

City Hall
The Queen's Walk
London SE1 2AA
Switchboard: 020 7983 4000
Web: www.london.gov.uk
12 January 2005

Mr Ken Livingstone, Mayor
Greater London Authority
City Hall
The Queen's Walk
London
SE1 2AA

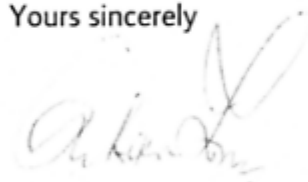
Dear Mr. Livingstone

I hereby request provision of the following information under the Freedom of Information Act:

Performance targets for each year set for the holder of the post of Commissioner of Transport on which payment of any bonus was based, with any subsequent alterations and confirmation that each target was met or exceeded by the Commissioner, and in any cases in which it was not reached, the details.

I look forward to hearing from you within the 20 day time frame.

Yours sincerely



Graham Tope
Leader of the Liberal Democrat Group

Transport for London



4

Graham Tope
Leader of the Liberal Democrat Group
City Hall
The Queen's Walk
London SE1 2AA

11 February 2005

Thank you for your letter of 12 January about the Commissioner of Transport's performance targets. Your letter was passed to Transport for London for reply and received in TfL on 17 January. Your request has been considered in accordance with the Freedom of Information Act.

The Commissioner's contract of employment specifies the performance targets against which any bonus will be assessed. The contract stipulates measures of improvement in four categories: financial, operational, customer satisfaction and journey time.

Under TfL's Standing Orders, the Remuneration Committee meets to assess actual performance in detail against these criteria, using a wide range of qualitative and quantitative business measures. Details of specific measures may be varied annually according to priorities.

The minutes of the Remuneration Committee, and the Commissioner's contract, contain personal data and are exempt from disclosure under the Freedom of Information Act, in accordance with section 40 of the Act. Section 40 is an absolute exemption and therefore the Act's public interest test is not invoked.

I enclose a copy of Transport for a Growing City: Delivering Achievements (published in 2004), which is a report of TfL's performance since its inception in 2000. You may also be interested in the detailed information provided about TfL's operational and financial performance in the papers considered at TfL's Board meetings. Papers for meetings from 2000 to 9 February 2005 are available on TfL's website at http://www.tfl.gov.uk/tfl/abt_board_2004.shtml.

If you are dissatisfied with this response to your request, you may seek an internal review of our decision. The internal review will be conducted by someone other than the person who made the original decision, in accordance with the FOIA complaints procedure published on our website at www.tfl.gov.uk/foi. Requests for internal review should be addressed to: The

Information Access and Compliance Manager, 6th Floor Windsor House, 42 –
50 Victoria Street, London SW1H 0TL

If, following the internal review, you remain dissatisfied with the way TfL has
handled your request, then you may take your complaint to the Information
Commissioner at Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Yours sincerely

Richard Bevins
Information Access and Compliance Manager
Transport for London
6th Floor Windsor House
42-50 Victoria Street
London SW1H 0TL

020 7941 0061

City Hall
The Queen's Walk
London SE1 2AA
Switchboard: 020 7983 4000
Web: www.london.gov.uk
16 February 2005

The Information Access and Compliance Manager,
6th Floor Windsor House,
42 – 50 Victoria Street,
London SW1H 0BD

Dear Sir or Madam:

Thank you for the letter of 11th February 2005 regarding the Freedom of Information request about the Commissioner of Transport's performance targets, in which you exempted this information under Section 40 of the Act.

I would like to request that you conduct a review of the decision to withhold this information. My request of the 12th January was in effect in two parts. The first requested 'performance targets for each year set for the holder of the post of Commissioner for Transport on which any payment of bonus was based, with any subsequent alterations.'

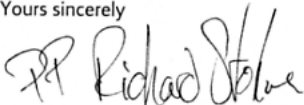
Leaving aside the question of whether the meeting, or otherwise, of the targets, falls within the exemption, please confirm whether the performance targets in themselves are in your view personal information exempted by Section 40 of the Act.

In addition I draw your attention to the remarks made by the Commissioner for Transport on the BBC1 Sunday Politics Show on the 13th February 2005. When asked about the publication of the performance targets that govern the Commissioner for Transport's bonuses, Mr Kiley said:

'We have been asked for the performance matrix that governs any bonuses for me and they will be out there in the 20 day mark.'

I would hope that given the current Commissioner for Transport post holder is comfortable with providing the information, Transport for London would be happy to provide me with the information previously requested.

Yours sincerely



Graham Tope
Leader of the Liberal Democrat Group

Transport for London



Our ref: FS/10093

Lord Graham Tope AM
Leader of the Liberal Democrat Group
City Hall
The Queen's Walk
London SE1 2AA

TfL Legal

Windsor House
42-50 Victoria Street
London SW1H 0TL

Fax 020 7941 4598
www.tfl.gov.uk

4 March 2005

Dear Lord Tope

The Commissioner asked me to undertake a review of papers held by Transport for London in relation to his bonus since he joined TfL. The review also considered whether it is appropriate to set aside Data Protection issues which would normally protect personal data in this matter. In order to expedite your request it has been carried out independently of the processes currently being followed in relation to your original Freedom of Information enquiry.

The Commissioner is keen that TfL is as open and accountable as it can be in relation to the services it provides to the travelling public. In that light, it is his opinion that the performance measures used by the Remuneration Committee to determine his bonus and the amounts paid to him since he joined TfL in 2001 are to be released even though these disclosures go above and beyond those legally required. Hopefully this answers the request you originally made through the Freedom of Information process.

I therefore attach the following documents:

- 1 A paper setting out the bonus the Commissioner has received for each year of his employment together with an explanation of those bonus payments and how they have been determined.

/Continued

A handwritten signature in black ink, appearing to be "fzn".

- 2 Extracts from a paper considered by the Remuneration Committee on 28 May 2003 setting out the bonus potential, the measures used and the assessment of performance against these measures, together with the recommendation for the bonus and the Minute specifying the amount of that bonus.
- 3 Extracts from a paper considered by the Remuneration Committee on 24 May 2004 dealing with the bonus potential, the measures used, the assessment against these measures and the recommendations to the Remuneration Committee.

The Remuneration Committee, as you are aware, is made up of the Chair and two non-executive Board Members. The Commissioner plays no part in and is not present at the Remuneration Committee when it is discussing his performance and bonus. They are informed in their deliberations by documents detailing TfL's achievements over the past year, market and operational information. The Committee also take into account TfL's targets and performance indicators. The Committee then decides the amount of bonus to be paid.

We will also be looking, as part of our reporting in respect of the current financial year, at disclosing within our Annual Report some more information in relation to how the Remuneration Committee operates and the criteria it uses.

Finally, in light of legitimate public interest in this information, we intend to make it available on the TfL website. A copy of this correspondence has also been made available for other enquirers on this matter.

Yours sincerely



Fiona Smith
General Counsel
Email: fionasmith@tfl.gov.uk
Direct line: 020 7941 4097

COMMISSIONER'S PERFORMANCE BONUS

The Commissioner's contract of employment commenced on 1 January 2001 to run for four calendar years. The Remuneration Committee of the TfL Board reviews the Commissioner's salary and bonus annually with effect from 1 January each year.

A breakdown of performance bonus awarded for each year is as follows.

YEAR	BONUS AWARDED	NOTES
2001	n/a	The Commissioner stipulated he would not seek a bonus for his first year of office.
2002	£275,000	<p>Bonus for performance in 2002 was determined following the Remuneration Committee meeting held on 28 May 2003. This was paid to the Commissioner in the 2003/04 financial year and was released at the time TfL published its 2003/04 Statement of Accounts in the summer of 2004.</p> <p>Total bonus entitlement available for this year was £285,000.</p>
2003	£275,000	<p>Bonus for performance in 2003 was determined following the Remuneration Committee meeting held on 24 May 2004.</p> <p>Total bonus entitlement available for this year was £285,000.</p>
2004	tbd	<p>This will be determined at the Remuneration Committee in May 2005.</p> <p>Total bonus entitlement for the whole of 2004 is £365,000.</p>

AGENDA ITEM 3

TRANSPORT FOR LONDON

**STAFF SUMMARY
REMUNERATION COMMITTEE**

SUBJECT: REMUNERATION FOR THE COMMISSIONER of TfL

MEETING DATE: 28 MAY 2003

3. THE COMMISSIONER'S CONTRACT

A performance bonus is payable from year 2 up the following maxima:

2002	£285,000
2003	£285,000
2004	£365,000

4. BONUS PERFORMANCE CRITERIA

4.1 Measures

The contract states that the following measures will be used to assess the level of bonus payable:

- (i) measures of financial improvement, including the raising of investment capital
- (ii) measures of operational improvements
- (iii) measures of customer satisfaction
- (iv) measures of trip time reductions by all modes of transport.

4.2 Assessment

Appendix 1 summarises measures that track progress against a range of key operational indicators.

Appendix 2 briefly summarises key projects initiated and achievements to date.

AGENDA ITEM 3

APPENDIX 1

Appendix 1
Transport for London
Annual Performance Improvements

Surface Transport (London Buses)

Indicator	Unit	2000/01*	2001/02*	2002/03*
Passenger Journeys	M	1,123.1	1,186.7	1,270.4
Bus Kilometers Operated	M	299.5	312.4	328.5
Excess Waiting Time	Mins	2.2	2.0	1.9
CSS: Overall Satisfaction	Score	74.1	75.0	76.0

Street Management

Indicator	Unit	2000/01*	2001/02*	2002/03*
Major Injuries and Fatalities – Londonwide	#	5,176	4,991	4,095
Major Injuries and Fatalities – TLRN	#	1,358	1,317	1,137
Days Closure on Traffic Sensitive Roads (1)	#		60	6
Cycling Index on TLRN (4/2000 = 100)	#	102	115	115

(1) Excludes the closure of A2 at Blackheath Hill in 2002/03.

- The Government target for major injuries and fatalities is a 40% reduction in the 10 years to 2010.
- The Government target for the cycling index is to reach 300 by 2010.

London Rail (DLR)

Indicator	Unit	2000/01*	2001/02*	2002/03*
Passenger Journeys	M	31.7	34.5	38.0
Train Kilometers Operated	M	2,416	2,440	2,697
Percentage of Schedule Operated	%	98.3	98.3	98.1
On Time Performance – Adherence to Schedule	%	96.3	96.7	96.2

- DLR are introducing customer satisfaction surveys consistent with the other modes and these should be available from Q4 2002/03 with targets set from 2003/04.
- In August 2002 DLR introduced an improved am peak service and a minimum 10-minute frequency for off peak services.

London Underground

Indicator	Unit	2000/01*	2001/02*	2002/03*
Number of Major Injuries and Fatalities	#	131	114	95
Train Kilometers Operated	M	54.4	54.8	56.0
Percentage of Schedule Operated	%	92.3	92.6	92.9

- These are unadjusted figures and do not take account the effect of the LUL and FBU strike during 2002/03. Adjusting for the strikes would give a train kilometres operated of 56.8m.
- Period from April to January in each year.

Performance Indicators

There is a three level hierarchy of performance indicators for TfL, London-wide Strategic Performance Indicators, Business Plan Performance Indicators and Local Management Performance Indicators, as outlined in the TfL performance indicator framework paper to the TfL Board on 19 March 2002.

It had been intended to develop London-wide Strategic Performance Indicators during 2002/03. However, work has not been completed, as TfL is seeking to rationalise its research effort and minimise the use of indicators that require costly methodology to measure. The revision to the Mayor's Transport Strategy that is taking place during the coming year will consider high-level performance measures, and so TfL's London-wide Performance Indicators need to be in accordance with the revised Strategy. Work will therefore continue in 2003/04 to develop these measures.

Development of State of Good Repair Indicators

One of the key aims of TfL is to bring its transport assets into a state of good repair. During the past year, State of Good Repair indicators have been finalised and targets agreed.

London Buses – the indicator to measure and set targets against the condition of bus stations was developed during 2002/03; targets are included in the 2003/04 Business Plan. The indicator to measure the condition of the bus fleet is the percentage of Vehicles Under 10 years old; this indicator remains unchanged and will continue to be part of buses' State of Good Repair measurements in 2003/04.

Street Management – the Highway Condition Surveys, which is the State of Good Repair indicator for Street Management, has been modified for the 2003/04 Business Plan in order to better assess the condition of principal roads within London. Separate targets have been set for the condition of the TLRN and Borough Principal Roads.

DLR – because of the young age of DLR's assets, their assets have not yet reached a state of disrepair. Therefore, the performance indicator that was developed for them is an asset replacement indicator. This indicator sets out the percentage of assets that will need replacement or major refurbishment over a period of time. This allows TfL to manage resources to ensure that the assets do not fall into a state of disrepair.

Future Performance Indicator Development

There are still a number of Business Plan performance indicator targets that are still to be finalised and some do not currently have targets set for them, along with the setting of quarterly targets during 2003/04 where appropriate.

Following the transfer of LUL to TfL control, management responsibility for performance can only be exercised in respect of Operating Company targets, and accountability for the assets being managed by the Infracos should be held by them. TfL has accepted under the terms of the transfer that they are willing to accept the challenging government targets for the Underground in respect of Operating Company targets

AGENDA ITEM 3

APPENDIX 2

Appendix 2
TRANSPORT for LONDON - KEY ACHIEVEMENTS
2001-MARCH 2003

1. Expanding and improving the bus network

Since TfL was established, the largest programme of bus service increases since World War II has been introduced. These cover services to support congestion charging, and improvements elsewhere in London. These included in 2002/03 the introduction of 15 new Night Bus services and provision for an extra 11,000 spaces in the morning peak on services into and out of the Congestion Charging zone. There have also been significant improvements to services in outer London. During the course of the 2002/03 the fleet was enlarged with 300 new buses, articulated buses were introduced for the first time in London and BTEC training for bus drivers and conductors has been made available.

2. Central London Congestion Charging Scheme

The Central London Congestion Charging scheme - a landmark initiative - successfully started on 17 February 2003. The £5 daily charge applies to vehicles entering Central London on weekdays between 7.00am and 6.30pm although some vehicles are exempt. Initial experience has been very encouraging, with around 100,000 payments being made per day and traffic in the Congestion Charging zone around 20% lower than in a typical working week. There is currently no evidence of worsening conditions around the outside of the zone.

3. Safety and Security

The Transport Operational Command Unit (TOCU) was created in 2002 within the Metropolitan Police Service and is funded by TfL. It provides improved policing and enforcement on 20 agreed bus corridors, enhanced bus reliability, improved personal security and the enforcement of the law relating to taxi and private hire services (particularly illegal touting). It is expected to encompass 26 major bus routes in London by March 2003.

4. Taxi and Private Hire Vehicle Licensing

Progress has been made on Private Hire Licensing. During the past year, 2,100 operators have been licenced or have been given temporary permits as the first stage of improving minicab quality and safety.

5. Maintaining London's Principal Roads

TfL and the London Boroughs have completed a condition assessment for all of London's principal roads and have developed a co-ordinated programme to clear the road maintenance backlog.

6. Street works co-ordination

A database and Graphical Information System has been set up to help TfL (through the Streetworks Task Force), the Boroughs and the utilities to co-ordinate all their planned street works so as to avoid major traffic disruption.

7. Major Projects to increase transport capacity

Substantial progress has been made to take forward Major Projects to support delivery of the London Plan. These include:

- The DLR has been granted Transport and Works Act (TWA) approval and has secured a funding package for the London City Airport Extension. The contract has now been awarded.
- To facilitate development of the Thames Gateway, in November 2002 the TfL Board approved the development of the Thames Gateway Bridge project and the further extension of the DLR to Woolwich Arsenal.
- The Crossrail Joint Venture has been set up with the Strategic Rail Authority. Development works for Crossrail line 1 have been progressing with the aim, subject to Government approval of the Business Case, of preparing for an application for planning powers by the end of 2003.
- Four light transit schemes are being progressed:
 - East London transit – a bus based proposal for orbital routes serving the Romford/Barking area; stage 1 is planned to open in 2006.
 - Greenwich waterfront transit – a bus based proposal to link Greenwich with Woolwich and Thamesmead; stage 1 is planned to open in 2008.
 - West London transit – a tram proposal linking Uxbridge with Shepherds Bush with possible opening in 2009.
 - Cross River transit – a cross London tram proposal to link Camden with Brixton with possible opening by 2011.

TfL has also been proactive in seeking to develop new ways of funding for major enhancement projects and is engaged in discussions with Government, for example, on tax increment financing.

8. Developing Sustainable Modes

The Cycling Centre of Excellence was established in 2001 providing resources and expertise to improve cycling in London. In 2002, a Walking and Cycling Task Force was set up in partnership with user groups and the Boroughs. A number of specific walking and cycling initiatives have been progressed, with emphasis being placed on area-based schemes to promote sustainable transport in town centres and residential areas.

9. World Squares - Trafalgar Square

World Squares is a project which aims to improve some of London's key heritage sites to make them truly world class spaces to be enjoyed by Londoners and visitors alike. As part of this scheme, the project at Trafalgar Square is well advanced towards implementation, including the pedestrianisation of the north side of Trafalgar Square to link the square to the National Gallery. A further stage of the World Squares project is planned for Parliament Square.

10. Organisational changes

In August 2002, TfL appointed a Head of Social Inclusion and established a Social Inclusion team. This will create a strategy for Social Inclusion to be carried forward by each of the Businesses. Equality & Diversity were then added to this portfolio of responsibilities (transferred from Human Resources) creating a Head of Equality & Inclusion.

An enhanced Borough Partnerships team has also been established to improve working relations with the Boroughs who are vital to delivering major parts of the Mayor's Transport Strategy.

11. Financial efficiencies

The 2003/4 Business Plan reflects a major programme of change that will deliver organisational improvements and financial efficiencies. The cumulative savings related to integration with LUL, the Procurement efficiencies programme and BIP are estimated in the Business Plan as;

2003/4	£7.2 million
2004/5	£49.3 million
2005/6	£114.9 million

12. Integration with LUL

The programme for integration with LUL was initiated and developed through a period of uncertainty. That approach has enabled TfL to be well prepared for legal transfer. McKinsey were hired to provide

professional consultancy in scoping and developing a programme that would deliver the new TfL organisation.

Key principles of the organisation design were:

- Develop a long term, integrated transport strategy.
- Delegate authority to the businesses except where;
 - Economies of scale/skill outweigh complexity of central management
 - Central control/execution is essential to ensure an integrated perspective
- Execute integrated customer services.
- Manage performance.
- Ensure the development of talented staff.

A Steering Group was set up to oversee the programme and agree/sign off the design, its principles and the efficiencies identified. The group membership was constituted as follows:

TfL Chief Officers

Jay Walder
Derek Turner
Peter Hendy

LUL Directors

Mike Brown
Mike Strzelecki
Rob Mason
Keith Beattie

Through the Summer and Autumn of 2002 functional workstreams were established to work with McKinsey to design the respective organisations. Teams were made up of TfL corporate & modal and LUL representatives.

Jeroen Weimar was appointed Director, Integration Programme in September 2002. (Following his release from the role of acting Director Corporate Services) Despite uncertainty with respect to the actual date of legal transfer of LUL to TfL, the programme continued steady progress towards the appointments process planned for the beginning of 2003.

Many of the roles reporting to Chief Officers in the new organisation design had not previously existed as they were designed to support a more integrated TfL. Therefore it was agreed that these posts would be advertised internally and externally consecutively in order to appoint the best candidate, benchmarked against the market. In the winter of 2002 a range of Executive Search firms were engaged to support this selection process.

In January 2003 an extensive programme of interviews was held for these 'level 1' appointments.

Throughout April and May 2003 interviews were held for the next level appointments. Internal applications were invited for these level 2 posts in the first instance to ensure that current staff with appropriate skills were placed in the new organisation. A few roles remain unfilled and will now be searched externally.

There is a significant programme of work underway to 'map' remaining staff to the most appropriate part of the new organisation. Where clarity does not exist staff are being asked to state their preference in terms of the type of role they feel most suited to.

The integration process has been supported throughout by an Advisory Group with responsibility for ensuring that proper and legal procedures are followed. The membership of this group is:

Gareth Davies, Maggie Bellis, Jeroen Weimar for TfL
Frances Low for LUL (previously Mike Strzelecki)

At the time of writing legal transfer is expected to occur in July 2003. The work of the Integration group has prepared the way for transfer and will enable new TfL to be effective from day 1.

Transport for London

Minutes of a meeting of the Remuneration Committee held on Wednesday 28th May 2003, commencing at 12.30 p.m. in the Mayor's office, City Hall, Queens Walk, London SE1 2AA

Board members present:

Ken Livingstone (Chair)
Noel Harwerth
Mike Hodgkinson

In attendance:

Bob Kiley (Items 1 and 2 only)
Maggie Bellis

03/03

The Committee agreed that Bob Kiley had made a significant contribution since taking up his appointment as Commissioner for Transport. In line with contractual agreements the Committee endorsed a bonus award for 2002 and a base pay increase effective 1st January 2003. The base pay award is for both 2002 and 2003 as no salary review took place in May 2002. The Committee also endorsed a proposal for an RPI increase to the Commissioners base salary effective 1st January 2004.

The Mayor requested that the 2004 Remuneration Committee be convened during the last week of May 2004.

AGENDA ITEM 3

TRANSPORT FOR LONDON

**STAFF SUMMARY
REMUNERATION COMMITTEE**

SUBJECT: REMUNERATION FOR THE COMMISSIONER of TfL

MEETING DATE: 24th MAY 2004

3. THE COMMISSIONER'S CONTRACT

The Commissioner's contract stipulates that performance bonuses are payable in 2003 and 2004 up the following maxima;

2003	£285,000
2004	£365,000



BONUS PERFORMANCE CRITERIA

4.1 Measures

The contract states that the following measures will be used to assess the level of bonus payable;

- (i) measures of financial improvement, including the raising of investment capital
- (ii) measures of operational improvements
- (iii) measures of customer satisfaction
- (iv) measures of trip time reductions by all modes of transport

4.2 Assessment

The transfer of London Underground to TfL was perhaps the most significant achievement of 2003. A wide range of activities was completed successfully to ensure the smooth transition of LU and complete the integration of some 18 different transport functions into the new Transport for London.

Headline achievements against the four key contractual performance indicators are;

Measures of financial improvement, including the raising of investment capital:

- Efficiencies achieved in 2003/4 = £22.8 million against a target of £18m
- The foundations for 'prudential borrowing' have been laid and the approval of the Mayor and TfL Board confirmed for a borrowing limit of £400m in 2004/5. There are indications that Government is on board.

Measures of operational improvements:


- Bus patronage – trips increased to 1.7 billion (31% up on 1999/2000) Target increased to 1.8 billion for 2004/5
- LU met all but one operational targets for 2003/4 (93.1% schedule operated versus target of 93.8% - due to Camden Town)
- DLR passenger journeys increased by 6% to 48.4 million (45.7 million in 2002/3)

Measures of customer satisfaction:

	2003/4% target	Actual
▪ LU	75%	78%
▪ London Rail	83.6%	91.3%
▪ Buses	77%	79%

All 2004/5 targets are being finalised due to good performance in 2003/4

Measures of trip time reductions by all modes of transport:

- Congestion charging implemented –
 - 4% switch from private car to public transport (400,00 daily trips London wide) in 2003/4 due to a combination of Congestion Charging and improved bus services
 - 30% reduction in traffic delays within the charging zone
 - 65,000 fewer car movements per day within the charging zone (15% reduction against target of 10-15%)
 - 60% less disruption due to traffic delays for bus routes serving the charging zone.
- 

6. BONUS RECOMMENDATIONS

The Remuneration Committee is asked to approve a bonus award for
The Commissioner for the calendar year 2003 of £275,000 (96%)

