

Date: 28 June 2023

Item: TTLP Scorecard 2023/24

This paper will be considered in public

1 Summary

- 1.1 TTL Properties' (TTLP's) Scorecard for 2023/24 provides a robust basis for moving the business forward over the coming 12 months and targets improvements on last year's successes. It balances the need to demonstrate progress against the shareholder metrics agreed with TfL and the aims and objectives set out in the strategies agreed by the Committee at its previous meeting.
- 1.2 The TTLP Scorecard's structure is broadly consistent with other scorecards produced across Transport for London (TfL) – focusing primarily on safety, colleague, green and financial metrics.
- 1.3 As the TTLP business matures over the course of this year, we will develop further metrics for potential inclusion in next year's scorecard. These will include those relating to social value and operational benefits delivered to TfL as part of our wider Value Framework development.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Scorecard Metrics 2023/24

- 3.1 The scorecard is included at Appendix 1. Although many of the proposed metrics are consistent with last year's TTLP Scorecard, we have worked to produce a more balanced scorecard that is more closely aligned with TTLP's wider strategies and objectives and supports our evolution as a business.
- 3.2 We have sought to improve on the 2022/23 outturn and in all cases have considered underlying trends, our extant plans and the levers we have available to influence performance in-year. The weightings reflect the relative importance of individual metrics across the scorecard. We have aimed to achieve a broadly even balance across the themes.

Safety and Risk

- 3.3 **Planned versus completed inspections:** this new metric measures progress with our risk-based programme of health and safety inspections on our tenanted estate. We plan inspections on a rolling periodic basis, focusing on locations where compliance risk is highest. Reporting against this metric will be cumulative and the target of 95 per cent is both stretching and achievable.
- 3.4 **Killed or seriously injured:** measures the absolute number of fatalities and serious injuries to employees, members of our contracted workforce, customers and tenants on TTLP's estate. Our target remains zero. In response to the serious incident at Earls Court last year, we are doing a safety culture assessment across our business, and our emerging Health and Safety Strategy will set out how we will measure and drive TTLP and joint venture partner performance.

Colleague

- 3.5 **Engagement:** The TTLP Engagement score dropped to fifty-nine per cent in 2022/23, attributable in part to the degree of organisational uncertainty at that time. This year's target represents an ambitious five per cent increase on the current score. The continuation of our work to establish TTLP, including our new brand, and the delivery of our People Strategy should enable us to achieve a significant improvement on last year's score. We have targeted sixty-four per cent, which is five per cent better – and the first step on the path to a score of at least seventy per cent by 2025/26.
- 3.6 **Staff Representation:** TTLP is keen to have a workforce at all levels that is representative of the city it serves. We have work to do to close the gap in workforce representation relative to the overall London economically active population. Having benchmarked with other organisations and taking account of the diversity challenges in the wider real estate sector, we think it is appropriately challenging to close the gap over a four-year period, so this year's targets reflect the required progress towards parity in gender, ethnicity, disability, and minority faith or belief.
- 3.7 Our work to close the gap will be built around the diversity theme of our People Strategy implementation.

Homes

- 3.8 **Starts on site:** a cumulative measure of our progress towards Mayor of London and Government targets. Success will mean we move from 4,155 to 4,407 starts by year end. In addition, this year will see significant progress on sites that have already started as well as others that are moving through the design and planning stages, for example, at Edgware where we expect to submit planning for 3,500 homes in autumn 2023.
- 3.9 **Percentage affordable starts on site:** another cumulative measure of our progress towards the target fifty per cent across the whole portfolio. The target for the portfolio remains 50 per cent, and this target is still expected to be achieved across all 10,000 homes in TTLP's programme.

Environment, Social and Governance (ESG)

- 3.10 Our ESG theme replaces the “Green” and “Customer” themes in wider TfL family scorecards. Our measures for this year will track our early-stage work to progress the fundamentals in our ESG strategy, we expect to develop more sophisticated metrics for 2024/25.
- 3.11 **Carbon literacy training delivery:** measures the percentage of our senior managers (Band 4 and above) who have successfully completed this crucial TfL-wide course. Carbon literacy training is part of the foundation of an organisation that makes informed decisions and embeds practices to reduce and remove carbon, so that we can achieve net zero operations by 2030 and support the Mayor’s ambition of a net zero London by 2030. We will extend the offer of the training to all employees once we have recruited an appropriate number of volunteer trainers.
- 3.12 **Customer satisfaction:** a measure of the percentage of our tenants who indicate in response to our annual survey that they are satisfied or very satisfied with the overall service TTLP provides. Having achieved a three per cent improvement last year, we are targeting a more significant increase of five per cent this year reflecting our focus on customer communications and engagement, customer business skills development and customer journey improvements.
- 3.13 **ESG Milestones:** these capture the key elements of our ESG work programme as we work to implement our strategy in this area and make progress across the business. The milestones are:
- (a) publication of Task Force on Climate-Related Financial Disclosures (TCFD) report – August 2023;
 - (b) Electric Vehicle Charging Hubs joint venture launched to market – September 2023;
 - (c) publication of Better Building Partnership-compliant Net Zero Carbon Roadmap – December 2023;
 - (d) all eligible properties having an Energy Performance Certificate in place – March 2024; and
 - (e) retention of the GRESB five-star rating for our property development programme – March 2024.

Financial

- 3.14 TTLP has developed a set of long-term financial targets, benchmarked against comparator organisations. The measures are part of our corporate objectives to increase the revenue and generate an operating surplus that we deliver back to TfL.
- 3.15 **Total revenue:** our total recurring property income, which includes Build to Rent and Commercial, but excludes Build for Sale and other one-off income. It will be measured against the budget with an allowance of 10 per cent for the floor target.
- 3.16 **Operating surplus:** total operating income minus total operating expenditure. Includes all items within the operating margin definition above as well as one-off Joint Venture profits. Again, it will be measured against the budget.

- 3.17 **Asset disposals:** have been baselined against realistic and achievable disposals with an allowance of 20 per cent for the floor target (excludes one-off joint venture and property development disposal). Disposals also supports liquidity management of the organisation.
- 3.18 **Asset investment:** measures investment in our existing estate, excluding one-off joint venture and property development expenditure. Measured against the budget with an allowance of plus or minus 20 per cent for the floor target.

List of appendices to this report:






Appendix 1: TTLP Scorecard 2023/24

List of Background Papers:

None

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Appendix 1 – TTLP Scorecard 2023/24

Theme	23/24 metrics	Target	Floor Target	Weighting
SAFETY & RISK				
	1. % Inspections Completed vs Planned	95%	90%	10%
	2. Killed or Seriously Injured	0	0	10%
COLLEAGUE				
	3. Total Engagement	64%	61%	10%
	4. All Staff Representativeness			
	<i>Women</i>	45.3%	45.0%	1.25%
	<i>Race (BAME)</i>	27.9%	25.1%	1.25%
	<i>Disability</i>	9.4%	8.9%	1.25%
<i>Minority faith / belief (not Christian, agnostic or atheist)</i>	15.8%	13.8%	1.25%	
HOMES				
	5. Starts on site (Cumulative)	4407	4314	10%
	6. % affordable starts on site (Cumulative)	47%	47%	10%
ESG				
	7. Complete carbon literacy training (Band 4 and above)	100%	75%	5%
	8. Customer Satisfaction	70%	65%	5%
	9. ESG Milestones	100%	60%	5%
FINANCIAL				
	10. Total Revenue	£82.9m	£74.6m	10%
	11. Operating Surplus	£24.3m	£21.9m	10%
	12. Asset Disposals	£23.5m	£18.8m	5%
	13. Asset Investment	£40.0m	+20%	5%

