

Transport for London: Taxi and Private Hire Review



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Overall objectives and approach to the review

Our Objectives

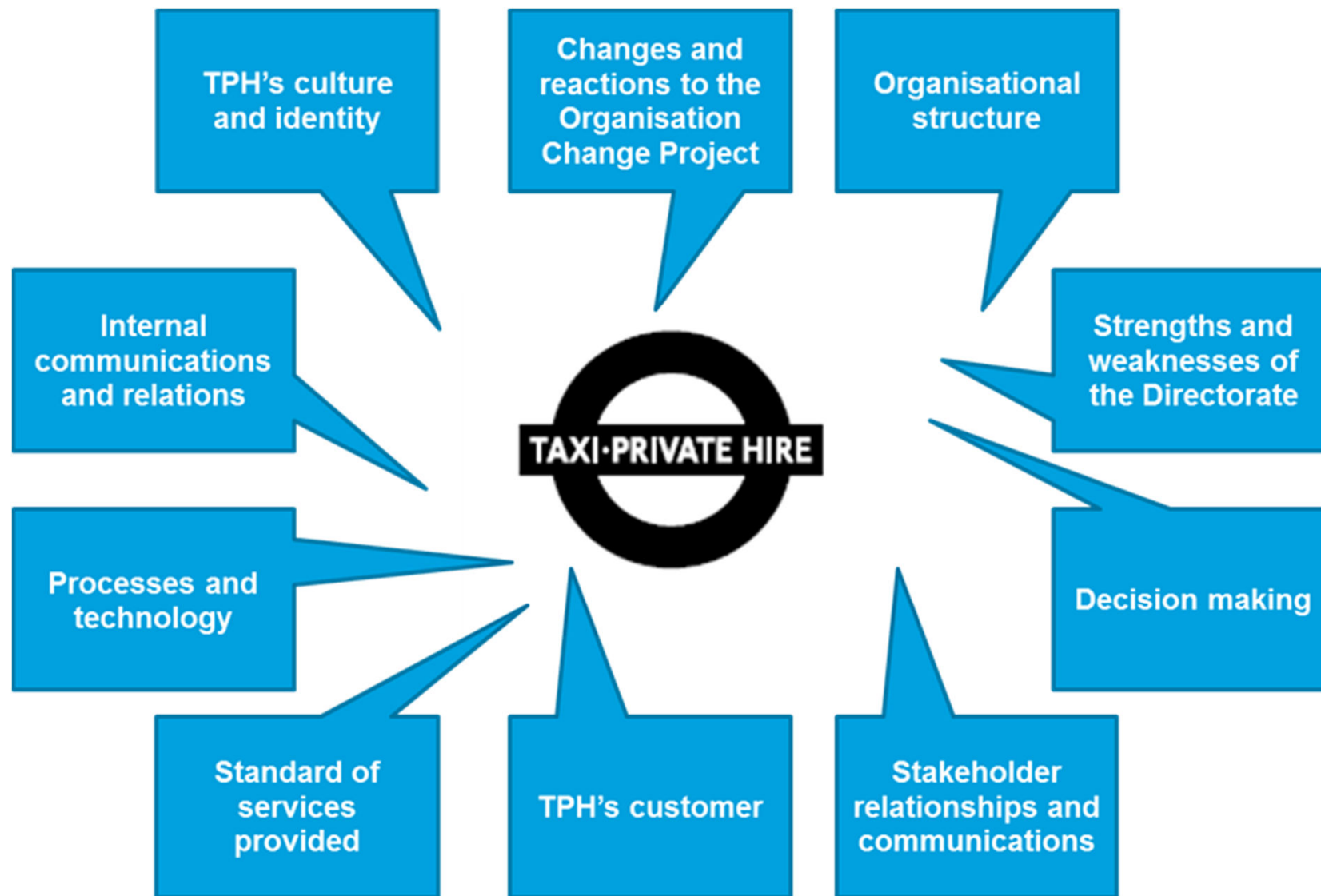
- Deloitte was commissioned by Transport for London to conduct a review of TPH within Surface Transport.
- The review was asked to look at:
 - TPH's structure's strengths and development areas, including, but not limited to, roles and resourcing levels
 - TPH's operating model's strengths and development areas, including end to end business processes and technology used
 - TPH's business relationships with external parties, including industry & trade bodies and service users
- The review also asked for an assessment of high level options for a future structure and operating model for TPH that will deliver an efficient and effectively managed function.

Our approach to the review of TPH

Overview of the approach

- Kick-off meeting with MD-Surface and COO to commence the review
 - A detailed session with Director TPH followed by a series of one-hour stakeholder (internal and external) interviews
 - Review of business documents, organisation charts etc.
 - Analysis based on stakeholder interviews and review of documents provided by TPH
 - Development of summary findings and options for TPH
 - Discussion of initial findings and options with MD-Surface and COO
 - Production of final review
- 38 stakeholders were interviewed. This included:
 - 16 TfL TPH staff
 - 12 other TfL staff (e.g. Director- Roads, Director - Traffic)
 - 9 representatives from the Taxi and Private Hire trade
 - Deputy Mayor for Transport representing the Mayor's office
 - Reviewed Job descriptions of all Band 5s and 4s
 - Reviewed a number of business reports

Key themes explored in the stakeholder interviews



TPH's organisation structure and operating model:
- Strengths & development areas

TPH's organisation structure: Strengths

Experienced Staff

- Overall the Directorate has made significant progress over the past few years in delivering its remit and responding to a demanding stakeholder environment. The improvements that have been made (and continue to be made) have been acknowledged by the trade
- TPH staff are committed to and passionate about their roles
- Staff, especially in Band 4 roles, have proactively worked on introducing improvements in licensing and compliance processes

Senior Management

- The leadership is considered to be approachable and “open”; the leadership team sits in open spaces with the rest of the team and this has made the working environment less hierarchical
- The senior management has proactively introduced a less hierarchical culture within the Directorate
- The leadership is acknowledged as being “*very good managing a difficult function*”

Staff Morale

- The working style and environment encouraged by the leadership has played a significant role in the improvement of staff morale
- Band 4s have made time to discuss grievances in their teams and make appropriate changes to roles and responsibilities where possible

Reputation

- TPH staff feel very strongly that they provide best taxi and private-hire licensing authority service in the country
- This perception plays an important role in the way staff approach their work

TPH's operating model: Strengths

Improved processes and Service Levels

- KPIs demonstrate a recent improvement in business processes such as application processing time and telephone answering time in the Licensing team
- Approximately 100 processes have been redesigned by Business Analysts and members of TPH staff as part of the RAM project
- The Directorate has made significant improvements in many other areas including the appeals process, call waiting times, license processing time, identification of taxi driver areas. For example, application processing time now takes 10 working days from receipt instead of 3-4 weeks , telephone answering time reduced to within ~2 – 3 minutes from a waiting time of ~60 minutes three years ago
- Post OCP, back office costs have been reduced

Outsourced contracts

- CRB checks have been outsourced to a third party and this has resulted in significant improvements to service levels which has been acknowledged by the trade

Awareness and recognition to continuously improve

- The Directorate is aware of the issues with the current operating model and has planned to address these within the RAM project
 - Equally, there is recognition across TPH that the culture of improvement needs to be an on-going and continuous process
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TPH's organisation structure: Development areas

Role of the Director and Deputy Director

- Perception by staff of overlap between the accountabilities of the Director and Deputy Director which causes confusion around escalation of issues, reporting lines etc.
- The trade sees both the Director and Deputy-Director as the figureheads of TPH and consequently both roles spend a significant amount of time managing external stakeholders

TfL Leadership support & staff engagement

- Senior and middle TPH management feel they do not have the support of TfL leadership
- TPH staff are also of the view that their senior management rarely escalate issues to TfL leadership
- TPH staff view their engagement with the leadership as insufficient and too top down
- Bands 3 and 4 do not believe they are sufficiently involved in key decisions involving the Directorate.

Working across teams (TPH and wider TfL)

- Potential duplication and confusion of enforcement function/ roles between the TPH Compliance team and CSEP
- Perception of silo-working within TPH teams and across different teams in Surface
- Staff are of the view that TPH does not sufficiently leverage specialist support available across TfL (e.g. Group IM, Business Planning, Policy, Customer Support)

TPH's identity

- Lack of a shared identity amongst some TPH staff – around the purpose and objectives of TPH
- A degree of confusion within TPH (as well as at Surface level) whether TPH has an obligation to regulate or represent the taxi and private-hire trade, or both

TPH's operating model: Development areas

Processes

- Several instances of old, paper-based processes (e.g. storing of licensing records)
- Improvements are expected post implementation of RAM

KPIs

- Key performance indicators measured do not provide an overall view of the Directorate's main priorities and objectives
- The trade believe that more KPIs are required; for example, there is no evidence of KPIs which monitor customers' complaints and response times

Communication with the trade

- Communication with the trade is fragmented and through a variety of channels and not consistent
 - There is no process or CRM system to better manage Communication with the trade
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TPH's business relationship with external parties

TPH's business relations with external parties

Overall communication

- Accepted by both sides of the trade that engagement with the trade has both increased and improved since 2009
- TPH's senior management have made themselves significantly more accessible to the trade
- However, the trade feels there are too many communication channels and they have no clear indication on the best way to contact TPH
- There is a perception by TfL staff and the Mayor's office that TPH do not 'advertise' their successes enough (e.g. dedicated person for Ranks, work on the suburban action plan not widely known)

Nature of the relationship

- The trade strongly believes that TPH needs to both represent and regulate the trade; this causes confusion in the minds of some of the staff regarding TPH's priorities and role
- TPH staff feel that TPH's senior management are too accommodating to the trade

Formal meetings

- The trade feel that management of meetings that are organised by the Directorate could be better
- The trade is of the view that TPH's senior management is not transparent regarding objectives, KPIs and overall activities of the Directorate

Taxi – trade bias

- The private hire trade holds very strong views that TPH is biased towards the taxi trade. The taxi trade views TPH as biased towards the private hire trade
- The private hire trade has also criticised TPH for the manner in which the planning regulation is being applied

TfL Board

- Members of the trade have suggested that the trade should vote for an individual to be appointed to the Board (one representing each side)

Conclusions

Conclusions

- T&PH has changed considerably since the Penton St PCO days
- Many improvements have been made by staff and leadership, but there is a need to continue to evolve
- There is a huge amount of passion and commitment from staff in dealing with possibly TfL's most challenging stakeholders and a great desire to succeed
- There is plenty of scope to build on strengths and address current development areas through RAM.

High-level options

High level options

Options	What this involves
1: "Status Quo"	<ul style="list-style-type: none"> • In light of planned RAM implementation maintain status quo • Consider further changes post a review of benefits delivered by RAM
2: Short-term structural and process changes	<ul style="list-style-type: none"> • Provide clarity to TPH staff and the trade on the role and accountabilities of the TPH leadership team • Agree with TfL leadership on opportunities and process of escalating issues of engagement with the trade • Develop and implement a formal staff engagement plan. This plan needs to be monitored on an on-going basis • With support of the Surface Planning team and inputs from the trade, TPH should develop appropriate KPIs (e.g. statistics on customer complaints) • Consolidate all external communication channels
3: Structural and process changes	<ul style="list-style-type: none"> • Creation of a more operationally focused TPH which would involve moving: <ul style="list-style-type: none"> • The Compliance team into CSEP to sit as one enforcement team • Part of Strategy and Policy team into Surface Transport's Policy team (Planning) and the rest into Group IM • The Executive Management and Contract function into Surface Transport's central support services • The 'retained' TPH would comprise of: <ul style="list-style-type: none"> • Licensing • Knowledge • Limited stakeholder Engagement with trade associations



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