

Date: 11 March 2024

Item: Places for London Scorecard

This paper will be considered in public

1 Summary

- 1.1 This paper sets out proposed scorecard for the financial year 2024/25. This follows a similar structure to the scorecard for the current financial year, with some changes. Both the metrics and targets reflect the progress made by Places for London in embedding our strategies and improving and maturing our data.
- 1.2 There are some metrics for which targets will only be confirmed once the end of year position for 2023/24 is finalised and other new metrics where we are completing a baselining process which will be complete by the end of this financial year. For these, it is proposed that we seek the endorsement of the Chair of the Committee in consultation with available Members.
- 1.3 The paper also updates on our work to develop a longer term “strategic” scorecard, which will measure and track the impact Places for London has on the capital over the next four years.

2 Recommendation

- 2.1 **The Committee is asked to note the paper and approve the proposed 2024/25 Places for London scorecard, subject to finalisation of targets that are dependent on the conclusion of the end of year position for 2023/24 and authorise the Chair of the Committee to endorse any the finalisation of those targets, in consultation with available Members of the Committee.**

3 Background

- 3.1 We are working to develop a suite of reporting showing greater integration with our scorecards, and which creates a line of sight from the short to the long term as laid out in our business plan. We are taking a three-fold approach.
- 3.2 First, our annual scorecard measures how we are delivering towards our commitments. The annual scorecard aligns with the draft TfL scorecard for 2024/25 as summarised in Appendix 1; it has been developed in consultation with the central team building the TfL scorecard, and the Chief Customer and Strategy team. There are some areas where we do not track to the TfL scorecard and these are summarised in the Appendix. For the most part, our scorecard relies on mature metrics and measurement methodologies, and follows the same principles as the previous year. It provides a robust basis for moving the business forward and targets improvements on our successes. It balances the need to demonstrate progress against the shareholder dividend target agreed with TfL, and the aims

and objectives set out in our strategies. It is structured around Safety, Colleague, Green and Financial and Customer sections.

- 3.3 Second, the four-year strategic scorecard is focused on the impact Places for London has on the capital. It will be refined as our business matures and our data improves.
- 3.4 Finally, our periodic internal management reporting focuses on what drives Places for London's performance. This reporting is in place, but we do aim to make the links between periodic reporting and our scorecard more structured and explicit.

4 2024/25 Scorecard Metrics

- 4.1 The draft annual scorecard is included at Appendix 2. Where next year's targets are not tied to the 2023/24 year-end position, we have proposed targets that seek to improve on this year's outturn. In all cases we have considered underlying trends, our forward plans, and the levers we have available to influence performance. We have aimed to make weighting as even as possible across the scorecard sections to reflect the requirement to maintain the focus on our existing commitments as we introduce new ambitions. This is consistent with the previous year.
- 4.2 The remainder of this section summarises the objective of each of our scorecard measures, with particular focus on any changes since last year.

Safety and Security

Change in Tenant Compliance Risk Profile

- 4.3 This year's scorecard included "inspections completed" for our tenanted (workplace) estate. This followed the instigation of a more evidence-based inspection regime which prioritised higher risk units. This has been substantially successful and has already driven an improvement. We now wish to move to a measure that enables and supports a further improvement in our tenants' safety compliance. The risk is assessed objectively against a range of tenant safety compliance measures and is summarised on a four point scale of Low to Severe. There has been a 1.5 per cent reduction in properties with a severe or high risk since introducing this approach, and the baseline at the start of the year is expected to be eight per cent. We are targeting that to fall to five per cent by the end of next year.

Killed and Seriously Injured

- 4.4 This remains on the scorecard as in previous years, and measures Places for London staff, contractors and tenants. It has a direct relationship to the same metric on the TfL scorecard and will have a target of zero. Places for London already has a low incident level, but there is a focus and detailed plan for this year which was presented at the December meeting of the Committee, and a Safety Stand Down is planned to support this.

Colleague

All-staff Representativeness

- 4.5 This remains on our scorecard, with the same definitions as previously. Where we exceed the economically active population of London for a particular characteristic, we will aim to remain at least at that level. Where we do not meet the benchmark, a target that takes us towards it has been set. As previously, we are not reporting on the sexuality characteristic as the number of declarations does not meet the threshold for reporting (ten).

Senior Representation – Gender

- 4.6 This is new to our scorecard, based on representation at the leadership level (Bands 4, 5 and Directors) again compared with the economically active population of London. This metric aligns to TfL's senior representation for at least one characteristic metric. We will publish the measures for gender only as the number of declarations for other protected characteristics does not meet the threshold for reporting. We currently exceed the Economic Active population of London against this metric, so our target will be equal to the current female leadership population at the beginning of the financial year.

Total Engagement

- 4.7 This measure is consistent with this year's scorecard, but we are advised that a comprehensive review of engagement measurement will be conducted in 2024, which will change the scoring. The floor target will be as 2023/24, and the target will be the 2023/24 score plus one point.

Customer

Homes Completions

- 4.8 This remains unchanged and is a cumulative measure of delivery towards Mayoral and Government targets for new homes. The target will be based on the baselined multi-year plan at the close of 2023/24.

Starts on Site

- 4.9 This remains on our scorecard, with definitions unchanged. The targets will be based on the baselined multi-year plan at the close of 2023/24.

Starts on Site (affordable homes)

- 4.10 This remains on our scorecard as last year. It measures our progress against the Mayoral commitment to provide at least 50 per cent affordable housing across our total developments. The target will be based on the baselined multi-year plan at the close of 2023/24.

Property Development Milestones

- 4.11 This is a new addition and supplements our housing metrics to better reflect the work our teams do, and to give more balance to the scorecard. The full list of milestones selected is in Appendix 3, and we will seek endorsement of the final target dates at the end of the current financial year.

Customer Satisfaction Survey

- 4.12 This remains on our scorecard, with definitions unchanged. The results of the 2023/24 survey have now been received and are disappointing at 58 per cent, but we are working on the plan to resolve them. In view of the difficult commercial market for next year, the floor target will be to maintain this level, and the target set at 60 per cent.

Sustainability

Sustainability Milestones

- 4.13 We have made considerable progress on sustainability this year. We now propose ten milestones linked to the delivery of our Sustainability Strategy. These milestones are set out in Appendix 4.

Finance

Total Revenue

- 4.14 The methodology is unchanged from the current scorecard and the target reflects the Budget.

Operating Surplus

- 4.15 The methodology is unchanged from the current scorecard and the target reflects the new Budget.

Asset Investment

- 4.16 The methodology is unchanged from the current scorecard and the target reflects the new Budget.

Dividend

- 4.17 This refers to the annual dividend we are budgeting to return to TfL as our only shareholder. This is a single target for the end of the year. It is not updated periodically, although forecasts may be adjusted during TfL's annual accounting cycle.

5 Measures Removed from the 2024/25 Scorecard

Voids

- 5.1 This is a direct driver of operating surplus and is therefore effectively a duplication on the scorecard. We will track our voids rates as part of the internal periodic Key Performance Indicators alongside new lettings and revenue growth.

Our Strategic Scorecard

5.2 We are continuing to develop the strategic scorecard alongside our work to measure our social impact and contributions to inclusive growth. This scorecard will be aligned with our long-term objectives, with at least two separate measures against each objective or theme, which we will track for up to four years. Our emerging view on content is as follows:

Strategic Theme	Potential Candidate Measures
Deliver homes, workplaces and neighbourhoods for London	<ul style="list-style-type: none"> • Housing completions • Start on site cumulative • Percentage affordable start on site
Build a sustainable and inclusive business	<ul style="list-style-type: none"> • Progress on Operational Net Zero (Scope 1&2) by 2030 • reputational growth/brand trust • Social impact – Economic Value (GVA) to London
Grow the shareholder return and asset portfolio value	<ul style="list-style-type: none"> • Total shareholder return • margin
Provide transport benefits	<ul style="list-style-type: none"> • Places for London’s impact on transport revenues • Value of Places for London’s direct investment in transport improvements
Corporate fundamentals	<ul style="list-style-type: none"> • Safety, Health and Environment cultural assessment score • Total engagement • All-staff representativeness

5.3 In addition to the scorecards that track our business performance, we are developing a strategic impact framework that will measure the effect we have on London and the lives of Londoners. This will allow us to quantify and demonstrate the environmental and social benefits we create alongside our financial and homes-related benefits.

5.4 There are some measures in the proposed annual scorecard which will require review following our end-of-year results, and we will seek endorsement of these as outlined above. The background work and plans to implement our strategies and ambition continues at pace, and particularly for the strategic scorecard there is more thinking to be done.

List of appendices to this report:

Appendix 1: Alignment between TfL and Places for London Scorecards

Appendix 2: Places for London Proposed Scorecard FY2024/25

Appendix 3: Places for London Property Development Milestones

Appendix 4: Places for London Environmental, Social and Governance Milestones

List of Background Papers: None

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