

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION - MD1624

Title: Direction: five year TfL business plan for 2016-17 to 2020-21

Executive Summary

After the publication of Transport for London's (TfL) most recent business plan in 2014, the Government published its Comprehensive Spending Review (CSR) in November 2015. The timing of publication of the CSR has meant that TfL has been unable to produce its annual budget in accordance with the usual timescales. Given the imminent Mayoral election it is difficult at this time for TfL to make meaningful assumptions about what the new Mayor's policies and priorities will be. It is however appropriate for the Mayor's plans and priorities to be set out in an updated and forward looking document, notwithstanding the forthcoming Mayoral election.

For TfL to publish a five year business plan in March 2016 has been the intended approach since autumn 2015. In the absence of the Government's CSR of November 2015, the Mayor and TfL would have published a new Business Plan in autumn 2015, updating the previous version from December 2014. This would have reflected TfL's usual practice of publishing updated multi-year spending plans annually. However, given the uncertainty around TfL's funding created by the CSR, TfL agreed with the Mayor that it would delay publication of the new Business Plan until March to allow time for the impacts of the CSR to be assessed and new spending proposals worked up.

Therefore, in order to provide an update on the plan for TfL medium term spending and to minimise uncertainty, the Mayor has decided to direct TfL to issue a five year business plan covering the financial years 2016-17 to 2020-21, by way of an update to the current Business Plan 2014.

Decision:

That the Mayor directs Transport for London in the form attached as the Appendix to this Mayoral Decision Form as follows:


- To prepare and to issue, as soon as is practicable, a five year business plan covering the financial years 2016-17 to 2020-21 and for this to be considered by the Transport for London Board at its meeting on 17 March 2016.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date: 10 MARCH 2016

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 TfL has a statutory duty to facilitate the Mayor's development and implementation of policies for the promotion and encouragement of safe, integrated, efficient and economic transport facilities and services to, from and within Greater London. It must exercise its functions for the purpose of securing or facilitating the implementation of the Mayor's Transport Strategy.
- 1.2 Within this framework, TfL develops plans and priorities which are periodically set out in a Business Plan. The most recent Business Plan (*Business Plan 2014, Transport for London's plans into the next decade*) was published before the 2015 General Election and the subsequent Government Spending Review.
- 1.3 Although the focus of the 2014 Business Plan is medium-term (covering the period up to 2020-21) TfL's original intention, in accordance with previous practice, had been to produce an updated Business Plan in November 2015. The London Assembly has been informed that TfL will produce a revised Business Plan and that a revised plan would be published in March 2016. That timetable could not be met because of the timing of the Government's Spending Review (also published in November 2015). The combination of this factor and the imminent Mayoral election has meant that the updated Business Plan will need to be produced at a time in the Mayoral cycle when it is difficult for TfL to make meaningful assumptions about the policies and priorities of the Mayor including in relation to fares policy.
- 1.4 The Mayor's view is that TfL should continue with the planned approach of bringing forward multi-year spending plans, as in other years, which is necessary to plan for long-term investment in London's transport network. Assumptions and uncertainties around future fares revenue – e.g. resulting from various potential fares scenarios or the inflation assumptions – should be made clear. The document should also be clear about the potential for changes to spending plans resulting from the change of Mayor. The 2014 Business Plan covered the period to 2020-21 so the new plan will be an update to the 2014 document rather than representing entirely new material.
- 1.5 It is therefore considered necessary and appropriate for TfL to issue an updated Business Plan covering the next five financial years and for this to be considered by the TfL Board at its meeting on 17 March 2016 and for the Mayor to direct TfL accordingly.

2 Objectives and expected outcomes

- 2.1 The objective is to minimise the uncertainty associated with the timing of publication of the new Business Plan and to allow the Business Plan to reflect the changed circumstances resulting from the Government's Spending Review and the Mayor's current priorities recognising that there are likely to be further changes resulting from a change of Mayor.

3 Equality comments

- 3.1 The Greater London Authority is a public authority which must comply with the Public Sector Equality Duty set out in section 149 Equality Act 2010.
- 3.2 Section 149(1) Equality Act 2010 provides that, in the exercise of their functions, public authorities must have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

3.3 The obligation in section 149(1) is placed upon the Mayor, as decision maker. Due regard must be had at the time a particular decision is being considered. The duty is non-delegable and must be exercised with an open mind.

3.4 The Mayor has had regard to the issues set out above in considering whether to exercise his powers of direction and considers that the decision will not give rise to any particular impact on persons sharing protected characteristics. TfL is also subject to the public sector equality duty in developing its Business Plan.

4 Other considerations

4.1 Given the imminent Mayoral election it is difficult at this time for TfL to make meaningful assumptions about what the new Mayor's policies and priorities will be. It is however appropriate for the Mayor's plans and priorities to be set out. Therefore, in order to provide an update on the plan for TfL medium-term spending and to minimise uncertainty, the Mayor has decided to direct TfL to issue a five year business plan covering the financial years 2016-17 to 2020-21, by way of an update to the current Business Plan 2014.

5 Financial comments

5.1 There are no specific financial considerations arising directly out of the issuing of this direction for the GLA. TfL's Business Plan will set out the relevant financial context for TfL including the assumptions made in drawing up the Plan.

6 Legal comments

6.1 As noted above, TfL has a statutory duty set out in section 154(3) Greater London Authority Act 1999 (GLAA) to facilitate the Mayor's development and implementation of policies for the promotion and encouragement of safe, integrated, efficient and economic transport facilities and services to, from and within Greater London. It must also exercise its functions for the purpose of securing or facilitating the implementation of the Mayor's Transport Strategy. TfL sets out its plans and policies in various documents including the Business Plan, which is generally updated annually. These are matters for TfL's discretion in the context of its statutory duties and responsibilities.

6.2 Under section 155(1)(c) GLAA the Mayor may issue to TfL specific directions as to the exercise of its functions including the development of its Business Plan.

7 Investment & Performance Board

7.1 The decision is not within the terms of reference of the Investment & Performance Board.

8. Planned delivery approach and next steps

Consideration by TfL Board: 17 March 2016

Appendices and supporting papers:

Appendix - Direction

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form - NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Tom Middleton has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

Assistant Director/Head of Service:

Tim Steer has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Sponsoring Director:

Fiona Fletcher-Smith has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Isabel Deding has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. J. Blce

Date

9.3.16

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Edmund h 1

Date

10:03:2016

