Transport for London quarterly performance report

Quarter 4 2017/18

MAYOR OF LONDON

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

About Transport for London (TfL)

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport.

We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners'. We are committed to creating a fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made on foot, by cycle or using public transport by 2041. To make this a reality, we prioritise health and the quality of people's experience in everything we do.

We manage the city's 'red route' strategic roads and, through collaboration with the London boroughs, can help shape the character of all London's streets. These are the places where Londoners travel, work, shop and socialise. Making them places for people to walk, cycle and spend time will reduce car dependency and improve air quality, revitalise town centres, boost businesses and connect communities.

We run most of London's public transport services, including the London Underground, London Buses, the Docklands Light Railway, London Overground, TfL Rail, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the Emirates Air Line. The quality and accessibility of these services is fundamental to Londoners' quality of life. By improving and expanding public transport, we can make people's lives easier and increase the appeal of sustainable travel over private car use.

We are moving ahead with many of London's most significant infrastructure projects, using transport to unlock growth. We are working with partners on major projects like Crossrail 2 and the Bakerloo line extension that will deliver the new homes and jobs London and the UK need. We are in the final phases of completing the Elizabeth line which, when it opens, will add 10 per cent to London's rail capacity.

Supporting the delivery of high-density, mixed-use developments that are planned around active and sustainable travel will ensure that London's growth is good growth. We also use our own land to provide thousands of new affordable homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means freezing TfL fares so everyone can afford to use public transport, using data and technology to make services intuitive and easy to use, and doing all we can to make streets and transport services accessible to all. We reinvest every penny of our income to continually improve transport networks for the people who use them every day.

None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. We all need to pull together to deliver the Mayor's Transport Strategy; by doing so we can create a better city as London grows.

Contents

The financial information included in the report is unaudited and does not constitute TfL's statutory accounts. TfL's last audited **Statement of Accounts** for the year ended 31 March 2017 was published in September 2017. TfL's draft unaudited Statement of Accounts for the year ending 31 March 2018 was published in May 2018.

Definitions of terms used in the report are included in the glossary.

Introduction

This report is the last of the financial year 2017/18 so it includes our results for the full year as well as for the fourth quarter, which is a 16-week quarter.

We continue to make good progress against our long-term objective of turning an operating deficit into a surplus. We achieved greater operating cost savings than we had budgeted and, once operating costs are adjusted for exceptional items, like-for-like costs have reduced for the second consecutive year.

Passenger income has fallen £51m year-on-year, reflecting a one per cent drop in passenger numbers. The impact on passenger volumes could have been considerably worse without the Mayor's affordable TfL fares policy. We have also taken steps to successfully slow the decline in bus ridership by implementing a series of improvements in bus journey times.

On a like-for-like basis, operating costs have continued to reduce. Comparable costs are £26m lower than last year and £244m lower than 2015/16.

The capital investment programme delivered key achievements this year, including the upgrade of Bond Street station, the completion of tunnelling on the Northern Line Extension and significant progress with the signalling upgrade of the Circle, District, Hammersmith & City and Metropolitan lines.

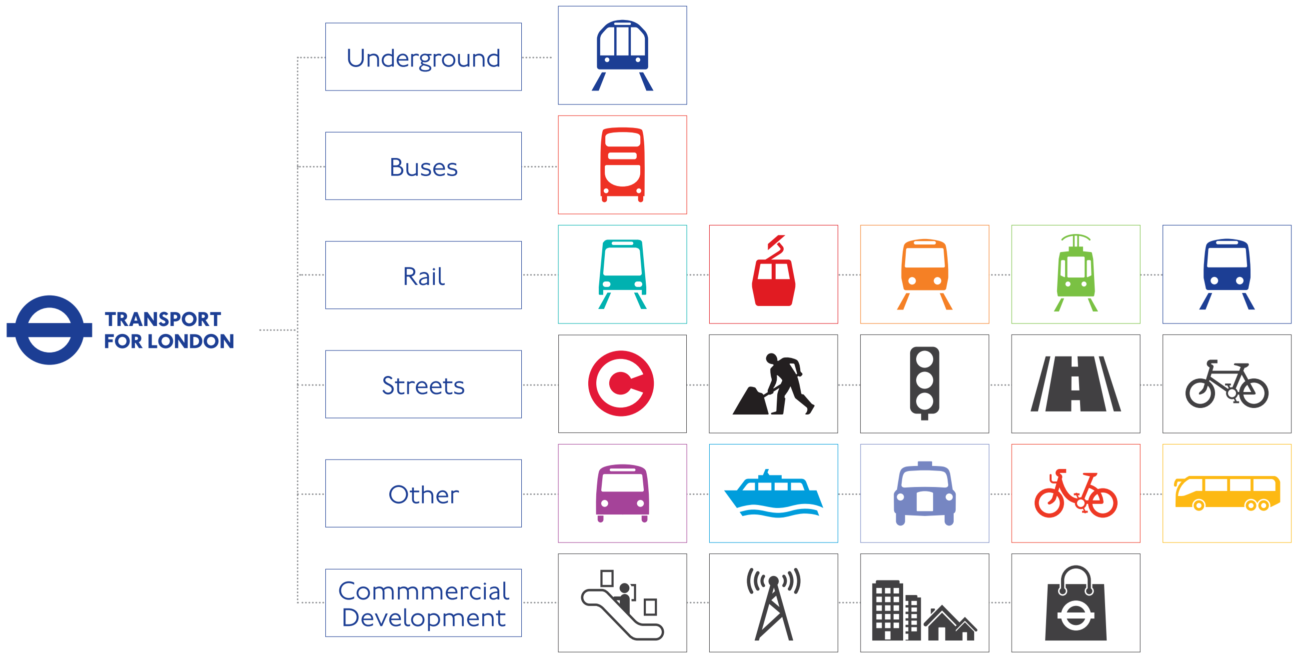
Simon Kilonback
Chief Finance Officer

Sarah Bradley
Group Financial Controller

Business at a glance

Keeping London moving, working and growing to make life in our city better

How we report on our business



Facts and figures*

9,550 Buses on the TfL network

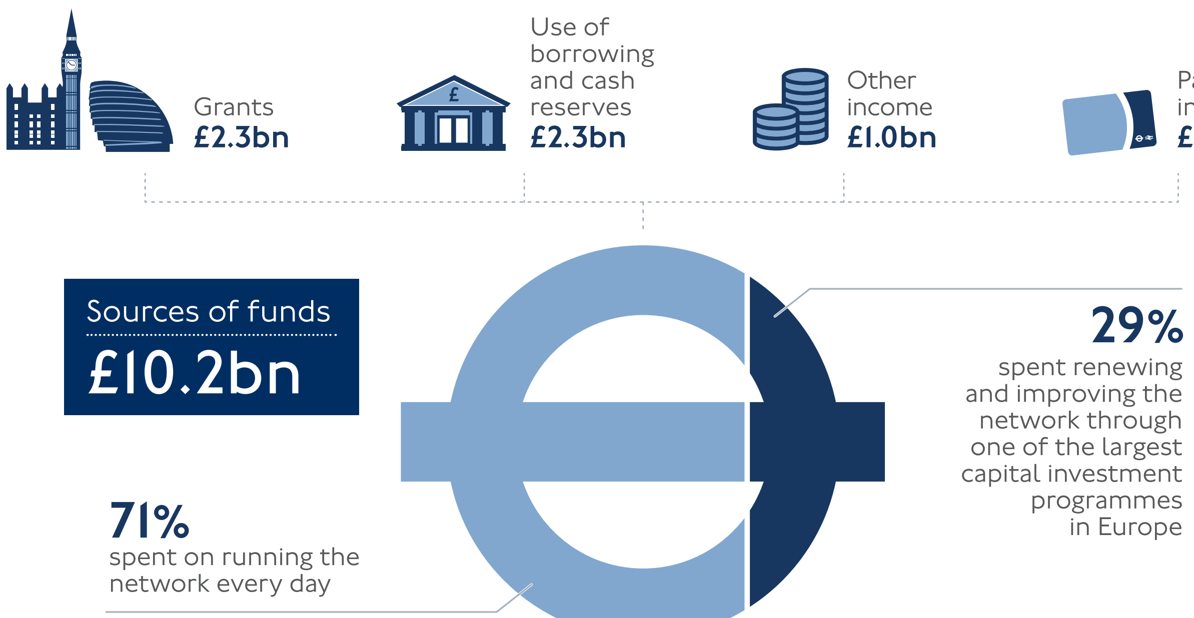
6,350 Traffic signals operated by TfL

940 Trains on the TfL network

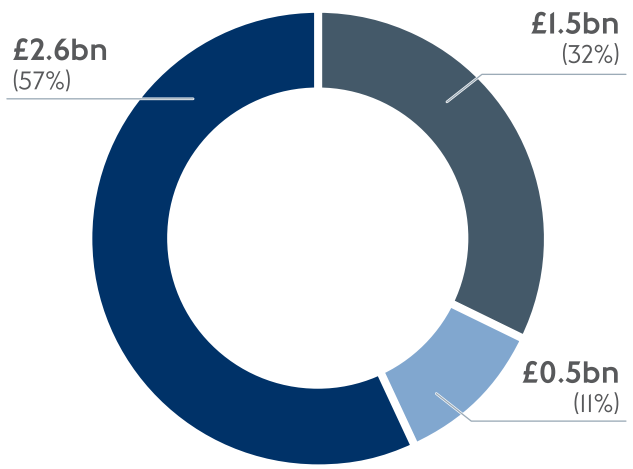
580km TfL-operated highways

680km TfL-operated Rail and Underground routes

Finances at a glance



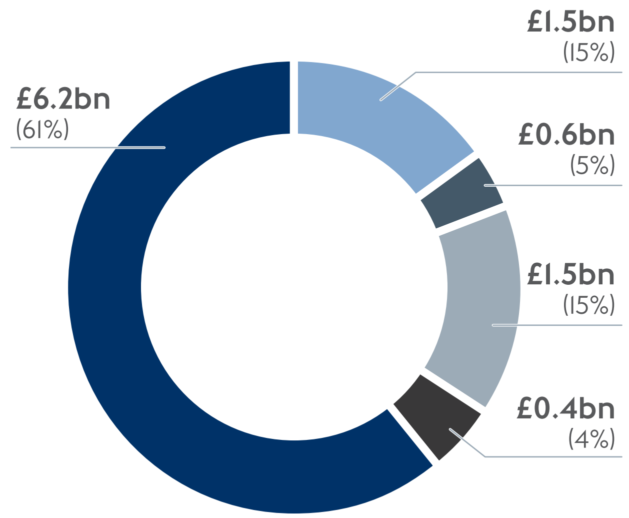
Total passenger income*



Total: £4.6bn

■ Underground ■ Rail ■ Buses

Total costs* (excluding depreciation)



Total: £10.2bn

■ Operating costs ■ New capital investment ■ Capital renewals ■ Crossrail ■ Net financing

*Based on full year 2017/18

Financial summary

Performance in the full year

Operating account

TfL Group (£m)	Full year 2017/18	Full year 2016/17	Variance
Passenger income	4,643	4,694	-1%
Other operating income	750	717	5%
Total operating income	**5,393**	**5,411**	**0%**
General Grant	228	447	-49%
Business Rates Retention	854	854	0%
Other revenue grants	84	51	65%
Total income	**6,559**	**6,763**	**-3%**
Operating cost	(6,240)	(6,172)	1%
Net operating surplus	**319**	**591**	**-46%**
Depreciation and amortisation	(1,114)	(1,087)	2%
Net cost of operations before financing	**(795)**	**(496)**	**60%**
Net financing costs	(428)	(413)	4%
Net cost of operations	**(1,223)**	**(909)**	**35%**

Capital account

TfL Group (£m)	Full year 2017/18	Full year 2016/17	Variance
Capital renewals	(559)	(793)	-30%
New capital investment	(1,459)	(1,093)	33%
Crossrail	(1,530)	(1,593)	-4%
Total capital expenditure	**(3,548)**	**(3,479)**	**2%**
Financed by:			
Investment grant	960	944	2%
Third-party contributions	62	33	88%
Property receipts	59	15	293%
Crossrail funding sources	108	170	-36%
Other capital grants	183	154	19%
Total	**1,372**	**1,316**	**4%**
Net capital account	**(2,176)**	**(2,163)**	**1%**

Cash flow summary

TfL Group (£m)	Full year 2017/18	Full year 2016/17	Variance
Net cost of operations	(1,223)	(909)	35%
Depreciation and amortisation	1,114	1,087	2%
Net capital account	(2,176)	(2,163)	1%
Borrowing	620	682	-9%
Working capital movements	1,636	(49)	-3,439%
Decrease in cash balances	**(29)**	**(1,352)**	

Passenger journeys analysis

	Full year 2017/18	Full year 2016/17	Variance
Number of passenger journeys (millions)	4,011	4,052	-1%
Average yield per passenger journey (£)	1.16	1.16	0%
Operating cost per journey (£)	(1.56)	(1.52)	3%
Total cost per journey before financing (£)	(1.83)	(1.79)	2%

Total income is £204m lower than last year, principally as a result of lower General Grant from Government. Passenger income has been affected by a one per cent drop in passenger numbers, reflecting an overall reduction in rail demand in the South East. The affordable fares policy and measures to improve bus journey times have helped encourage people to make more journeys using buses. Without the TfL fares freeze and the extension of the Hopper fare, the impact on overall passenger volumes would have been much worse.

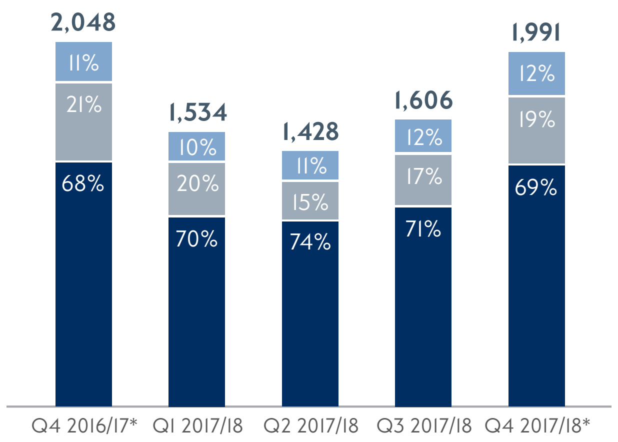
Operating costs are £68m up against last year, but after adjusting for exceptional items, like-for-like costs are down for the second consecutive year, as we continue to deliver savings through consolidating head office accommodation and modernising our structure and ways of working.

Total capital expenditure is at a similar level to last year. Increased new investment, including the purchase of new Elizabeth line trains, offsets reduced renewals as major station upgrades reach completion and we slow down our programme of proactive capital renewals on the road network.

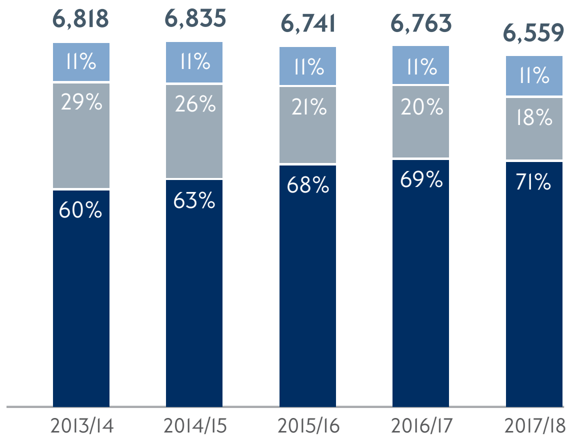
Financial trends

Total income

Quarterly (£m)



Five-year trend full year (£m)



- Passenger income
- Grants
- Other income

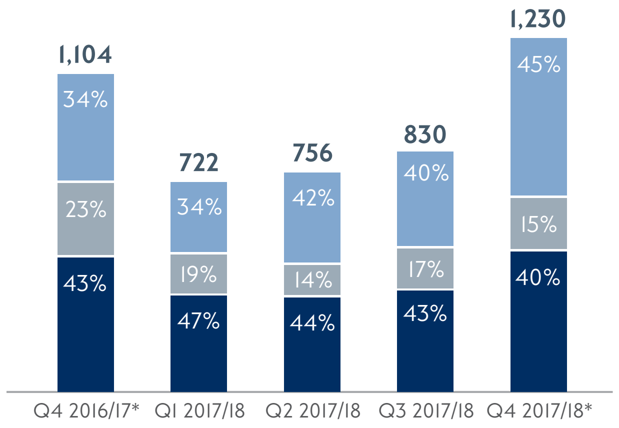
Passenger income lower year-on-year

£219m ▼ in General Grant

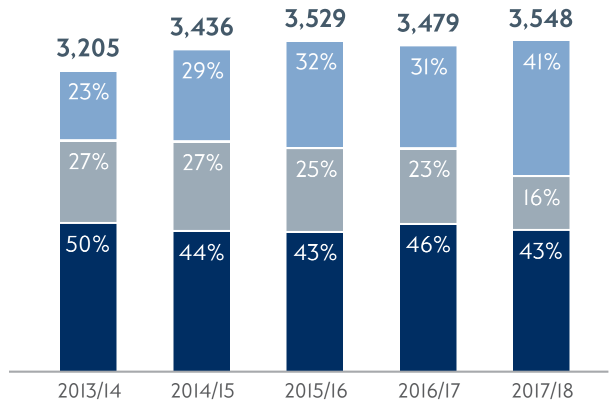
Other operating income increased by £33m as we continue to invest in new opportunities to generate income. The Mayor's affordable fares policy cushioned the impact of falling demand across rail services in the South East.

Total capital expenditure (excluding Earls Court)

Quarterly (£m)



Five-year trend full year (£m)



- Crossrail
- Renewals
- New capital investment

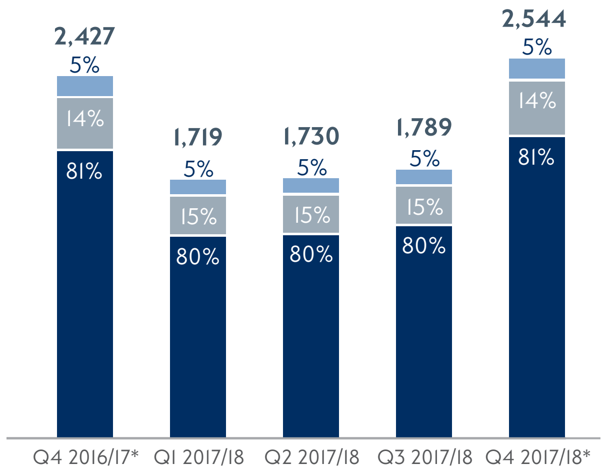
Investment at a five-year high

2% ▲ in capital expenditure

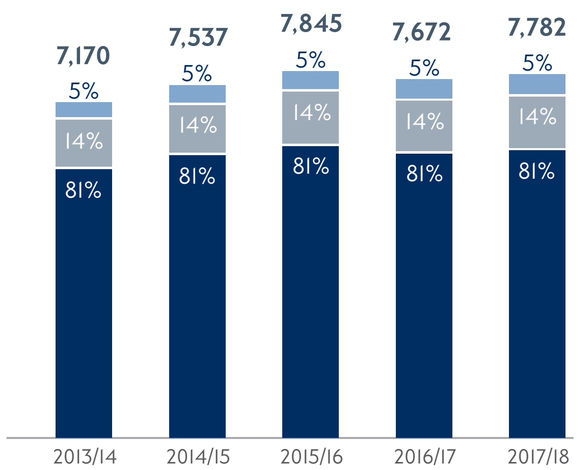
£1.5bn was invested in Crossrail over the year as we prepare for the opening of the Elizabeth line in December 2018.

Total costs

Quarterly (£m)



Five-year trend full year (£m)



- Operating costs
- Depreciation
- Net financing costs

Like-for-like costs lower year-on-year

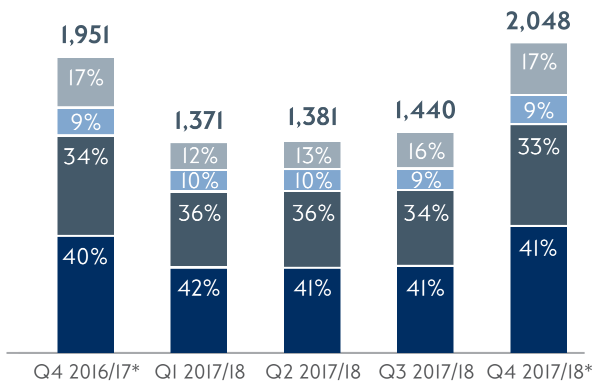
£6.2bn operating costs

After adjusting for exceptional items, day-to-day operating costs are £26m lower than last year. Financing costs are marginally higher owing to £620m net new borrowings this year.

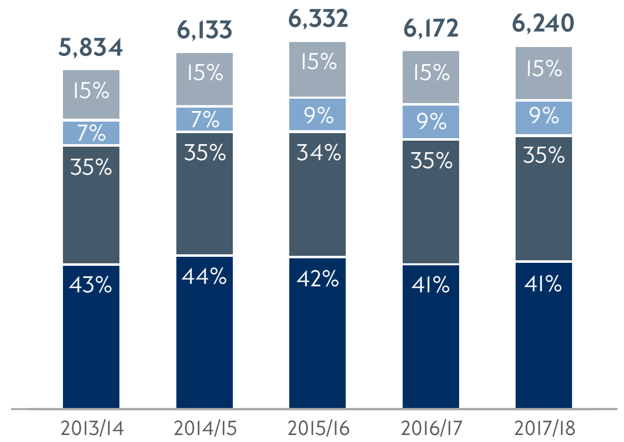
*Quarter 4 is longer than quarters 1 to 3 (16 weeks vs 12 weeks)

Operating costs

Quarterly (£m)



Five-year trend full year (£m)



- Underground
- Buses
- Rail
- Streets, Commercial Development and other operations

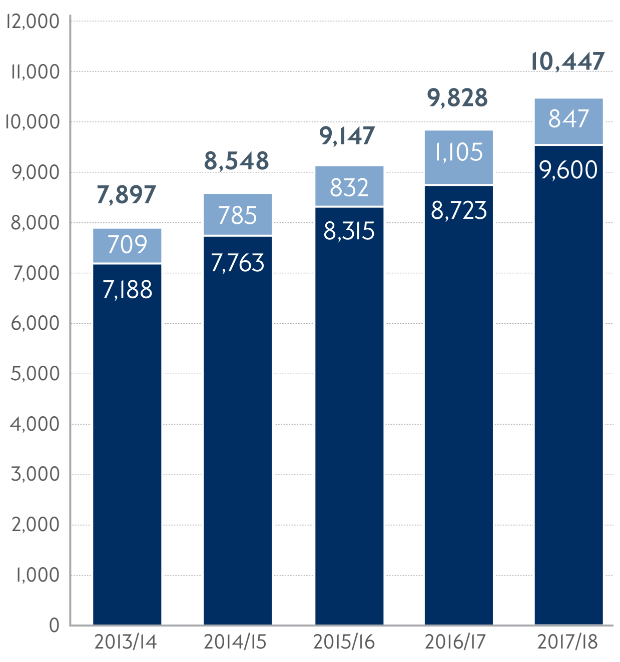
Like-for-like costs down for second successive year

4% ▼ in staff costs

Like-for-like operating costs are less than last year as focused efforts to reduce costs yield results.

Borrowing and cash

Total nominal value of borrowing (£m)*



- Long-term borrowing
- Borrowing maturing within 12 months

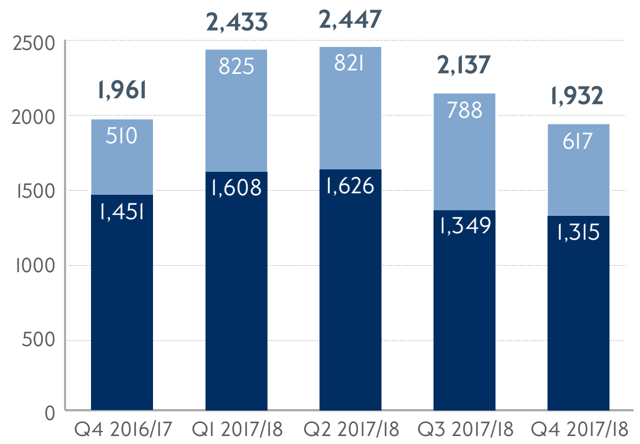
Financing costs and income (£m)

Full year	2017/18	2016/17	Variance
Interest income	9	9	0%
Borrowing costs	(392)	(374)	5%
PFIs/finance lease	(45)	(48)	-6%

Borrowing

The incremental borrowing limit agreed with the Government for 2017/18 was £950m. We have increased our borrowing outstanding by £620m in 2017/18, with the rest deferred to 2018/19. At the end of Q4, £950m of long-term borrowing had been drawn down under existing facilities with Export Development Canada and the European Investment Bank. These drawdowns were partially offset by principal repayments of £343m. The total nominal value of borrowing outstanding at the end of Q4 was £10,447m, of which £9,600m was long-term borrowing.

Cash balances (£m)



- TfL cash balances
- Crossrail cash balances

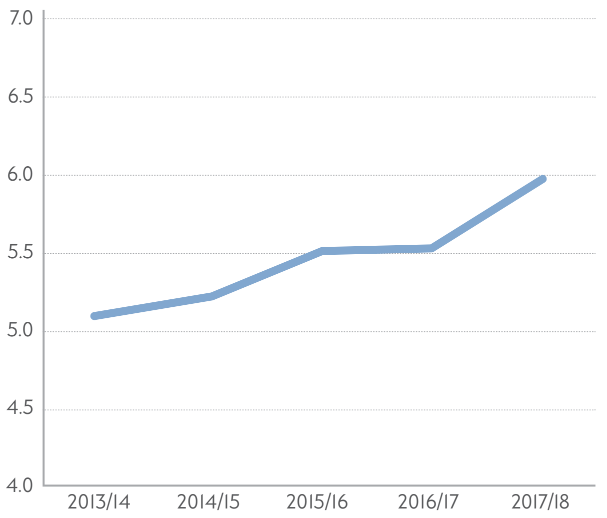
Cash balances

Cash balances have decreased by £29m in 2017/18, to stand at £1,932m at the end of Q4. Of the total balance, £617m is ring-fenced to deliver the Crossrail project. In addition, we aim to hold a prudent minimum level of cash for exceptional circumstances, as well as to retain a high credit rating, in line with our liquidity policy approved by the Board. This minimum level of cash – around £540m for 2017/18 – is driven by the size of our operating costs and our level of borrowing. We expect to continue to use our cash balances to fund the improvements outlined in our Business Plan.

£29m **1.5%▼**

Decrease in cash over the full year

Borrowing costs as a percentage of total income (%)*



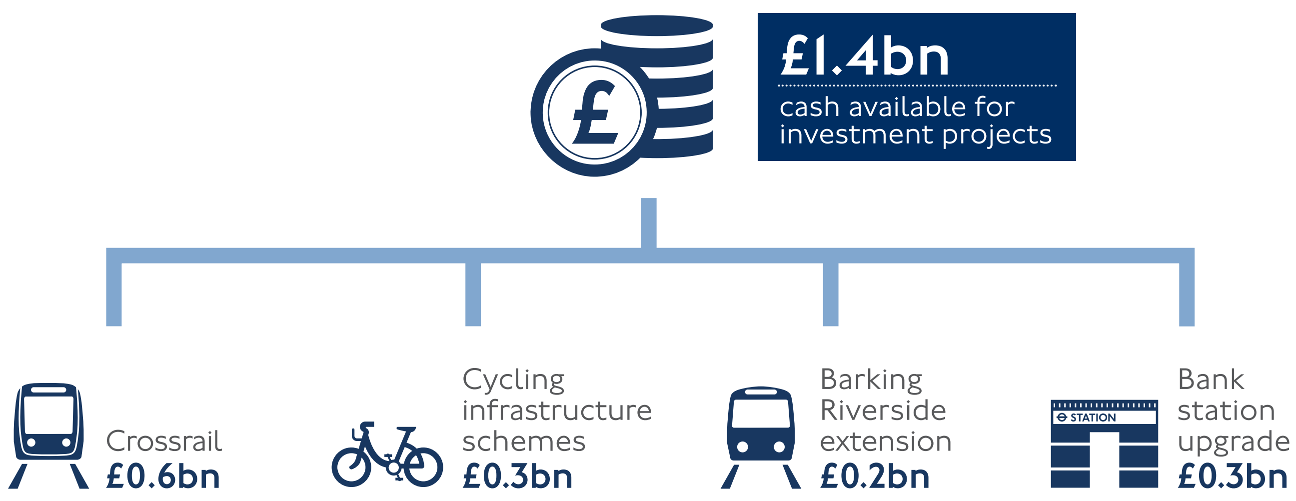
The ratio of borrowing costs to total income, including operating grants, helps TfL to monitor the affordability of its borrowing.

Credit ratings	
Moody's	Aa3 stable outlook
Standard & Poor's	AA- stable outlook
Fitch	AA- negative outlook

Our credit strengths are reflected in the fact that we are rated within one notch of the UK Government by the three leading international rating agencies.

*PFIs/finance leases are not included in the numbers

Funding for investment projects



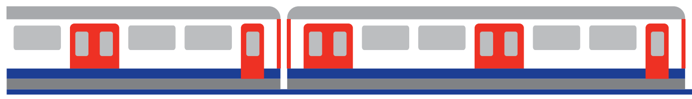
Operational trends

Passenger journeys
Full year 2017/18

4,011m total number of journeys*

1% ▼ total passenger journeys

London Underground



1,357m

Buses

2,247m

Rail (DLR, London Overground, London Trams, Emirates Air Line, TfL Rail)

386m

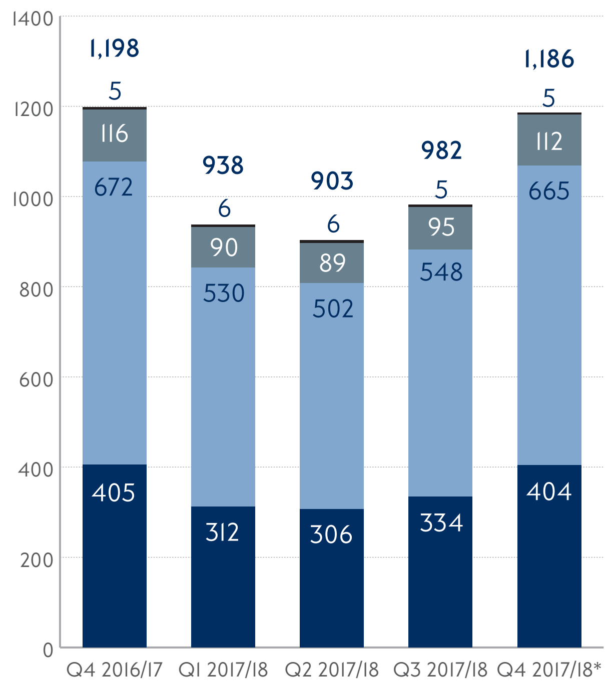
Other (London River Services, Dial-a-Ride, Santander Cycles)

21m

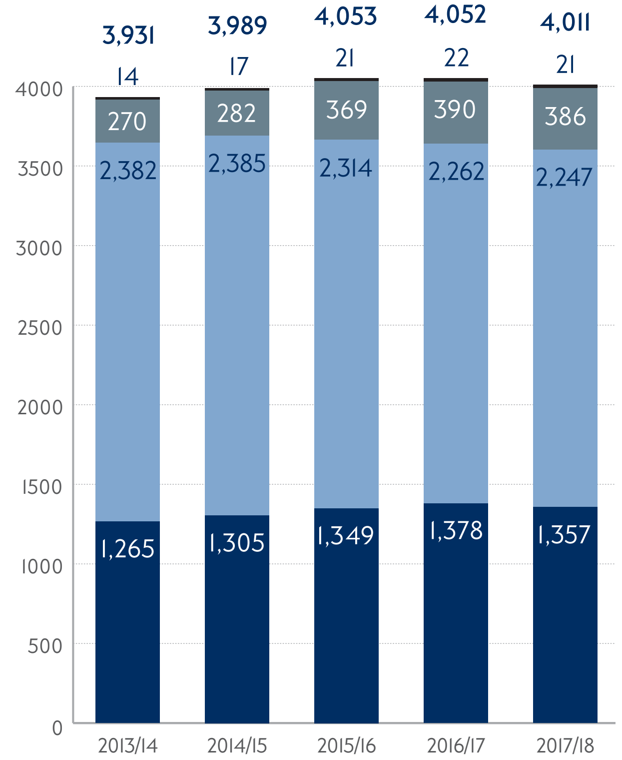
* Excluding road journeys and pedestrians

Passenger journeys (millions)

Quarterly



Five-year trend



■ London Underground ■ Rail ■ Buses ■ Other

London Underground passenger volumes were two per cent lower this year compared with 2016/17. The underlying trend, after adjusting for the extra bank holidays because of the later Easter, is just under one per cent lower with passenger journeys being affected by an overall reduction in rail demand in London and the South East. However, the trend has recently been improving.

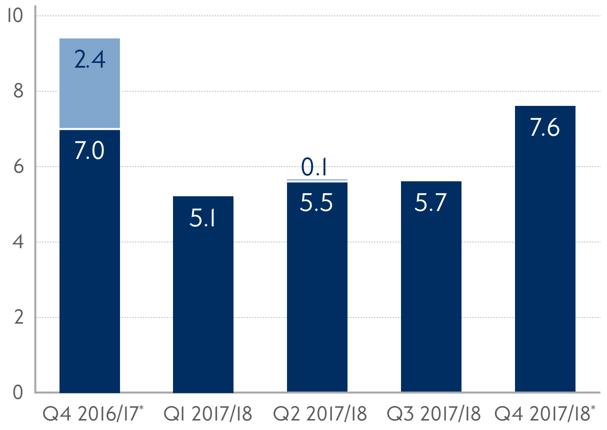
Bus passenger volumes were one per cent lower than last year. This is driven by the timing of Easter, which has been partly offset by some year-on-year improvement in bus speeds, particularly in central London, and also by improved ticket machine reliability following software improvements. Underlying journeys show a growth of 0.8 per cent year-on-year.

Rail passenger journeys are one per cent lower compared to 2016/17, reflecting an overall reduction in rail demand across the South East. In addition, journey numbers have been impacted by DLR strike action and Network Rail's closure of the London Overground Gospel Oak to Barking line for major improvement works.

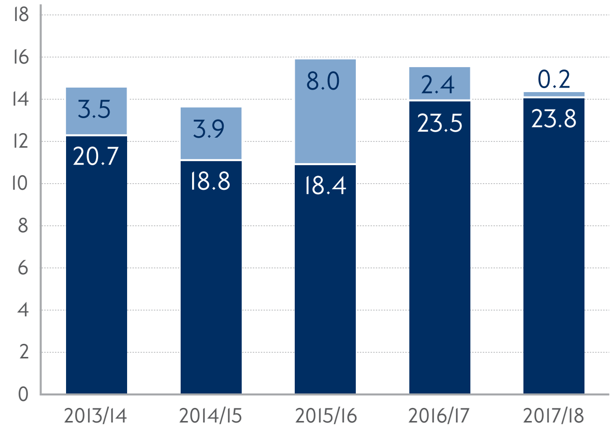
*Quarter 4 is longer than Quarters 1 to 3 (16 weeks vs 12 weeks)

London Underground reliability – lost customer hours (LCH)

Quarterly (millions of hours)



Five-year trend full year (millions of hours)



Industrial action

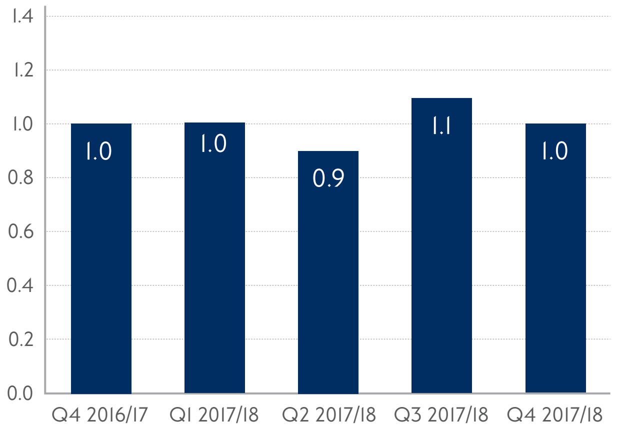
7.6m lost customer hours in Q4 2017/18

7.3%▼ in delays year-on-year

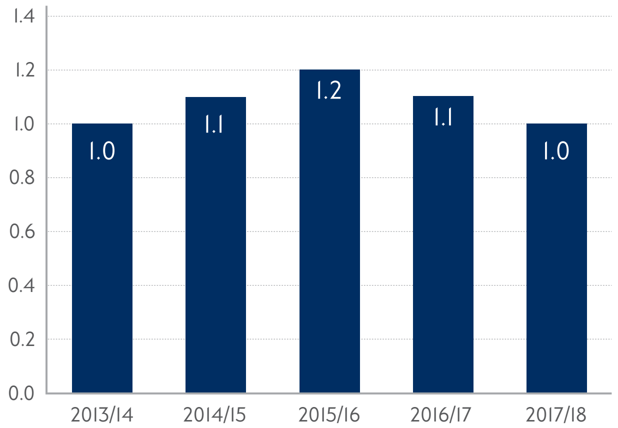
Network reliability continues to be affected by staff unavailability, customer incidents and signalling issues.

Bus reliability – excess wait time (EWT)

Quarterly (minutes)



Five-year trend full year (minutes)



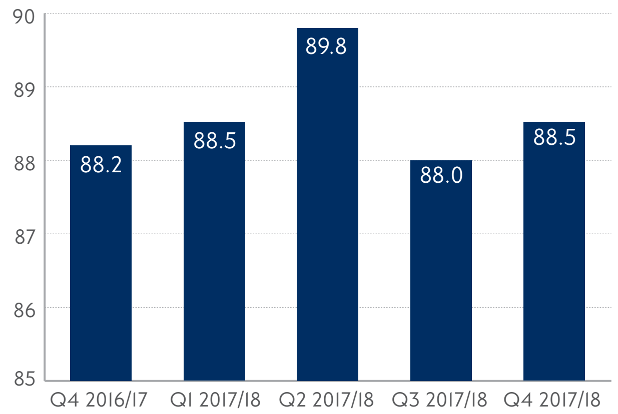
1.0 minutes in Q4 2017/18

The full-year result was the best since EWT was first recorded 40 years ago. Operational conditions for buses have eased recently due to improved traffic management and signal timings, together with a lower volume of roadworks.

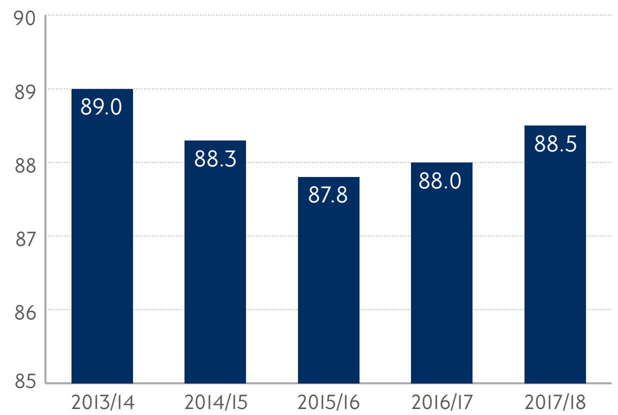
*Quarter 4 is longer than Quarters 1 to 3 (16 weeks vs 12 weeks)

Roads – journey time reliability

Quarterly (%)



Five-year trend full year (%)



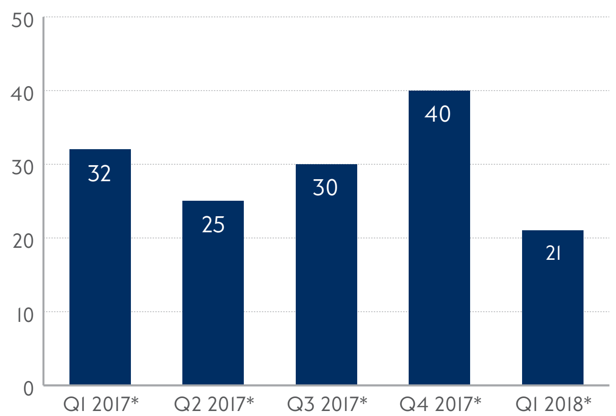
88.5% journey time reliability in Q4 2017/18

0.5%▲ in reliability year-on-year

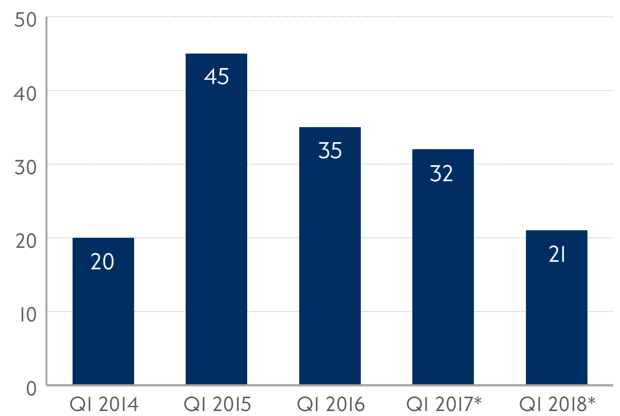
Despite a high number of collisions and several events that affected all of the west area corridors, there was a small improvement in the year. Year-on-year reliability has also increased.

Roads – reported casualties

Quarterly (number of fatalities)



Five-year trend full year (number of fatalities)



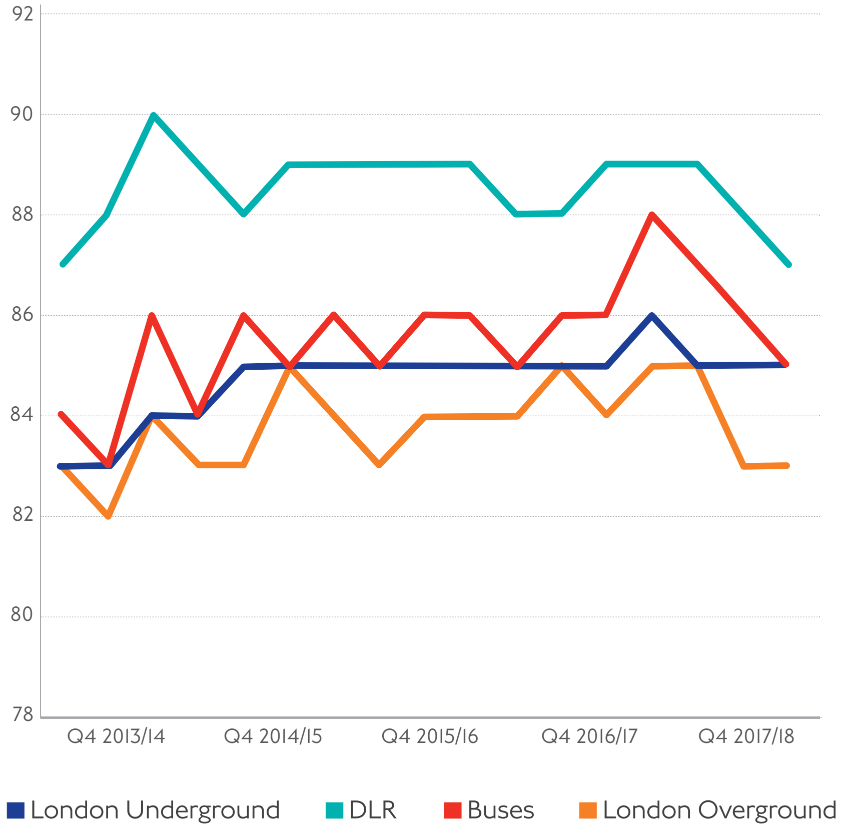
Provisional figures show that there were 21 fatalities on London's roads in Q1 of 2018. More than half of these involved a car and the majority resulted in a pedestrian fatality. Around a quarter of fatalities involved a large goods vehicle, two of which resulted in a pedestrian fatality.

*The figures for 2017 and 2018 are provisional

NB: The above data is based on calendar quarters, i.e. Q1 is January-March

Customer trends

Customer satisfaction score (out of 100)
based on TfL surveys



On the Tube, most scores have remained fairly stable this quarter, although there have been improvements in satisfaction with train crowding and availability of seats. These scores reflect the slight improvement in train service reliability in Q4 compared to Q3, and the fact that demand was down slightly.

Buses overall satisfaction decreased one point to 85. Satisfaction is generally lower compared to Q3 2017/18 and Q4 2016/17. Customers are not as satisfied with information both at the bus stop and on board the bus as they were previously. Additionally, there is unhappiness over the condition of bus stops and shelters, which decreased three points in Q4.

Overall satisfaction with the DLR decreased one point to 87 and there was a two-point drop for station cleanliness. Stations, trains and service all experienced a one point decline, but staff scores remained stable.

London Overground overall satisfaction remains stable at 83. There was a decrease in satisfaction with trains running on time. Customers reported an improvement in the level of crowding.

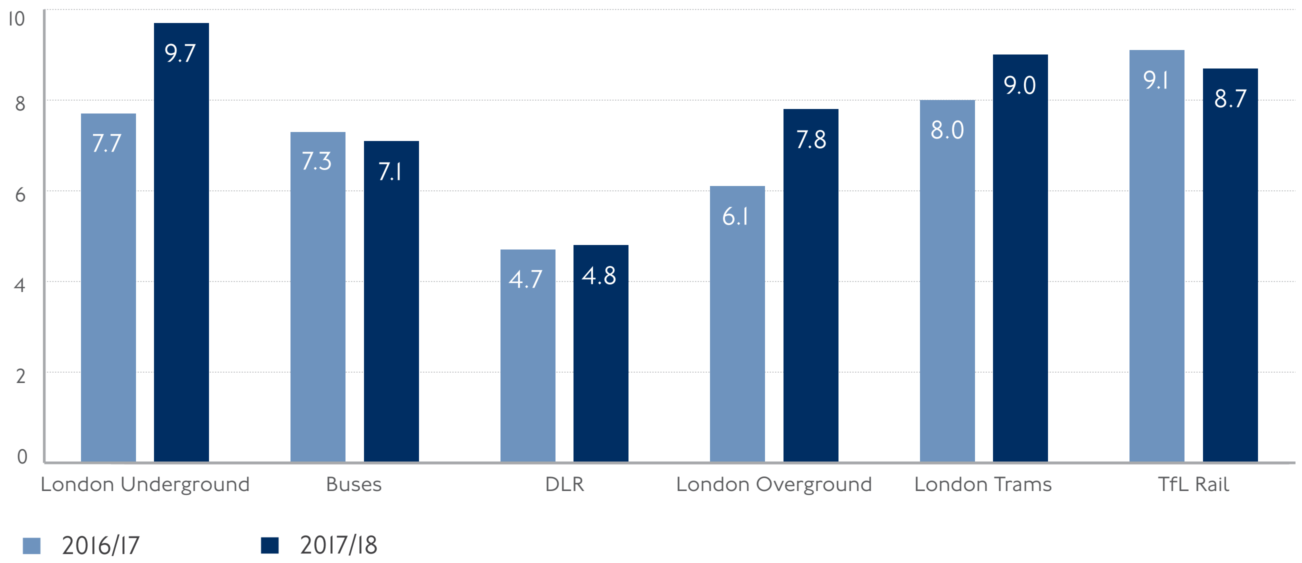
2▲
in customer satisfaction on the Tube since Q4 2013/14

1▲
in customer satisfaction on buses since Q4 2013/14

87
customer satisfaction score on the DLR

83
customer satisfaction on London Overground

Recorded crime rate
Number of recorded offences per million passenger journeys



Crime on our networks has risen by 8.3 per cent compared with the same period last year. This means an additional 2,230 offences over the full financial year. The rate of crime across all modes per million passenger journeys was 8.0 compared with 7.4 for the same period last year.

Increases in recorded crime on London Underground and DLR are primarily driven by rises in reported sexual offences and other violent crimes. The increase in reported sexual offences is largely a result of the work that we are doing with the police as part of Project Guardian, which aims to increase confidence in reporting.

High-visibility policing operations continue. The British Transport Police, at our request, are reinstating local policing teams on the network, which should impact on crime levels in 2018/19. A full analysis of safety and security issues can be found at: www.content.tfl.gov.uk/csopp-20180606-part-1-item05-ops-report.pdf

Number of reported crimes

Full year	2017/18	2016/17	Variance
London Underground	12,071	9,714	24%
Buses	14,607	15,048	-3%
DLR	532	527	1%
London Overground	1,360	1,047	30%
London Trams	241	214	13%
TfL Rail	363	394	-8%

*Q4 crime figures are based on data from April to February

Customer complaints

Complaints per 100,000 journeys full year	2017/18	2016/17	Variance
London Underground	0.89	1.06	-16%
London Buses	2.89	2.93	-1%
DLR	0.82	1.06	-23%
London Overground	1.68	2.28	-26%
TfL Rail	2.47	3.09	-20%
London Trams	1.62	2.13	-24%
Emirates Air Line	2.40	1.89	27%
Congestion Charge	4.04	14.73	-73%
London Dial-a-Ride	82.23	92.56	-11%
London River Services	0.79	0.52	52%
Santander Cycles	4.56	3.40	34%
Taxis*	7.28	5.01	45%
Private Hire*	3.92	4.37	-10%
Contactless	0.14	0.13	8%
Oyster	0.18	0.16	13%

*Journeys not recorded; figures based on survey

Complaints about LU decreased compared to last year, despite the impact of the adverse weather on refunds.

Towards the end of the year, Greenwich Pier was closed for maintenance for several days, which both lowered passenger numbers and raised the number of complaints about river services. River Bus services experienced issues with timetable and vessel availability across the quarter – Thames Clippers has since amended its timetable and its vessels are coming out of their dry-docking programme.

The main area of complaint for Santander Cycles was around the pricing schedule, where customers dispute their charge based on the understanding that the first 30 minutes are free. We continue to focus on the clarity of customer pricing, via social media and the website.

There was a small rise in contactless complaints compared to the previous year. This was primarily due to customers being temporarily unable to use their mobile devices for travel, leading to a significant increase in demand.

Please see publication link on page 19 for a full analysis of complaint trends.

Website and social media

Website visits (millions)

86m

Number of visits to the TfL website this quarter

7.8m

Total number of followers on our 24 Twitter feeds

749,300

Total number of Facebook fans

58,500

Number of Instagram followers this quarter

335m

Number of website page views in Q4 2017/18

Customer services

Communications and correspondence

Full year	2017/18	2016/17	Variance
Correspondence service level agreement	85.7%	82.7%	4%
Calls answered	89.5%	87.5%	2%

Call demand increased in Q4, largely driven by calls relating to delays and cancellations as more customers contacted us for information and refunds. Correspondence performance continues to improve. Customers contacting us about Oyster and concessions remained the main drivers of demand.

Ticketing

Ticketing system availability

Full year	2017/18	2016/17	Variance
London Underground – ticketing system overall availability	98.54%	98.33%	0.21%
London Buses – bus validation overall availability	99.75%	99.30%	0.45%

We exceeded both the London Buses and London Underground targets this quarter and for the whole year.

This strong performance continued during a quarter of growth in use of the Oyster app, with more products and 'pay as you go' being sent to readers for customer collection.

Underground

London Underground (LU)

Financial summary

The net operating surplus in London Underground has reduced by £87m from last year. Reduced passenger demand has only partially been offset by increased yield and one-off costs have impacted expenditure.

57% share of TfL's total passenger income

London Underground (£m)	Full year 2017/18	Full year 2016/17	Variance
Passenger income	2,632	2,669	-1%
Other operating income	36	36	0%
Total operating income	**2,668**	**2,705**	**-1%**
Direct operating cost	(2,136)	(2,108)	1%
Indirect operating cost	(445)	(423)	5%
Net operating surplus	**87**	**174**	**-50%**
Depreciation and amortisation	(696)	(679)	3%
Net cost of operations before financing	**(609)**	**-505**	**21%**
Capital renewals	(354)	(541)	-35%
New capital investment	(746)	(540)	38%
Total capital expenditure	**(1,100)**	**(1,081)**	**2%**

Passenger income is £37m down on last year. Demand was lower, particularly affected by adverse weather in Quarter 4, but this has been partially offset by increased yield. Underlying demand has shown some signs of improvement towards the end of the year.

Direct operating costs have increased by £28m. A total of £19m of staff costs were transferred to professional services, but offsetting this have been one-off costs associated with the ongoing modernisation programme.

Excluding both of these, the underlying cost base has fallen as inflationary pressures have been more than offset by effective cost control.

Capital expenditure is marginally higher than last year. There has been extensive planned investment in the modernisation of the Circle, District, Hammersmith & City and Metropolitan Lines, as well as increased investment in making stations step free. In addition, there is increased expenditure on the Central and Jubilee lines.

Passenger journey analysis

	Full year 2017/18	Full year 2016/17	Variance
Number of passenger journeys (millions)	1,357	1,378	-2%
Average yield per passenger journey (£)	1.94	1.94	0%
Operating cost per journey (£)	(1.90)	(1.84)	3%
Total cost per journey before financing (£)	(2.41)	(2.33)	3%

Passenger journeys

Underlying demand is just under one per cent lower than the same period last year. Overall demand is down for rail travel in London and the South East, including Network Rail.

Average yield per passenger journey

Underlying passenger income per journey has improved compared with the equivalent period last year. This is partly due to the increase in National Rail average fares in January 2018, which has an impact on a proportion of TfL tickets, for example Travelcards. In addition, our drive to encourage contactless usage has helped increase the yield.

Operating cost per journey

Operating cost per journey has increased slightly in the year-to-date largely due to falling passenger journey numbers and costs increasing.

Underlying normalised passenger journeys year-on-year change

2017/18 0.9% ▼

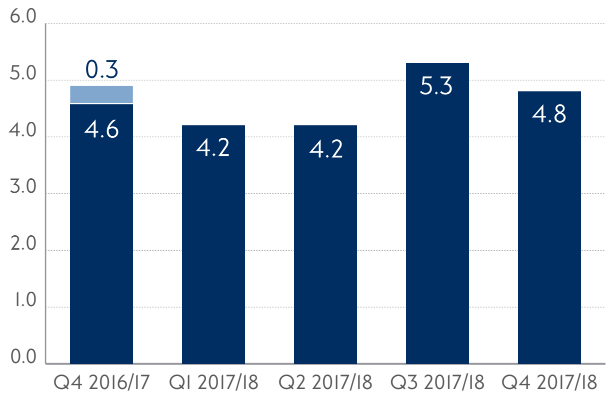
2016/17 1.1% ▲

2015/16 4.0% ▲

Compares underlying year-to-date passenger journey numbers with those in the previous year. Not actuals – adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.

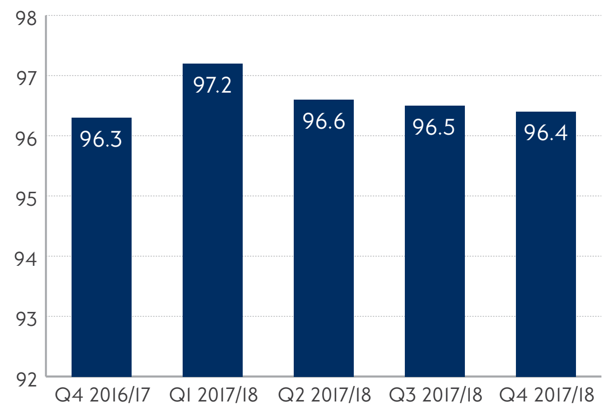
Reliability

Excess journey time (minutes)



Excess journey time was lower than the same quarter last year. Network reliability continues to be affected by staff unavailability, signalling, customer incidents and fleet issues.

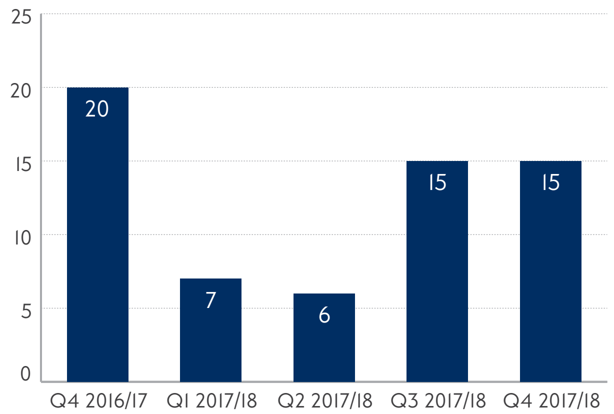
Scheduled kilometres operated (%)



Performance was comparable to the previous quarter. As with LCH, the number of kilometres operated was affected by staff unavailability, customer incidents and fleet issues.

Safety

RIDDOR* reportable customer injuries



*Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013

Our customer safety focus has been on how we communicate with our customers. This has reduced customer accidents by five per cent compared to the previous year. Most importantly, we reduced high-risk platform train interface incidents by almost 10 per cent.

Customer

Customer satisfaction score (CSS)

	Q4 CSS
Bakerloo line	83
Central line	83
Circle line/Hammersmith & City line	87
District line	85
Jubilee line	87
Metropolitan line	84
Northern line	83
Piccadilly line	87
Victoria line	86
Overall score	**85**

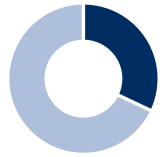
Most scores remain consistent with Q3, although satisfaction with train crowding and availability of seats has fallen. The scores reflect the slight improvement in reliability compared to Q3 and the slight fall in demand.

Buses

London Buses

Financial summary

Reduced passenger income has contributed to the net operating deficit being five per cent higher than last year. Total operating costs are broadly flat.



31% share of TfL's total passenger income

Buses (£m)	Full year 2017/18	Full year 2016/17	Variance
Passenger income	1,453	1,474	-1%
Other operating income	13	13	0%
Total operating income	**1,466**	**1,487**	**-1%**
Direct operating cost	(2,104)	(2,086)	1%
Indirect operating cost	(67)	(70)	-4%
Net operating deficit	**(705)**	**(669)**	**5%**
Depreciation and amortisation	(47)	(45)	4%
Net cost of operations before financing	**(752)**	**(714)**	**5%**
Capital renewals	(10)	(19)	-47%
New capital investment	(12)	(76)	-84%
Total capital expenditure	**(22)**	**(95)**	**-77%**

Lower bus passenger income is primarily due to fewer fare-paying passenger journeys. Underlying year-on-year demand showed 0.8 per cent growth in the year. This is because there has been some improvement in bus speeds, and also the introduction of the Hopper fare, which is a key part of making transport affordable and attractive.

Direct operating cost is higher owing to the annual contracted price inflation (average of 2.5 per cent) within the bus operators' contracts, and the roll out of cleaner buses. We have offset the financial impact of this by keeping operating costs almost flat year-on-year.

Capital expenditure is lower; the programme to purchase New Routemaster buses, introduced by the previous Mayor, was completed in June 2017. There are no plans to expand this programme.

Passenger journey analysis

	Full year 2017/18	Full year 2016/17	Variance
Number of passenger journeys (millions)	2,247	2,262	-1%
Average yield per passenger journey (£)	0.65	0.65	0%
Operating cost per journey (£)	(0.97)	(0.95)	2%
Total cost per journey before financing (£)	(0.99)	(0.97)	2%

Passenger journeys

Total passenger journeys were one per cent lower than last year. The decrease is driven by the timing of Easter. This is partly offset by some year-on-year improvement in bus speeds, particularly in central London, and also improved ticket machine reliability following software improvements. On a normalised basis, passenger journeys were 0.8 per cent higher.

Average yield per passenger journey

The average yield per passenger journey remained stable. The Hopper fare, which started in September 2016, is partly offset by a fares increase on Travelcards in January 2018.

Operating cost per journey

Overall operating costs have increased year-on-year due to the annual contracted price increase within the bus operators' contracts. This combined with the decrease in passenger journeys, means that the operating cost per journey has increased.

Underlying passenger journeys year-on-year change

2017/18 0.8% ▲

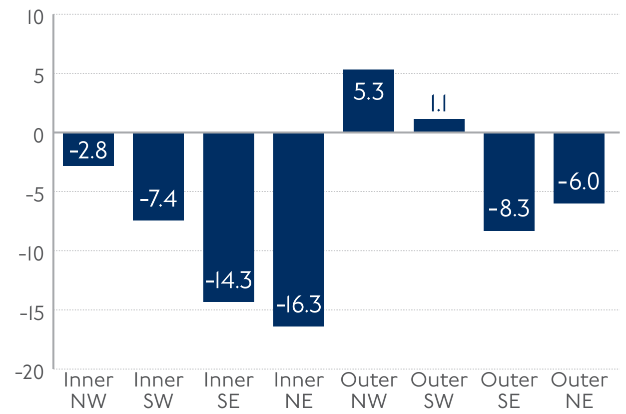
2016/17 2.7% ▼

2015/16 3.5% ▼

Compares underlying passenger journey numbers in the quarter with those in the corresponding quarter in the previous year. Not actuals – adjusted for one-off events (such as strike days), timing of public holidays and the number of days in each quarter.

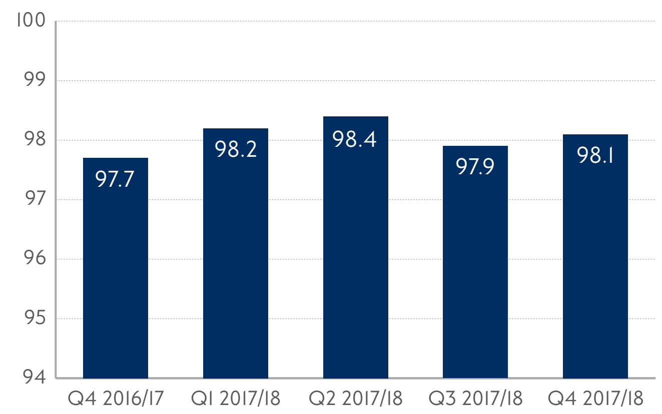
Reliability

Analysis of year-on-year excess wait time (EWT) change by area (%)



Compared with a year ago, EWT has improved in most sectors. Operating conditions in central London have improved to the extent that overall results for this area are now better than outer London. Results for northwest London were affected by sewer repairs and a series of burst water mains.

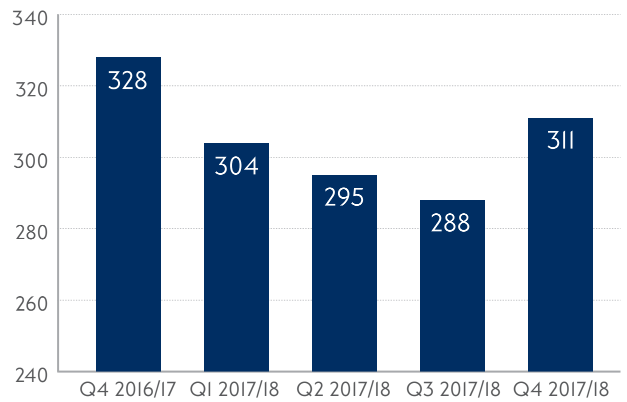
Scheduled services operated (%)



Results improved significantly compared with Q4 a year ago, with losses due to traffic delays at the lowest level for 20 years. Included in the reasons for this are improved operating conditions arising from a reduction in roadworks and improved signal timings.

Safety

Customer injuries*

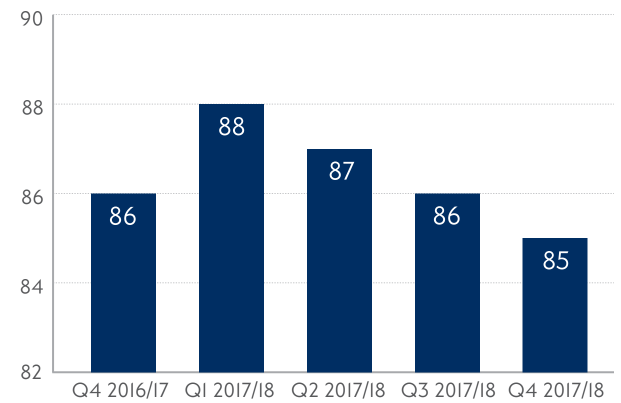


A pedestrian was killed in a collision with a bus, and another passenger later died from their injuries from the same incident. Compared with 2016/17, there was a reduction in major injuries, with 68 per cent of injuries resulting from slips, trips or falls. We are doing more work in this area to further reduce casualties.

*Customers taken to hospital

Customer

Customer satisfaction score

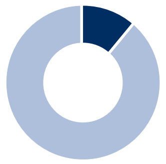


Overall satisfaction has declined by one point to 85, following a record score of 88 at the start of the year. Customers are not as satisfied with information, both at the bus stop and on board the bus, and the condition of bus stops and shelters.

Rail

DLR, London Overground, London Trams, TfL Rail and Emirates Air Line (EAL)

Financial summary
The net operating deficit has reduced by eight per cent as we have held our direct operating costs flat year-on-year, even as we prepare for the opening of the Elizabeth line.



11% share of TfL's total passenger income

Rail (£m)	Full year 2017/18	Full year 2016/17	Variance
Passenger income	507	503	1%
Other operating income	21	20	5%
Total operating income	**528**	**523**	**1%**
Direct operating cost	(539)	(539)	0%
Indirect operating cost	(34)	(33)	3%
Net operating deficit	**(45)**	**(49)**	**-8%**
Depreciation and amortisation	(139)	(132)	5%
Net cost of operations before financing	**(184)**	**(181)**	**2%**
Capital renewals	(27)	(53)	-49%
New capital investment	(443)	(244)	82%
Crossrail construction costs	(1,530)	(1,593)	-4%
Total capital expenditure	**(2,000)**	**(1,890)**	**6%**

Overall operating costs remained stable. Maintenance savings from London Overground offset increased costs in TfL Rail as we prepare for the opening of the Elizabeth line. Higher operator bonus payments made for improved performance on the DLR.

New capital investment has increased this year as we prepare for the opening of the Elizabeth line in December 2018.

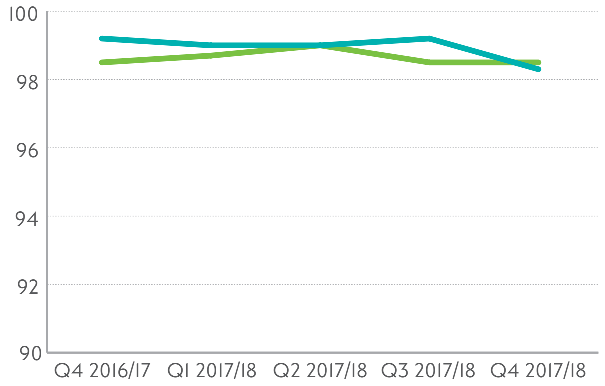
Passenger journey analysis

	Full year 2017/18	Full year 2016/17	Variance
London Overground			
Number of passenger journeys (millions)	190.1	189.3	0%
Average yield per passenger journey (£)	1.18	1.17	1%
Operating cost per journey (£)	(1.39)	(1.46)	-5%
Total cost per journey before financing (£)	(1.50)	(1.57)	-4%
DLR			
Number of passenger journeys (millions)	119.6	122.3	-2%
Average yield per passenger journey (£)	1.41	1.36	4%
Operating cost per journey (£)	(1.13)	(1.00)	13%
Total cost per journey before financing (£)	(1.60)	(1.45)	10%
TfL Rail			
Number of passenger journeys (millions)	45.3	47.4	-4%
Average yield per passenger journey (£)	1.84	1.75	5%
Operating cost per journey (£)	(2.77)	(2.26)	23%
Total cost per journey before financing (£)	(3.66)	(2.94)	24%
London Trams			
Number of passenger journeys (millions)	29.1	29.5	-1%
Average yield per passenger journey (£)	0.83	0.86	-3%
Operating cost per journey (£)	(1.24)	(1.27)	-2%
Total cost per journey before financing (£)	(1.83)	(1.49)	23%
Emirates Air Line			
Number of passenger journeys (thousands)	1,376	1,479.8	-7%
Average yield per passenger journey (£)	4.44	4.14	7%
Operating cost per journey* (£)	(2.12)	(2.25)	-6%
Total cost per journey before financing* (£)	(2.20)	(2.48)	-11%

*Costs of Emirates Air Line are shown net of sponsorship income

Reliability

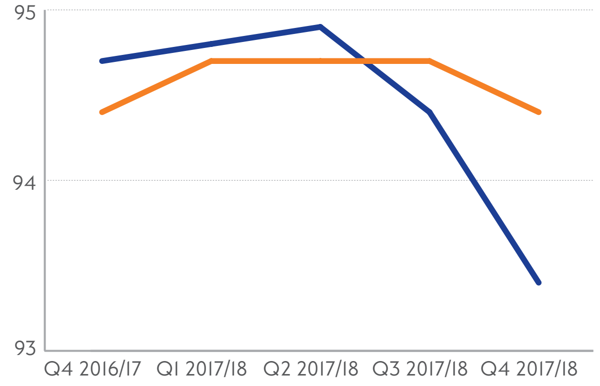
DLR and London Trams – scheduled services operated (%)



DLR London Trams

DLR performance fell in Q4, primarily due to small number of infrastructure failures. Unexploded ordnance in the River Thames at George V Dock significantly impacted services on 12 February.

London Overground and TfL Rail – public performance measure (PPM) moving annual average (MAA)

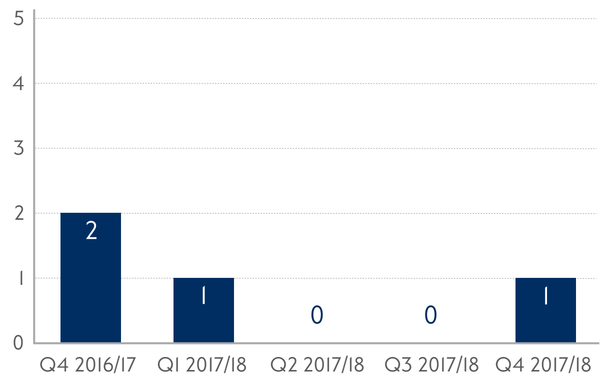


London Overground TfL Rail

Winter weather and rolling stock issues both affected TfL Rail performance this quarter. London Overground performance was in line with the equivalent quarter in 2016/17, and it remains one of the most reliable services in the UK.

Safety

RIDDOR* reportable customer injuries

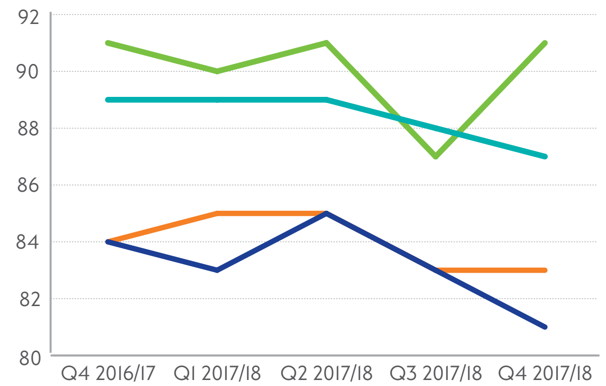


*Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013

An injury to a customer on our tram network following a slip on an icy surface met the criteria for reporting under the RIDDOR regulations.

Customer

Customer satisfaction score



DLR London Overground
London Trams TfL Rail

There has been a one point decline across the network, except for trams. This seems to be a result of customer satisfaction on DLR and TfL Rail, due to lack of cleanliness, delayed services and availability of staff.

Streets

Transport for London Road Network (TLRN)

Financial summary

Despite a fall in income, reduced costs have contributed to a 17 per cent reduction in the net operating deficit.

Streets (£m)	Full year 2017/18	Full year 2016/17	Variance
Passenger income	-	-	0%
Other operating income	314	323	-3%
Total operating income	**314**	**323**	**-3%**
Direct operating cost	(499)	(571)	-13%
Indirect operating cost	(84)	(78)	8%
Net operating deficit	**(269)**	**(326)**	**-17%**
Depreciation and amortisation	(142)	(134)	6%
Net cost of operations before financing	**(411)**	**(460)**	**-11%**
Capital renewals	(108)	(138)	-22%
New capital investment	(99)	(108)	-8%
Total capital expenditure	**(207)**	**(246)**	**-16%**

Streets operating income has reduced mainly as a result of lower volumes of chargeable vehicles entering the Congestion Charging zone. This reflects an underlying year-on-year decline in central London traffic flows, which have reduced on average by five per cent.

Streets operating costs have been reduced by 13 per cent. Delivery of the transformation programme has reduced staff costs. There have been fewer vehicles entering the Congestion Charge zone, which has reduced the operating costs of the scheme. Additionally, some borough-delivered projects have been reprofiled into the next financial year.

Capital renewals are down this year compared with last, primarily because of reduced activity arising from more targeted investment to achieve value for money. New capital investment is also lower; 2016/17 saw major construction activity on the Cycle Superhighways programme, in particular the first phase of the East-West route.

Volume analysis

	Full year 2017/18	Full year 2016/17	Variance
Congestion Charge volumes (thousands)	15,241	16,607	-8%
Congestion Charge and enforcement income (£m)	229.8	249.6	-8%
Average Congestion Charge including enforcement income (£)	15.08	15.03	0%
Other enforcement income (£m)	84.2	77.3	9%
Traffic volumes – all London (index)	95.7	95.2	0.5%
Cycling growth in CCZ (%)*	6.7%	4.2%	

*Cycling data is based on calendar quarters rather than financial quarters ie Q1 is January to March and is the latest available data. It is presented as a percentage change from the previous year.

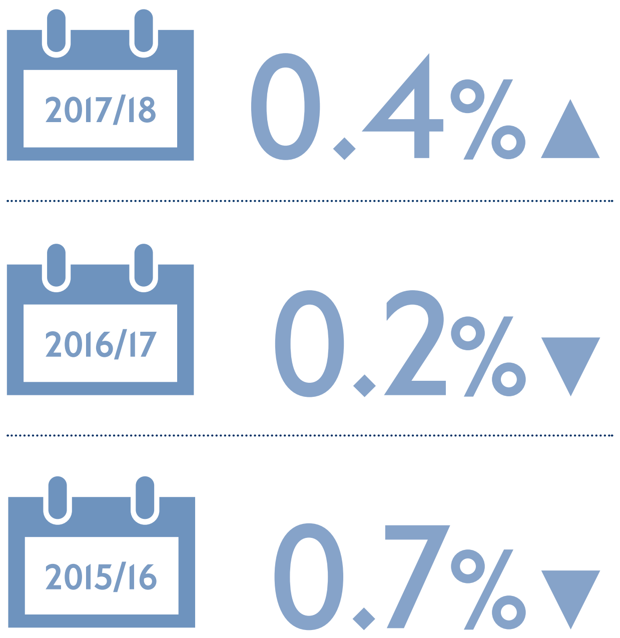
Cycling

During 2017, cycling within central London increased by 6.7 per cent compared to the 2014 baseline. However, this is below the full year target of a 10.4 per cent increase. The latest central London cycling metric shows that a daily average of 466,467 kilometres, or an estimated 152,000 journeys, was cycled in the Congestion Charging zone during Q4 2017.

Traffic flow

The pan-London traffic flow index for the quarter stands at 92.1. This is 1.5 per cent below the same quarter last year. London-wide traffic speeds have decreased compared to the same quarter in previous years.

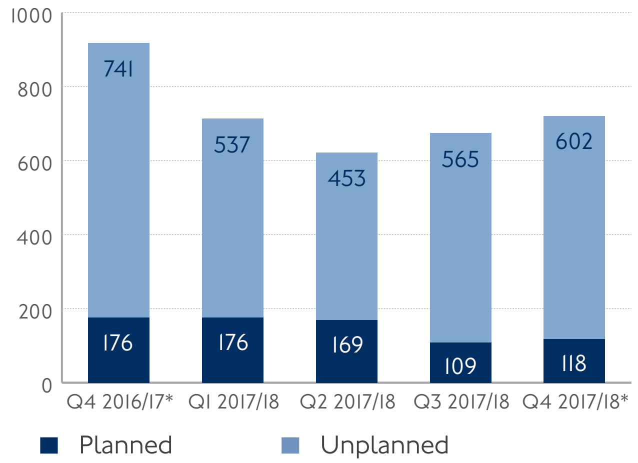
Traffic flow (volume) year-on-year change



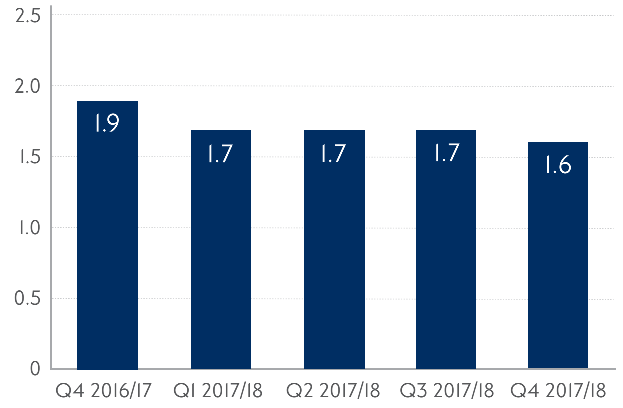
Compares traffic flow volumes for the year-to-date with the corresponding quarters in the previous year.

Reliability

Londonwide: Serious and severe disruption (hours)



TLRN resolution time (disruption hours per event)

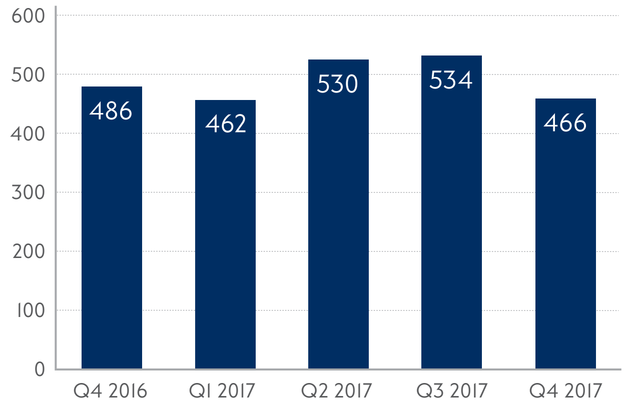


Total London-wide serious and severe disruption for planned and unplanned events in Q4 2017/18 was 720 hours, spread across 409 events. Persistent rain in the quarter led to pan-London speeds being down.

*Quarter 4 is longer than Quarters 1 to 3 (16 weeks v 12 weeks)

Healthy Streets

Central London cycling growth (thousand kms)

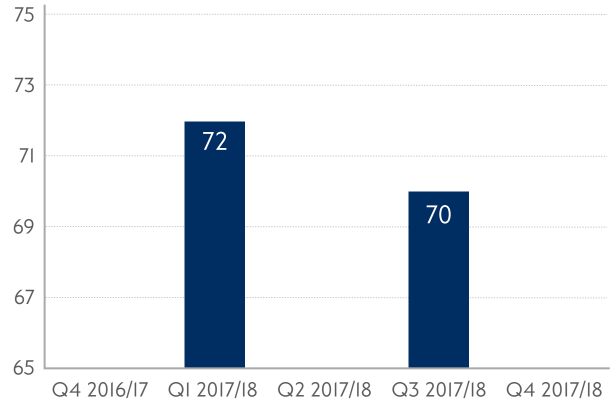


Weather conditions affected levels of cycling in the last quarter of 2017. December was eight times wetter than the previous year, with periods of snow and sleet, which is likely to have contributed to reduced levels of cycling.

NB: The above data is based on calendar quarters

Customer

TLRN user satisfaction (score)



No survey was conducted this quarter.

Other operations

London Dial-a-Ride, London River Services (LRS), London Taxi & Private Hire (TPH), Santander Cycles, Victoria Coach Station (VCS) and others

Financial overview

As well as the operations named above, we include the costs of the Crossrail 2 project team and the Planning team, together with certain group items in this category.

Other (£m)	Full year 2017/18	Full year 2016/17	Variance
Passenger income	51	48	6%
Other operating income	115	103	12%
Total operating income	**166**	**151**	**10%**
Direct operating cost	(265)	(209)	27%
Indirect operating cost	(20)	(14)	43%
Net operating deficit	**(119)**	**(72)**	**65%**
Depreciation and amortisation	(90)	(97)	-7%
Net cost of operations before financing	**(209)**	**(169)**	**24%**
Capital renewals	(59)	(42)	40%
New capital investment	(90)	(85)	6%
Total capital expenditure	**(149)**	**(127)**	**17%**

Direct operating costs are £56m higher than 2016/17, driven by the payment of a £47m deficit contribution to the pension fund. Staff costs have increased within TPH following the recruitment of an additional 250 compliance officers to deal with higher volumes of private hire drivers and vehicles. Project operational costs are higher by £6m, mainly driven by the introduction of 100 rapid charge points.

Capital investment has increased due to the delivery of the Emission Surcharge project which went live in October 2017, and work has started on the introduction of Ultra Low Emission Zone in April 2019. These projects support the enforcement of vehicles with non-compliant emissions, with the aim of improving air quality. Work has also started this year on the construction of the two new Woolwich Ferry vessel replacements and the new roof canopy at VCS.

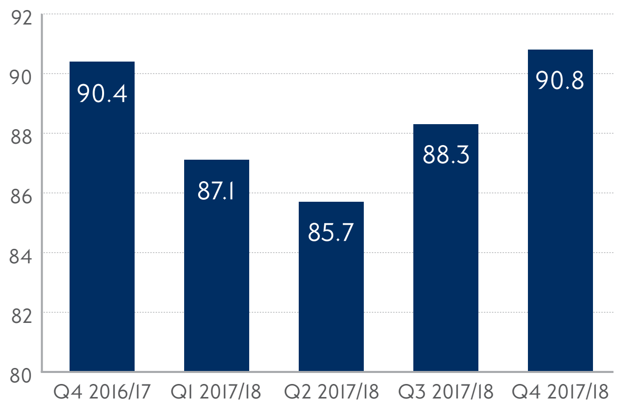
Volume analysis

	Full year 2017/18	Full year 2016/17	Variance
Santander Cycles			
Number of hires (millions)	10.2	10.5	-3%
Average income per hire (£)	1.18	1.14	4%
Operating cost per hire* (£)	(2.33)	(2.23)	4%
Total cost per hire before financing* (£)	(3.30)	(3.13)	5%
Victoria Coach Station			
Number of coach departures (thousands)	236.4	238.1	-1%
Average income per departure (£)	35.79	40.00	-11%
Operating cost per departure (£)	(34.40)	(33.21)	4%
Total cost per departure before financing (£)	(35.51)	(34.24)	4%
London River Services			
Number of passenger journeys (millions)	10.0	10.6	-6%
Average income per journey (£)	0.28	0.26	8%
Operating cost per journey (£)	(1.29)	(1.24)	4%
Total cost per journey before financing (£)	(1.53)	(1.51)	1%
London Dial-a-Ride			
Number of passenger journeys (thousands)	1,023.9	1,175.5	-13%
Total cost per trip before financing (£)	(35.10)	(31.28)	12%
Taxi & Private Hire			
Number of private hire vehicle drivers	113,645	117,712	-3%
Taxi drivers	24,055	24,487	-2%
Total income (£m)	27.1	26.6	2%
Total costs (£m)	(40.4)	(33.0)	22%

*Costs of Santander Cycles are shown net of sponsorship income

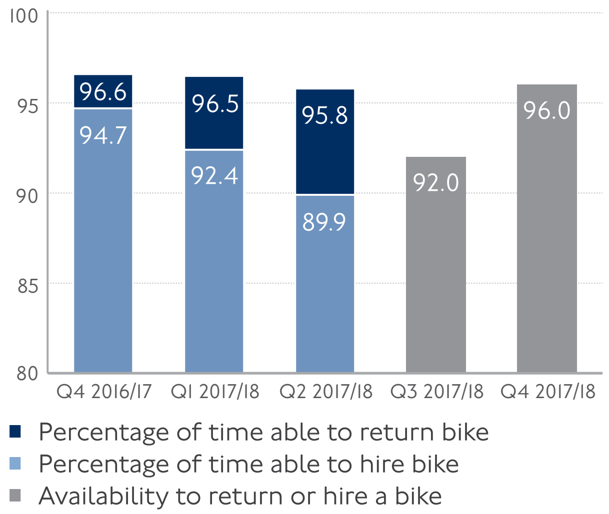
Reliability

Dial-a-Ride scheduled services operated (%)



Inclement weather in the quarter led to significant numbers of trip cancellations, with more than 20 per cent of scheduled journeys cancelled by our passengers. The number of journeys for the year was as expected, with 1.02 million passenger journeys delivered.

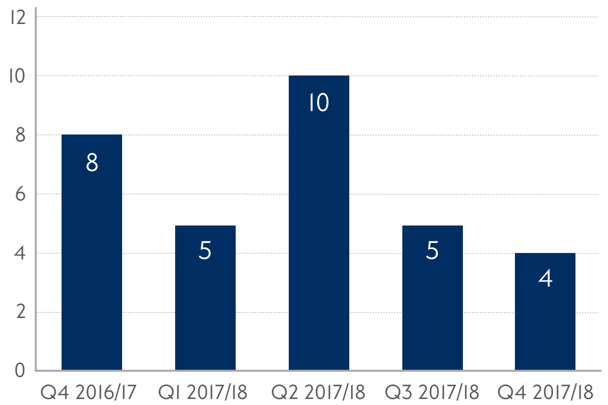
Santander Cycles availability to return or hire a bike (%)



Availability for customers to both hire and dock at stations increased in this quarter to 96 per cent. Following the Cycle Hire Scheme contract renewal, measurement methodologies have changed.

Safety

Customer injuries* (Dial-a-Ride, Santander Cycles, VCS and LRS)



*Customers taken to hospital during the quarter

There was a reduction in customer major injuries compared to the previous quarter and the corresponding quarter of 2016/17. Two of the injuries resulted from falls and two from collisions.

Customer

Customer satisfaction

	Q4 CSS
Cycle Hire – Casuals	85
Cycle Hire – Members	80
TPH – Taxis	81
TPH – Private Hire	84
Victoria Coach Station	83
London River Services	91
Dial-a-Ride	92

Not all surveys are carried out every quarter. The most recent scores are shown in the table.

Commercial Development

Media, telecoms, property development and commercial property

Financial summary
Operating income is above last year, reflecting growth in advertising and property rents.

33%
share of TfL's total other operating income in Q4

Commercial Development (£m)	Full year 2017/18	Full year 2016/17	Variance
Passenger income	-	-	0%
Other operating income	251	222	13%
Total operating income	**251**	**222**	**13%**
Direct operating cost	(47)	(41)	15%
Indirect operating cost	-	-	
Net operating surplus	**204**	**181**	**13%**
Depreciation and amortisation	-	-	
Net cost of operations before financing	**204**	**181**	**13%**
Capital renewals		-	
New capital investment	(70)	(40)	75%
Capital receipts	59	15	293%
Net capital expenditure	**(11)**	**(25)**	**-56%**

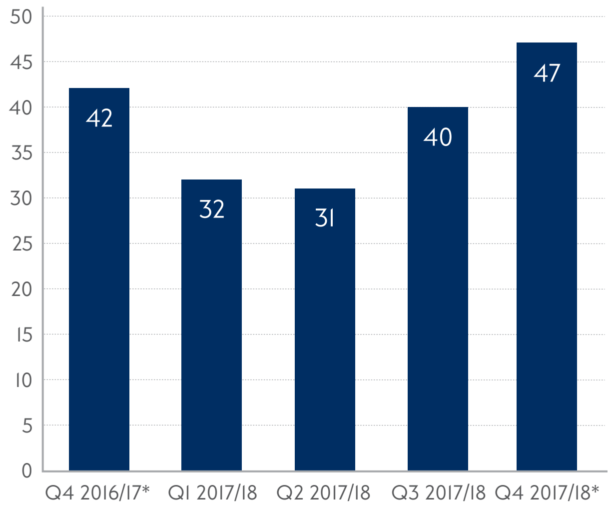
Total operating income is higher compared to last year, primarily reflecting higher media income and additional property income from the rental portfolio. Higher revenues from the property portfolio (£8m above last year) reflect the collection of turnover and back-dated rents.

Operating expenditure year-on-year increase is largely due to a one-off cost of £7m related to Crossrail activities.

New capital investments are significantly above prior year levels, reflecting the fact that, as part of the new advertising contract, there is a drive to upgrade the media sites to new technology. This will, in turn, generate higher revenues in future years. In addition, property development activity has increased at sites such as Southwark and Kidbrooke.

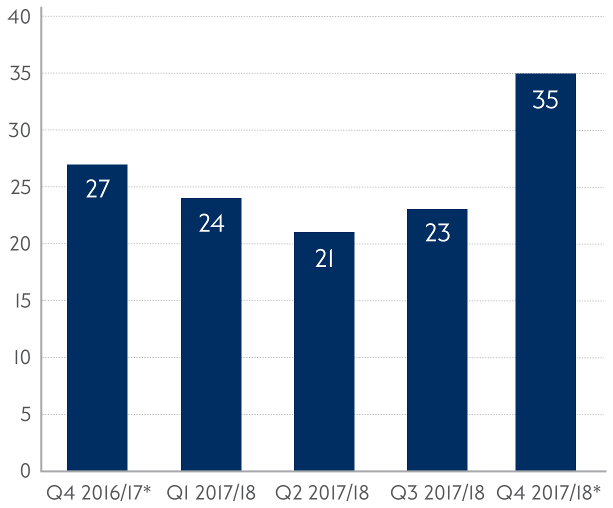
Capital receipts in the year-to-date reflect disposals of property assets surplus to operational requirements.

Media and telecoms income (£m)
Quarterly



The bulk of the media and telecoms income is derived from advertising, principally on the rail and bus shelter estate. Revenues are up year-on-year but not at the level assumed in the budget. This reflects both a challenging advertising market and delays in the deployment of new assets and data. Q4 2017/18 includes bus shelter contract profit share, which is £2m higher than last year.

Property income (£m)
Quarterly



Property rental income increased steadily last year as new lettings were created and turnover and back-dated rents were collected. Progress has been maintained into 2017/18, leading to an increase of £8m in the year-to-date compared to last year. Q4 2017/18 includes a one-off receipt of £7m in relation to Crossrail.

Activity in the quarter

Property development
We continue to unlock new sites for development and have now surpassed our targets for the year, having brought forward 22 sites capable of providing 3,857 homes, 51 per cent of which will be affordable. In addition, we are developing housing projects around Kidbrooke, Limmo Peninsula (Canning Town), Harrow and Northwood.

The huge programme of property development above Elizabeth line stations transferred to us at the end of March. We signed two new development agreements to bring forward 110,000 sq. ft. of office space with Grosvenor at 65 Davies Street (Bond Street station), and with Helical Plc for 120,000 sq. ft. of office space opposite Smithfield Market (Farringdon Station).

New lettings
In 2017/18 we completed 58 retail lettings with a combined gross rental value of £3.6m per annum and 18 industrial lettings with a combined gross rental value of £1.5m per annum.

Media activity
We have started to select a number of advertising partners who will be offered exclusive advertising rights across the Elizabeth line. They will have the chance to work with us on marketing integration across the line, as well as supporting the growth and development of the Elizabeth line during the first year.

To date, 10 gantry and digital screens have been installed as part of our London Landscape Underpass advertising programme, in New Malden, Sun in the Sands, Wembley, Argyle Road and Heathrow. Work also began in December to start planning the final screen installation for a site at the Olympic Park. This programme will bring in additional revenue of £1.7m per annum.

As part of ongoing investment into our advertising estate, we have now completed the installation of the first 60 cross-track projection units, marketed as DX3. These units allow for full colour, full motion cross-track advertising on the Underground. These are now live and are income generating, attracting brands at launch that had never advertised in either the LU or outdoor environment before.

A brand new digital product marketed as ‘D-Scapes’ has been approved, with two currently installed on our estate. The ‘D-Scape’ product is a 98” LCD Landscape screen, which is a completely new offering in our environment. 54 ‘D-Scape’ screens will be installed over the next 12 months, providing a premium offering for brands at key locations.

*Quarter 4 is longer than Quarters 1 to 3 (16 weeks vs 12 weeks)

Capital investment programme

New capital investment (£m)	Full year 2017/18	Full year 2016/17	Variance
Crossrail	1,530	1,593	-4%
Other LU including line upgrades	382	179	113%
Rail enhancements	442	244	81%
Northern Line Extension	179	157	14%
Station upgrades	185	205	-10%
Healthy Streets	77	117	-34%
Commercial Development	70	40	75%
Buses	12	76	-84%
Other capital investment	106	74	43%
Total new capital investment	**2,983**	**2,686**	**11%**

The Elizabeth line remains on course to open in December 2018. Construction and fit-out of the new stations and tunnels is well advanced and we have started testing the infrastructure, with a new class 345 train running through the tunnels. From this summer, Crossrail Limited will begin handing over the completed infrastructure to us for operational testing.

In March, Bromley-by-Bow became the 73rd step-free Tube station on the network with the introduction of two new lifts and manual boarding ramps.

We have completed the main works of the East-West Cycle Superhighway and the final section opened in December. Minor works will continue until this summer.

A new entrance and larger south ticket hall opened at Victoria station in January. The new entrance allows easier access, which gives customers a less congested and more pleasant journey through the station.

On the Northern Line Extension, work continues on the internal structure at the new Battersea Power Station site. Work is under way at Nine Elms station to pour the station base slab and to install pre-cast station platforms.

Capital renewals (£m)	Full year 2017/18	Full year 2016/17	Variance
Track renewals	151	177	-15%
Streets	107	138	-22%
Other LU including line upgrades	70	237	-70%
LU Major Projects	37	47	-21%
LU infrastructure renewals	51	54	-6%
LU rolling stock renewals	45	26	73%
Rail infrastructure	26	53	-51%
Other capital renewals	69	61	13%
Total capital renewals	**556**	**793**	**-30%**

As part of the Mayor's pledge to make London a zero-carbon city by 2050, we have completed the pump house steelwork on Islington's Bunhill scheme, where waste heat from the Northern line will be piped into homes. We are also implementing energy conservation measures, such as installing solar panels across suitable TfL buildings.

During the quarter, we refurbished escalators at Holborn, Westminster, Canada Water and North Greenwich and replaced lifts at Chalk Farm and Wembley Park train crew accommodation. We have started works to replace lifts at Brixton and refurbish escalators at Charing Cross.

Following the success of the new signalling system between Hammersmith and Edgware Road in December, we tested the area from Hammersmith to Euston Square and Paddington. This will be the first to go live this summer, providing more accurate customer information and improved reliability.

To make journeys smoother and more reliable, we replaced 1.2km of ballasted track, 800 metres of drainage, one set of points and more than 1km of deep Tube track. This brings the total track renewed in 2017/18 to more than 10,000 metres.

Appendices

1. TfL Group balance sheet

Balance sheet (£m)	31 March 2018	31 March 2017	Variance
Intangible assets	116	140	(24)
Property, plant and equipment	39,290	36,839	2,451
Investment properties	538	558	(20)
Investment in associate entities	319	368	(49)
Long-term derivatives	12	18	(6)
Long-term finance lease receivables	17	4	13
Long-term debtors	28	26	2
Long-term assets	**40,320**	**37,953**	**2,367**
Stocks	64	72	(8)
Short-term debtors	538	1,821	(1,283)
Short-term derivatives	6	15	(9)
Assets held for sale	83	12	71
Short-term finance lease receivables	8	1	7
Cash and short term investments	1,932	1,961	(29)
Current assets	**2,631**	**3,882**	**(1,251)**
Short-term creditors	(2,348)	(2,146)	(202)
Short-term derivatives	(2)	(4)	2
Short-term borrowings	(846)	(1,106)	260
Short-term lease liabilities	(70)	(77)	7
Short-term provisions	(324)	(194)	(130)
Current liabilities	**(3,590)**	**(3,527)**	**(63)**
Long-term creditors	(65)	(56)	(9)
Long-term borrowings	(9,569)	(8,690)	(879)
Long-term lease liabilities	(418)	(488)	70
Long-term derivatives	(52)	(79)	27
Other provisions	(84)	(44)	(40)
Pension provision	(5,367)	(5,364)	(3)
Long-term liabilities	**(15,555)**	**(14,721)**	**(834)**
Total net assets	**23,806**	**23,587**	**219**
Capital and reserves			
Usable reserves	3,443	1,861	1,582
Unusable reserves	20,363	21,726	(1,363)
Total capital employed	**23,806**	**23,587**	**219**

2. Headcount

Full Time Equivalents (FTEs) including Non-Permanent Labour (NPL)

	31 March 2017 Actual	YTD Net (leavers)/joiners	31 March 2018 Actual
Underground	20,121	(503)	19,618
Rail	465	92	557
Buses	786	(208)	578
Streets	1,860	(357)	1,503
Other operations	1,370	30	1,400
Professional services*	3,606	340	3,946
Commercial Development	179	24	203
Crossrail	803	(152)	651
Total	**29,190**	**(734)**	**28,456**

Headcount levels are down by 734 in the year, a result of continued recruitment controls, the reduced use of non-permanent labour and the Transformation programme.

LU headcount has reduced by 503 since the end of last year following the transfer of 549 commercial and finance staff to central professional services, offset by the recruitment of 325 additional station staff following last year's station review, while headcount controls have reduced staff numbers across the board.

The increase of 340 in professional services since the start of year is a result of 868 staff transferring in from other areas of the business. This is offset by 297 leavers across the Finance, Commercial and Technology and Data Transformation work streams, vacancies and fewer graduates this year.

Buses headcount decreased by 208 due to the transfer of Technical Services (65), Centre Communications (42) and Bus Infrastructure (60) positions. There are also 31 Revenue Inspector vacancies.

Rail has increased by 132 since last year with the majority of new roles in Operations and Infrastructure Management, building up the team ready for the Elizabeth line becoming operational.

* Professional Services comprises functions within TfL including Legal, Finance, Human Resources, Ticketing, Procurement and Customers, and Communications and Technology where services are provided on a shared basis across all TfL divisions.

Non-Permanent Labour (NPL)

The overall use of NPL across TfL has fallen by 320 since the beginning of 2017/18. A number of positions need to be filled on a short-term basis while further recruitment under the new organisation structure takes place. We also need to make use of some specialist temporary workers in highly competitive, scarce skills fields. These resources, recruited through specialist agencies, are essential to ensure that we have qualified people with the right skills to deliver our multibillion pound investment programme.

Total NPL

			Reduction since December 2015	
Date	Number of NPL	Weekly cost (£)	Number of NPL	Weekly saving (£)
15 December 2015	3,092	5,249,002		
31 March 2017	1,742	2,544,009	(1,350)	2,704,993
16 September 2017	1,548	2,174,087	(1,544)	3,074,915
9 December 2017	1,521	2,127,139	(1,571)	3,121,863
31 March 2018	1,422	1,874,029	(1,670)	3,374,973

The above table shows the cost reduction made from actions taken to reduce NPL costs. The weekly cost assumes seven hours a day and five days a week worked.

NPL by length of service

Length of service	31 March 2017 Actual	YTD net (leavers)/joiners	31 March 2018 Actual
0-6 months	356	(76)	280
6-12 months	191	164	355
1-2 years	563	(304)	259
2-3 years	248	(11)	237
3-5 years	238	(64)	174
5+ years	146	(29)	117
Total	**1,742**	**(320)**	**1,422**

There remain a large number of non-permanent contractors who have been working at TfL for more than two years. Many of these are working on large construction projects, but we continue to seek to reduce reliance on these resources as much as possible.

Glossary

Measure	Unit	Description
Calls answered	%	The percentage of customer calls that are answered. The target is to keep this above 85 per cent.
Capital renewals		Capital renewals are required to keep our capital assets – stations, track, buses, roads, trains – in a good state of repair. We need to maintain a level of capital renewals for business as usual. Our capital renewals programme replaces current assets with newer, more reliable ones, providing a better service to the customer and reducing maintenance costs.
Correspondence service level agreement	%	The percentage of correspondence we close within agreed response rates from the date it is received from the customer. Agreed response rates differ between functions – three working days for fast resolution teams, five working days for the refunds team and 10 working days for the investigations teams. The target is 80 per cent.
Customer satisfaction	Score	One of our most important performance measures is customer satisfaction; this helps us understand what the people who use our services really think. An independent research company interviews around 10,000 customers every year, as they complete their trip. They are asked to make an 'overall evaluation' of their journey experience, by giving a score out of 10. We take the average of everybody's scores and multiply it by 10, to give a final result out of 100.

Measure	Unit	Description
London Buses – bus validation overall availability	%	The percentage availability of readers (for validation 'touching in') on London Buses.
London Buses: excess wait time (EWT)	Minutes	EWT represents the amount of time that a passenger has had to wait in excess of the time that they should expect to wait if buses ran as scheduled. EWT is the key measure of reliability of high-frequency bus services as experienced by passengers and is also used to calculate operator performance bonuses or penalties.
London Overground and TfL Rail: public performance measure (PPM)	%	The PPM shows the percentage of trains which arrive at their destination on time. The PPM combines figures for punctuality and reliability into a single performance measure. It is the rail industry standard measurement of performance. PPM measures the performance of individual trains advertised as passenger services against their planned timetable as agreed between the operator and Network Rail at 22:00 the night before. PPM is therefore the percentage of trains 'on time' compared with the total number of trains planned. In London and the South East, a train is defined as on time if it arrives at the destination within five minutes (four minutes, 59 seconds or less) of the planned arrival time. Where a train fails to run its entire planned route, (not calling at all timetabled stations), it will count as a PPM failure.

Measure	Unit	Description
London Underground and London Rail RIDDOR reportable customer injuries	Major injuries	The number of serious injuries to customers, employees and contractors using or working on London Underground and London Rail. A major injury is one classified as 'major' under schedule I of RIDDOR. Injuries arising from criminal acts, alleged suicide attempts, and medical conditions are excluded.
London Underground: lost customer hours (LCH)	Hours	The total extra journey time, measured in hours, experienced by Underground customers as a result of all service disruptions with durations of two minutes or more. A delay at a busy location or during peak hours results in more 'lost customer hours' because more customers are affected. For example, an incident at Oxford Circus during a Monday to Friday peak results in a much higher number of lost customer hours than an incident of the same length in Zone 6 on a Sunday morning. As we review incidents, we may need to change LCH figures retrospectively.

Measure	Unit	Description
London Underground: excess journey time (EJT)	Perceived minutes	Journey time is a way of measuring London Underground's service performance. We break down journeys into stages and give each one: • A scheduled length of time, so we can say how long a given journey should take if everything goes as planned • A value of time (VOT) based on how customers feel about that bit of the journey, for example going up an escalator has a VOT of 1.5, whereas walking up stairs has a VOT of four, because it makes the perceived journey time longer These are the stages of a journey: • Time from station entrance to platform • Ticket queuing and purchase time • Platform wait time • On-train time • Platform-to-platform interchange • Time from platform to station exit In each period, actual journey times are measured and then compared with the schedule. The difference between the two is the measure of lateness or EJT. This is therefore a measure of how efficiently LU is providing its scheduled or 'stated' service: the more reliable the service, the lower the EJT. The calculation includes the impact of planned closures.
London Underground – ticketing system overall availability	%	The percentage availability of revenue collection equipment on London Underground stations, London Overground stations (where gated) and TfL operated Visitor Centres.
Mystery Shopper quality assessment scores	%	The percentage quality score our agents receive for their customer service. This combines scores from correspondence and telephony. The target is 85 per cent.

Measure	Unit	Description
New capital investment	£	New capital investment provides an entirely new service, or provides a significant enhancement of existing services. This investment helps grow the business, providing more volume and capacity.
Passenger journeys	Number	A single journey by an individual (adult or child) on a particular mode of transport run by TfL.
Recorded crime rate	Per million passenger journeys	The number of recorded (or notifiable) crimes per million passenger journeys on the appropriate network.
Scheduled services operated	%	The number of services that TfL actually operated, compared with the scheduled plan – comparing peak and off-peak times. Peak times are 07.00 – 10.00 and 16.00 – 19.00 Monday – Friday. This helps us check whether the service we operate at the busiest times of day is as good as during quieter periods.
TLRN: journey time reliability (morning peak)	%	The key measure for monitoring traffic flow is journey time reliability (JTR). It is defined as the percentage of journeys completed within an allowable excess of five minutes for a standard 30-minute journey during the morning peak.
TLRN user satisfaction score	Score	A score out of 100 of how satisfied customers are with their journey on the TLRN in the past month. Each customer rates their journey on a scale of 0-10, which is then multiplied by 10 to give a score out of 100. This includes journeys by car, walking between transport modes, cycling, bus, powered two-wheeler (P2W), and taxi and private hire vehicles. TLRN CSS is conducted online, it is estimated if it were conducted face-to-face (like other TfL CSSs) the score would be higher by between five and 10 points. From 2010 to Q4 2015, scores had been artificially inflated, as a follow-up question was used inappropriately. From Q1 2016 we removed this question.

Measure	Unit	Description
TLRN: serious and severe disruption	Hours	The KPI measures the numbers of hours of serious and severe disruption on the Transport for London Road Network (TLRN) as a result of planned and unplanned interventions.

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