

**Date issued: 25 May 2022**

**Item: 2021/22 TfL Scorecard Assurance Review**

---

## **This paper will be published after a decision is taken**

### **1 Purpose**

- 1.1 The TfL scorecard is one of the key tools to ensure that the Business Plan is achieved. It focuses on the critical success factors for the year; keeping the organisation on track to deliver the plans and provides an objective method for measuring success.
- 1.2 The impact of the measures introduced by the Government to manage the coronavirus pandemic, including widespread use of hybrid-working over the last two years has continued to impact on TfL's finances as operations return to more normal levels.
- 1.3 The scorecard for 2021/22 was largely recovery focussed, much like the one TfL had in the second half of 2020/21. The scorecard continued to focus on core safety and people priorities with an emphasis on controlling costs and preserving cash within the business.
- 1.4 On 6 July 2022, the Remuneration Committee will consider the outturn from the 2021/22 scorecard, when reviewing the performance of staff within its remit. The scorecard outturn forms part of the calculation of proposed performance awards for the Commissioner and other senior managers. In June 2021, the Remuneration Committee agreed that given TfL's financial situation performance would be reviewed this year, but any payments would occur in 2023, if TfL met its financial sustainability targets.
- 1.5 The outcome of the scorecard reviews conducted by Internal Audit is attached as Appendix 1. The Chair of the Committee, Mark Phillips, in consultation with available Members, is asked to provide any commentary on the outturns, which will be reported to the next meeting of the Remuneration Committee. The Chairs of the Committees will contact each other, ahead of the meeting of the Remuneration Committee, to ensure that there is no ambiguity in the views of the Audit and Assurance Committee. The Scorecard outturn will be reported to the Board as part of the Commissioner's Report and is also used to confirm information in the Annual Report.
- 1.6 The use of Chair's Action is considered appropriate as the Committee's agreement and any comments on the Review are required to confirm the content of the Annual Report.

- 1.7 The members of the Committee are asked to consider the paper and provide Mark Phillips with their views on or before 10am on Friday 27 May 2022. The Chair will then exercise his authority and provide feedback to the Chair of the Remuneration Committee, Kay Carberry CBE.
- 1.8 The Comments on the scorecards will be reported to the next meeting of Remuneration Committee. The contents of this paper and the exercise of Chair's Action will be reported to the next meeting of the Committee on 6 June 2022.

## **2 Recommendations**

### **2.1 The Chair of the Committee, in consultation with available members of the Committee, is asked to:**

- (a) note the paper and sign off the end of year results against the 2021/22 scorecards; and**
- (b) provide feedback on the assurance report and any significant issues raised by the Committee to the Chair of the Remuneration Committee, ahead of the meeting of the Remuneration Committee on 6 July 2022.**

### **List of appendices to this report:**

Appendix 1 – Internal Audit report on 2021/22 TfL scorecards (IA 21 070) dated 16 May 2022

### **List of Background Papers:**

None

Contact Officer: Lorraine Humphrey, Director of Risk and Assurance  
Email: [LorraineHumphrey@tube.tfl.gov.uk](mailto:LorraineHumphrey@tube.tfl.gov.uk)



**To:** Patrick Doig, Group Finance Director

**Cc:** Rajiv Sachdeva, Head of Financial Planning and Analysis  
Gareth Powell, Chief Customer and Strategy Officer  
Howard Carter, General Counsel  
Rachel McLean, Chief Finance Officer Crossrail and Divisional Finance Director, LU  
Tricia Wright, Chief People Officer  
Lorraine Humphrey, Director of Risk and Assurance  
Charlotte Wang, Reward and Recognition Specialist  
Mark Phillips, Chair TfL Audit and Assurance Committee  
Anurag Gupta, Vice Chair, TfL Audit and Assurance Committee  
Kay Carberry CBE, Member, TfL Audit and Assurance Committee  
Dr Mee Ling Ng OBE, Member, TfL Audit and Assurance Committee  
Julian Bell, Member, TfL Audit and Assurance Committee

**From:** Jill Elliott  
Head of Internal Audit

**Phone:** 07521 098802

**Date:** 16 May 2022

**Ref:** IA 21 070

## **2021/22 TfL Scorecard Review**

### **Introduction and background**

Transport is a cornerstone of the Mayor's vision for a fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy seeks to transform London's streets, improve public transport and create opportunities for new homes and jobs, over the next two decades.

The TfL Scorecard reports on business performance against targets relating to objectives and measures derived from the Mayor's Transport Strategy (MTS), the TfL Business Plan and the Budget. It is a key tool for ensuring that these objectives are achieved and is agreed in collaboration with the Executive Committee (ExCo), Board and the Deputy Mayor.

Each scorecard measure is weighted to determine its contribution to the overall score. Financial Planning and Analysis (FP&A) updates the scorecard each period, using performance information provided by the relevant business areas.

Scorecard targets that have been missed due to exceptional circumstances can be adjusted for remuneration purposes. These mitigations are reviewed by the FP&A team and, if accepted, submitted to the Chief Finance Officer and the Commissioner for approval.

### **Objective**

To provide assurance that 2021/22 year-end results on the TfL Scorecard are being accurately reported.

### **Scope**

The 2021/22 TfL Scorecard has 19 measures covering Safety, Operations, People, Finance, Customer and Delivery. Audit tested ten of the performance measures from the scorecard which included the following:

- Tracing performance measures to TfL electronic source data in order to determine their arithmetical accuracy
- Determining the reasonableness of any uplifts and estimates used in calculating the metrics
- Ensuring there is management oversight of figures submitted
- Reviewing the adequacy of all mitigations proposed and approved

The following areas were excluded from the scope of the audit:

- Checking the validity and accuracy of the electronic source data; and
- Checking the coding of models, macros and reports used to generate data or extract data from systems

In selecting performance measures for review we focused on metrics which, at the end of period 11, were forecast to either meet or partially meet the year-end target, and then randomly selected 10 from these. The measures selected were:

- People killed and seriously injured in road traffic collisions
- Reliability of bus journey times (weighted bus customer journey time)
- Asset condition – state of good repair
- Total engagement
- Inclusion index
- Closing cash balance
- Total capex cost including renewals
- Care metric (% agree TfL cares about its customers)
- Completion of the Northern line extension and
- Ultra Low Emission Zone (ULEZ) expansion – start of operations

## Summary of Observations and Findings

Of the 10 measures reviewed, seven met or exceeded their annual targets, Total Engagement was partially met and Total Capex and Inclusion Index missed their targets. Inclusion Index missed its year-end target by 3% and a review of the six Viewpoint questions on which this measure is based, showed that year on year positive responses to survey questions:

- It's safe to challenge the way things are done in my team; and
- I believe actions will be taken as a result of the Viewpoint survey

fell by 2% and 3% respectively.

Four mitigations were proposed for the 2021/22 TfL Scorecard results and these have now been reviewed and approved by the Group Finance Director and the TfL Commissioner. In our opinion these mitigations are reasonable.

1. The number of trips operated on the London Underground (LU) against the LU Schedule and Passenger Journeys operated compared with pre pandemic levels, both of these measures had been impacted by rising Covid levels, travel restrictions and industrial actions.
2. The third mitigation relates to the refurbishment of the Rotherhithe Tunnel, detailed work and documentation had been completed but the tender was not issued due to suspension of the scheme by management. This approach was approved by ExCo on the 15 November and a separate briefing was given to the Deputy Mayor who endorsed the approach 23 November 2021.
3. The final mitigation, Trial Operations (TO) on the Elizabeth Line were due to start in October but actually commenced in November 2021. The Elizabeth Line Committee agreed to divide TO into two phases, with staff only and then with mass volunteers taking part.

The results of our testing of the 10 sampled measures are shown in Appendix 1. In all cases we are satisfied that the outcomes have been accurately reported.

## Conclusion

Based on the audit work performed on a sample of measures, the 2021/22 TfL Scorecard results are accurately reported and are a fair reflection of the organisation's performance during the year.

Please do not hesitate to contact Mushtaq Ali, Senior Internal Audit Manager, or me if you would like to discuss this further.

Kind regards

Jill Elliott  
**Head of Internal Audit**  
jillelliott@tfl.gov.uk



	Theme	Objective	Measure	Measure weighting	Target (Floor Target)	Data source	2020/21 Final Result	2021/22 Final Result	Are there any uplifts? [Are estimates used?]	Senior Management Oversight	Observations/issue	Did the Scorecard result agree to system reports / TfL spreadsheets
1	Safety	Keeping people safe on our roads. London's transport system will be safe and secure	People killed and seriously injured (KSIs) in road traffic collisions per million journey stages	10%	0.43 KSIs per million journey stages  (0.45 KSIs per million journey stages)	External: STATS19 and COPA is the software used by the Met and City Police to collect Road Collision data  External: Publicly available data London annual Household Survey Data collected using Apps – Apple and City Mapper Mobility Oyster Card Count Data from the Network.	0.44	0.32	No [No]	Yes  (Scorecard updated after review by the line manager. Safety management track data and are aware of scores)	Scorecard results are derived using an Excel model which adjusts raw data for several factors, and the outcomes approximate the final validated scores.  Data continues to flow in for up to six months after period end; before the final score can be computed.  There is good correlation between raw, observed and forecast data for serious injuries.  TfL carried out an exercise in 2020/21 for the DfT to determine the difference between scorecard results and the final	Yes

											validated score. It showed a marginal variance of 0.2% in aggregate KSIs.	
2	Operations	A good public transport experience	Reliability - Bus journey time	5%	32.9 minutes (33.5 minutes)	Internal: iBus, ODX (Oyster Card data)	N/A	31.9 Minutes	Yes [Yes]	Yes (Scorecard updated after review by the line manager and shared with Director).	ODX (Origin Destination Interchange tool for recording bus passenger data) Modernisation Project to improve the availability and reliability of data was due to be completed by December 2020 but was interrupted by the pandemic. This is now scheduled to be in place by May 2022.  The process of extracting data to populate the Scorecard from the ODX database has now been automated since this metric was last reviewed in 2020.	Yes
3	Operations	A good public transport experience [Maintain assets to	Asset Condition - State of good repair	0%	77% (75%)	Internal: Asset survey reports	N/A	77%	No / [No]	Yes	This is an experimental metric (zero-weighted) introduced after several years of lower levels of	Yes



		provide a safe and reliable service]				External: DLR Asset report					<p>(infrastructure) asset renewals.</p> <p>The measure is designed to track a broad (15) class of assets (circa 60% of the annual asset renewal investment) and the impact of those investment decisions made at senior management level.</p> <p>The review identified some low-level issues, once addressed should better reflect the true state of good repair of assets.</p> <p>Some of the asset condition report data used, feeding into the Scorecard was out-of-date and had not been refreshed in-line with the stated and/or agreed frequency and there is uncertainty over management oversight, before data is uploaded on Share-point by relevant asset managers.</p>	
--	--	--------------------------------------	--	--	--	-------------------------------	--	--	--	--	---	--

4	People	A capable engaged workforce	Total Engagement	10%	62% (57%)	External: Annual Viewpoint survey through Engine Transformation (3rd Party)	62%	60.7%	No / [No]	Yes  (Results are distributed widely in TfL)	<p>2021/22 Viewpoint survey was shorter by 25% and the Total Engagement (TE) metric was made up of 20 questions compared to 25 last year (2020/21).</p> <p>The main reasons for this were to</p> <p>Improve survey completion rates, and</p> <p>Reduce the number of potential action plans which would be required to mitigate any deficiencies identified in the survey results.</p> <p>The survey completion rate fell this year by 9%.</p> <p>Shorter Viewpoint Survey meant that 2020/21 results for TE had to be adjusted so that the movement in the score this year could be compared on a like-for-like basis.</p> <p>The adjusted TE score fell by 2%</p>	Yes
---	--------	-----------------------------	------------------	-----	--------------	--	-----	-------	-----------	--	---	-----

											<p>compared with 2020/21.</p> <p>However, performance in 2020/21 was better than expected (up 5%) largely due to the impact of the pandemic. Staff were furloughed on full pay; they felt their jobs were secure in a time of uncertainty.</p>	
5	People	TfL is an inclusive place to work where everyone feels included in what the company does.	Inclusion Index	5%	54% (52%)	External: Part of Annual Viewpoint survey through Engine Transformation (3rd Party)	52%	51.1%	No / [No]	Yes (Results are distributed widely in TfL)	<p>Inclusion Index performed poorly this year, it missed the target and floor target by 3% and 1% respectively.</p> <p>Management believes the pandemic has had a mixed impact on the results but there may have been some survey fatigue.</p> <p>However, the responses relating to challenging the way things are done in teams fell by 2% and believing management will take action as a result of Viewpoint survey dropped by</p>	Yes

											3% compared to 2020/21.	
6	Finance	Maintaining cash balances to ensure we cover our costs and are prudent	Closing Cash Balance	10%	£1,200M (£1,200 M)	Internal: SAP R3	£1,620 M	£1,287 M	No / [No]	Yes  (Cash balance reviewed by Senior Analysis Manager and shared with Divisional Finance Team and ExCo)	The target cash balance is the minimum required to cover TfL's total costs for 2 months in the event of a financial shock.	Yes
7	Finance	TfL is financially sustainable.	Total CAPEX cost (inc. Renewals )	5%	£1,735M (£1,683)	Internal: SAP R3	£-551m	-1,368M	No / [No]	Yes  (Capex results are reviewed by Senior Analysis Manager and a Pack prepared for the CFO Leadership Team and ExCo)	The performance was lower than expected (below the floor target) as projects need financial certainty which has been lacking due to the short-term nature of DfT funding arrangements.	Yes
8	Customer	A good public transport experience	Percentage of Londoners who agree TfL cares about its customers	10%	56% (53%)	External:  On-Line survey through Kantar, a Global market research company	54%	57%	No / [No]	Yes  (Results are reviewed by the Chief Customer Officer before the Scorecard is updated).	Kantar are in the final year of their 4-year contract to conduct surveys for TfL. Procurement process due to start shortly to award the contract to another supplier if the incumbent is unsuccessful in time	Yes

											to parallel-run the survey in quarter 3 to ensure a smooth transition.	
9	Delivery	A good public transport experience	Northern Line Extension completion	2.5%	September '21 (October '21)	Internal: Periodic & Quarterly project performance reports	N/A	September 2021	No / [No]	Yes (Director of MPD and ExCo are provided with a performance review each period after the Scorecard has been updated)	<p>The NLE project was completed on time and under budget by £160M at a cost of £1.1B.</p> <p>The original completion date (December 2019) was delayed by</p> <ul style="list-style-type: none"> <li>• 18 months by the developers of Battersea Power Station (legal recourse in process)</li> <li>• 3-month shutdown in April 2020 because of Covid.</li> </ul> <p>The public opening of the Northern Line extension was attended by many dignitaries including the Secretary of State for Transport and the Mayor of London.</p>	Yes

10	Delivery	London's streets will be clean and green	ULEZ Expansion Start of operations	2.5%	October '21 (Pass/Fail)	Internal: Periodic IIPAG Report	N/A	October 2021	No / [No]	Yes  (Director of MPD and ExCo are provided with a performance review after the Scorecard has been updated).	ULEZ expansion - start of operations date was publicly announced in 2017 by the Mayor of London. ULEZ went live on 25 <sup>th</sup> October 2021 in line with the Mayor's announcement and this was covered in both newspapers and on-line media.	Yes
----	----------	--	---------------------------------------	------	----------------------------	------------------------------------	-----	--------------	-----------	--	---	-----