

MINUTES

**Meeting: Budget and Performance
Committee**

Date: Wednesday 25 June 2014

Time: 2.00 pm

**Place: Chamber, City Hall, The Queen's
Walk, London, SE1 2AA**

Copies of the minutes may be found at:

<http://www.london.gov.uk/mayor-assembly/london-assembly/budget-performance>

Present:

John Biggs AM (Chairman)
Stephen Knight AM (Deputy Chair)
Gareth Bacon AM
Tom Copley AM
Darren Johnson AM
Valerie Shawcross CBE AM
Richard Tracey AM

In attendance:

Caroline Pidgeon MBE AM (Chair of the Transport Committee)

1 Apologies for Absence and Chairman's Announcements (Item 1)

- 1.1 An apology for absence was received from Joanne McCartney AM, for whom Tom Copley AM attended as a substitute Member.
- 1.2 Caroline Pidgeon MBE AM attended the meeting in her capacity as Chair of the Transport Committee in relation to Agenda Item 10 (viability of Transport for London's sponsored transport schemes).

2 Declarations of Interests (Item 2)

2.1 The Committee received the report of the Executive Director of Secretariat.

2.2 **Resolved:**

- (a) **That the list of offices held by Assembly Members, as set out in the table at Agenda Item 2, be noted as disclosable pecuniary interests; and**
- (b) **That an additional declaration by Valerie Shawcross CBE AM of a gift of the book, *London's New Routemaster*, from Transport for London be additionally noted.**

3 Membership of the Committee (Item 3)

3.1 **Resolved:**

That the membership and chairing arrangements for the Committee, as agreed at the Annual Meeting of the London Assembly on 14 May 2014, be noted as follows:

**John Biggs AM (Chairman)
Stephen Knight AM (Deputy Chair)
Gareth Bacon AM
Darren Johnson AM
Joanne McCartney AM
Valerie Shawcross CBE AM
Richard Tracey AM**

4 Terms of Reference (Item 4)

4.1 **Resolved:**

That the following terms of reference, as agreed at the Annual Meeting of the London Assembly 2014, be noted:

1. To examine at each stage of the consultation process the Mayor's budget proposals for the next financial year and to report to the Assembly thereon as necessary.
2. To report to the Assembly on the Mayor's consultation budget at the conclusion of the consultation process.
3. To undertake the duties of the Assembly referred to in paragraph 2(2) and paragraph 3(2)(b) of Schedule 6 to the GLA Act 1999; namely, to receive and consider the Mayor's consultation prior to the determination of the draft component budget for the Authority and to receive and consider the Mayor's consultation prior to the final

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determination of the draft consolidated GLA budget.

4. To examine, monitor and report to the Assembly from time to time on matters relating to the budgets and performance of the Greater London Authority and the Functional Bodies.
5. To consider budgetary and performance matters on request from another standing committee and report its opinion to that standing committee.
6. To take into account in its deliberations the cross cutting themes of: the health of persons in Greater London; the achievement of sustainable development in the United Kingdom; climate change; and the promotion of opportunity.
7. To respond on behalf of the Assembly to consultations and similar processes when within its terms of reference.
8. To refer any issues to the Budget Monitoring Sub-Committee which fall within the Committee's remit.
9. To examine, monitor and report to the Assembly from time to time on Mayoral directions, approvals and decisions, insofar as they relate to the budgets and performance of the GLA and the Functional Bodies.

5 Standing Delegations (Item 5)

5.1 Resolved:

That the following standing delegations of authority to the Chairman of the Committee, as agreed by the London Assembly at its Annual Meeting on 14 May 2014, be confirmed:

The then Budget Committee, on 22 June 2006, resolved:

That the Chair be given delegated authority to write to the appropriate bodies seeking further information arising from discussion at meetings.

The London Assembly, at its Annual Meeting on 1 May 2013, agreed to delegate to Chairs of all ordinary committees and sub-committees a general authority to respond on the relevant committee or sub-committee's behalf, following consultation with the lead Members of the party Groups on the committee or sub-committee, where it is consulted on issues by organisations and there is insufficient time to consider the consultation at a committee meeting.

6 Minutes (Item 6)

6.1 Resolved:

That the minutes of the meeting of the Budget and Performance Committee held on 4 March 2014 be signed by the Chairman as a correct record.

7 Summary List of Actions (Item 7)

7.1 The Committee received the report of the Executive Director of Secretariat.

7.2 The Chairman drew the Committee's attention to the Mayor's recent release of previous fares advice from Transport for London and the commitment to publish the advice with the fares decision each year following the Committee's persistence in seeking transparency around fares advice.

7.3 Resolved:

That the completed and outstanding actions arising from previous meetings of the Committee be noted.

8 Action Taken Under Delegated Authority (Item 8)

8.1 The Committee received the report of the Executive Director of Secretariat.

8.2 Resolved:

That the action taken by the Chairman under delegated authority, namely to respond to the Mayor's consultation on the proposed amendments to Transport for London's borrowing limits in 2013/14, be noted.

9 Re-establishment of the Budget Monitoring Sub-Committee (Item 9)

9.1 The Committee noted that scrutiny of delegations to officers in the Scheme of Mayoral Functions of the GLA relating to financial transactions had been referred to the Committee by the Assembly at its Annual Meeting; and that the Committee would consider the issue at its next meeting rather than, as had been recommended on the agenda, refer it to the Budget Monitoring Sub-Committee.

9.2 Resolved:

(a) That the Budget Monitoring Sub-Committee be re-established as an ordinary sub-committee for the 2014/15 Assembly year, comprising two Labour Members and two Conservative Members (in accordance with the

committee memberships and proportionality agreed at the Assembly's Annual Meeting);

- (b) That the following term of reference for the Budget Monitoring Sub-Committee be agreed:

"To consider the quarterly monitoring reports provided by the GLA and its functional bodies as referred to it by the Budget and Performance Committee, and any other reports falling within the terms of reference of the Budget and Performance Committee which that Committee considers appropriate, and to report back its findings to the Budget and Performance Committee as necessary."

- (c) That the following Assembly Members be appointed to the Budget Monitoring Sub-Committee and that all non-appointed Members of the relevant political Groups be appointed as substitute Members for their relevant party Group Members on the Sub-Committee:

**Gareth Bacon AM;
John Biggs AM;
Tom Copley AM; and
Roger Evans AM.**

- (d) That John Biggs AM be elected as Chairman of the Budget Monitoring Sub-Committee for the 2014/15 Assembly year.

- (e) That the Sub-Committee's timetable of meetings, as set out in paragraph 4.5 of the report be noted; and

- (f) That the following reports be referred automatically to the Sub-Committee for the 2014/15 Assembly year:

**Quarterly monitoring reports from the GLA and functional bodies;
The Mayor's Decision Lists;
Payments above £250;
Treasury Management Strategy; and
Fees and Charges.**

10 Viability of Transport for London's Sponsored Transport Schemes (Item 10)

10.1 The Committee received the report of the Executive Director of Secretariat as background to putting questions on the viability of Transport for London's sponsored transport schemes to the following invited guests:

- Isabel Deding, Deputy Mayor for Transport;
- Professor David Metz, Centre for transport Studies, UCL;

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- Graeme Craig, Commercial Director, TfL;
- Richard de Cani, Director of Strategy and Policy, TfL;
- Garrett Emmerson, Chief Operating Officer, Surface Transport, TfL;
- Jon Fox, Director, London Rail, TfL; and
- Danny Price, Head of Emirates Airline, TfL.

10.2 A transcript of the discussion is attached as **Appendix 1**.

10.3 During the course of the discussion, the Committee noted the commitments to provide the following additional information:

- The report analysing Emirates Air Line passenger usage year on year;
- The percentage of operating costs for the Barclays Cycle Hire Scheme covered by the sponsorship;
- How much capital costs for the Barclays Cycle Hire Scheme differed from the original estimates; and
- Details of any agreements with private property owners to fund the installation of cycle docking stations.

10.4 The Committee also noted the commitment from the Deputy Mayor for Transport to look into how Transport for London could incorporate into its sponsorship policy a provision for commercial agreements with companies the tax arrangements for which did not reflect the size of their operations in the UK.

10.5 **Resolved:**

(a) That the following terms of reference for the proposed investigation be agreed:

- **To examine how much the Emirates Air Line and Barclays Cycle Hire Scheme have cost Transport for London and how this compares with original expectations;**
- **To examine the role that sponsorship has played in making these schemes financially viable and how Transport for London can go about maximising sponsorship from similar schemes in the future;**
- **To examine Transport for London's current plans for the Emirates Air Line and Cycle Hire Scheme and how these are expected to affect usage, income and profitability.**

(b) That the report and discussion with guests be noted.

11 Response to Committee's Report on Mayor's Draft Consultation Budget 2014/15 (Item 11)

11.1 The Committee received the report of the Executive Director of Secretariat.

11.2 **Resolved:**

That the response on behalf of the Mayor to the Committee's Report on the Mayor's Draft Consultation Budget 2014/15, be noted.

12 Budget and Performance Committee Work Programme (Item 12)

12.1 The Committee received the report of the Executive Director of Secretariat

12.2 **Resolved:**

(a) That the work programme for 2014/15 be agreed; and

(b) That authority be delegated to the Chairman, in consultation with party Group Lead Members, to respond to the Home Office consultation on the draft Bill to reform the Riot (Damages) Act.

13 Date of Next Meeting (Item 13)

13.1 The next meeting of the Committee was scheduled for Thursday 3 July 2014 at 10.00am in Committee Room 4.

14 Any Other Business the Chairman Considers Urgent (Item 14)

14.1 There were no other items of business.

15 Close of Meeting

15.1 The meeting ended at 4.16pm.

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Chairman

Date

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