

The Effects of Hybridity on London's Transport 1933-1948

How History Challenges Current Thinking on Hybridity:
The Effects of Hybridity on London's Transport 1933-1948.

James Fowler

Abstract

This chapter discusses the cross sectional relationships between national and local government, citizens and hybrid organisations via a historical case study, that of the London Passenger Transport Board (LPTB) during its existence 1933-1948. It finds that the LPTB was a good example of hybridity located in an earlier time period than most research examines, and that the arrangements by which it was governed resulted in some counter intuitive outcomes which challenge the findings from research located in more recent periods concerning the performance of hybrid organisations. However, it supports other research proposing that the role of elites as well as institutional contexts is a key factor in the creation and operation of semi autonomous organisations, and it accepts that objectively measuring the performance in order to make meaningful comparison is not only extremely problematic but may even inhibit performance.

Key Words

Hybridity, Agencification, QUANGO, London, Transport, Performance.

Introduction

The London Passenger Transport Board (LPTB) was created by statute to deliver London's public transport in 1933 out of a mass of large and small scale public and private organisations that had hitherto provide the capital's transport. These ranged from entirely private bus companies to municipally owned tramways and large privately owned organisations which nevertheless enjoyed financial support from central government. In 1948, after 14 years of operation it was nationalised. Between those dates it existed as an organisation very much disaggregated from government ministries, but carrying out an undoubted public task. Its financial accounts and statutory framework show that it operated under more business like conditions than traditional government ministries. The LPTB therefore amply fulfilled Overman and Van Thiel's (2016) three defining characteristics of a semi-autonomous agency or QUANGO. It was part of a succession of 'arms length' agencies set up by British governments to run public services such as the Forestry Commission, The Central Electricity Board and The British Broadcasting Corporation in the 1920s. The political motivation to create these agencies remains contested, with Middlemas (1979), Millward & Singleton (1995) Greaves (2005) suggesting a desire to reduce industrial conflict and improve 'efficiency' and Van Thiel (2004) proposing a trend in imitation of previous measures. Its creation and relatively brief existence demonstrate elements of both those theories. However, the main line of interest pursued here is what the Board's creation and operations tell us about its relationships with central government, local government, citizens, its owners and its employees, and what those relationships show us about how it was controlled, what impacts they had on service delivery and how its performance was measured. Given its extremely mixed pedigree and eventual nationalisation, the case study offers excellent scope for analysis.

Contribution

This chapter seeks to make three contributions to the debate concerning hybridity and cross sectional relations in the delivery of public services. Firstly, it simply intends to expand what is known about the operation and performance of 'arms length' semi autonomous agencies

The Effects of Hybridity on London's Transport 1933-1948

through the examination of a historical case study. Secondly, by doing so it redresses the balance of research into hybridity which has tended to focus on the 1980s onwards. Articles by researchers such as (Pollitt and Summa, 1997), (Andresani and Ferlie, 2006) (Van de Walle, 2008), (Halligan, Claudia, and Rhodes, 2012) and (Alonso, Clifton and Diaz-Fuentes, 2013) with a few exceptions (Hartley, 2005) and (Radford, 2013) have tended towards a research narrative of the 'emergence' of these organisations. This chapter proposes that situating analysis of hybridity in terms of its 're-emergence' may be a useful addition to the wider discourse in terms of evaluating their performance.

Thirdly and most importantly, this chapter finds evidence to challenge or support four common hypotheses in current literature regarding the proliferation of semi-autonomous agencies. The first is the strong link between the re-emergence of hybridity and an 'Audit explosion' claimed by many commentators including Van Thiel & Leeuw (2002). This proposes that the implementation of New Public Management measures designed to remove 'inefficient' direct state intervention in the provision of public services have in fact paradoxically created dense new webs of bureaucracy arising out of new evaluation infrastructures. This development is in turn driven by the fear of 'reversal of agency' between principle and agent noted by White (1991) leading to strict limits on the degree of autonomy that politicians are in fact willing to delegate to new 'hybrid' organisations. The inevitability of this outcome is contested in this chapter.

The second hypothesis is Alonso's et al. (2013) proposal, echoed by Overman & Van Thiel's (2016), that the agencification of public services is not associated with positive effects on efficiency or value for money and that it has no significant effect on output or outcome.

Alonso's study of 18 European countries finds that in terms of achieving the stated aims of agencification, associated processes such as outsourcing did not in fact result in the desired fall in public sector expenditure or employment. Overman et al. find in a study of 20 European countries that agencification has led to neither efficiency nor value for money.

Several rationales for these results are offered. Alonso states that mere cost cutting exercises generate their own long term inefficiencies, and speculates that some of the

benefits of agencification may have been appropriated by new hybrid organisations themselves, the so called 'hold up' effect. Overman et al. suggest that the free market type efficiencies promised by deregulatory agencification were illusory, and that the state was forced to 're-regulate' thereby undermining efficiency. These conclusions are challenged in this chapter.

The third hypothesis examined emphasises the role of elites as a key factor as well as institutions, politics and socio-economic forces in public service reform. Rhodes et al. (2012) proposes that their influence is seriously underestimated in understanding the cross sectional relationships between national and local government, citizens and hybrid organisations. Jensen and Zajac's (2004) paper demonstrates the extent to which elites can control the internal agenda of both private and public organisations, and Hey's (2010) work finds how conclusively and deliberately internal managerial elites did indeed establish control over those cross sectional relationships in London transport in the 1920s and 30s. This Chapter strongly concurs with these observations.

The fourth hypothesis is that because of the serious difficulties in trying to meaningfully quantify the performance of organisations trying to deliver public services for comparison, existing data should be treated cautiously. Van der Walle (2008) argues that not only is it extremely difficult to define what the public sector actually is, it is even harder to objectively establish how improvements or falls in performance might accurately be measured. This task becomes yet more problematic if comparisons are made across different countries.

However, Van der Walle's conclusion is not that public policy research is therefore fruitless, rather, he urges researchers not to blindly rely on recent data sets and similarly that policy makers should not take current rankings or indicators at face value. By drawing attention to the longevity of hybrid organisations, this chapter supports Van der Walle's contention that existing data should be treated cautiously and seeks to widen the scope of the debate to include earlier time periods.

The Statutory Framework

The LPTB was formally held accountable via the statutory provisions of the 1933 LPTB Act from which a collection of policy communities with nominal powers to influence its performance can be identified. More opaquely, personal relationships between the chairman (Lord Ashfield), the vice chairman (Frank Pick) and senior government ministers such as Herbert Morrison occasionally impinged on the Board's freedom of action. However, the evidence suggests that none of these statutory or informal mechanisms proved effective. Pick accurately described the situation in a lecture to the LSE in 1933 as one in which power had been transferred to a bureaucracy, and that in order to escape the influence of both capital and politics, the LPTB had become authoritarian and unaccountable (Halliday, 2004). The London Passenger Transport Act 1933 contained 108 sections grouped into eight parts. None of them considered accountability explicitly, though a large number of individual sections scattered throughout the Act dealt with it both directly and indirectly. Rather like the British constitution, the Board's system of accountability could be found simultaneously almost everywhere in general throughout the Act but nowhere specifically. Above all, it was not clear exactly how these duties should be enforced or by whom. These processes only become clearer by examining the cross sectional relations between local authorities, passengers' interest groups, the L&HCTAC, Bondholders, central government, the Trade Unions and the LPTB.

The Selection and Duties of the Controlling Managerial Elite

In Section One of the Act, the Chairman and six other members of the Board were in turn chosen by five (later six) appointing trustees. These were the Chairman of the London County Council (LCC), a representative of the L&HCTAC, the Chairman of the Committee of the London Clearing Banks, the president of The Law Society, the president of The Institute of Chartered Accountants, and for future appointments, another member of the LPTB once it had been constituted. In terms of their selection, Section 1(2) the Act stipulated that persons nominated must have extensive commercial, transport and financial experience and at least two of them must have had a minimum of six years experience in local government.

The Effects of Hybridity on London's Transport 1933-1948

However, the list of nominees did not inspire confidence in all quarters. The LPTB Vice Chairman Frank Pick was critical, stating that with one exception (The Chairman of the LCC) they were entirely oblivious to the needs of London traffic. (Jackson and Croome, 1962). As Table One shows, there were only ever fourteen members of the LPTB during its existence and those serving vindicate Pick's comments about their lack of transport experience.

However, the breadth and depth of the expertise offered by Pick and Ashfield meant that the initial choice of Chairman and Vice Chairman was very unlikely to fall anywhere else.

Ashfield stayed as Chairman for the entire duration of the Board's existence, and both he and Pick's experience and longevity were important factors in their ability to run the organisation essentially unchallenged by either internal or external critics.

(insert table 1 here)

Table One is a stark reminder of the power of tiny elites to shape public service delivery.

Just 14 men served on the Board, and only three of them were members of the Board for its entire existence. They were selected by an even smaller number of equally unaccountable elite individuals. The purpose of such arrangements was not openly stated, but by looking at the official appointments of those personalities it is clear that they existed as a selection committee to ensure that those operating the LPTB were highly orthodox and well connected to financial, legal and governmental networks. This would ensure that the relationship between the LPTB, central and local government would exhibit a high degree of trust and informality, allowing the 'arms length' relationship to operate without the minutiae of targets and audit procedures that became the hallmarks of cross-sectoral relations in the later 20th Century.

It is remarkable that this closed and unaccountable system does not seem to have resulted in any personal financial corruption or malpractice. Only the chairman (Ashfield) and the vice chairman (Pick) were paid substantial salaries of £12 500 and £10 000 each which was no more than they had received in their previous capacities with fewer responsibilities at the private Underground Electric Railways of London Company (UERL). Later in the 1930s, Pick's requests for a pay increase were turned down (TNA, MT46-142).

The Effects of Hybridity on London's Transport 1933-1948

The Board's duties were laid down under a statutory instrument drawn up by central government at Section 3 of the Act where the LPTB was charged to:

'Secure the provision of an adequate and properly co-ordinated system of passenger transport for the London Passenger Transport Area... avoiding the provision of unnecessary and wasteful competitive services, to take from time to time such steps as they consider necessary for extending and improving the facilities for passenger transport in that area in such manner as to provide most efficiently and conveniently for the needs thereof.' Section 3(1) LPTB Act 1933

And:

'It shall be the duty of the Board to conduct their undertaking in such manner... as to secure that their revenues shall be sufficient to defray all charges which are by this Act required to be defrayed out of the revenues of the Board.' Section 3(4) LPTB Act 1933.

These general principles gave the Board two lines of statutory accountability, one which led back to the public at large and one which led back to the owners of its debt. It is worth reiterating though that these underpinning principles were general statements of intent rather than specific systems of control. The relationship between the LPTB, the government and other policy communities would not be driven by the pursuit of objectively measurable targets, and as Van Thiel et al. (2002), Van der Walle (2008) and Alonso (2013) have suggested, avoiding these systems may well have improved the outcomes. In any case, I will demonstrate that neither of these fairly generalised lines of accountability were especially effective even in their own terms. Nevertheless as will be seen that in the case of the LPTB, counter intuitively the result of this genuinely 'arms length' relationship was neither a collapse in service provision nor ballooning pay for senior managerial figures.

Relations with Central Government, Local Government and Passengers

Sections 29 and 30 the Act allowed Local Authorities to petition the Railway Rates Tribunal if they considered that the LPTB had unreasonably reduced or withdrawn fares, services or facilities and also if they believed that the introduction of the new facilities or services would

The Effects of Hybridity on London's Transport 1933-1948

be beneficial. There were no targets standards for delivery, merely the interpretations of the inherently contestable term 'unreasonable'. In this way, the Act did provide mechanism via local government for the users of the system to express their interests, and in the absence of competing alternative transport modes and direct local government control of transport this was one of the main conduits of accountability open to the public. However, the archives suggest that the effectiveness of the local authorities in influencing service delivery was sporadic. Table Two illustrates the Board's responses to external criticism of its services along one of its most important routes for service delivery, the Northern Line, between 1933-39. It shows that in the majority of cases the LPTB was confident enough to ignore outside influences.

(insert table two here)

For example, at the inception of the New Works scheme Lord Ashfield wrote confidentially to the Minister of Transport, Leslie Hore-Belisha, outlining his proposals and justifying them on the grounds of the clamant public demand and many applications for improved travelling facilities which the Board had received from public bodies and various other organisations. (LMA ACC1297 LPT 01 009 037). The letter amply illustrates a number of defining characteristics about the relationship of the LPTB with both central government and local authorities. Notably, there is the discrete, direct and unfettered access which the Chairman of the LPTB had to the Minister of Transport. In this relationship, local authorities are the appellants and appear to have no comparable access to central government. Instead, along with other 'various organisations', they make their case to the Chairman of an intermediate body. In Frank Pick's 1939 Report to the Ministry detailing the progress of those schemes and recommending which of them should be halted for duration of the War there is not a single mention of public or local government opinion or public petition (TfL LT1212 002). In summary the relationship between the Board, local authorities and the travelling public was sporadic and reactive. Sometimes public bodies' support for transport investment

The Effects of Hybridity on London's Transport 1933-1948

schemes in was useful background corroboration for furthering the more detailed plans on the LPTB's own agenda, but most of the time the Board felt confident enough to reject proposals that it was not interested in and any criticism. Formal conduits for this type of interaction did exist, but they were not systematically employed and were heavily buttressed by individual informal actions such as writing to The Times newspaper and actions by MPs pursuing constituency interests.

Alternatively, the L&HCTAC was another avenue of approach through which the LPTB could be held accountable. It was the successor to the Traffic Committee created by the 1905 Royal Commission, and its composition went through several iterations before and after its (re) formation in 1924. In 1933 it was established with forty members, 24 from local authorities, five from Trades Unions, seven from transport organisations (two from the LPTB) and the remaining four from the Ministry of Transport and London Police. Sections 58-60 of The LPTB Act gave the Advisory Committee quite wide ranging powers as follows:

(a) Consider, report to and advise the Minister on any matters relating to traffic within the London Traffic Area which in their opinion ought to be brought to the notice of the Minister...

(b) To make representations to the Board with respect to any matter connected with the services or facilities provided by the Board in the London Traffic Area which ought, in the opinion of the Committee, to be considered by the Board...

(3) Joint meetings for the purposes aforesaid shall be convened by the Chairman of the Advisory Committee at least three times in every year... [but] a meeting shall not be required to be convened so long as the Board and the Committee agree that for the time being a meeting is not necessary. LPTB Act 1933

Sections 59(1) and (3).

From the text of the Act, the L&HCTAC appears to have been the designated forum in which transport issues affecting the capital were discussed, considered by a wide spectrum of public figures, and brought to the notice of the Board. With its wider membership and its capacity to approach central government directly, the Committee was potentially quite an

The Effects of Hybridity on London's Transport 1933-1948

effective vehicle to hold the Board to account over service provision. But interestingly, whilst the Committee could not be said to actively evade its responsibilities, it did at its inaugural meeting nevertheless encourage public bodies to make their own cases individually to the LPTB in the first instance (TNA MT37 15).

Examples drawn from the archives suggest that the Committee tended to rubber stamp rather than challenge the Board's decisions. Using the minutes of the L&HCTAC meetings discussing the replacement of trams with trolleybuses, it is clear that while consultation occurs, the actual decision to replace trams with trolleybuses has already been taken. Some local authorities had tried to petition against it, but were unsuccessful (TNA MT37 15). Two other examples from 1935 also demonstrate the Committee's acquiescence. A proposal to discuss the shortcomings of passenger transport in East London was rejected by Frank Pick on the grounds that the Chancellor's statement earlier that day rendered further discussion pointless (TNA MT37 15). The second matter of business for the Committee was a proposed reduction in fares for people in higher education. This was rejected by Pick without giving any reasons, and the Committee merely concurred. Most tellingly of all, the powers conferred on the L&HCTAC allowed in section 59(3) for a Joint Standing Committee Meeting between it and the Board up to three times a year. In fact, the Joint Committee met in December 1933 and then did not meet again until the onset of the Second World War. By the late 1930's questions were being asked in Parliament by two London MPs, Samuel Viant (Willesden West) and John Parker (Romford), and raised by the London local authorities about why there was no machinery in use through which they could approach the LPTB with passengers' concerns (TNA MT37 15). In conclusion, it is difficult to find that the Committee was a very active watch dog. Table Three suggests that it had fallen victim to institutional regulatory capture by the LPTB as many members had colleagues on the Board and some were later to serve on it.

(insert table 3 here)

Relations with Financial Interests

The bondholders constituted a potentially powerful interest group. Not only were they financial owners of the LPTB, they were also the only policy community whose relationship with the LPTB was defined in the statute to any degree by quantifiable and auditable targets.

Their terms and conditions were specified at Section 39:

(b) shall authorise the holders of " A " Stock, " L.A." Stock or " B " Stock respectively, being holders in the aggregate of not less than five per cent. of the total amount of stock of that class then outstanding, to apply for the appointment of a receiver or a receiver... in the event of the Board making default in the payment of interest on those stocks respectively for a period of not less than three months.

(c) shall authorise the holders of " C " Stock, being holders in the aggregate of not less than five per cent. of the total amount of " C " Stock then outstanding, to apply for the appointment of a receiver... in the event of the Board failing in respect of each of three consecutive years of which the first shall be not be earlier than the year ending on the thirtieth day of June 1936 to pay interest on the " C " Stock at the standard rate for those years.'

The LPTB never failed to meet its obligations to the A, B and LA stockholders. However it also never succeeded in meeting its statutory obligations to the C stockholders. Despite this, when the date for their application to call in the receivers fell due they did not do so. In 1938 a senior stockholder in a position to apply to the High Court for the organisation to be placed in receivership, John Heaton, the chairman of the Thomas Tilling Bus Company, did in fact call for a rise in fares to improve the revenue stream. But he was rebuffed by Lord Ashfield and Frank Pick who stated that any rise in fares would result in fall in a fall in traffic (*The Spectator*, 1938). Nothing further was done by either Mr Heaton or the Board.

The reason for the inactivity was that the senior leadership of the Board had already discovered in the statute that the conditions required to call in the receivers were so onerous

The Effects of Hybridity on London's Transport 1933-1948

that it was unlikely that a consensus could be achieved. As Frank Pick realised as early as 1935, the appointment of a receiver was controlled by onerous conditions. These made it extremely improbable that it would actually occur unless something happened which could, or should, have been avoided. This put the Board effectively beyond the reach of those provisions and it suffered from no controlling background interests based upon the power of capital. (*Commercial Motor*, 1938).

This realisation ensured that the Board were unperturbed by their Bondholders and how for little the relationship between them counted. The outcome of such an arrangement is clear. The archives show that wherever possible, Bondholders' financial interests were sacrificed to those of passengers and employees. It is all the more extraordinary in the light Lord Ashfield comments to shareholders a few years earlier in 1931 where he assured them that Acts of Parliament were not treated like scraps of paper and that their rights would be scrupulously observed. (McGraw-Hill, *Electric Railway Journal* 1931).

Despite this promise, it is quite clear that the Board in reality felt able to dispense with the concern that the bondholders might cause the receivers to be called in and that the statutory provisions did indeed offer little more protection than a scrap of paper. The evidence suggests that this was due to the complexity of achieving a successful application to the receivers, Pick and Ashfield's confidence in their own expertise and indispensability and partly due to promises of future fare rises to boost revenue which did not in fact immediately materialise (Jackson and Croome, 1962). Pick commented that capital had lost its power. It could not appoint the management or interfere with daily operations or use its investment to serve any other end or aim. It was left with no right except to receive a set return. (Jackson and Croome, 1962) In reality even that right was abrogated for the C Stockholders, and all the factors described above ensured that the only cross-sectoral relationship situated in objective, measurable outcomes was nullified for the potential appellants.

Relations with Trade Unions

The Effects of Hybridity on London's Transport 1933-1948

This left the Trade Unions as the remaining set of interests statutorily empowered to influence the strategic management and performance LPTB. The 1933 Act made the following provisions:

'67. If at any time any question arises with respect to the rates of pay, hours of duty or other conditions of service of any of the employees... and the Board and such of the trades unions as may be concerned are unable to come to an agreement thereon, the question shall be referred to a Negotiating Committee, and, if the question is not disposed of as a result of being so referred, it shall be further referred to a Wages Board.

68.-(1) The Negotiating Committee referred to in the last preceding section shall... consist of:

(a) Six representatives of the Board to be appointed by the Board.

(b) Six representatives of the employees of the Board, two of whom shall be appointed by each of the trades unions.

(2) The Wages Board referred to in section [67] shall consist of:

(a) An independent chairman to be nominated by the Minister of Labour;

(b) Six representatives of the Board to be appointed by the Board.

(c) Six representatives of the employees of the Board, two of whom shall be appointed by each of the trades unions.

(d) Four other persons to be appointed, as to one, by the General Council of the Trades Union Congress, as to one, by the Co-operative Union, as to one, by the Association of British Chambers of Commerce and, as to one, by the National Confederation of Employers' Organisations.

Over and above these provisions, Trade Unions already had considerable powers through strikes to bring about or dispute the direction of change within the London Transport system. The 1919 strike had won the Railwaymen a 48 hour working week, and the 1924 strikes had been influential in bringing about legislation to curtail the small private operators of buses. These strikes which had been successful in the in the first third of the 20th century took place

The Effects of Hybridity on London's Transport 1933-1948

in a scenario where a fragmented labour movement divided between the National Union of Railwaymen (NUR), the Associated Society of Locomotive Engineers and Firemen (ASLEF), the Railway Clerks Association (RCA), the Transport and General Workers Union (TGWU), and the Municipal Employees Association faced an equally fragmented assortment of employers.

After 1933 the Board was the single employer, and as a general rule strikes by railwaymen and staff on the trams, never frequent in any case, fell further after this point. By contrast, the Board's relations with a more disparate and only recently amalgamated road transport service staff were more fractious. Aware of the fragmentary history of the bus companies, the Board keen wherever possible to limit the number of Unions, though the Trade Disputes Act 1927 meant that it could not oblige employees to join a specific Union, or any Union at all, until the repeal of that legislation in 1946 (TfL LT493 047). Their dislike of smaller Unions was matched by the larger Trade Unions such as the TGWU who largely successfully fought to prevent the creation and spread of smaller bodies such as the National Passenger Transport Workers Union (TfL LT497 043) (NPWU) which they did by frequent insinuations of Communist influence (TfL LT484 009).

(insert table four here)

As Table Four demonstrates, the gradual amalgamation of both Unions and Employers does not seem to have any particular effect on the severity or the frequency of official strike action, but that unofficial strike action in the road services sector gradually built up to crescendo that cumulated in the official 1937 bus strike.

It would be valuable to be able to contrast the 'unofficial' record of labour unrest in the period before the LPTB, and the Board itself attempted to do so when a parliamentary question was tabled in March 1936 by the Empire Free Trade MP for Paddington South, Vice-Admiral Taylor. It rapidly discovered though that the records of the smaller concerns were too numerous and fragmentary to accurately discover what the state of affairs had been (TfL LT413 047). However, even the most cursory reading of the statistics reveals that both the vast majority and the single most serious labour disputes under the LPTB took place in the

The Effects of Hybridity on London's Transport 1933-1948

road transport staff sector. For the purposes of examining cross sectoral relations, concentrating primarily in this area not only draws on the largest body of evidence but also demonstrates the widest spectrum of outcomes from these arrangements.

The central issue was the steady increase in speed with which the Board's bus services were run, increasing from an average 9 mph to 10 ½ mph over the period 1927 – 1937 (TfL LT484 009) and a consequent intensification of the service schedule. The crux of the disagreement concerned the distribution of the resulting benefits. From the Boards' perspective, rising productivity was essential to balance the books (TfL LT493 051). From the Union's perspective, rising productivity was putting physical strain on the staff and the gains from that rise in productivity ought to be channelled in wages (TfL LT493 051). A series of unofficial strikes in the early to mid 1930s culminated in the 'Coronation Bus Strike' from 1st – 27th May (inclusive) in 1937.

After all the arguments and protestations, the strike and its aftermath exposed the protagonists' true positions in a number of revealing and sometimes unexpected ways. The Boards' contention that strikes ultimately damaged the workers own interests was arguably proven, since the LPTB lost 86 million passenger journeys in comparison to the previous period in 1936 and a fall in revenue of approximately £12 500 a week for the duration of the strike (TfL LT1011 004). Worse still, the Board noted that the travelling public did not readily change their habits. Once they were interrupted and new methods were established the public similarly tend to adhere to them. (LPTB Fourth Report, TfL LT1011 004). The Board also received a large postbag of furious letters from the public, some demanding that 'drastic action' was taken against 'Communist' agitation (TfL LT493 051). The LPTB painstakingly recorded the contents of every letter received regarding the strike, a summary of which was sent directly to Lord Ashfield together with the numbers of letters which were pro-Board, anti-Board and impartial. By the 31st of May 452 letters had arrived, 181 of which were supportive, 157 impartial and 114 condemnatory. The Board contented itself, probably wisely considering the equitable balance of opinion thus revealed, with sending non-committal and polite replies to all its correspondents, though the degree of care with which the letters were

The Effects of Hybridity on London's Transport 1933-1948

gathered and at what level they were analysed is an indicator of how seriously the LPTB took the issue of customer relations (TfL LT493 051). Nevertheless, the Board still felt able to give an extra £60 000 to C stock holders and declare their highest ever dividend of 4.25% that year, suggesting that they were not hit as hard financially by the strike as they maintained.

From the employees' perspective, in June 1937 pay rose from 88/6- per week to 90/ p/w for bus drivers and from 83/6- p/w to 84/ for conductors on central bus services. In terms of conditions, the maximum time that could be spent on permanent duty was reduced from 8 ½ to 8 hours a day (Clegg, 1950). These tangible benefits are clear evidence of the power of strike action and the degree to which the LPTB did respond to employees' demands. Over two years after the strike, a report into the incidence of gastric illness amongst bus drivers was published. Employees had alleged that service intensification had resulted in ill-health, and having examined over a million medical records, the report concluded that there was some evidence that between 1933-35 London bus staff were more likely to contract gastric illness than their colleagues on the tramways or other maintenance staff. However, it did not accept that there was sufficient evidence to justify a reduction in the working day and no further action was taken by the Board (TfL LT493 051). In conclusion, the employees' had won some, but not all of their demands.

In terms of internal Trade Union politics, the end of the Strike was used by the TGWU to crack down on what it saw as dissident or alternative workers organisations within the workplace which it viewed as Communist inspired. Partly as result of this pressure, in February 1938 the NPWU was formed as rival to the TGWU with its membership primarily drawn from the road transport staff. It did not flourish, and as soon as the 1945 Labour moved legislation compelling employees to join a single recognised Union in their workplace the Board moved swiftly and without compunction to oblige all the relevant road staff to join the TGWU (TfL LT304 066). This was done despite the protestations of former non-Union and NPWU members both on grounds of personal conscience and in protest at the fine that was imposed on the new TGWU members through a series of personal letters to Lord Ashfield

The Effects of Hybridity on London's Transport 1933-1948

(TfL LT493 047). But the Board was unmoved, and in a letter to American investors in September 1946 Lord Ashfield stated that he believed that rival Unions undermined the entire basis of collective bargaining and were detrimental to service efficiency (TfL LT493 047). This evidence shows that in cross sectoral relations with its workforce, the LPTB that far from wanting legislation of the type passed by the Conservatives in 1927 that had the potential to fragment and weaken organised labour. Instead the senior management of the LPTB clearly preferred dealing with single points of contact to manage their labour force. In conclusion it seems reasonable to suggest that Trade Unions were able to secure benefits for their members, but only in the context of periodically stepping outside the statutory framework which governed their relationship with the LPTB or by threatening to do so. Wage cuts made in 1931 were reversed and nominal wages rose, albeit slowly, though in a macro economic climate of mild deflation which accelerated their real value. After the amalgamation of constituent firms into the LPTB there was a serious 'levelling up' of wages wherever the previous component companies rates had differed from the Board (Clegg, 1950). In terms of conditions, after major industrial action in the 1920's the working day did not get significantly shorter in the period of the Board's control, but there were a steady series of minor adjustments to working time in favour of the employees. Within the organisation there was a clear and functioning mechanism through staff councils and wages boards by which employees and staff could make their wishes known and a staff suggestions and technical innovations scheme which in a minor way allowed workers to participate in their workplace beyond merely fulfilling their duties (TfL LT493 015 and LT 1735 001 and Johnson & Spates, 1930). Arguably most importantly from the perspective of the employees their wages were approximately 30% above the level enjoyed by wider UK male workforce in the period 1933-1939, and from the Board's perspective, whatever their qualms about meeting their obligations to shareholders, they were content to see their total wages bill rise by about 2% per annum throughout the 1930s. In conclusion it seems reasonable to suggest that the outcome of the cross-sectoral relationship for the Trade Unions was that they were able to secure benefits for their members, but only in the context of periodically stepping outside the

statutory framework which governed their relationship with the LPTB or by threatening to do so. From the Board's perspective, the gradual unification of disparate labour interests was a price worth paying for the resulting service stability that relatively few Trade Union negotiating partners ensured.

Service Delivery

As Van der Walle (2008) notes, the definition of 'good' public service delivery can be problematic since it is conceptual as well as technical. Luckily, this case study does not have the problem of defining the state sector within a national economy and the proliferation of information generated, even in the 1930s, means that data is not difficult to find. However, the problem of subjective perceptions not actually reflecting actual performance remains. It is quite easy to prove via a variety of data sets that the LPTB's route mileage, vehicle fleet etc. all grew and that fares for the use of this system fell slightly. These are indicators that would commonly be accepted to mean that service delivery had improved for passengers, and for other communities in the policy network in the same period wages also rose and holidays were extended, though bond yields were static. But since the LPTB did not engage in modern customer service or workforce satisfaction surveys, it is hard to definitively pronounce on how its performance appeared to its users, employees or owners.

The question is how much the relative absence of subjective data in this period matters. I argue in support of Van der Walle that this is less important than it might appear. As he points out, subjective indicators may only measure the public administration's image, rather than being an evaluation of performance. Similarly, opinions may reflect historical experience rather than current performance, or even exceptional encounters rather than the average. (Van der Walle, 2008). From the perspective of the Board, we have seen how the statutory arrangements left their strategic management largely unaffected by their relationships with government, owners or passengers. As the evidence will now demonstrate, counter intuitively these insular arrangements do not seem to have impeded objective progress in the provision of public transport services.

The Effects of Hybridity on London's Transport 1933-1948

According to statute the LPTB's paramount duty was to ensure the financial stability of the institution. This would seem to give paramount interest to the owners of capital. However, the Board also recognised that it had secondary duty to balance the interests of three main policy communities which it classified as the passengers, the employees and the shareholders (TfL, LT1011 005). Their interests can be expressed financially as fares, wages and dividends and as such provide data by which a judgment can be formed about in whose financial interests the system principally operated.

(Insert table Five)

(Insert Table Six)

(Insert Table Seven)

Tables Five, Six and Seven give a representative sample of the experience of each financial category of interest.

The pattern that the data in Table Five reveals is quite clear. Passenger receipts per journey fell slowly in real terms in the 1934-39 period indicating that fares were broadly stable at a time of rising employment and wages. Once the Second World War commenced, average receipts per journey then fell dramatically in real terms until the Board was forced to intervene in 1946/47 and enact a 55% rise in fares (TfL LT1011 014). Even so, the real value remained approximately 20% below the 1939 figure. Falling real fares indicate that passengers were financial beneficiaries of the way in which the Board operated. However, over and above the emerging financial advantage enjoyed by passengers, the fares still do not give the whole picture of the qualitative benefits and improvements to the system and Tables Eight and Nine portray the extent of the mileage covered and the density of service provision. In 1935 the 'New Works' programme of major investment across the network began. Though not entirely completed before the war, the investment nevertheless resulted in increased train frequency, speed, comfort and safety via new rolling stock, buses, trolleybuses, track and re-signalling work. By 1938 £12.3 million had been spent on the 'New Works' projects, and this combined with routine capital investment and renewal programmes had raised the values of the capital stock of the LPTB by £30.5 million. This investment had

The Effects of Hybridity on London's Transport 1933-1948

enabled the LPTB to purchase 1690 new railway cars, 2975 new buses, 966 new trolleybuses, 17 miles of new tube railway, 11 new stations and the complete refurbishment of 45 others (TfL LT1011 005).

(insert Tables Eight and Nine)

As is demonstrated in Tables Eight and Nine, there can be little doubt that the passengers initially enjoyed a larger, newer and better equipped network at a steadily falling price (Table Five). But the war put an end to capital investment programme and resulted in serious damage which was estimated at £7 million in 1947 and disinvestment via asset depreciation. However, in terms of payment to use what was admittedly a less efficient post war network, fares continued to fall rapidly in real terms right up until the end of the Board's operations in 1947. In conclusion I suggest that passengers clearly secured a good deal of what was financially obtainable from the Board.

Employees' wages present a more mixed picture. As Table Six shows, wages held up well under some minor inflationary pressure in the late 1930's, but they fell rapidly in real value with the onset of wartime inflation. This finding is supported by Clegg (1950) who comments that LPTB employees were envied in the 1930s, and Frank Pick who noted that when all the London transport companies were merged into the LPTB, wherever there was a discrepancy in wages between the firms it was always rounded up to the level of the highest provider. This situation endured until the Second World War when wages in other sectors quickly caught up and outstripped them. By 1947 the annual report notes that an 'unprecedented' number of wages claims were brought by Trade Unions, clear evidence that employees had noticed their relative decline in purchasing power.

In summary, it seems fair to conclude that the LPTB had a good record on maintaining workers' wages up until the onset of World War Two at levels that made them noticeably better paid off than other comparable workers. Their value then fell precipitately, storing up a recruitment crisis and industrial relations problems that were to hamper London transport in the post war period.

The Effects of Hybridity on London's Transport 1933-1948

Existing literature on the operation of the LPTB concludes that the bondholders were the main beneficiaries of the Board's activities. The Board's own statements on the primacy of maintaining financial stability would seem to support this hypothesis. I challenge this viewpoint, and propose that in fact when it came to balancing the competing interests of passengers, employees and shareholders it was the shareholders who principally lost out. The key interest group were the 'C' type stockholders. All other groups of stockholders (A Type, TFA, LA and Guaranteed Type) saw consistent returns in line with the statutory duty of the Board, however the 'C' type stockholders did not. Statutorily, the LPTB needed to provide long term returns of between 5.5% and 6%. In fact, they never exceeded 4.25% and averaged out at about 3.25%. Cumulatively, the evidence suggests that the LPTB did not honour its duty to the C Type Bondholders because it believed that stable (cheaper) fares and steady wages were more important. This belief was rooted in the debate about reasonable rates of return in London transport that had been going on since the 19th Century. I argue that with the Bank Rate at 2% after 1931, the senior management at the LPTB believed that a return of 5.5% was too much and by the late 1930s Lord Ashfield was finally and publicly saying so. When it came to balancing the interests of passengers, employees and bondholders, it was capital that took the cut. It would not have been difficult to pay the C stockholders in full, but the Board chose not to. In doing so it contravened its own statutory guidelines, but provided a rising quality of service at a diminishing cost.

Conclusions

At the outset of this chapter, three contributions to the hybridity debate were outlined. The first was simply an addition to what is known about relationships between hybrid organisations, governments, businesses and citizens and how those arrangements impacted the performance, control and strategic management of those organisations. The archival evidence from the creation and operation of the LPTB produces such a picture which is intriguing in its own right. More importantly however, it challenges some of the common assumptions about hybridity and cross sectional relations.

The Effects of Hybridity on London's Transport 1933-1948

The second contribution was to expand the scope of current research further back in time and draw attention to the 're-emergence' rather than the 'emergence' of hybridity in public service delivery. In the 1930s the Board was undoubtedly a semi autonomous body or QUANGO as we would understand and define it today (Van Thiel, 2004), and it may be even be possible with further research to argue that its predecessor, the UERL, which operated in the 1910s and 1920s was also a similar body. The implication for both researchers and policy makers is that the principles of 'New Public Management' may not be new at all. On a practical level, accepting the existence of far wider ranging and older data relating to the performance of hybrid organisations may assist both society and policy makers in understanding both the benefits and the detriments of these bodies as public service providers. In the case of the LPTB one such positive practical action was the clear attempt to deliberately inculcate a set of commonly held values regarding public standards and duty amongst the managerial elite (Hey, 2010) which might prove of especial relevance to modern day policy makers seeking to re-establish public trust.

Thirdly and most significantly, this chapter critiques some of the existing hypotheses about the cross sectoral relationships between government, citizens, businesses and hybrid organisations, starting with the well observed phenomenon of the 'Audit Explosion' (Van Thiel & Leeuw, 2002). This chapter's observation is simply that no such explosion occurred with the LPTB. Symbolically, the Board's final annual report in 1947 contains almost exactly the same number of pages as its first in 1934 and the topic headings and statistical tables discussed remain the same throughout (TfL LT1011 001-014). Modern research is highly sceptical about the value of much of the data that is now collected (Van der Walle, 2008) and objective evidence of the scope and the scale of the Boards activities shows no reduction in outputs as a result of this 'arms length' oversight arrangement. This supports Overman & Van Thiel's (2016) hypothesis that a lower regulatory burden is significantly and positively associated with output and outcome indicators.

The question for present policy makers is therefore how this regulatory burden can be avoided. In the case of the LPTB I argue that controversially the evidence points towards a

The Effects of Hybridity on London's Transport 1933-1948

small managerial elite selected by others like themselves who were consequently trusted to act within general principles outlined through a statute without a 'targets' based system of incentives (Hey, 2010). In terms of policy and practise, this suggests that the most important element in the cross sectional relationship between government, hybrid organisations and citizens is trust. Government as the principle was content to allow its agent, the LPTB, to get on with job with levels of supervision and accountability that were minimal by today's standards. I find it significant that the only area in which the Board's performance was subject to modern levels of specific and measurable systems of control was also the one in which they most deliberately chose to break the rules of the system. The impunity with which they did so serves as yet another reminder that the influence and powers of this managerial elite in the governance and controls systems of the LPTB and the wider policy network surrounding it cannot be underestimated, and substantially affirms Rhodes et al. (2012) contention that the behaviour of elites is a vital piece of the hybridity relationships puzzle. I suggest one important implication of this for research, practioners and wider society is that while trying to control these elites by essentially coercive or transactional systems (i.e. targets) has proved unsatisfactory, adopting systems rooted in influencing elites through inculcating normative patterns of behaviour might prove more successful. This is because the LPTB was full of paradoxes, none more so than that the arrangement of allowing the aggregation of power to an elite via 'arms length' agencification did not apparently result in a loss of efficiency or value for money, or the loss of output or outcome. This runs contrary to Alonso et al. (2013) and Overman & Van Thiel (2016) findings. While the data on the scale and scope of public service provision is apparently quite clear, the full explanation for this counter intuitive impact on performance warrants further research. I suggest that Hey's (2010) paper as a starting point for a more in depth discussion about inspiring the creation of a 'public service ethos' amongst those managers charged with delivery.

The Board largely avoided dealing with the issues of subjectivity in performance data gathering and comparison by simply not collecting it and confining itself to recording a limited range of numerical data for comparison. Few explicit numerical strategic targets were set

either internally or externally, and Van der Walle's (2008) warnings about blind reliance on apparently objective performance indicators and contestable definitions of effectiveness as metrics for comparison were accepted by practitioners and wider society at that time. A degree of that scepticism and acceptance of minimalist reporting structures might yield valuable results for their modern day counterparts.

In final summing up, the performance of the Board confounds contemporary expectations though it is acknowledged that there are some difficulties in measuring those outcomes. The pattern of cross sectoral relationships that influenced the public strategic management of the LPTB are controversial in the modern world, but I suggest that the true extent of their 'arms length' nature combined with the appreciable improvements in public service should remain thought provoking for today's policy makers.

References

The National Archives (TNA, Kew, London). MT46 and 37 series. LPTB Appointments and L&HCTAC and LPTB Joint Statutory Meetings.

The London Metropolitan Archives (LMA). ACC 1297 LPT series. London Underground Companies.

The Transport for London Archives (TfL). LT 1735, 1212, 1011, 497, 493, 484 and 413 series. Chairman – Vice Chairman Correspondence, Trade Union Negotiation and Annual Reports.

Alonso, J. Clifton, J. & Diaz-Fuentes, D. (2013) Did New Public Management Matter? An Empirical Analysis of the Outsourcing and Decentralisation Effects on Public Sector Size, *Public Management Review*, 17(5) 643-660. doi. 10.1080/14719037.2013.822532.

Andresani, G. & Ferlie, E. (2006) Studying governance within the British public sector and without, *Public Management Review*, 8(3), 415-431. doi. 10.1080/14719030600853220.

Clegg, H. (1950) *Labour Relations in London Transport*, Oxford: Blackwell.

Greaves, J. (2005) *Industrial Reorganisation and Government Policy in Interwar Britain*, Ashgate Publishing Ltd.

Halliday, S. (2004) *Underground to Everywhere*, Sutton Publishing.

Halligan, J. Claudia, S. & Rhodes, M. (2012) On the Road to Performance Governance in the Public Domain? *International Journal of Productivity and Performance Management*, 61(3) 224-234. doi. 10.1108/17410401211205623.

Hansard, Speech by Neville Chamberlain MP in the House of Commons, 5th June 1935 vol 302 cc1871-5.

The Effects of Hybridity on London's Transport 1933-1948

Hartley, J. (2005) Innovation in Governance and Public Services: Past and Present. *Public Money and Management*, 27-35.

Hey, K. (2010) Transport Co-Ordination and Professionalism in Britain Forging a new Orthodoxy in the Early Inter-War Years, *The Journal of Transport History*, Vol 31 No. 1, 25-41 DOI: <https://doi.org/10.7227/TJTH.31.1.3>

Jackson, A & Croome, D. (1962) *Rails Through Clay*, Routledge.

Johnston, G. & Spates, T. (1930) Industrial Relations in the London Traffic Combine *International Labour Review*, 30(5).

McGraw-Hill. (1931) London Underground Agrees to Traffic Board Scheme Article. *Electric Railway Journal*, 75 (6): 332.

Middlemass, K. (1979) *Politics in Industrial Society*, London: Deutsch.

Millward, R & Singleton, J. (1995) *The Political Economy of Nationalisation in Britain 1920-50*, Cambridge University Press.

Overman, S & van Thiel, S. (2016) Agentification and Public Sector Performance: A systematic comparison in 20 countries. *Public Management Review*, 18(4), 611-635. doi: 10.1080/14719037.2015.1028973

Pollitt, C. & Summa, H. (1997) Trajectories of Reform: Public Management Change in Four Countries, *Public Money and Management*, 17(1), 7-18. doi: 10.1111/1467-9302.00051

Radford, G. (2013) *The Rise of the Public Authority*, University of Chicago Press.

Rhodes, M. Biondi, L. Gomes, R. Melo, A. Ohemang, F. Perez-Lopez, G. Rossi, A. Sutyono, W. (2012) The current state of public performance management in seven selected countries, *International Journal of Productivity and Performance Management*, Vol. 6 Iss 3 pp. 235 – 271. doi: 10.1108/09513550910982850

The Commercial Motor Special Correspondent (7th January 1938). London Transport's Future? Retrieved from <http://archive.commercialmotor.com/article/7th-january-1938>.

The Spectator Financial Correspondent (14th October 1938). Finance and Investment Transport C Decision. Retrieved from <http://archive.spectator.co.uk/article/14th-october-1938>.

Van der Walle, S. (2008) Comparing the Performance of National Public Sectors: Conceptual Problems, *International Journal of Productivity and Performance Management*, 57(4), 329-338.

Van Thiel, S & Leeuw, F. (2002) The Performance Paradox in the Public Sector, *Public Performance and Management Review*, 25(3), 267-281.

Van Thiel, S. (2004) Why Politicians Prefer Quasi Autonomous Organisations, *Journal of Theoretical Politics* 16(2), 175-201. doi: 10.1177/0951629804041120.

White, H. C. (1991) *Agency as Control*, in J. W. Pratt and R. J. Zeckhauser (eds) *Principals and Agents*, Harvard Business School Press.

Tables

Table One: Members of the LPTB 1933-48

Name and Period	Replaced By	Replaced By	Replaced By
Albert Stanley, Lord Ashfield (Chairman) 1933-48			
Frank Pick (Vice Chairman) 1933-40	Colonel Vickers (As ordinary member) 1941-46	William Neville 1946-48	
Sir John Gilbert (LCC) 1933-34	Charles Latham (LCC) 1935-48		
Sir Edward Holland (Surrey CC) 1933-39	Colonel Forester Clayton 1939-44	Sir Gilfrid Craig (MCC) 1944-46	Sir Edward Hardy (KCC) 1946-48
Patrick Ashley-Cooper (BoE Director) 1933-48			
John Cliff (TGWU) 1933-48			
Sir Henry Maybury (ICE) 1933-42	Geoffrey Heyworth (ICI) 1942-48		

Ref: Transport for London (TfL) Archive LT1011-001 to 014 series, Annual Reports.

Table Two: LPTB Responses to Public Criticisms/Proposals involving the Northern Line 1933-39

Criticism/Proposal	Policy Community	Outcome
New Tube line to North East London	Borough Councils, District Railway Users Associations	Rejected
Overcrowding	MPs, Passengers' letter campaign to 'The Times'.	New timetable increasing the number of trains.
Prevent the Northern Line Extension to Bushey	MPs, Passengers' letter campaign to 'The Times'.	Rejected
Extend the Northern Line to Epsom	Borough and County Councils	Rejected
Longer Trains	Borough and County	Partially accepted until WWII

The Effects of Hybridity on London's Transport 1933-1948

	Councils	
Express tunnels	Borough and County Councils	Rejected
Equalisation of fares on the Stanmore and Edgware branches.	Borough Councils and MPs	Accepted

Refs: London Metropolitan Archive (LMA) ACC-1297-LPT-01-009-037. Barman, C (1979) *The Man Who Built London Transport*, David and Charles Ltd. Jackson, A & Croome, D. (1962) *Rails Through Clay* Routledge.

Table Three: Members of the L&HCTAC in 1933

Interest Group	Names
Central Government	Arthur Dixon, James Godsell.
London County Council	Frederic Gater, Charles Latham*, Basil Marsden-Smedley, Walter Northcott, Bertie Samels, George Strauss.
Borough and County Councils	Sir John Pakeman, Walter Edgson, Frederick Deane, W H Graham, Sir Henry Jackson, A Rennie, L Sargent, Charles Williamson, Sir Charles Pinkham, W Pinching, Frederick Dane, F Willbee, Sir Edward Holland*, E Franklin, W Peel, J Barton, George Croot.
Police	Herbert Tripp, Harry Chapman, Sir Hugh Turnbull.
LPTB	Frank Pick*, Sir Henry Maybury*.
Mainline Railways	Sir Herbert Walker, Sir Josiah Wedgewood.
Road Vehicles	J Turner, Sir John Moore, J Welland.
Trade Unions	Harold Clay, John Marchbank, James Rowan, Alexander Walken, F Witcher.

* Later appointed to or already a member of the LPTB.

Ref: National Archive (NA) MT-37-15 Minutes of the Meetings of the L&HCTAC.

Table Four: Unofficial Strikes 1933-1941

Date	Duration (Days)	Cause
1934	1	Revised duty schedules for tubes.
1934	1	Self Starters for buses not fitted.
1935	1	Restriction of use of Mess rooms at garages.
1935	1	Disciplinary action against a bus driver.
1935	1	Disciplinary action against two bus staff.
1935	5	Bus schedule dispute.
1936	6 ½	Bus schedule dispute.
1937	3	Bus schedule dispute.
1939	4	Bus schedule dispute.
1940	3	Bus schedule dispute.
1940	1	Disciplinary action against a bus driver.
1941	1	Bus schedule dispute.
1941	3	Disciplinary action against a bus driver.

Ref: TfL Archive, LT413-047 Negotiations with Trade Unions.

Table Five: LPTB Gross Revenue per Passenger Journey

Year	Receipts per Passenger			Inflation ⁱ	Cumulative Real Receipts/Revenue
1934	2.305d			0%	2.305d
1935	2.308d			0.7%	2.291d
1936	2.312d			0.7%	2.279d
1937	2.347d			3.4%	2.235d
1938	2.341d			1.6%	2.192d
1939	2.332d			3.1%	2.151d
Year	Journeys	Passenger Revenue	Revenue per Journey	Inflation	Cumulative Real Receipts/Revenue
1940 ¹	2 930 254 086	£34 318 069	2.81d	17.2%	2.43d
1941	2 856 868 361	£37 522 421	3.15d	11.2%	2.42d
1942	3 274 939 882	£37 169 716	2.72d	7.5%	1.93d
1943	3 446 792 929	£38 035 398	2.64d	3.7%	1.80d
1944	3 344 105 620	£40 084 391	2.87d	3.1%	1.89d
1945	3 658 236 881	£41 847 420	2.74d	3.2%	1.72d
1946	4 259 406 167	£47 453 624	2.67d	3.5%	1.62d
1947	4 243 579 740	£55 111 949	3.11d	7.4%	1.76d

Ref: TfL Archive LT1011-001 to 014 series, Annual Reports.

Table Six: LPTB Staff Expenditure

Year	Number of Staff	Annual Expenditure on Salaries/Wages	Average Weekly Wage per head	Cumulative Inflation	Real Average Weekly Wage per head
1934	75 468	£14 382 249	£3 17/ 6d	0%	£3 17/ 6d
1935	77 500	£15 233 148	£3 19/ 11d	0.7%	£3 19/ 6d
1936	78 966	£15 960 867	£4 1/ 5d	1.4%	£3 19/ 11d
1937	81 765	£16 146 347	£4 2/ 9d	4.7%	£3 19/ 2d
1938	82 833	£16 704 937	£4 2/ 9d	6.3%	£3 19/ 2d
1939 ²	86 456	£16 885 602	£3 15/ 11d	9%	£3 8/ 1d
1945	83 610	£21 195 736	£4 18/ 6d	42%	£2 19/ 7d
1947	96 963	£28 982 097	£5 15/ 7d	48%	£2 19/ 11d

Ref: TfL Archive LT1011-001 to 014 series, Annual Reports.

¹ In 1940 methods of reporting by the LPTB changed and some statistics, including the net receipts per passenger and average wages, were omitted due to wartime conditions.

² As above. Additionally, from 1940 the annual report was published each calendar year rather than on 30th June, thus 1940's statistics include half of 1939 and all of 1940.

Table Seven: Percentage Returns to Bondholders

Year	TFA, LA and some A Type Stock	Other Type A and all Type B Stock	Guaranteed Stock	C Type Stock	BoE Base Rate
1934	4.5%	5%	3%	3.5%	2%
1935	4.5%	5%	3%	4%	2%
1936	4.5%	5%	3%	4%	2%
1937	4.5%	5%	3%	4.25%	2%
1938	4.5%	5%	3%	4%	2%
1939	4.5%	5%	3%	1.5%	2%
1940	4.5%	5%	3%	3%	2%
1941	4.5%	5%	3%	2.875%	2%
1942	4.5%	5%	3%	3%	2%
1943	4.5%	5%	3%	3.25%	2%
1944	4.5%	5%	3%	3%	2%
1945	4.5%	5%	3%	3%	2%
1946	4.5%	5%	3%	3%	2%
1947	4.5%	5%	3%	3.18%	2%

Ref: TfL Archive LT1011-001 to 014 series, Annual Reports.

Table Eight: Route Miles Operated by the LPTB

Year	Trams	Trolleybuses	Buses	 Tubes
1934	327	18	2396	174
1935	324	18	2448	174
1936	284	61	2463	174
1937	226	122	2471	174
1938	175	198	2486	174
1939	135	236	2513	172
1940	112	250	2436	176
1941	102	255	2471	175
1942	102	255	2503	176
1943	102	255	2564	176
1944	102	255	2566	176
1945	102	255	2569	176
1946	102	255	2572	180
1947	102	255	2608	185

Ref: TfL Archive LT1011-001 to 014 series, Annual Reports.

Table Nine: Passenger Vehicles Operated by the LPTB

Year	Trams	Trolleybuses	Buses	Tubes
1934	2560	61	5976	3156
1935	2473	63	5975	3167
1936	2323	300	6298	3148
1937	2060	594	6454	3154
1938	1668	1026	6386	3263
1939	1243	1627	6180	3949
1940	1077	1699	6005	3929
1941	1064	1731	5966	3888
1942	1059	1757	6046	3827
1943	1054	1762	6045	3795
1944	1049	1743	6074	3796
1945	1006	1747	6606	3713
1946	913	1747	7027	3662
1947	871	1747	7139	3661

Ref: TfL Archive LT1011-001 to 014 series, Annual Reports.

