

## London TravelWatch Performance Report to 30.9.11

### 1. Summary

- 1.1 This report sets out details of London TravelWatch's performance for the first six months of 2011/12 and shows the financial position as at 30 September 2011. It provides a high-level summary of performance against the suite of performance indicators agreed previously with the Transport Committee.

#### Financial Outturn

- 1.2 The financial position as at the end of September 2011 is summarised below:

	Original Budget	Revised Budget	Actual to date	Year end Forecast	Forecast Variance
	£	£	£	£	£
<b>REVENUE EXPENDITURE</b>					
Chairman, Members & Staff Costs	1,067,947	1,067,947	603,913	1,221,364	153,417
Accommodation costs	218,451	218,451	107,875	215,933	(2,518)
Supplies & Services	118,062	118,062	61,783	159,597	41,535
Depreciation	38,540	38,540	18,055	35,711	(2,829)
<b>Total Revenue Expenditure</b>	<b>1,443,000</b>	<b>1,433,000</b>	<b>791,626</b>	<b>1,632,605</b>	<b>189,605</b>
<b>Total Capital &amp; Revenue Expenditure</b>	<b>1,443,000</b>	<b>1,433,000</b>	<b>791,626</b>	<b>1,632,605</b>	<b>189,605</b>
<b>INCOME</b>					
Greater London Authority Funding	1,443,000	1,433,000	841,750	1,433,000	0
Passenger Focus	0	0	8,640	13,000	(13,000)
Bank Interest Receivable	0	0	39	50	(50)
Other income	0	0	0	0	0
<b>Total Income</b>	<b>1,443,000</b>	<b>1,433,000</b>	<b>850,429</b>	<b>1,456,050</b>	<b>(13,050)</b>
Surplus / (Deficit) funded from transfer to / (from) reserves – excluding capital expenditure	0	0	58,803	(176,555)	176,555
Capital Expenditure	0	0	0	0	0
Surplus / (Deficit) funded from transfer to / (from) reserves – including capital expenditure	0	0	58,803	(176,555)	176,555

## **Main Variances**

- 1.3 There will be an overspend against the revenue expenditure budget mainly attributable to increased costs because of staff departures and small savings against the accommodation budget, which will be offset by extra costs for supplies and services such as IT and legal and professional services.
- 1.4 These figures include some substantial variances resulting from London TravelWatch's internal review, in particular direct costs in the region of £329,000 will have been incurred by the end of the year in order to implement the review and thereby achieve substantial savings in future years.
- 1.5 The chairman, members and staff costs item includes forecast savings of £125,000 against the original budget figure of £1,050,000 during the year, but severance costs of £263,000 will be incurred to achieve this. Similarly, the supplies and services item includes unbudgeted costs of £66,000 to meet additional costs of legal and professional fees and training necessitated by the restructure.
- 1.6 It should be noted that London TravelWatch have met all costs associated with their restructure, however, to facilitate this, the GLA have amended London TravelWatch's grant payment profile for 2011-12, bringing forward their March grant payments to ease cash flow in late 2011. For the same reasons they have also agreed, if necessary, to vary the grant payment profile for 2012-13 so that additional funds are available at the beginning of April to allow London TravelWatch to promptly pay any invoices outstanding from March 2012.
- 1.7 Income will be higher than budgeted by £13,000 due to receipt of income from staff costs recharged to Passenger Focus, although this is directly offset by salary costs incurred.
- 1.8 There was no provision for capital expenditure in the budget and no actual capital expenditure.

## **Risk Areas**

- 1.9 There are no known areas of financial risk.

## **Headline achievements and progress against the Business Plan**

- 1.10 This section of the report highlights achievements made between April 2011 and September 2011. It also reports progress against London TravelWatch's key performance indicators.
- 1.11 During the first half of the year, following a comprehensive internal review and a separate London Assembly review, London TravelWatch implemented a staff redundancy programme, reallocated work, reconfigured its premises and sought options for outsourcing its HR and finance functions.

- 1.12 London TravelWatch now has a much smaller board and is carrying a vacancy. The reduced size of the Board presents a governance risk to the organisation because of the lack of representation of South Londoners and people with physical mobility problems.
- 1.13 Performance against turnaround targets for casework continues to be excellent as the table of performance indicators later in this report confirms.
- 1.14 London TravelWatch continued to encourage transport operators to improve their complaints handling and approach to customer care and met regularly with transport providers to put forward the consumer view. Recalcitrant issues were raised with operators at managerial level.
- 1.15 London TravelWatch published two key pieces of research during this period. One investigated unfinished journeys made using Oyster Pay As You Go (PAYG) and the organisation was pleased that the publicity surrounding its work led to a 10% increase in the number of passengers claiming refunds to which they were entitled. The other promoted good practice in respect of transport interchanges and walking and is already being used as the basis for further discussion with transport operators and providers to secure improvements for the public.
- 1.16 London TravelWatch continued to maintain a watching brief on the progress of issues it had dealt with in previous years. In relation to safety for taxi passengers, it continued to press for taxi driver criminal records checks and was pleased when this was then followed up by Transport for London (TfL). Subsequently, London TravelWatch met with the Home Office in September along with London Councils, the Suzy Lampugh Trust and the Licensed Taxi Drivers Association to discuss this issue and the Home Office is rethinking its decision.
- 1.17 London TravelWatch continued to monitor closely proposals by operators to reduce services to passengers. It submitted a response to a London Midland Schedule 17 proposal to reduce booking office opening hours which is currently in arbitration with the Department for Transport (DfT).
- 1.18 London TravelWatch monitored the impact on transport users of arrangements being put in place for the 2012 Olympics, particularly to ensure that the needs, views and experiences of non-games users were taken account of by transport operators and providers. In May, it raised concerns over the impact on Greenwich transport users of proposed changes to train stopping patterns at Maze Hill and Charlton stations (which it did not think would benefit visitors to the Games) and successfully persuaded Southeastern to reinstate stops at Charlton station.
- 1.19 Representations by London TravelWatch to London Underground (LUL) led to additional service improvements for passengers disrupted by the refurbishment of the escalators to the Victoria Line platform at Victoria station, with more LUL and National Rail staff made available to advise and assist as well as advice by staff at Gatwick airport encouraging passengers purchasing a ticket to London to buy an Underground ticket at the same time.
- 1.20 London TravelWatch is pleased that London's train operators have taken account of its First Class Travel report, with Southern allowing customers to use first class carriages

during busy periods and First Capital Connect agreeing to halve the amount of first class accommodation on their new trains.

- 1.21 London TravelWatch successfully persuaded Southeastern in July to introduce the 'Delay Repay' scheme to compensate passengers who have experienced severe delay to their train services.
- 1.22 To address passenger concerns raised with its casework team, London TravelWatch negotiated with London Overground Rail Operations Limited (LOROL) to provide extra late train services with two additional trains from Monday to Saturday, between Stratford and Camden Road, thus extending the 10-15 minute interval service from Stratford to 11.15pm on this busiest section of the route.
- 1.23 London TravelWatch monitored the impact of fares policies across London and commented in September on the Mayor's consultation to change penalty fares, recommending that TfL delayed implementing any changes so that they could coincide with any changes on the National Rail network. Measures suggested to reduce the likelihood of passengers incurring penalty fares included implementation of London TravelWatch's research on 'incomplete Oyster PAYG' journeys and a London-wide gating strategy.
- 1.24 In June, London TravelWatch contributed to London Assembly's Transport Committee scrutiny on the performance of London Underground and published its report on this. It also submitted a response to the future ticketing scrutiny in August.
- 1.25 During this period, there were a number of important rail related consultations to which London TravelWatch responded to point out the implications for passengers in the London railway area. These included the Network Stations Route Utilisation Strategy, the Office of Rail Regulation Periodic Review 2013, and the McNulty review conclusions on fares, staffing of trains and stations, ticket office and delivery systems. It also contributed to the pre-consultation on the DfT review of Conditions of Carriage.
- 1.26 London TravelWatch responded selectively to other major consultations from statutory and regulatory organisations on changes that will impact on transport users in the London area. This included a response to TfL's Coach Strategy document in April and a response in May to the DfT's consultation on a proposed fine for various franchise breaches by Chiltern because they would have resulted in adverse consequences for its passengers in the London area.
- 1.27 London TravelWatch continued to develop its website as a source of advice on both passenger rights and relevant consumer issues. In addition to this, it continued to distribute localised stories arising from its general work, for instance, the take up by borough of bus and tram discounts for job seekers.
- 1.28 London TravelWatch continued to work efficiently, explored ways of expanding its resources and managed its restructure in a way that was as fair as possible to staff and minimised disruption to its work for transport users. It updated its business continuity plan and produced all its key documents on time in spite of the restructure and reduced staffing levels.

## **Progress against London TravelWatch's suite of key performance indicators**

- 1.29 The following performance indicators relate to the organisation's performance in its handling of casework during the six months from April to September 2011.
- 1.30 The demand for London TravelWatch's services increased in quarter two of 2011 although historically spring and early summer are a generally quieter time. Since the publication of its Oyster PAYG research in June on why passengers incur maximum charges, the number of passengers claiming refunds has risen 10%, meaning 15,000 more people a month are getting the refunds which they are due.
- 1.31 The main issues raised by passengers include difficulties in using their Oyster card, the readers not working and forgetting to touch out with their Oyster card. The latter issue is more prevalent at those stations on the National Rail network that do not have ticket barriers due to the readers being less visible or the signage being inadequate than at those stations where ticket barriers force passengers to touch in or out with their card. Interestingly, fewer complaints are received about Docklands Light Railway where the majority of stations are unstaffed and have no barriers but the location of readers and signage tends to be more consistent.
- 1.32 At the end of quarter two, a high volume of calls were received by TfL because parents or guardians were chasing the issuing of Zip Oyster cards for their dependants. As the average waiting time to speak to an advisor was at times in excess of 30 minutes, a large number of telephone calls were then received by London Travelwatch. The casework team contacted TfL who took steps to reduce the waiting time.
- 1.33 The Director of Public Liaison and the Casework Manager met with the Business Manager of Abellio, who will take over the West Anglia franchise in February 2012, to discuss best practice in complaints handling.
- 1.34 Bus complaints remained large in quantity and varied. Many complaints received were regarding the perceived behaviour of bus drivers. However, many of the plaudits received directly by London TravelWatch (which they pass on to the operators) detail how friendly and helpful a particular bus driver had been to a passenger.
- 1.35 London TravelWatch continued to have a significant caseload in relation to fares and ticketing issues. Of particular concern is where passengers seek a refund on a season ticket they no longer require. Many passengers do not realise that refunds are likely to be lower than the pro-rata cost, but also many are given refund estimates that are inaccurate at LUL ticket offices. London TravelWatch has discussed this issue with TfL with a view to better publicising passengers' entitlements to refunds on season tickets and ensuring that inaccurate estimates are not provided to passengers when the actual refund could potentially be much lower.

PI no.	Indicator	Performance											2011 /12 Target	Improve ment against target at Sep 11
		Jul/Sep 08	Oct/Mar 09	Apr/Sep 09	Oct/Dec 09	Jan/Mar 10	Apr/Jun 10	Jul/Sep 10	Oct/Dec 10	Jan/Mar 11	Apr/Jun 11	Jul/Sep 11		
1a	% of newly received cases recorded and acknowledged by LTW within 5 days	82.5%	90.5%	96.4%	97.5%	94.9%	98.9%	99.7%	99.6%	100%	100%	100%	100%	0
1b	% of newly received referred to relevant operator within 5 days	73.5%	69.5%	75.3%	75.1%	75.3%	88.7%	98.2%	96.2%	99.3%	98.9%	98.3%	75%	+23
<b>2</b>	<b>% of replies from operators considered, decision taken on further action within three days of receipt</b>													
2a	Reply within ten working days of receipt if no further action required	83.8%	67.1%	76.7%	78.5%	77.2%	88.7%	93.9%	93.5%	96.2%	98.1%	97.8%	90%	+8
2b	Reply within 20 working days of receipt if no further action required	91.9%	82.6%	87.2%	89.5%	88.1%	95%	97%	96.8%	100%	100%	99.6%	100%	0
<b>3</b>	<b>% replies to cases dealt with direct without referral to an operator</b>													
3a	Reply within ten working days of receipt if no further action required	79.8%	88.0%	94.8%	87.5%	87.2%	97.8%	99.4%	100%	100%	98.9%	100%	90%	+10
3b	Reply within 20 working days of receipt if no further action required	98.4%	97.2%	97.3%	97.2%	95.2%	98.4%	100%	100%	100%	100%	100%	100%	0
4	Mean score for respondents to LTW survey expressing satisfaction with outcome of case	72	79	66	50	46	66	73	73	70	+3			
5	Mean score for respondents to LTW survey expressing satisfaction with the speed of response	74	78	72	60	61	72	78	79	72	+7			
6	Mean score for respondents to LTW survey expressing satisfaction with handling of case	79	84	76	63	61	75	83	81	79	+2			

PI no.	Indicator	Performance											2011 /12 Target	Variance at Sep 11
		Jul/Sep 08	Oct/Mar 09	Apr/Sep 09	Oct/Dec 09	Jan/Mar 10	Apr/Jun 10	Jul/Sep 10	Oct/Dec 10	Jan/Mar 11	Apr/Jun 11	Jul/Sep 11		
7	No. of complaints received relating to LTW's service standards	1	0	0	0	0	0	0	0	0	0	0	N/A	N/A
8	% of complaints received relating to LTW's service standards fully responded to within 20 working days or the first meeting of the Casework Committee after receipt of the complaint if a decision is taken that member input is needed.	100%	0	0	0	0	0	0	0	0	0	0	100%	N/A

## Research and Development

- 1.36 The following performance indicator relates to one of the research and development aspects of London TravelWatch's work during the first six months of 2011/12.

PI no.	Indicator	2011/12 target	Performance	Variance
13	% of requests for written / oral submissions met by the agreed deadline	100%	100%	Nil

- 1.37 In this reporting period London TravelWatch responded to a total of 85 consultations. They were broken down as follows: - National Rail (22), Streets (59), LUL (1), and Buses (3). This is a significant drop compared to the previous period when it responded to a total of 283 consultations. This is because London TravelWatch receives a vast number of consultations which are related to streets but it only responded to these consultations where they involved issues which had a wider impact than on the local area, for instance where it related to bus routes that run through a number of boroughs. London TravelWatch received 244 street consultations in the period but only responded to 59. This is in line with guidance received from the London Assembly.

## Staffing Issues

- 1.38 A key focus for London TravelWatch in the first six months of 2011-12 was preparing for and implementing the organisational changes resulting from its internal review. Staff were consulted throughout the process in accordance with its employment protection and redundancy policy. Six staff applied for voluntary redundancy, four of whom left at the end of July and the other two left at the end of December. These redundancies, combined with vacancies which had arisen over the previous year but where posts were not filled, has meant that the organisation will have reduced its full time staffing establishment from 23 in September 2010 to 16 in January 2012.
- 1.39 Unfortunately there has been a small reduction in the staffing complement of the casework and the policy and investigation teams. However London TravelWatch was keen to protect these two key services so the majority of staffing cuts were made by reducing the number of Board and Committee meetings and through streamlining and refining core activities. There was also a reduction in the corporate reception function which was enabled by a substantial drop in the number of inappropriate phone calls from the public now that London TravelWatch's telephone number is being removed from the buses, as well as by holding fewer public meetings.



- 1.40 In accordance with guidance given by the Transport Committee, London TravelWatch spent a considerable amount of time investigating the possibilities of outsourcing the majority of its finance and HR work to either Passenger Focus or the GLA. Unfortunately neither option proved possible, and the organisation has decided to retain a much reduced finance and HR function in-house. It has made major changes to its finance and HR procedures to enable this and will now operate with a team consisting of 1.4 (full time equivalent) staff.
- 1.41 London TravelWatch has made a substantial investment in training, learning and development to ensure that staff fully understand their new roles and the different ways of working that will now be required of them, and that staff taking on new responsibilities are properly supported in doing this. There has also been a big emphasis on knowledge management continuity to try and reduce the impact of losing so many experienced staff in such a short time scale.

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**January 2012**