

MINUTES

Meeting: Budget Monitoring Sub-Committee

Date: Wednesday 15 July 2015

Time: 2.00 pm

Place: Committee Room 5, City Hall, The Queen's Walk, London, SE1 2AA

Copies of the minutes may be found at:

www.london.gov.uk/mayor-assembly/london-assembly/budget-monitoring

Present:

John Biggs AM (Chairman)

Gareth Bacon AM

Tom Copley AM

Andrew Boff AM

In attendance:

Valerie Shawcross CBE AM

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

- 1.1 Apologies were received from Roger Evans AM, for whom Andrew Boff AM attended as a substitute Member.
- 1.2 The Chairman welcomed Valerie Shawcross CBE AM, who was in attendance [in accordance with Standing Order 8.2A] in order to participate in the Sub-Committee's discussion of Transport for London's quarter 4 reports.
- 1.3 During the course of the meeting, the Chairman welcomed a delegation of Members from Nairobi City Council to the public gallery.

2 Declarations of Interests (Item 2)

- 2.1 The Sub-Committee received the report of the Executive Director of Secretariat.
- 2.2 The Chairman, John Biggs AM, declared a disclosable pecuniary interest arising from his membership of the Board of the London Legacy Development Corporation (LLDC), explaining that the appointment had occurred since the publication of the agenda papers for the meeting.
- 2.3 Given the Sub-Committee's intention to scrutinise the quarter 4 report of the LLDC during Agenda Item 9, John Biggs AM declared his intention to withdraw from the meeting during that discussion to prevent any potential conflict of interest.
- 2.4 Gareth Bacon AM referred to his role as Chairman of the London Fire and Emergency Planning Authority (LFEPA), as set out in the report appended to Agenda Item 2.
- 2.5 Given the Sub-Committee's intention to scrutinise the quarter 4 report of LFEPA, Gareth Bacon AM declared his intention to withdraw from the meeting during that discussion to prevent any potential conflict of interest.
- 2.6 **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.**
 - (b) That the additional interests declared, as recorded above, be noted.**

3 Membership of the Sub-Committee (Item 3)

- 3.1 **Resolved:**

That the membership and chairing arrangements for the Sub-Committee, as agreed by the Budget and Performance Committee at its meeting on 10 June 2015, be noted as follows:

**John Biggs AM (Chairman)
Gareth Bacon AM
Tom Copley AM
Roger Evans AM**

4 Terms of Reference (Item 4)

4.1 Resolved:

That the following terms of reference for the Sub-Committee, as agreed by the Budget and Performance Committee at its meeting on 10 June 2015, be noted as follows:

“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.”

5 Standing Delegation (Item 5)

5.1 Resolved:

That the following standing delegation be noted:

At its Annual Meeting on 1 May 2013, the Assembly agreed to delegate a general authority to Chairs of all ordinary committees and sub-committees 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 Election of Deputy Chair (Item 6)

6.1 The Chairman conducted the election of the Deputy Chair of the Budget Monitoring Sub-Committee for the remainder of the 2015/16 Assembly Year.

6.2 It was moved by the Chairman, John Biggs AM, and seconded by Andrew Boff AM that Gareth Bacon AM be appointed as the Deputy Chair for the Budget Monitoring Sub-Committee for the remainder of the 2015/16 Assembly Year.

6.3 There being no other nominations it was:

6.4 Resolved:

That Gareth Bacon AM be appointed Deputy Chair of the Budget Monitoring Sub-Committee for the remainder of the 2015/16 Assembly Year.

7 Minutes (Item 7)

7.1 Resolved:

That the minutes of the Budget Monitoring Sub-Committee meeting held on 24 March 2015 be signed by the Chairman as a correct record.

8 Summary List of Actions (Item 8)

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

8.2 Resolved:

That the completed actions arising from a previous meeting of the Budget Monitoring Sub-Committee be noted.

8.3 The Chairman announced that, in accordance with Standing Order 2.2D, he would take Agenda Items 9 to 14 in a different order from that set out on the agenda.

9 Mayor's Decision Lists: 10 February 2015 to 3 June 2015 (Item 10)

9.1 The Sub-Committee received the report of the Executive Director of Secretariat.

9.2 Resolved:

That the Mayor's Decision Lists for the period 10 February 2015 to 3 June 2015 be noted.

10 Payments over £250 (Item 11)

10.1 The Sub-Committee received the report of the Executive Director of Resources.

10.2 Resolved:

That the report be noted.

11 Budget Monitoring Sub-Committee Work Programme (Item 12)

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

11.2 **Resolved:**

That the Sub-Committee's work programme for the 2015/16 Assembly Year be agreed.

12 Date of Next Meeting (Item 13)

12.1 The next meeting of the Sub-Committee was scheduled for Wednesday 21 October 2015 at 2.30pm in the Chamber, City Hall.

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

13.1 There were no items of business the Chairman considered urgent.

14 Quarter 4, 2014/15 GLA Group Monitoring Reports (Item 9)

14.1 The Sub-Committee received the report of the Executive Director of Secretariat as background to putting questions to the following invited guests:

- Andrew Pollins, Interim Chief Financial Officer, Transport for London;
- David Hughes, Director of Major Programme Sponsorship, London Underground; and
- David Waboso, Capital Programmes Director, London Underground.

14.2 A transcript of the discussion is attached at **Appendix 1**.

14.3 During the course of the discussion, the Sub-Committee requested the following further information be provided in writing:

- A reconciliation between vacancies and financial savings for the London Underground (LU) (to explain the gain in staff yet savings through "LU staff vacancies");
- Latest forecast and breakeven analysis for the Emirates Air Line (EAL) to 2022/23; including
 - The latest forecast for ridership in each year in that period; and
 - An explanation of the assumptions underpinning the forecasts, particularly around increases in revenue yield.
- An explanation of why the EAL had underperformed in 2014/15 and passenger forecasts had not been achieved;

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- Maximum capacity figures for the EAL, including peak hourly passenger carrying capacity and the maximum annual passenger numbers that the EAL could carry if it were to operate at full capacity all year around.

14.4 **Resolved:**

That the report and discussion be noted.

14.5 The Sub-Committee received the report of the Executive Director of Secretariat as background to putting questions to Sue Budden, Director of Finance and Commercial, LFEPA.

14.6 A transcript of the discussion is attached at **Appendix 2**.

14.7 **Resolved:**

That the report and discussion be noted.

[Note: see also Minute Item 2: the Deputy Chair, Gareth Bacon AM, withdrew from the meeting during the discussion on LFEPA's quarter 4 report.]

14.8 Prior to welcoming guests from the LLDC, the Deputy Chair, in the Chair, offered the Sub-Committee's condolences to the friends and family of the worker who had died at the Olympic Stadium on 28 June 2015.

14.9 The Sub-Committee received the report of the Executive Director of Secretariat as background to putting questions to the following invited guests:

- David Goldstone CBE, Chief Executive, LLDC; and
- Gerry Murphy, Executive Director of Finance and Corporate Services, LLDC.

14.10 A transcript of the discussion is attached at **Appendix 3**.

14.11 During the course of the discussion, the Sub-Committee requested the following further information be provided in writing:

- An explanation of the work Balfour Beatty will undertake between the end of the Rugby World Cup (November 2015) and the start of the handover of the Olympic Stadium to West Ham Football Club (May 2016);
- An explanation of the structure of the deal between the LLDC and West Ham Football Club, including;
 - Confirmation as to whether there was a specific confidentiality clause in the section of the contract which contains clawback provisions;
- The communications among the LLDC (and its predecessor organisations), the GLA and the European Commission relating to the referral to the latter of the LLDC's contract with West Ham Football Club, including the advice that was supplied by LLDC to the Commission in order for the Commission to make its determination, and

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the determination itself.

14.12 Resolved:

- (a) That the report and discussion be noted.**
- (b) That authority be delegated to the Deputy Chair, in consultation with Tom Copley AM and Andrew Boff AM, to write to the LLDC to request further information relating to the discussion of the Olympic Stadium, as set out at minute 14.11.**

[Note: see also Minute Item 2: the Chairman, John Biggs AM, withdrew from the meeting during the discussion on the LLDC's quarter 4 report. The Deputy Chair, Gareth Bacon AM, therefore chaired this section of the meeting.]

15 Close of Meeting

15.1 The meeting ended at 4.21pm.

Chairman

Date

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