

# TRANSPORT FOR LONDON

## TfL BOARD

**SUBJECT: YEAR END FINANCE AND PERFORMANCE REPORT**

**MEETING DATE: 18 MAY 2005**

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### 1. PURPOSE

- 1.1 To inform the TfL Board of progress on operational and financial performance against budget and target for 2004/05.

### 2. KEY HIGHLIGHTS

- 2.1 TfL's operations in 2004/05 generated income of £2,632m, which was £67m better than budget. Operational expenditure of £4,458m was £14m better than budget. A total of £559m was spent on capital initiatives, which was £19m over budget, after including a central overprogramming provision of £80m.

- 2.2 The principal performance highlights arising in 2004/05 were as follows:

- London Underground ridership increased by 3% compared to 2003/04, with a total of 976m trips. This result was 6m trips above the previous all-time high recorded in 2000/01. This resulted in £1,240m of traffic income being generated, which was £38m better than budget.
- All London Underground operational performance indicators for the full year and the final quarter of 2004/05 were above target with the exception of train kilometres operated, which was impacted by the marked growth in weekend closures for engineering works.
- Bus ridership increased by 5.3% compared to 2003/04 to 1,793m and resulted in £869m of income being generated from the bus network, which was £3m better than budget. This result was up 13% on the previous year and was the highest figure recorded since 1965.
- Whilst spending £19m less than budget on the bus network, levels of service and reliability continued to improve over the year. Excess wait time on high frequency routes was down to 1.14 minutes, which was a result of ongoing expansion of Quality Incentives Contracts and the contribution of Transport Policing initiatives and Bus Priority measures. The 'Percentage of Scheduled Service Operated' exceeded its target and improved by 0.5% on the previous year.
- Traffic entering the Central London Congestion Charging Zone is down some 16% to that prior to the introduction of the Congestion Charging Scheme.

- Both the reliability and departure performance on the Docklands Light Railway (DLR) continued to perform well at 98.1% and 99.1% respectively. Both these results represent record levels. This is primarily a result of initiatives addressing technical issues such as; optimisation of train control systems, track renewals to remove speed restrictions and improved control room procedures.

2.3 The principal highlights arising from the final quarter of 2004/05 are as follows:

- The successful introduction of fare revisions on the 2 January 2005 and Oyster price capping in February 2005.
- The Crossrail Hybrid Bill was submitted on schedule to the Government in February and will now be carried forward into the next Parliament.
- The refurbishment of 5 London Underground stations and the modernisation of 2 stations were completed during the fourth quarter.
- Recovery in capital expenditure occurred in the final quarter of 2004/05 with higher than forecast spend in London Underground, London Rail and Group Directorates.

### 3. OPERATIONAL PERFORMANCE REVIEW

3.1 The operational scorecard reporting the performance against target for the key indicators approved by the TfL Board on 24 March 2004 is attached to this report as **Annex 1**. The scorecard also includes PPP performance against target as well as the Group performance indicators that appeared for the first time in the second quarter 2004/05 report.

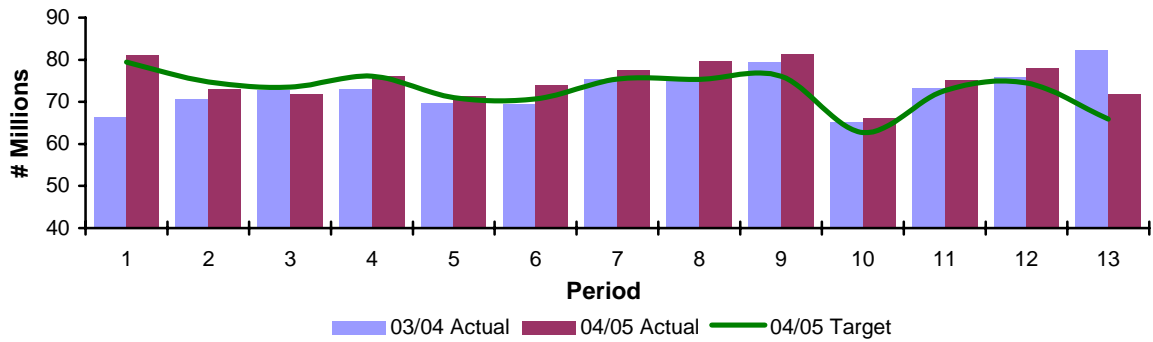
3.2 Operational performance comparisons between the final quarter 2004/05 and 2003/04 are distorted by the different length of the quarters, resulting from the fixed accounting year end. The final quarter of 2004/05 consisted of 110 days which is 5% less than the final quarter of 2003/04. In addition, the Easter bank holidays fell in different quarters. For this reason the following analysis focuses on full year comparisons and performance against target.

#### London Underground

3.3 All London Underground operational performance indicators for the full year and the final quarter of 2004/05 were above target with the exception of train kilometres operated, which was impacted by the marked growth in weekend closures for engineering works. London Underground has also met or exceeded the less demanding Government targets for percentage of schedule operated, excess journey time (unweighted), train kilometres operated and overall customer satisfaction.

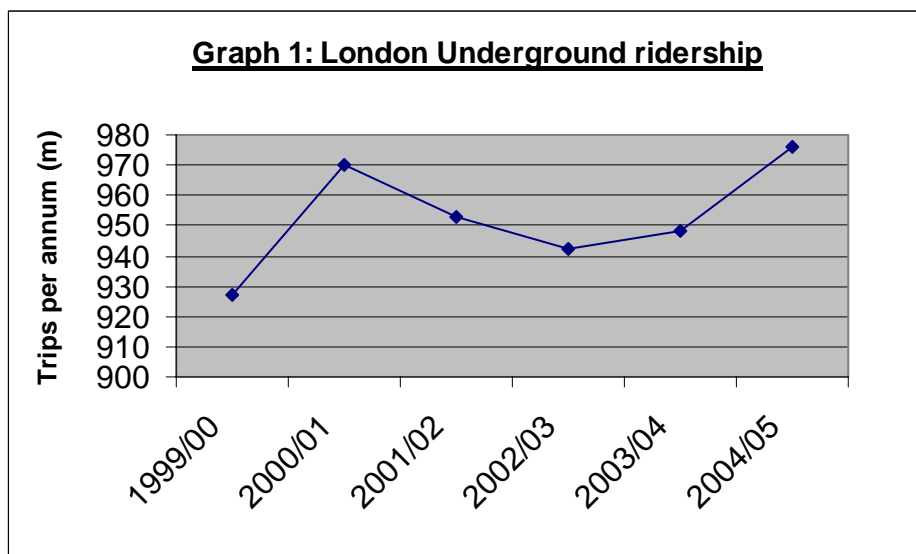
3.4 Total passenger journeys on the London Underground for the full year at 976m were 4% above target, following a recovery in passenger numbers during the second half of the year, and exceeded the previous record levels of 2000/01 by 6m (see **Graph 1**). Passenger journeys for the final quarter of 2004/05 at 291m were above target by 8%. These results suggest that passenger journeys have not been adversely impacted by engineering works currently being undertaken under the PPP contracts.

**Figure 1: London Underground - Passenger Journeys**



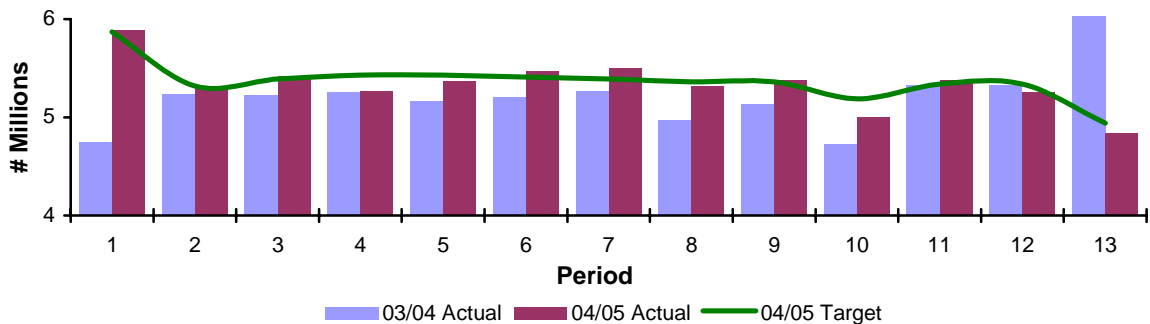
Notes: P1 2003/04 consisted of 26 days  
 P1 2004/05 consisted of 31 days  
 The Easter holidays fell in P1 2003/04, P1 and P13 2004/05

**Graph 1: London Underground ridership**



3.5 Kilometres operated for the full year in 2004/05 were slightly below target at 69.4m following the sharp growth in engineering work during the year. The actual deductions from the timetable amounted to 2.15m kilometres compared to the budgeted 1.8m kilometres and the 2003/04 actual of 0.8m kilometres. Consequently total kilometres operated in the year fell 0.3m short of budget. The introduction during the year of new timetables on the Central and Victoria lines provided enhanced off-peak and weekend services, together with revisions to services on several other lines.

**Figure 2: London Underground - Kilometres Operated**



P1 2003/04 consisted of 26 days; P1 2004/05 consisted of 31 days. The Easter holidays fell in P1 2003/04, P1 and P13 2004/05

- 3.6 The Percentage of Schedule Operated averaged 95.3% for the full year, which was the best result achieved in 7 years. All of the lines apart from the East London Line and the Northern Line achieved results exceeding 96%.
- 3.7 The overall Customer Satisfaction Score has risen over the last year by two points from 76 to 78 points. Over the last two years London Underground has also had great success in tackling the levels of non-scratched graffiti experienced on the network, and as a result Customer Satisfaction Scores for cleanliness of the Underground Network have risen from 68 in 2002/03 to 73 in 2004/05. Customer Satisfaction with respect to station staff helpfulness and availability has increased for the fourth successive year, achieving an average score of 75 in 2004/05 compared with 69 in 2000/01.

### **PPP Performance – BCV**

- 3.8 Total Lost Customer Hours for 2004/05 represented a 13% improvement on 2003/04. The total number of Lost Customer Hours attributed to Metronet BCV for the final quarter of 2004/05 has continued the trend of improvement reported in the third quarter. Lost Customer Hours attributable to Metronet BCV in this quarter improved from 16% better than target in the third quarter of 2004/05 to 23% better than target in the final quarter. Availability performance for both the Bakerloo and Central line were better than the contract benchmark (earning the Infraco bonus payments) in all four periods of the final quarter. Total Metronet BCV Lost Customer Hours performance for the final quarter 2004/05 was the best since Transfer.
- 3.9 Ambience scores for Metronet BCV for 2004/05 were a point lower than 2003/04 and concerns remain over the station cleaning regimes and the impact of track work on station cleanliness. Ambience performance for the final quarter of 2004/05 was, however, better than the contract benchmark, and represented a slight improvement from the third quarter scores. Service points for facilities faults for the year remain worse than the contract threshold, but represented a 14% improvement on 2003/04. Some improvements in PA and toilets have been recorded in the final quarter.

### **PPP Performance – SSL**

- 3.10 Full year Lost Customer Hours attributed to Metronet SSL were 35% better than 2003/04. Lost Customer Hours for the final quarter 2004/05 has shown a reduction from the previous quarter, following four consecutive quarters of reduced Lost Customer Hours per period. There was, however, a 48% reduction in the agreed Lost Customer Hours attributable to Metronet SSL in this quarter compared with the final quarter of 2003/04. Availability performance for the District as well as the Metropolitan, Circle and Hammersmith & City lines was better than the contract benchmark (earning the Infraco bonus payments) in all four periods of the final quarter.
- 3.11 Ambience performance for the full year was slightly above 2003/04 largely due to better anti-graffiti measures on trains. Ambience performance for the final quarter 2004/05 for Metronet SSL fell from the previous quarter but was 2% above the score for final quarter of 2003/04, Metronet SSL were the only Infraco with the number of service points accrued by for facilities faults during 2004/05 better than the contract threshold. In addition the level of points for the full year represented a 20% improvement compared with 2004/05 mainly due to improvements in CCTV and PA performance. There has, however, been some deterioration in Mobility Impaired Lifts and Cleaning Audits performance over the same period.

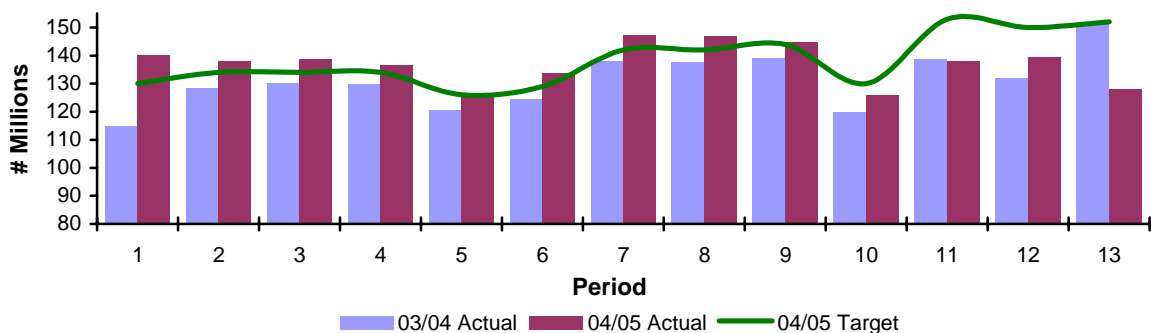
## PPP Performance - JNP

- 3.12 Lost Customer Hours attributed to Tube Lines (JNP) for the full year were 15% better than 2003/04. Lost Customer Hours for the final quarter 2004/05 has shown a deterioration from the previous quarter and were 12% worse in this quarter compared with the final quarter of 2003/04. Availability performance on the Piccadilly line was better than the contract benchmark (earning the Infracore bonus payments) in all four periods of the final quarter. However, Northern line performance was worse than the contract benchmark in all periods, mainly due to continuing signalling problems on the line.
- 3.13 Full year ambience performance for Tube Lines (JNP) represented a small improvement compared to 2003/04, but remained below the contract benchmark following a decline in Northern Line train ambience due to lower scores for cleanliness, scratch graffiti and condition of seats. The ambience performance in the final quarter of 2004/05 was lower than the previous quarter. Improvements were recorded for graffiti performance on the Piccadilly Line and cleanliness and scratch graffiti on the Jubilee Line. Service points for facilities faults were 42% worse than the contract threshold, but show an improvement of 15% compared with the previous year. JNP facilities performance for the final quarter has improved from the previous quarter, and represents an improvement of 28% compared to performance for the final quarter 2003/04. This improvement is mainly in the areas of CCTV, PA and Toilets, with fewer faults on these assets in the quarter.

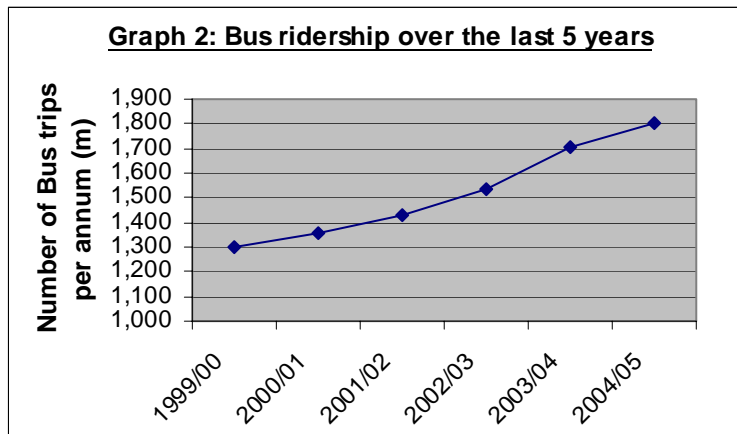
## Surface Transport

- 3.14 **Bus Network** – Passenger journeys on the bus network increased by 5.3% (around 100m journeys) during 2004/05 to a total of 1,793m. Over the fourth quarter of 2004/05, while passenger journeys continued to exceed levels seen in the previous year, they fell slightly short of target, as the target was set before the Mayor's current fare policy was established. In addition, journey numbers were impacted by Easter bank holidays falling in Period 13, 2004/05 instead of in Period 1 as in previous years. While the final effect of the fare increase is yet to be fully assessed, the overall demand appears still to be increasing. Over a longer period of five years (see **Graph 2**), bus ridership has consistently grown year on year, increasing by nearly 40% or half a billion journeys per year.

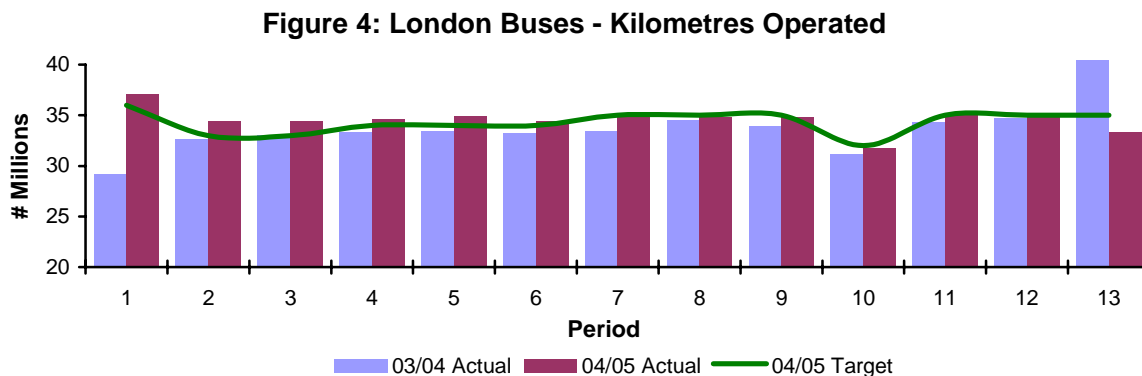
**Figure 3: London Buses - Passenger Journeys**



Notes: P1 2003/04 consisted of 26 days  
P1 2004/05 consisted of 31 days.  
The Easter holidays fell in P1 2003/04, P1 and P13 2004/05



3.15 A total of 450m bus kilometres were operated in 2004/05, which is slightly better than target and 12.4m kilometres more than operated in the previous year. Over the last quarter and adjusting for the shorter quarter length, the kilometres operated increased by 1% compared with equivalent quarter in the prior year.



P1 2003/04 consisted of 26 days; P1 2004/05 consisted of 31 days. The Easter holidays fell in P1 2003/04, P1 and P13 2004/05

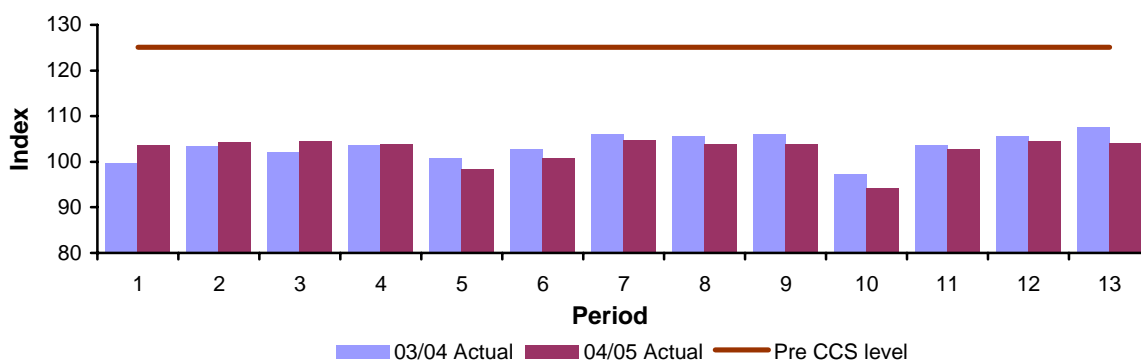
3.16 Excess Wait Time on high frequency routes for 2004/05 was down to 1.14 minutes, a 25% improvement on budget. This is a result of the ongoing expansion of Quality Incentive Contracts, bus priorities and, policing and enforcement initiatives.

3.17 The Percentage of Schedule Operated at 98% was slightly above target and the equivalent quarter for 2003/04. On-time performance of night buses at 82.9% was 4.6 percentage points above target and 3 percentage points ahead of the same quarter in 2003/04.

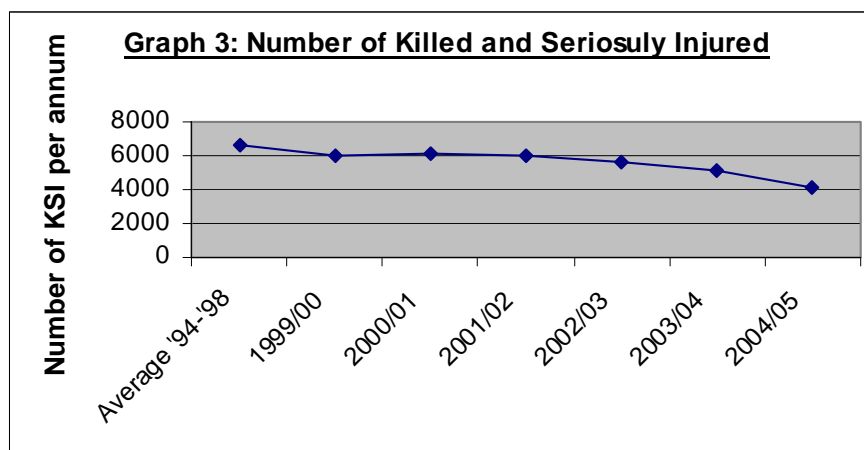
3.18 The customer satisfaction rating for personal safety and security of 85 is 5 points above target. Overall satisfaction with bus services, which has seen a broadly upward trend since 2001/02, has recovered from the slight falls seen at the beginning of the year, and is currently a point above target level at 79. Satisfaction with information provided remains below target with initiatives to further simplify information at bus stops and on-bus continuing to be rolled out in an effort to improve effectiveness particularly the supply of the replacement bus radio, vehicle location and countdown system. As at 31 March 2005, 95% of London's buses were wheelchair accessible and more than 80% of London's bus fleet has on-board CCTV.

- 3.19 **London Trams (Croydon Tramlink)** – Passenger journeys for 2004/05 at 19.3m were slightly ahead of those in 2003/04 despite the extensive programme of closures for track repairs during the second quarter of 2004/05. The overall satisfaction score at the end of 2004/05 at 85 is 3 points below target and is a 4 point reduction on last year reflects the ongoing engineering works, increased levels of crowding and dissatisfaction with the condition of the system. London Trams has further increased its monitoring activity and has formally notified the operator of a number of areas where improvements are required. The Percentage of Scheduled Service Operated at 95.4% in the final quarter and for the full year was well below target as a result of a greater than anticipated impact of extensive programme of closures for track repairs.
- 3.20 **Congestion Charging** – Traffic levels in the final quarter of 2004/05 were on average 20 points lower (or 16%) than prior to the introduction of the scheme, and 2 points lower than the same quarter in the previous year.

**Figure 5: Vehicle Flow into the Charging Zone during Charging Hours**



- 3.21 **Road Network Operations** – The percentage of streetlights working has continued to improve during the final quarter to reach 99%, exceeding the target level for the first time in 2004/05. The improved performance is an encouraging response to a programme of actions to produce progressive service improvements.
- 3.22 The dramatic increase in cycling levels on the TLRN compared to 2003/04 has been sustained in the final quarter of 2004/05. The index of cycling on the TLRN averaged 123 in the final quarter of 2004/05. This was 12 points above target and compares with an index of 106 in the same period last year.
- 3.23 Over the last four years, TfL has made significant progress in cutting the number of Killed and Seriously Injured on London's roads. Provisional figures indicate a 25% reduction in the number of Killed and Seriously Injured Londonwide, during 2004/05. On the TLRN the reduction in 2004/05 has been even greater at 30%. This reduction has been achieved through a programme of targeted engineering measures and 20 mph zones, targeted Road safety campaigns, and the installation and management of London's network of speed and red light cameras. Over a longer period of 5 years (see **Graph 3**), London's roads have been made significantly safer with a 40% overall reduction equivalent to around 2,500 less people being killed or seriously injured every year on London's roads.



3.24 TfL also received in November 2004 an award from the Prince Michael International Road Safety Awards (PMIRSA) for its innovative work in reducing motorcycle casualties in the Capital.

3.25 **London River Services** – Passenger journeys for 2004/05 at 2.3m were 12% above target and 11% higher than 2003/04 mainly as the result of prolonged good weather in the early summer.

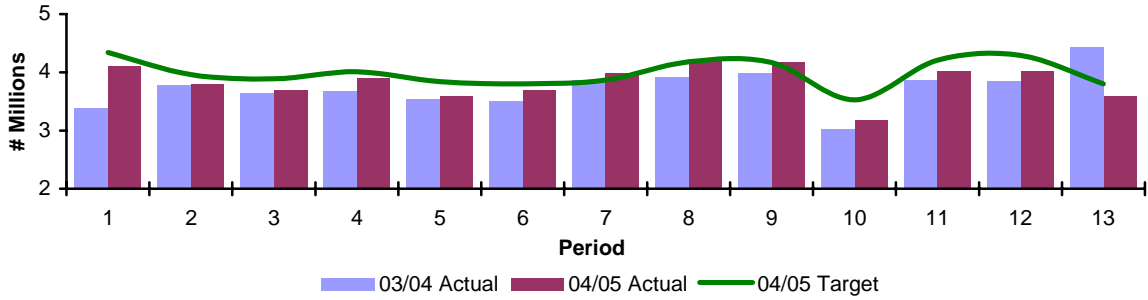
3.26 **Dial-A-Ride** – The cost per trip for the full year was significantly over budget and this is a result of lower than budgeted demand. However, overall customer satisfaction for the full year finished at 93% which was in line with the target.

3.27 **Taxi & Private Hire** – At the end of 2004/05 there were a total of 24.7k licensed taxi drivers. This was in line with the number licensed at the end of 2003/04 but slightly below the target of 25.9k. The number of private hire drivers licensed at the end of 2004/05 was 16.3k which was an increase of 11.8k on the previous year, but against short of the targeted 20.8k. Private hire driver licensing rates are being impacted by the significant problems with the quality of application and Criminal Record Bureau forms completed by the applicants and the medical forms completed by GPs. Streamlining processes such as the fast tracking of the more straightforward application forms along with the appointment of a medical consultant to review decisions on driver medicals have improved the throughput of licences issued.

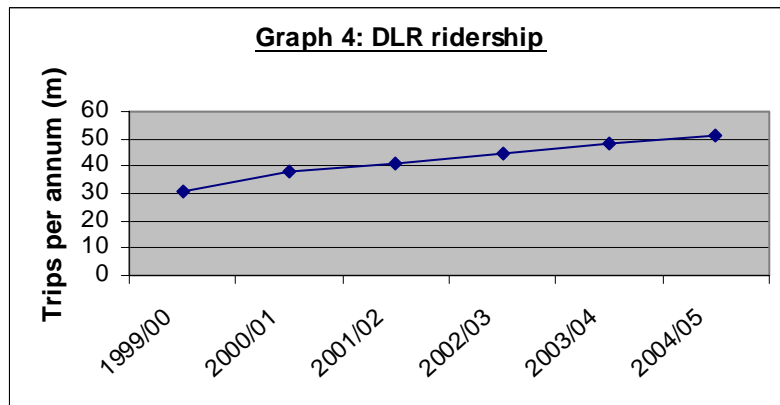
## London Rail

3.28 **DLR** – The year on year increase in ridership on the DLR continued throughout 2004/05 with passenger journeys at 50.1m for the full year, 3% up on 2003/04. This result was however slightly below the full year target due to a number of events impacting traffic to and from Canary Wharf including the opening of the Jubilee Line Extension Eastern Entrance, the reinstatement of the footbridge to South Quay (which offers a 'short cut' walking route to Canary Wharf) and later than anticipated occupation of new office space. Over a longer period of five years (see **Graph 4**), ridership levels have increased by nearly 65%.

**Figure 5: DLR - Passenger Journeys**



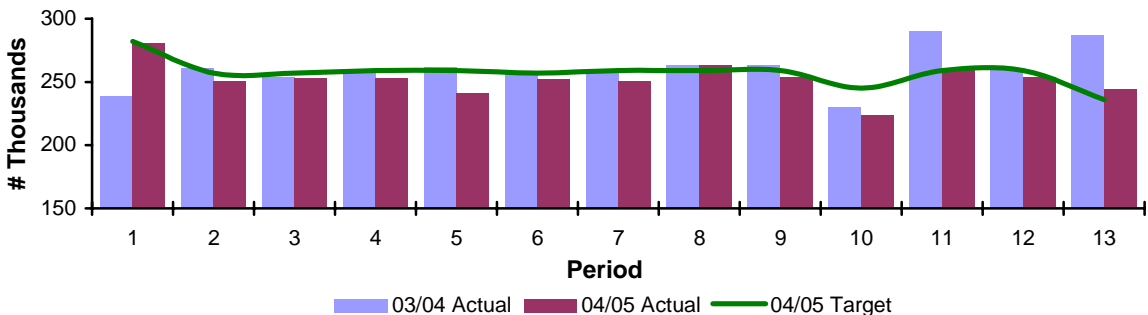
Notes: P1 2003/04 consisted of 26 days  
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 The Easter holidays fell in P1 2003/04, P1 and P13 2004/05



3.29 All DLR Customer Satisfaction survey results for the final quarter of 2004/05 were above target with the overall rating at 94%, some 11 points above target. DLR achieved an all time high in reliability in Period 13 with 98% of all trains running within 3 minutes of the scheduled time.

3.30 The total Train Kilometres Operated at 3.2k kilometres was in line with the full year target.

**Figure 6: DLR - Kilometres Operated**



Notes: P1 2003/04 consisted of 26 days  
 P1 2004/05 consisted of 31 days  
 The Easter holidays fell in P1 2003/04, P1 and P13 2004/05

## 4. ACTIVITY PERFORMANCE REVIEW

4.1 TfL's 2004/05 budget included 170 activities. TfL monitors the success of this activity by monitoring key cost, milestone delivery and performance metrics. The performance of these activities is reported based on significant achievement as well as variances,

both financial and programme related, against the deliverables approved by the TfL Board on 24 March 2004.

4.2 The deliverables for key projects and initiatives during the fourth quarter of 2004/05 were as follows:

- **Wembley Park Works** – In February 2005, the modernisation works at Wembley Park entered phase two. Platforms 1, 4 and 5 opened to the public whilst platforms 2, 3 and 6 closed. The second phase of works is scheduled to finish in the first quarter of 2005/6.
- **Jubilee Line 7<sup>th</sup> car project** – The first milestone of the 7<sup>th</sup> car project was met in January 2005 when the first trailer car was delivered to Stratford Market Depot, while the second car was delivered in March 2005. These are the first two of 59 cars that will be delivered over the next year.
- **CTRL at Kings Cross** – Works on the existing ticket hall were completed on 21 January 2005 with lift installation to the Metropolitan & Circle line platform completed in March 2005. Phase one works, including the new western ticket hall, are on-time. Phase two works are currently undergoing final design and programming following DfT approval of the new northern ticket hall on 15 February 2005.
- **New Year's Eve night** - TfL provided services on the Tube, DLR, Tram and Buses, including free travel between 11:45pm and 4:30pm, on New Year's Eve. There were also through the night Overground rail services, including extra trains between midnight and 2:00am.
- **Crossrail** – The Crossrail Hybrid Bill was submitted on schedule to the Government on 22 February 2005 and will now be carried forward into the next Parliament. Funding and finance issues continue to be discussed with DfT and Treasury.
- **DLR 3 car upgrade** - The Public enquiry into the DLR capacity Enhancement (3-car upgrade) which commenced in February 2005 has now finished. Out of the 69 objectors, 6 objections remain outstanding for the Secretary of State for Transport to consider along with evidence presented by the DLR team. All other objections have been withdrawn. The inquiry inspector is expected to submit his report to Government during the first quarter of 2005/06.
- **Heathrow T5 extension** – In January 2005 the Terminal 4 loop of the Piccadilly Line closed to enable the works for the extension of the Line to Heathrow Terminal 5 to progress. A rail replacement bus service has been in operation between Hatton Cross and Heathrow Terminal 4. The extension project will see a new 2.5km twin-bored tunnel extending west of the existing Piccadilly Line, connecting to a new subsurface station at the new Heathrow Terminal 5.
- **London Regional Rail** - The Railways Bill received Royal Assent on 7 April 2005 and is now the Railways Act 2005. Discussions continue at senior level regarding powers over Fares and Ticketing and the transfer of control over Silverlink Metro and the associated funding arrangements.
- **Fares Revisions and Oyster** – The fares revision on 2 January 2005 was implemented in the Oystercard system without significant problems. The general upgrade of Oystercard reader software to prepare for the launch of Pre Pay capping on 27 February was also completed on time. Daily price capping means passengers on the Tube, Bus Tram or DLR will never pay more than the price of Travelcard or Bus pass (whichever is appropriate), no matter how many Oyster Pre Pay journeys in zones 1 to 6 are made. The Oystercard is the first smartcard ticketing system in the world to offer daily price capping.
- **Later weekend Tube running** – Public consultation on the proposal to run one hour later at weekend closed on 22 April, by which time over 40,000 people had

responded. This is one of the highest responses that TfL has ever had to a public consultation. A decision about whether to proceed with the changes will be made later this year.

- **Station projects** – Works on the modernisation of Oxford Circus station continued during the fourth quarter of 2004/05. The first phase of works currently underway concentrates on Central line platforms 1 & 2 and the adjoining cross passageways.
- **Fuel Cell Buses** – The results of the first year of a pioneering 2-year European project, which involved the trial of three Hydrogen Fuel Cell (HFC) powered buses, were published in January 2005. For twelve months in 2004, the HFC buses had travelled over 23,000 miles and had been in operation for 3,400 hours, excelling in reliability. The HFC buses have also been popular with passengers who have appreciated the environmental benefits of fuel cell technology and the quiet, smooth ride the HFC buses offer.
- **Group HR Services** – HR Services was launched in January 2005 ready to deliver high volume services to all of TfL. These services include Resourcing, Learning and Development, and HR Systems & Administration. As a consequence, HR headcount is being substantially reduced.
- **Thames Gateway Bridge** – While planning permission was granted by the London Boroughs of Newham and Greenwich in December 2004, the ODPM announced in January 2005 that the planning application would be called in, to decide whether planning permission should be granted.
- **West London Tram (WLT)** - The results of the consultation for the WLT were presented by the Mayor on 1 March 2005.

4.3 During 2004/05, TfL continued to build upon its record of delivering, by achieving significant progress on a number of schemes, initiatives and projects including:

### **Further Enhancing the Quality of Bus Services**

#### **Bus Improvements**

- 4.4 In recognition of the significant improvements to service delivery of the last five years, London Buses were awarded Beacon Status by the ODPM in April 2004. TfL was praised for “its closely co-ordinated approach, encompassing infrastructure enhancements, traffic management measures and investment in new vehicles”. Working in partnership with London’s Boroughs, TfL delivered some 59 new bus lanes and 1,402 Bus lane km/hours per week in 2004/05. Over the last year TfL has also further expanded the use of bus priority facilities at traffic signals with the implementation of 201 sets of bus priority traffic signals bringing the total figure of traffic signalled junctions with bus priority equipment to 1,432.
- 4.5 This, coupled with the roll out of Quality Incentive Contracts, has led to the best service quality since records began in 1977. Service reliability is at record levels, both in times of regularity of the service and levels of cancelled journeys, and passenger numbers have returned to levels not seen since the 1960’s. Bus Passengers numbers now regularly exceed 6 million per day.

#### **Infrastructure**

- 4.6 During 2004/05, TfL continued improving passenger facilities at bus stops, by installing 252 new and 115 replacement shelters across the bus network. This brings the number of bus stops that have a shelter to 12,200 or 70% of the total number of bus

stops in London. Walthamstow Central, London's third busiest bus station, re-opened on 19 June 2004 following a major £6m improvement project. The new larger bus station, which replaces the original station, accommodates all of the routes serving Walthamstow Central and has improved interchange with rail services. Construction of the Waterloo Bus Interchange was completed during the summer of 2004, while Walworth Garage, owned by TfL, became fully operational in September 2004. In addition, the Vauxhall Cross bus station opened to the public in December 2004 supporting greater use of public transport, cycling and walking by providing safe pedestrian crossings and cycle routes, improved lighting for better security and easier links between the railway, Tube and Buses.

## **Improving London Underground Services**

### **PPP Review**

- 4.7 Some progress was made during the year on the renewal of the Tube's stations. Tube Lines completed the refurbishment of five stations (Northfields, South Harrow, Arnos Grove, Kilburn and West Hampstead) and the modernisation of two (Burnt Oak and Borough). At the end of the year modernisation of Tufnell Park station was complete awaiting London Underground approval and Kennington reached this position in early April. A revised start date for Acton Town is being negotiated. Eight stations that were due to be modernised or refurbished in 2004/05 under the BCV and SSL contracts remained unfinished at the end of the year; on average these are running some 15 weeks behind the contractual delivery date.
- 4.8 Some 23 kilometres of track was renewed in the year, an increase of more than 60% on the length of track renewed in the previous year. While Tube Lines are broadly in line with the phasing of track renewals in their bid, Metronet are significantly behind, particularly on the sub-surface lines. During the year, 26 escalators were either refurbished or replaced, and 6 new mobility impaired passenger lifts were installed.
- 4.9 There has also been progress in 2004/05 on major station redevelopments. At Wembley Park works have already entered phase two, with major work packages, including cladding and roofing currently underway. At King's Cross St Pancras, phase one works including the Western Ticket hall are on-time and in February DfT granted approval for phase two of the project.
- 4.10 PPP performance measures show that the core contractual measures are starting to be met (refer to the previous paragraphs 3.8 to 3.13), which has contributed to London Underground's improved performance. Total Lost Customer Hours attributed to Infracos showed a 20% reduction compared with the previous year, key contributors being improved rolling stock reliability and fewer track faults. However, the Contract benchmarks and thresholds are based upon the historical performance of London Underground and are still short of the improvement forecast by the Infracos in their respective bids. Of more concern, however, is the amount of renewals work that is being replanned into the later years of the seven and a half year period by the Infracos in their most recent Annual Asset Management Plans. This coupled with the late delivery on current programmes, is leading to concern as to whether Infracos will be able to deliver what was promised in their bid.

## **PFI Review**

4.11 Achievements during 2004/05 by EDF Energy Powerlink Ltd, responsible for delivering London Underground's power requirements under a PFI agreement, included:

- Completion of the Initial Works packages, most notably the Northern Line power upgrade and the replacement of the power network control system and the refurbishment of the Power Control Centre;
- The ongoing development of the schemes of work to upgrade the power system in support of the line upgrades, most notably for the Victoria Line and Sub-Surface Lines (Major Power Works); and
- Installation of the power system upgrades to support the Connect project.

4.12 Progress on the Connect project, under which Citylink are responsible for the delivery of a new communications network for the Tube, remains behind schedule. Work continued during 2004/05 that should enable among others the completion of enabling works (all but Network Rail stations) by 31 December 2005, the East London Line New Radio System commissioning by 31 March 2006 and Northern Line New Radio System commissioning by 30 June 2007.

## **Supporting Docklands Light Railway's Growth**

4.13 During 2004/05, major steps were taken to increase the capacity on the DLR network. Good progress was made with the London City Airport extension, which will open to the public at the end of 2005. Final negotiations are underway with the preferred bidder for the Woolwich Arsenal extension, with the programme completion date for financial close remaining April 2005. Plans have progressed for a major upgrading of the railway to provide a 50 per cent increase in capacity between Bank and Lewisham. The TWA application for the project, which involves the introduction of longer 3-car trains, was submitted in the summer of 2004, while the public inquiry commenced in February 2005 and ended in March 2005. DLR was also granted planning permission for new DLR platforms at Stratford Regional by Newham Council on 15 September 2004, a month ahead of the original planning schedule. Following the pre-qualification round, ITT documentation was issued to the four bidders chosen from the pre-qualification round and the bids were received back in March 2005. There was progress in 2004/05 in DLR's railcar refurbishment programme, with 23 refurbished vehicles in service by 31 March 2005.

## **Congestion Charging Scheme (CCS) – Western Extension**

4.14 During 2004/05, TfL consulted and the Mayor approved a number of customer improvements to the existing CCS, including improvements to the automated fleet scheme and the Residents' renewal process and the introduction of charge-free days between Christmas and New Year. In addition, TfL continued investigating the possibility of using new technology for the enforcement infrastructure of Congestion Charging. At the request of the Mayor, TfL also consulted on the increase of the congestion charge from £5 to £8. Following TfL's consultation, the Mayor published in August 2004 a revision to his Transport Strategy that would allow for a Western Extension of the CCS. The stakeholder Consultation on the Western Extension was concluded in February 2005, with some 40 representations received. The start of the Public Consultation is currently planned for 9 May.

## **Continuing the Successful Rollout of Oyster**

4.15 A system is in place with over 16,000 smartcard devices at 370 stations (London Underground, Train, Tram and DLR), on 8,000 buses and at 2,500 agency sales outlets. There are more than 2.5 million Oystercards in customer use, with this number increasing by several hundreds every day. "Pre-Pay", the new stored value option available on Oyster was introduced on buses and Tramlink in May 2004, while price capping became available in February 2005. Capping simplifies "Pre-Pay" for both staff and customers, while offering best value by capping the daily cost of travel at the relevant one-day ticket price.

## **Equality and Inclusion**

4.16 TfL remains committed to Equality and Inclusion issues and to that end it undertook a number of initiatives and projects during 2004/05. As at 31 March 2005, 95% of London's buses were wheelchair accessible, up from 91% last year, and 85% of London's bus fleet had on-board CCTV. This is on target to achieve a 100% accessible fleet by December 2005, at which time all vehicles will also be equipped with CCTV.

4.17 Five Tube stations became step-free (platform to street) during 2004/05, bringing the total number of accessible stations to 44. London Underground has also launched a programme to deliver an additional 25 step free stations in the next 5 years to ensure that by 2009/10 a quarter of its network is accessible. Progress with other aspects of accessibility is also evident in the first batch of stations to be refurbished, with the installation of induction loops and improved way finding facilities. Also, as part of these works, customers benefit from new CCTV and information systems.

4.18 Dial-a-Ride successfully introduced over the last year a service to enable non-English speakers to access the service through a telephone translation service. Dial-a-Ride members are now able to enquire about the service, receive booking information and make their bookings in their first language. Also, nearly 10% of the Dial-a-Ride fleet was renewed in 2004/05, with the delivery of 32 new replacement vehicles.

4.19 As part of TfL's objective to improve passenger safety and security across the entire transport network, TfL has supported a number of initiatives for improvements at rail stations totalling £8.4m, focussing on passenger security (e.g. CCTV), passenger information (e.g. help points), improved lighting on platforms, subways and entrances, and improvements to station buildings.

4.20 TfL's "Safer Travel at Night" campaign, aimed at reducing the number of sexual assaults on women travelling home late at night and reducing the amount of illegal transport (touting) late at night in London, has also achieved significant improvements in safety. Reported serious sexual assault in this sector has dropped by a third in the two years since the project started. This means that at least 70 women (many more when allowing for under-reporting) have been spared from this crime. Some 1,500 arrests for touting have been made and the incidence of touting is falling.

## **Road Network Management**

4.21 One of the key highlights of 2004/05 was the Traffic Management Act 2004 which received Royal Assent in July. The Act created a new Network Management Duty for

all traffic authorities to “expedite the movement of traffic” on their own roads and those of neighbouring authorities. The Traffic Alert Service was launched in July 2004 to disseminate useful traffic information. During 2004/05, TfL thoroughly investigated ways to enhance the understanding of the causes and effects of change in traffic behaviour in London. TfL continued the development of the London Works system which will collate, facilitate and coordinate permit works information contained in the local street works registers operated by the London Traffic Authorities.

### **Improving Group Shared Services**

4.22 During 2004/05, the Financial Shared Services Centre (FSC) was created to maximise, amongst others, the benefits accruing from the introduction of common practices across the whole Group associated with the Business Improvement Project. The FSC went live on 31 August 2004 and the phased transfer of staff completed on 27 September 2004, as planned. In addition, in January 2005 HR Shared Services was launched in order to deliver high volume HR services to the whole of TfL. As a result of these two initiatives substantial costs savings have already been achieved primarily through the reduction of headcount in the relevant business areas.

### **Public Carriage Office**

4.23 In April 2004, the licensing of private hire vehicles and their drivers commenced. By the end of 2004/05 nearly 35,000 private hire vehicles and 20,000 drivers were licensed. Following PCO’s consultation with London’s licensed taxi trade, the Mayor announced the taxi emissions strategy in December 2004. The strategy is aimed at bringing all of London’s taxis up to Euro 3 standard by the summer of 2008, making a major contribution to the Mayor’s commitment to a London low emission zone. It will be implemented through the PCO licensing regime and funded by an environmental charge of 20p on taxi fares from April 2005.

### **Walking and Cycling**

4.24 A wide range of walking projects and initiatives were delivered on borough roads and the TLRN in 2004/5, with a total spend of £6.7m. Improvements included new crossing facilities, wider footways, personal security improvements (including lighting and measures to design out crime), improved links to stations and opening up railway arches. In addition, the southern section of London’s Capital Ring walk was completed in September 2004. The 34-mile long section, which is part of the London Strategic Walks Network, runs from Woolwich Foot Tunnel to Richmond Bridge. TfL also won in 2004/05 the award for Street Environment in the National Transport Awards for its £25m “World Squares for All” project at Trafalgar Square.

4.25 For cycling, projects totalling £13.9m were delivered on Borough roads, TLRN, within schools and through London-wide campaigns. Improvements included 70km of the LCN+ network implemented (420km in total now completed), green routes through parks and alongside canals, local access improvements and secure cycle parking in schools, at stations and on-street.

### **Transport Policing and Enforcement Directorate**

4.26 Decriminalised parking enforcement started on the TLRN on 15 November 2004. As a result the Special Services Agreement between TfL and the Metropolitan Police

Authority was extended to incorporate the 350 strong Metropolitan Police Traffic Warden Service. In January 2005, the London Underground Crime Reduction Team transferred to the TPED Policing team with the aim to manage more efficiently TfL's pan-modal crime reduction initiatives. In addition, the Red Route camera enforcement project went live on 14 February 2005 as planned, with a significant marketing campaign preceding the introduction of this new type of enforcement. Since the summer of 2004 all PCNs have been processed by National Car Parks Ltd.

## E-Government

- 4.27 TfL in common with central and local government has adopted the target of making all of its services available electronically by December 2005. In 2003/04, TfL achieved 80 per cent of its interactions on-line and in 2004/5 this has risen to 90 per cent, which is nearly double the number TfL achieved in 2002/03.

## Progress on Major Schemes

- 4.28 In November 2004 responsibility for the East London Line Extension project transferred to TfL. The first stage enabling works are now substantially complete, while the design and procurement of the second stage enabling works is in progress. Phase one of the project, which will be funded within TfL's new 5-year Investment Programme, will be delivered by June 2010, in good time to support a successful Olympic Bid. Consultation on route options for the Greenwich Waterfront Transit began on 19 November 2004 and closed on 21 January 2005. Formal consultation is planned for autumn 2005 with construction expected to start in 2006. Main development work on the East London Transit Phase 2 – connection to Thames Gateway Bridge commenced in March.

## 5. FINANCIAL PERFORMANCE REVIEW

- 5.1 The overall financial position for TfL is summarised as follows:

| £m                               | Full Year    |                    |
|----------------------------------|--------------|--------------------|
|                                  | Outturn      | Variance to Budget |
| Income                           | (2,632)      | (67)               |
| Operating Expenditure            | 4,458        | (14)               |
| <b>Gross Margin</b>              | <b>1,826</b> | <b>(81)</b>        |
| Capital Expenditure              | 559          | (61)               |
| Overprogramming                  | -            | 80                 |
| <b>Total Capital Expenditure</b> | <b>559</b>   | <b>19</b>          |
| Capital Receipts                 | (124)        | 34                 |
| Contingency                      | -            | (25)               |
| <b>NET EXPENDITURE</b>           | <b>2,261</b> | <b>(53)</b>        |

Income above budget and expenditure below budget are shown by variances in brackets

- 5.2 The detailed financial results are set out in **Annex 2** and the variances are discussed below.

## OPERATING BUDGET

### Income

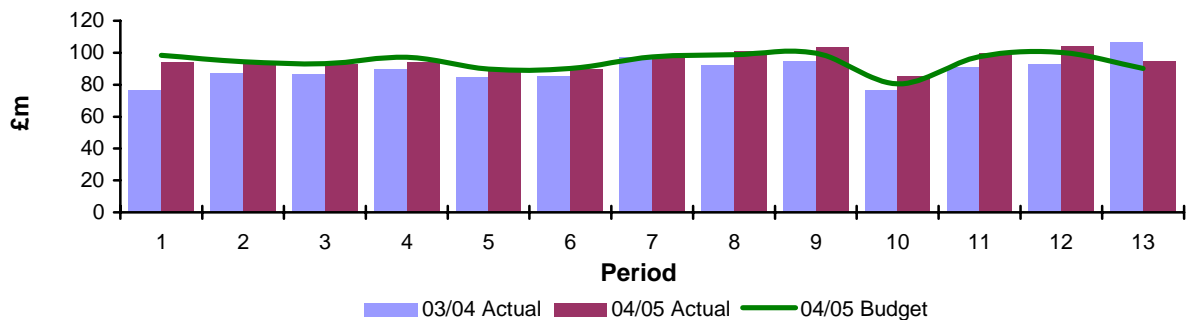
5.3 TfL's total income for the full year at £2,632m was £67m (3%) better than budget. The key elements are shown in the table below:

| £m                         | Full Year      |                    |
|----------------------------|----------------|--------------------|
|                            | Outturn        | Variance to Budget |
| Underground Traffic Income | (1,240)        | (38)               |
| Bus Network Income         | (869)          | (3)                |
| Congestion Charging Income | (192)          | (13)               |
| Other                      | (331)          | (13)               |
| <b>Total</b>               | <b>(2,632)</b> | <b>(67)</b>        |

Income above budget is shown by variances in brackets

5.4 London Underground's traffic income for the full year at £1,240m was £38m (or 3%) better than budget was due to stronger than anticipated demand, following a recovery in passenger numbers that was sustained throughout the year. Results for the final quarter indicate that the expected yield from the January 2005 fares revision is being achieved.

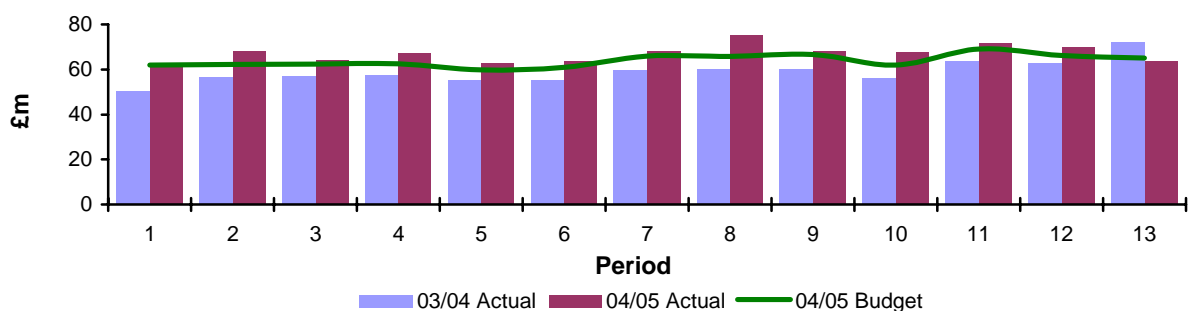
Figure 1: London Underground - Traffic Income



\*The Central Line was fully open from the final week of P1 2003/04 but operating to a reduced timetable. P13 2003/04 was 4 days longer than a standard period

5.5 Bus network income for the full year at £869m was £3m better than budget and 13.2% up on full year figures for 2003/04.

Figure 2: Bus Network Income



5.6 Congestion Charging gross income at £192m was £13m (7%) better than budget. The

positive variance was primarily due to £4m of higher than budgeted sales and £9m from a higher number of Penalty Charge Notices (PCN) issued and the higher recovery rate of these PCNs.

- 5.7 'Other' income at £331m was £13m (5%) better than budget. This includes excess income within Group Directorates with £10.8m from Group Treasury Bank Interest. 'Other' income also included higher than budgeted income of £3.3m from advertising on the London Underground and £1.5m from bus stops and shelters.

## Operating Expenditure

- 5.8 TfL's total operating expenditure for the full year at £4,458m was £14m better than budget. The key elements are shown in the table below:

| £m                 | Full Year    |                    |
|--------------------|--------------|--------------------|
|                    | Outturn      | Variance to Budget |
| London Underground | 2,152        | (11)               |
| Surface Transport  | 1,961        | (7)                |
| London Rail        | 113          | 1                  |
| Group Directorates | 232          | 3                  |
| <b>Total</b>       | <b>4,458</b> | <b>(14)</b>        |

Expenditure below budget is shown by variances in brackets

- 5.9 London Underground's operating expenditure at £11m better than budget is a result of £10m of savings in corporate expenses and insurance.
- 5.10 Lower than budgeted expenditure in Surface Transport is primarily a result of lower than budgeted expenditure of £19m on the Bus Network, £7m on Congestion Charging and a further £6m relating to delays to the Congestion Charging Western Extension. Lower expenditure on the Bus network reflects continuing efficiencies from better operating conditions, reflected in on-going schedule reviews and delayed conversion of non-TfL funded London Local Service Agreement (LLSA) routes, which is now planned for 2005/06.
- 5.11 Operating expenditure within the Group Directorates was slightly over budget as a result of increased expenditure on the Stratford Feasibility study for the 2012 Olympic Bid, offset by lower borrowing costs, lower Train Operating Company (TOC) compensation payments, reduced Borough Partnership spend and re-phasing for the Financial Services Centre.

## CAPITAL BUDGET

### Capital Expenditure

- 5.12 TfL's gross capital expenditure for the full year at £559m was £19m (3%) over budget as shown in the table below:

| £m                               | Full Year  |                    |
|----------------------------------|------------|--------------------|
|                                  | Outturn    | Variance to Budget |
| London Underground               | 289        | (11)               |
| Surface Transport                | 228        | (30)               |
| London Rail                      | 16         | (11)               |
| Corporate Directorates           | 26         | (9)                |
| Overprogramming                  | -          | 80                 |
| <b>Total Capital Expenditure</b> | <b>559</b> | <b>19</b>          |
| Reimbursed Expenditure*          | (97)       | 13                 |
| Capital Receipts                 | (27)       | 21                 |
| <b>NET CAPITAL EXPENDITURE</b>   | <b>435</b> | <b>53</b>          |

\* Includes East London Line Extension and CTRL at Kings Cross

Capital Expenditure below budget, Capital receipts and Reimbursed Expenditure above budget are shown by variance in brackets

- 5.13 London Underground's capital expenditure at £289m was £11m (4%) lower than budget. The main variances reflect lower than budgeted expenditure of £14.4m on the East London Line Extension, (which is currently held within the London Underground budget, but in accordance with the Investment Programme will transfer to the London Rail budget) and higher than budgeted expenditure of £2.7m on the CTRL works at King Cross. As these schemes are externally funded, lower capital expenditure is matched by lower capital receipts thereby having no net impact on the budget.
- 5.14 Additional variances in London Underground's result relate to lower than budgeted spend of £4.9m on staff accommodation as a result of project re-phasing, higher than budgeted expenditure on Connect enabling works due to a change in financing arrangements and a significant acceleration of delivery in the value of work done on the Jubilee Line 7<sup>th</sup> car project over the last quarter resulting in capital expenditure exceeding budget by £3.8m.
- 5.15 Surface Transport's capital expenditure at £228m was £30m (12%) below the budget. This variance includes lower than budgeted expenditure of £5m due to slippage to the signing of the contract to replace bus radio, AVL and Countdown, £5.4m for Borough Principal Road Maintenance, £11.6m on the technology trials and CCS Western extension and £6.2m on a range of bus priority measures.
- 5.16 London Rail capital expenditure is £11m lower than budget mainly due to the decision to fund the acquisition of additional railcars for the Woolwich extension and 3-car upgrade by finance lease and the number of DLR railcars that have been refurbished being lower than originally committed to by the contractor. Railcar refurbishment issues continue to be progressed towards an accelerated future programme without adversely affecting passenger service.
- 5.17 In summary, the overall result shows capital expenditure, after an overprogramming provision<sup>1</sup> of £80m, to be £19m ahead of budget. This has been more than offset by increased income and savings on operating expenditure.

<sup>1</sup> Overprogramming represents a central reduction in the budgeted expenditure of the business units. This reduction recognises that delays can arise from consultation, planning and obtaining of powers.

## Capital Receipts

5.18 TfL's capital receipts and reimbursed expenses for the year totalled £124m, which is £34m below budget. Lower reimbursed capital was in line with the lower capital spend. In addition, lower capital receipts were due to the deferred disposal of surplus properties connected with the A406 improvements at Bounds Green.

## 6. EFFICIENCIES

6.1 In 2004/05 TfL achieved £119m of efficiencies, against a revised target of £107m. This is more than double the original target of £54m and is a result of greater than planned back office savings and expansion of the programme to focus on operational areas.

6.2 Key highlights of this considerable organisation-wide achievement include:

- Procurement savings of £46m against a target of £38m. This programme has now achieved its 3 year target, one year early, representing a considerable achievement by procurement professionals and managers across the organisation. Focus going forward will be on a sustained procurement challenge to achieve 3-5% savings against budgeted expenditure per annum.
- During 2004/5 shared services in HR and Finance went live, contributing to over £15m of savings from staffing and IT systems, slightly lower than target of £18m due to reduced savings in General Counsel and from legacy system decommissioning. Further savings from shared services are expected next year due to full year effects.
- Bus contract savings of £17m, primarily from bus contract tendering (£13.5m), and reduced commission payable on ticket sales.
- Earlier than planned savings of £3m were achieved due to the effects of changes in customer ticketing behaviour in LUL as a result of Oystercard and other initiatives.
- Within London Underground, savings of £20m were delivered from revised real time information infrastructure. This was £12m lower than forecast due to a rephasing of benefits from the BCV Infrastructure Service Change (ISC) rebate, which is expected to be recovered in full in 2005/06.

## 7. STAFF

7.1 As shown in **Annex 3**, the total FTE for TfL staff at 31 March 2005 was 19,340 which were 209 FTEs above budget. The main areas with staff levels above budget are in London Underground (75) and Group Services (167).

7.2 London Underground staff levels were 75 above budget at year end. The increased headcount in Operations is a result of a significant reduction in the rate of natural wastage of train operators combined with an increase in the success rate in train operator courses. This is being addressed by reducing the number of places on the training courses accordingly. In Central Services the increase was mainly driven by the agreed step-up in staffing levels for 2005/06 to meet the need for more engineering assurance staff.

7.3 The variance in Surface Transport of 54 below budget includes lower than budgeted staff levels for Dial-a-Ride (63) where a recruitment process is underway to recover

this position. Restructuring across cost centres has resulted in lower than budgeted levels in Management Support and Strategy largely offset by higher than budgeted staff levels in London Buses, Congestion Charging, Public Carriage Office and East Thames Buses.

- 7.4 Group Services headcount continues to undergo change following the structural reorganisation and has undergone a phased reduction of FTE throughout the year. The year end number of 832 FTEs includes a number of staff released following the completion of the HR Services programmes. A further reduction of 107 FTEs is planned for early in 2005/06. The remaining variance is primarily associated with historic under-budgeting for approved and funded establishment posts (such as graduate trainees), which will be adjusted in 2005/6.

## **8. CONTACTS**

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Telephone: (0207) 941-4740

## OPERATIONAL SCORECARD

| Performance Indicators                        |            | Final Quarter |        |         |            | Full Year |        |          |            |
|---|------------|---------------|--------|---------|------------|-----------|--------|----------|------------|
|   |            | Actual        | Target | Var     | Prior Year | Actual    | Target | Var      | Prior Year |
| <b>LONDON UNDERGROUND</b>                     |            |               |        |         |            |           |        |          |            |
| <b>Safety</b>                                 |            |               |        |         |            |           |        |          |            |
| Total number of major injuries and fatalities | #          | 47            | n/a    | n/a     | 48         | 129       | n/a    | n/a      | 145        |
| CSS: personal safety and security             | Score      | 81            | 79     | 2       | 80         | 81        | 79     | 2        | 80         |
| <b>Service Volumes / Ridership</b>            |            |               |        |         |            |           |        |          |            |
| Usage: passenger journeys*                    | M          | 291.0         | 270.5  | 20.5    | 296.1      | 975.9     | 935.2  | 40.7     | 947.5      |
| Train kilometres operated*                    | M          | 20.5          | 20.8   | (0.3)   | 21.4       | 69.4      | 69.8   | (0.4)    | 67.7       |
| CSS: crowding                                 | Score      | 73            | 68     | 5       | 75         | 74        | 68     | 5        | 74         |
| <b>Reliability &amp; Service Quality</b>      |            |               |        |         |            |           |        |          |            |
| Percentage of scheduled service operated      | %          | 95.7          | 94.9   | 0.8     | 94.1       | 95.3      | 94.8   | 0.5      | 93.1       |
| Excess journey time – unweighted              | Mins       | 3.2           | 3.3    | 0.1     | 3.3        | 3.2       | 3.3    | 0.1      | 3.4        |
| CSS: overall satisfaction                     | Score      | 78            | 76     | 2       | 78         | 78        | 76     | 2        | 76         |
| CSS: information                              | Score      | 78            | 77     | 1       | 78         | 78        | 77     | 1        | 78         |
| Peak Hour Trains cancelled                    | %          | 2.6           | 3.6    | 1.0     | 3.9        | 2.8       | 3.6    | 0.8      | 5.3        |
| <b>PPP PERFORMANCE</b>                        |            |               |        |         |            |           |        |          |            |
| <b>BCV</b>                                    |            |               |        |         |            |           |        |          |            |
| Availability - Lost Customer Hours**          | ('000) LCH | 1,263         | 1,635  | 372     | 1,492      | 5,143     | 5,313  | 170      | 5,910      |
| Ambience                                      | Score      | 68.2          | 68.0   | 0.2     | 70.5       | 68.8      | 68.0   | 0.8      | 69.8       |
| Facilities Faults                             | Points     | 16,781        | 15,840 | (941)   | 26,910     | 67,356    | 51,480 | (15,876) | 78,476     |
| <b>JNP</b>                                    |            |               |        |         |            |           |        |          |            |
| Availability - Lost Customer Hours**          | ('000) LCH | 1,664         | 1,661  | (3)     | 1,482      | 5,179     | 5,434  | 255      | 6,073      |
| Ambience                                      | Score      | 70.0          | 71.0   | (1.0)   | 71.0       | 70.7      | 71.0   | (0.3)    | 70.5       |
| Facilities Faults                             | Points     | 36,307        | 28,380 | (7,927) | 50,883     | 134,129   | 94,260 | (39,869) | 158,171    |
| <b>SSL</b>                                    |            |               |        |         |            |           |        |          |            |
| Availability - Lost Customer Hours**          | ('000) LCH | 1,160         | 2,109  | 949     | 1,869      | 3,870     | 6,854  | 2,984    | 5,961      |
| Ambience                                      | Score      | 69.8          | 70.0   | (0.2)   | 68.4       | 70.1      | 70.0   | 0.1      | 68.9       |
| Facilities Faults                             | Points     | 16,523        | 19,000 | 2,477   | 20,931     | 58,084    | 61,750 | 3,666    | 72,713     |

\* For comparison with Q4 2003/04 the Q4 2004/05 actual values should be increased by 5%, for the differing number of days (116 in Q4 2003/04 and 110 in Q4 2004/05)

\*\* Agreed and abeyance

## OPERATIONAL SCORECARD

| Performance Indicators                        |       | Final Quarter |        |        |            | Full Year |         |       |            |
|---|-------|---------------|--------|--------|------------|-----------|---------|-------|------------|
|   |       | Actual        | Target | Var    | Prior Year | Actual    | Target  | Var   | Prior Year |
| <b>LONDON BUSES</b>                           |       |               |        |        |            |           |         |       |            |
| <b>Safety</b>                                 |       |               |        |        |            |           |         |       |            |
| Total number of major injuries and fatalities | #     | 314           | n/a    | n/a    | 364        | 1,164     | n/a     | n/a   | 1,334      |
| CSS: personal safety and security             | Score | 85            | 80     | 5      | 87         | 85        | 80      | 5     | 85         |
| <b>Service Volumes</b>                        |       |               |        |        |            |           |         |       |            |
| Usage: passenger journeys*                    | M     | 544.7         | 585.0  | (40.3) | 539.0      | 1,792.6   | 1,800.0 | (7.0) | 1,702.0    |
| Bus kilometres operated*                      | M     | 135.2         | 136.0  | (0.8)  | 140.8      | 449.5     | 447.7   | 1.8   | 437.1      |
| CSS: crowding                                 | Score | 79            | 78     | 1      | 79         | 78        | 78      | 0     | 78         |
| <b>Reliability &amp; Service Quality</b>      |       |               |        |        |            |           |         |       |            |
| Percentage of scheduled service operated      | %     | 98.0          | 97.9   | 0.1    | 97.6       | 97.7      | 97.5    | 0.2   | 97.2       |
| Excess wait time – high frequency routes      | Mins  | 1.1           | 1.5    | 0.4    | 1.3        | 1.1       | 1.5     | 0.4   | 1.4        |
| On time performance - low frequency routes    | %     | 77.8          | 74.8   | 3.0    | 74.8       | 77.1      | 74.0    | 3.1   | 74.6       |
| On time performance - night buses             | %     | 82.9          | 78.3   | 4.6    | 79.9       | 81.9      | 78.0    | 3.9   | 79.3       |
| CSS: reliability – journey/wait time          | Score | 80            | 79     | 1      | 81         | 80        | 79      | 1     | 79         |
| CSS: overall satisfaction                     | Score | 79            | 78     | 1      | 79         | 78        | 78      | 0     | 77         |
| CSS: information                              | Score | 73            | 75     | (2)    | 74         | 73        | 75      | (2)   | 73         |
| <b>Access</b>                                 |       |               |        |        |            |           |         |       |            |
| Percentage of 'Low Floor' Buses               | %     | 95.0          | 95.0   | 0      | 91.0       | 95.0      | 95.0    | 0     | 91.0       |
| <b>LONDON TRAMS</b>                           |       |               |        |        |            |           |         |       |            |
| Usage: passenger journeys*                    | m     | 5.7           | n/a    | n/a    | 6.0        | 19.3      | n/a     | n/a   | 19.2       |
| Percentage of scheduled service operated      | %     | 95.5          | 98.0   | (2.5)  | 99.2       | 95.4      | 98.0    | (2.6) | 99.6       |
| CSS: overall satisfaction                     | Score | 85            | 88     | (3)    | 89         | 87        | 88      | (1)   | 88         |
| <b>PUBLIC CARRIAGE OFFICE</b>                 |       |               |        |        |            |           |         |       |            |
| No. of taxi drivers licensed                  | 000   | 24.7          | 25.9   | (1.2)  | 24.8       | 24.7      | 25.9    | (1.2) | 24.8       |
| No. of private hire drivers licensed          | 000   | 16.3          | 20.8   | (4.5)  | 2.3        | 16.3      | 20.8    | (4.5) | 2.3        |
| <b>LONDON RIVER SERVICES</b>                  |       |               |        |        |            |           |         |       |            |
| Usage: passenger journeys*                    | 000   | 410.5         | 300.0  | 110.5  | 351.0      | 2,342.8   | 2,100.0 | 242.8 | 2,117.0    |
| Percentage of scheduled service operated      | %     | 99            | 99     | 0      | 99         | 99        | 99      | 0     | 99         |
| <b>VICTORIA COACH SERVICES</b>                |       |               |        |        |            |           |         |       |            |
| Usage: Number of coach departures*            | 000   | 63.9          | 60.1   | 3.8    | 61.4       | 215.3     | 192.0   | 23.3  | 196.2      |
| CSS: overall satisfaction                     | Score | 77            | 72     | 5      | 73         | 76        | 72      | 4     | 74         |
| <b>DIAL-A-RIDE</b>                            |       |               |        |        |            |           |         |       |            |
| Total costs per trip                          | £     | 20.3          | 14.7   | (5.6)  | 14.0       | 17.0      | 14.1    | (2.9) | 13.5       |
| CSS: overall satisfaction                     | Score | 93            | 93     | 0      | 94         | 93        | 93      | 0     | 93         |

\* For comparison with Q4 2003/04 the actual Q4 2004/05 values should be increased by 5%, for the differing number of days (116 in Q4 2003/04 and 110 in Q4 2004/05)

## OPERATIONAL SCORECARD

| Performance Indicators                             |       | Final Quarter |        |        |            | Full Year |         |       |            |
|--|-------|---------------|--------|--------|------------|-----------|---------|-------|------------|
|  |       | Actual        | Target | Var    | Prior Year | Actual    | Target  | Var   | Prior Year |
| <b>ROAD NETWORK OPERATIONS</b>                     |       |               |        |        |            |           |         |       |            |
| <b>Safety</b>                                      |       |               |        |        |            |           |         |       |            |
| No. of major injuries and fatalities (TLRN)        | #     | 220           | n/a    | n/a    | 460        | 995       | n/a     | n/a   | 1,418      |
| No. of major injuries and fatalities (Londonwide)  | #     | 1,141         | n/a    | n/a    | 1,702      | 4,117     | n/a     | n/a   | 5,164      |
| <b>Service Volumes</b>                             |       |               |        |        |            |           |         |       |            |
| Cycling on TLRN (index April 2000 =100)            | #     | 123           | 111    | 12     | 106        | 141       | 122     | 19    | 118        |
| <b>Reliability and Service Quality</b>             |       |               |        |        |            |           |         |       |            |
| Street Lights working                              | %     | 99            | 98     | 1      | 97         | 97        | 98      | (1)   | 97         |
| Traffic Signals operating effectively (Londonwide) | %     | 97            | 97     | 0      | 97         | 97        | 97      | 0     | 97         |
| Days of control/closure on sensitive roads         | %     | 0             | 7      | 7      | 1          | 0         | 20      | 20    | 16         |
| <b>DOCKLANDS LIGHT RAILWAY</b>                     |       |               |        |        |            |           |         |       |            |
| <b>Safety</b>                                      |       |               |        |        |            |           |         |       |            |
| RIDDOR reportable injuries to staff/passengers     | #     | 5             | n/a    | n/a    | 7          | 15        | n/a     | n/a   | 13         |
| CSS: personal safety and security                  | Score | 90.3          | 86.3   | 4.0    | 91.0       | 90.1      | 86.3    | 3.8   | 92.0       |
| <b>Service Volumes</b>                             |       |               |        |        |            |           |         |       |            |
| Usage: Passenger journeys*                         | M     | 14.8          | 15.8   | (1.0)  | 15.2       | 50.1      | 51.9    | (1.8) | 48.5       |
| Train Kilometres Operated*                         | M     | 1.0           | 1.0    | 0      | 1.1        | 3.3       | 3.3     | 0     | 3.4        |
| <b>Reliability and Service Quality</b>             |       |               |        |        |            |           |         |       |            |
| Percentage of scheduled service operated           | %     | 98.7          | 98.0   | 0.7    | 98.3       | 98.0      | 98.0    | 0     | 98.2       |
| On-Time Performance – adherence to schedule        | %     | 97.4          | 96.0   | 1.4    | 96.7       | 96.0      | 96.0    | 0     | 96.6       |
| CSS : Overall Satisfaction                         | Score | 94.4          | 83.5   | 10.9   | 94.3       | 95.0      | 83.5    | 11.5  | 94.0       |
| CSS : Information                                  | Score | 95.3          | 86.0   | 9.3    | 95.3       | 95.5      | 86.0    | 9.5   | 95.2       |
| <b>Access</b>                                      |       |               |        |        |            |           |         |       |            |
| % of system accessible                             | %     | 100           | 100    | 0      | 100        | 100       | 100     | 0     | 100        |
| <b>TfL GROUP (Consolidated Modal Results)</b>      |       |               |        |        |            |           |         |       |            |
| <b>Safety</b>                                      |       |               |        |        |            |           |         |       |            |
| Passenger Major Injuries & Fatalities              | #     | 279           | n/a    | n/a    | 237        | 898       | n/a     | n/a   | 816        |
| <b>Service Volumes</b>                             |       |               |        |        |            |           |         |       |            |
| Usage: passenger journeys*                         | M     | 857.0         | 883.4  | (26.4) | 857.0      | 2,841.8   | 2,822.8 | 19.0  | 2,720.8    |
| <b>Reliability and Service Quality</b>             |       |               |        |        |            |           |         |       |            |
| Reliability of Service (Delay Index)               | #     | 78.9          | n/a    | n/a    | 110.4      | 79.8      | n/a     | n/a   | 114.9      |
| CSS: overall satisfaction (weighted)               | Score | 79.0          | 77.5   | 1.5    | 79.0       | 78.2      | 77.5    | 0.7   | 77.4       |

\* For comparison with Q4 2003/04 the actual Q4 2004/05 values should be increased by 5%, for the differing number of days (116 in Q4 2003/04 and 110 in Q4 2004/05)

 Target achieved

 Performance below target

**Notes/Key:**

Negative variances are adverse.

**ANNEX 2  
INCOME AND EXPENDITURE**

|                                    | Full Year                |                             |
|------------------------------------|--------------------------|-----------------------------|
|                                    | 1 Apr to<br>31 Mar<br>£m | Variance to<br>Budget<br>£m |
| <b>INCOME</b>                      |                          |                             |
| <b>London Underground</b>          |                          |                             |
| Traffic Revenue                    | (1,240)                  | (38)                        |
| Advertising                        | (50)                     | (4)                         |
| Property Sales                     | (33)                     | (1)                         |
| Property Rental                    | (10)                     | 8                           |
|                                    | <b>(1,333)</b>           | <b>(35)</b>                 |
| <b>Surface Transport</b>           |                          |                             |
| Bus Network                        | (869)                    | (3)                         |
| Other London Buses                 | (17)                     | (1)                         |
| Congestion Charging                | (192)                    | (13)                        |
| Transport Policing & Enforcement   | (21)                     | 2                           |
| Other Surface Transport            | (38)                     | (1)                         |
|                                    | <b>(1,137)</b>           | <b>(15)</b>                 |
| <b>London Rail</b>                 |                          |                             |
| Docklands Light Railway            | (43)                     | 1                           |
| London Rail Core                   | -                        | 3                           |
|                                    | <b>(43)</b>              | <b>4</b>                    |
| <b>Group Directorates</b>          | <b>(120)</b>             | <b>(20)</b>                 |
| <b>TOTAL INCOME</b>                | <b>(2,632)</b>           | <b>(67)</b>                 |
| <b>OPERATING EXPENDITURE</b>       |                          |                             |
| <b>London Underground</b>          |                          |                             |
| Operations                         | 590                      | (3)                         |
| Programmes                         | 1,423                    | 2                           |
| Central Services                   | 140                      | (10)                        |
|                                    | <b>2,152</b>             | <b>(11)</b>                 |
| <b>Surface Transport</b>           |                          |                             |
| Bus Network                        | 1,291                    | (19)                        |
| Other London Buses                 | 112                      | 2                           |
| Congestion Charging                | 103                      | (25)                        |
| Street Management                  | 194                      | 36                          |
| Director of Traffic Operations     | 38                       | (2)                         |
| Road Network Performance           | 23                       | (1)                         |
| Transport Policing & Enforcement   | 106                      | (1)                         |
| Other                              | 96                       | 2                           |
|                                    | <b>1,961</b>             | <b>(7)</b>                  |
| <b>London Rail</b>                 |                          |                             |
| Docklands Light Railway            | 71                       | 1                           |
| London Rail Core                   | 42                       | -                           |
|                                    | <b>113</b>               | <b>1</b>                    |
| <b>Group Directorates</b>          | <b>232</b>               | <b>3</b>                    |
| <b>TOTAL OPERATING EXPENDITURE</b> | <b>4,458</b>             | <b>(14)</b>                 |

Income above and expenditure below budget is shown by variances in brackets.

**ANNEX 2(CONT)**  
**INCOME AND EXPENDITURE**

|                                  | Full Year                |                          |
|----------------------------------|--------------------------|--------------------------|
|                                  | 1 Apr to<br>31 Mar<br>£m | 1 Apr to<br>31 Mar<br>£m |
| <b>CAPITAL EXPENDITURE</b>       |                          |                          |
| <b>London Underground</b>        |                          |                          |
| Operations                       | 35                       | (30)                     |
| Programmes                       | 251                      | 11                       |
| Central Services                 | 2                        | 7                        |
|                                  | <b>289</b>               | <b>(11)</b>              |
| <b>Surface Transport</b>         |                          |                          |
| London Buses                     | 22                       | (6)                      |
| Congestion Charging              | (1)                      | (12)                     |
| Street Management                | 91                       | (0)                      |
| Director of Traffic Operations   | 15                       | (2)                      |
| Road Network Performance         | 56                       | (5)                      |
| Transport Policing & Enforcement | 4                        | 2                        |
| Other                            | 41                       | (6)                      |
|                                  | <b>228</b>               | <b>(30)</b>              |
| <b>London Rail</b>               |                          |                          |
| Docklands Light Railway          | 16                       | (11)                     |
| <b>Group Directorates</b>        | <b>26</b>                | <b>(9)</b>               |
| Overprogramming                  |                          | 80                       |
| <b>CAPITAL EXPENDITURE</b>       | <b>559</b>               | <b>19</b>                |
| <b>Capital Receipts</b>          | <b>(124)</b>             | <b>34</b>                |
| <b>NET CAPITAL EXPENDITURE</b>   | <b>435</b>               | <b>53</b>                |

Expenditure below budget is shown by variances in brackets.

**SUMMARY**

| £m                      | Full Year    |                       |
|-------------------------|--------------|-----------------------|
|                         | Outturn      | Variance to<br>Budget |
| Income                  | (2,632)      | (67)                  |
| Operating Expenditure   | 4,458        | (14)                  |
| <b>Gross Margin</b>     | <b>1,826</b> | <b>(81)</b>           |
| Net Capital Expenditure | 435          | 53                    |
| Contingency             | -            | (25)                  |
| <b>NET EXPENDITURE</b>  | <b>2,261</b> | <b>(53)</b>           |

**ANNEX 3  
Staff Employed**

| 31 March<br>2004 |                                  | 31 March 2005 |                       |
|------------------|----------------------------------|---------------|-----------------------|
|                  |                                  | Actual        | Variance to<br>Budget |
|                  | <b>London Underground</b>        |               |                       |
| 12,304           | Operations                       | 12,495        | 13                    |
| 515              | Programmes                       | 569           | 33                    |
| 589              | Central Services                 | 512           | 29                    |
| <b>13,408</b>    |                                  | <b>13,576</b> | <b>75</b>             |
|                  | <b>Surface Transport</b>         |               |                       |
| 640              | London Buses                     | 661           | 36                    |
| 92               | Congestion Charging              | 135           | 17                    |
| 430              | Street Management                | 762           | 21                    |
| 359              | Transport Policing & Enforcement | 435           | (11)                  |
| 211              | Public Carriage Office           | 216           | 7                     |
| 433              | East Thames Buses                | 435           | 4                     |
| 550              | Dial-a-Ride                      | 553           | (63)                  |
| 16               | London River Services            | 16            |                       |
| 115              | Victoria Coach Station           | 118           | (6)                   |
| 441              | Management Support & Strategy    | 455           | (59)                  |
| <b>3,398</b>     |                                  | <b>3,786</b>  | <b>(54)</b>           |
|                  | <b>London Rail</b>               |               |                       |
| 23               | Docklands Light Railway          | 31            | 0                     |
| 31               | Other London Rail*               | 108           | 1                     |
| <b>54</b>        |                                  | <b>139</b>    | <b>1</b>              |
|                  | <b>Group Directorates</b>        |               |                       |
| 21               | Office of the Commissioner       | 22            | 1                     |
| 128              | General Counsel                  | 108           | (2)                   |
| 168              | Group Communications             | 60            | 3                     |
| 660              | Finance & Planning               | 817           | 18                    |
| 837              | Group Services                   | 832           | 167                   |
| <b>1,814</b>     |                                  | <b>1,839</b>  | <b>187</b>            |
| <b>18,674</b>    | <b>Total Staff Employed</b>      | <b>19,340</b> | <b>209</b>            |

Variances below budget are shown in brackets.

\*Includes Crossrail secondees