

<b>Board Meeting Paper</b>	
<b>May 12 BM 5.1</b>	
Report for	Decision <input type="checkbox"/> Information <input checked="" type="checkbox"/>
Restricted or confidential Information?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If confidential, protective marking <sup>1</sup>	
Date of Meeting	16 May 2012
Agenda Item	5.1
Report Title	Chief Executives work plan report for Q4 2011-12
Sponsor	Anthony Smith
Author(s)	See below (compiled by Matt Ayson)



<b>1. Chief Executives Overview (Anthony Smith)</b>
<p><b>Update – Quarter four 2011-12</b></p> <p>Please see below a summary of work from quarter four of 2011-12:</p> <p><i>External:</i></p> <ul style="list-style-type: none"> <li>• Intense media interest in fare rises plus Parliamentary interest in working of fares basket</li> <li>• Welcomed various Government investments in rail and bus</li> <li>• Franchise replacement – five live at present. Significant workload with Department for Transport and bidders</li> <li>• Speaking at conferences on business travel, future of railways and Liberal Democrat parliamentary transport group</li> <li>• Meeting Virgin trains, Cross Country, Southern, South West Trains, Southern, First Great Western and First Capital Connect</li> <li>• Visited Victoria Coach Station, Thamesdown Transport and Arriva Merseyside</li> <li>• Engaged in working groups on bus grant reform</li> </ul> <p><i>Internal:</i></p> <ul style="list-style-type: none"> <li>• Discussions with Greater London assembly and London TravelWatch on possible integration of support functions</li> <li>• Attempts to find and secure new London office accommodation</li> <li>• Lengthy discussions with MySociety.org and FixMyTransport.com about how Passenger Focus could relate to passengers through the Internet and social media</li> <li>• Carried out and published Staff Attitude Survey with generally positive results</li> <li>• Attained Investors in People accreditation</li> <li>• Successful staff/board away day held in London offices</li> <li>• Ongoing discussions with Which? about potential joint work on passenger input to franchise replacement</li> <li>• Concluded and published work plan for 2012-3</li> </ul>

<sup>1</sup> ie RESTRICTED plus COMMERCIAL / POLICY / STAFF / PERSONAL PROTECT

## **Forward look - Quarter One 2012-13**

### *External:*

- Response to forthcoming rail Command Paper, Fares Review and devolution
- Ongoing rail franchise replacement work including publishing at least four documents on passenger input on various franchises
- Launch 'Ticket to Ride' report on fairness and ticket validity
- Publication of a number of research reports
- Responding to media and other queries in run up to Olympics
- Next edition of Passenger Voice

### *Internal:*

- Launch new website
- Boost capability of Customer Relations Management system
- London office move
- Continue to test Business Continuity Plan
- Publish Annual Report and Work Plan
- Continue to seek match funding for research reports, the Bus Passenger Survey in particular
- Secure three year funding deal from Department for Transport for Bus Passenger Survey

## **2. Research (Ian Wright) (see annex 5.2)**

### **Update – Quarter Four 2011-12**

As for much of Passenger Focus, after a slow start to the year largely due to external factors, the final quarter was extremely busy.

The Autumn wave of the BPS was launched on 7 March in London with Norman Baker MP as keynote speaker. The event appears to have been very successful, as a result of excellent cross team working across Passenger Focus, and produced extensive media coverage. This has helped drive increasing interest amongst operators and authorities to buy into the survey.

Our Winter Disruption research was reconfigured (due to lack of widespread, extreme weather) to look at passenger needs and experiences regarding the use of social media, particularly during times of disruption. The London groups were viewed by several industry social media practitioners who found the experience useful.

We undertook route based quantitative research to inform our response to the ThamesLink and South Eastern franchises.

We also undertook desk research in collaboration with ATOC about the fares structures and ticketing systems elsewhere in Europe and beyond, which should inform our response to the expected Fares Review.

Our research into how best the rail industry could manage engineering work to suit passengers was completed, comprising both qualitative and quantitative stages to understand the tradeoffs passengers are willing to make. This was complemented by feedback from passengers who

have travelled on routes subject to engineering work, using thetrainline as a sample source. The groups were also viewed by stakeholders from ORR and Network Rail.

Fieldwork was conducted in four areas to understand the impact cuts to local bus services may be having. Interest has already been expressed in this research by several stakeholders, including Age UK and Defra.

Fieldwork for the Spring 2012 Wave of the NPS was completed, with results from Autumn 2011 published early in the quarter, to extensive media coverage.

### **Forward look - Quarter One 2012-13**

A number of research projects completed in Q4 will be published:

- Uses of social media during disruption
- Passenger Needs and Priorities for Planned Engineering Works
- Route based franchise research for Great Western, Thameslink and South Eastern
- The Future of Transport study
- Fares and Ticketing Study
- The impact of cuts to bus services

In addition we intend to run an event to promote the Futures and social media research (details TBC). The Futures study has been talked through with rail franchising and bus policy colleagues at the Department prior to formal publication. They were broadly supportive and interested, but also gave some useful comments that we will consider prior to final publication.

The current status of the BPS is detailed in another paper. Meanwhile a Spring wave of the BPS funded by Go Ahead for all of its business units outside of London is underway. Go Ahead has committed to funding an annual survey, and with a growing number of business units via acquisition, the value of an ongoing BPS contract becomes even greater. Centro are also funding a Spring wave, and the Tees Valley partnership wish to fund a five year programme. We shall continue to discuss options with First about participation in the survey, who at the time of writing look the most likely of the Big Five to be next to commit, following some local funding in Autumn 2011. We have talked Defra and Age UK through the value they could get from analysis of BPS data, and will prepare some youth cuts of BPS and other data for the British Youth Council, which fits well with the interest shown on this subject by Norman Baker. The Dapresy online analysis software is proving a good way of allowing end users to run their own simple analyses, and has garnered over 160 unique users since the launch in March.

Our research into how best the rail industry could manage engineering work to suit passengers was debriefed, with attendees from Network Rail.

Publication of our research on the impact cuts to local bus services will be accompanied by a research briefing to key stakeholders.

We intend to conduct qualitative research to support our submission for the Northern/TPE franchise consultation, which is seen as more appropriate than our more typical quantitative route based research to explore issues such as what a franchise that combines two quite

different operators currently (re: service quality, price) might deliver, and devolution.

We are likely to conduct a piece of qualitative research on behalf of (and funded by) the DfT on developing customer propositions for flexible commuter products that could be delivered via Smart Ticketing. This is in advance of a larger evaluation programme that we proposed to the Department a few months ago, and that is currently awaiting ministerial sign off (having cleared the Departmental Approvals Committee, in a business case process managed by the Department). The larger programme (c. £400,000 per annum) includes a necessary requirement for interim research cover, in addition to agency funding.

We are starting to think about options for the renewal of our research framework, which reaches the end of its minimum three year contract term in January 2013.

The Spring 2012 Wave of the NPS will be published on 28<sup>th</sup> June 2012. We shall also have the results from a number of small methodological projects looking at how we might maintain and boost response rates, which we shall report back via the SGG.

### **3. Communications (Amy Bradley)**

#### **Update – Quarter four 2011-12**

The communications team have published a number of reports this quarter including several franchise submissions as well as the Bus Passenger Survey, National Passenger Survey and the 'High Winds Report'.

The Bus Passenger Survey was emailed to several thousand bus contacts along with links to a graphical research video and a dedicated webpage was made available with extensive reports available online. We also sent the full document to 800 key contacts in the industry, a summary version also went out with bus users UK magazine to over 1500 bus user contacts. The report was launched at a research briefing event with the transport minister and 80 industry representatives. We received good trade coverage.

This wave of the National Passenger Survey was also emailed and sent extensively and received excellent national and regional coverage.

#### **Forward look - Quarter one 2012-13**

Passenger Voice has been completed and will be going out to all stakeholders shortly to update them on our activities. The website is also well underway and will be launched in the next month.

### **4. Resources (Nigel Holden) (see annex 5.3)**

#### **Update – Quarter four 2011-12**

Successful recruitment for front line Passenger team assistant post to replace two Passenger Team Adviser posts made redundant on 31 December.

Board member recruitment activities have taken a significant amount of the HR manager's time in this quarter.

Staff attitude survey took place with an overall rating of 88% fairly or very satisfied, 9% neutral and 3% fairly dissatisfied.

The Investors in People assessment visit and staff interviews took place in March and we received confirmation in April that we had exceeded the Investors in People (IIP) standards so now have the IIP accreditation.

We replaced all our computers in the period because much of the equipment was over three years old and increasingly beginning to fail. The majority of staff now have laptop computers so can work remotely to support plans to manage business disruption during the Olympics and the government drive to use office space more flexibly.

We received agreement for our plans to surrender our lease at Drummond Gate in favour of the Charities Commission and relocate to Fleetbank House, including bridging funding from the Department. We anticipate moving in late September which will allow us to meet the December date for Charities Commission to take over Drummond Gate.

The relocation of telephone switchboard to our hosted data centre was deferred until after the Olympics to be included as part of the London office move.

Interim audit visit by the National Audit Office completed and preparation for year end audit started.

Successful submission on time of the period nine accounts consolidation pack for the 'clear line of sight' project.

A summary of expenditure to 31 March 2012 is attached to this paper in the finance report (May 12 BM 5.3).

### **Forward look - Quarter one 2012-13**

Recruitment for appropriate cover for maternity leave and Board Member recruitment process will continue.

Completion of the annual audit of annual report and accounts.

Submission of Clear line of Sight consolidation pack to the Department.

Complete plans to relocate our London offices to reduce space and costs.

Complete work on changes to our IT infrastructure to resolve performance issues with Connect.

## 5. CEO Team (Jon Carter)

### **Update – Quarter four 2011-12**

Quarter four has been busy for the CEO team, with a Board meeting in February, Members events in January, February and March, Audit Committee in January and RemCom in March. The team have met all KPI's with respect to the production of papers beforehand and minutes subsequently.

We have continued to make good progress with the development of our updated performance regime across Passenger Focus, now that the project management framework has been simplified and we have had the benefit of recommendations from internal audit on project budgeting, which are now being implemented. Process mapping is now 9/10 completed. The 2012-13 work plan has now been published.

An audit of business planning and reporting processes took place during the quarter and resulted in a substantial assurance rating from internal audit.

Team KPI scores for the quarter continued to be broadly in line with expectations, and continue to reflect the impact of the change programme on the teams work.

Quarter four also saw the third complete quarterly review of risk management arrangements across Passenger Focus, in line with our updated risk strategy. This was considered by Audit Committee in April, and has fed into the Audit Committee's second, six monthly report on risk. The Audit Committee annual report has been produced for the board's consideration at the May meeting, and includes a review of board feedback on performance and level of service.

### **Forward look - Quarter one 2012-13**

The quarter has been especially busy with board recruitment, which we hope to largely conclude in quarter one. The business continuity plan has also been finalised in quarter four for part-rehearsing in quarter one; we will provide feedback in the next report.

May 12 BM 5.2  
Research projects update  
Q4 2011-12

Type of Research & Objective	Methodology	Agency	Fieldwork	Report Published	Key findings/Next steps	Research Owner	Project status
<b>National Passenger Survey</b> (Quantitative)	Mostly at station survey	Continental	Spring 2012 fieldwork ran from the 28th January to the 30th March.	Spring 2012 survey to be published on June 28th 2012.		David	Continuous
<b>National Station Improvement Programme Phase 2</b> (Quantitative)	Survey to be carried out at 8 stations once the improvement works have completed.  5 Stations were surveyed before Xmas 2010: Gipsy Hill, Smitham, Streatham Hill, Halifax and Uckfield.  3 stations to be surveyed in April 2011	IPSOS Mori	Wave 2 – Summer 2010 Fieldwork is complete at the 5 stations: Gipsy Hill, Streatham Hill, Smitham, Uckfield and Halifax. 3 more stations to be surveyed in January 2012	Final report will be published mid 2012	Following further delays to station improvements a halt has finally been called to the research programme.	Dan	In Progress
Future trends research	Desk research and focus groups	Flamingo	Completed end of Jan 2012	June	Passenger Focus workshop held, report to be finalised mid/late May	Laura	In Progress
Great Western	Quant survey-On train and at station survey across 4 routes	Continental	Mon 21st November - Sun 11th December	May	Results presented and included in submission, creating summary report for website	Laura	In Progress
Thameslink Re-franchise	Quant survey-On train and at station survey across 4 routes	Continental	10 <sup>th</sup> Feb to 8 <sup>th</sup> March	June	Results presented to dft, and being included in submission, creating summary report for website	Laura	In Progress
Southeastern Re-franchise	Quant survey-On train and at station survey across 4 routes	Continental	23rd Feb-25th March	June	Results presented to dft, and being included in submission creating summary report for website	Laura	In Progress
Rail fares and ticketing study	Desk research and industry interviews in 10 markets in Europe and beyond (joint work with ATOC)	MVA	Feb/March	June	Finalising report	Ian	In Progress
<b>Passengers' experiences during planned engineering works</b> (Qualitative and quantitative)	Qualitative - Focus Groups/ depths; Quantitative - self completion questionnaires on certain routes (TBC) Also using thetrainline.com database to target passengers travelling on routes affected by engineering works	BDRC Continental The trainline.com	Focus groups - January 2012 Quant survey - February/March 2012 thetrainline.com research - February/March 2012	Jun-12	*Debriefed on 27th April *Report being written/ reviewed *Report published early June	Rashpal	In Progress
<b>Disruption and social media research</b> - qualitative research looking at needs and experiences for social media, during disruption and generally	Focus groups with commuter, business and leisure passengers	Outlook	21st - 26th March	Jun-12	* Debriefed on Wednesday 28th March * Report printed May * Seminar to be arranged in June	Rashpal	In Progress
<b>BPS spring 2012 on Go-Ahead routes</b>	On bus issued self completion survey	GfK NOP	Spring 2012	Expected early July	Project initiated. JWA in place. Sampling completed. Fieldwork underway	Murray	In Progress
<b>Impact of tendered bus cuts</b>	Semi qualitative interviews	SPA Future Thinking	February and March 2012	Publishing date set for early June	End March fieldwork completed. Report now being compiled. Debrief 8th May	Murray	In Progress

<b>BPS 2012-15 tender / business case</b>	Tender process and approval to DfT for spend	Not applicable			RFP issued Dec 2011. Responses in end Jan 2012. March 2012 - secondary enquiries commencing. Bid assessment complete. DfT Business Case written and submitted to DfT	Murray	In Progress
<b>SMART Ticketing research</b>	To be decided	To be decided	Will be conducted over a two year programme		Feb 2012 - Initial discussions with DfT about scope of project. Awaiting outcome of DfT approvals process. Smaller qual project may precede major evaluation	Rashpal/ Ian	In Progress
<b>BPS spring 2012 on Centro routes</b>	On bus issued self completion survey	GfK NOP	Spring 2012	Early July	Incepted week 2 April. Sampling completed. Fieldwork 6th May to 3rd June. SPSS output expected 18 June.	Murray	In Progress

## Board Meeting Paper

### May 12 BM 5.3

Report for	Decision <input type="checkbox"/>
	Information <input checked="" type="checkbox"/>
Restricted or Confidential Information ?	Yes <input type="checkbox"/>
	No <input checked="" type="checkbox"/>



If confidential, protective marking	
Date of Meeting	16 May 2012
Agenda Item	5.3
Report Title	Finance Update – 31 March 2012
Sponsor	Anthony Smith
Author (s)	Nigel Holden

#### 1. Summary

The Report is extracted from the detailed Management Accounts.

The gross operating cost budget for 2011-12 was £4.8 million, less a £100,000 contribution from Network Rail for support on passenger priorities for infrastructure work, giving a net operating budget of £4.7 million. This included the National rail passenger survey budget of £865,000 and the National bus passenger survey budget of £250,000.

Net operating costs for the twelve months were £4,701,000 against the forecast of £4,700,000, an unfavourable variance of £1,646. The contribution from Network Rail had not been received by 31 March 2012 so has not been included in the accounts for 2011-12. The net operating expenditure does not include transition costs.

Expenditure on the National rail passenger survey (NRPS) for the year was £846,000 against the forecast of £849,000 and expenditure on the National bus passenger survey (NBPS) for the year was £253,000 against the forecast £253,000.

In addition to the operating cost budget we had a budget of £983,000 for Transition costs which included pay costs between 1 April and 3 June for staff made redundant, costs for surplus office space until 31 December, assuming the surplus space was surrendered by that date, costs for office relocation, costs for website amendments and information and communication system changes arising from the restructuring. However in January 2012 we surrendered £250,000 to the Department because costs for the London office relocation have not been incurred in the 2011-12 financial year. All redundancy costs were provided in 2010-11.

Transition costs in the period were £734,000 against the revised forecast of £733,000 a favourable variance of £1,758.

It should be noted that since the Audit Committee review of the finance report at the April meeting there has been a minor correction to the accounts which has resulted in a transfer of £2,000 between Running Costs and Transition costs. This adjustment has not changed the overall variance for the year but has resulted in the favourable variance in Running Costs of £1,000 becoming an unfavourable variance of £1,000, with a corresponding change in the variance in Transition costs from a £1,000 unfavourable variance to a £1,000 favourable variance.

#### 2. Recommendation or decision required

Following review of the quarterly report by the Audit Committee the Board are asked to note:

- The net expenditure for the year to date of £4,701,000 against a forecast of £4,700,000.
- Although the budgeted contribution of £100,000 from Network Rail was not received in the year the net operating expenditure remained within the agreed funding.
- NRPS Costs for the twelve months were £846,000, with an annual budget is £865,000 and NBPS costs for the period were
- Transition costs were £732,000, and due to the later than anticipated London office move the surrender of £250,000 variance in the Transition budget to the Department in the period.

#### 3. Further details

The management accounts summary below provides a breakdown of costs.

#### 4. Implications - Financial, Risk, Legal, Staffing, Equalities

The financial and risk implications of the paper are shown in the Summary in Section 5, and there are no Legal, Staffing, Personal Data or Equalities implications arising from this paper.

## 5. Background information

The presentation of the costs reflects the new business structure.

The forecast outturn was updated in January to reflect the anticipated outturn for the year.

### FINANCIAL REVIEW

£000

	Year to Date			Full Year		
	Actual	Forecast	Variance	Forecast Outturn	Budget	Variance
<b>Income</b>	8	-	8	8	100	(92)
<b>Expenditure</b>						
Fixed pay	2,344	2,348	4	2,344	2,371	27
Fixed overheads	563	542	(21)	563	613	50
Variable overheads	305	291	(14)	305	338	33
Total running costs	3,212	3,181	(31)	3,212	3,322	110
NRPS	846	849	3	846	865	19
NBPS	253	254	1	253	240	(13)
Other research and project costs	398	416	18	398	373	(25)
Total Project costs	1,497	1,519	22	1,497	1,478	(19)
<b>Total operating costs</b>	4,709	4,700	(9)	4,709	4,800	91
<b>Total net operating costs</b>	<b>4,701</b>	<b>4,700</b>	<b>(1)</b>	<b>4,701</b>	<b>4,700</b>	<b>(1)</b>
<b>Transition</b>	732	733	1	732	983	251
<b>Total expenditure</b>	<b>5,433</b>	<b>5,433</b>	-	<b>5,433</b>	<b>5,683</b>	<b>250</b>

### COMMENTARY

#### Operating costs

- Fixed pay costs includes Staff pay and Members fees. The costs to date are in line with the forecast but the outturn is lower than originally budgeted because we had five vacancies in the Passenger Team in June to August following the restructuring. These vacancies were filled through the civil service job site.
- Fixed overheads includes costs for premises and contracted costs for IT support and Audit, Legal and HR Advice. The costs are higher than forecast because we have just been billed £8,000 by our landlord in respect of licences for fit out work on the London office in 2010 and we have incurred costs for professional advice on the London office relocation plans.  
The outturn is lower than budget because we have negotiated a four month rent free period for Piccadilly Gate in Manchester which we had not anticipated when the budgets were set. Costs for surplus space at Drummond Gate have been allocated to the Transition budget up to March 2012.
- Variable overheads are higher than forecast largely because Travel and Subsistence costs were slightly higher than anticipated due to staff travel for the Bus passenger survey launch and the staff awayday in March. In addition costs for printing and postage were higher than anticipated due to the publication of a number of research reports and the mailing of the NPS reports.  
The outturn is lower than budgeted partly due to control of costs and partly due to lower numbers of staff.
- Project costs for the period are lower than forecast mainly because costs for the Future Rail Trends research were lower than anticipated.  
The outturn is higher than budgeted because we have utilised savings in running costs and the Contingency provision to undertake additional research.

#### Transition

- Fixed pay costs includes staff pay for redundant staff between 1 April 2011 and their last day of service, plus costs for the Change manager until 30 September and HR manager for the year. The outturn is higher than budgeted due to additional costs for interim management support for changes in the Passenger contact team.
- Fixed overheads includes rent costs for surplus space at Drummond Gate to 31 March 2012 and we plan to relocate to alternative, lower cost offices in 2012-13 now we have a tenant for Drummond Gate. The outturn is slightly higher than budgeted because the budget assumed we would release the surplus space by 31 December 2011, however these additional costs have been partly offset by lower IT costs and Legal and HR advice costs during transition and the net variance funded from favourable project variances.

7. Variable costs are those associated with redundant staff eg outplacement training and support, together with Travel and Subsistence for consultation meetings, and costs for the former Rail and Bus passenger link teams for the first two months. The outturn is higher than budgeted because costs for outplacement support for redundant staff was higher than anticipated, and mobile phone costs for redundant staff for the first two months of the year were higher than budgeted.
8. Project costs include costs for External support on Safety and Europe for the first three months, pending the completion of the restructuring and the reduction in the requirements for such support, plus the Website rebuild. The remaining project costs are for work at Piccadilly Gate and there was a favourable variance because costs for the office restructuring were significantly lower than anticipated and we have recovered some of the expenditure from the Office of the Rail Regulator.

The project cost outturn is lower than budgeted because no costs for London office changes were incurred, costs for the Manchester office reconfiguration were lower than anticipated and the Dilapidations settlement for Wellington House, Manchester was £11,000 lower than the provision made at 31 March 2011. In addition costs for the remaining Transition projects were significantly lower than budgeted. In view of the significant favourable variance we surrendered £250,000 of the transition funding to the Department in the period.

## COSTS BY DIRECTORATE

£000

	Year to Date			Full Year		
	Actual	Forecast	Variance	Forecast	Budget	Variance
				Outturn		
Passenger issues team	504	507	3	504	507	3
Press and communications	169	171	2	169	171	2
Research	576	588	12	576	585	9
Passenger team	628	625	(3)	628	625	(3)
Passenger contact team	226	226	-	226	226	-
CEO and Corporate Governance	334	336	2	334	336	2
Resources	962	938	(24)	962	939	(23)
Board	204	206	2	204	206	2
Total costs	3,603	3,597	(6)	3,603	3,595	(8)
NRPS	846	849	3	846	865	19
NBPS	253	254	1	253	240	(13)
Total net operating costs	4,702	4,700	(2)	4,702	4,700	(2)
Transition costs	731	733	2	731	983	252
<b>Total costs</b>	<b>5,433</b>	<b>5,433</b>	<b>-</b>	<b>5,433</b>	<b>5,683</b>	<b>250</b>

1. The costs for the teams represent their direct costs and do not include any allocation of overheads.
2. Costs for the Research team are lower than forecast and budget due to the correction of a provision for research publication costs made at 31 March 2011 and the transfer of £10,000 from general research to the Bus passenger survey. Resources costs are higher than forecast and budget because we have just received a bill for £8,000 from our landlords for licences in respect of the London office refit in 2010, additional costs for professional property advice in respect of the proposed London office move and costs for updating our procurement documentation and contract terms and conditions. The costs for remaining teams and the Board are in line with the forecast and budgets.
3. Transition costs are in line with the forecast but significantly lower than budget because Transition project costs were significantly lower than budgeted. The variance £250,000 in Transition costs was surrendered to the Department.

## Summary

Total costs to date are £5,433,000 and are £111 lower than the forecast, and £250,111 lower than budgeted.

As previously reported the budgets for 2011-12 assumed that we would be able to release surplus space at Drummond Gate by December 2011 to reduce our total property costs. This has not been possible, however the additional costs have been covered by favourable variances in other budget headings, and there are plans to relocate the London office in September 2012.

## Audit Committee Paper

### Apr 12 AC 4.1

Report for	Decision	<input type="checkbox"/>
	Information	<input checked="" type="checkbox"/>
Restricted or Confidential Information ?	Yes	<input type="checkbox"/>
	No	<input checked="" type="checkbox"/>



<b>If confidential, protective marking</b>	
<b>Date of Meeting</b>	Wednesday 18 April 2012
<b>Agenda Item</b>	4.1
<b>Report Title</b>	Finance Update – 31 March 2012
<b>Sponsor</b>	Anthony Smith
<b>Author (s)</b>	Nigel Holden

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Transition costs in the period were £734,000 against the revised forecast of £733,000 a favourable variance of £1,758.

#### 2. Recommendation or decision required

The Audit Committee are asked to review the report before submission to the Board who will be asked to note:

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**FINANCIAL REVIEW**

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<b>Total net operating costs</b>	<b>4,701</b>	<b>4,700</b>	<b>(1)</b>	<b>4,701</b>	<b>4,700</b>	<b>(1)</b>
<b>Transition</b>	732	733	1	732	983	251
<b>Total expenditure</b>	<b>5,433</b>	<b>5,433</b>	<b>-</b>	<b>5,433</b>	<b>5,683</b>	<b>250</b>

**COMMENTARY****Operating costs**

- Fixed pay costs includes Staff pay and Members fees. The costs to date are in line with the forecast but the outturn is lower than originally budgeted because we had five vacancies in the Passenger Team in June to August following the restructuring. These vacancies were filled through the civil service job site.
- Fixed overheads includes costs for premises and contracted costs for IT support and Audit, Legal and HR Advice. The costs are higher than forecast because we have just been billed £8,000 by our landlord in respect of licences for fit out work on the London office in 2010 and we have incurred costs for professional advice on the London office relocation plans.  
The outturn is lower than budget because we have negotiated a four month rent free period for Piccadilly Gate in Manchester which we had not anticipated when the budgets were set. Costs for surplus space at Drummond Gate have been allocated to the Transition budget up to March 2012.
- Variable overheads are higher than forecast largely because Travel and Subsistence costs were slightly higher than anticipated due to staff travel for the Bus passenger survey launch and the staff awayday in March. In addition costs for printing and postage were higher than anticipated due to the publication of a number of research reports and the mailing of the NPS reports.  
The outturn is lower than budgeted partly due to control of costs and partly due to lower numbers of staff.
- Project costs for the period are lower than forecast mainly because costs for the Future Rail Trends research were lower than anticipated.  
The outturn is higher than budgeted because we have utilised savings in running costs and the Contingency provision to undertake additional research.

**Transition**

- Fixed pay costs includes staff pay for redundant staff between 1 April 2011 and their last day of service, plus costs for the Change manager until 30 September and HR manager for the year. The outturn is higher than budgeted due to additional costs for interim management support for changes in the Passenger contact team.
- Fixed overheads includes rent costs for surplus space at Drummond Gate to 31 March 2012 and we plan to relocate to alternative, lower cost offices in 2012-13 now we have a tenant for Drummond Gate. The outturn is slightly higher than budgeted because the budget assumed we would release the surplus space by 31 December 2011, however these additional costs have been partly offset by lower IT costs and Legal and HR advice costs during transition and the net variance funded from favourable project variances.
- Variable costs are those associated with redundant staff eg outplacement training and support, together with Travel and Subsistence for consultation meetings, and costs for the former Rail and Bus passenger link teams for the first two months. The outturn is higher than budgeted because costs for outplacement support for redundant staff was higher than anticipated, and mobile phone costs for redundant staff for the first two months of the year were higher than budgeted.

8. Project costs include costs for External support on Safety and Europe for the first three months, pending the completion of the restructuring and the reduction in the requirements for such support, plus the Website rebuild. The remaining project costs are for work at Piccadilly Gate and there was a favourable variance because costs for the office restructuring were significantly lower than anticipated and we have recovered some of the expenditure from the Office of the Rail Regulator.

The project cost overrun is lower than budgeted because no costs for London office changes were incurred, costs for the Manchester office reconfiguration were lower than anticipated and the Dilapidations settlement for Wellington House, Manchester was £11,000 lower than the provision made at 31 March 2011. In addition costs for the remaining Transition projects were significantly lower than budgeted. In view of the significant favourable variance we surrendered £250,000 of the transition funding to the Department in the period.

#### NET COSTS BY DIRECTORATE

£000

	Year to Date			Full Year		
	Actual	Forecast	Variance	Outturn	Budget	Variance
Passenger issues team	504	507	3	504	507	3
Press and communications	169	171	2	169	171	2
Research	576	588	12	576	585	9
Passenger team	628	625	(3)	628	625	(3)
Passenger contact team	226	226	-	226	226	-
CEO and Corporate Governance	334	336	2	334	336	2
Resources	962	938	(24)	962	939	(23)
Board	204	206	2	204	206	2
<b>Total costs</b>	<b>3,603</b>	<b>3,597</b>	<b>(6)</b>	<b>3,603</b>	<b>3,595</b>	<b>(8)</b>
NRPS	846	849	3	846	865	19
NBPS	253	254	1	253	240	(13)
<b>Total net operating costs</b>	<b>4,702</b>	<b>4,700</b>	<b>(2)</b>	<b>4,702</b>	<b>4,700</b>	<b>(2)</b>
Transition costs	731	733	2	731	983	252
<b>Total costs</b>	<b>5,433</b>	<b>5,433</b>	<b>-</b>	<b>5,433</b>	<b>5,683</b>	<b>250</b>

- The costs for the teams represent their direct costs and do not include any allocation of overheads.
- Costs for the Research team are lower than forecast and budget due to the correction of a provision for research publication costs made at 31 March 2011 and the transfer of £10,000 from general research to the Bus passenger survey  
Resources costs are higher than forecast and budget because we have just received a bill for £8,000 from our landlords for licences in respect of the London office refit in 2010, additional costs for professional property advice in respect of the proposed London office move and costs for updating our procurement documentation and contract terms and conditions to ensure they comply with the current guidance.  
The costs for remaining teams and the Board are in line with the forecast and budgets
- Transition costs are in line with the forecast but significantly lower than budget because Transition project costs were significantly lower than budgeted. The variance £250,000 in Transition costs was surrendered to the Department.

#### Summary

Total costs to date are £5,433,000 and are £111 lower than the forecast, and £250,111 lower than budgeted.

As previously reported the budgets for 2011-12 assumed that we would be able to release surplus space at Drummond Gate by December 2011 to reduce our total property costs. This has not been possible, however the additional costs have been covered by favourable variances in other budget headings, and there are plans to relocate the London office in September 2012.

#### SUMMARY OF MISSING BUDGET HOLDER DECLARATIONS

Monthly budget holder declarations for the period to February 2012 have been received. The March declarations, together with the Annual assurances are due by 25 April



## **Management Accounts**

### **Expenditure Report for the period to March 2012**

<b>Summary of Total Expenditure</b>	<b>1</b>
<b>Directorate Summary</b>	<b>2</b>
<b>Expenditure Charts</b>	<b>3</b>
<b>Project Expenditure</b>	<b>4</b>
<b>Board Expenditure</b>	<b>5</b>
<b>Transition costs</b>	<b>6</b>

**Passenger Focus  
Management Accounts  
Expenditure for the period to March 2012**

	Year to Date			Full Year Revised		
	Actual	Forecast	Variance	Outturn	Budget	Variance
<b>Income</b>						
Joint funding	3,375	-	(3,375)	3,375	100,000	96,625
Other income	4,462	-	(4,462)	4,462	-	(4,462)
<b>Total income</b>	<u>7,837</u>	<u>-</u>	<u>(7,837)</u>	<u>7,837</u>	<u>100,000</u>	<u>92,163</u>
<b>Expenditure</b>						
<b>Fixed Pay Costs</b>						
Permanent staff	2,128,366	2,143,554	15,188	2,128,366	2,158,725	30,359
Contingent labour (interim managers and temporary staff)	37,499	25,595	(11,904)	37,499	27,000	(10,499)
Members fees	177,598	178,564	966	177,598	185,424	7,826
<b>Total fixed pay costs</b>	<u>2,343,464</u>	<u>2,347,713</u>	<u>4,249</u>	<u>2,343,464</u>	<u>2,371,149</u>	<u>27,685</u>
<b>Fixed Overheads</b>						
Property costs (rent, rates, cleaning and maintenance)	205,985	203,948	(2,037)	205,985	262,000	56,015
IT support and office equipment	304,069	297,491	(6,578)	304,069	302,817	(1,252)
Internal and external audit plus legal, property and HR advice	52,083	40,250	(11,833)	52,083	47,000	(5,083)
Bank charges	1,207	1,000	(207)	1,207	1,000	(207)
<b>Total Fixed Overheads</b>	<u>563,344</u>	<u>542,689</u>	<u>(20,655)</u>	<u>563,344</u>	<u>612,817</u>	<u>49,473</u>
<b>Total Fixed Pay and Overheads</b>	<u>2,906,807</u>	<u>2,890,402</u>	<u>(16,406)</u>	<u>2,906,807</u>	<u>2,983,966</u>	<u>77,158</u>
<b>Variable Overheads</b>						
Travel and subsistence	119,382	113,441	(5,941)	119,382	138,655	19,273
Training and development	26,589	30,110	3,521	26,589	42,305	15,716
Recruitment	8,444	7,200	(1,244)	8,444	-	(8,444)
Conferences and meetings	12,030	9,328	(2,702)	12,030	8,000	(4,030)
Publications & Printing	9,736	4,765	(4,971)	9,736	13,000	3,264
Media and reporting	39,290	40,841	1,551	39,290	59,199	19,909
Telephones	45,324	44,758	(567)	45,324	48,925	3,600
Postage and stationery	19,762	16,500	(3,263)	19,762	18,000	(1,763)
Staff welfare (Health and safety, staff medicals, and kitchen supplies)	9,880	8,750	(1,130)	9,880	7,950	(1,930)
External support	14,978	15,000	22	14,978	2,000	(12,978)
Depreciation	-	-	-	-	-	-
<b>Total variable Overheads</b>	<u>305,415</u>	<u>290,693</u>	<u>(14,723)</u>	<u>305,415</u>	<u>338,034</u>	<u>32,618</u>
<b>Total Running Costs</b>	<u>3,212,223</u>	<u>3,181,095</u>	<u>(31,128)</u>	<u>3,212,223</u>	<u>3,322,000</u>	<u>109,777</u>
<b>Projects</b>						
Call Centre	15,834	16,269	435	15,834	20,000	4,166
Technical advice (Safety, Europe and rail technical support)	32,310	34,950	2,640	32,310	38,000	5,690
National rail passenger survey	845,934	849,000	3,066	845,934	865,000	19,066
National bus passenger survey	253,404	253,500	96	253,404	240,000	(13,404)
Projects	349,777	365,186	15,409	349,777	295,000	(54,777)
Contingency	-	-	-	-	20,000	20,000
<b>Total projects</b>	<u>1,497,260</u>	<u>1,518,905</u>	<u>21,645</u>	<u>1,497,260</u>	<u>1,478,000</u>	<u>(19,260)</u>
<b>Total operating costs</b>	<u>4,709,482</u>	<u>4,700,000</u>	<u>(9,483)</u>	<u>4,709,482</u>	<u>4,800,000</u>	<u>90,517</u>
<b>Net operating costs</b>	<u>4,701,646</u>	<u>4,700,000</u>	<u>(1,646)</u>	<u>4,701,646</u>	<u>4,700,000</u>	<u>(1,646)</u>
<b>Transition costs</b>	<u>731,514</u>	<u>733,272</u>	<u>1,758</u>	<u>731,514</u>	<u>983,272</u>	<u>251,758</u>
<b>Total costs</b>	<u>5,433,160</u>	<u>5,433,272</u>	<u>111</u>	<u>5,433,160</u>	<u>5,683,272</u>	<u>250,111</u>

**Passenger Focus  
Income & Expenditure - Summary by Directorate  
Period to March 2012**



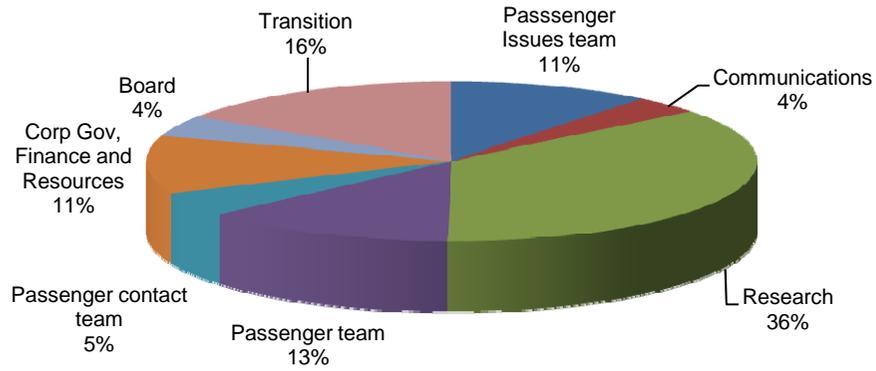
	Passenger Issues Team	Press and Communications	Research	Passenger Team	Contact Team	CEO and Corporate Governance	Resources	Board	Total	Forecast	Variance (%)	Full Year Forecast	Full Year Budget	Transition	Transition Full Year Forecast	Total to date	Total Full Year Forecast
<b>Income</b>																	
Joint funding	-	-	-	-	-	-	3,375	-	3,375	-	-	-	100,000	-	-	3,375	-
Other income	-	-	-	-	-	-	4,462	-	4,462	-	-	-	-	-	-	4,462	-
<b>Total income</b>	-	-	-	-	-	-	<b>7,837</b>	-	<b>7,837</b>	-	-	-	<b>100,000</b>	-	-	<b>7,837</b>	-
<b>Expenditure</b>																	
<b>Fixed Pay Costs</b>																	
Permanent staff	440,133	117,529	311,375	509,568	182,101	301,068	266,593	-	2,128,366	2,143,554	1%	2,143,554	2,158,725	305,109	305,109	2,433,475	2,448,663
Contingent labour (interim managers and temporary staff)	19,872	-	-	-	17,371	257	-	-	37,499	25,595	(47%)	25,595	27,000	30,406	28,000	67,905	53,595
Members fees	-	-	-	-	-	-	-	177,598	177,598	178,564	1%	178,564	185,424	11,480	11,988	189,078	190,552
<b>Total fixed pay costs</b>	<b>460,005</b>	<b>117,529</b>	<b>311,375</b>	<b>509,568</b>	<b>199,471</b>	<b>301,325</b>	<b>266,593</b>	<b>177,598</b>	<b>2,343,464</b>	<b>2,347,713</b>	<b>0%</b>	<b>2,347,713</b>	<b>2,371,149</b>	<b>346,995</b>	<b>345,097</b>	<b>2,690,459</b>	<b>2,692,810</b>
<b>Fixed Overheads</b>																	
Property costs (rent, rates, cleaning and maintenance)	211	-	-	54	-	474	205,246	-	205,985	203,948	(1%)	203,948	262,000	237,608	235,433	443,594	439,381
IT support and office equipment	376	48	301	5,490	4,235	24	293,643	-	304,069	297,491	(2%)	297,491	302,817	12,196	12,400	316,265	309,891
Internal and external audit plus legal, property and HR advice	-	-	-	-	-	509	52,592	-	52,083	40,250	(29%)	40,250	47,000	12,304	12,000	64,388	52,250
Bank charges	-	-	-	-	-	-	1,207	-	1,207	1,000	(21%)	1,000	1,000	-	-	1,207	1,000
<b>Total Fixed Overheads</b>	<b>587</b>	<b>48</b>	<b>301</b>	<b>5,544</b>	<b>4,235</b>	<b>(59)</b>	<b>552,687</b>	<b>-</b>	<b>563,344</b>	<b>542,689</b>	<b>(4%)</b>	<b>542,689</b>	<b>612,817</b>	<b>262,109</b>	<b>259,833</b>	<b>825,452</b>	<b>802,522</b>
<b>Total Fixed Pay and Overheads</b>	<b>460,591</b>	<b>117,577</b>	<b>311,676</b>	<b>515,112</b>	<b>203,706</b>	<b>301,266</b>	<b>819,280</b>	<b>177,598</b>	<b>2,906,807</b>	<b>2,890,402</b>	<b>(1%)</b>	<b>2,890,402</b>	<b>2,983,966</b>	<b>609,103</b>	<b>604,930</b>	<b>3,515,911</b>	<b>3,495,332</b>
<b>Variable Overheads</b>																	
Travel and subsistence	18,723	1,835	4,543	44,506	4,109	13,035	16,863	15,767	119,382	113,441	(5%)	113,441	138,655	16,057	16,057	135,438	129,498
Training and development	399	37	4,150	7,997	1,152	5,488	7,175	191	26,589	30,110	12%	30,110	42,305	32,505	31,000	59,094	61,110
Recruitment	-	-	-	-	-	-	3,749	4,696	8,444	7,200	(17%)	7,200	-	-	-	8,444	7,200
Conferences and meetings	1,072	-	769	2,388	-	252	4,825	2,724	12,030	9,328	(29%)	9,328	8,000	1,223	2,500	13,252	11,828
Publications & Printing	38	3,044	38	535	6	2,003	1,775	2,298	9,736	4,765	(104%)	4,765	13,000	78	2,000	9,814	6,765
Media and reporting	152	35,511	1,176	859	-	1,086	506	-	39,290	40,841	4%	40,841	59,199	1,354	2,000	40,644	42,841
Telephones	3,845	55	418	4,708	136	4,182	31,980	-	45,324	44,758	(1%)	44,758	48,925	10,014	8,550	55,339	53,308
Postage and stationery	287	529	719	262	934	824	16,123	84	19,762	16,500	(20%)	16,500	18,000	592	-	20,355	16,500
Staff welfare (Health and safety, staff medicals, and kitchen supplies)	180	248	19	643	105	1,517	6,289	879	9,880	8,750	(13%)	8,750	7,950	1,365	-	11,246	8,750
Depreciation	-	-	-	-	-	3,629	11,248	101	14,978	15,000	0%	15,000	2,000	-	-	14,978	15,000
<b>Total variable Overheads</b>	<b>24,697</b>	<b>41,258</b>	<b>11,832</b>	<b>61,898</b>	<b>6,442</b>	<b>32,017</b>	<b>100,532</b>	<b>26,740</b>	<b>305,415</b>	<b>290,693</b>	<b>(5%)</b>	<b>290,693</b>	<b>338,034</b>	<b>63,188</b>	<b>62,107</b>	<b>368,604</b>	<b>352,800</b>
<b>Total Running Costs</b>	<b>485,288</b>	<b>158,835</b>	<b>323,508</b>	<b>577,010</b>	<b>210,149</b>	<b>333,283</b>	<b>919,812</b>	<b>204,338</b>	<b>3,212,223</b>	<b>3,181,095</b>	<b>(1%)</b>	<b>3,181,095</b>	<b>3,322,000</b>	<b>672,292</b>	<b>667,037</b>	<b>3,884,514</b>	<b>3,848,132</b>
<b>Projects</b>																	
Call Centre	-	-	-	-	15,834	-	-	-	15,834	16,269	3%	16,269	20,000	7	-	15,842	16,269
Technical advice (Safety, Europe and rail technical support)	18,127	-	-	14,183	-	-	-	-	32,310	34,950	8%	34,950	38,000	8,052	8,400	40,363	43,350
National rail passenger survey	-	-	845,934	-	-	-	-	-	845,934	849,000	0%	849,000	865,000	-	-	845,934	849,000
National bus passenger survey	-	-	253,404	-	-	-	-	-	253,404	253,500	0%	253,500	240,000	-	-	253,404	253,500
Projects	-	10,031	252,442	37,053	-	-	50,251	-	349,777	365,186	4%	365,186	295,000	51,163	57,835	400,940	423,021
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	20,000	-	-	-	-
<b>Total projects</b>	<b>18,127</b>	<b>10,031</b>	<b>1,351,780</b>	<b>51,236</b>	<b>15,834</b>	<b>-</b>	<b>50,251</b>	<b>-</b>	<b>1,497,260</b>	<b>1,518,905</b>	<b>1%</b>	<b>1,518,905</b>	<b>1,478,000</b>	<b>59,223</b>	<b>66,235</b>	<b>1,556,482</b>	<b>1,585,140</b>
<b>Total operating costs</b>	<b>503,415</b>	<b>168,866</b>	<b>1,675,288</b>	<b>628,247</b>	<b>225,983</b>	<b>333,283</b>	<b>970,063</b>	<b>204,338</b>	<b>4,709,482</b>	<b>4,700,000</b>	<b>(0%)</b>	<b>4,700,000</b>	<b>4,800,000</b>	<b>731,514</b>	<b>733,272</b>	<b>5,440,997</b>	<b>5,433,272</b>
<b>Net operating costs</b>	<b>503,415</b>	<b>168,866</b>	<b>1,675,288</b>	<b>628,247</b>	<b>225,983</b>	<b>333,283</b>	<b>962,226</b>	<b>204,338</b>	<b>4,701,646</b>			<b>4,700,000</b>	<b>4,700,000</b>	<b>731,514</b>	<b>733,272</b>	<b>5,433,160</b>	<b>5,433,272</b>
<b>Total forecast</b>	<b>507,363</b>	<b>170,747</b>	<b>1,690,055</b>	<b>625,206</b>	<b>226,152</b>	<b>336,375</b>	<b>938,089</b>	<b>206,013</b>	<b>4,700,000</b>			<b>4,700,000</b>		<b>733,272</b>		<b>5,433,272</b>	
<b>Variance (£)</b>	<b>3,948</b>	<b>1,881</b>	<b>14,767</b>	<b>(3,041)</b>	<b>169</b>	<b>3,092</b>	<b>(24,138)</b>	<b>1,675</b>	<b>(1,646)</b>					<b>1,758</b>		<b>111</b>	
<b>Variance (%)</b>	<b>0.8%</b>	<b>1.1%</b>	<b>0.9%</b>	<b>(0.5%)</b>	<b>0.1%</b>	<b>0.9%</b>	<b>(2.6%)</b>	<b>0.8%</b>	<b>(0.0%)</b>					<b>0.2%</b>		<b>0.0%</b>	

# PASSENGER FOCUS

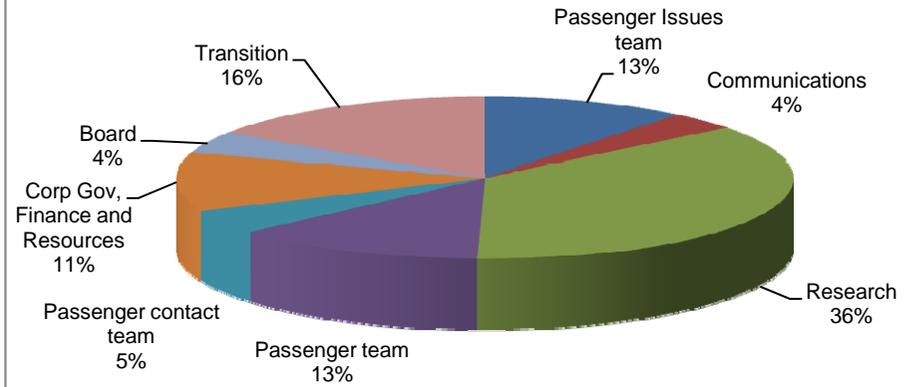


## Expenditure for the period to March 2012

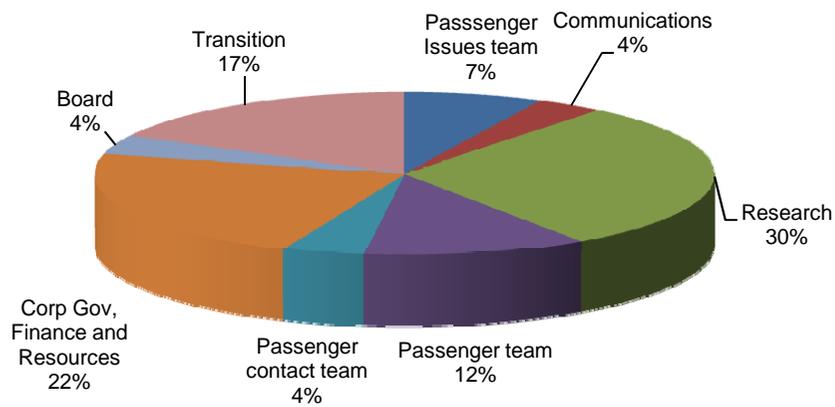
**Resource Allocation by Function  
Actual Costs to Date**



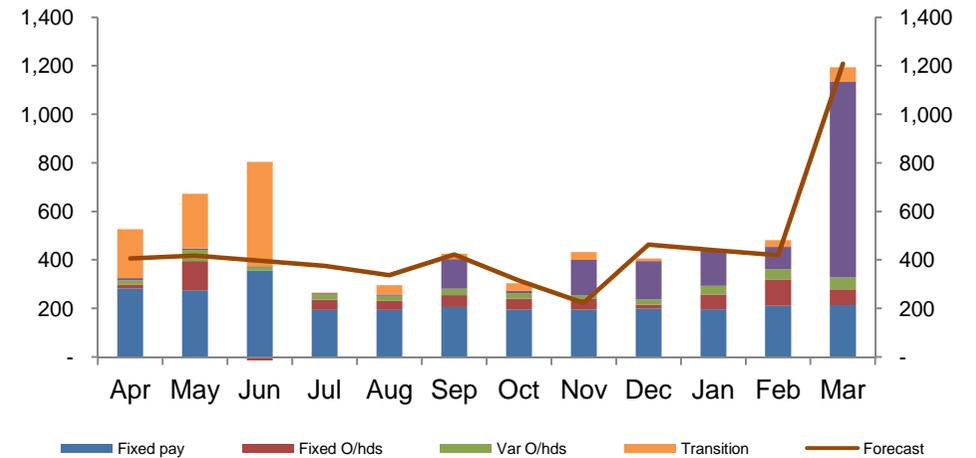
**Resource Allocation by Function  
Forecast Costs to Date**



**Resource Allocation by Function  
Annual Budget**



**Costs by Type of Expenditure**



**Passenger Focus  
Management Accounts  
Project Expenditure for the period to March 2012**



EXPENDITURE	Year to Date			Full Year		
	Actual	Forecast	Variance	Outturn	Budget	Variance
<b>COMMUNICATIONS</b>						
C50 Passenger Voices	3,506	3,506	-	3,506	15,000	11,494
C51 Bus and Rail Mini Events	6,500	6,500	-	6,500	-	(6,500)
C55 Website	25	-	(25)	25	10,000	9,975
	<u>10,031</u>	<u>10,006</u>	<u>(25)</u>	<u>10,031</u>	<u>25,000</u>	<u>14,969</u>
<b>PASSENGER TEAM</b>						
M01 Contact Centre retender	-	-	-	-	10,000	10,000
M02 Stakeholder management system	32,299	32,000	(299)	32,299	15,000	(17,299)
M03 Volunteer groups	4,754	8,000	3,246	4,754	15,000	10,246
	<u>37,053</u>	<u>40,000</u>	<u>2,947</u>	<u>37,053</u>	<u>40,000</u>	<u>2,947</u>
<b>PASSENGER ISSUES TEAM</b>						
Other Passenger Issues Team projects	-	-	-	-	-	-
<b>RESEARCH</b>						
P04 BPS Publication	7,713	7,500	(213)	7,713	-	(7,713)
P06 Passenger Attitudes To Engineering	49,712	49,500	(212)	49,712	-	(49,712)
P07 Great Western Franchise Research	30,648	31,500	852	30,648	-	(30,648)
P08 Unplanned Disruption	26,500	27,500	1,000	26,500	-	(26,500)
P10 Thamelink Franchise	30,892	32,000	1,108	30,892	-	(30,892)
P11 Future Rail Trends	4,800	21,000	16,200	4,800	-	(4,800)
P12 Fares Review	17,400	17,000	(400)	17,400	-	(17,400)
P26 Bus Cut Impacts	32,496	32,200	(296)	32,496	-	(32,496)
P27 Euston Station	343	-	(343)	343	-	(343)
P28 HS2 Printing	6,865	5,000	(1,865)	6,865	-	(6,865)
P29 Coach Passenger Research	654	-	(654)	654	-	(654)
P31 South Eastern Franchise	30,344	32,000	1,656	30,344	-	(30,344)
RSC 0	-	-	-	-	-	-
	<u>252,440</u>	<u>263,200</u>	<u>10,760</u>	<u>252,440</u>	<u>-</u>	<u>(252,440)</u>
NPS National rail passenger survey	845,934	849,000	3,066	845,934	865,000	19,066
P03 National bus passenger survey	253,404	253,500	96	253,404	240,000	(13,404)
Total research	<u>1,351,778</u>	<u>1,365,700</u>	<u>13,922</u>	<u>1,351,778</u>	<u>1,105,000</u>	<u>(246,778)</u>
<b>RESOURCES</b>						
R01 Board Connect Access	780	780	-	780	-	(780)
R02 Sharepoint Server Split	20,737	22,500	1,763	20,737	-	(20,737)
R03 HR System	24,713	24,500	(213)	24,713	-	(24,713)
R04 Sharepoint	49	-	(49)	49	-	(49)
R10 Investors In People	2,200	2,200	-	2,200	5,000	2,800
R12 Competency Framework	1,172	-	(1,172)	1,172	-	(1,172)
R15 Stakeholder Management System	600	-	(600)	600	-	(600)
	<u>50,251</u>	<u>49,980</u>	<u>(271)</u>	<u>50,251</u>	<u>5,000</u>	<u>(45,251)</u>
<b>CEO</b>						
CEO Contingency	-	-	-	-	20,000	20,000
CEO Unallocated budget	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
PTM Call Centre	15,834	16,269	435	15,834	20,000	4,166
PIT External Support (Safety and Europe and rail technical advice)	32,310	34,950	2,640	32,310	38,000	5,690
	<u>48,145</u>	<u>51,219</u>	<u>3,074</u>	<u>48,145</u>	<u>58,000</u>	<u>9,855</u>
<b>TOTAL PROJECTS</b>	<b><u>1,497,258</u></b>	<b><u>1,516,905</u></b>	<b><u>19,647</u></b>	<b><u>1,497,258</u></b>	<b><u>1,253,000</u></b>	<b><u>(244,258)</u></b>
<b>Transition Projects</b>						
M02 Stakeholder management system	290	-	(290)	290	25,000	24,710
R04 Intranet restructuring	-	-	-	-	15,000	15,000
R14 London Office relocation	5,755	5,335	(420)	5,755	150,000	144,245
R15 London Office relocation	6,933	-	(6,933)	6,933	-	(6,933)
R17 Manchester Office modification	(4,242)	-	4,242	(4,242)	30,000	34,242
T03 Website changes	40,000	50,000	10,000	40,000	50,000	10,000
T01 Stakeholder Communications	-	-	-	-	5,000	5,000
T02 Selection Process	2,427	2,500	73	2,427	25,000	22,573
<b>Total</b>	<b><u>51,163</u></b>	<b><u>57,835</u></b>	<b><u>6,672</u></b>	<b><u>51,163</u></b>	<b><u>300,000</u></b>	<b><u>248,837</u></b>

**Passenger Focus  
Management Accounts  
Board Expenditure for the period to March 2012**



	Year to Date			Full Year		
	Actual	Forecast	Variance	Outturn	Revised Budget	Variance
<b>Income</b>						
Joint funding	-	-	-	-	-	-
Other income	-	-	-	-	-	-
<b>Total income</b>	-	-	-	-	-	-
<b>Expenditure</b>						
<b>Fixed Pay Costs</b>						
Permanent staff	-	-	-	-	-	-
Contingent labour (interim managers and temporary staff)	-	-	-	-	-	-
Members fees	177,598	178,564	966	177,598	185,424	7,826
<b>Total fixed pay costs</b>	177,598	178,564	966	177,598	185,424	7,826
<b>Fixed Overheads</b>						
Property costs (remt, rates, cleaning and maintenance)	-	-	-	-	-	-
IT support and office equipment	-	-	-	-	-	-
Internal and external audit plus legal, property and HR advice	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-
<b>Total Fixed Overheads</b>	-	-	-	-	-	-
<b>Total Fixed Pay and Overheads</b>	177,598	178,564	966	177,598	185,424	7,826
<b>Variable Overheads</b>						
Travel and subsistence	15,767	15,000	(767)	15,767	15,000	(767)
Training and development	191	-	(191)	191	-	(191)
Recruitment	4,696	6,000	1,304	4,696	-	(4,696)
Conferences and meetings	2,724	2,724	(0)	2,724	6,000	3,276
Publications & Printing	2,298	2,500	202	2,298	5,000	2,702
Media and reporting	-	225	225	-	5,000	5,000
Telephones	-	-	-	-	-	-
Postage and stationery	84	-	(84)	84	-	(84)
Staff welfare (Health and safety, staff medicals, and kitchen supplies)	879	1,000	121	879	1,000	121
Depreciation	101	-	(101)	101	-	(101)
<b>Total variable Overheads</b>	26,740	27,449	709	26,740	32,000	5,260
<b>Total Running Costs</b>	204,338	206,013	1,675	204,338	217,424	13,086
<b>Projects</b>						
Call Centre	-	-	-	-	-	-
Technical advice (Safety, Europe and rail technical support)	-	-	-	-	-	-
National rail passenger survey	-	-	-	-	-	-
National bus passenger survey	-	-	-	-	-	-
Projects	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
<b>Total projects</b>	-	-	-	-	-	-
<b>Total operating costs</b>	204,338	206,013	1,675	204,338	217,424	13,086
<b>Net operating costs</b>	204,338	206,013	1,675	204,338	217,424	13,086

**Passenger Focus  
Management Accounts  
Transition costs for the period to March 2012**

	Year to Date			Full Year Revised Budget		
	Actual	Forecast	Variance	Outturn	Budget	Variance
<b>Income</b>						
Joint funding	-	-	-	-	-	-
Other income	-	-	-	-	-	-
<b>Total income</b>	-	-	-	-	-	-
<b>Expenditure</b>						
<b>Fixed Pay Costs</b>						
Permanent staff	305,109	305,109	(0)	305,109	304,034	(1,075)
Contingent labour (interim managers and temporary staff)	30,406	28,000	(2,406)	30,406	17,000	(13,406)
Members fees	11,480	11,988	508	11,480	11,988	508
<b>Total fixed pay costs</b>	<u>346,995</u>	<u>345,097</u>	<u>(1,898)</u>	<u>346,995</u>	<u>333,022</u>	<u>(13,973)</u>
<b>Fixed Overheads</b>						
Property costs (rent, rates, cleaning and maintenance)	237,608	235,433	(2,175)	237,608	180,000	(57,608)
IT support and office equipment	12,196	12,400	204	12,196	24,400	12,204
Internal and external audit plus legal, property and HR advice	12,304	12,000	(304)	12,304	40,000	27,696
Bank charges	-	-	-	-	-	-
<b>Total Fixed Overheads</b>	<u>262,109</u>	<u>259,833</u>	<u>(2,276)</u>	<u>262,109</u>	<u>244,400</u>	<u>(17,709)</u>
<b>Total Fixed Pay and Overheads</b>	<u>609,103</u>	<u>604,930</u>	<u>(4,173)</u>	<u>609,103</u>	<u>577,422</u>	<u>(31,681)</u>
<b>Variable Overheads</b>						
Travel and subsistence	16,057	16,057	0	16,057	19,400	3,343
Training and development	32,505	31,000	(1,505)	32,505	21,000	(11,505)
Recruitment	-	-	-	-	-	-
Conferences and meetings	1,223	2,500	1,277	1,223	2,500	1,277
Publications & Printing	78	2,000	1,922	78	2,000	1,922
Media and reporting	1,354	2,000	646	1,354	-	(1,354)
Telephones	10,014	8,550	(1,464)	10,014	2,550	(7,464)
Postage and stationery	592	-	(592)	592	-	(592)
Staff welfare (Health and safety, staff medicals, and kitchen supplies)	1,365	-	(1,365)	1,365	-	(1,365)
Depreciation	-	-	-	-	-	-
<b>Total variable Overheads</b>	<u>63,188</u>	<u>62,107</u>	<u>(1,081)</u>	<u>63,188</u>	<u>47,450</u>	<u>(15,738)</u>
<b>Total Running Costs</b>	<u>672,292</u>	<u>667,037</u>	<u>(5,255)</u>	<u>672,292</u>	<u>624,872</u>	<u>(47,420)</u>
<b>Projects</b>						
Call Centre	-	-	-	-	-	-
Technical advice (Safety, Europe and rail technical support)	7	-	(7)	7	-	(7)
National rail passenger survey	8,052	8,400	348	8,052	8,400	348
National bus passenger survey	-	-	-	-	-	-
Projects	-	-	-	-	-	-
Contingency	51,163	57,835	6,672	51,163	350,000	298,837
<b>Total projects</b>	<u>59,223</u>	<u>66,235</u>	<u>7,012</u>	<u>59,223</u>	<u>358,400</u>	<u>299,177</u>
<b>Total operating costs</b>	<u>731,514</u>	<u>733,272</u>	<u>1,758</u>	<u>731,514</u>	<u>983,272</u>	<u>251,758</u>
<b>Net operating costs</b>	<u>731,514</u>	<u>733,272</u>	<u>1,758</u>	<u>731,514</u>	<u>983,272</u>	<u>251,758</u>

**Standing data**

Ledger	RAIL01	
Currency		0
Annual Total		112
Year		2011

**Variable data**

Period Number	12
Month	March 2012 MARCH 2012 twelve

Period No	Month	
1	April 2011	one
2	May 2011	two
3	June 2011	three
4	July 2011	four
5	August 2011	five
6	September 2011	six
7	October 2011	seven
8	November 2011	eight
9	December 2011	nine
10	January 2012	ten
11	February 2012	eleven
12	March 2012	twelve

**Print Pages**

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**Passenger Focus  
Management Accounts  
National Passenger Survey Expenditure for the period to March 2012**



	Year to Date			Full Year Revised Budget		
	Actual	Forecast	Variance	Outturn	Budget	Variance
<b>Income</b>						
Joint funding	-	-	-	-	-	-
Other income	-	-	-	-	-	-
<b>Total income</b>	-	-	-	-	-	-
<b>Expenditure</b>						
<b>Fixed Pay Costs</b>						
Permanent staff	50,137	50,753	616	50,753	50,753	-
Contingent labour (interim managers and temporary staff)	-	-	-	-	-	-
Members fees	-	-	-	-	-	-
<b>Total fixed pay costs</b>	<u>50,137</u>	<u>50,753</u>	<u>616</u>	<u>50,753</u>	<u>50,753</u>	<u>-</u>
<b>Fixed Overheads</b>						
Property costs (rent, rates, cleaning and maintenance)	-	-	-	-	-	-
IT support and office equipment	-	-	-	-	-	-
Internal and external audit plus legal, property and HR advice	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-
<b>Total Fixed Overheads</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Fixed Pay and Overheads</b>	<u>50,137</u>	<u>50,753</u>	<u>616</u>	<u>50,753</u>	<u>50,753</u>	<u>-</u>
<b>Variable Overheads</b>						
Travel and subsistence	22	-	(22)	-	-	-
Training and development	-	-	-	-	-	-
Recruitment	-	-	-	-	-	-
Conferences and meetings	-	-	-	-	-	-
Publications & Printing	0	-	(0)	-	-	-
Media and reporting	-	-	-	-	-	-
Telephones	-	-	-	-	-	-
Postage and stationery	699	-	(699)	-	-	-
Staff welfare (Health and safety, staff medicals, and kitchen supplies)	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
<b>Total variable Overheads</b>	<u>721</u>	<u>-</u>	<u>(721)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Running Costs</b>	<u>50,859</u>	<u>50,753</u>	<u>(106)</u>	<u>50,753</u>	<u>50,753</u>	<u>-</u>
<b>Projects</b>						
Call Centre	-	-	-	-	-	-
Technical advice (Safety, Europe and rail technical support)	-	-	-	-	-	-
National rail passenger survey	-	-	-	-	-	-
National bus passenger survey	840,174	849,000	8,826	849,000	-	(849,000)
Projects	-	-	-	-	-	-
Contingency	5,760	-	(5,760)	-	865,000	865,000
<b>Total projects</b>	<u>845,934</u>	<u>849,000</u>	<u>3,066</u>	<u>849,000</u>	<u>865,000</u>	<u>16,000</u>
<b>Total operating costs</b>	<u>896,793</u>	<u>899,753</u>	<u>2,960</u>	<u>899,753</u>	<u>915,753</u>	<u>16,000</u>
<b>Net operating costs</b>	<u>896,793</u>	<u>899,753</u>	<u>2,960</u>	<u>899,753</u>	<u>915,753</u>	<u>16,000</u>