
Secretariat memorandum

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Agenda item: 15
LTW451
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London TravelWatch business plan and budget bid

1 Recommendation

- 1.1. That members note the London TravelWatch business plan and budget bid.

2 Information

- 2.1. London TravelWatch has submitted its business plan and budget bid to the London Assembly. The business plan and its attachments are set out below.
- 2.2. The business plan and budget bid will be considered by the Transport Committee of the London Assembly at its meeting on Wednesday 16 October. The recommendations of the Transport Committee will be fed through to the Mayor of London, who will publish his overall budget for 2014-15 in due course.

3 Equalities and inclusion implications

- 3.1. None – report is for information only.

4 Financial implications

- 4.1. None – report is for information only.

5 Legal powers

- 5.1. Schedule 18 of the Greater London Authority Act 1999 places upon London TravelWatch (as the London Transport Users Committee) a duty not less than two months (or such other period as the London Assembly may specify) before the start of the financial year to send to the Assembly a statement of the expenses it expects to incur.

LONDON TRAVELWATCH

Business Plan and Budget Bid 2014-15

A. Introduction

London TravelWatch is the independent consumer body responsible under a series of statutes for representing the interests of all who use public transport in London. It is accountable to, and funded by, the London Assembly. It covers all modes of transport, and its work is underpinned by a series of statutory powers and duties. In particular, it must:

- consider and make recommendations relating to matters brought to its notice by users and transport providers or which it considers merit investigation
- respond to essential consultations on behalf of transport users
- undertake research and investigation into issues of concern, and
- act as an appeals body for consumers who have been unable to resolve their complaints with service providers.

It delivers these statutory responsibilities through its casework and policy teams and the close synergy between these teams is an important feature of its work. It is, for example, crucially important for caseworkers to have easy access to expert knowledge to help resolve complex transport user appeals. On the policy and investigation side, a wide range of evidence, including primary and secondary research, is used to inform the organisation's work, but important policy related issues emerging from casework also provide a key input to London TravelWatch's work.

London TravelWatch has undergone a series of major changes in the last two years. A new Chair, Stephen Locke, who has an extensive consumer background, was appointed in December 2012, and a completely new Board, with a wide range of expertise and experience, was appointed from January 2013. This is the first business plan prepared under the auspices of the new Board, which has a particular concern to ensure that the organisation works within a framework of clear consumer-centred priorities that maximise the benefit that can be secured from limited resources.

The arrival of the new Board followed a major staff restructure in 2011. The four policy staff still have individual areas of expertise, but increasingly take a multi-modal approach to their work. London TravelWatch's approach to casework has been refocused from dealing with individual cases in great detail, which gave high levels of satisfaction to those the organisation was able to help but which was resource intensive, to closing cases much more quickly, whilst still dealing properly with the

matter in hand. This work is ongoing, and a priority for the year ahead is to shift the emphasis from 'just' providing an efficient and quality casework service towards demonstrably providing a wider reaching and hence more effective service overall to generate better value for the travelling public.

Other changes in the past year include a move to smaller, more efficient offices, and further streamlining of governance arrangements, reducing the number of committees from three to two. Overall, London TravelWatch has cut its operating budget by more than a third since 2010 whilst still maintaining performance and continuing to provide such essential functions as communications, stakeholder relations and training and support for Board members and staff.

General approach to this business plan

London TravelWatch is directly accountable to the London Assembly and is strongly committed to working collaboratively with the Transport Committee. It will align work plans where practicable and will continue to prioritise requests to provide evidence to the Committee's scrutinies and investigations.

There should be no doubt that, as transport providers in London continue to face major and diverse challenges in the coming year, the need for independent and distinctively London based advocacy for consumers remains as strong as ever. London transport users often have a very different perspective from passengers elsewhere in the country as almost all journeys involve the use of two or more different means of travel. Meanwhile the capital faces major issues of rising demand and capacity constraints, as population and crowding increase. London TravelWatch's unique multi-modal approach allows it to continuously encourage the development of properly integrated transport networks, improving journeys for all.

Faced with these challenges, it is essential that the organisation's consumer policy and representation work remains strongly evidence based. London TravelWatch has built up an extensive knowledge base and unrivalled experience which allows it to analyse complex technical issues, identifying how they will impact on consumers both in the immediate and longer term. For example, in how passengers use and understand ticketing smartcards such as Oyster, or the standards needed to enable easy interchange from one means of travel to another. This year London TravelWatch has published two important pieces of qualitative research which have provided valuable insights into the consumers' view of what constitutes value for money on London's transport network as well as into the problems they continue to face in purchasing tickets and when making journeys on different modes of public transport. The findings of this research will help to underpin next year's work.

London TravelWatch will continue to work within its Mission and Values, reproduced as appendix 1, putting the consumer view, challenging the industry where appropriate and championing the interests of the travelling public. It will place increased emphasis on using its links with decision makers, its knowledge and its expertise to influence at an early stage decisions which impact on consumers. It will continue to refocus its approach to casework, taking a much more systematic approach towards using what it learns from appeals to encourage the industry to improve its approach to customer service. It will also help to ensure that the travelling

public are better informed and aware of how they can get a better deal as consumers.

This business plan and budget bid sets out the key areas of work the organisation will be undertaking in 2014-15 within the context of the existing strategic priorities. London TravelWatch will continue to work within the framework of the corporate strategy that was adopted in 2011 and has been slightly updated this year. London TravelWatch's strategic priorities and corporate strategy are set out in appendix 2

B. Priorities for 2014-15

Much of London TravelWatch's agenda is inevitably influenced by external developments as it responds to consultations of various kinds, or to the needs of incoming casework. In dealing with these, the organisation will continue to ensure that its resource commitments are rigorously prioritised using a set of prioritisation principles set by the new Board, and reproduced as appendix 3. The organisation will also continue to ensure that its consultation responses and policy statements are effectively grounded in a solid evidence base. This will be informed by reference to its own statistics, analysis of existing material and its own targeted research as appropriate.

In the current economic climate, with the ever-present risk that services will be cut back or reduced in quality as transport operators and other public providers seek to make economies, the need for London TravelWatch's work and the demands on its time will be stronger than ever. Responding to these pressures whilst continuing to maintain high standards of evidence and presentation means that it will need to be extremely disciplined in its focus.

Therefore, whilst continuing to carry out its day-to-day activities on behalf of the travelling public, the organisation has selected certain areas on which it will focus particularly during the coming year.

Getting the best passenger outcomes from new investment and initiatives

There are a number of forthcoming developments that will have implications for passengers in and around London for many years and it is therefore important that the consumer interest is robustly represented and they will take priority. 2014-15 will see major disruption to services at key central London locations as projects such as Thameslink and Crossrail are delivered; new methods of payment for travel are introduced; and new tickets are implemented, such as the smartcard that is being developed to cover areas outside the Oyster area but which will also be valid for travel in London. London TravelWatch's increased concern to ensure influence on the agenda, at an early stage, will see it working particularly with TfL, as well as with other operators, as a 'critical friend' to ensure that consumers get a fair deal.

An affordable transport network that represents value for money to the consumer

London TravelWatch's research this year has confirmed that passengers remain confused about the use of Oyster pay as you go cards, about the additional benefits

associated with annual season tickets, and that commuters on low incomes are unable to afford or access annual season tickets that would give them big savings on their current costs of travel. This research also identified areas in which transport services in London are seen as poor value for money. Accordingly, a major focus for next year will be to continue the organisation's dialogue with the industry to make improvements that will give consumers improved access to better fare deals and to make their travel better value for money.

Representing needs of bus passengers

Despite the fact that the number of journeys made by bus in London is more than double the number made on any other public transport mode, London TravelWatch remains concerned that the bus passenger's voice is not heard as much as that of other transport users. During the year it will develop a comprehensive plan to see how best it can help promote the interests of bus passengers, taking into account their views, existing research data and the results of the Transport Committee's own scrutiny.

A road network that is fit for purpose

The work of the Mayor's Roads Task Force highlighted the increasing competition for scarce road space across London and some difficult decisions will need to be taken. London TravelWatch will carefully evaluate how the needs of different road users are balanced.

C. Objectives for 2014-15

How the organisation will address these issues, as well as other key work areas, is set out below within the context of its strategic objectives. The budget bid for 2014-15 is attached as appendix 4

1. Travel by public transport represents good value for money

- Work to minimise and or mitigate the impact on consumers of any future government spending cuts on London's transport services.
- Take forward issues arising from the organisation's recent research into ticket purchasing, and also look at the affordability of fares, particularly for those on lower incomes and in areas where public transport options are limited.
- Encourage transport operators and providers to implement actions to give passengers easier access to the best ticket deals.
- Challenge operators to improve their services so that passengers see them as giving better value for money, using the statistics already collected across different transport modes to monitor how passengers rate journeys for value for money and the findings of our 2013 research.

2. A transport system that is well integrated and accessible to all, with convenient interchanges and easy to use ticketing

- Monitor closely how proposed new means of payment for travel (such as contactless payments and the non-Oyster smart cards being introduced onto London's rail network) work in practice and seek changes if necessary to ensure passengers are not disadvantaged.
- Use London TravelWatch's forthcoming good practice guide to the design and management of transport interchanges to drive improvement by highlighting the extent to which different London interchanges comply with good practice.
- Closely monitor industry performance in implementing measures to mitigate the impact on passengers of excessive gaps between the train and platform edge on stations in and around London and encourage the Office of Rail Regulation to take forward this matter.
- Take forward work arising from the organisation's current research into environmental quality to encourage operators and providers to improve the travelling environment for transport users.

3. All decisions about transport in London take account of transport users' needs and priorities

- Take all opportunities to influence the rail and TfL franchising process to achieve the best possible consumer benefit from new franchise arrangements within the London area
- Work collaboratively with the Transport Committee to co-ordinate workplans where possible, to provide well-evidenced input into their scrutinies and, when possible within existing work priorities, help monitor how key recommendations arising from their work are followed up by transport operators and providers.
- Carefully consider the issues arising from the work of the Roads Task Force work and associated capacity and demand management issues and take forward as appropriate, having particular regard to bus journey times.
- Develop a plan for how London TravelWatch can best use its expertise and influence to protect the interests of bus users.

4. The travelling public are well informed by service providers, they get high quality and timely information about services available, fares and ticketing and any disruption to their journeys.

- Work closely with service providers and operators to ensure they minimise the impact on transport users of the widescale disruption to London's transport network as major upgrade programmes proceed.

- Maintain awareness of the work of the Travel Demand Management Board set up by TfL, Network Rail and the train operating companies to co-ordinate activity during periods of major disruption. Contribute as appropriate to ensure the best outcomes for transport users, particularly at London Bridge.
- Contribute to the developing consumer protection work of the Office of Rail Regulation to ensure that the interests of London's rail commuters are properly represented.

5. Easy access to an effective complaints service from all transport operators, backed up by a robust appeals system when it fails.

- Closely monitor the speed and quality of operator responses to appeals and encouraging transport operators to improve their complaints handling and approach to customer care.
- Analyse the appeals and other information that London TravelWatch receives and publicising at an early stage the new problems that passengers are experiencing to encourage operators to take mitigating measures.
- Contribute to consultations to ensure that passenger rights relevant to London's consumers are maintained and enhanced in European law and in national implementation.
- Establish an evidence base on all of the means and methods which consumers choose to give feedback about their travel experiences, which will be used to challenge operators to further improve their complaints service.

6. An efficient and responsive organisation

Communications

The Board will shortly be agreeing a new communications strategy to ensure that, within existing resources, the organisation makes best use of all available channels to communicate key messages about its work to a wide range of stakeholders. One central priority the Board has set is that London TravelWatch should be seeking to maximise its impact and influence on behalf of transport users, rather than seeking profile as an end in itself. During 2014-15 the organisation will continue implementing this strategy to help achieve the best outcomes for transport users.

Board

The challenge presented by a complete change of Board and Chair was handled well with co-operation from both outgoing and incoming members to achieve a smooth transition. As well as changes of personnel there have also been changes to

governance. The new Board is relatively small (6 members plus the Chair) and is working on the basis of much more limited time allocations than its predecessor. Meanwhile London TravelWatch's governance structure has been further streamlined to reflect the more strategic oversight role that the new Board is pursuing. There are now just two Committees operating under delegations from the main Board, the Governance Committee and the Policy Committee. Having had a year to familiarise themselves with the work of the organisation, members intend in the year ahead to systematically revisit the agreed perspective on key transport policy areas to ensure these remain up to date and relevant.

Staffing

Staff remain London TravelWatch's key resource and their collective professionalism and commitment have meant that, despite the challenges they have faced as they all took on new responsibilities and adapted to new ways of working over the past couple of years, the organisation has continued to deliver its business plan priorities.

The focus of the training programme in recent years has had to be on technical matters as the organisation has rebuilt its skills base following the major restructure of 2011 but the equal need for the development of the organisation and its staff has not been forgotten. During the year London TravelWatch revisited its values and vision statement and these have been updated and a set of behaviours to underpin these and guide how it carries out work have been agreed by the whole organisation. The Investors in People accreditation is due for renewal later this year and any issues arising from this process will be addressed in next year's training strategy.

Although the approach to casework has widened considerably in recent years London TravelWatch still wants to ensure that its own standards remain very high. It will look at best practice in other relevant organisations (such as local government, housing, ombudsman schemes and other consumer bodies) as well as from the commercial sector. It will investigate the various customer service and complaints handling accreditation schemes that exist to establish which might be suitable for London TravelWatch to work towards.

The staffing establishment remains at 15.6 full time equivalent posts as shown in the organogram shown in appendix 5. In the year ahead, some minor adjustments to posts will be made to reflect the changing circumstances of the organisation.

Partnerships and additional resources

London TravelWatch will continue to find ways of making its budget go further by working in partnership with other stakeholders. It has always worked closely with organisations such as Passenger Focus and Transport for All to share expertise and avoid duplication and next year, whilst still working with these partners, it will look to build closer working relationships with organisations such as London Councils, Age UK, RNIB and Trust for London.

Over the last two years London TravelWatch has worked with Network Rail as a partner in their 'Track and Train' paid internship scheme, which has been of benefit to both parties and the industry as a whole, and it will continue to participate in this.

The organisation will also investigate the possibility of securing additional external funding for its research programme.

Premises

The move last year to share premises with the London Pension Fund Authority was very successful and, as well as being able to reduce its accommodation costs by more than 50%, London TravelWatch was able to fix these costs for two years. Unfortunately it may not prove possible to remain in the current premises after August 2014 and other possibilities are being investigated. In particular the organisation is looking at whether it could move into surplus space in the LFEPA offices in Union Street, but the final decision will be made according to what is the most cost efficient option available.

Risks

London TravelWatch has a comprehensive risk policy and business continuity plan and regularly updates its procedures according to changing circumstances. Risks are reviewed regularly by the Governance Committee. Earlier this year the computer servers were moved into the cloud which reduces exposure to IT risk. An ever present risk to the delivery of the business plan remains the same: that extended sickness or the need to respond to an unexpected surge in statutory work might necessitate the use of temporary staff and with a smaller staff team this risk is higher than it has been in the past. As a small organisation there is always a risk of spreading resources too thinly in response to the many and rising calls on time, which is why the prioritisation criteria in appendix 3 were drawn up.

Reserves

For a small organisation entirely dependent on an annual grant, maintaining an adequate level of reserves is essential to ensure that core operating activities can continue during periods of activity involving exceptional levels of unplanned expenditure. In previous years London TravelWatch has been able to use its reserves to help fund the costs of staff restructuring or moving offices, expenditure which then enabled it to make significant savings. If the organisation has to move offices during 2014 it will not be able to meet the removal costs from its own resources and will have to look to the GLA for a one off additional payment to meet this unavoidable cost.

London TravelWatch continues to review its reserves policy annually.

JC/01.10.13

London TravelWatch Mission and Values

Mission

London TravelWatch is the body established by Parliament to be the official voice of transport users in greater London. It has a statutory role in the appeals and consultations process, and in putting the transport user view on transport issues, to improve the experience of travelling in and around the capital.

Values

London TravelWatch aims to be:

- Independent – we are firmly on the side of the consumer and will not bow to outside pressure.
- Authoritative – our work will be evidence-based, rigorous and respected.
- Open – we will share information, and accept new ideas.
- Collaborative – we will work with stakeholders.
- Inclusive – we will represent all transport users in our area.

Vision

That London TravelWatch is the champion of the travelling public in London, successfully influencing decision-making about travel in our area.

Strategic objectives

Our work will be directed to achieving the following outcomes for transport users during 2014-15:

- Travel by public transport represents good value for money.
- A transport system that is well integrated and accessible to all, with convenient interchanges and easy to use ticketing.
- All decisions about transport in London take account of transport users' needs and priorities.
- The travelling public are well informed by service providers, they get high quality and timely information about services available, fares and ticketing and any disruption to their journeys.
- Easy access to an effective complaints service from all transport operators, backed up by a robust appeals system when users are not satisfied.

This will all be underpinned by:

- An efficient and responsive organisation.

Corporate strategy

The strategic priorities that underpin our work are:

- Maintaining an efficient system for handling appeals casework and for responding to consultations.
- Developing an independent evidence base of the views and needs of current and future transport users in London, especially those facing barriers to travel.
- Maintaining awareness of current transport service and future policy issues in our area.
- Becoming increasingly influential advocates on behalf of the travelling public to policy makers, regulators and operators.
- Building effective partnerships with stakeholders where it is in the interests of travellers to do so.
- Ensuring transport users feel their concerns are represented.
- Further developing as an efficient and responsive organisation.

How we prioritise our work

London TravelWatch will keep its work priorities under review by means of a simple set of criteria. These criteria are similar to those used by other consumer protection and enforcement bodies and will allow London TravelWatch to plan and co-ordinate its activity with other consumer bodies and the London Assembly.

The criteria set out below will be used to assess the strength of the case to undertake the work. These will help to demonstrate the extent to which the issue is relevant for London TravelWatch and the extent to which it impacts on transport users (either generally or on a particular group which London TravelWatch wishes to target, for example due to vulnerability or linked to a specific geographical area).

If there is a strong case according to these two sets of criteria, then consideration can be given to the resource implications and timing of the work.

Relevance of the issue for London TravelWatch

We will define the relevance of the issue to London TravelWatch according to the following criteria:

- Confirm that it is in the scope of London TravelWatch's remit and the extent to which we have discretion over becoming involved.
- Does London TravelWatch have a distinct contribution to make?
- Why is it important?
- Is this a problem now or is it likely to be one in future?
- What is the cost of inaction?
- How strong is the evidence?
- What opportunities will there be for London TravelWatch to influence the situation?

Impact on transport users in the London TravelWatch area

To identify the impact of the issue on transport users in the London TravelWatch area we will look at what the evidence shows about the impact of the problem.

We will consider whether there is a detriment or benefit to transport users. To do this we will define the impact taking into account the following criteria:

- Numbers of transport users affected
- Whether it has implications for more than one mode of transport
- Distribution of impact on transport users in Greater London and the wider London Railway area
- Impact on transport users in vulnerable situations, especially the elderly and those with mobility impairments or those that London TravelWatch has judged should be given greater priority
- Impact on future transport users
- Impact on or links to of other London TravelWatch policies or previous research
- Whether there is a strong, very strong or escalating effect on users.

The tests above will be applied to establish whether or not London TravelWatch should become involved in new activities as well as the extent and timescales of involvement.

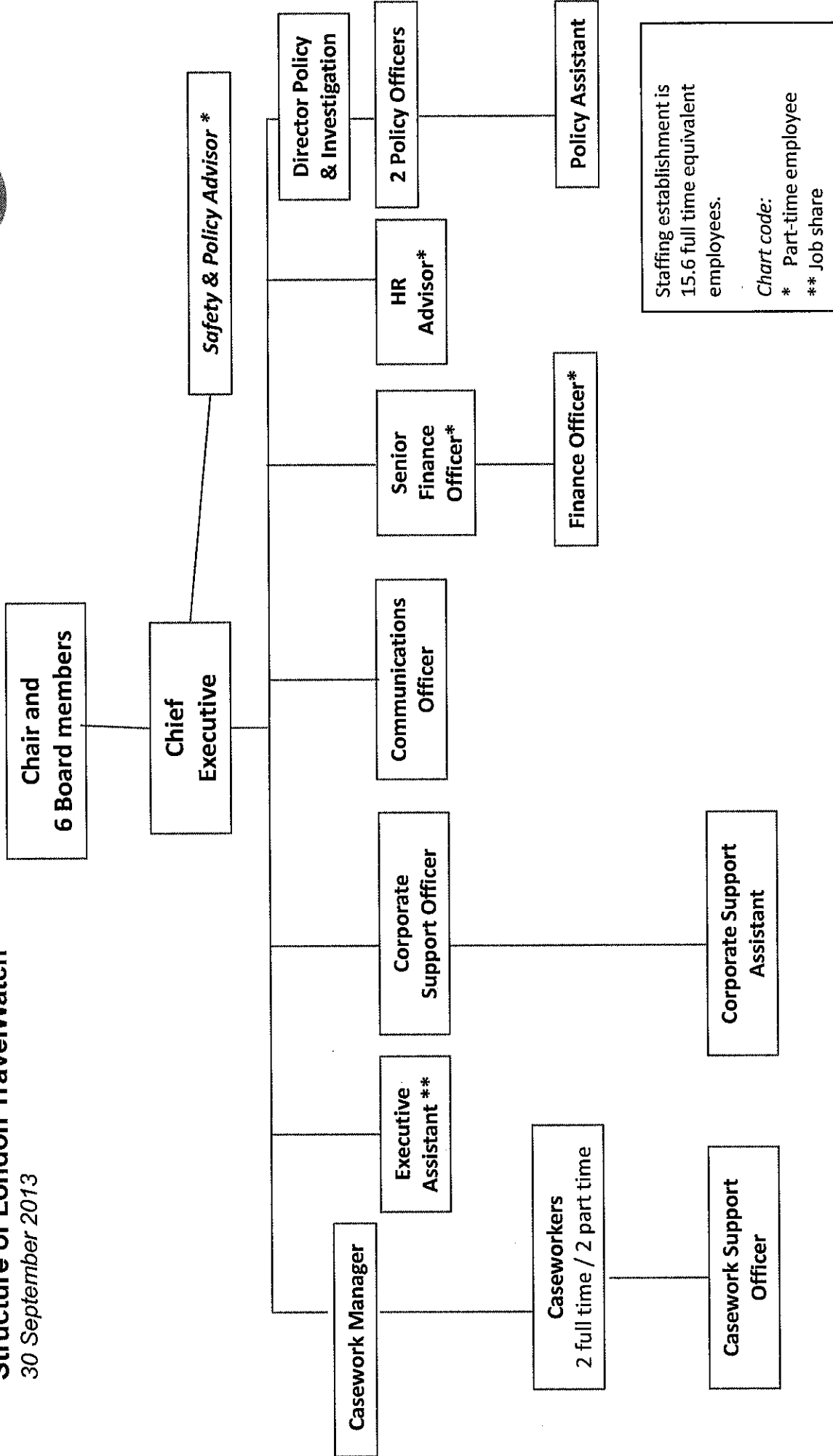
We apply these broad principles to our day to day work but also to new projects and research that we may undertake from time to time as part of our agreed Business Plan.

Appendix 4

London TravelWatch Budget Submission 2014/15	
£k Corporate Plan 14/15	2014/15 £000
2013/14 Budget	1,103.0
Budget requirement pre growth and savings (below)	1,103.0
Unavoidable growth:	
Accommodation costs:	13.6
Chair, Members' & Staff costs-pay:	28.1
Members' costs- non-pay	0.3
Other Staff related costs-non-pay	0.0
Supplies & Services	0.0
Depreciation & Asset Replacement	2.4
Total unavoidable growth	44.5
Projected Savings:	
Accommodation costs	0.0
Chair, Members' & Staff costs-pay	56.0
Members' costs- non-pay	0.0
Other Staff related costs-non-pay	7.0
Supplies & Services	28.1
Depreciation & Asset Replacement	0.0
Total savings	91.1
Application of reserves	0.0
Budget Requirement-after growth and savings	1,056.4
Guideline target	1,056.4
Excess over guideline	0.0
NB Growth and savings less than £4k have been offset in certain headings above.	

Appendix 5

Structure of London TravelWatch
30 September 2013



Staffing establishment is 15.6 full time equivalent employees.

Chart code:
* Part-time employee
** Job share