This transcript has been disclosed by the GLA in response to a request under the Environmental Information Regulations (EIR).

In accordance with our obligations to liaise with third-parties whose information is subject to an EIR request, the GLA has engaged with the interviewee(s) covered by this transcript.

As part of this process, and following our own review of the transcripts, the GLA identified errors in the transcription of the audio recordings of the interviews. These included

- typographical errors;
- comments being attributed to the wrong person;
- text being omitted in the transcription; and
- instances where the transcriber completely misunderstood what was being said, and writing something wholly incorrect.

Where the GLA has identified genuine errors in the transcription when compared to the audio recording, we have made corrections to these transcripts using "tracked-changes".

In each case, the corrected text is shown in the margins of the page and is accompanied by a brief explanation for that correction.

The GLA has taken this approach to ensure both the corrections and original text are available, and so we can balance our legal obligations under the EIR with our duty to help ensure accurate information is released in respect of the individuals interviewed as part of the Garden Bridge Review.

In some case, the parties interviewed have asked the GLA to include certain comments regarding their comments to help provide some clarification about what they were intending to convey. Again, these are clearly marked on the transcripts.

Please note however, the transcript may, despite our best endeavours, contain errors due the transcription process itself.

Garden Bridge Review
Meeting transcipt

Event:	*MH-Peter Hendy 24-01-17*
Date:	*24 January 2017*
Present:	*Dame Margaret Hodge MP*
	Sir Peter Hendy
	Claire Hamilton

Dame Margaret Hodge (MH):

I think there are some process issues which are quite interesting, which are different in City Hall than they are in central Government.

Peter Hendy (PH):

Yes.

MH: So hopefully I can add a tiny bit, hopefully. I don't like doing things that are a complete waste of time.

Talk me through your perspective and you don't need to say to me, "This was a wonderful idea/this was a rubbish idea". Talk me through that perspective of the processes and the value for money and whatever you want to say about it and then we'll see if I can follow that up with some questions.

PH: I've had to refresh my memory, since I'm now working in an entirely different environment, but the way in which the --

MH: It's not entirely different.

PH: Well, actually, it is quite different in several respects. Those will be that the Mayor is a single individual, but also the legislation is quite particular. One of the things when I came back to TfL in 2001, and especially after becoming the Commissioner in 2006 for Ken, you have get your head around this, that the legislation under which the Mayor, the GLA family and TfL works is very different from any other local authority. TfL is in fact classed as a local authority, but the GLA Act works in a very different way.

In particular, the main way it works is that the Mayor is responsible for the creation of the London Plan, which is a long-term spatial and economic development strategy. If they only knew it, all three of them, it's their principal responsibility. It's not a day-to-day responsibility, but it's a strategic development exercise for London, underneath which is the Mayor's transport strategy and the transport strategy sets out what TfL is expected to do, subject to budget and business plan.

I said to Nick Raynsford – and I encouraged him to write yet another book, because he hasn't covered it in his first one sufficiently – fundamentally, it's the reason why London Government and TfL, in supporting it, has been successful. You've got a long-term plan with a strategy serving an economic development, spatial development strategy. It's not only been good in London, it's actually admired worldwide. It's a very good construction.

Nick and others who had any hand in the legislation ought to be utterly commended, because most of my colleagues when I was doing the job in other cities, even though you admire the city, don't have anything which is quite as strategic as that. There's a point in me telling you this, which I'll get to. If you look at the two transport strategies, one done by Ken, one done by Boris, actually fundamentally they're very similar, and the reason is because actually the economic and spatial development of London, the objectives are similar, whoever the Mayor is, frankly. There are some individual details, you might fancy a development out of London, you might not; you might have a penchant for public housing, you might have stronger social equality aims. But by and large what's in the transport strategy and hence in TfL's long-term business plan and hence in the budget is more or less the same.

That's doesn't obviate the Mayor as the politician with the largest electoral mandate in Britain having some of his or her own ideas about what they would like to do. And for shorthand, the way in which that works is that if something is not in the transport strategy and doesn't get into the business plan and budget, then providing it accords roughly with the aims of those things, it's certainly not prohibited to do it, but the process of mayoral direction makes absolutely clear that what the Mayor wants TfL to do is something that we should get on with. That's quite different from a local authority.

The other thing I would observe in passing is the function of the board, though TfL legally is the board, which is chaired by the Mayor, the authority is actually the board – I was never a member of the Board, I was an employee – that actually the sequence of events in an eight-year mayoralty is that the Mayor relies on the board very strongly in years 1, 2 and 3 and then the influence of the board diminishes, because the Mayor starts to get a grip on both the job and what the Mayor wants to do, so that by the time you get to years 6, 7 and 8, the board is still performing its legal functions and it's still advising him or her, but the Mayor has developed their own ideas about what they want the organisation to do. They are still expressed through the budget and business plan --

Commented [GLA FoI1]: The GLA noticed this had been omitted from the original transcription

Commented [GLA FoI2]: The GLA noticed this had been omitted from the original transcription

MH: But the Board stil has -- so in a way, they can bypass the Board.

Commented [GLA FoI3]: The GLA noticed this had been omitted from the original transcription

PH: Well, a mayoral direction as a matter of fact does bypass the board. Whether it should or not is quite an interesting question, but I took the view - and I still do - that actually if you've got a mandate of between 4 and 5 million voters, then if you want to do something which isn't in the Mayor's transport strategy -- to give the game away, you might have been elected the Mayor without knowing how it worked or you might think of things either during your election or afterwards that are not part of the strategy -- so a mayoral direction allows you to tell the organisation what to do. It's also valuable because if there is any doubt about whether or not what you want TfL to do is within its powers or not, the mayoral direction, providing it's properly given, is a pretty useful alibi for the organisation to say, "Yes, we have been told to do this".

Now, the view I took in nine and a half years as the Commissioner is that by and large you're responsible directly to the Mayor, your board and the Mayor, but you see the Mayor more often actually that you see the board. It depends how the Mayor wants to use the board. The board has a function --

MH: What is the board's function, Peter?

PH: So statutorily, the board is Transport for London, but it can't discharge its function, it can't do literally everything that TfL is required to do, because it's 14 non-executive people, plus an elected politician.

MH: But it is the authorisation vehicle for TfL expenditure?

PH: Yes, and then there is a scheme of delegation which gives delegated powers underneath it. Depending on the level, it goes through committees of the board if it's trivial or low level, the committees of the board see stuff that's unbudgeted on a lower value than if it's budgeted, all that stuff. But the mayoral direction power, providing it's legally exercised -- in fact, I'm not sure it bypasses the board, but that's the Mayor acting as the Mayor, telling you to do something.

You can draw your own conclusions, but I think it's on the whole quite a powerful structure, because if you don't care for the level of the Mayor's executive power, the legislation would have to be extensively rewritten. I remember discussing with Ken at some length what the difference was between being the leader of the GLC and being the Mayor of London and Ken of course rather enjoyed being the Mayor of

London, because he didn't have to do endless deals within his own party and others. You come in in the morning and you think, "Actually, providing what I am doing is legal --" you can tell people to get on and do it. I think that that's one of the strengths of the way in which it's done.

The Assembly is there to be a check, a balance on the Mayor and on TfL. How well it does its job is a matter of strong opinion; in my case, I think it's been more effective in the past than it is now holding the Mayor to account. But some of that is up to them, about how they do it, frankly. I became latterly very irritated by their lack of wanting to call me, actually, because if you're responsible for the public services of one of the great world cities, an annual appearance with Boris might be a nice bit of theatre, but it doesn't account for the general conduct of the running of the organisation.

Commented [GLA FoI4]: The GLA noticed this had been omitted from the original transcription

I think if you look at the Select Committee structure in Parliament, one of the strengths of the Select Committees is that they do see the Permanent Secretary and the Secretary of State not on a, "What's gone wrong today?" basis, but on a, "How are you doing your job?" basis. And latterly I became extremely frustrated and probably, if you look hard enough, you'll find it on the record in some of my appearances, saying, "Why don't you get me and my senior people in more often to talk about the conduct of what we were doing?" But that's a bit by the by.

But what that structure does allow a Mayor to do, including this one, is to decide to do things which are legal, but aren't necessarily within either the structure of the London Plan or the transport strategy and may not otherwise be on TfL's agenda.

MH: Okay. Let's take that as read. I agree with that. But in this scheme, you're spending public money, so there are two issues, that of course you can decide to do anything, you can decide to release a million butterflies in London, which I think would please Joanna Lumley.

PH: All of them cost money, in my experience.

MH: Yes, so it's public money, okay? It's public money and that's my concern. So I think one therefore looks at the accountability. It's not that he can't take the decisions or give the directions, but what are the accountability mechanisms that are in place? That's one thing, your delegation powers, which I thought was really interesting.

Was the whole of the expenditure on this under your delegated powers? Did you not have to report to the board at all?

PH: The board was certainly aware of the scheme. I think if you go back through the committees of the board and the board, you will find that there was some discussion about the Garden Bridge.

MH: Did you have to get their permission on any of the contracts?

PH: No, we didn't. I don't believe so.

MH: Do you remember your delegated power, what the delegated levels were? You see, I look at it and think I can get it that Thomas Heatherwick can get a contract for 60K and that's delegated. I then start looking at Arup's contract for whatever it was, £4 million or thereabouts, and think, "Well, was that delegated or did that get --"

Commented [GLA FoI5]: This text was corrected after the GLA noticed an error in the transcription

Deleted: think

PH: Oh, yes. If that weren't delegated, when the audit was done, which Caroline Pidgeon asked me to do, it would have been immediately obvious in the audit that we had exercised power in excess of the delegation. These are material sums that --

MH: Okay, so what are your levels of delegation? You don't remember them?

PH: Well, they're all on the website, actually. They're quite large sums of money.

MH: It seems to me they are large sums. I don't think I would have spent £4 million as a Minister in a department of Government without some form of authorisation.

PH: Well, it's an interesting point. I think that you'll find that there is a structure both of reporting it and actually who took that decision and the checks and balances about the way in which the decisions were taken, because having read the audit report – because I asked for it before I left and I've read it since – actually there were clearly some defects in the way, latterly, that the Arup contract was let.

Commented [GLA FoI6]: The GLA noticed this had been omitted from the original transcription

My conclusion, having read it, for what it's worth, is that there were some defects, but in the great scheme of things and having been a long time in public authorities, the real question is was it let in a manner so irregularly it ought to have been revoked

in some way? And it doesn't look to me as though that is the case, but you can read it, like I can. But there are checks and balances. You can't just go out and spend £4 million without any authority.

MH: Well, who checked you?

PH: Who checked? What, "you" meaning "me"?

MH: Well, you were the Commissioner, so you're ultimately accountable, presumably, for it.

PH: Yes.

MH: So really, this is where maybe there is room, looking at the past, to think about things in the present and the future. That's why I said to you I can understand you can say, "Okay, we'll have Thomas Heatherwick to do this design stuff, 60K", just about, but when you get the £4 million plus, who checked you? That's unclear in the documentation.

PH: So of those two decisions, the decision about Thomas Heatherwick, if I recall right, and to the extent to which I can find it in this vast volume of papers, actually was as a result of a small competition. You could argue that there's a question about why a competition was run at all, because it's not outrageous not to run a competition. Anyway, they ran one.

Commented [GLA FoI7]: This was corrected after the GLA spotted an error in the transcription

Deleted: I

MH: Let's come back to that.

PH: But in both cases, the process of doing it doesn't rely on any single individual to let a contract without reference to anybody else. From my memory again of looking at this stuff, if you say the Arup contract was primarily the responsibility of Richard de Cani, undoubtedly. At the time he was working for Michele Dix, who was the chief officer involved, it would be very remiss if she wasn't aware of what was going on and hadn't supervised it to some extent. You can't just, in public authority, be one person to decide.

MH: You can't depend on a Caroline Pidgeon, to raise this issue.

Commented [GLA FoI8]: The GLA noticed this had been omitted from the original transcription

PH: No, absolutely not. What you can depend on is following the rules of the scheme of delegation and also an internal audit process of checking from time to time that those things are working. Now, what you'll find I'm sure in the case of Arup is that it is one of the things of a call-off contract, because what you do in a public authority, you can't contract all this stuff individually.

MH: No, I understand that.

PH: You'd be awash with paper and you'd never get anything done. So there'll be a call-off contract for engineering services of which --

MH: Which they invited a whole load of people I can't remember, but in which Arup originally didn't look as if they should go on a shortlist. Yet surprisingly they appear on the shortlist. They're rung up to -- that's why the processes matter to me. This is not impugning any individual or the quality of their work -- I can't remember if they were seventh out of 11 or whatever it was, they were right down there. They'd been working on it before, which Richard knows about. They miraculously get on to the shortlist. They're rung and told, "You're a bit pricey here". They then come in the cheapest. Something in the processes --

PH: Well, yes, I doubt it's miraculous they got on the shortlist. If there's a good reason for them having been on the shortlist, it will have been because they can bring something --

MH: Where were they? Do you remember?

Claire Hamilton (CH):

Seven out of 13.

MH: Seven out of 13. A bit odd. When I do shortlisting, we've all done shortlisting lots in our lives, you wouldn't end up there. And that's why your processes matter.

PH: They do, you're absolutely right, the processes do matter, so you could say to yourself, "Are the circumstances of them getting the contract, in circumstances where they're 7 out of 13 so exceptional that somehow the whole thing has broken down?" I'm not sure, without a great deal more scrutiny, it is.

Commented [GLA FoI9]: The GLA noticed this had been omitted from the original transcription

MH: This is not impugning Richard, who I think is probably an upright, very good person/individual, or you or Michele or any of you or Arup. But I get sometimes frustrated when I think, "So and so could do a job really well" and then you go through the criteria, they don't bloody meet it, you can't get them on there. And in this instance, not only did they get on, they then get rung up. And they've been working there before and you knew that and Richard knew that.

PH: It is an interesting thing. With all of those rules of public procurement, what I do think is that it's very healthy that somebody should be rung up and said, "Your prices are too expensive".

MH: But so should everybody then.

PH: Well, so they should. Yeah, absolutely.

MH: And they weren't.

PH: And if I read this properly, that was a weakness. Now, was it a fatal weakness? Is that something that ought to be corrected? If I'm not entirely mistaken – I did read all this stuff but it's two Sundays ago – I think you'll find that the then chairman of the audit committee and other people have said something about that.

Commented [GLA FoI10]: The GLA noticed this had been omitted from the original transcription

MH: They have.

PH: It wouldn't be the only piece of public procurement ever done in TfL with a turnover of £11 billion a year that actually hasn't been perfectly done.

MH: I'm sure there are other bits as well, but that's why actually ensuring you have the processes in place that minimise the risk of that. It just feels, reading this, you think, "Bloody hell, why didn't they have some more --" , people throwing away their papers so you can't look at them. There's just too much going on in this world and then you think, "Oh well, Arup was around, weren't they?" They'd already been working on this. You'd met them, you'd talked to them.

PH: So it's not an excuse for imperfect process, but the other thing that I don't know whether comes out, whether it sufficiently comes out in all this, the pressure to get on with this was absolutely enormous.

MH: From the Mayor?

PH: From the Mayor and from the Mayor's Office and from some people you will have seen, and I don't know what they said to you, but Isabel was on our backs every day.

MH: She said to me it was entirely you and not her.

PH: Well, that's fascinating. Okay.

MH: Well, I think that's an important comment, because she has actually said to me that you were entirely -- that it wasn't anything to do with her, it was entirely you.

PH: Gosh. Well, I'm sure it was. I'm sure the process was absolutely our responsibility, because I wouldn't dream of trying to claim anything else, but I can tell you that the pressure on a daily basis was absolute.

And if I could possibly find the contemporaneous notes of my weekly meetings with her, I don't suppose there was one in the whole of that period of time when we weren't being heavily pressed to get on with it. It's not unreasonable. The Deputy Mayor for Transport is the political agent of the Mayor. I don't think you can claim that that job's merely administrative. If you don't share the Mayor's political objectives, then frankly you shouldn't be there.

MH: She said it was entirely you.

PH: Rather oddly, she was actually my employee all the way through that process.

MH: Employee?

PH: Oh, yes, yes. She was seconded from TfL to the Mayor's Office.

MH: Oh, right. Was she at TfL before?

PH: Yes, she was. She was Kiley's chief of staff for a bit.

MH: Oh, gosh.

PH: Whether this is helpful or not, I don't know, but in the best of my recollection, it's the truth. She was Kiley's chief of staff. She was a McKinsey consultant. She came as Kiley's chief of staff. She was very successful with a rather difficult man. He had his moments, Bob. He was also hugely talented, but my God, he could be difficult. She gave him back as good as he got, so they got on fairly well.

When I took over, she became -- I didn't need a chief of staff. I can find my own way around the city without somebody with me, so she became my head of policy for a bit. Then when Boris was elected, Simon Milton rang up in a stew and said, "We don't know any Conservative who's interested in the environment. Do you know anybody?" and I said, "Yes, I do. She's pretty good, so I'll send her over". So during her time there, she was seconded from TfL to the Mayor's Office, paid as TfL, and then of course there was no job, the Mayor changes, so she joined Arup.

I don't think she will have done anything improper. If you're the Commissioner of Transport, you become used to people bearing down on you by phone, text, mail, meeting and all sorts.

Commented [GLA FoI11]: The GLA noticed this had been omitted from the original transcription

MH: I don't mind that. It's just that she was pretty clear that it was the procurement -- she had nothing to do with it.

PH: I think that is very largely true, though she will have known all of the principal actors involved, because there was a great hurry to get on with it. It would be foolish not to say that. There is some truth, Margaret, in this, which is that actually if you want to get a good job done, you should not breach the good principle of public procurement, but actually, you shouldn't hire the wrong people to do these jobs because they won't get done properly.

And actually, I think by and large I would look back at TfL and say, compared with some public sector organisations, on the whole, the procurement was pretty good, and we dealt with some bloody huge sums of money doing some very difficult jobs. So would my mind be focused on a framework, a piece of work for a framework contract given to Arup? It would be very hard to say it would be, because it wouldn't be. There's some other things, including some we've talked about in the public accounts committee, which are far more material.

Commented [GLA FoI12]: Short discussion between MH and her office staff

So anyway, I was asked by Caroline Pidgeon to get an audit review, so I did, because that seemed quite sensible to me.

MH: There's quite a lot to get through, so just the final thing on process, I agree with you, but it's public money. You've got to keep coming back, public money, so you've got to be able to account. If there's a judgement they're the best people for the job, you've got to be able to account for that openly.

PH: Of course, absolutely. And if there's a weakness in the process, well, quite clearly the IA report on its own says the processes were not followed in the way that they should be. Should all the documentation be there? Of course it should be.

MH: Yes.

I think your delegation is quite interesting and I think the failure of the board at some point with a £4 million plus contract, there should have been a more formal --

PH: Well, the board is an interesting animal, because although it is the organisation, in some of their defence, but not all of them, they are all appointed by the Mayor. Some of the strengths of this process are also some of the weaknesses.

MH: Also the weaknesses. Okay.

PH: They are all appointed by the Mayor. He or she can appoint who they want.

MH: You can't appoint any?

PH: No, I can't even be a member of the board. Maybe that's right, maybe that's wrong, but they're not my appointments. They're all the Mayor's appointments.

MH: So they're not really a check?

PH: Well, it depends who you put on it.

MH: Well, but they're not really a check, because they owe their position to the Mayor.

PH: Well, we've had some very effective people on the board.

MH: Can they be sacked?

PH: They can.

MH: Instantly?

PH: Yes. Famously, if you recall, Ken sacked Bob Crow, if you remember.

MH: I don't remember that.

PH: He put Steve Norris, Susan Kramer on the board and he put a TGWU rep, who was actually very good, and he put Bob Crow, and he fired Norris because he got fed up with him and he fired Crow, because he got even more fed up with him.

MH: Okay. Well, that's an interesting structural issue. I go back to this issue: it's public expenditure and depending on the scrutiny committee is not good enough.

PH: But if you do look at that stuff, then the other thing is you've got an audit committee, you've got internal audit.

MH: Well, has the audit committee got people not appointed by the Mayor?

PH: No. So the audit committee is a committee of members of the board, but it has the internal audit function reporting to it, like me, independently, so they could come and tell me some things that they want to from time to time. And they used to. And also of course you've got the external auditors, so --

MH: External audit in this particular case also funded the Garden Bridge.

PH: I'm sure that -- you would have to find out from them whether or not their practice was --

MH: Well, they will say, "Chinese walls".

PH: I'm sure they would. I'm not sure, you can look at the individual procurement of that thing -- My reading of what I've seen, had I been there when the internal audit report was -- I would have sent it to Caroline. It's been sent, it's a matter of public record. It's not 100 per cent. Is it highly defective? No, I don't think it is highly defective. Does it show some things that ought to be done better? Well, you can't say it doesn't, because there clearly are things that should have been done better. I think that's about all you can say, really.

Commented [GLA FoI13]: The GLA noticed this had been omitted from the original transcription

MH: Okay. Just on the other contract, just to go through, the Heatherwick contract was a rigged contract, wasn't it?

PH: No, it wasn't rigged.

MH: You wanted to make sure that Heatherwick got that contract.

PH: Well, now, there's a really interesting question.

MH: I don't know why you didn't just appoint them actually, interestingly enough.

PH: Well, if you're looking for some element of external check and probity, I think on the whole asking other people whether they've got any ideas for this thing, as well as the person who's submitted them, is not a bad thing at all.

MH: Well, you might say, "We're looking at a Garden Bridge" rather than just saying, "We're looking at pedestrian crossing". And that might be fair and you might say, "Actually, this lot have been in there chatting to all of you for --"

PH: Well, that's quite tough. It was clear to me, if you look at the way in which this occurred, neither I nor anybody who worked for me were approached by these people. Nobody rolled up to us and said, "We've got an idea for a Garden Bridge".

MH: No, but you met Heatherwick a number of times before the tender. You met them three times, as far as I can tell. It may be more, but I've tracked three times before the tender went out. I don't know why you didn't just appoint them.

PH: Because actually I think it's not unreasonable to see whether anybody else around has a similar or a better idea.

But where did this originate from? It originated from the Mayor, and it's in pursuit of a mayoral direction.

MH: I don't think you had a mayoral direction at that point, to be honest, Peter. I don't think you had a mayoral direction when you went out for tender --

Commented [GLA FoI14]: The GLA noticed this had been omitted from the original transcription

PH: Well, that's an interesting.

MH: I don't think you had a direction. When was the first mayoral -- you've got the timeline, haven't you?

CH: So the direction from the Mayor was August 2013. And the Heatherwick and the Arup contracts were March and April.

PH: Okay. So actually I would have thought, faced with the prospect either of saying, "Well, Thomas, everybody's in discussion with you. Here's a load of money. Just go off and develop your idea" or seeing whether there's anything else I think on balance you could argue that that wasn't a bad thing to do.

MH: Peter, let me ask you another question. One of the things that fascinates me is you met Boris, what, once a fortnight you had your Monday morning and Tuesday morning meetings throughout.

PH: Yes.

MH: Why the hell were those meetings not minuted?

PH: What, the meetings with him?

MH: Yes.

PH: Well, I think you've got to ask him that, not me. How the Mayor chooses to run his office is --

MH: But you were the Commissioner. I have to again give the analogy of the civil servant. There is no way I could have had a meeting with anybody, anybody, ever, except over here in the House of Commons that wasn't minuted, circulated, all over the place.

You are the Commissioner, he's the Mayor. You're talking about London transport stuff.

PH: Yes, and if the consequence of that meeting is a formal decision, then --

MH: Yes, it should be minuted.

PH: -- it needs to be minuted. Seldom were --

MH: Yes. You should have minuted.

PH: Seldom on their own were those -- This is not analogous to the Civil Service, it's a very unusual system. It's much more analogous to the way that American mayors run their cities, and frankly, it was the same with Boris, and I have no doubt if you look carefully, it will be the same with Sadiq, actually. Certainly he will be using -- I haven't done much research, but I've done enough research to check that he's using mayoral directions, just like his two predecessors did.

MH: I don't think there's anything wrong with mayoral directions. Nobody is attacking that, Peter.

PH: But they arise from -- in many cases they arise from a discussion --

MH: On a Monday morning.

PH: Yes, or whenever it is. Actually, I never went to the discussions that the Mayor had with his Deputy Mayors. The meeting with TfL by and large was minuted by his office and we took away from it the things that we needed to do.

MH: They aren't minuted by the office, because there's no record of them. They were not minuted. Because let me put it to you that he said to you, "You've got to use Heatherwick. Here's this great guy". I can see lots of emails floating around with you saying, "There's no money for this in the business plan" --

PH: Quite right. That is what you would expect me to write and I did write it.

MH: And I have seen quite a lot of those around. But in the end you do it and the Mayor tells you do it, he's your boss. That's fine.

PH: That's right.

MH: But the only way I can understand how this all happened, honestly, and I'm trying to be as objective and honest as I can over it all, is that he must have told you at one of those Monday morning meetings, "I want Heatherwick to do it. I think he's got a great idea, great design. I've met Joanna Lumley --"

Commented [GLA FoI15]: The GLA noticed this had been omitted from the original transcription

PH: Being slightly mischievous about it, if that were true, then if our response was to run a competition of which Heatherwick was only one of the entrants, then we didn't quite do what he wanted, actually.

MH: Well, you did, because you ensured that you ran a competition which he could participate in and all those briefing notes that have got changed and changed ended up with a mechanism which allowed Heatherwick to be in there. So it looks even more rigged. At one point your lawyers say to you, "Do an OJEU" or whatever you call it, the European stuff, and then you go on and it looks at the end you choose something in which Heatherwick could compete. And because Heatherwick's been working on it forever and ever, surprise surprise, they win, despite having no technical competence at all. I'm being a bit extreme here.

PH: Yes. I suppose the truth is you have to compare it with -- my observation now -- don't quote me precisely on this -- I can now see it at close quarters, how the civil servants work. I can also see what scope there is to completely frustrate what Ministers and Secretaries of State want to do by excessive process, leading to no result.

Commented [GLA FoI16]: The GLA noticed this had been omitted from the original transcription

I think in my time as the Commissioner, which is longer than anybody has done any job like that since Lord Ashfield, on the whole I'm pretty proud of the fact that we did what we were told to by somebody with a very large electoral mandate, providing it wasn't either illegal or so financially crazy -- but even then, actually they're elected, you're appointed, there is a difference.

Commented [GLA FoI17]: The GLA noticed this had been omitted from the original transcription

MH: I can understand, but did he tell you to use Heatherwick?

PH: No, he said -- from my memory, -- Boris, as Ken before him, was pretty clear, in plain language, about where they wanted to go. We would have said to him, I'm sure, that it would be unwise to give him a contract. That doesn't feel right.

MH: Actually, you said to him he shouldn't meet him and he did. He actually met him in San Francisco. Did you know about the San Francisco trip?

PH: Only after it happened, and people don't tell you what they don't want to tell you. But there are two tests, aren't there, one of which is are you trying to do what you're asked to do with some reasonable level of propriety. I'm prepared to be challenged on that, but actually the way in which the structure works is not the structure of the Civil Service and a Secretary of State. Given the opportunity, we have produced some fabulous things in London, which frankly I don't think central Government could ever have done. Is there some controversy over some of it? Well, yes, because there was some controversy over what Ken did.

MH: You see, actually, the whole thing, Peter, there's nothing wrong with all that if it's transparent. And the problem here is it isn't very transparent.

PH: Well, the allegation about what Ken did in 2006 and 2007 and 2008 was precisely the same, which is that he did what he should have done, but it wasn't very transparent.

Having poked around it, there were some things in the LDA which are very uncomfortable indeed, driven by his advisors, which is more often the case, in my experience, than not. But if you look at this in the round without expressing any view about whether the Garden Bridge is a good thing to do or indeed a good use of public money, has the process produced so far what it was that the Mayor wanted? Largely it has, I think.

MH: But not within the envelope. You're saying, you're not -- So one of your officers, Paul Plummer, who's a senior officer in commercial, actually questioned the scoring on the Heatherwick contract. You ignored that.

Commented [GLA FoI18]: The GLA noticed this had been omitted from the original transcription

PH: Well, we corporately might have done. I didn't personally, I don't think.

MH: Well, somebody must have given Richard -- they must have given him an instruction. That's what I feel, I've got to be honest. It's either one of you -- either the politicians or you and Michele.

PH: Was it pretty clear that what the Mayor wanted to do was to ask Thomas Heatherwick to build a Garden Bridge? Yes, it was. It was pretty clear, actually. Were the people around him utterly persistent in driving this thing forward? Yes, they were, actually. And I don't think you should at all limit the – I'm trying to think of a reasonable analogy but -- The pressure of the Mayor's Office to get on with this job, the pressure of the Deputy Mayor and other people in the Mayor's Office and the Mayor was not limited either to the Mayor's meeting with me or my weekly meetings. They were all over this to get it done.

Commented [GLA FoI19]: The GLA noticed this had been omitted from the original transcription

MH: Isabel and Ed Lister?

PH: Eddie to a lesser extent. Eddie, you couldn't claim Eddie was closely involved. Isabel -- she was all over it, absolutely all over it. It's perfectly natural.

MH: The only other thing – Michele at one point says, "Wouldn't it be quicker just to let them take the lead?" So it feels all the way through -- I think you've been pretty honest, actually, and open --

Commented [GLA FoI20]: The GLA noticed this had been omitted from the original transcription

PH: Well, I hope so. I've got no axe to grind. The trouble is the effluxion of time, age and alcohol, leaves my memories less than perfect.

MH: I hope not too much alcohol!

PH: But I'm pretty sure I remember saying to him at one point that, "You can't just treat this as though it's your own money. We've got to have some element of process in here". And there is an element of process in there. Do you like all that's been done? I'm not sure in my scheme of things -- I'm not regarding failure to apply process as trivial, but actually, did we get somewhere where the Mayor wanted to go? Yes, I think we did get somewhere where the Mayor wanted to go.

Commented [GLA FoI21]: The GLA noticed this had been omitted from the original transcription

Of equal importance to Sadiq is that actually it is absolutely important to have proper process. It is right to make sure that the delegations given to TfL are properly used; it's right to have them rigorously applied by internal audit. Is the next Mayor likely to apply the same level of pressure to do what he wants, particularly when it's not in the Mayor's transport strategy? Probably, yes, if he wants to get it done.

MH: Yes. No, honestly, there's no harm in that. You can disagree with it, it may not be what you want, but I think the purpose of the Mayor is to do these *grande projects*, It's one of the values they add.

PH: I think on the whole that's probably right.

MH: I don't think I'd have built a cable car necessarily, but his right to do so --

PH: I don't know whether I would or not. I had a bit of an argument with him about that, to tell you the truth.

MH: Yes, but it's his right to take that decision, so I'm really not into that at all.

PH: And it is in the context of the delivery of everything else.

MH: You always had loads of balances floating around your budget!

PH: What, money?

MH: Which is why they probably came to you to run this.

PH: We were the only people in the GLA who had any money, who had any competence, who could deliver anything, and I'll bet you by now Sadiq's saying exactly the same thing, which is he relies on Mike to get everything done because the rest of it is a political [inaudible]-- I didn't mean that. What I meant was that in the context of TfL's main business, which is delivering a decent transport system for London, which is mainly what the senior people focus on, the proportionality of what the Mayor wants to do in this and the pressure applied to compared with running a bus service is a different thing.

Now, I think when you have seen in your past people from the Civil Service and others spending large quantities of public money, it's usually in direct pursuit of some large national public objective and, in the occasions when we have had difficulties

Commented [GLA FoI22]: This was amended after the GLA noticed an error in the transcription

Deleted: be quite pushy, actually

Commented [GLA FoI23]: This was amended after the GLA noticed an error in the transcription

Deleted: it's

Commented [GLA FoI24]: The GLA noticed this had been omitted from the original transcription

with spending money on massive projects, actually people like me do get involved in it, of course you do, as in Metronet. There's no way you wouldn't get involved in it. I think, actually, the way in which we got them out and Tubelines out is a model of how you rectify bad legislation and bad practice. So would I defend some irregularities in this? I don't defend any of them, but all I do say is I put them in proportion to what's going on.

MH: Yes. I understand that, I understand that.

PH: And actually, if you're the Commissioner and the Mayor's ringing you up every night when he's wobbling home on his bike saying, "Where's the bloody Garden Bridge?" and what you're trying to do is stave off the RMT and get his cycle lanes built, actually there's a different order of things to that. And that, I think, is the context of it. Now, you can choose to take what measure of that you like, because there's no excuse in any particular case for not following the process, but it might explain why actually people would be attempting to do what you want in that respect, because as probably Mike and the present Mayor would tell you, if they were honest, what turns up on their agenda in proportionate terms is nothing like what the relevant importance is out there.

Commented [GLA FoI25]: This was amended after the GLA noticed an error in the transcription

Deleted: that's

MH: Oh, I know, I know. That's politics, yes.

PH: That is politics, of course it is politics, so you might well be more disposed than you otherwise -- When he finally – I'll say this carefully – when he finally got around to telling me he'd committed £30 million, you've just got to take a big gulp and say, "Oh, all right" because, actually there's a lot bigger fish to fry.

Commented [GLA FoI26]: The GLA noticed this had been omitted from the original transcription

MH: So that was when he did the deal with Osborne?

PH: Yes. We've wound up with a transport system in London that's the envy of the world, frankly when 15 years ago it was bloody dreadful. And in those terms, you can see that, actually the Mayor's confidence in you depends on delivering his political objectives. The confidence of the public in the Mayor and the organisation is about something very different in some cases.

MH: Yes.

PH: Ken to his credit understood that far more clearly I think that Boris did. Ken knew, if Ken was where you are, he would be fundamentally interested in the quality of delivery of the Tube, the bus service and the congestion charge. Latterly, Boris was able to take most of those things as given, frankly. That gave him more luxury than it gave me, because we still had to run it.

Commented [GLA FoI27]: The GLA noticed this had been omitted from the original transcription

MH: But that's Boris. That's Boris, isn't it?

PH: Well, it is, but my caution to Sadiq is that actually he will want to do that, of course he will, but he'll also want to do some things that he wants to do. In fact, I'm not sure that he hasn't already committed himself to a bridge, which I bet has got no business case, because it didn't when I was there.

MH: Well, the business case was pretty rubbish, wasn't it?

PH: Well, the business case for the pedestrian bridge from Canary Wharf to Rotherhithe isn't much cop, if I remember rightly.

MH: Is it not much better?

PH: I think it's probably about the same, but he's committed himself to doing it, and if my successor is a sensible guy, he will find a way of doing it, because if the Mayor has committed himself to do it, it's what he wants to do. As long as it's not illegal.

MH: You've still got to see that it's value for money. I keep coming back to this, I'm afraid. I can understand all that stuff you say, but it's public money. It's not his money.

PH: No, that's absolutely right.

MH: Okay, and that brings different responsibilities. It may be different in the States, but for us, with our culture, it's not --

PH: Right. But equally -- can you make a case for the £30 million for the reasons which are within the mayoral direction? I think you probably can. Could I/would I make it personally? That's not the question. I think you can.

MH: Well, I think it's a very weak business case.

PH: If you look at Rotherhithe to Canary Wharf -- I'm not up-to-date on it, but I think that's probably got a pretty weak business case. It probably resides on regeneration, some element of tourism.

MH: Most of the regeneration there is out of the window, because of what's happened to –

PH: But I was always wary of substituting my judgement as an administrator for his judgement as a politician.

MH: No, no, you can take political decisions. We're going around. Let me just ask you, there's a thing that you did, so this is on the value for money bits of it, right? This is you December 2012. This was when there's to-ing and fro-ing about this briefing note, which became the basis for moving the thing forward:

"Shouldn't it talk about the need to get a decent cost estimate [hear hear] from people who can be held to account for it, the need for contingency, the reluctance of any sensible sponsor to provide it, the fact we have no money in our plan for any of it, but wouldn't find it too difficult to find the development costs and can't we show exactly where the TT Tunnel – what's TT Tunnel?

PH: Thames Tideway

MH: Oh yeah -- will go as I think we know, and it is underneath one of the piers. Can it be run past Steven Allen and be acknowledged as having a legal and finance contribution and date it?"

Commented [GLA FoI28]: The GLA noticed this had been omitted from the original transcription

Commented [GLA FoI29]: The GLA noticed this had been omitted from the original transcription

Commented [GLA FoI30]: The GLA noticed this had been omitted from the original transcription

PH: That seems a pretty reasonable email to write, actually.

MH: But you didn't hold to that, really?

PH: No, I think we probably did, actually. I would have said those are the questions that you would ask. I think you can take an opinion about what was said and how strong the case was.

MH: Did you believe at the time -- , I suppose the value -- when you come to the value for money, did you think that the Garden Bridge Trust had a credible private finance profile and hope of raising the money, both capital and then maintenance?

PH: Well, I was initially bothered about both of them. I think actually the first has been answered, whether or not I thought so at the time.

Commented [GLA FoI31]: This was amended after the GLA noticed an error in the transcription

Deleted: they

MH: What? The first has been answered by what?

PH: By the amount of money they've raised from benefactors.

MH: They haven't raised very much. They haven't raised enough to meet the capital cost.

PH: Not all of it. I'm told that it is quite a lot of it. I don't know.

MH: £60 million on probably something which is now around £200 million plus.

PH: And that's pretty substantial. I was not, at the time I wrote that, or at any subsequent time, contemplating that we would put any money into it.

MH: Did you believe that? Again, I've got to distinguish between – that might have been your -- You didn't want to put money into it.

Commented [GLA FoI32]: The GLA noticed this had been omitted from the original transcription

PH: No. It was not in my budget. I never want to put money into anything in that respect. I can be quite as obtuse as the Civil Service.

Deleted: 's

Commented [GLA FoI33]: This was amended after the GLA noticed an error in the transcription

MH: But you wanted to do what the Mayor wanted you to do?

PH: Yes.

MH: Don't tell me that you thought you could do that with just sticking within that £30 million that you've been given?

PH: Well, no, originally there was no money at all, was there?

MH: Originally there was no money and you said you would pay towards development. You then get the £30 million from DFT. Of which £20 million is supposed to come back to you. I don't know whether you thought that would ever come back.

PH: Well, I don't know either, but I'm not there to make the judgment, but the first thing when that commitment was made by the Mayor was to ensure that the money that we had already spent was part of the £30 million and not additional to it. That's a pretty reasonable thing to do.

MH: Yes. But did you think you could stay within that £30 million?

PH: Well, I wasn't banking on putting £30 million into it. He told me that that's what he'd done. I didn't advise him to do it and I'm very happy to put that on the public record.

MH: And you were around and presumably authorised the letting of the contract to Bouygues. That happened before you left, so they hadn't raised the money, I'm afraid. They'd raised by then about £60 million and they signed a contract for a hundred, what are we up to --?

Commented [GLA FoI34]: The GLA noticed this had been omitted from the original transcription

PH: But that's not a contract with TfL, is it?

MH: They must have come to you. They were signing before they had raised the money, which would have had implications. Don't tell me they didn't come to you. They must have.

PH: I'm not sure that's right, because actually my initial position was that we incurred some development cost. Then Boris committed £30 million. I made sure that the development cost was within the £30 million and not in excess of it. I don't think we were party to letting the construction contract.

MH: You were. Oh well, the construction contract was let on –

PH: I would need to do a lot of research to find out.

MH: I can't believe they let a contract without letting TfL know. Think about it. Just think about it, Peter.

Commented [GLA FoI35]: The GLA noticed this had been omitted from the original transcription

PH: No, no, I think I am. I think we had limited our liability to the £30 million.

MH: Well, you hadn't, because by that time you were also about to sign -- the GLA was about to sign the undertaking of the revenue.

PH: The GLA signed it, I think.

MH: Oh, I see. That's how you're doing that. Okay, okay.

PH: They don't have much power, but they had enough power to do that.

MH: Okay.

PH: If that's true, Margaret, I simply don't recall it. I'm pretty sure it was their business, actually.

MH: This is February 2015 and they had by that time only raised about £60 million. Appointed May 2015 and you left about June/July.

PH: I left in the middle of July. I do not recall either being consulted over letting the contract --

MH: Have we got any evidence on that at all?

CH: About TfL being consulted?

MH: Yes.

CH: I'm not sure at that period, because the focus has been on when the contract was signed, which was later, and that was after Peter left.

PH: Yes. I would be awfully surprised.

MH: I can't believe they committed --

PH: It wasn't a contract with us.

MH: No, I know, but it committed to the expenditure. If they didn't get the money --

PH: Well, I'm at a loss. If somebody produces some evidence -- I would be quite surprised, actually. What you think of that, I don't know, but I would be awfully surprised.

MH: This is one of these hybrid public/private things.

PH: What I would say is that -- and nobody would be surprised if I said it -- was that actually after he committed £30 million, I'm pretty damn committed not to get any more money committed, because that did start to be a dent in our budget, actually.

MH: I'm just trying to think.

PH: I'm pretty sure that's not the case. I've got no access to the records.

MH: Just to say to you that the £30 million from Government, -- somebody must have known, okay? The letter from Robert Goodwill that gave you the £30 million says:

"The contract for construction of the bridge should be let under an open competitive tendering process. [And then] I understand that a maximum of £8.025 million of this proposal will be required with preconstruction."

Commented [GLA FoI36]: This was amended after the GLA noticed an error in the transcription

Deleted: for

Now, they breached that, but it seems to me if the terms on which you got the money from -- I don't know if Goodwill is DFT or Treasury. That's in 2014:

"The contract for the construction of the bridge should be let under an open competition."

There must have been some discussion with TfL at some level around the contract itself. Just to make sure you kept to Treasury rules.

PH: I can well believe that somebody would have looked at whether or not --

MH: But allowing them to do that before they got the money or any of the permissions. They hadn't by that time done a deal -- they hadn't actually even completed, I think, with Westminster, they hadn't done a deal with Coin Street, they hadn't done a deal with --

PH: But I don't think that's strictly relevant to the £30 million.

MH: No, no, it's not relevant to the £30 million. It's relevant --

PH: Well, that's the point. But the rest of it is their risk, not our risk.

MH: Yes, but the bit I just read out to you was a condition of the contract, that if you're getting the £30 million --

PH: Right, and that condition is that it's been competitively tendered, not that anybody gives approval for its award.

MH: I think that's a nicety.

PH: Well, I don't know. Why would I be bothered once the £30 million was committed?

MH: Because if it goes belly-up, in the end the public sector has got to pick it up.

PH: What, beyond the £30 million?

MH: Of course.

PH: No, absolutely not. I think the trustees were and still are liable for any of the costs of it over £30 million.

MH: That won't ever happen, Peter. That's unrealistic.

PH: Well, no, it isn't. I don't think it is. That's completely different. If you look at Metronet and Tubelines, it was quite clear from the whole construction of the thing that we were always going to be liable for any of the financial risk that occurred as a consequence. I don't think with the Garden Bridge that you can say with accuracy that we would have been liable for the consequences. I was exercised by the maintenance cost, because I could clearly see that money might have been found for the construction but not for the long-term maintenance.

I'm quite happy to be quoted as being quite clear about that we didn't want the long-term cost of the maintenance stuck on the transport budget, because that didn't seem to be a reasonable thing to do.

Commented [GLA FoI37]: The GLA noticed this had been omitted from the original transcription

But as to the trustees letting contracts, whether or not they have enough liability, I will be astonished if there's anything in that contract that suggests that in the event of the trustees' failure, TfL will pick up the balance.

MH: No, of course there's not anything, of course there's not.

PH: Well, then why would I be bothered?

MH: Because the real politique of it is in the end -- your judgement would be your money is at risk. There's no way a bunch of voluntary people --

PH: The £30 million -- no, no.

MH: I know they were quite rich or are quite rich.

PH: The £30 million was committed, but over the £30 million, my memory is that in fact there was quite a big argument about who would be liable for obstruction of the tideway if the bridge was half-built, and I went to the ends of the earth to make sure that we weren't liable for that, because you don't want to be, because that's quite a big potential cost. So I don't think you will find that them letting the construction --

MH: Okay. I think we probably need a quick little note to TfL just to find out whether there were any discussions -- and to the Garden Bridge, both -- between the Garden Bridge Trust, and just give them three days to reply so I can get on and write this thing, as to what discussion there was between Garden Bridge and TfL before they let the contract to Bouygues, and the Mayor's Office probably. We've probably got to go to the Mayor's Office as well.

Commented [GLA FoI38]: The GLA noticed this had been omitted from the original transcription

PH: Well, you also need to ask them whether or not specific permission was sought, because I'm really surprised if it was, actually, really surprised.

Commented [GLA FoI39]: Aside comment from MH to her office staff

MH: Can I just say to you, just so that you're clear about this, what I've got on the record from the stuff I've seen, you had a meeting at Heatherwicks on the 26th in 2012 ...

Your first meeting with Heatherwick and Joanna Lumley. Isabel couldn't come to this one. You had a meeting then -- I think it's after that one:

Commented [GLA FoI40]: The GLA noticed this had been omitted from the original transcription

"Peter has asked if Michele can find out whether GLA have had a technical meeting with Heatherwick. He understood that this was going to happen before he met Heatherwick."

So that's why I was interested in whether you were instructed. It seems to me this is all a few months before we get to tender with Heatherwick and no Mayor's Direction. So you were pretty clear at that point, it seemed to me, reading the papers, somebody had told you, "We've got to use Heatherwick". That's what it felt like to me.

PH: You can draw that conclusion. You could also draw the conclusion that everybody was massively interested in the idea that he'd had. My recollection, if we go back that far, is that at least in my mind, there was some question about whether the whole project was feasible, frankly, and it would have made sense to have found that out.

MH: You do say at one point:

"I've emphasised at a meeting today that we have to give proper space and time to run the design competition."

PH: Well, there you go. And we did.

MH: Ha ha.

PH: Well, it's really interesting, actually. Write your memoirs as a Government Minister and see how often the intentions of a properly-elected politician have been absolutely frustrated by people who are absolutely bloody well determined not to do it.

MH: Lots, yes, lots, lots, lots, lots. One of the things of being a good Government Minister is actually to pursue what you want and not think just because you've taken the decision --

PH: And I think that's right, and for both of the Mayors I've worked for, I've remarked that the system is far more likely to produce you what you want, providing that we do it properly. Now, I think you can conclude that there's some elements of this that weren't done as well as they should have been.

MH: Paul Plummer to de Cani, before you accepted the Heatherwick contract:

"I note your comments that the brief is based on daily rates, not fixed sum, as clarified. However, all three submissions clearly state fixed sums and I assume the bidders have an expectation of the amount they tendered being invoiced."

That was Heatherwick came in a zillion times more than everybody else. I know the amounts are trivial, but nevertheless, that's what happens:

"It should be noted that Heatherwick have not accepted the terms and conditions and whilst I accept this is a contractual matter, this does need to be properly resolved prior to award. Given the main issue of IP [they wanted the IP on it] which I think in the case is critical that we own the IP going forward. The other major issue with the Heatherwick submission is the expectation they are appointed as lead designer throughout the whole process. Should the project cease --" So, in fact, they got little money at the beginning and they ended up getting millions out of this. "How was the commercial criteria scores reached, as given the range of daily rate submissions, all three cannot have scored 15 per cent."

You read this stuff and you think, “it's smelly”.

PH: Well, draw your own conclusion, I think. That's what you've been asked to do. For my part, I absolutely don't condone any failure to follow the proper process, but actually there's a balance about doing what you're asked to do, frankly.

MH: Yes. No, I get that. I understand that. Just finally, do you think it's a value for money project?

PH: For whom? For the public sector?

MH: For public money.

PH: In respect of the £30 million or in respect --

MH: In respect so far of £60 million actually or whatever we're at, plus the underwriting of the maintenance, plus any dangers if they don't raise all the money for the increased cost of the contract that they have already entered into.

PH: So that latter, I think I would argue very strongly that there is no public sector liability for it, and whether or not you consider there might be one were they to fail, if I was still there I'd argue furiously about taking that liability.

MH: Even if it was half-built?

PH: Even if it was half-built. As I said, I took some care to find out what would happen if it was half-built, and I think you'll find that TfL is not liable if the stumps are left in the river on its own, because I could foresee that that might be quite a difficulty. The cost of that embarrassment might be quite material, but you don't want to take it on. I thought it was better value for money at the stage at which we were merely paying for the development cost than it was with £30 million of TfL's capital in it. Do I defend the right of the Mayor to allocate some money like that to a project? Well, of course I do, because I was employed by him. I've got no view then on the value for money, because that's what he told us to do.

MH: What else do you want to tell me? Anything else?

PH: No, no. I don't think so. I'm not as familiar with it as I would have been a year and a half ago.

MH: Yes.

PH: And what I do want to say, but you can include it or not, is that actually that system works in the way that it does I think for a very good reason. Should it all be entirely followed by people? Of course it should. What conclusions do you reach over some of the failure? Well, you can draw your own conclusions. I don't think they are huge failures and by and large TfL has done pretty well in doing what both Mayors wanted

to do and I hope they'll do what Sadiq wants it to do too, because that's right, actually.

Commented [GLA FoI41]: Amended due to an error in the transcription

Deleted: us

MH: I think we're all agreed on that.

PH: The elected Mayor, it's a better system probably with less overall failings than a system of central Government, frankly. How do I make sure the Secretary of State knows what I think? I'll tell you what, not through civil servants, I can tell you that.

MH: You're now public sector, aren't you?

PH: I am. I'm running a nationalised industry.

MH: We got Network Rail back on to the public sector.

PH: I'm running a nationalised industry, but it isn't very easy to do.

MH: You are, and it's an absolute nightmare. I hope you stay for a bit and don't bugger off.

PH: No, I will stay for a bit. It's very worthwhile to run public sector-- I think as you write whatever you write, I think one of the things that's worth remembering is that actually these things are quite hard. The value for money argument I entirely accept is a matter of great public concern. Equally, there has to be a question of the modern age about whether these institutions do what people really want them to do or not, actually, because I think in the modern age, the number of Civil Service departments and public institutions which appear to be doing everything except what the public and politicians want them to do is manifest.

MH: Have you read my book?

PH: No, but I probably will.

MH: They're not talking to me, I think, the senior civil servants.

PH: But from my point of view, I accept all that stuff and then you think, well, actually the railway is absolutely crucial to the national economy.

MH: Yes.

PH: Let's bust a gut to do what we can to make it run properly, and if that involves a few risks, well, actually I might just take them at this age and state of my career. And I think that was true in the last job as well, actually, because whatever you conclude over this, what you can't ignore is the fact that that place runs better than at any time probably since before the Second World War, and that's because that system by and large produces a decent result. That's not a bad outcome, actually.

MH: Yes. It's just got to be transparent and accountable, that's all. That shouldn't stop all the benefits. That's all. That's all. You've just got to keep thinking it's public money, it's other people's money.

PH: Yes. Well, I'm not bad at thinking that and that's why I wasn't tremendously pleased when he offered £30 million. It's not my money. I could have shrugged my shoulders, but actually, frankly, I'm pretty bloody raging about it. I think using a public authority to promote some transport, some economic development, some of the cultural aims of the Mayor is not a bad thing to do.

MH: The problem at the moment is that the two ideas around have both been rubbish. One is the concert hall and the other is—

PH: Fortunately we didn't get as far as TfL investing in a concert hall.

MH: You could have done it on post traumatic stress disorder. Go and listen to some Beethoven to calm them down

Commented [GLA FoI42]: The GLA noticed this had been omitted from the original transcription

PH: Funnier things have happened. What Sadiq needs to remember is that as we sit here today, TfL is still the only part of the Mayor's armoury that has got any money and it's got the management to deliver things and the willingness and capability of doing it. And I think that's really important, actually.

MH: Yes.

PH: If you look at the wranglings that every Mayor has had with the police, exactly what they do, they face both directions at once, and they are friendly with the Mayor as long as they want and then they go off and tell the --

MH: The Home Secretary.

PH: -- Home Secretary something different. We wound up in -- It took me five years before Boris made a single speech in which he didn't criticise us for something. That took a long time, actually, and then even -- we didn't do a bad job in the end, but it's quite a tough.

MH: Did he --Well he uses the cycle routes all the time.

PH: Well, we didn't do a bad job in the end.

MH: Vote imminent. I'm going down. Is she cross?

PH: OK.

Commented [GLA FoI43]: The GLA noticed this had been omitted from the original transcription

Commented [GLA FoI44]: The GLA noticed this had been omitted from the original transcription

Commented [GLA FoI45]: MH comment to office staff