Our budget delivers

- New layouts to improve safety at seven bus stations
- Works to improve road safety continue at Lambeth Bridge and Battersea Bridge
- Start platform train interface new technologies trial to reduce risk
- Publish Vision Zero Action Plan 2 for road danger reduction
- Continue to deliver lower speed limits on the TLRN
- Launch task force for tackling transport hate crime and violence against women and girls
- New operating model for TfL funded roads and transport policing services provided by the Metropolitan Police Service
- Improve resilience against attacks on core IT services

### Scorecard targets for 25/26



No more than **3604\*** people killed or seriously injured on London's roads



No more than **194** customers killed or seriously injured on our network



No more than **17** colleagues seriously injured at work and zero colleagues killed at work



# Delivering on our Colleague goal

## Be a great place to work for everyone to thrive



### Our budget delivers

- Completion of upgrade of 50 staff welfare rooms across TfL public transport modes
- Embed the value chain and deliver the operating models through our change programmes
- Introduce job families within pay for performance and senior manager reward framework
- Continue to focus on reducing our pay gaps, publishing an action plan
- Launch a programme of principle-based policies
- Achieve Disability Confident leader status
- Publish integrated leadership programme packages to support colleagues develop leadership skills
- Continue to deliver our Action on Inclusion Plan

### Scorecard targets for 25/26



+1% point total engagement



Improve senior leadership representation so that at the end of 25/26 the composition is at least :

- Women 35.6%
- BAME 21.5%
- Have a disability 6.9%
- Minority faith/belief 13.2%
- LGB 6.1%



# Delivering on our Green goal

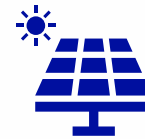
## Tackle the climate and ecological emergency



### Our budget delivers

- Bring 600 more zero emission buses into service, bringing the total to 2500 ZE buses in the fleet
- Expand wildflower verges on the TfL network by 13 ha
- Start works to instal charge points to support the transition to zero emission support fleet vehicles
- Continue the buildings decarbonisation programme
- Start construction of the first EV hub site at Hatton Cross
- Continue delivery of LED lighting
- Complete decarbonisation of Therapia Lane Depot
- Commence evaluations of Private Wire stage 2
- Deliver 9,000m<sup>2</sup> of new rainwater catchment area resulting from sustainable drainage schemes
- Launch 2nd Power Purchase Agreement procurement
- Contribution to the swimmable rivers scheme

### Scorecard targets for 25/26



**740 ktonnes CO<sub>2</sub>e** from TfL operations and buildings



**7 / 9** Green milestone delivery



# Delivering on our Customer goal

## Give people more reasons to choose sustainable travel



### Our budget delivers

- Silvertown tunnel open providing new bus services across the river
- Continue the development of the Superloop network
- 4LM upgrade complete between Finchley Road and Preston Road delivering faster journey times
- Public consultation for Thamesmead DLR extension
- First new DLR train and Piccadilly line train in service
- TfL Go Personalisation – enhance the cycle journey planning feature and accessibility information
- Colindale station is a step-free station and 75% of Bakerloo line trains are fitted with wheelchair bays
- Deliver new and accessible customer toilets
- Develop proposals to pedestrianise Oxford Street
- Continue to deliver outcomes from Equity in Motion

### Scorecard targets for 25/26



60% of Londoners agree we care about our customers



26.9 mins LU customer journey time



27.5 mins Rail customer journey time (DLR, Trams, Overground, Elizabeth Line)



34.3 mins Bus customer journey time



90% Investment programme milestone delivery





# Our capital programme delivers £1.9bn of investment

Capital expenditure (£m)	2025/26 TfL Budget		Mayor's Budget		Variance	
	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26
	Forecast	Budget	Plan	Plan	Variance	Variance
Piccadilly Line Upgrade	(322)	(451)	(329)	(528)	7	77
DLR train replacement	(196)	(132)	(204)	(141)	7	9
Four Lines Modernisation	(69)	(72)	(70)	(82)	2	10
Environment	(60)	(22)	(65)	(35)	5	13
Safe & Healthy Streets	(114)	(113)	(116)	(120)	2	7
Rail & Station Enhancements	(83)	(73)	(81)	(88)	(2)	15
Technology	(42)	(68)	(56)	(68)	14	1
Other Enhancements	(69)	(155)	(65)	(112)	(4)	(43)
Core Renewals	(768)	(715)	(798)	(921)	30	206
Major Renewals	0	(94)	0	(185)	0	91
<b>Total capital expenditure</b>	<b>(1,723)</b>	<b>(1,897)</b>	<b>(1,784)</b>	<b>(2,281)</b>	<b>61</b>	<b>384</b>



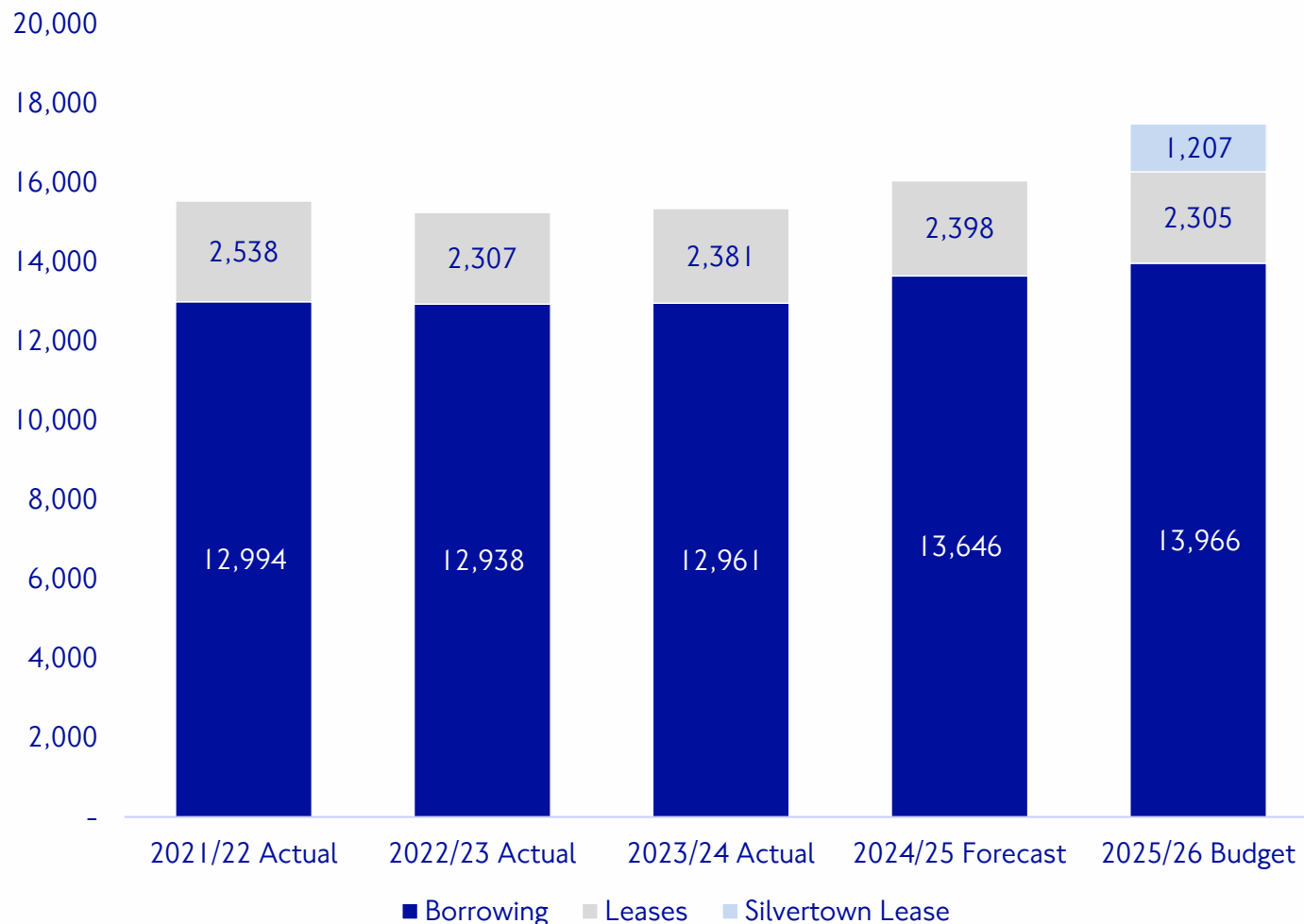
# Maintaining our financial resilience

How we are being prudent and managing risks in our budget



# We have a prudent approach to borrowing

Total borrowing and other debt (£m)



TfL maintains a prudent approach to borrowing, which is both sustainable and affordable. The TfL Finance Committee approves prudent treasury strategies and policies that have regard to the principles of the Treasury Management Code and the Prudential Code.

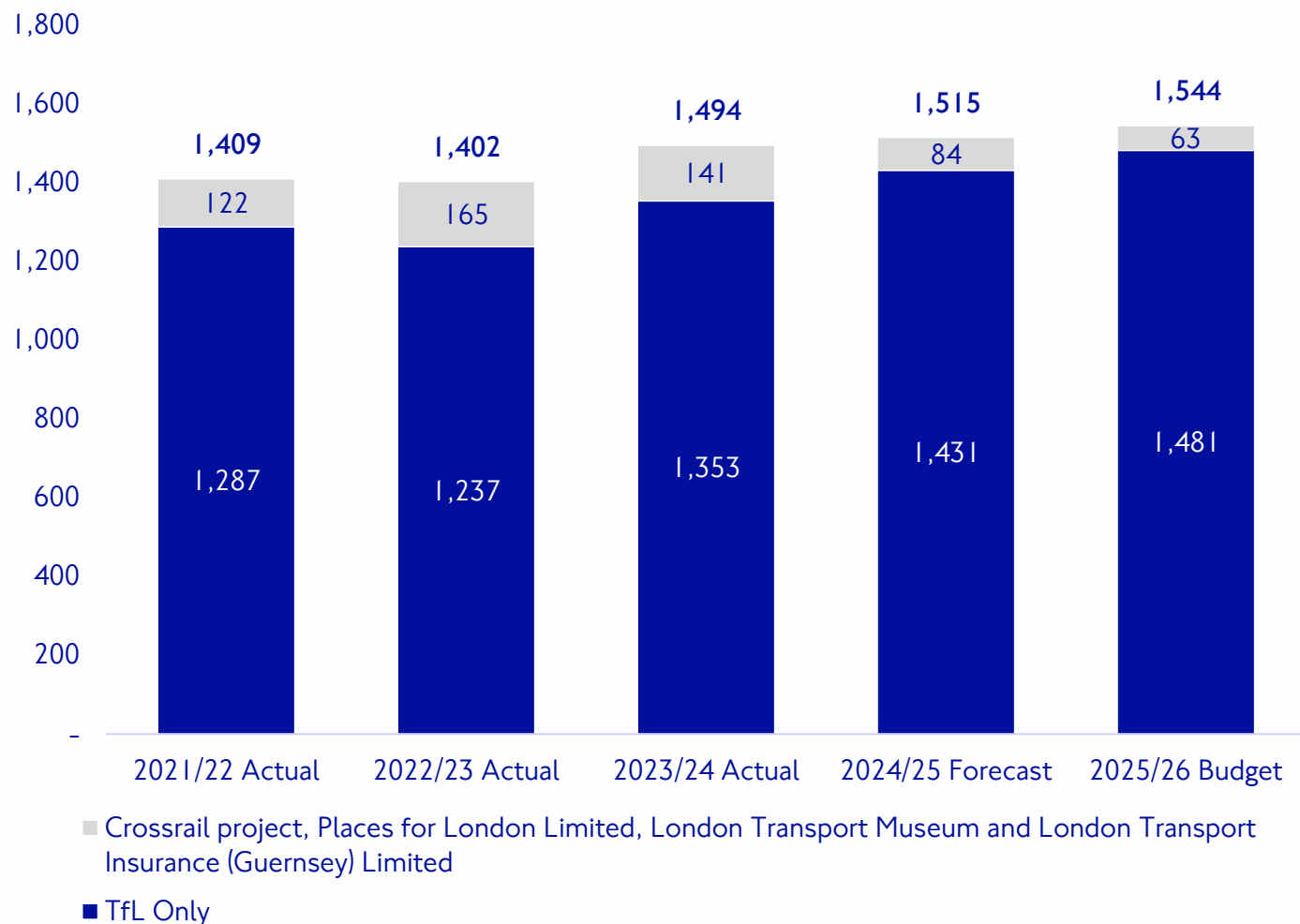
Borrowing helps support TfL's capital investment programme, and generating a sustainable operating surplus means there will be borrowings headroom in the medium term.

With the Silvertown Tunnel opening on 7 April 2025, a further £1.2bn liability and corresponding asset are recognised on the balance sheet. This represents the capital cost of the project, which is repaid over the next 25 years funded by user charges.



# We are rebuilding our cash reserves

Total cash balances (£m)



TfL's Treasury Management Policy aims to maintain a minimum level of cash reserves of at least 60 days of annual operating expenditure, on average.

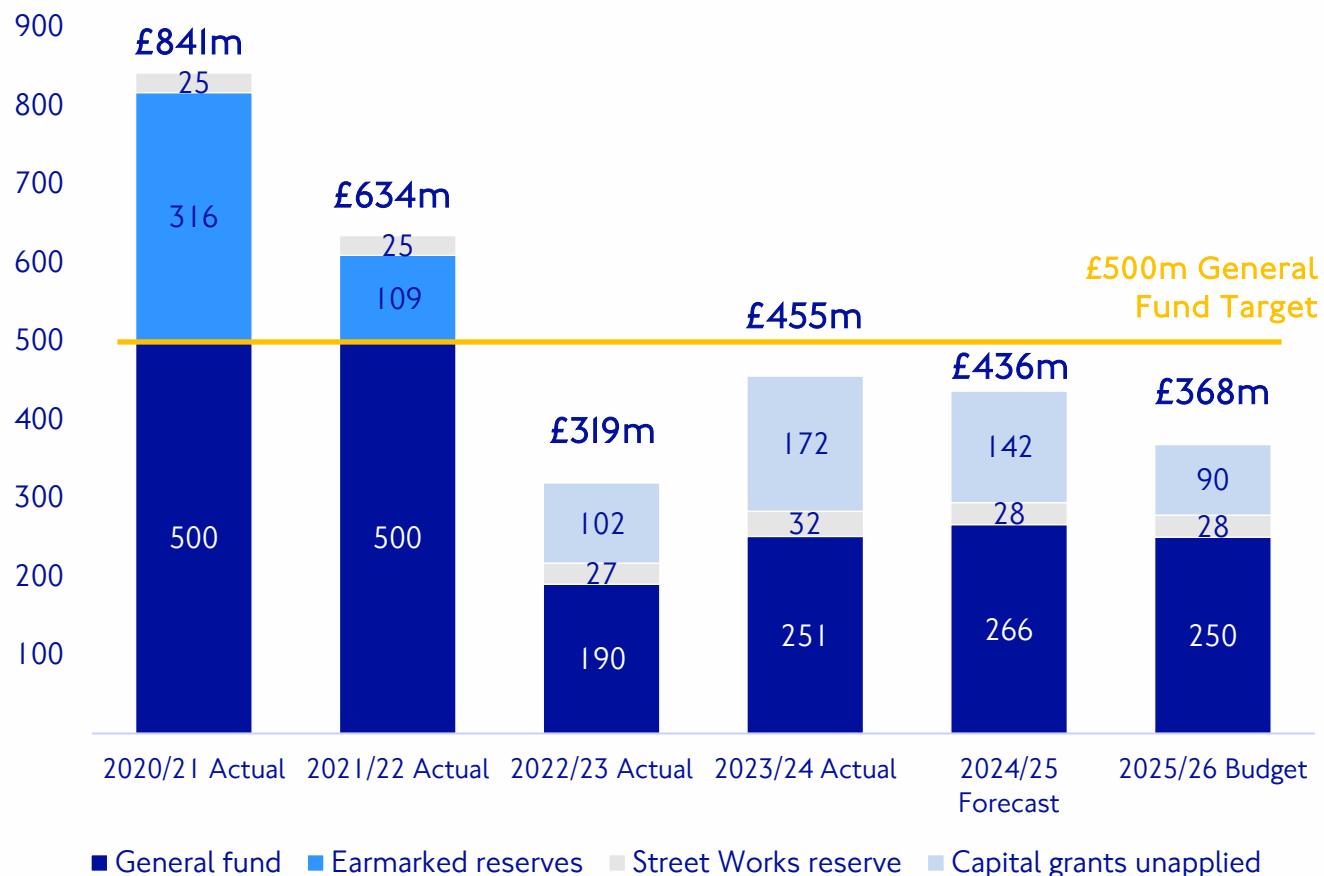
Over the last five years, we have been in line with this policy and continue to prudently manage cash and borrowings in line with this policy.

The GLA Financing Facility of £350m and other sources of financing are available to absorb shocks and withstand strategic, safety and operational risks.



# We are maintaining our accounting reserves

Total useable reserves (£m)



TfL's General Fund represents available monies in reserves that are usable rather than set aside for statutory purposes or committed to incurred expenditure. It is primarily used to as contingency for unexpected events or emergencies.

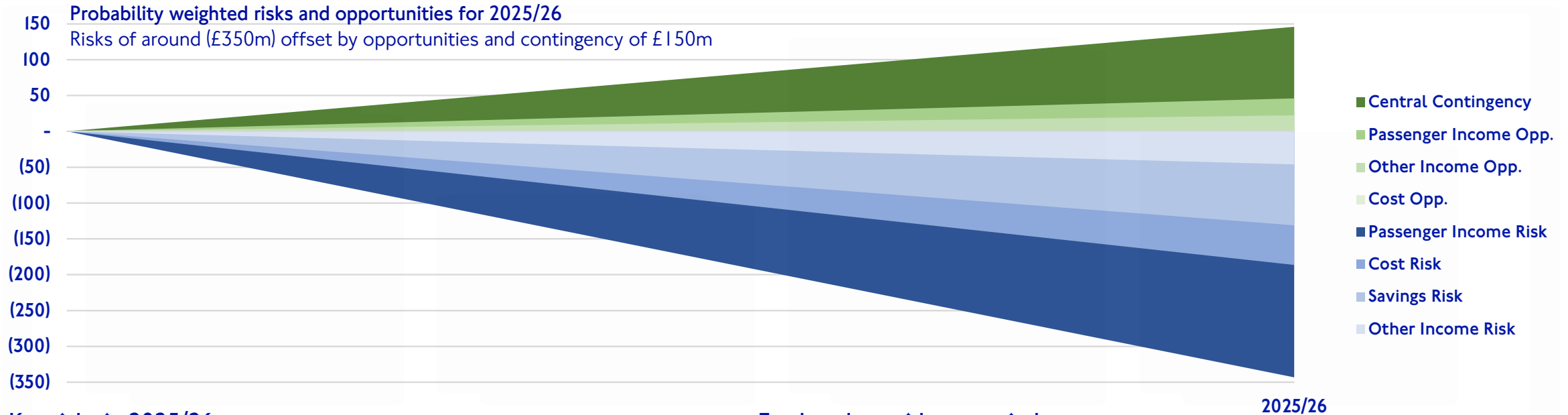
We had been targeting to rebuild our General Fund reserves to £500m by 2025/26, but the headwinds we face and the lower operating surplus this creates, means that we are only able to retain our General Fund at the level we have had for the last three years.

We have sufficient levers and mitigations in place for risks that may arise. Reserve levels are kept under regular review to ensure they are maintained at reasonable levels over the medium term.





# We have a range of risks which we are managing



## Key risks in 2025/26:

1. Passenger income – risks around macro-economic environment, demand, volatility and service
2. Other income – there is a range of uncertainty around some of our other income streams and fees & charges workstream
3. Savings – there remains some risks to achieving our challenging operating savings targets this year, but we are committed to delivering our programme of change and efficiency

## Further downside scenario levers:

Our net-weighted risk exposure of circa £300m is greater than the £100m central contingency held. We have identified levers to course-correct during the year if required. This will be achieved by:

- Maintaining the £350m GLA financing facility to provide time to respond to shocks
- Managing the commitments of our expenditure to maintain levers to slow or stop expenditure if required.
- Introducing more stringent controls on operating costs if required



# Appendices



# Cash flow statement

	2025/26 Budget		Variance to Mayor's Budget		Variance YoY	
	2024/25 Forecast	2025/26 Budget	2024/25 Forecast	2025/26 Budget	2024/25 vs 2023/24	2025/26 vs 2024/25
Operating surplus before renewals and interest	1,354	1,201	100	(206)	79	(153)
Less: London Transport Insurance (Guernsey) Ltd. and London Transport Museum	4	4	-	-	7	-
<b>Cash generated / (used) from operating activities</b>	<b>1,358</b>	<b>1,205</b>	<b>100</b>	<b>(206)</b>	<b>86</b>	<b>(153)</b>
Capital renewals	(768)	(715)	30	206	(5)	53
Major asset renewals	-	(94)	-	91	-	(94)
New capital investment (VOWD)	(955)	(1,087)	31	87	153	(132)
Investment grants and ring-fenced funding	266	599	7	(102)	(635)	333
Working capital movements	(72)	304	(186)	127	(277)	376
<b>Cash generated / (used) from investing activities</b>	<b>(1,529)</b>	<b>(993)</b>	<b>(118)</b>	<b>409</b>	<b>(764)</b>	<b>536</b>
Free cash flow	(171)	212	(18)	203	(678)	383
Net financing costs	(436)	(481)	(4)	(43)	(22)	(45)
Net borrowings	685	320	-	-	662	(365)
<b>Cash generated / (used) from financing activities</b>	<b>249</b>	<b>(161)</b>	<b>(4)</b>	<b>(43)</b>	<b>640</b>	<b>(410)</b>
<b>Net increase/(decrease) in cash</b>	<b>78</b>	<b>50</b>	<b>(22)</b>	<b>160</b>	<b>(38)</b>	<b>(28)</b>
<i>TfL cash balances</i>	<i>1,431</i>	<i>1,481</i>	<i>(22)</i>	<i>137</i>	<i>78</i>	<i>50</i>



# Comparison to the Mayor's Budget

Note: this includes Places for London

	£m	2025/26 TfL Budget		Final Mayor's Budget		Variance	
		2024/25 Forecast	2025/26 Budget	2024/25 Forecast	2025/26 Budget	2024/25	2025/26
Passenger Income		5,290	5,609	5,342	5,658	(52)	(48)
Other Operating Income		1,537	1,476	1,540	1,460	(3)	16
Places for London		101	110	101	109	0	1
<b>Subtotal income</b>		<b>6,928</b>	<b>7,196</b>	<b>6,983</b>	<b>7,227</b>	<b>(55)</b>	<b>(31)</b>
London Underground		(2,385)	(2,329)	(2,351)	(2,346)	(33)	17
Buses		(2,406)	(2,679)	(2,454)	(2,691)	48	12
Streets and other operations		(1,271)	(1,159)	(1,254)	(1,192)	(17)	33
Rail		(590)	(620)	(593)	(609)	3	(11)
Elizabeth Line		(568)	(594)	(575)	(615)	8	21
Places for London		(74)	(78)	(74)	(79)	0	1
Other		(718)	(984)	(864)	(738)	147	(245)
<b>Subtotal operating costs</b>		<b>(8,011)</b>	<b>(8,442)</b>	<b>(8,167)</b>	<b>(8,270)</b>	<b>155</b>	<b>(172)</b>
<b>Net operating income and expenditure</b>		<b>(1,083)</b>	<b>(1,246)</b>	<b>(1,183)</b>	<b>(1,043)</b>	<b>101</b>	<b>(203)</b>
Capital financing costs		(505)	(538)	(502)	(531)	(2)	(7)
Interest receivable		70	54	70	91	0	(38)
<b>Net service income and expenditure</b>		<b>(1,517)</b>	<b>(1,730)</b>	<b>(1,616)</b>	<b>(1,483)</b>	<b>99</b>	<b>(247)</b>
Revenue resources used to support capital investment		(966)	(817)	(782)	(1,141)	(184)	324
Transfer (to)/from reserves		19	68	(66)	145	85	(77)
<b>Financing requirement</b>		<b>(2,463)</b>	<b>(2,480)</b>	<b>(2,464)</b>	<b>(2,479)</b>	<b>0</b>	<b>(0)</b>
Unringfenced Revenue Grants		13	25	18	25	(4)	0
GLA group reserves		36	14	32	14	4	0
Retained business rates		2,170	2,192	2,170	2,192	-	-
<b>Council Tax requirement</b>		<b>244</b>	<b>249</b>	<b>244</b>	<b>249</b>	<b>-</b>	<b>-</b>



**Board**



**Date: 26 March 2025**

**Item: TfL Prudential Indicators 2025/26 to 2027/28**

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**This paper will be considered in public**

### **1 Summary**

- 1.1 Investing in our transport infrastructure involves high upfront costs. Borrowing can play a role in the financing of capital projects, as it enables us to make vital improvements sooner by spreading the costs over time, including rolling stock and signalling replacements, new homes and growth, as well as air quality and decarbonisation.
- 1.2 Borrowing can complement direct Government capital funding. The Government has recognised that TfL is not expected to solely finance major capital enhancements and major renewals from its own operating incomes, as is consistent with other transport authorities. TfL has confirmed capital funding from Government until 31 March 2026.
- 1.3 This paper sets out the proposed TfL borrowing limits and other Prudential Indicators under the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code (the Code). These are consistent with the Treasury Management Strategy for 2025/26, approved by the Finance Committee on 26 February 2025 and the principles underpinning the proposed long-term TfL Capital Strategy. The proposed Prudential Indicators for 2025/26 and the following two years are attached to this paper at Appendix 1. In line with guidance from CIPFA, Treasury Management Indicators are shown separately in Appendix 2.

### **2 Recommendation**

- 2.1 **The Board is asked to note the paper and:**
  - (a) **approve the TfL Prudential Indicators as set out in Appendix 1 for 2025/26 and the following two years;**
  - (b) **approve the Treasury Management Indicators as set out in Appendix 2 for 2025/26 and the following two years; and**
  - (c) **approve the annual TfL Policy Statement on Minimum Revenue Provision as set out in section 6 of the paper.**



### **3 Background on the Prudential Code and Capital Financing Regulations**

- 3.1 The Code plays a key role in capital finance in local authorities. It was developed as a professional code of practice to support local authorities in their decision-making processes for capital expenditure and its financing.
- 3.2 Local authorities are required by regulation to have regard to the Code when carrying out their duties under Part 1 of the Local Government Act 2003.
- 3.3 The framework of Prudential Indicators established by the Code aims to ensure that an authority's capital investment plans are affordable, prudent and sustainable. As part of the strategic planning process, authorities are required, on a rolling basis, to calculate a range of indicators for the forthcoming budget year and two subsequent years. Authorities are also required to monitor performance against indicators within the year as well as preparing indicators based on the audited Statement of Accounts at each year end. Indicators relate to capital expenditure, external debt and treasury management.
- 3.4 As required by the Code, TfL prepares Prudential Indicators at both the Corporation and TfL Group level.
- 3.5 Places for London Limited, TfL's wholly owned property subsidiary has a revolving credit facility (RCF). The facility is non-recourse to TfL. However, Places for London still falls within the scope of the borrowing limits set out in this paper and forms part of the overall TfL Group limits.
- 3.6 Under capital finance regulations, local authorities are also required each year to set aside some of their revenues as provision for debt. TfL has a statutory duty to make an annual statement as to its policy for the calculation of this provision. This paper, therefore, sets out and asks the Board to approve the annual TfL Policy Statement on Minimum Revenue Provision, as set out in section 6.
- 3.7 The Capital Expenditure and External Debt Indicators relevant to TfL under the Code are Authorised Limit; Operational Boundary; Capital Financing Requirement; Capital Expenditure; Ratio of Financing costs to Net Revenue Stream; and Ratio of Net Income from Commercial and Service Investments to Net Revenue Stream. Definitions for each indicator are set out in Appendix 3.
- 3.8 The debt limits – the Authorised Limit and Operational Boundary – proposed have been assessed against affordability metrics. These affordability metrics are informed in part by the quantitative assessments employed by credit rating agencies when assessing TfL. These have been derived on a first principles basis with debt service cover ratio as the overriding metric.
- 3.9 The other metrics, as defined in Appendix 3, include: debt service coverage ratio; net debt to operating surplus before financing; net debt to operating surplus before financing and renewals; and interest cover ratio.
- 3.10 These metrics are monitored internally and are not formal Prudential Indicators under the Code but, given TfL's size and complexity, they provide useful insight into

the affordability, sustainability and prudence of TfL's borrowing. Any incremental borrowing is also subject to a further assessment of affordability at the time of borrowing.

## **4 Changes to Prudential Indicators for 2025/26**

- 4.1 The overall proposed Operational Boundary for gross debt for 2025/26 in the Corporation of £15,565.2m and the Group of £17,733.0m represents an increase of £415.2m and £758.3m respectively when compared with the previously approved indicators for 2025/26 as result of:
- (a) long-term liabilities having decreased by £114.8m in the Corporation and increased by £199.7m in the Group. This was primarily due to updated assumptions for IFRS 16 liabilities, which can fluctuate due to the changing nature and duration of the lease contracts entered in to during the year.
  - (b) including in long-term liabilities the Silvertown Tunnel Private Finance Initiative (PFI), which comes on balance sheet as a liability for both the Corporation and the Group. In the prior year, the addition was forecast in the 2024/25 financial year as the opening date was not known at the time but is now expected to open in 2025/26. Upon initial recognition, the liability is £1.2bn and will be amortised over 25 years to 2050; and
  - (c) an increase in borrowing compared to previous indicators of £530m in the Corporation and £558.6m in the Group. As part of preparing our submission into the 2025/26 GLA Budget, we have accelerated previously planned borrowing from future years to help mitigate the lower than Budget operating surplus in 2024/25. The overall planned level of borrowing to 2027/28 remains the same as our 2024 TfL Business Plan. The Group also includes an amended draw down profile for the Places for London RCF.
- 4.2 The overall proposed Authorised Limit for gross debt for 2025/26 in the Corporation is £16,365.2m and the Group is £18,633.0m. In addition to the changes outlined in paragraph 4.1:
- (a) the reduction in headroom for borrowings above the Operational Boundary from £1,200m to £650m. This is to reflect the latest assumptions around refinancing opportunities in 2025/26 and the acceleration of planned borrowing and
  - (b) an increase in the headroom for long-term liabilities of £150m in the Corporation and £250m in the Group to reflect the requirement under IFRS 16 to remeasure lease liabilities in the event that management becomes reasonably certain it will extend an existing lease contract during the financial year.
- 4.3 Guided by the Code, the Operational Boundary represents TfL's best estimate of most likely, i.e. prudent, but not worst case scenario, level of external debt. We do this by reflecting external debt levels that align to TfL's most recent, published, Budget and Business Plan.

- 4.4 Additionally, the Code requires that the Authorised Limit should provide headroom over and above the Operational Boundary that would sufficiently address liquidity requirements, arising from unforeseen or unusual circumstances i.e. not considered within the 'most likely' plans for levels of external debt.
- 4.5 The proposed Authorised Limit provides headroom of £650m, excluding headroom for long-term liabilities, for the Group and the Corporation. This is a level deemed sufficient, taking account of the following items:
- (a) allowance to avail of favourable market conditions in relation to short-term refinancing activities and allow for flexibility when refinancing; and
  - (b) contingency allowance for TfL to increase debt should the need arise and it is assessed as affordable at the time of borrowing.
- 4.6 Facilities and options available to support TfL, should headroom be required to absorb financial shocks and contingent events, include
- (a) the Greater London Authority financing facility of £350m;
  - (b) an existing overdraft facility of £100m and a money market facility of £100m;
  - (c) the Places for London RCF of £200m; and
  - (d) new commercial or Public Works Loan Board borrowings.
- 4.7 The changes outlined to the Operational Boundary and Authorised Limit for financial year 2025/26 are also applicable to 2026/27 and outlined within the tables at paragraph 4.8 and 4.9.
- 4.8 **Reconciliation of Changes in External Debt Limits for the Corporation for 2024/25 to 2026/27**

Corporation, £m	Reference	2024/25	2025/26	2026/27	2027/28
<b>Previously approved Operational Boundary for Gross External Debt</b>		<b>15,222.0</b>	<b>15,150.0</b>	<b>15,587.5</b>	<b>n/a</b>
Re-phasing of provisions and liabilities	4.1(a)	-	(114.8)	35.2	n/a
Net new borrowings	4.1(c)	-	530.0	198.0	n/a
Increase/(decrease)		-	415.2	233.2	n/a
<b>Proposed Operational Boundary for Gross External Debt</b>		<b>15,222.0</b>	<b>15,565.2</b>	<b>15,820.7</b>	<b>15,684.4</b>
Headroom	4.2	1,200.0	1,200.0	800.00	800.0
Headroom reduction for 2025/2026 onwards	4.2		(400.0)		
<b>Proposed Authorised Limit</b>		<b>16,422.0</b>	<b>16,365.2</b>	<b>16,620.7</b>	<b>16,484.4</b>

#### 4.9 Reconciliation of Changes in External Debt Limits for the Group for 2024/25 to 2026/27

Group, £m	Reference	2024/25	2025/26	2026/27	2027/28
<b>Previously approved Operational Boundary for Gross External Debt</b>		<b>17,106.1</b>	<b>16,974.7</b>	<b>17,571.4</b>	<b>n/a</b>
Re-phasing of provisions and liabilities	4.1(a)	-	199.7	327.4	n/a
Net new borrowings	4.1(c)	-	530.0	198.0	n/a
Changes to Places for London RCF drawdown	4.1(d)	-	28.6	(24.2)	n/a
Increase/(decrease)		-	758.3	501.2	n/a
<b>Proposed Operational Boundary for Gross External Debt</b>		<b>17,106.1</b>	<b>17,733.0</b>	<b>18,072.6</b>	<b>18,025.0</b>
Headroom	4.2	1,200.0	1,200.0	900.0	900.0
Headroom reduction for 2025/2026 onwards	4.2		(300.0)		
<b>Proposed Authorised Limit</b>		<b>18,306.1</b>	<b>18,633.0</b>	<b>18,972.6</b>	<b>18,925.00</b>

## 5 Treasury Management Indicators

- 5.1 In addition to the Prudential Indicators, there are a number of treasury indicators that are outlined in CIPFA's Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (the TM Code). Local authorities are required to have regard to these Treasury Management Indicators.
- 5.2 The TM Code recommends that local authorities should adopt the following Treasury Management Indicators:
- upper and lower limits on the maturity structure of borrowing, including variable as well as fixed rate debt;
  - the period for upper limits to the total of principal sums invested longer than one year; and
  - a debt liability benchmark indicator to support risk management of the capital financing requirement.
- 5.3 While there is not a specific recommended indicator in respect of interest rate exposures, the TM Code suggests that authorities should explain the strategy for managing their interest rate risk as part of the investment and/or capital strategies. We cover our targets for fixed and floating rate debt, as well as general approach to interest rate risk, in our Treasury Management Strategy.
- 5.4 The proposed Treasury Management Indicators are detailed in Appendix 2.

- 5.5 The liability benchmark is a comparison of gross external debt with the gross loans requirement. If gross external debt exceeds the gross loan requirement, this potentially indicates that excess cash is required to be invested. Being under the benchmark indicates a potential borrowing requirement.

## **6 TfL Policy Statement on Minimum Revenue Provision**

- 6.1 Local authorities are required each year to set aside some of their revenues as provision for debt. TfL has a statutory duty to determine for the current financial year an amount of minimum revenue provision (MRP) which it considers to be 'prudent' in relation to debt service obligations, and having given regard to the Statutory Guidance on Minimum Revenue Provision.
- 6.2 While statutory guidance suggests four potential methods for calculating MRP, it also allows for other methods and approaches to be used. Since 2016/17, TfL has used one of these approaches while also considering the principles inherent in the statutory guidance on MRP, to make an annual provision in the Corporation, that aims to build up a reserve on the Balance Sheet over the average useful economic life (UEL) of the assets funded by borrowings in the Corporation, such that, at the end of that UEL, that reserve may be employed to either repay borrowings or to finance replacement capex for those assets that have reached the end of their lives. The provision is also measured against the weighted average lifetime of TfL's debt.
- 6.3 An MRP is effectively already made for borrowings passed down to the subsidiaries for capital purposes through TfL's existing processes for funding those entities. Therefore, no additional MRP is provided for these borrowings passed down to subsidiaries.
- 6.4 Average UEL is used to measure the service potential of the assets that the borrowings have been used to fund. This is based on property, plant and equipment in the Corporation, excluding assets under construction.
- 6.5 For right of use assets, the MRP charge is equal to the depreciation charged against the associated assets. Depreciation has been used rather than the movement in lease liability as this is more reflective of the consumption of the service potential given movements in lease liability are impacted by payment profiles e.g. bullet rental arrangements.
- 6.6 For PFI assets the useful economic life of the asset is used to calculate the MRP charge. In most cases the UEL of the asset will exceed the duration of the PFI arrangement, which is permitted by the guidance as the UELs are determined by appropriately qualified individuals.
- 6.7 Changes to the MRP statutory guidance, which apply from 1 April 2025, have been published by the Ministry of Housing, Communities and Local Government to better enforce the duty of local authorities to make a prudent MRP. The changes do not have an impact on TfL's current methodology which continues to be prudent and in line with the requirements of the Code.
- 6.8 Given current levels of debt (including finance leases) retained within the Corporation, the MRP is anticipated to be approximately £80m for 2025/26 and



2026/27. This is an increase over the prior year as a result of the Silvertown Tunnel PFI contract. This will result in an annual transfer of this amount from usable reserves (i.e. the General Fund) to unusable reserves (namely the Capital Adjustment Account).

**List of appendices to this report:**

Appendix 1: TfL Prudential Indicators for 2025/26 to 2027/28

Appendix 2: Treasury Management Indicators 2025/26 to 2027/28

Appendix 3: Definitions for Prudential Indicators, Treasury Management Indicators and Affordability metrics

**List of Background Papers:**

None

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## TfL Prudential Indicators 2025/26 to 2027/28

	Approved Indicator	Proposed Indicator	Proposed Indicator	Proposed Indicator
	2024- 25	2025 - 26	2026 - 27	2027 - 28
	£millions	£millions	£millions	£millions
<b>Operational Boundary for External Debt*</b>				
TfL Corporation				
Borrowing	13,454.0	13,966.0	14,130.0	14,050.0
PFI and long term liabilities	1,768.0	1,599.2	1,690.7	1,634.4
<b>Operational Boundary for External Debt, TfL Corporation</b>	<b>15,222.0</b>	<b>15,565.2</b>	<b>15,820.7</b>	<b>15,684.4</b>
TfL Group				
Borrowing	13,457.4	14,070.1	14,388.0	14,384.4
PFI and long term liabilities	3,648.7	3,662.9	3,684.6	3,640.6
<b>Operational Boundary for External Debt, TfL Group</b>	<b>17,106.1</b>	<b>17,733.0</b>	<b>18,072.6</b>	<b>18,025.0</b>
<b>Authorised Limit for External Debt**</b>				
TfL Corporation				
Borrowing	14,654.0	14,616.0	14,780.0	14,700.0
PFI and long term liabilities	1,768.0	1,749.2	1,840.7	1,784.4
<b>Authorised Limit in for External Debt, TfL Corporation</b>	<b>16,422.0</b>	<b>16,365.2</b>	<b>16,620.7</b>	<b>16,484.4</b>
TfL Group				
Borrowing	14,657.4	14,720.1	15,038.0	15,034.4
PFI and long term liabilities	3,648.7	3,912.9	3,934.6	3,890.6
<b>Authorised Limit for External Debt, TfL Group</b>	<b>18,306.1</b>	<b>18,633.0</b>	<b>18,972.6</b>	<b>18,925.0</b>
<b>Capital Expenditure (Annual)</b>				
TfL Corporation	2,910.9	2,253.1	1,721.5	2,006.0
TfL Group	3,709.9	3,314.8	2,718.2	2,470.2
<b>Capital Financing Requirement (Cumulative)***</b>				
TfL Corporation	14,837.8	15,077.2	15,332.7	15,196.4
Total TfL Group	17,260.6	17,276.7	17,616.4	17,568.8

\* The Operational Boundary is a calculation based upon the cash flows in the TfL Budget. If breached, it is a warning that financial plans may require review and amendment.

\*\* The Authorised Limit is the maximum amount that TfL may borrow legally.

\*\*\* The Capital Financing Requirement is the amount of capital expenditure to be financed by means other than grant or asset sales proceeds.

<b>Ratio of financing costs to net revenue stream</b>	<b>Approved Indicator 2024 - 25</b>	<b>Proposed Indicator 2025 - 26</b>	<b>Proposed Indicator 2026 - 27</b>	<b>Proposed Indicator 2027 - 28</b>
TfL Corporation	18.1%	20.0%	20.6	28.1%
TfL Group	19.6%	16.6%	18.0%	17.9%
<b>Ratio of net income from investments to net revenue stream</b>				
TfL Group	0.3%	0.34%	0.50%	0.99%

<b>Gross Debt and the Capital Financing Requirement*</b>	<b>TfL Group £'m</b>	<b>TfL Corporation £'m</b>
Operational Boundary (Gross Debt) at 31 March 2026	17,733.0	15,565.2
Adjusted Cumulative Capital Financing Requirement at 31 March 2028**	17,568.8	15,196.4
<p>*The Code stipulates that Gross Debt at 31 March 2026 should not generally exceed the Capital Financing Requirement at 31 March 2028.</p> <p>**The Code states the Cumulative Capital Financing Requirement should be based on the actual from the preceding year plus estimates of any additional capital financing requirement for the current and next two years. If in any of these years, there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement used for comparison with gross external debt.</p>		

## Treasury Management Indicators 2025/26 to 2027/28

Maturity Structure of Borrowing	Budget	
	31 Mar 2025	
	Upper	Lower
< 1year	20%	0%
1 year to < 2 years	10%	0%
2 years to <5 years	25%	0%
5 years to <10 years	40%	0%
10 years and above	80%	50%

Max Outstanding Principal invested >365 days	31 Mar 2026 £m	31 Mar 2027 £m	31 Mar 2028 £m
The numbers in this table reflect the Core Contribution element of TfL's intended investment in London Treasury Limited Fund LP which does not have a fixed maturity date			
Forward Financial Year 1	20.0	20.0	20.0
Forward Financial Year 2	20.0	20.0	20.0

Debt liability benchmark indicator	31 Mar 2026 £m	31 Mar 2027 £m	31 Mar 2028 £m
Loans CFR	14,510	14,594	14,434
Net loans requirement	12,581	12,665	12,505
Liability benchmark	13,956	14,078	13,920
Gross external debt	13,966	14,130	14,050
<b>(Over)/under benchmark</b>	<b>(10)</b>	<b>(52)</b>	<b>(130)</b>

### Definitions for Prudential Indicators, Treasury Management Indicators and Affordability metrics

#### Prudential Indicators

##### 1. External Debt - Operational Boundary

The Operational Boundary is a sum of external borrowings and long term capital liabilities, including finance lease creditors and provisions, as shown in the Budget and Business Plan. If breached, it is a warning that financial plans may require review and amendment.

##### 2. External Debt - Authorised Limit

The authorised limit is the maximum amount that TfL may borrow legally.

It comprises the Operational Boundary plus an element of headroom to allow for unexpected cashflow fluctuations, short-term refinancing and other contingencies.

##### 3. Capital Expenditure

For the Group this is the total of fixed asset additions for the given period.

For the Corporation this is the Corporation's own fixed asset additions plus any loans or capital grants passed to the subsidiaries for the given period.

##### 4. Capital Financing Requirement

The Capital Financing Requirement (CFR) is the amount of capital expenditure to be financed by means other than grant or asset sales proceeds. It is calculated from the balance sheet of the Group and Corporation by deducting deferred grant, and capital reserve balances from the total fixed asset balance.

There is a requirement in the Prudential Code to ensure that the estimate for the CFR at the end of 2028 does not generally exceed gross debt budgeted at the end of 2026. This requirement seeks to ensure that over the medium term, debt will only be for a capital purpose.

##### 5. Ratio of financing costs to net revenue streams

Indicator expresses the interest costs, net of interest income as a percentage of TfL's Revenue Grant and fares income plus or minus transfers to reserves.

##### 6. Ratio of net income from commercial and service investments to net revenue streams

Indicator expresses net income from commercial and service investments, other than treasury management investments, as a percentage of TfL's Revenue Grant and fare income plus or minus transfers to reserves.



## **Definition of Treasury Management Indicators**

### **1. Debt Liability Benchmark Indicator**

- (a) Gross external debt is the authority's loan debt at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
- (b) Net loans requirement: the authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
- (c) Liability benchmark (or gross loans requirement) equals net loans requirement plus short-term liquidity allowance.
- (d) Loans CFR excludes any part of the CFR related to other long-term liabilities rather than borrowing.

## **Definitions for affordability metrics**

### **1. Net debt to operating surplus before financing**

This metric considers the level of our forecast net debt compared to our operating surplus before financing costs. Net debt is the level of borrowing and other financing liabilities less cash balances. The operating surplus is calculated by deducting operating costs (including renewals) from operating income.

### **2. Net debt to operating surplus before financing and renewals**

This metric considers the level of our forecast net debt compared to our operating surplus before financing costs and renewals. Net debt is the level of borrowing and other financing liabilities less cash balances. The operating surplus is calculated by taking operating costs (excluding renewals) from operating income.

### **3. Debt service cover ratio**

The debt service cover ratio calculates how many times our operating surplus before financing costs and capital renewals covers our debt service obligations.

### **4. Interest cover ratio**

The interest cover ratio calculates how many times our operating surplus before financing costs and capital renewals covers the interest payments due on our borrowings.

**Board**

**Date: 26 March 2024**

**Item: 2025/26 TfL Scorecard**

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**This paper will be considered in public**

## **1 Summary**

- 1.1 The TfL scorecard is our primary tool for tracking in-year progress against TfL-wide strategic objectives and incentivising our senior managers to make strategically aligned decisions. The 2025/26 TfL scorecard has been developed to align with our TfL Strategy and the Mayor's Transport Strategy.
- 1.2 The proposed scorecard structure for 2025/26 is similar to the scorecard for the current financial year. It continues to align to our strategic themes, which encapsulate our priorities of delivering a safe, secure and reliable service to our customers, empowering and supporting our colleagues, rebuilding our finances, and protecting and improving the environment.

## **2 Recommendation**

- 2.1 **The Board is asked to note the paper and:**
  - (a) **approve the 2025/26 TfL scorecard, subject to finalisation of the safety and security and colleague targets and authorise the Deputy Chair of TfL to approve any changes to the final safety and security and colleague targets as drafted, in consultation with available Members; and**
  - (b) **note the approach to Business Area scorecards for 2025/26.**

## **3 2025/26 TfL Scorecard**

- 3.1 The scorecard has been structured to align with the themes from TfL's Strategy: Safety and Security, Colleague, Customer, Green and Finance as set out below:

2025/26 metrics	Target	Floor Target	Weight
<b>Safety and Security</b>			
Roads, Killed or Seriously Injured (absolutes)	3,604* or fewer	3,685* or fewer	8.33%
Customer, Killed or Seriously Injured (absolutes)	194 or fewer	206 or fewer	8.33%
Colleague, Killed or Seriously Injured (absolutes)	0 killed, 17 or fewer seriously injured	0 killed, 22* or fewer seriously injured	8.33%
Workplace Violence & Aggression (all incidents)	Shadow measure not targeted		0%
<b>Colleague</b>			
Total Engagement	+1% point	No change from 24/25	7.5%
Senior Leader Representation			
Women	35.6%	24/25 actual	7.5% (1.5% per characteristic)
BAME	21.5%	24/25 actual	
Have a disability	6.9%	24/25 actual	
Minority faith/belief	13.2%	24/25 actual	
LGB	6.1%	5.5%	
<b>Customer</b>			
% of Londoners who agree we care about our customers	60%	57%	3%
Investment programme milestone delivery	90%	75%	10%
Customer Journey Time:			
London Underground	26.9	28.6	12% (4% per mode)
Bus	34.3	35.7	
Rail	27.5	28.6	
<b>Green</b>			
CO <sub>2</sub> emissions from TfL operations & buildings (ktonnes CO <sub>2</sub> e)	740	777	5%
Green Milestone delivery	7/9	6/9	10%
<b>Finance</b>			
Total operating income vs budget	£7,086m	£7,015m	6.67%
Recurring operating cost savings	£114m	£57m	6.67%
Capital renewals	£715m (+/-2%)	N/A	6.67%

\* Exact targets for Safety and Colleague measures to be based on 2024/25 outturn. Changes to the draft targets above are subject to approval of the Deputy Chair of TfL, in consultation with available Members.

## **4 Updates for the 2025/26 Scorecard**

- 4.1 We have not introduced any new measures from the 24/25 TfL scorecard.
- 4.2 We have noted below any contextual information on specific measures where appropriate or where we may have removed measures.

### **Weightings**

- 4.3 We have adjusted the weightings of our scorecard this year to reflect the required nearer term focus on both Safety and Security and Customer (both of these themes are weighted at 25 per cent). Our Colleague and Green themes have been adjusted to 15 per cent to accommodate this. All five themes remain collectively important to the progress of TfL's Strategy.

### **Safety and Security**

- 4.4 As part of the security aspect of Safety and Security, a shadow measure around Workplace Violence and Aggression is included; it is untargeted and will not be weighted due to the volatile nature of the baseline. Tackling workplace violence and aggression against our colleagues is a key priority, so including it on the scorecard provides visibility. It is not being 'targeted' as we do not wish to discourage reporting.

### **Colleague**

- 4.5 We have removed attendance as a TfL scorecard measure, while keeping it on the Operations scorecard, this is to enable the change in weightings while not reducing the weighting of our other Colleague measures.

### **Green**

- 4.6 Green Milestone Delivery reflects a subset of key milestones on the TfL Green Roadmap and have been selected as the headline activities which will drive the greatest progress against our wider green ambitions within year.
- 4.7 We have removed Sustainable Drainage Systems (SuDS) delivery as a standalone metric and instead will track delivery via the Green milestones. This is to enable a greater weighting to be applied to the two metrics.

### **Finance**

- 4.8 Total operating income has been retained as it is aligned to our strategic priority to diversify and grow our revenue, it excludes business rates retention and revenue grants to more accurately reflect our revenue.
- 4.9 The draft targets for the finance measures included within this paper are subject to approval of the TfL Budget.

## **5 Approach to Business Area Scorecards**

- 5.1 The scorecard structure aligns with the Chief Officer accountabilities. This has been retained in 2025/26, with an Operations, Capital, Places for London, and Customer and Strategy scorecards.

- 5.2 It is intended that senior performance awards are linked solely to the TfL scorecard result, rather than also business area scorecards (except for Places for London). This is to ensure that the entire organisation is supporting all our priorities. A paper will be brought to the People and Remuneration Committee with further details.
- 5.3 The Places for London scorecard ensures the appropriate performance monitoring of the financially separate commercial property company, and this was presented for approval at the meeting of the Land and Property Committee on 18 March 2025.
- 5.4 The draft scorecard for Places for London, as well as the Operations, Capital and Customer and Strategy business areas, are included in Appendix 5.
- 5.5 If there are material changes to the scorecard during the financial year, we will manage these through the change control process:
- (a) for the TfL scorecard, the Board will review and approve any changes: and
  - (b) for divisional scorecards, the Commissioner and Executive Committee will review and approve any changes.

**List of appendices to this paper:**

- Appendix 1: Proposed measures and rationale
- Appendix 2: Proposed targets, floor targets and rationale
- Appendix 3: Green Milestones
- Appendix 4: Business area scorecards

**List of Background papers:**

None

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## Appendix 1: Proposed measures and rationale

Measure	Metric description	Rationale for inclusion
<b>Safety and Security</b>		
<b>Colleague Killed or Seriously Injured</b>	This measures the absolute number of fatalities and serious injuries within our workforce. It excludes injury which results from an incident arising from a pre-existing medical condition, and intentional self-harm. It includes injuries to TfL employees and our contracted workforce within public transport, capital delivery and maintenance.	The safety and security of our customers, colleagues and on London's streets, remains TfL's top priority. These measures are in line with our TfL Strategy and Vision Zero ambitions to ensure that we are tracking performance towards reducing the number of people that are killed or seriously injured across our network and on London's streets.
<b>Roads Killed or Seriously Injured</b>	This is an established metric tracking the safety outcomes on London's road network.	
<b>Customer Killed or Seriously Injured</b>	This measures the absolute number of customers killed or seriously injured while using our network.	
<b>Workplace Violence &amp; Aggression (all incidents)</b>	Total incidents of reported violence and aggression directed at TfL and contracted services colleagues.	We have a duty to protect our colleagues and tackle incidences of work-related violence and aggression.
<b>Colleague</b>		
<b>Total Engagement</b>	This measures the different aspects of people's working lives to give a holistic measure of what it is like to work here and where we need to improve – engagement with work, management, change and leadership, customers, team and wider business and brand.	Total engagement is our primary measure for how content our people are in work and how committed they are to their roles, and the organisation. Total engagement is a key metric for assessing how our employment offer contributes to the success of the organisation, and the effectiveness our colleague roadmap in attracting and retaining staff.

Measure	Metric description	Rationale for inclusion
<b>Senior Leadership Representation</b>	This is a measure of the percentage of colleagues in Payband 4 and above who have declared to be black or minority ethnic; to be a women; to have a disability; to be lesbian, gay or bisexual; or to have a minority faith or belief.	In order to represent London, it is important that TfL represents Londoners at every level of the organisation. This is key to making sure that there is diversity of thought in decision-making and to becoming a more inclusive workplace.
<b>Customer</b>		
<b>Percentage of Londoners who agree TfL cares about its customers (%)</b>	This is our key customer metric which tells us how customer focused we are by showing how well we are meeting our customers' expectations during every interaction with us, not just their last journey experience. It is appropriately sensitive to reflecting improvement or deteriorations in our service.	Customer Care allows us to track our long-term direction to meet customer needs. Being customer focused is key to driving up revenue, shifting people away from car use to public transport or active travel, and to building public support during these challenging times.
<b>Customer Journey Time</b>	Journey Time is a measure of how long it takes our customers to travel on our services. It is calculated by adding up the time for each stage of a journey (e.g. waiting, time in transit, interchange) and applying a weighting for factors that negatively affect passenger experience, such as crowding and wait times. This is measured for London Underground, Buses, and our Rail modes (DLR, London Overground, Trams and Elizabeth line).	Journey time is a key driver of demand. This journey time metric is our best overall measure of service reliability, from a customer perspective.
<b>Investment Programme Milestone delivery</b>	This measure is a basket of delivery milestones, which each have an assigned delivery date within the 2025/26 financial year. This includes the most important milestones across our major projects, enhancements and renewals.	This is an established scorecard measure as these projects play a vital role in stimulating the economy, growing demand and supporting our supply chain.

Measure	Metric description	Rationale for inclusion
<b>Green</b>		
<b>CO<sub>2</sub> emissions from TfL operations &amp; building (ktonnes CO<sub>2</sub>e)</b>	This is a metric that we have retained on the scorecard as a demonstration of our commitment to addressing the global climate change emergency. It measures the level of emissions across the whole of our operations – burning fuel (Buses, Dial-a-Ride fleet) and our direct electricity use (our buildings, London Underground (LU), Rail). LU energy and Buses emission forecasts are aligned to % service operated and revised budget operated km targets respectively.	The purpose of this is to track and show the TfL-wide decarbonisation we intend to achieve, keep us on track with our commitments, and in the long-term, encourage a carbon-conscious culture.
<b>Green Milestone Delivery</b>	This measure is a basket of delivery milestones, which each have an assigned delivery date within the 2025/26 financial year. They will cover the delivery of Green (or carbon-specific) activities that involve all teams across TfL and focus on the delivery of key operational, investment activities and work underway in planning stages.	This measure will help to further develop our plans and focus delivery across the business to deliver against our Green ambitions.
<b>Finance</b>		
<b>Total operating income vs. Budget</b>	How much revenue TfL generates, made up of passenger income, other operating income (charging schemes, advertising etc.). It excludes Places for London income, Business Rates Retention and revenue grants.	We need to grow our revenue in order to deliver an operating surplus.

Measure	Metric description	Rationale for inclusion
<b>Recurring Operating Cost Savings</b>	This monitors the delivery of recurring savings required in-year as part of delivering our budget. It does not include one-off savings.	We need to continually improve our efficiency and target continuous savings to reduce like-for-like operating costs in real terms in order to deliver an operating surplus.
<b>Capital Renewals</b>	This metric measures our capital expenditure on renewals against the budget forecast.	We need to invest in the renewal of our assets to support the operation of a sustainable network that continues to run a safe and reliable transport system that delivers for London.

## Appendix 2: Proposed targets, floor targets and rationale

Unless otherwise stated below, the weighting awarded for each measure will be pro-rated from 100 per cent when on target, down to 10 per cent when on the floor target. Below the floor target achieves 0 per cent.

Measure	2024/25 target	2025/26 target	Target rationale	Floor target	Floor target rationale
<b>Safety and Security</b>					
Colleague Killed or Seriously Injured (absolutes)	0 killed, 17 or fewer seriously injured	0 killed, 17 or fewer seriously injured	Achieving the target will mean we are exceeding the trajectory to achieve the 2041 Mayor's Transport Strategy target and will bring us closer in line to the TfL target for 2030. In the event of a TfL (directly and contracted) colleague fatality, the whole measure is automatically failed	0 killed, 22 or fewer seriously injured  (Exact target to be confirmed based on the 24/25 actual)	Average of the last three years minus 7%. This would be a 24% decrease on the forecast for 2024/25.
Roads Killed or Seriously Injured (absolutes)	3,671 or fewer	3,604 TBC (2.7% reduction on the 24/25 end of year Actuals)	Average progress year-on-year post pandemic is -1.7%. This target will push this to -2.7% reduction of KSIs. Road KSIs have reduced by -25% compared to 2010-14 baseline. Achieving the target would represent the lowest level of road KSIs since the coronavirus pandemic.	3,685 or fewer  (Exact target to be confirmed based on the 24/25 actual)	Average of the last three years minus 2%. This would be 0.5% decrease on forecast for 2024/25.
Customer Killed or Seriously Injured (absolutes)	194 or fewer	194 or fewer	Bring us closer in line with the required trajectory to half the number of incidents by 2030 after an increase in the number of incidents last year.	206 or fewer	No worse than the floor target in 2024/25.



<b>Colleague</b>					
Engagement	+2% point	+1% point	<p>This will be an adjusted result from the previous year, rather than the reported actual, as the methodology for calculating the engagement index may change from year-to-year requiring an adjustment to compare like-for-like.</p> <p>Our long-term strategy is to be better than the UK Benchmark for Engagement so we must aim for improvement.</p>	Maintain 2024/25 result	Floor target to maintain progress against engagement, performing no worse than 24/25.
<p>Senior Leader Representation: % of PB4+ population declared as:</p> <p>Women</p> <p>BAME</p> <p>Minority faith</p> <p>LGB</p> <p>Has a disability</p>	<p>35.3%</p> <p>19.8%</p> <p>13.1%</p> <p>5.8%</p> <p>6.5%</p>	<p>35.6%</p> <p>21.5%</p> <p>13.2%</p> <p>6.1%</p> <p>6.9%</p>	<p>Targets based on trajectory towards halving the distance to Economically Active London (EAL) benchmark by 2030 compared to the baseline year of 2022/23 (when Action on Inclusion was launched).</p> <p>The trajectory for each protected characteristic has been reviewed based on current performance, and in some cases reprofiled but the 2030 ambition remains unchanged.</p> <p>Where we are already representative our target is to maintain historical performance.</p>	<p>5.5.% for Sexual orientation, use end of year performance for all others</p>	<p>Floor targets to be to maintain 2024/25 end of year position as a minimum and maintain historic progress where we are already exceeding the EAL rate. (Sexual orientation)</p>
<b>Customer</b>					
% of Londoners who agree we care about our customers	56%	60%	<p>Target represents a 4% point increase on 2024/25 target and +1% improvement on our forecast end of year position. 59% is our highest ever score, so</p>	57%	Floor is to improve the average of the last five years (56).

			an increase of 1%pt is ambitious.		
Investment programme milestone delivery	90%	90%	This has been the target for a number of years and represents a reasonable but challenging level given the work needed to deliver this in 2025/26.	75%	Aligns with previous floor target.
Customer Journey Time: <ul style="list-style-type: none"> <li>London Underground</li> <li>Bus</li> <li>Rail</li> </ul>	27.9 min	26.6 min	Targets are aligned to the budget in order to ensure accurate revenue forecasting.	28.5 min	The floor targets maintain the methodology used for 2022/23 floor targets and take into account the upper end of demand impacts on Customer Journey Time.
	33.8 min	34.1 min		35.5 min	
	26.9 min	27.5 min		28.6 min	
<b>Green</b>					
CO <sub>2</sub> e emissions from TfL operations and buildings (ktonnes)	773	740	Target is based on our latest forecast, which is aligned to our 2024 Business Plan and Carbon Budget. Action we are taking next year to reduce our carbon emissions includes continuing to transition our bus fleet to zero emission and roll out LED lighting across our street assets, head office buildings and London Transport Museum, along with adjustments to the carbon factor from our grid supplied electricity.	777 (+5%)	Set at 5% above the target to account for variability in the grid mix.
Green milestone delivery	90%	7/9	Follows a similar methodology as Investment Programme milestones. The list of milestones is included in Appendix 4.	6/9	A variation is used on Investment Programme milestone floor to reflect the fact that there are fewer milestones that make up this measure.
<b>Finance</b>					
Total operating income vs budget (excluding Places for London)		£7,086m	Our target is to achieve at least the full income amount included in our 2025/26 Budget.	£7,015m	Reflects approximate amount managed through central contingency from income risk.

Recurring opex saving		£114m	100% of identified recurring savings (excluding pension contributions savings) plus 50% unidentified savings	£57m	100% of identified recurring savings (excluding pension contributions savings)
Capex renewals vs budget	£795m	£715m (+/- 2%)	Our target is to deliver our full capital renewal expenditure within a range of +/- 2 %. This is to maintain focus on both efficient delivery and forecast accuracy.	Not applicable	Anywhere within the 2% range achieves the full weighting. This continues methodology used for Total Capex, used in previous years and is considered an acceptable range for delivery.

### Appendix 3: Green Milestones

	Milestone Description	Target Date
1	Bring 600 zero emission buses into service by March 2026; total 2,500 zero emission buses in the fleet	Q4
2	Expand wildflower verges on the TfL network by 13ha per year from 26ha to 39ha	Q1
3	TfL Zero Emission (Support) Fleet – Phase One – Commence works on site to install charge points	Q4
4	90% Environmental Evaluations compliance rate for projects that pass through pathway gates 1, 2 and 3 in 2025/26	Q4
5	Building decarbonisation programme – delivery model approach confirmed.	Q3
6	Construction started on first Electric Vehicle Hub site - Hatton Cross station car park	Q4
7	Establish and commence a comprehensive five-year delivery programme towards 100% LED	Q2
8	Commence evaluations of Private Wire stage 2 (ISOS - Invitation to Submit Outline Solution) submissions	Q1
9	Deliver an additional 9,000 sqm of Sustainable Drainage System (SuDS) catchment across the TfL estate (including Places for London)	Q4

## Appendix 4: Business area scorecards

### Operations Scorecard

Theme	2025/26 metrics
<b>Safety and Security</b>	Roads, Killed or Seriously Injured (absolutes)
	Customer, Killed or Seriously Injured (absolutes)
	Colleague, Killed or Seriously Injured (absolutes)
	Roads, Killed or Seriously Injured reduction milestones
	Workplace Violence and Aggression (all physical incidents)
<b>Colleague</b>	Total Engagement
	Attendance
	Operations People Plan Milestones
	Senior Leader Representation (Women, BAME, Have a disability, Minority faith/belief and LGB)
<b>Customer</b>	Public transport Customer Satisfaction Survey
	Customer Journey Time (London Underground, Bus and Rail (Elizabeth line, Trams, DLR, London Overground))
	Investment programme milestone delivery
<b>Green</b>	Operations carbon milestones
	Operations Green Milestone Delivery
<b>Finance</b>	Operating cost vs budget
	Capital renewals



## Capital Scorecard

Theme	2025/26 metrics
<b>Safety and Security</b>	Capital workforce – all injuries (TfL employees)
	Capital workforce – all injuries (Supplier employees)
	Formal Investigation Report (FIR) actions closed out within due date
	Incident close-out rate
	RIDDOR*** Accident Frequency Rate
	Roads, Killed or Seriously Injured (absolutes)
<b>Colleague</b>	Total Engagement
	Capital People Plan Milestones
	Senior Leader Representation (Women, BAME, Have a disability, Minority faith/belief and LGB)
	Project management community milestones
<b>Customer</b>	Strategic Tier 1 milestone delivery
	Strategic Tier 2 milestone delivery
	Pathway Compliance
	Pathway content validity
	Engineering and Asset Strategy milestones achieved on time
<b>Green</b>	Green capability upskilling
	Projects' environmental compliance
	Capital Green Milestone Delivery
<b>Finance</b>	Enhancements vs. Budget
	Recurring operating cost savings
	Capital expenditure Savings delivered

\*\*\*RIDDOR: Reporting of Injuries, Diseases and Dangerous Occurrences Regulations

## Places for London Scorecard

Theme	2025/26 metrics
<b>Safety and Security</b>	Improvement in tenant compliance risk profile
	Colleague, Killed or Seriously Injured (absolutes)
<b>Colleague</b>	Total Engagement
	People Milestones
	Senior Leader Representation – Gender, BAME
	All Staff Representation – Disability, Minor Faith
<b>Homes</b>	Homes start on site (cumulative)
	Homes - Completed (cumulative)
	% Affordable Homes Start on Site
	Places Delivery Milestones
	Customer Satisfaction Survey
<b>Green</b>	Green and Sustainability Milestone Delivery
<b>Finance</b>	Total revenue
	Operating surplus
	Asset disposals
	Dividend

## Customer and Strategy Scorecard

Theme	2025/26 metrics
<b>Safety and Security</b>	Roads, Killed or Seriously Injured (absolutes)
	Customer, Killed or Seriously Injured (absolutes)
	Colleague All Injuries
	Required Ezone training
<b>Colleague</b>	Total engagement – Customer and Strategy
	People Plan Milestones
	Senior Leader Representation (Women, BAME, Have a disability, Minority faith/belief and LGB)
<b>Customer</b>	% of Londoners who agree we care about our customers
	Investment Programme Milestones
	Customer Journey Time (London Underground, Bus and Rail (Elizabeth line, Trams, DLR, London Overground))
<b>Green</b>	Green milestones delivery
<b>Finance</b>	Total Revenue (Fares, Road User Charging, Other)
	Recurring operating cost savings
	Capital expenditure vs Budget



**Board**



**Date: 26 March 2025**

**Item: Board Effectiveness Review 2024**

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**This paper will be considered in public**

**1 Summary**

- 1.1 This paper presents the Board Effectiveness Review 2024, led by the Deputy Chair of TfL, as set out in Appendix 1 to this paper.
- 1.2 The review updates Members on the action taken to address matters for consideration from the externally led review in 2023, reported to the Board in October 2023. It also covers issues relating to the recruitment and induction of new Members and the standing up of the new Board and decision-making structure from 9 September 2024. There are a number of suggestions on how the new Board and decision-making structure can be implemented, how to improve the information provided to the Board at meetings and informally, and how to further strengthen the relationship between Members and the Executive team.

**2 Recommendation**

- 2.1 **The Board is asked to note the outcomes of the Board Effectiveness Review 2024 and agree the proposed response, as set out in Appendix 1.**

**List of appendices to this report:**

Appendix 1: Board Effectiveness Review 2024

**List of Background Papers:**

Board Effectiveness Review 2023 paper, Board 18 October 2023

Board Appointments and Decision-making Structure paper, Board 24 July 2024

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## **Appendix 1**

# **TfL Board Effectiveness Review 2024**

## **Introduction**

In line with good governance practice, we undertake regular reviews of the effectiveness of the Board and Board-level decision-making structure.

In 2023, an externally led review was conducted and its outcomes were considered by the Board, at its meeting on 18 October 2024. At that time, the Board agreed not to make any immediate structural changes to TfL's decision-making structure but that there would be more strategically focussed discussion at meetings and greater coordination between meetings to avoid duplication, and to have scheduled informal sessions to allow Members to discuss matters of strategic importance. Members also provided valuable input in relation to the skills, knowledge and experience required of the Board to best serve TfL in the future, in preparation for the recruitment of new Board Members in 2024, and suggestions on how to improve the induction of new Members.

This report covers how the outcomes of the 2023 review were addressed. It also covers the outcomes from a review conducted by the Deputy Chair in late 2024 and early 2025 and the proposed response to the issues raised. The 2024 review was light-touch as there were substantive changes to the Board and its decision-making structure in September 2024.

The 2024 review has been informed by a Board and Executive Committee discussion in February 2025 on the outcomes from one-to-one discussions between the Deputy Chair and individual Members and the responses to a short questionnaire circulated to all Members and the Executive Committee in late 2024.

To enable changes recommended by effectiveness reviews to be implemented and embedded, the Deputy Chair proposes that reviews are conducted every two years, with an externally led review taking place towards the end of 2025.

## **Theme 1: Board Composition**

### **Appointments**

As recommended by the 2023 review, the Board and Executive Committee worked with the Deputy Chair to develop a detailed skills matrix for future Board composition, aligned with TfL's key requirements and strategic priorities. The skills matrix built upon the requirements for Board membership set out in the Greater London Authority Act 1999 (as amended) and previous additions recommended for consideration by earlier Board effectiveness reviews. The skills matrix set out the requirements, what were met and highlighted potential skills gaps.

The 2024 skills matrix was used by the external recruitment consultant in April 2024 to source candidates and by the appointments panel when making recommendations to the Mayor. The outcome of the recruitment campaign saw the Board appointed



from 9 September 2024 consist of: the Mayor as Chair and the Deputy Mayor for Transport as Deputy Chair; seven new Members on full four-year terms; four existing Members, who had served one full term or less, on four-year terms; one existing Member, who had served more than one full-term, on a two-year term; and two existing Members, who had served two full-terms, on a one-year term to provide continuity. The skills matrix was also utilised by the Deputy Chair to make recommendations to the Board on the appointment of individual Members to Committees and Panels before exercising delegated authority to make the appointments.

The use of the 2024 skills matrix was considered effective. Evidence from previous externally led reviews has been that the Board and TfL benefits from having its composition based on skills and experience.

A recruitment campaign commenced in February 2025 to appoint up to two new Members with local or central government finance and funding expertise and with commercial property development expertise, to succeed the two Members that will be leaving given the importance of these areas to TfL. We also anticipate the appointment of the Trades Union Congress' nominee shortly, which will take the Board up to its maximum size of 17.

The 2023 review recommended that consideration be given to incorporating the voice of young people into some Board discussions. From February 2024, the TfL Youth Panel had a representative (and substitute) attend and speak at meetings of the former Customer Service and Operational Performance Panel and Safety, Sustainability and Human Resources Panel. A representative has continued to attend meetings of the Customer, Sustainability and Operations Panel since it stood up in September 2024 and its Chair is keen to engage with the Youth Panel's new representative to ensure their input is as effective as possible.

### **Actions:**

Whenever substantive changes to the Board are proposed, a skills matrix will be developed to inform the recruitment campaign.

Future events would be held as appropriate in particular ahead of future substantial changes to the membership of the Board.

### **Induction**

The induction programme for new Members in September 2024 was welcomed and considered effective. It included, as recommended by previous reviews, a buddy system pairing new Members with existing Members and an Executive Committee member. The induction provided and the buddy system were impacted by officer and Member availability due to the cyber incident that impacted TfL just before the new Board and decision-making structure stood up. The buddying system was useful, but continued work is required to ensure it is effective.

The Deputy Chair held the first round of regular one-to-one meetings with Members, to get their views on Board performance, induction for new Members and to provide feedback on their individual contribution to the Board. These helped inform this review.

**Actions:**

The Deputy Chair will hold one-to-one meetings with each Member at least annually.

Ongoing support will be provided to Members as a high-performance Board and to clarify the distinct roles of the Board and the Executive.

The induction programme for Members who joined during the Mayoral cycle would be reviewed.

Exit interviews will be held with Members before they leave the Board, and we will explore options for departing Members to meet new Members to provide guidance and context.

The use of the buddy system will be further developed and strengthened and used for all new appointments as part of the induction process and thereafter.

The Chair or Vice Chair of the Customer, Sustainability and Operations Panel will provide support and advice to its Youth Panel representative, who will also be supported by an appropriate officer, to help them effectively contribute to the work of the Panel.

## **Theme 2: Role of the Board**

### **Decision-making structure**

While the Board did not commit to any immediate structural changes arising from the 2023 review, it did undertake work to make the meetings under the then existing structure more effective. These actions included reordering the agendas of its Panels to put strategic items first, ahead of the regular quarterly updates, to have a TfL Youth Panel representative able to attend and contribute to discussions on customer service and sustainability matters and to rotate agenda themes for the Safety, Sustainability and Human Resources Panel.

While these changes had some positive impact, issues remained with the meetings of the Safety, Sustainability and Human Resources Panel having full agendas with people and sustainability issues often crowded out, duplication between meetings and no dedicated place for discussions on security issues. As set out in more detail in the paper on TfL Membership and Decision-making Structure, considered by the Board on 24 July 2024, following consideration of these issues by Members and the Executive Committee, the Sandilands sentencing outcome and a review of TfL's safety risk management approach, the Board agreed significant changes to its Committees and Panels.

There were three substantive changes to the decision-making structure, with effect from 9 September 2024. People issues were brought together under a single People and Remuneration Committee, in line with good practice elsewhere. A Safety and Security Panel was established to reflect the importance of safety to TfL and to provide greater prominence to security issues at Board level. Those changes resulted in the former Safety, Sustainability and Human Resources Panel being stood down. The sustainability element of that former Panel was incorporated into a refocussed Customer, Sustainability and Operations Panel, which replaced the Customer Service and Operational Performance Panel. Both new Panels focus on strategic issues and be forward looking. Other changes included committing to further mainstream sustainability issues in the work of the Audit and Assurance Committee, Finance Committee, Land and Property Committee and Programmes and Investment Committee.

TfL retains a distinction between Committees and Panels: “Committee” denotes a decision-making body, be that to approve authority delegated by the Board in relation to unbudgeted Financial Authority, Procurement Authority, Land Authority or Programme and Project Authority, or in the case of the People and Remuneration Committee, decisions on remuneration for the most senior officers; while “Panel” denotes an advisory body as the duty holder responsible and accountable for day-to-day decisions on safety and security, and customer and operational issues, is the relevant Chief Officer and Commissioner, as set out under various regulations. Officers consider there is no difference in the importance that they attach to the oversight, assurance and strategic guidance or advice that they receive from the different bodies.

The new structure is bedding in well but will be kept under continuous review. Its effectiveness will be considered as part of the next externally led review, which will be after at least a year of operation.

**Actions:**

The effectiveness of the decision-making structure, stood up on 9 September 2024, will be considered as part of the next externally led Board Effectiveness Review.

To further strengthen the assurance and oversight role of the Panels, the relevant regulators will be invited to attend at least one meeting a year, so Members have direct contact. This will include the Office of Rail and Road and the Rail Accident Investigation Branch.

**TfL’s Contribution to the Mayor’s and Wider Government Objectives**

Members recognised the wider role that TfL played in support of the Mayor’s priorities, as reflected in the Mayor’s Transport Strategy and wider strategies and the strategic plans of government. These went beyond the immediate benefits of supporting world-class public transport, active transport, and safer less congested roads in London. TfL’s work supports housing, health, sustainability, diversity, equity and inclusion, economic growth and many other priorities.

The Board was keen that TfL did more to celebrate TfL’s achievements and contributions.

TfL also benefitted from being a part of the wider Greater London Authority Group, which extended its influence and led to better decisions for TfL and across the Group.

## **Meeting papers**

Meeting agendas are often full and papers can be long. It is generally accepted by Members and officers that the size of agendas and length of papers should be reviewed to see where they can be simplified. This is balanced against the need to provide enough information for informed decision-making, particularly those that may be subject to challenge, and to provide enough background information for newer Members and the public, as Board-level meetings are held in public.

### **Action:**

The length and content of papers will be kept under review with a view to making them shorter.

## **Briefings and other informal engagement**

In response to the 2023 review, further opportunities were provided to enable Members, Chief Officers and other Senior Leaders to develop relationships and connect more in an advisory capacity. This included sharing information on forthcoming briefings to all Members, an opportunity for the Members who joined in September 2024 to meet the Members who were leaving the Board, along with existing Members, the Commissioner, Chief Officers, Directors and other key officers. As part of the 2024 review, Members confirmed that they find briefings and other direct contact to feed into proposals useful and would like to see these opportunities increased.

Members welcome the briefings and would like these to be more interactive and on key issues held prior to options being selected or decisions taken, so they can share their skills, knowledge and experience to input at a strategic level.

Site visits are also popular and offer an opportunity for Members to meet officers at different levels of the organisation.

Members welcome the links to training provided on disability awareness and support further training throughout their tenure.

### **Actions:**

Specific time will be set aside for site visits and for briefings on strategic issues, including how TfL is addressing Mayoral priorities such as Vision Zero, and for informal engagement. Briefings will be scheduled for an hour after each Board-level meeting in the calendar. The topic for the briefing will be notified to all Members in advance or, if none proposed, Members can use the time for informal networking.

Dedicated time will be allocated during each year for engagement on the Business Plan, Budget and Scorecard. As appropriate, this would include engagement by the Mayor's office and other Deputy Mayors.

Briefings and site visits will also be used to provide Members with access to officers below Chief Officer level.

Members will be proactive in suggesting places they may like to visit and will be informed of the regular schedule of officer level visits, which they will be welcome to attend (noting that these may be at short notice and the need to manage numbers).

A more structured training programme will be developed for Members throughout their tenure, including the completion of mandatory courses on Freedom of Information, bribery and fraud awareness.

### **Theme 3: Other issues**

#### **Land and Property Committee**

We will keep under review the operation of the Land and Property Committee as Places for London moves into delivery. Consideration will be given to the role of the Committee in regard to other aspects of TfL's estate (operational property), beyond those within the remit of Places for London. Any proposed changes will be submitted to a future meeting of the Board for approval.

#### **Action:**

Further discussion with Board Members will take place on the role and importance of Places for London and how best the Board can provide oversight and stewardship, while enabling it to operate effectively.

#### **Broader awareness of TfL activity and engagement with the media**

Members welcome the content provided by the in-house staff magazines and would like to receive more information on what is coming up so they can support the messaging and promote TfL.

#### **Actions:**

The Director of Communications and Corporate Affairs would review the information on TfL activities provided internally and share appropriate messaging with Members.

Refreshed guidance will be provided to Members on social media use, and when it is appropriate to engage with the Press Office before making comment on matters that may impact TfL.

#### **Thanks**

Members thanked the Executive Committee and other officers that they engaged with for their support and time and thanked the members of the Secretariat.





**Board**

**Date: 26 March 2025**

**Item: Report of the Meeting of the Safety and Security Panel  
held on 12 February 2025**

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**This paper will be considered in public**

## **1 Summary**

1.1 This paper provides a summary of the items considered by the Safety and Security Panel at its meeting on 12 February 2025.

## **2 Recommendation**

2.1 **The Board is asked to note the report.**

## **3 Panel Agenda and Summary**

3.1 The papers for the meeting of the Panel held on 12 February 2025 were published on 4 February 2025 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).

3.2 The main matters considered by the Panel were:

- (a) Rail Customer Safety Update;
- (b) 2024 Crime and Antisocial Behaviour Update;
- (c) Safeguarding Customers at TfL;
- (d) Enterprise Risk Update - Significant Security Incident including Cyber Security (ER04);
- (e) Safety, Health and Security Report Quarter 3 2024/25; and
- (f) Risk and Assurance Report Quarter 3 2024/25.

3.3 A summary of the items considered is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Panel on 19 May 2025.

## **4 Issues Discussed**

### **The Tragic Death of Jorge Ortega**

4.1 The Panel's and Executive's thoughts were with the family, friends and colleagues of Jorge Ortega, a MTR Elizabeth line employee who was seriously assaulted while working at Ilford station on 4 December, and sadly died in hospital on 6 December 2024. The Panel recognised that safety and wellbeing

of colleagues is paramount to TfL and how TfL was working closely with MTR Elizabeth line, to provide support to Jorge's family and to all colleagues affected, and with the British Transport Police to support the investigations and will continue to strengthen safety measures for staff.

### **Rail Customer Safety Update**

- 4.2 The Panel noted the paper, which set out the status in relation to performance and achieving targets for customer safety on rail modes (London Underground, London Overground, DLR, London Trams and the Elizabeth line).
- 4.3 The Mayor's Transport Strategy established the goal of eliminating death and serious injury from London's transport networks by 2041. TfL's internal Strategy for Safety set out the interim target to halve customer deaths and serious injuries by 2030. The death and serious injury rate decreased during the coronavirus pandemic and had stabilised, however, the recent increase in the number of passengers on the network had seen the absolute number of deaths and serious injuries increase.
- 4.4 The most significant source of risk for customers was slips, trips and falls on stairs and escalators, and for fatal injuries, the Platform Train Interface was the area of most concern. Mitigating actions were taking place using a systems-based approach. Work was also taking place to address deliberate and unauthorised access to the network, with staff receiving training for suicide prevention.
- 4.5 Financial resources were prioritised to keep the TfL network safe and fund trials of mitigation activities.

### **2024 Crime and Antisocial Behaviour Update**

- 4.6 The Panel noted the overview of recent crime and antisocial behaviour trends on the public transport network and, where possible, the comparison with London-wide and national trends. The data showed the risk of being a victim of crime on London's transport network remained low, set against the context of a drive to increase reporting and a changing society.
- 4.7 Most crime was theft/pickpocketing, and this was seen to be due to the network being a target-rich environment. TfL was encouraging customers to be vigilant while the British Transport Police had been proactive to make it a hostile environment to robbery, and this had seen a decrease in offences from 2023 to 2024. There had been an increase in violent offences of approximately 20 per cent against the same period in 2023. Around 70 per cent of offences were violence without injury, such as pushing and shoving. There had also been a 27 per cent increase in hate crime against a backdrop of wider global issues.
- 4.8 The challenge was to balance the direction of capability to ensure customers felt safe on the network while also addressing the highest harm activities. The solution to delivering greater security across the transport network was not

simply a case of greater financial resources to fund more policing but to collaborate, share technology and data, and work seamlessly with all parties.

### **Safeguarding Customers at TfL**

- 4.9 The Panel noted the overview of the activity to safeguard those people sleeping rough on TfL's services and infrastructure, and the work to prevent suicide on the transport network. It was the aspiration for the TfL network to be seen as a beacon of safety, where help and support could be accessed 'under the roundel'.
- 4.10 Frontline and customer operations staff were trained to recognise vulnerable people and be empathetic and aware. TfL recognised that rough sleeping increased the risk of being a victim of crime, resulting in poor health outcomes and was life-limiting and accordingly, worked with outreach agencies to connect people to help and support.
- 4.11 Suicide prevention was an integral part of safeguarding and staff training was essential. The Panel commended the recent recipients of lifesaver awards for their interventions which had successful safeguarding outcomes: Alex at Golders Green station, Joseph and Diana at Westminster station, and Malli, Ladi and Nigel at Manor House station. Panel Members expressed their thanks to staff for their efforts.
- 4.12 A multi-agency approach was essential to successfully deliver safeguarding and TfL worked closely with the Greater London Authority.

### **Enterprise Risk Update - Significant Security Incident including Cyber Security (ER04)**

- 4.13 The Panel noted the update on Enterprise Risk 04 (ER04) – 'Significant security incident including cyber security'.
- 4.14 The nature of the threat was volatile and rapidly changing, with significant actors in the arena being hostile states, terrorist groups and criminal organisations with interplay between them. A holistic approach was used that covered cyber security, physical security, people and personnel to comprehend the threats and vulnerabilities, protect customers and colleagues and TfL as an organisation. Cyber security was an integral part of security within TfL and an ongoing improvement programme was in place and actions had been taken in response to the cyber incident in September 2024.
- 4.15 It was agreed that cyber security and physical security would be split out to create two Enterprise Risks given the size and complexity of both elements. Any lessons learnt, recommendations and improvements identified from the detailed investigation of the cyber incident and the independent review would be picked up as part of this work.

### **Safety, Health and Security Report Quarter 3 2024/25**

- 4.16 The Panel noted the paper, which provided key information and trends reported in Quarter 3 of 2024/25 (15 September to 7 December 2024), including performance against Scorecard targets.

- 4.17 Colleague safety performance was not on track for the year, due to the fatal incident with Jorge Ortega and the serious injury rate being higher than expected. Customer safety performance over the quarter had been challenging, with a tragic fatality at Chalk Farm station on 4 November 2024, and 67 injuries across the network. Rates of people killed or seriously injured on London's roads were also higher than target. Bus safety performance was within target.
- 4.18 Colleague sickness absence performance was broadly on the same trend as last year. The top three causes of long-term absence were mental health, musculoskeletal and work-related accidents/assaults.
- 4.19 The Rail Accident Investigation Branch had issued a report into the tragic death of a customer who died after falling onto the tracks at Stratford station in December 2023. TfL welcomed the recommendations from the investigation into this incident, which aligned with the findings of TfL's own internal investigation.
- 4.20 In June 2024, TfL commissioned an independent review of safety governance within the organisation. The overall finding was that current safety performance was good, when benchmarked against other UK transport providers, and the general trend is one of continuing improvement. The review set out recommendations to further improve performance and, in response, an action plan had been produced.

### **Risk and Assurance Report Quarter 3 2024/25**

- 4.21 The Panel noted an overview of the status of and changes to Enterprise Risk 01 (ER01) – 'Inability to deliver safety objectives and obligations', and ER04. The report also summarised the findings from the associated assurance activity of these risks based on second line of defence audit work by the Quality, Safety and Security Assurance team and third line of assurance work by the Internal Audit team within TfL's Risk and Assurance Directorate during quarter 3.
- 4.22 ER01 was being redeveloped and the Audit Plan for the first half of 2025/26 was being finalised. Fifteen audits against the Payment Card Industry Data Security Standard that related to ER04 had been cancelled in quarter 3 as these audits would now be undertaken by the TfL Technology and Data Payment Operations and Assurance team.

### **List of appendices to this report:**

None

### **List of Background Papers:**

Papers submitted to the meeting of the Safety and Security Panel on 12 February 2025

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**Board**



**Date:** 26 March 2025

**Item:** Report of the Meeting of the People and Remuneration Committee held on 24 February 2025

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**This paper will be considered in public**

### **1 Summary**

- 1.1 This paper provides a summary of the items considered by the People and Remuneration Committee at its meeting on 24 February 2025.

### **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

### **3 Committee Agenda and Summary**

- 3.1 The papers for the meeting of the Committee held on 24 February 2025 were published on 14 February 2025 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters considered by the Committee were:
- (a) Use of Delegated Authority;
  - (b) TfL's Approach to Strategic Workforce Planning;
  - (c) Performance, Readiness and Development;
  - (d) Performance Awards 2025/26;
  - (e) Executive Committee Remuneration Benchmarking;
  - (f) Our Colleague Quarterly Report; and
  - (g) Risk and Assurance Report Quarter 3 2024/25.
- 3.3 A summary of the items considered and decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 24 June 2025.

## **4 Issues Discussed**

### **Use of Delegated Authority**

- 4.1 Since the meeting of the Committee on 20 November 2024, there had been one use of Chair's Action in relation to the approval of salaries of £100,000 or more.

### **TfL's Approach to Strategic Workforce Planning**

- 4.2 The Committee noted an update on the proposed approach to strategic workforce planning ensuring TfL had the right resources in the right place at the right time. TfL has a relatively low turnover which indicated an ability to retain skills and knowledge but impacted prospects for development internally and opportunities for bringing in new and diverse talent. It also had a workforce where around 22 per cent of people may retire by 2030, potentially losing a lot of knowledge and skills. There were areas with a higher turnover where there were challenges in attracting and retaining the right skills and talent, which had in some circumstances led to a heavier reliance on resource via consultancies or contingent labour.
- 4.3 Over the past year TfL had developed a TfL wide Strategic Workforce Plan, which aligned with its long-term strategy to 2030 and would enable better forecasting and identification of workforce challenges and future skills needs, with plans to bridge gaps where needed. The TfL-wide plan was informed by the Value Chain and an assessment of skills that TfL needed for the future. Each area of the business was required to produce its local workforce plan by the end of 2025, with Technology and Development and the Project Management areas leading as pilots.
- 4.4 Members recognised the scale of the task but welcomed the work being undertaken. In addition to this work, the plan covered recruitment, strategic resource retention, training, and upskilling. It would also seek to address diversity issues. TfL was also looking at related strategies on reward and recruitment.
- 4.5 The toolkit in the Strategic Workforce Plan looked at market trends before considering resourcing decisions. The overall and local plans would help inform future Business Plans and would be kept up to date so they always looked five or more years ahead. Members would discuss the information they required to monitor progress against the plan.

### **Performance, Readiness and Development**

- 4.6 The Committee noted an overview of TfL's performance and talent development frameworks and improvements being planned for 2025/26.
- 4.7 It noted TfL's approach to performance management, which also covered readiness, talent development and succession planning. Readiness and development discussions were led by the employee based on self-assessment and this helped inform succession planning and the strategic



workforce plans. Leaders were encouraged to have regular conversations with their direct reports and to be good coaches. On performance ratings, readiness and development, the data was analysed to ensure that individuals from protected groups were not facing any disadvantages.

### **Performance Awards 2025/26**

- 4.8 The Committee noted that performance awards were a vital part of TfL's total remuneration package for senior management, supporting its ability to attract and retain essential talent and to drive high performance. By directly linking rewards to business performance, as reflected in its scorecards, the performance aware schemes emphasised the key priorities in delivering the Mayor's Transport Strategy and unified senior management in delivering critical goals. They ensured that rewards were commensurate with the level of success achieved, providing a fair and value-for-money approach.
- 4.9 For 2025/26 performance year onwards, the TfL Executive Committee had agreed to transition from the existing four-point performance rating scale to a three-point scale, to reflect feedback from colleagues and to further streamline the process. The Committee agreed that the scale should also apply to the ratings for the Commissioner and the Executive Committee.
- 4.10 The Committee endorsed the continuation of performance award schemes for senior management (Commissioner, Chief Officer, Director and payband 5 and 4 Senior Managers) for the performance year 2025/26. It also noted the proposal to maintain performance award schemes for TfL employees in paybands 1-3 for the 2025/26 performance year, under the TfL Pay for Performance framework, with the continuation of a financial criterion. The financial criterion would be set once the 2025/26 scorecards had been agreed and the end-year outcome of the 2024/25 Budget was known.

### **Executive Committee Remuneration Benchmarking**

- 4.11 The Committee noted the updated benchmarking report for TfL's Executive Committee roles for 2025. The benchmarking would support the Committee's decision-making on individual pay positioning as part of the Annual Pay Review process for 2025 and for any ad hoc pay positioning decisions required during the year. It noted the composition of the two separate peer groups, which covered a publicly accountable peer group and a private sector peer group with similar business activities and peers within other sectors that had a similar scale and complexity to TfL.
- 4.12 Analysis of base salary revealed that most Executive Committee roles were behind market when compared to the private sector peer group median. TfL roles tended to be positioned below the lower quartile or between the lower quartile and the median when looking across the peer group. There was a similar pattern of positioning for base salary of TfL roles when looking at the publicly accountable group.

- 4.13 The Committee noted that there was little change in TfL's remuneration position year on year against the benchmarked peer groups, which had an impact on its ability to attract and retain some senior and specialist roles, which was reflected in turnover at Director level and above.

### **Our Colleague Quarterly Report**

- 4.14 The Committee noted the report, which provided an update on TfL's longer-term approach to people activity, and how it will ensure TfL was able to attract and retain talent, while also improving the wellbeing of colleagues. The report covered updates and achievements for the period December 2024 to February 2025.
- 4.15 TfL's Viewpoint staff survey was currently live and would provide useful information on engagement. A lot of work had been completed on leadership development and coaching and this had been well received.
- 4.16 Members welcomed the updates on the Steps into Work programme, the introduction of assessment centres for graduates and internships and the launch of the Apprentice campaign for September 2025. Graduates and apprentices highly regarded TfL and benefitted from schemes run by TfL's supply chain. The development of the Strategic Workforce Plan, along with a long-term capital funding settlement, would enable TfL to target graduate recruitment appropriately and increase the volume to provide a future talent pipeline.
- 4.17 The job families consultation had concluded and an update was scheduled for the meeting of the Committee in June 2025.
- 4.18 The Committee noted the results from the TfL Pension Fund's Sustainability Report, published in December 2024, which showed strong progress on its Net Zero Target and it was on track to meet the 55 per cent interim target by 2030 and 100 per cent by 2045. It also noted the positive outcome from the triennial valuation of the pension scheme's assets and liabilities, which had resulted in TfL being able to reduce the employer contributions into the Fund for the next three years, with no impact on member benefits or pensions. The management of the Fund by the investment team was highly regarded, and TfL had been approached by Harvard Business School who wished to find out more about the scheme and how it was managed. The Committee congratulated the team on this.
- 4.19 Future reports would include more data on performance against scorecards and key performance indicators to show progress against key strategies.

### **Risk and Assurance Report Quarter 3 2024/25**

- 4.20 The Committee noted an overview of the status of, and changes to Enterprise Risk 02 (ER02) – 'Attraction, retention, wellbeing and health of our employees'. The report summarised the findings from the assurance activity undertaken by teams within TfL's Risk and Assurance Directorate

associated with this risk during Quarter 3 of 2024/25 (15 September to 7 December 2024).

- 4.21 ER02 was considered adequately controlled and was subject to several audits on the riskiest areas. The Risk and Assurance teams worked with the Chief People Officer's teams to tackle potential fraud risks and to ensure disciplinary procedures were concluded as quickly as possible.

**List of appendices to this report:**

None

**List of Background Papers:**

Papers submitted to the meeting of the People and Remuneration Committee on 24 February 2025

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**Board**



**Date:** 26 March 2025

**Item:** Report of the Meeting of the Finance Committee held on 26 February 2025

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**This paper will be considered in public**

### **1 Summary**

- 1.1 This paper provides a summary of the items considered by the Finance Committee at its meeting on 26 February 2025.

### **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

### **3 Committee Agenda and Summary**

- 3.1 The papers for the meeting of the Committee held on 26 February 2025 were published on 18 February 2025 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters considered by the Committee were:
- (a) Use of Delegated Authority;
  - (b) Finance Report – Period 9, 2024/25;
  - (c) Treasury Activities, Policies and Strategies;
  - (d) Investment Management Strategy 2025/26 – Non-Financial Assets;
  - (e) Taxi Fares and Tariffs Update;
  - (f) Bicycle Management and Supply Contract Extension;
  - (g) Forthcoming Key Procurement Activities; and
  - (h) Risk and Assurance Report Quarter 3 2024/25.
- 3.3 A summary of the items considered and decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 14 July 2025.

## **4 Issues Discussed**

- 4.1 The Committee noted changes to senior roles in the Chief Finance Officer's team. Joanna Hawkes had retired from TfL. Following a competitive recruitment process, Manish Gupta had been appointed as her successor as Corporate Finance Director. Patrick Doig had been appointed as the interim Group Procurement and Commercial Director, but remained the statutory Chief Finance Officer. Pritesh Patel had been appointed as the interim Group Finance Director.

### **Use of Delegated Authority**

- 4.2 Since the meeting of the Committee on 18 December 2024, there had been no uses of specific authority delegated by the Board, Chair's Action nor any Mayoral Directions to TfL within the Committee's remit.
- 4.3 Several bus operating contracts had required unbudgeted Financial Authority approval by the Chief Finance Officer.
- 4.4 There had been two uses of Procurement Authority in relation to: the extension of the Pan TfL Agreement for the supply of Electrical Consumable Goods; and the Capital Partner Contract.

### **Finance Report – Period 9, 2024/25**

- 4.5 The Committee noted TfL's financial results to the end of Period 9 of 2024/25, the year-to-date ending 7 December 2024. The meeting of the Board on 5 February 2025 had considered a similar paper.
- 4.6 TfL continued to work constructively in dialogue with Government and with the support of the Mayor on its Spending Review 2025 bid. It was working through a list of detailed questions and analysing certain scenarios to support colleagues in the Department for Transport in analysing the bid and making their recommendations. Members discussed the work that was being done to demonstrate how investment in London did not just benefit the city but generated economic growth across the country.
- 4.7 TfL had started discussions with Government on the opportunity for a different model to enable higher volumes of buses to be ordered at a discounted price that would give certainty to the supply chain and surety of delivery across the country. This would also enable TfL to accelerate its zero-emission fleet rollout and potentially cascade low-emission buses to other parts of the country, providing a wider environmental benefit.
- 4.8 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 financial year. Journeys had grown overall but not as much as expected in the Budget. In the year-to-date, demand was just over 1.6 per cent higher than last year, which was 101 million fewer journeys than Budget. Passenger income was £154m, which was four per cent lower than Budget and the key financial variance against the Budget this year.



- 4.9 The outcome of the triennial TfL Pension Fund valuation as of 31 March 2024 and the subsequent agreement with the TfL Pension Trustees allowed TfL to reduce the employer contributions from the current 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. This was previously assumed to take effect from 2025/26 but had accelerated delivery into 2024/25. This positive outcome helped TfL to balance its Budget this year and in future years, with no impact on member benefits or pensions. A briefing would be provided to the Committee on the work of the Pensions team and the TfL Pension Fund performance, to gain a better understanding of the investment strategy and asset allocation.
- 4.10 Despite all the economic headwinds, TfL's remarkable turnaround in its finances meant it was expecting to deliver an operating surplus for the second year running. It had continued progress to maintain and grow the operating surplus over time and to fund increased levels of investment. Underlying revenue had increased by almost £3.5bn since 2020/21 and was just over £300m higher than last year. Real term like-for-like operating costs were almost £400m lower than in 2020/21. TfL had made an operating surplus of £50m in the-year to-date, resulting in a surplus of £42m after adjusting for timing differences, with cyber incident impacts of £23m.

#### **Treasury Activities, Policies and Strategies**

- 4.11 The Committee noted TfL's key treasury activities for the period from 21 September 2024 to 6 February 2025. It approved the TfL Treasury Management Strategy for 2025/26, the TfL Treasury Management Policies and the TfL Group Policy Relating to the Use of Derivative Investments (Derivatives Policy), along with the proposed Places for London Limited (Places for London), TfL's property development company Treasury Management Strategy and the Places for London Treasury Management Policies.
- 4.12 During the reporting period, TfL's level of borrowing exceeded the operational boundary, which was set based on the 2024/25 Budget in March 2024, as it accelerated previously planned borrowing from future years into 2024/25 to help mitigate the lower than budgeted operating surplus. There were no direct consequences of exceeding the operational boundary, which was intended as a prompt to review plans where necessary. TfL had remained within the authorised limit at all times.
- 4.13 It was suggested that a briefing on the work of Places for London would be helpful for all Board Members who did not sit on the Land and Property Committee. The briefing could cover the strategic plan for utilising the assets in TfL's operational estate, including the use of retail and commercial space in stations as a source of additional income and collaboration opportunities with Network Rail.

## **Investment Management Strategy 2025/26 – Non-Financial Assets**

- 4.14 The Committee approved the Investment Management Strategy 2025/26 – Non-Financial Assets, which set out how TfL planned to manage and grow its various commercial assets. Approval of the strategy was within the authority of the Committee and would be noted at a meeting of the Land and Property Committee.
- 4.15 Statutory guidance required that the strategy be approved at least once each financial year. Going forward, TfL would work with Places for London to ensure alignment between the content and approval processes for this strategy and the Places for London Investment Strategy, as previously requested by Members. The strategy relating to Digital Media and Telecommunications had also been updated to reflect the latest developments.

## **Taxi Fares and Tariffs Update**

- 4.16 The Committee noted the update on the outcome of the 2024/25 taxi (black cab) fares and tariffs review and approved increasing the minimum fare by 40 pence to £4.20; increasing Tariffs 1, 2 and 3 by 5.05 per cent; keeping the Tariff 4 rates the same as the Tariff 2 rates; reducing the Heathrow extra, which taxi drivers could add to the fare when picking up a passenger from one of the taxi ranks at Heathrow Airport, from £2.00 to £1.60; increasing the Heathrow drop off charge from £5.20 to £6.00; increasing the fixed-fares for shared-taxis from the All England Lawn Tennis Club to central London by £1.50; amending some of the authorised places where the fixed-fare, shared-taxi scheme operated from during the Wimbledon Tennis Championships; and extending one of the areas covered by the fixed-fare, shared-taxi scheme that operated during the Wimbledon Tennis Championships.
- 4.17 The review found a relatively large increase in taxi drivers' operating costs, including an increase in vehicle costs and a particularly large increase in insurance costs. A cost index was used to track changes to their costs and average national earnings, resulting in a total cost index figure of 7.48 per cent in 2024/25. Using the full 7.48 per cent cost index figure but spreading the increase across the minimum fare and Tariffs 1, 2 and 3 meant that the increase to the tariffs was lower at 5.05 per cent than if the tariffs had been increased by the total cost index figure. The new rate per mile and rate per hour were also lower than if the tariffs had been increased by the total cost index figure, so had a slightly lower impact on passengers.
- 4.18 TfL consulted on different options for fares and tariffs for consideration by respondents. It reviewed all the responses to the consultation and considered the issues raised, the positive and negative impacts identified, the equality issues and impacts, concerns about how respondents may have identified themselves and that some respondents may have commercial interests that influenced their responses. It also considered wider factors, such as the decline in the number of taxi drivers and vehicles.

- 4.19 The requirement by Heathrow Airport for taxi drivers to pay the full terminal drop off charge would be raised as part of the engagement work on Heathrow's terminal expansion plans, as taxis were a key element of surface transport access.

### **Bicycle Management and Supply Contract Extension**

- 4.20 The Committee approved Procurement Authority for the extension of up to eight months from 1 November 2025 of the Bicycle Management and Supply contract, currently held with Serco Limited.
- 4.21 The contract delivered the operational management and supply of bicycle assets for the London Cycle Hire Scheme. The current expiry date for the contract was 31 October 2025 and could be extended up to 31 October 2027, with the option exercisable by TfL until 1 May 2025.
- 4.22 The replacement contract was currently being procured and would amalgamate the activities with revenue collection and on-street asset responsibilities. Due to the complexities and dependencies of bringing these activities into one contract, a robust transition period was needed by the future operator. Following bidder engagement, TfL was proposing to exercise the available contract option to extend the commencement date to 31 March 2026, with a further period of extension to 30 June 2026 should that be necessary.

### **Forthcoming Key Procurement Activities**

- 4.23 The Committee noted the summary of the major new procurements or contract extensions planned over the next two years and decisions that were anticipated to be required from the Committee over the next six months from 1 March to 31 August 2025 above £100m. It also highlighted significant forthcoming procurements that required approval at officer level during that period.
- 4.24 The two-year look ahead included those contracts with an estimated value of £1m or over and covered 330 contracts with an estimated total value of £22bn. It also covered the breakdown of the 330 contracts by value band, which included 469 contracts with a value below £1m, to provide a complete view of the pipeline of 799 contracts over the next two years.
- 4.25 There were two approvals anticipated to be sought by way of Chair's Action ahead of the next scheduled meeting of the Committee on 14 July 2025. Four operational contract awards were currently forecast to require approval from the Committee at meetings in the next six months.
- 4.26 TfL was preparing for the introduction of the Procurement Act 2023, which was delayed from 26 October 2024 to 24 February 2025. Consideration was being given to whether the internal training briefing undertaken by colleagues on the Act could be recorded or materials shared with Committee Members to do in their own time.

- 4.27 As part of the enhanced transparency obligations under the Act, TfL was required to publish an annual pipeline notice of projects over £2m to the market by 26 May 2025. Further information was expected from the Cabinet Office in April 2025 and the Committee would be kept updated.
- 4.28 The Committee would also be updated on progress with TfL's objective to have a minimum percentage of small and medium-sized enterprises by value in its supply chain and procurement, in line with the Mayor's ambition for each member of the Greater London Authority Group.

### **Risk and Assurance Report Quarter 3 2024/25**

- 4.29 The Committee noted the overview of the status of, and changes to: Enterprise Risk 03 – 'Environment including climate adaptation' (ER03); Enterprise Risk 05 – 'Supply chain disruption and ineffective procurement and contract management' (ER05); Enterprise Risk 07 – 'Financial resilience' (ER07); and Enterprise Risk 09 – 'Changes in customer demand' (ER09). The item also summarised the findings from the assurance activity associated with the risks completed by the Risk and Assurance Directorate during Quarter 3 of 2024/25 (15 September to 7 December 2024).
- 4.30 Risk review workshops had been undertaken for ER03, ER05, ER07 and ER09. ER03 and ER09 were scheduled to be reviewed by the Executive Committee on 10 April 2025 and brought to the meeting of the Committee on 14 July 2025.
- 4.31 Internal Audit had issued four reports, two with a 'requires improvement' rating against ER03, for which actions had been agreed and plans were being delivered. The other two reports were issued against ER07, one with a 'requires improvement' and the other an 'adequately controlled' rating. Two memos were issued against ER07. No audits were issued against ER09. No audits were deferred. Some trend analysis had been undertaken and 'requires improvement' ratings had increased and would likely continue, which was expected given the focus on the higher risk issues..
- 4.32 Work continued on the management of actions and there was a focus on ensuring more actions were closed on time. For ER03, ER05 and ER07, there were 104 open audit actions, 12 of which were overdue. There were no open audit actions for ER09.

### **List of appendices to this report:**

None

### **List of Background Papers:**

Papers submitted to the meeting of the Finance Committee on 26 February 2025

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**Board**



**Date: 26 March 2025**

**Item: Report of the Meeting of the Programmes and Investment Committee held on 5 March 2025**

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**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides a summary of the items considered by the Programmes and Investment Committee at its meeting on 5 March 2025.

## **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

## **3 Committee Agenda and Summary**

- 3.1 The papers for the meeting of the Committee held on 5 March 2025 were published on 25 February 2025 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters considered by the Committee were:
- (a) Use of Delegated Authority;
  - (b) Investment Programme Report Quarter 3, 2024/25;
  - (c) Independent Investment Programme Advisory Group (IIPAG) Quarterly Report;
  - (d) TfL Project Assurance Update;
  - (e) London Underground Four Lines Modernisation Programme;
  - (f) Docklands Light Railway Rolling Stock Replacement Programme;
  - (g) Environment Programme;
  - (h) Technology Programme;
  - (i) Bakerloo Line Upgrade Stage 1;
  - (j) Network Development and Third Party Pipeline Programme; and
  - (k) Forthcoming Key Procurement Activities.

- 3.3 A summary of the items considered and the decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 2 July 2025.

## **4 Issues Discussed**

### **Use of Delegated Authority**

- 4.1 Since the meeting of the Committee on 11 December 2024, there had been four approvals of Procurement Authority in relation to: Central Line Signalling Life Extension Call-Off; Piccadilly Line High Voltage Power Upgrade Works and London Underground Limited Network-wide High-Voltage Substation Works Call-Off and Power Package 2 Works; Leyton Station Upgrade Project; and Pan TfL – Supply of parts for Air and Braking Control Technology and the performance of related services. There had been no uses of specific authority delegated by the Board, Chair’s Action nor any Mayoral Directions to TfL within the Committee’s remit.

### **Investment Programme Report Quarter 3, 2024/25**

- 4.2 The Committee noted and discussed the update on the progress and performance in Quarter 3 of 2024/25 (15 September to 7 December 2024) of TfL’s Investment Programme. Members welcomed the continued good performance in relation to safety and the progress in achieving the strategic milestones. Of the 26 milestones set for the year, 14 had been achieved to date with eight forecasted to be delivered on time or early.
- 4.3 Significant achievements highlighted included the planned opening of the new high quality Silvertown Tunnel, the progress with work at Colindale station to provide step-free access while maintaining an operational station, the successful efforts to obtain Major Road Network funding at Gallows Corner flyover for refurbishment works and returning to service lifts and escalators at various DLR stations.

### **Independent Investment Programme Advisory Group Quarterly Report**

- 4.4 The Committee noted and discussed the update on the IIPAG work undertaken since the last report to the Committee in December 2024. The Committee noted progress in addressing the common themes identified by IIPAG regarding effective resource planning, the need for a clear and consistent decision-making approach, including a recommendation on the appointment of Senior Responsible Officers, and project and programme planning. The Committee would receive an update on progress with this work at a future meeting.

### **TfL Project Assurance Update**

- 4.5 The Committee noted the update on the project assurance work undertaken between 10 November 2024 and 1 February 2025 (Period 9 to Period 11 of 2024/25) and the key findings from the reviews. The Project Assurance team had undertaken six programme reviews with IIPAG involved in all of them during the period, and 10 project reviews with IIPAG involved in two of them. These reviews raised 59 recommendations, of which eight were considered critical issues. Current



performance demonstrated that there had been a significant increase in closure rates for recommendations during the period. The Project Assurance team continued to work closely with teams to close out outstanding recommendations.

### **London Underground Four Lines Modernisation Programme**

- 4.6 Subject to Board approval of the proposed Budget for 2025/26, the Committee noted the update on the delivery of the Programme and approved additional Programme and Project Authority for the Programme and additional Procurement Authority for the Automatic Train Control signalling contract, reflecting the outcome of the detailed review.
- 4.7 The Programme comprised the replacement of life-expired rolling stock and signalling assets to ensure the continued operation of a safe and reliable service on the Circle, District, Hammersmith & City, and Metropolitan lines. The Programme would unlock significant benefits. Customers were starting to experience the journey time benefits from the upgrades that had already been completed.
- 4.8 The remaining areas to go live included Signal Migration Area 8 (SMA8) and Signal Migration Area 9 (SMA9) on the Metropolitan line, north of Finchley Road. SMA8 was a very complex area of work due to the unique challenges associated with the integration of the new signalling system. The findings from the testing for SMA8 during a weekend closure were encouraging and marked a key step forward. Since the last update to the Committee in June 2024, the forecast commissioning date had been revised for SMA8, reflecting the complexity of the work. The software development for SMA9 was at an advanced stage. The Programme was subject to continuous review to optimise the benefits and efficiencies of the Programme.

### **Docklands Light Railway Rolling Stock Replacement Programme Update**

- 4.9 Subject to Board approval of the proposed Budget for 2025/26, the Committee approved Programme and Project Authority, and Procurement Authority in respect of the Programme and other activities related to addressing legacy signalling issues on the DLR.
- 4.10 The Committee noted the update on the Programme, including progress since the last update to the Committee in December 2024. The Programme would replace 32 life-expired trains with 54 new trains, along with associated infrastructure improvements. The Programme would support significant housing growth and economic activity around the DLR network.
- 4.11 The key achievements of the programme since the last update to the Committee were noted. These included: bringing the new Beckton Depot Southern sidings into use, awarding the contract to design and build the Beckton Depot Southern expansion and the opening of secondary station access at Blackwall station.
- 4.12 The manufacturing of the new trains continued at pace. There had also been positive progress with addressing the DLR legacy signalling issues. Despite the challenges faced, the scenario planning undertaken illustrated that the benefits to cost ratio outcome remained very high. The team continued to work to review the Programme to identify potential efficiencies.

## **Environment Programme**

- 4.13 Subject to Board approval of the proposed Budget for 2025/26, the Committee approved additional Programme and Project Authority to support delivery of the Programme and additional Procurement Authority relating to the contracts to continue activities in support of existing Road User Charging schemes.
- 4.14 The Committee noted an update on the progress of projects in the Programme undertaken since March 2024, and planned delivery from April 2025. The Programme focused on addressing the key challenges of air pollution, traffic congestion and the climate emergency. The Programme contained a range of projects including the London-wide Ultra Low Emission Zone, Direct Vision Standard Phase 2, the delivery of the Zero-Emission Support Fleet and other energy efficiency initiatives.
- 4.15 The paper set out details of the key achievements across the Programme on these projects. Despite the overall success of the Programme, the project teams recognised and remained committed to reviewing the delivery of projects, applying lessons learnt from good practices, and considering new Government guidance.

## **Technology Programme**

- 4.16 Subject to Board approval of the proposed Budget for 2025/26, the Committee approved an increase in Programme and Project Authority for the Programme.
- 4.17 The Committee noted the update on progress of project delivery and successes of the Programme since the last update to the Committee in March 2024. The paper also summarised planned delivery for 2025/26 and 2026/27 as well as key challenges and opportunities for the year ahead.
- 4.18 The Programme consisted of several hundred multi-year projects with a focus on renewals. Despite the challenges faced during the year, good progress had been made with delivering the Programme and overall it remained broadly on track. There had been a significant reduction in overall budget variance. Benchmarking research evidenced the effectiveness of the investment in activities, enabling comparison to other transport providers and digital champions.
- 4.19 Significant achievements highlighted included the successful delivery of Project Oval to enable pay as you go contactless payments at National Rail stations across the south east.

## **Bakerloo Line Upgrade Stage 1**

- 4.20 The Committee approved additional Programme and Project Authority for the Programme to undertake activities that were critical for TfL to develop the depots and infrastructure elements of the Programme.
- 4.21 Good progress had continued to be made with progressing the Programme, following the submission of the business case to the Department for Transport. Work was also ongoing to review feedback from the Programme Gate B (Define

Tranches) with a revised gate meeting anticipated in the coming months. There had also been a particular effort to learn lessons from the Piccadilly line upgrade.

- 4.22 Officers had continued to make clear to the Government the importance to the Programme of securing the capital funding this summer. This would allow the Programme to progress without delay to utilise the time limit option in the Piccadilly line upgrade contract for the manufacturing of trains.
- 4.23 In view of the compelling business case, the Committee agreed that this Programme should be progressed and pursued as a key priority for TfL.

### **Network Development and Third Party Pipeline Programme**

- 4.24 The Committee noted the update on the Programme and approved unbudgeted Financial Authority for the DLR Thamesmead extension project.
- 4.25 The pipeline of transformational schemes would play a critical role in achieving local and national priorities. The projects within the Programme included: the DLR Thamesmead extension, the West London Orbital, the Bakerloo line extension, the Elizabeth line service upgrade and Crossrail 2. The paper provided an overview of key achievements since the last updated to the Committee in February 2024 and a summary of key risks, issues and next steps for each of the projects within the Programme.

### **Forthcoming Key Procurement Activities**

- 4.26 The Committee noted a summary of the major new procurements or contract extensions planned over the next two years and any approvals that were anticipated to be required from the Committee via Chair's Action. It also highlighted significant forthcoming procurements that required approval at officer level during that period.
- 4.27 The pipeline for strategy approvals and contract awards covered 330 contracts with an estimated total value of £22bn. There were two contract extension approvals anticipated to be sought by way of Chair's Action before 30 September 2025.
- 4.28 Members welcomed the update on readiness activities to prepare for the introduction of the Procurement Act 2023, including the work to upskill teams, and meet the enhanced transparency obligations.

### **List of appendices to this report:**

None

### **List of Background Papers:**

Papers submitted to the meeting of the Programmes and Investment Committee on 5 March 2025

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**Board**



**Date: 26 March 2025**

**Item: Report of the Meeting of the Audit and Assurance Committee held on 10 March 2025**

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**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides a summary of the items considered by the Audit and Assurance Committee at its meeting on 10 March 2025.

## **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

## **3 Committee Agenda and Summary**

- 3.1 The papers for the meeting of the Committee held on 10 March 2025 were published on 28 February 2025 and are available on the [TfL website](#) with a link to the video recordings of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters considered by the Committee were:
- (a) Risk and Assurance Report Quarter 3 2024/25 including the Phase 1 Internal Audit Plan for 2025/26;
  - (b) Independent Investment Programme Advisory Group (IIPAG) Quarterly Report;
  - (c) Places for London Assurance Update;
  - (d) Critical Accounting Policies;
  - (e) Financial Control Environment Trend Indicators;
  - (f) 2024 Annual Report on the Disclosure of TfL held Personal Data to the Police and Other Statutory Law Enforcement Agencies for the Purpose of Prevention and Detection of Crime in London;
  - (g) Enterprise Risk Update – Governance and Controls Suitability (ER10); and
  - (h) Register of Gifts and Hospitality for Members and Senior Staff.
- 3.3 A summary of the items considered and decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 4 June 2025.

## **4 Issues Discussed**

### **Risk and Assurance Report Quarter 3 2024/25**

- 4.1 The Committee noted the quarterly update on work completed by the Risk and Assurance Directorate during Quarter 3 of 2024/25 (15 September to 7 December 2024) (Q3) and other information about the Directorate's activities. The Committee also approved the Phase 1 Internal Audit Plan for 2025/26.
- 4.2 A further update on the planned audit of Equality Impact Assessment would be brought to a future meeting.
- 4.3 It was agreed that an alternative customer feedback system would be introduced if the previous system was not functioning at the end of March 2025 (due to the cyber incident).
- 4.4 Members would be provided with information as to how TfL reported on its environmental and social value goals, including sustainable and diversity and inclusion targets.
- 4.5 Members congratulated the Counter-fraud and Corruption team on recent successful prosecutions. Financial compensation for TfL was always sought and prosecutions are publicised once completed.

### **Independent Investment Programme Advisory Group Quarterly Report**

- 4.6 The Committee noted IIPAG's quarterly report and the management response.
- 4.7 IIPAG would consider how to report on whether recurring themes were improving or being addressed.

### **Places for London Assurance Update**

- 4.8 The Committee noted the update on progress with assurance activity across Places for London during Q3.
- 4.9 Members requested that a senior representative of Places for London be invited to attend future meetings as appropriate.

### **Critical Accounting Policies**

- 4.10 The Committee noted the update on critical changes to accounting policies to be applied in TfL's Statement of Accounts for the year ending 31 March 2025.

### **Financial Control Environment Trend Indicators**

- 4.11 The Committee noted the Q3 Financial Control Environment Trend Indicators, that inform the Committee as to the control environment across TfL's Finance, Business Services and Procurement and Commercial teams.

## **2024 Annual Report on the Disclosure of TfL held Personal Data to the Police and Other Statutory Law Enforcement Agencies for the Purpose of Prevention and Detection of Crime in London**

- 4.12 The Committee noted the annual update on personal data disclosed to police and other statutory law enforcement agencies for 2024.
- 4.13 The team continued to be part of a vital crime prevention tool in making a significant contribution to safety and security in London, in a proportionate and appropriate manner.

### **Enterprise Risk Update – Governance and Controls Suitability (ER10)**

- 4.14 The Committee noted the annual update on Enterprise Risk 10 – Governance and Controls Suitability (ER10).
- 4.15 The overall control effectiveness rating was Adequately Controlled and the top three mitigations for ER10 remained privacy and security, the TfL Management System and Governance Framework.

### **Register of Gifts and Hospitality for Members and Senior Staff**

- 4.16 The Committee noted details of the gifts and hospitality declared by Board Members and senior staff from 1 November 2024 to 31 January 2025.
- 4.17 There were no declarations made by Members during the three-month period. During the period a total of 130 declarations of offers were made by senior staff, 67 were declined and 63 were accepted.

#### **List of appendices to this report:**

None

#### **List of Background Papers:**

Papers submitted to the meeting of the Audit and Assurance Committee on 10 March 2025

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**Board**



**Date:** 26 March 2025

**Item:** Report of the Meeting of the Customer, Sustainability and Operations Panel held on 13 March 2025

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**This paper will be considered in public**

## **1 Summary**

1.1 This paper provides a summary of the items considered by the Customer, Sustainability and Operations Panel at its meeting on 13 March 2025

## **2 Recommendation**

2.1 **The Board is asked to note the report.**

## **3 Panel Agenda and Summary**

3.1 The papers for the meeting of the Panel held on 13 March 2025 were published on 5 March 2025 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).

3.2 The main matters considered by the Panel were:

- (a) Bus Performance;
- (b) Equity in Motion;
- (c) TfL Corporate Environment Plan – Capital;
- (d) TfL's Green Infrastructure and Biodiversity Plan and Climate Change Adaptation Plan Progress Updates;
- (e) Customer, Sustainability and Operations Report - Quarter 3, 2024/25;
- (f) Enterprise Risk Update - Deterioration of Operational Performance (ER06); and
- (g) Risk and Assurance Report Quarter 3 2024/25.

3.3 A summary of the items considered is provided below. The more detailed minutes of the meeting will be published ahead of the next meeting of the Panel on 3 July 2025.

## **4 Issues Discussed**

### **Bus Performance**

- 4.1 The Panel considered the update which provided an overview of TfL's ongoing activity to improve bus performance, in terms of reliability, journey times and customer experience. The paper also provided a high-level overview of work to improve bus safety.
- 4.2 In 2022 TfL launched the Bus Action Plan and had continued to make good progress in delivering against this Plan. The Panel noted an update on the delivery of key initiatives including the Superloop network, the Bus Safety Standard, zero-emission buses and Vision Zero. Customer satisfaction scores remained high. Members welcomed the improvements to bus services, and an update would be provided to the Panel on the approach to locating CCTV monitors on buses. It was commented that there had been an increase in leisure travel during weekends and further consideration should be given to the use of bus lanes during off peak times.
- 4.3 There had been good progress with delivering the new diversity and inclusion training course for bus drivers, and workshops for support staff. The Panel noted details of the training.
- 4.4 The Panel also discussed the issue of driver safety and the support available to drivers through, for example, the assistant programme and training.
- 4.5 The Panel emphasised the importance of providing clear announcements and real time information to customers on route, especially during diversions and on timetable changes, including to those without access to smart phones.

### **Equity in Motion**

- 4.6 The Panel noted an update on delivery of the Equity in Motion (EiM) programme launched in February 2024. EiM was an inclusive transport strategy, setting out over 80 actions, and a new approach to creating a fairer, more accessible, and inclusive transport network over the period up to 2030.
- 4.7 Good progress had been made with delivering the measures, with most of the actions substantially completed or in progress. The paper provided examples of the key achievements, which included: a review of the priority seating programme and the complaints process; the naming of the London Overground lines to improve navigation; the trial of Google Streetview at 30 stations, allowing passengers to better plan journeys; and continued progress with step-free access. Other key achievements highlighted were the launch of Inclusive Design Centre for Excellence.
- 4.8 The priorities for 2025/26 included the development of a measurement framework to assess performance and progress against actions and any follow up actions, and this would be shared with the Panel.

- 4.9 Members welcomed the work and highlighted the positive feedback on the programme.

### **TfL Corporate Environment Plan – Capital**

- 4.10 The Panel considered the update on progress against Capital's Corporate Environment Plan, which set out the approach to supporting the Mayor's target of a net zero carbon London by 2030, and delivering on existing environmental commitments as set out in key strategies.
- 4.11 The paper demonstrated the breadth of Capital's work in initiatives across TfL.
- 4.12 Members supported TfL's leading role on work with the supply chain on initiatives.
- 4.13 Steps had been taken to embed green initiatives and thinking in the approach to Asset Strategy. Focus had also continued to be placed on leading climate change initiatives at TfL, and the establishment of the Net Zero Matrix team had been key to this and had been very successful in progressing projects.
- 4.14 On climate change adaptation, Capital had provided input into the preparation of the submission to the Department for Environment, Food and Rural Affairs under the Adaptation Reporting Powers. Focus had also continued to be placed on delivering the scorecard measures on Sustainable Drainage Systems such as the award winning Tolworth Roundabout project. Other developments noted including the work to update green infrastructure standards.
- 4.15 The Panel also noted an update on the engineering input to support the delivery of a zero-emission bus fleet and to reduce and mitigate Tube noise.
- 4.16 It was noted that good progress had been made to better support the delivery of Biodiversity Net Gain, including through close collaboration between teams and through developing a delivery plan to further develop data in this area.

### **TfL's Green Infrastructure and Biodiversity Plan and Climate Change Adaptation Plan Progress Updates**

- 4.17 The Panel considered the update on progress with delivering the Climate Change Adaptation Plan and the Green Infrastructure and Biodiversity Plan.
- 4.18 Progress continued to be made with implementing the plans. Challenges remained regarding the issue of data availability and quality, resource constraints, and the awareness, knowledge and skills on climate risks and change adaptations. The paper set out the key priorities for each policy area on these themes.
- 4.19 The Panel noted the challenges around the availability of data to assess the impact on extreme weather to make the evidence-based business case for adaptations. Progress continued to be made with developing new measures to provide information.

## **Customer, Sustainability and Operations Report - Quarter 3, 2024/25**

- 4.20 The Panel noted the update on TfL's customer, sustainability and operations for Quarter 3, 2024/25 (15 September to 7 December 2024) (Q3).
- 4.21 During the period there had been a significant effort on recovery from the cyber incident. A significant success in Q3 was the renaming of the London Overground lines. Updates were also provided on progress with expanding high-speed 4G and 5G mobile coverage across the network and with the launch of the new payments system on the TfL Go app. Other key highlights noted included the launch of new state of the art buses on route 358.
- 4.22 An update would be provided to a future meeting on the use of artificial intelligence.
- 4.23 A briefing would be provided to Members on the Revenue Protection Strategy.

### **Enterprise Risk Update – Deterioration of Operational Performance (ER06)**

- 4.24 The Panel noted an overview of the status of, and changes to, Enterprise Risk 06 – Deterioration of Operational Performance (ER06). The two key drivers of this risk were asset condition degradation and operational challenges. The Panel noted details of the controls and actions in place to manage the risk effectively.

### **Risk and Assurance Report Quarter 3 2024/25**

- 4.25 The Panel noted the update on findings from the assurance activity associated with ER06, based on the second line of defence audit work of the Quality, Safety and Security Assurance team and third line of defence work by the Internal Audit team during Q3.

#### **List of appendices to this report:**

None

#### **List of Background Papers:**

Papers submitted to the meeting of the Customer, Sustainability and Operations Panel on 13 March 2025

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**Board**



**Date: 26 March 2025**

**Item: Report of the Meeting of the Land and Property Committee held on 18 March 2025**

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**This paper will be considered in public**

### **1 Summary**

- 1.1 This paper provides a summary of the items being considered by the Land and Property Committee at its meeting on 18 March 2025 (on the date that the papers for this meeting of the Board are published).

### **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

### **3 Committee Agenda and Summary**

- 3.1 The papers for the meeting of the Committee being held on 18 March 2025 were published on 10 March 2025 and are available on the [TfL website](#) with a link to the video recordings of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters to be considered by the Committee are:
- (a) Use of Delegated Authority;
  - (b) Chief Executive's Report;
  - (c) Finance Report – Period 10, 2024/25;
  - (d) Places for London Performance Report;
  - (e) Places for London Scorecard 2025/26;
  - (f) Places for London Assurance Update;
  - (g) Platinum Portfolio – Southwark Over Station Development;
  - (h) Limmo Peninsula Preferred Bidder;
  - (i) Cockfosters West London Partnership Joint Venture;
  - (j) Enterprise Risk Update – Inability to React to External Market Forces (Places L0-6);
  - (k) Enterprise Risk Update – Efficient and High Performing Supply Chains and Effective Procurement (Partnership) (Places-L0-07); and

(l) Forthcoming Key Transactions.

- 3.3 A summary of the items to be considered and decisions to be taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 16 July 2025.

## **4 Issues Discussed**

### **Use of Delegated Authority**

- 4.1 The Committee is asked to note that since the meeting of the Committee on 10 December 2024, there have been no uses of specific authority delegated by the Board, Chair's Action nor any Mayoral Directions to TfL within the Committee's remit..
- 4.2 There has been one approval of Procurement Authority by the Commissioner in relation to Facilities Management – Places for London and one approval of unbudgeted Financial Authority and Land Authority by the TfL Chief Finance Officer in relation to Kilburn Mews.

### **Chief Executive's Report**

- 4.3 The Committee is asked to note the review of major issues and developments since the previous meeting of the Committee, including updates on health and safety incidents, housing, asset management, Investment Strategy, stress testing and resourcing.

### **Finance Report – Period 10, 2024/25**

- 4.4 The Committee is asked to note the financial results to the end of Period 10 2024/25 (1 April 2024 to 4 January 2025), for four of the five core financial objectives for Places for London. The fifth objective is reported on annually.

### **Places for London Performance Report**

- 4.5 The Committee is asked to note the update on safety, health and wellbeing, operational performance, project delivery, and the Places for London scorecard.

### **Places for London Scorecard 2025/26**

- 4.6 The Committee is asked to approve the proposed Places for London scorecard for the financial year 2025/26, which is aligned with the TfL scorecard and based on mature metrics and measurement methodologies.

### **Places for London Assurance Update**

- 4.7 The Committee is asked to note progress on assurance activity across Places for London during Quarter 4 of 2024/25 (8 December 2024 to 31 March 2025) and an update on the status of all open assurance recommendations to end of Period 11 (1 February 2025).



### **Platinum Portfolio – Southwark Over Station Development**

- 4.8 The Committee is asked to reconfirm its approval of Land Authority in relation to the Southwark over station development site, enabling Places for London to invest and develop, with its joint venture partner, purpose-built student accommodation and affordable housing at that site.

### **Limmo Peninsular Preferred Bidder**

- 4.9 The Committee is asked to approve Land Authority for the transaction and the formation of a new wholly owned subsidiary company for the purposes of entering into the contractual agreements relating to the transaction.
- 4.10 The Limmo peninsula site comprises five hectares of brownfield land located in the London Borough of Newham, and is part of one of the Mayor's key strategic areas identified as a focus for housing, jobs and regeneration.

### **Cockfosters West London Partnership Joint Venture**

- 4.11 The Committee is asked to approve Land Authority for transaction and the formation of a new wholly owned subsidiary company for the purposes of entering into the contractual agreements relating to the transaction.
- 4.12 The proposed development scheme meets Places for London's core strategic aims, including housing delivery.

### **Enterprise Risk Update – Inability to React to External Market Forces (Places-L0-06)**

- 4.13 The Committee is asked to note the update on Places for London's management of its Level 0 Enterprise Risk Places-L0-06, which relates to the failure to adapt swiftly and effectively to changes in external factors, including economic shifts, political and regulatory changes, competition and evolving market demands.

### **Enterprise Risk Update – Efficient and High Performing Supply Chains and Effective Procurement (Partnerships) (Places-L0-07)**

- 4.14 The Committee is asked to note the update on Places for London's Level 0 Enterprise Risk Places-L0-07, which outlines the scope, current assessment, preventative controls, mitigation activities and improvement plans to reduce Places for London's risk across the supply chain activities that it manages.

### **Forthcoming Key Transactions**

- 4.15 The Committee is asked to note the summary of the major new procurements or contract extensions planned over the next six months and any approvals that were anticipated to be required from the Committee via Chair's Action ahead of the next scheduled meeting of the Committee on 16 July 2025.

4.16 It is anticipated that a Chair's Action may be required in relation to the residential-led property development at Bollo Lane, which is being delivered through the West London Partnership with Barratt London.

**List of appendices to this report:**

None

**List of Background Papers:**

Papers submitted to the meeting of the Land and Property Committee on 18 March 2025

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