

## TRANSPORT FOR LONDON

## PLANNING AND CORPORATE PANEL

**SUBJECT: CORPORATE MANAGING DIRECTORS' REPORT**

**DATE: 12 MAY 2009**

---

## **1 PURPOSE**

- 1.1 This report provides an overview of recent major issues and developments within the corporate areas and includes relevant KPI performance data at Appendix 1.

## **2 PERFORMANCE**

- 2.1 **Oyster Helpline:** The Oyster Helpline operated with a call abandonment rate for 2008/09 of 9.5 per cent against a target of 10 per cent (the call centre industry abandonment rate is 12 per cent). This was achieved on an increased volume of over 925,000 calls, up 6.5 per cent on 2007/08 volumes. This was delivered through better utilisation of workforce planning tools and better staff training and retention.
- 2.2 **Oyster Helpline:** Ticket sales for 2008/09 totalled £94m, a 23 per cent increase on 2007/08.
- 2.3 **Buying Oyster on-line:** During March, a promotion ran to encourage customers to visit [www.tfl.gov.uk/oyster](http://www.tfl.gov.uk/oyster), and learn about the benefits of buying and managing their Oyster cards online. The campaign resulted in web traffic to Oyster online increasing by 40 per cent, with 700,000 visits. Further developments are in hand to make it easier for customers to manage their Oyster (e.g. auto top up) on-line.
- 2.4 **Travel Information Contact Centre (TICC):** The TICC operated with a call abandonment rate for 2008/9 of 7.5 per cent against a target of 10 per cent. This was achieved on a call volume of over 3.39m, up 6.3 per cent compared to 2007/08 volumes. This was delivered through better workforce planning tools and sharing resources with other areas of Group Customer Services.
- 2.5 **Customer Correspondence:** Group Customer Relations responded to 86.8 per cent of correspondence received during 2008/09 within agreed service levels compared to the 64.7 per cent response rate achieved in 2007/08.
- 2.6 **TfL Website Customer Satisfaction Survey:** Customer satisfaction with the website has increased from 88.1 per cent "above average or better" to 89.4 per cent. In the past year a considerable number of new and improved services have been delivered including widgets (a tool that allows users to access Journey Planner, Tube service updates and the Tube Map from their preferred home page), improved live travel news, traffic information and other tools to enable customers to plan journeys and keep informed about planned and unplanned disruptions. The website received around 115m visits in 2008/9.

- 2.7 **Local Media Coverage:** Customers regard the local press as a very important source of information, more so than national media. We therefore tailor many of our announcements for the local media audience. 84.3 per cent of local media coverage during 2008/09 was positive or balanced for the Mayor and TfL.
- 2.8 **Financial Services Centre (FSC) customer survey:** The FSC Customer Survey 2008/09 was commissioned to obtain qualitative feedback from its customers about the standard of customer service they receive from the FSC. Customers were asked how effective the FSC as a whole was in performing its role as a support function, and the results were as follows: very effective 44 per cent (2 per cent in 2005/06); effective 28 per cent (28 per cent in 2005/06); satisfactory 28 per cent (54 per cent in 2005/06); not effective 0 per cent (16 per cent in 2005/06). The results demonstrate the improvements that the FSC has achieved, with a clear trend of comments that are positive rather than neutral and a reduction in negative responses. FSC will be following up responses where appropriate.
- 2.9 **Human Resources Services (HRS) Customer Satisfaction Survey:** HRS obtained a 75.5 per cent Customer Satisfaction rating in the Quarter 3 HRS Customer Satisfaction Survey against a full year target of 70 per cent. The average score for 2008/09 was 72.2 per cent. This result reflects the service improvements (such as the revision of the case management processes) implemented by HRS in response to the outcomes of the Q1 (08/09) HRS Quarterly Customer Satisfaction Survey. The Q4 survey was released in March 2009, with results available in Q1 2009/10.
- 2.10 **Information Management (IM) Helpdesk:** During 2008/9, 96.5 per cent of all severity 1 and 2 incidents (IM related incidents that impact the business most and are therefore highest priority) were resolved within the agreed service levels against a target of 90 per cent.
- 2.11 **End of Year SAP Performance:** SAP is TfL's financial and HR reporting system. Following last year's SAP difficulties at year end, due to high levels of demand, IM has made significant changes to people, processes and technology to ensure that the business has extended support during this period.

End of year employee performance rating entry causes an exponential increase in user numbers, with usage increasing in the SAP portal by a factor of 10 in the run up to the deadline. To maintain SAP system performance under these exceptional loads, IM has worked closely with the business to add extra temporary capacity to meet peak demand and re-scheduled key business processes to avoid conflicts. This year's first critical year end milestone has been achieved, with 99 per cent of performance ratings entered into SAP, and 84 per cent of those ratings approved ahead of the deadline.

- 2.12 **Enforcement/Criminal Prosecutions:** TfL successfully prosecuted Southern Gas Networks PLC (SGN) for streetworks offences relating to works executed at Bromley Hill. SGN executed works without regard to public safety and failed to remedy the situation despite repeated warnings by TfL. They pleaded guilty to three separate offences of unsafe streetworks practices and one offence of failing to cooperate with the street authority (TfL). Each of the offences carried a maximum fine of £5,000 and the court in this case awarded a record £9,450 in total, significantly higher than the usual sentencing levels. The court also awarded TfL its full prosecution costs.

TfL Legal successfully persuaded the Magistrates Court at Brent to impose a custodial sentence following the conviction of a persistent fare evader on London Underground and with a record of ignoring court summonses. This is the first custodial sentence awarded against a persistent fare evader on the London Underground in over ten years.

### 3 STRATEGY

- 3.1 **Borough Engagement – Local Implementation Plan (LIP) Reforms:** The results of the joint TfL/London Councils consultation on proposed changes to LIP funding were considered at a London Councils Transport and Environmental Committee (TEC) meeting on 18 March and TEC agreed that a needs-based formula should be introduced for three of the programmes (Corridors, Neighbourhoods and Smarter Travel) for 2010/11 and subsequent years. TfL expects to issue LIPs funding guidance for 2010/11 in May 2009.
- 3.2 **Heathrow Airport Judicial Review:** Following agreement by the Deputy Mayor Simon Milton, TfL Planning (as an interested party) has provided a witness statement to lawyers acting on behalf of the 2M group of boroughs, who deposited the information as part of a Judicial Review launched on 7 April. The main thrust of the witness statement is that insufficient information has been provided on the surface impacts of the proposed third runway for the decision makers to form a sound judgement.
- 3.3 **Mayor’s Transport Strategy (MTS):** Further to discussions on the MTS ‘Statement of Intent’ at the March Planning and Corporate Panel, this document was endorsed at the TfL Board on 31 March and will be issued to the Assembly and Functional Bodies for consultation in May. As part of the MTS development, we are required to undertake a Sustainability Appraisal. A scoping report has been consulted on (as part of a statutory five-week process) with Natural England, the Environment Agency and English Heritage. Natural England is content with the proposed appraisal approach and the Environment Agency noted that the approach is comprehensive and sets out a sensible assessment framework. The response from English Heritage is awaited.
- 3.4 **Air Quality Strategy:** TfL has been asked to deliver the transport elements of the Mayor’s Air Quality Strategy with the aim of having a draft strategy ready for Assembly and Functional Body consultation by June 2009.
- 3.5 **Crossrail 2 (Chelsea - Hackney line) review:** In light of the revisions to the London Plan and MTS, the Crossrail 2 route has been subject to review. A borough event, hosted by London Councils, was held on 23 April and attended by all interested boroughs and London-regional forums to understand the review of the scheme to date.
- 3.6 **Crossrail communications strategy and framework:** The communication framework and outline strategy drawn up with input from Crossrail Limited (CRL) was presented to the Mayor’s Office on 13 March (and will form the basis of a presentation to the Crossrail Sponsor Board on 13 May). The objectives are to:
- Maintain public support;
  - Maintain the funding package;

- Demonstrate delivery, maintain momentum, and support successful delivery of the Crossrail project;
- Mitigate disruption with specific focus on 2012; and
- Provide a coordinated approach with a joined-up story (ie multi-modal).

More detailed plans underpinning the strategy will be produced by Group Marketing & Communications, CRL and other parties. The GLA's three immediate priorities that are being taken forward are:

- A funding campaign;
- A focus on 2012; and
- A representation of the main works along the route.

- 3.7 **Building Energy Efficiency Programme:** TfL issued award letters for Tranche 1 of the Building Energy Efficiency Programme (BEEP) to Honeywell for energy efficiency retrofit works at 22 Head Office buildings. The works will save a guaranteed £750k in energy bills each year, with a simple payback under eight years, and save around 3,500 tonnes of CO2 per year - almost 24 per cent of the energy from these buildings. As well as being the first energy performance contract of its type in the UK for some time, the works which are part of a wider GLA programme including the Police and Fire Brigade, form a significant part of the Mayor's Environment Programme.
- 3.8 **Staff Network Groups:** The seven Staff Network Groups are holding elections for the posts of Chair, vice-Chair and Communications Officer. Four of the seven groups will have new sponsors this year. These are:
- Black, Asian and Minority Ethnic (BAME) group, sponsor David Brown - MD Surface Transport
  - Disability group, sponsor Michele Dix – MD Planning
  - Lesbian, Gay men, Bisexual and Transgendered (LGBT) group, sponsor Vernon Everitt – MD Group Marketing & Communications
  - Women's group – sponsor, Tricia Riley - Director of Human Resources (London Underground) and Penny Hazell, Service Director, SSL
- 3.9 **Oyster on River:** Agreement has been reached with Thames Clippers on the acceptance of Oyster for river services, from November 2009. Customers with Oyster PAYG will receive a 33 per cent discount on river fares, and the current 33 per cent discount for Travelcard holders will continue.
- 3.10 **Oyster Ticket Stop Locator:** A new interactive Google Map based tool was launched on 23 March on the TfL website at <http://www.tfl.gov.uk/ticketstopfinder> to enable Oyster customers to find their nearest retailer. This is being used as part of marketing activity to encourage more usage of Ticket Stops.
- 3.11 **Congestion Charging:** TfL Legal have assisted the Congestion Charging procurement team in finalising the European Debt Recovery Services (EDR) contract to replace the existing contract which is due to expire in 2010 to recover outstanding penalty charge debts from EU residents arising from the congestion charge, the low emission charge and traffic parking violations.

Teams within TfL Legal advised Congestion Charging on a challenge by one of the bidders for the Bailiffs Contract and an application for an injunction to prevent the

award of the contract. TfL successfully demonstrated that the procurement process had been conducted fairly and transparently and secured the withdrawal of the proceedings by the claimant without any concession on the part of TfL.

#### **4 RECOMMENDATION**

4.1 The Panel is asked to NOTE the Corporate Managing Directors' Report.

#### **5 CONTACT**

5.1 Contact: Steve Allen, Managing Director, Finance. Phone: 020 7126 4918

**Appendix 1 to Corporate MD report to Planning and Corporate Panel**

KPIs across Corporate areas

Corporate Area	Indicator	Unit	2007/08 Result	2008/09 Target	Q1 Result	Q2 Result	Q3 Result	FULL YEAR result	2008/9 Year End Forecast
<b>Finance (and Group Services)</b>	Implement Board approved TfL borrowing strategy with a target interest rate paid on borrowing of Gilts + 25bps	%	Gilts+16bps	Gilts + 25bps	Gilts+16bps	Gilts+16bps	Gilts+16bps	Gilts+19bps	Gilts+19bps
	% of undisputed invoices paid within supplier terms	%	90.6	90	91.4	91.3	91.5	91.9	91
	% of Severity 1 and 2 incidents resolved within SLA	%	95	90	87	89.6	95.1	96.5	90
	Maintain LU ticketing system availability at a minimum of 98%	%	N/A	98	99	99	99	98.9	98
	HR Services: Customer Satisfaction %	%	64.1	70	N/A	69.3	75.5	72.2	72
	Group Facilities: cost per workstation (leasehold)	£	6674	7277	N/A	N/A	6462	6462	6462
	Group Facilities: Reduction in CO2 emissions from base year in line with Mayor's Climate Action Plan targets (HO portfolio)	tonnes	N/A	21506	4989	9038	13650	19211	21506
	Group Procurement: Increase spend with diverse suppliers	£m	185	180	67.3	65.2	92.5	153.1	150
<b>Marketing and Communications</b>	Travel Information Call Centre - calls abandoned (YTD average)	%	7.2	10.0	9.0	9.6	9.0	7.5	10
	Oyster Helpline (OHL) - calls abandoned (YTD average)	%	15.1	10.0	7.4	9.0	9.2	9.3	10
	% of total media coverage that is balanced / positive for TfL (YTD average)	%	75.2	70	86.1	90.6	86.6	84.3	83
<b>Planning</b>	% referred planning applications responded to within four weeks of receipt	%	35	50	87	71	84	75	84
	% Local Area Agreements responded to within four weeks of receipt	%	N/A	100	100	100	100	100	100
	Number of high level supported Commissioner / CO meetings / visits to the Boroughs (cumulative)	#	N/A	40	15	15	35	47	40
<b>General Counsel</b>	Corporate Governance: Provide a framework to ensure that subject access requests are processed by the business within statutory deadlines	%	N/A	90	98	93	93	92.6	94
	Audit: At least 90% of final audit reports identified in the Audit Plan issued within 3 months of the issue of the interim audit report or 5 working days following completion of last agreed action by management whichever is the later.	%	93.2	90	90	86.8	89.5	90	90