

Date: 22 November 2012

Item 4: TfL Performance Awards 2011/12

This paper will be considered in public

1 Summary

- 1.1 This paper seeks the Committee's approval to the overall delivery for the year ended 31 March 2012 against the TfL and individual business or specialist services scorecards for the Commissioner and Chief Officers, and to note the eligible performance awards for all other TfL staff (including Directors and Senior Managers).
- 1.2 A paper is included on Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial affairs of a person or authority. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

2.1 The Committee is asked to:

- (a) agree the delivery against scorecards for 2011/12.; and
- (b) note the overall level of performance awards for other staff.

3 Background and Summary of Achievement

- 3.1 2011/12 was a demanding year for TfL, with tough targets set against delivery of four key indicators; Safety and Environment, Customer Satisfaction, Operational Reliability and Finance, Project and People as well as preparation for the London 2012 Games. The TfL scorecard is aligned to reflect the pillars of the TfL story.
- 3.2 The Commissioner has provided a summary of the year in question, taken from the 2012 Annual Report and this is set out in Appendix 2. Overall delivery has been good, and **the total score against the TfL scorecard is 88.5 per cent.** Performance is measured via a combination of TfL-wide, business area and individual performance scorecard measures. Detailed performance against the TfL scorecard is set out in Appendix 1 with the individual business or specialist services scorecards set out in Appendix 3.

Summary of Achievement Rates

Table 1: A summary of the scorecard outcomes

Scorecard	Outcome %
London Underground	87.0%
London Rail	84.4%
Surface Transport	88.6%
Finance	92.8%
General Counsel	85.0%
Marketing & Communications	77.7%
Planning	98.0%
TfL	88.5%

4 Commissioner and Chief Officer Performance Awards 2011/12

- 4.1 Appendix 2 contains the Commissioner's commentary on the financial year 2011/12. Overall, TfL met 88.5 per cent of its scorecard, after weighting. Commentary, by the Commissioner, for each Chief Officer with regard to their individual performance and the proposed performance award payments are set out in the supplementary paper on Part 2 of the agenda.

5 Deferred Incentive Plan 2010/11 – 2011/12

- 5.1 The Deferred Incentive Plan (the "Plan") is a medium term performance award scheme for the Commissioner, Chief Officers and Directors. Under the Deferred Incentive Plan for Directors, an amount equal to five per cent base pay from the annual performance award budget for Directors is being set aside to meet deferred awards due under the Plan for the performance years 2010/11 and 2011/12.
- 5.2 For the Commissioner and Chief Officers, it was agreed that 100 per cent of any annual performance awards for each of the financial years 2010/11 and 2011/12 will be set aside.
- 5.3 Payment of such sums (the "Deferred Awards") will be made based on the collective performance of TfL against the Plan's targets. This will be a two year plan for the Commissioner, Chief Officers, and Directors (i.e. 2010/11 and 2011/12), payable in Autumn 2012.

6 Performance Awards for Directors, Senior Managers and Others

- 6.1 Arrangements for employees below Chief Officer level are set out below and are agreed by the Commissioner.
- 6.2 **Directors:** maximum award equivalent to **20 per cent of base salary** based on the TfL group scorecard (max 2.5 per cent), modal scorecard (max 7.5 per cent) and individual performance objectives (max 10 per cent).
- (a) **Senior managers:** target award equivalent to **5 per cent of base salary** (with a 15 per cent maximum), based on a Business Performance Index score

related to the combination of TfL group, modal and individual performance measures.

- (b) **Non-operational employees in other grades:** performance is reflected by incremental rises to base salary (Performance Related Pay).

List of appendices to this report:

Appendix 1: TfL Scorecard 2011/12

Appendix 2: Commissioner's summary of the performance year taken from the 2012 Annual Report

Appendix 3: Individual business and specialist services Scorecards for 2011/12

List of Background Papers:

None

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TfL Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. Safety & Environment					
Killed & seriously injured (Londonwide)	% reduction (2005-09 baseline)	22.4	27.6	6.0%	6.0%
Recorded crime: London Buses	crimes / m passenger journeys	10.2	9.3	3.0%	3.0%
Recorded crime: London Underground/DLR	crimes / m passenger journeys	11.5	10.0	3.0%	3.0%
CO2 emissions from principal PT modes (LU, LB, LO, LT, DLR)	grams / passenger-km	75	70	6.0%	6.0%
2. Customer Satisfaction					
London Buses	score	79	80	5.0%	5.0%
London Underground	score	80	80	5.0%	5.0%
TLRN road users	score	72	75	5.0%	5.0%
DLR	score	81	83	2.0%	2.0%
London Overground	score	78	82	2.0%	2.0%
Barclays Cycle Hire	score	74	63	2.0%	0.0%
3. Operational Reliability					
London Buses: Excess Wait Time	mins	1.1	1.0	5.0%	5.0%
London Underground: Excess Journey Time	mins	6.11	5.82	5.0%	5.0%
TLRN: Journey Time Reliability	%	89.0	88.9	5.0%	0.0%
DLR: On-time Performance	%	97.0	97.5	3.0%	3.0%
London Overground: Passenger Performance Measure	score	94.0	96.6	3.0%	3.0%
4. Financial, Project and People					
Achievement of Efficiencies Programme savings (Gross)	£'s million	838	1,051	14.0%	14.0%
% of Priority milestones achieved	% sliding scale	100	83	14.0%	11.6%
% of Key Olympics milestones achieved	% hit or miss	100	50	4.0%	2.0%
Efficiencies Program - % milestones achieved	% sliding scale	100	98	8.0%	7.8%
Total				100.0%	88.5%

Note: RemCom requested Nov-11 to add the following KPI to TfL scorecard (but did not assign a weighting):

London Underground: Percentage of scheduled km operated	%	96.7	97.0		Achieved
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Commissioner's Summary of the Year Ended 31 March 2012 taken from the 2012 TfL Annual Report

Vital investment and improved reliability has resulted in record levels of performance this year. Once again, TfL operated more services and carried more passengers on its network than ever before.

TfL's ability to deliver ambitious capital investment programmes on time and to budget is now second to none. We completed the upgrade of the Jubilee and Victoria lines so that we can provide a train every two minutes in the peak, greatly increasing capacity on those lines. We have further improved the Docklands Light Railway (DLR) and London Overground. We have extended the Barclays Bicycle Hire scheme and addressed key issues on London's strategic road network, such as the refurbishment of the Blackwall Tunnel. We have had a step change in the quality of customer information with the full introduction of the iBus system. In short, almost every area of TfL's operations has seen new investment and new or additional services. This is reflected in steadily improving customer satisfaction.

Internally, TfL continues to drive down its own costs while protecting front line services and investment. This year we secured over £1bn in savings - £200m ahead of target. We've reduced the number of TfL directors by a quarter and created a leaner and more effective organisation.

Our greatest challenge in the last year has been preparing for this summer's Diamond Jubilee celebrations and, of course, the Olympic and Paralympic Games.

The Jubilee weekend was a major undertaking in its own right. Our careful preparation meant that the public transport system coped well with more than 30 per cent extra passengers. Our clear communications to motorists meant that there was a reduction of 40 per cent in traffic on the roads affected.

The Olympic Games is an even bigger challenge with more than three million extra passengers expected on the network on the busiest day on top of the usual 12 million.

All the new infrastructure is in place and working well and our operational plans are complete. We've put our plans through their paces with a programme of test events and exercises. Crucially, our staff are fully prepared, which includes around 3,000 extra staff who will be working on the front line during the Games helping spectators, visitors and our regular passengers.

Working in partnership with Locog, the Government and other transport operators across the UK, we have taken a leading role in preparing our passengers, London's businesses and communities for what will be a very busy period on the network. I am particularly pleased that, together with the Traffic Commissioners and other regulatory bodies, we have greatly improved our working partnership with the freight and logistics sector, which is absolutely vital not only for the Games but for the success of London and its economy.

While parts of London will operate as normal during the Games, the whole system will be very busy and at certain times and certain places demand on both the roads and public transport will need to be reduced. But with a comprehensive programme of travel demand management, customers and business have all the information and

advice they need to help them plan ahead and find the best way to avoid transport hotspots. London is well prepared.

While vital, the Olympic legacy for transport will be more than just the new infrastructure of stations, trains and extra passenger capacity. The Games have been a spur to innovation in our communications, Travel Demand Management, and in the way we support our passengers and London's businesses and the communities we all serve. For example, if a responsible approach to out-of-hours deliveries during the Games period is proven to work, this could offer a permanent benefit in terms of reducing congestion.

I am confident that TfL's staff and contractors will do London proud during the Games. We will meet our twin objectives of delivering a great Games and keeping London moving.

Peter Hendy
Commissioner
Transport for London

Appendix 3

London Underground Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. Measures to drive Transformation					
CSS- Overall Evaluation	Score	80	80	22.9%	22.9%
Speak Up Strategic Composite	Score	59.0	Not measured *	0.0%	n/a
Efficiency Savings	£m	423	572	11.4%	11.4%
Milestone delivery: TfL Milestones	% sliding scale	100	91.2	9.1%	8.3%
Milestone delivery: The Plan - PAM delivery	% sliding scale	100	90.2	8.0%	7.2%
Excess Journey Time - Weighted	Mins	6.1	5.8	11.4%	11.4%
Asset LCH (BCV/SSL)	Hrs (mill)	17.2	14.7	8.6%	8.6%
2. Management Measures					
% Schedule Operated	%	96.7	97.0	8.6%	8.6%
Staff and Information Survey	Score	86.0	87.0	2.9%	2.9%
Major Injuries per million hours on LU Infrastructure	No.	0.25	0.26	8.6%	0.0%
P&D Quality	%	90	Not yet measured **	0.0%	n/a
Forecast Accuracy - Capex	%	Sliding Scale	2.3	2.9%	2.9%
Forecast Accuracy - Opex	%	Sliding Scale	5.3	2.9%	0.0%
MSS Ambience (BCV/SSL)	Score	70.8	72.2	1.7%	1.7%
MSS Ambience (JNP)	Score	70.1	73.1	1.1%	1.1%
3. Contextual Measures					
Passenger Journeys	Million	1130.0	1170.5	0.0%	n/a
Weighted Net Advocacy	Score	+13	Not yet measured	0.0%	n/a
Carbon Footprint	grams	80.10	Not yet measured	0.0%	n/a
LU & DLR: Recorded crime per million passenger journeys	No.	11.5	10.0	0.0%	n/a
Total				100.0%	87.0%

London Rail Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. Customer					
CSS Overall (DLR)	Score	81	83	10.5%	10.5%
CSS Overall (London Overground)	Score	78.0	82.0	10.5%	10.5%
CSS Overall (Trams)	Score	86.0	86.0	5.3%	5.3%
2. Operations					
% Scheduled Operated (DLR)	%	98.0	97.6	5.3%	0.0%
On-time performance - adherence to schedule (DLR)	%	97.0	97.5	5.3%	5.3%
On-time performance - PPM MAA (London Overground Operations)	%	94.0	96.6	10.5%	10.5%
% Scheduled Operated (Trams)	%	98.0	99.0	5.3%	5.3%
3. People and Safety					
Sick absence	No.	5.0	3.8	5.3%	5.3%
Your Say Overall Employee satisfaction to be at least equal to the TfL average	No.	TfL's Actual	Not measured *	0.0%	n/a
DLR Safety Performance Index	No.	80.0	84.6	4.2%	4.2%
London Rail Safety Indicator	No.	0.1	0.1	6.3%	6.3%
Recorded crime per million passenger journeys (LU/DLR)	No.	11.5	10.0	0.0%	n/a
4. OCR and Financial					
Achievement of London Rail milestones	%	100.0	100.0	3.2%	3.2%
Total savings (OCR/CSE) – £m	%	14.2	Achieved	5.3%	0.0%
Forecast Accuracy - Opex	%	2.5%	2.2%	3.7%	3.7%
Forecast Accuracy - Capex	%	5.0%	9%	3.7%	0.0%
5. Project					
% of critical milestones achieved within 3 months of published dates					
London Overground Infrastructure	% sliding scale	100	100	7.1%	7.11%
DLR	% sliding scale	100	84.0	7.9%	6.6%
London Overground Stations	% sliding scale	100	82.8	0.8%	0.7%
Total				100.0%	84.4%

* Speak Up & Your Say survey not carried out in 11/12, following decision to merge into future TfL-wide survey

Surface Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. Supporting economic development and population growth					
% Scheduled Services Operated - Bus	%	97.4	97.6	7.1%	7.1%
Excess Wait Time (Buses)	Mins.	1.1	1.0	14.3%	14.3%
TLRN: journey time reliability (capability in the AM peak)	%	89.0	88.9	3.6%	0.0%
Serious and Severe Disruption on the TLRN - Total (i.e. planned and unplanned)	Hours	2110.0	1994.4	3.6%	3.6%
2. Improving transport opportunities for all Londoners					
Customer Satisfaction - Barclays Cycle Hire	%	74.0	63.0	3.6%	0.0%
TLRN - reduction in maximum volume of road works being carried out simultaneously	No.	4170.0	Achieved in all 13 periods	3.6%	3.6%
Customer Satisfaction - TLRN road users	%	72.0	75.0	3.6%	3.6%
3. Improving the safety and security of Londoners					
CAT 1 dangerous defects repaired in 24 hours	%	98.0	99.6	3.6%	3.6%
KSI Londonwide - % Reduction (from 05-09 baseline)	%	22.4	27.6	7.1%	7.1%
Recorded crimes per million passenger journeys - Bus network	No.	10.2	9.3	7.1%	7.1%
4. Enhancing the quality of life for all Londoners					
Customer Satisfaction (London Buses) - Overall	Score	79.0	80.0	7.1%	7.1%
DaR Number of Journeys	Million	1.4	1.4	3.6%	3.6%
CO2 emissions from principal PT modes - Buses	Tonnes	596,768	614,600*	3.6%	0.0%
5. People Measures					
Absence/sickness	days per head	9.7	8.3	3.6%	3.6%
6. Finance Measures					
Percentage of Non Olympics Critical Milestones Achieved	% sliding scale	100	91	7.1%	6.5%
Percentage of Olympics Critical Milestones Achieved	%	100	100	7.1%	7.1%
Achievement of Cost Reduction Savings (Gross)	Million	226	281	7.1%	7.1%
Project Horizon - % milestones achieved (tbc)	% sliding scale	100	98	3.6%	3.5%
Total				100.0%	88.6%

*Represents the Q3 Forecast; full year actual TBC. Expected End May 2012

Finance Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. Financial					
Total Savings (OCR & CSE)	£m	92.5	97.9	7.5%	7.5%
Deliver Finance Milestones for 2011/12	%	100%	100%	5.0%	5.0%
Total Net Property Income & Corporate Finance Property Development Capital Receipts	£m	£88.18m	£123.9m	7.5%	7.5%
Revenue control measure - Maintain unallocated percentage below 0.01%	%	0.0	0.0	5.0%	5.0%
Deliver a financially balanced business plan to 2014/15 with no material balancing lines	Y/N	Y	Achieved	7.5%	7.5%
Financing and cost efficiencies	£	£25m	£138.5m	5.0%	5.0%
Weighted average cost of finance for new TfL borrowings less than PWLB	%	<PWLB 1.39%	actual 0.82%, 0.57% <PWLB	5.0%	5.0%
Interest earned on deposits better than 7 day LIBID	%	7 day LIBID	exceeded by 0.13%	2.5%	2.5%
2. Strategic					
Deliver four Pan TfL frameworks/contracts giving measurable cost savings to TfL and to have prepared additional savings cases on five new categories	%	100%	100%	7.5%	7.5%
FTP Phase 1 – initial bus launch to be implemented, payment of the bus single fare by contactless bank card.	% sliding scale	100%	10%	7.5%	0.8%
Deliver net Crossrail financing and funding streams on basis consistent with TfL Business Plan	£	£873m	£869.4m	7.5%	7.0%
3. Service					
Carbon reduction	kgCO2/m2	120.0	115kg (-4%)	5.0%	5.0%
Mean time to restore for severity 1 and 2 incidents	hrs	<6	5.90 (FY)	2.5%	2.5%
Agreed availability of critical services against their SLAs (unplanned outages only)	%	100%	100%	2.5%	2.5%
Maintain LU & Bus ticketing system availability	%	98%	99%	5.0%	5.0%
Undisputed invoices paid within supplier terms (excl.GLA)	%	94%	98%	5.0%	5.0%
Ensure that Crossrail has completed all Review Point and Conditions subsequent to the satisfaction of the Sponsor Board.	%	100%	Achieved	5.0%	5.0%
4. People					
Achieve yoursay milestones set out in the People plan, to target the 5 improvement areas as identified in the 10/11 Your say results	Y/N	Y	Achieved	5.0%	5.0%
Increase the E&I knowledge and capability of Finance through utilisation of the training options provided by TfL	Y/N	Y	Achieved	2.5%	2.5%
Total				100.0%	92.8%

General Counsel Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. Customer / Operational					
General Counsel: To implement the outcomes of change programmes such as the Internal Audit Strategic Review and Project Horizon, resulting in an improved and fit for purpose service to customers.	Y/N	31.3.2012	Achieved	10.0%	10.0%
General Counsel: To extend and repackage General Counsel's Training Out programme, to provide a wider programme, with information easily accessible to all TfL staff.	Y/N	31.3.2012	Achieved	5.0%	5.0%
2. Operations					
Legal: To examine the efficiency of the outsourcing model and re tender the external legal panel arrangements by 31.3.2012.	Y/N	31.3.2012	Achieved	10.0%	10.0%
Legal: Continue to promote early engagement and pro-active, collaborative management of potential employment-related disputes and identify means of achieving cost efficiencies through quarterly reporting on employment tribunal cases data and trends and providing employment law surgeries and lessons learned workshops.	Y/N	31.3.2012	Achieved	5.0%	5.0%
Corporate Governance: Provide Risk Management training including a minimum of 75 Managers trained across TfL.	Y/N	31.3.2012	Not achieved	5.0%	0.0%
Corporate Governance: Provide a framework to ensure that TfL replies to 80 percent of all FOI requests within statutory deadlines.	%	80	84.5	5.0%	5.0%
Corporate Governance: Provide a framework to ensure that subject access requests are processed by IACT within statutory deadlines	%	95	99.0	2.5%	2.5%
Corporate Governance: Provide a framework to ensure that information access requests are resolved without enforcement action being taken against TfL.	%	99.0	100.0	2.5%	2.5%
Audit: Interim Audit Reports identified in the Audit Plan will be issued no later than 40 days after the end of fieldwork.	%	90	91.2	2.5%	2.5%
Audit: Interim Audit Reports identified in the Audit Plan will be issued within target.	Days	25	24.9	2.5%	2.5%
Audit: At least 95% of final audit reports identified in the Audit Plan issued within 3 months of the issue of the interim audit report or one month after completion of the last agreed action by management whichever is the later.	%	95.0	95.7	10.0%	10.0%
Group HSE: Amalgamate Annual H&S Report with Annual Environment Report.	Y/N	30.11.2011	Achieved	10.0%	10.0%
3. People					
To deliver a programme of actions agreed by the GC People Plan Group and supported by GC Management, in response to the outcomes of the 2010 Yoursay survey.	Y/N	31.3.2012	Achieved	10.0%	10.0%
4. Financial					
Forecast Accuracy: Gross Operating Expenditure	%	2.5%	4.1%	10.0%	0.0%
Total Efficiency Programme Savings (OCR & CSE).	£m	2.0	4.6	10.0%	10.0%
Total				100.0%	85.0%

Marketing & Communications Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. GCS Proposals					
Agent utilisation across GCS telephony	%	85%	88.2%	6.0%	6.0%
Correspondence responded to within SLA (20 working days)	%	80%	90.0%	6.0%	6.0%
Quality targets met across GCS customer service areas	%	80%	91.8%	6.0%	6.0%
Adherence to Schedule	%	90%	85.9%	6.0%	0.0%
Successful Completion of Journey Planning Enquiries	%	67.5%	67.4%	6.0%	5.5%
Journey Planner - Number of Solutions Offered	m	1,070m	1,240m	6.0%	6.0%
Successful Completion of Oyster Transactions	%	38%	32.3%	6.0%	0.0%
2. Marketing					
Customer satisfaction with TfL Group Websites	%	89%	90.4%	6.0%	6.0%
Marketing campaigns - delivery of agreed objectives and outcomes	%	75%	100.0%	6.0%	6.0%
3. Press Office					
Balanced and positive media coverage - national and pan-London print	%	85%	92.2%	6.0%	6.0%
Balanced and positive media coverage - local, borough and BAME	%	80%	92.7%	6.0%	6.0%
Key Ongoing Campaigns - % of coverage with key message delivery (one campaign per quarter)	%	50%	52.3%	6.0%	6.0%
4. PASE					
Assembly member correspondence - % responded to within 20 working days	%	85%	81%	6.0%	0.0%
5. Pan GMC					
Critical Project Delivery Milestones Achieved On or Before Target Date	%	100%	54%	8.0%	4.3%
6. Group Wide KPIs Applicable to GMC					
Financial - achieve cost reduction savings (Gross)	m	£27.3m	£27.3m	8.0%	8.0%
People - Project Horizon - % milestones achieved	% sliding scale	100%	97.8%	6.0%	5.9%
Total				100.0%	77.7%

Planning Scorecard - 2011/12					
Indicator	Units of Measure	2011/12 Target	2011/12 Actual	Weighting %	Result %
1. Customer / Operational					
% of responses to Strategy Consultations by due date	%	100	100	6.67%	6.67%
% of referred applications responded to within 21 days	%	90	95	6.67%	6.67%
Issue pre application advice to the applicant on 75% of cases no later than 10 working days (14 days) after the date of the meeting	%	75	94	6.67%	6.67%
Number of high level supported Commissioner / CO / Ambassador meetings with and visits to Boroughs	#	70	133	6.67%	6.67%
2. People					
Temporary Staff over 12 months	No	0	0	3.33%	3.33%
3. Financial					
Forecast Accuracy - Gross Operating Expenditure	%	2.5	2.4	6.67%	6.67%
Cost Reductions:					
OCR workstream - 1.21 Resize Planning gross cost savings	£m	7.1	7.1	6.67%	6.67%
CSE workstream - combined Planning CSE initiatives	£m	1.5	1.5		
Crossrail contribution negotiated as % of the full amount set out in the Supplementary Planning Guidance	%	80	100	6.67%	6.67%
4. Project					
% of critical milestones achieved	% sliding scale	100	96%	50.0%	48.0%
Total				100.0%	98.0%