

Agenda

Meeting: People and Remuneration Committee

Date: Wednesday 20 November 2024

Time: 10:00

Place: Conference Rooms 1 and 2 -
Palestra, 197 Blackfriars Road,
London, SE1 8NJ

Members

Peter Strachan (Chair)
Tanya Joseph (Vice-Chair)
Zoë Billingham CBE

Seb Dance
Keith Richards OBE

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](https://tfl.gov.uk/How-We-Are-Governed).

This meeting will be open to the public and webcast live on [TfL's YouTube channel](https://www.youtube.com/tfl), except for where exempt information is being discussed as noted on the agenda.

There is access for disabled people and induction loops are available. A guide for the press and public on attending and reporting meetings of local government bodies, including the use of film, photography, social media and other means is available on www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf.

Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny; Email: ShamusKenny@tfl.gov.uk

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: PressOffice@tfl.gov.uk

Andrea Clarke, General Counsel
Tuesday 12 November 2024

Agenda
People and Remuneration Committee
Wednesday 20 November 2024

1 Apologies for Absence and Chair's Announcements

2 Declarations of Interests

General Counsel

Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.

Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.

3 Minutes of the Meeting of the Remuneration Committee held on 24 July 2024 (Pages 1 - 6)

General Counsel

The Committee is asked to approve the minutes of the meeting of the former Remuneration Committee held on 24 July 2024 and authorise the Chair to sign them.

4 Matters Arising, Actions List and Use of Delegated Authority
(Pages 7 - 12)

General Counsel

The Committee is asked to note the updated actions list and the use of Chair's Action.

5 TfL Change Landscape (Pages 13 - 18)

Chief People Officer

The Committee is asked to note the paper.

6 Action on Inclusion - 12 Months On (Pages 19 - 24)

Chief People Officer

The Committee is asked to note the paper.

7 Approach to Reward (Pages 25 - 32)

Chief People Officer

The Committee is asked to note the paper.

8 TfL Savings for Retirement Plan (Pages 33 - 34)

Chief People Officer

The Committee is asked to note the paper.

9 £100,000 or more Process and Pay Outcomes of £100,000 or more Approvals (Pages 35 - 42)

Chief People Officer

The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda.

10 Colleague Quarterly Report (Pages 43 - 54)

Chief People Officer

The Committee is asked to note the report.

11 Risk and Assurance Report Quarter 2, 2024/25 (Pages 55 - 58)

Director of Risk and Assurance

The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda.

12 Director Salary Reviews 2024 (Pages 59 - 60)

Commissioner

The Committee is asked to note the paper and the supplementary information on Part 2 of the agenda and agree the salary increase proposals for Director roles that report to the Commissioner, as set out in the paper on Part 2 of the agenda, with effect from 1 April 2024.

13 Members' Suggestions for Future Discussion Items (Pages 61 - 64)

General Counsel

The Committee is asked to note the forward plan and is invited to raise any suggestions for future discussion items.

14 Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

15 Date of Next Meeting

Thursday 13 February 2025 at 10.00am.

16 Exclusion of Press and Public

The Committee is recommended to agree to exclude the press and public from the meeting, in accordance with paragraphs 1, 3 and 7 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business.

Agenda Part 2

Papers containing supplemental confidential or exempt information not included in the related item on Part 1 of the agenda.

17 Agenda Part 2 item text

Exempt supplementary information relating to the item on Part 1 of the agenda.

18 TfL Change Landscape (Pages 65 - 78)

Exempt supplementary information relating to the item on Part 1 of the agenda.

19 £100,000 or more Process and Pay Outcomes of £100,000 or more Approvals (Pages 79 - 82)

Exempt supplementary information relating to the item on Part 1 of the agenda.

20 Risk and Assurance Report Quarter 2, 2024/25 (Pages 83 - 86)

Exempt supplementary information relating to the item on Part 1 of the agenda.

21 Director Salary Reviews 2024 (Pages 87 - 88)

Exempt supplementary information relating to the item on Part 1 of the agenda.

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Transport for London

Minutes of the Remuneration Committee

Chamber, City Hall, Kamal Chunchie Way, London E16 1ZE
2.00pm, Wednesday 24 July 2024

Members

Kay Carberry CBE (Chair)
Peter Strachan (Vice Chair)
Seb Dance

Executive Committee

Andy Lord	Commissioner
Fiona Brunskill	Chief People Officer
Andrea Clarke	General Counsel

Staff

Shamus Kenny	Head of Secretariat
Sue Taylor	Director of People (Ops), Employee Relations and Reward

14/07/24 Apologies for Absence and Chair's Announcements

An apology for absence had been received from Dr Nelson Ogunshakin OBE. The meeting was quorate.

The Chair welcomed everyone to the meeting. The meeting was broadcast live to TfL's YouTube channel, except for the discussion of the information on Part 2 of the agenda, which was exempt from publication.

At its meeting on 24 July 2024, the Board approved a new decision-making structure, so this would be the last meeting of the Remuneration Committee. The Chair thanked Members for their contributions to the work of this Committee over the years. From September 2024 there would be a People and Remuneration Committee, which brought all people issues, including staff welfare issues, and remuneration decisions to one meeting. This reflected good practice in the operation of similar committees in other organisations and was welcomed.

The Chair reminded those present that safety was paramount at TfL and encouraged Members to raise any safety issues during discussions on a relevant item or with the appropriate member of the Executive Committee after the meeting.

15/07/24 Declarations of Interests

Members confirmed that their declarations of interests, as published on tfl.gov.uk, were up to date.

There were no interests for Members to declare that related specifically to items on the agenda. For the items relating to Chief Officer Remuneration, all non-essential staff would leave the meeting. Staff attending that were included in that item had not received the exempt information and would leave the meeting during the discussion where it related to them.

16/07/24 Minutes of the Meeting of the Committee held on 29 February 2024

The minutes of the meeting of the Committee held on 29 February 2024 were approved as a correct record, and the Chair was authorised to sign them.

17/07/24 Matters Arising, Actions List and Use of Delegated Authority

Andrea Clarke introduced the item. Since the last meeting of the Committee on 29 February 2024, there had been two uses of Chair's Action approving salaries of £100,000 or more and details of the Chair's Action reported to that meeting were also included in the paper.

The Chair, in consultation with available Members, had also exercised the authority delegated by the Committee at its last meeting to approve performance awards.

The Committee noted the updated actions list and use of Chair's Action.

18/07/24 Reward Strategy – Job Families and Pay Management

Fiona Brunskill introduced the item, which provided a further update on the ongoing review of Reward Strategy, which included the approach to pay management and the concept of a job families pay structure, which were intended to align with the priorities set out in TfL's Colleague Strategy.

TfL was seeking to set a fair and attractive employee offer, with pay that reflected the market to attract and retain the talent it required to meet its strategic objectives. It was expected that the strategy would reduce reliance on non-permanent labour, which was currently used for roles that were hard to fill, and therefore reduce costs. The trade unions were being consulted on the proposals and staff across TfL were also being kept informed and updated.

Once established, roles would continue to be benchmarked to ensure that pay aligned to the market. Business areas would have a long-term resource plan and the projected savings from the new approach would be baked into savings budgets.

The Reward Strategy approach should reduce the perception of pay unfairness, which was a consistent and long-term theme from staff surveys, and it had generally been well received, particularly by people leaders.

The Committee noted the paper.

19/07/24 TfL Remuneration Outcomes 2021/22

Fiona Brunskill introduced the item, which provided an update on annual remuneration outcomes pan-TfL, including both base pay and performance awards. As updates were shared with the Committee once the information was available in TfL's Annual Report and Accounts, the paper covered base pay annual pay reviews effective 1 April or 1 July 2022 and performance awards for 2021/22. The performance awards were paid in the 2023/24 financial year as TfL achieved the financial overlay trigger required by the Committee.

Pay negotiations for 2022/23 were completed in January 2023, and TfL agreed a four per cent increase, applied across the organisation and to senior managers and some Chief Officers that had not had a pay review.

The Committee noted the cost of base pay for TfL staff, and the London Underground staff who had a higher rate due to a four-year pay deal, and the impact of the pay and performance awards. The pay for senior managers remained well behind the market rate so a flat rate had been applied rather than a discretionary approach. The pay approach for Places for London staff was also different, to reflect the market.

Members welcomed the information and TfL's transparency.

The Committee noted the paper.

20/07/24 Pay Outcomes of £100,000 or more Approvals

Fiona Brunskill introduced the item. The current governance process for appointments with a full-time equivalent salary of £100,000 or more per annum required Committee approval for the proposed salary for both permanent and non-permanent labour positions.

The paper and the exempt supplementary information on Part 2 of the agenda provided a comparison of salaries approved by the Committee from October 2023 to May 2024 with that on actual appointment.

Members welcomed the information.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda.

21/07/24 Performance Awards 2024/25 – Financial Criteria

Andy Lord introduced the item. At the meeting of the Committee on 29 February 2024, the Committee noted the performance award scheme for 2024/25, including the continuation of a financial criterion. Following discussions with his Executive Committee, the Commissioner had set the financial criterion for the performance year 2024/25 as TfL to achieve an operating surplus (i.e. a TfL operating surplus greater than £0).

The Committee noted the paper.

22/07/24 Chief Officer Salary Reviews 2024

Non-essential staff left the meeting for the discussion of this item, including any staff referred to in the paper for the discussion of their proposed salary.

The Chief People Officer proposed adjustments to base pay for select Chief Officer roles based on the latest executive benchmarking exercise, presented to the Committee at its meeting on 29 February 2024.

The Committee discussed the proposals, considering the benchmarking data and other information.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda and agreed the salary increase proposals for Chief Officers, as set out in the paper on Part 2 of the agenda, with effect from 1 April 2024.

23/07/24 Members' Suggestions for Future Discussion Items

Andrea Clarke introduced the item. With the formation of the People and Remuneration Committee from September 2024, as approved by the Board on 24 July 2024, the forward plan would be reviewed to ensure it aligned with the wider remit of the new Committee.

The Committee noted the forward plan.

24/07/24 Any Other Business the Chair Considers Urgent

The Deputy Chair of TfL commended and thanked Kay Carberry CBE for her leadership as Chair of the Committee, as this was both the last meeting of this Committee under its current remit and the last meeting that Kay would Chair. Kay Carberry CBE thanked the Members of the Committee for their work, the lead officers on the Committee and the Secretariat team that supported the work of the Board.

There was no other urgent business to discuss.

25/07/24 Date of Next Meeting

The date for the meeting of the People and Remuneration Committee, which was the successor to this Committee, would be held on 20 November 2024 at 10.00am.

26/07/24 Exclusion of the Press and Public

The Committee agreed to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), when it considered the exempt information in relation to the items on: Pay Outcomes of £100,000 or more Approvals; and Chief Officer Salary Review 2024.

The meeting closed at 3.05pm.

Chair: _____

Date: _____

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People and Remuneration Committee



Date: 20 November 2024

Item: Matters Arising, Actions List and Use of Delegated Authority

This paper will be considered in public

1 Summary

- 1.1 This paper provides information on any use of delegated authority or Chair's Action by the Committee, and the former Remuneration Committee. It also provides an update on the progress against actions agreed at previous meetings of the Remuneration Committee and those from the former Safety, Sustainability and Human Resources Panel that now fall within the remit of this Committee (as set out in Appendix 1).
- 1.2 Since the last meeting of the former Remuneration Committee, on 24 July 2024, there have been three uses of Chair's Action in relation to the approval of salaries of £100,000 or more, and one use in relation to the approval of an exit payment, as set out in Appendix 2.

2 Recommendation

- 2.1 **The Committee is asked to note the updated Actions List and the uses of Chair's Action.**

3 Use of Delegated Authority

Salaries of £100,000 or more

- 3.1 The Terms of Reference for the Committee (and the former Remuneration Committee) require it to approve salaries of £100,000 or more and forms part of TfL's overall governance of pay at Senior levels. TfL has experienced high turnover of senior staff over recent months and requests include replacements for those that have left or are leaving.
- 3.2 Requests have also been made following changes to role under TfL's change programme. These include circumstances where individuals have increased accountability and scope following merging of roles and activity.
- 3.3 Other requests include extensions to existing contracts of highly skilled or technical staff where not retaining this resource would have a significant detrimental impact on TfL's ability to achieve its financial or operational deliverables.

- 3.4 A business case justification was provided to the Committee for each role. Following consultation with Members of the Committee, the Chair approved salaries of £100,000 or more for the roles set out in Appendix 2.
- 3.5 Elsewhere on the agenda, is a paper on the “£100,000 or more Process and Pay Outcomes of £100,000 or more Approvals”. This sets out recent changes to the process and provides details of the pay outcomes against the approved range agreed by Chair’s Action.

Exit Payments

- 3.6 The Terms of Reference for the Committee (and the former Remuneration Committee) also require it to have oversight of any proposed exit payments for the Commissioner, Chief Officers and other Directors reporting to the Commissioner. In circumstances where there is a proposed exit payment outside of standard redundancy terms and which exceeds £100,000 (excluding notice periods, which are contractual) this is also considered by the Committee irrespective of the grade and/or salary of the employee.
- 3.7 A business case justification was provided to the Committee in relation to an exit payment for one individual. Following consultation with Members of the Committee, the Chair approved the arrangements for an exit payment.

4 Actions List

- 4.1 Appendix 1 sets out the progress against actions agreed at previous meetings of the former Remuneration Committee and those from the former Safety, Sustainability and Human Resources Panel that now fall within the remit of this Committee.

List of appendices to this report:

Appendix 1: Actions List

Appendix 2: Use of Chair’s Action to approve salaries of £100,000 or more

List of Background Papers:

Minutes of previous meetings of the Committee

Chair’s Action papers to approve salaries of £100,000 or more, issued on 9 August, 4 September, and 11 October 2024 (exempt from publication)

Chair’s Action paper to approve an exit payment, issued 28 August 2024 (exempt from publication)

Contact Officer: Andrea Clarke, General Counsel

Email: AndreaClarke@tfl.gov.uk

Appendix 1

People and Remuneration Committee Actions List (reported to the meeting on 20 November 2024)

Actions from meetings of the former Remuneration Committee

Minute No.	Description	Action By	Target Date	Status note
27/11/23 (1)	Resourcing at TfL: Succession Planning Members would be provided with an update on succession planning at a future meeting, which would include details of skills shortages, hard to fill roles and the work to improve representation across TfL.	Fiona Brunskill	February 2025	A paper on Strategic Resource Planning is included on the forward plan.
27/11/23 (2)	Resourcing at TfL: Technology and Data Succession Plan Technology and Data would have its own strategic workforce plan, due to the challenges in filling specialist roles due to market rates, and this would be submitted to a future meeting.	Fiona Brunskill	February 2025	A paper on Strategic Resource Planning is included on the forward plan.

Actions from the previous meeting of the Safety, Sustainability and Human Resources Panel, that now fall within the remit of this Committee

Minute No.	Description	Action By	Target Date	Status note
39/09/24	Action on Inclusion – 12 Months On The Chair suggested that annual updates to the People and Remuneration Committee should be provided by the Chief Operating Officer and Chief Capital Officer to highlight progress within their directorates.	Patricia Obinna / Fiona Brunskill	Ongoing	An update paper is provided on the agenda for this meeting. Future updates will include progress highlights from the Operations and Capital directorates

Minute No.	Description	Action By	Target Date	Status note
40/09/24	Enterprise Risk Update - Attraction, Retention, Wellbeing and Health of our Employees (ER02) The People and Remuneration Committee would receive an update on the progress of the Strategic Workforce Plan at a future meeting.	Fiona Brunskill	February 2025	This is included on the forward plan.
42/09/24	Our Colleague Quarterly Report Board Members would be invited to participate in the mentoring programme.	Fiona Brunskill	-	Participation in the scheme requires a OneLondon account and these are not provided to Members. We will investigate further how Members could support the mentoring scheme.

Appendix 2

Use of Chair's Action to approve salaries of £100,000 or more

This includes changes for recruitment to existing roles or where the responsibilities of the role have changed.

The information contained in the papers remain not for publication to the public or press by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial affairs of TfL.

Request 9 August, approved 12 August 2024

- 1) Senior Divisional Financial Controller

Request 4 September, approved 5 September 2024

- 1) Head of Estates Planning and Accommodation;
- 2) Head of Finance; and
- 3) Head of Finance.

Request 11 October, approved 16 October 2024

- 4) Chief of Staff;
- 5) General Manager, Trams;
- 6) Lead Business Intelligence Architect;
- 7) Principal Engineer – Signalling;
- 8) Fire Engineer (x2);
- 9) Senior Application Engineer (Maximo) (x2);
- 10) Junior Developer;
- 11) Senior Developer (Mobile) (x2);
- 12) Senior Developer (x4);
- 13) Senior Scrum Master;
- 14) Senior Product Owner (x2);
- 15) Senior Infrastructure Engineer; and
- 16) ERP Programme Enterprise Tech Lead.

Exit payment: Request 28 August, approved 30 August 2024

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People and Remuneration Committee

Date: 20 November 2024

Item: TfL Change Landscape

This paper will be considered in public

1 Summary

- 1.1 This paper provides an update on the different change activity taking place across TfL.
- 1.2 A paper is included on Part 2 of the agenda, which contains exempt supplementary information that is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial affairs of a person or authority. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **The panel is asked to note the paper and the exempt supplementary information on Part 2 of the agenda.**

3 Background

- 3.1 TfL's Change agenda focusses on holistic operating model changes that contribute to TfL's strategic objectives including financial sustainability. The Change Landscape consists of multiple change programmes which support this.

4 Embedding our Value Chain

- 4.1 The 'Our TfL' Programme (OTP) was initiated in June 2022 to ensure we are set up to meet the challenges of today and face those of the future. Standing-up our Chief Officer structure and introducing our value chain has enabled TfL to take a more holistic approach to Change and work collaboratively across the organisation to deliver our Vision of being a strong, green heartbeat for London.
- 4.2 The programme had two primary goals, to:
 - (a) embed the value chain, as part of an efficient and effective operating model, to enhance the way we operate and collaboratively deliver our strategic outcomes; and

- (b) reduce the costs to run TfL and provide cashable contributions to the delivery of financial sustainability.
- 4.3 To achieve this, we considered the programme is five broad groupings:
 - (a) **Customer and Strategy:** To set direction and support delivery for our customers, colleagues and city;
 - (b) **Capital:** To be a valued team of empowered people, supplying sustainable and efficient outcomes for all our customers;
 - (c) **Operations:** To be an integrated operation that keeps London moving safely, inclusively and sustainably;
 - (d) **Support Services:** To provide expert services to our colleagues across TfL, building value and maintaining appropriate organisational controls; and
 - (e) **Whole Life Assets:** To work to build and drive whole life assets outcomes.
- 4.4 We first used the value chain to inform our Chief Officer structure including the formation of a single Operations function, and in all parts of the business we are using it as our foundation to apply it to our activities and projects to make sure we are working together efficiently.
- 4.5 OTP was the first time operating model change had been looked at across every part of the organisation and has increased collaboration and removed silos. It has set us up for success and helped identify where further changes are now required, for which we will leverage best practice and lessons learnt across the whole change portfolio.
- 4.6 OTP has been an excellent enabler for continuing success and has served its primary purpose over the expected two-year timeframe: the creation of the value chain and activity analysis process has supported our leaders to identify, own and deliver change locally, and set the organisation up for success. Change is continuous and part of our norm in TfL. As our future pipeline continues to develop and mature it is now the right time to wind-down OTP as a programme and expand the ethos across the current and future Change landscape.
- 4.7 Further information on our value chain is set out in the paper on Part 2 of the agenda.

5 Frontline Reform: Operational Change Programme

- 5.1 Our Operational Change programme is a suite of projects in place to deliver our strategic objectives and improve cost efficiency in the Operational part of the organisation. This includes our train operators, customer service teams and assets and maintenance teams. As well as reducing operating costs, these projects address working practices and agreements to unlock

productivity, improve customer service and enhance the experience of our teams in line with our Colleague Strategy. In 2022, Operations came together under one Chief Officer.

- 5.2 The programme has delivered significant savings, reviewing all activities to identify both cost savings and opportunities to make this a better place to work for people.
- 5.3 In our Customer Services area, we delivered the following:
 - (a) refresh to our staffing methodology at stations to better reflect travel trends, customer needs, the reality of how our stations operate and utilisation of colleagues;
 - (b) revised Revenue Control operating model, with a more flexible and adaptable model to respond better to operational needs;
 - (c) new approach to deployment of our Special Requirements team in response to change in demand profile for events; and
 - (d) rebalanced the management and supervisory frontline tiers and roles (Area Managers, Customer Service Managers, Customer Service Supervisors), to help with headcount savings, establish clearer accountabilities and improve our customer service offering.
- 5.4 The paper on Part 2 of the agenda provides more detail on the range and number of change programmes taking place across TfL and key achievements to date and change initiatives currently in the planning stage.

6 Systems Transformation: Enterprise Resource Planning Programme

- 6.1 Our Enterprise Resource Planning (ERP) Programme refers to the suite of systems and associated processes that are used to run an organisation. This covers Finance, HR, Procurement and, for TfL, deployment of our Operational employees.
- 6.2 Since we introduced SAP as our ERP provider in 2003, technology has changed significantly. Our current ERP systems are no longer fit-for-purpose and will be out of mainstream support in 2027. We therefore need to upgrade and have been on that journey.
- 6.3 In 2021, we set up our ERP Programme to help us deliver the necessary technology upgrades. We also recognised an opportunity to improve processes and ways of working associated with these systems. Our programme looks not only at technology, but also people, process and data considerations. Through looking at ERP holistically, we will drive improvements that will ultimately help achieve our aim of being a strong, green heartbeat for London.
- 6.4 Our ERP Programme at TfL aims to:

- (a) make our processes easier, simpler and better from beginning to end;
- (b) integrate our data so we can improve our planning, create new insights and make better decisions on a more real-time basis;
- (c) improve our controls, without adding bureaucracy, so the 'right' way to do something is also the easiest way; and
- (d) ensure we have standard processes that are technology enabled.

6.5 The scope and key updates are listed below:

- (a) **Procurement – SAP Ariba** – SAP Ariba is our Procurement system. Ariba enables us to manage the end-to-end procurement process with our suppliers, from sourcing through to contract award, contract management and closeout. The Ariba system is being embedded in our organisation, with further enhancements to functionality planned;
- (b) **myJourney – SAP SuccessFactors** – SuccessFactors is SAP's HR suite, covering Hire-to-Retire processes. In 2021, we implemented the Performance and Goals, and Succession and Development modules of the solution as a key technology enabler of our new organisational Talent Strategy. In November 2024, we will further expand our SuccessFactors capability through the go-live of the Employee Central, Recruiting and Onboarding modules which will deliver significant upgrades to our joiner and mover processes. Future phases of the project will continue to incrementally deliver modules of the application, with priority areas such as Payroll, Reward, and Learning and Development currently being explored;
- (c) **Operations Workforce Management – Ultimate Kronos Group (UKG) Dimensions** – We are bringing in a new system to help us better roster, deploy and manage the time of our Operational employees. We are working with a third party, UKG, to rollout the system in stages between early 2025 and end of 2026;
- (d) **Core ERP – SAP S/4 HANA** – SAP S/4 HANA is SAP's core offering, as it is a Finance system, but also interfaces with all others outlined above, ensuring our SAP suite of systems are fully integrated. It also brings opportunities for enhancements in areas such as Manufacturing and Logistics where TfL has not previously systemised. We are preparing to go out to market for a supplier to help us design and deliver the system and process changes. In parallel, work is ongoing to ensure we are ready for the move to the new system. This project will take until 2028 to deliver in full due to the scale and complexity;
- (e) **Making Cash Count – SAP Enterprise Central Component 6** – Our Making Cash Count (MCC) project has been making much needed improvements to our current SAP Finance system while we are working towards delivery of S/4 HANA. Ultimately MCC will help us better manage our cash as an organisation. This project started with the

delivery of a New General Ledger in July 2023, which is a back-end change that has enabled improvements to balance sheet reporting; and

- (f) **ERP Operating Model** – With the introduction of a significantly modernised and integrated system landscape across our core business capabilities, we need to explore and define how we optimise ourselves to operate, govern, maintain, and continuously improve these new systems in the short to long term. In parallel to the projects outlined above, we are exploring the 'as is' landscape and where there are opportunities for further alignment to best practice as we start to embed these systems to the organisation.

List of appendices to this report:

A paper containing exempt supplementary information is included on Part 2 of the agenda

List of Background Papers:

None

Contact Officer: Fiona Brunskill, Chief People Officer
Email: FionaBrunskill@Tfl.gov.uk

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People and Remuneration Committee

Date: 20 November 2024

Item: Action on Inclusion – 12 Months On

This paper will be considered in public

1 Summary

- 1.1 This paper provides an update on the delivery of the Action on Inclusion Strategy actions and commitments and the next steps.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Background

- 3.1 In April 2023, we briefed the Board on the development of Action on Inclusion, outlining our proposed approach, launch plan and next steps.
- 3.2 The Action on Inclusion Strategy was subsequently launched at the end of June 2023, outlining our vision, objectives and actions for embedding inclusivity into everything we do.
- 3.3 Our ultimate aim with the strategy is to create an inclusive workplace where everyone can belong, supporting the delivery of the ‘creating an inclusive culture’ pillar of our Colleague Strategy. This will further embed our Vision and Values.
- 3.4 To inform this update, headline measures have been included from Action on Inclusion. Detailed progress is reported against the priorities identified for the first year of implementation.
- 3.5 An update was also provided to the final meeting of the Safety, Sustainability and Human Resources Panel, held on 4 September 2024. As requested at the meeting of the Panel, future updates will include input from the Chief Operating Officer and the Chief Capital Officer to highlight progress within their directorates.

4 Key Achievements Since Launch

- 4.1 ‘I Act On’ colleague posters and video to raise awareness across the business of the key messages were launched in July 2023. As part of the launch campaign, colleagues voluntarily pledged actions they will take to embed inclusion in their local area. We will be revisiting these pledges with these colleagues as part of a proposed report to assess the impact of Action on Inclusion on colleagues’ experiences in their local business areas.
- 4.2 Twelve Action on Inclusion senior leadership in-person briefings were held (198 leaders participated) during August and September 2023, with the aim of briefing

senior leaders on the key messages of the strategy while emphasising the key role that each leader has in creating inclusion in the teams they lead.

- 4.3 These sessions included a deep dive into Allyship to champion the consistent and intentional act of colleagues supporting the rights of other colleagues from under-represented groups, despite not being a member of that group. One of the key messages of Action on Inclusion is that all colleagues have a part to play in creating an inclusive workplace; one way of achieving this is by being an ally who works to promote a culture of inclusion for the benefit of all.
- 4.4 An Inclusion Matters e-learning course was launched in September 2023 and uses the first-hand experiences of our own colleagues to bring to life the importance of inclusion. To date, more than 15,000 colleagues have completed the training, including over 90 per cent of People Leaders.
- 4.5 Becoming an Active Ally Toolkit, launched in September 2023, is designed to support colleagues on their journeys to becoming active allies to other colleagues. To date, over 200 colleagues have accessed this resource. As part of our “12 month on” evaluation of the impact of Action on Inclusion, we reached out to colleagues across the business to understand how they have been demonstrating allyship towards other colleagues in the months since the launch of Action on Inclusion.
- 4.6 Operational People Leader briefings were held in October 2023. These sessions were attended by Centurion leaders in London Underground (leaders with a large number of colleagues reporting into them) so that key messages could be shared with them as soon as possible so that Centurions could, in turn, cascade the key messages under Action on Inclusion to Operational colleagues pending the roll-out of Inclusion Matters training within Operations.
- 4.7 An Inclusion Matters – Disability e-learning course was launched in December 2023 with the aim of raising colleagues’ awareness on disability and the barriers facing people with disabilities, making colleagues aware of what we can all do to help remove those barriers. To date, more than 12,500 colleagues have completed the training.
- 4.8 Disability Awareness for People Leaders training was launched in February 2024. This training was designed in partnership with Business Disability Forum to equip People Leaders with a greater understanding of disability, how to remove barriers, what it means to cultivate a culture of disability inclusion in day-to-day interactions with colleagues with a disability. To date, over 500 colleagues have completed the training.
- 4.9 Improvements to our workplace adjustments process and the introduction of a centralised budget were introduced in April 2024. This process is designed to improve accessibility of adjustments for colleagues and increase accountability and enable monitoring. The newly established Workplace Adjustments team is now fully operational. Their initial focus is on familiarising themselves with the existing processes and providing timely support with the adjustment mailbox queries. Additionally, the team is dedicating time to engage with key stakeholders to ensure a smooth transition into their new roles.

- 4.10 One Stop Shop for all diversity and inclusion (D&I) related matters and information was created and launched in April 2024 so that colleagues can easily find any information and resources they need on any matters relating to D&I to encourage self-education.
- 4.11 A D&I language operations campaign was launched in May 2024. Following the Operational People Leader briefings (paragraph 4.6 above), we were informed that Operational colleagues would welcome posters covering key D&I terminology. Following detailed consultation with Operational colleagues (and working closely with colleagues from Employee Communications), we designed and launched a series of posters to support colleagues giving hints and tips on how to address the behaviours associated with these topics to create a more inclusive workplace.
- 4.12 A new Equality Impact Assessment app was launched July 2024, as a more accessible and user-friendly way for colleagues to consider D&I as part of their decision-making at an early stage of project planning and design. The new app will enable improved data capture and visibility and has now become a standard part of the process for developing an Equality Impact Assessment.

5 Looking Forward

- 5.1 The anniversary of the launch of Action on Inclusion provided an opportunity for us to start considering ways in which we can start to measure the effectiveness and impact of the work that has been undertaken to date to create an inclusive workplace. While it is still early in the lifespan of this seven-year strategy, we are keen to start gauging whether the key messages of the strategy have landed with colleagues so that we can, if necessary, begin to create some thematic data which will inform our future approach/programme of activity.
- 5.2 In January 2025 we will be launching the new employee engagement Viewpoint survey, run by our in-house Engagement team for the first time. As part of the new survey, we will measure our progress towards the creation of an inclusive workplace. We will be asking a series of questions which, taken together, will give us an 'inclusion index'. This will enable us to measure, from year-to-year, how colleagues feel that we are doing against our stated objective of creating a more inclusive workplace where all colleagues, irrespective of their background and lived experience, can achieve their work ambitions.

6 Areas of Focus for the Next 12 Months

Senior Leader Representation

- 6.1 Data shows that senior leaders with protected characteristics are broadly leaving at the same rate as they are joining us. This will make it harder to achieve our Scorecard representation targets if we do not have targeted interventions to address why they are leaving. Data shows that the main reasons for leaving are pay and lack of promotional opportunities. Other key drivers for leavers are the culture, poor leadership and not feeling valued. We are therefore proposing:
- (a) at Band 3 we have a minority gender population of 31 per cent (lower than that of senior managers). We recognise that we must focus on growing this

population so that we have a talent pipeline to support our senior leadership representation targets. Through our new recruitment approach, we will ensure that we are advertising in the right places to ensure we can continue to recruit diverse talent so that, in terms of gender representation, we are recruiting more women than the numbers leaving our business at any given time; and

- (b) with a lack of promotional opportunities being cited as a driver for colleagues leaving TfL, we will look to investigate whether the creation of a pan-TfL work experience programme will assist colleagues to consider alternative roles/careers within the business. We may also encourage colleagues to think about 'development' more broadly, rather than just as a promotion in their current role. We particularly want to develop a work experience programme that engages with our Operational colleagues to showcase the raft of potential opportunities across the business.

Culture and Leadership

- 6.2 To help address any potential cultural/leadership issues that may be impacting our Black, Asian and Minority Ethnic and Women colleagues to leave within 12 months of joining, we are planning to:

- (a) revise our corporate induction to ensure that we reinforce our Values and our commitment to inclusion through our discussions with new starters, to support an incremental change of culture; and
- (b) we will actively encourage more leader-led activities at a local level by developing an engagement plan to further embed Action on Inclusion across the business. This "nudge campaign", which commenced in October 2024, involves sending all Directors and Band 5s specific D&I/engagement related activities that they can undertake with their teams to build trust and foster a more inclusive environment. Simple examples of the types of "nudges" that could be sent out periodically, to encourage leaders to engage with their people around D&I, are: a communication encouraging leaders to discuss caring responsibilities at a team meeting, or to arrange a team lunch where everyone brings in food that they love or that is part of their heritage to encourage discussion.

A Focus on our Operational Areas

- 6.3 In addition to the above, which apply across the business, we also have anecdotal evidence from conversations with Operational colleagues and feedback from listening groups that realising the full potential of Action on Inclusion in Operational areas has been challenging. To overcome this, we will develop bespoke interventions. We will therefore:

- (a) use our new employee engagement Viewpoint survey, designed and managed by our internal Engagement team, to gain insights into how all colleagues are feeling about working at TfL. This will particularly be in relation to Leadership, Wellbeing, Safety and Inclusion, with reference to key metrics to inform the most appropriate targeted interventions;

- (b) develop a suite of appropriate face to face training offering that is suited to and accessible for our Operational colleagues, having regard to their rostering requirements and working environments. We are currently working alongside our Operations Leadership team to develop this;
- (c) design and deliver tools that give People Leaders/Line Managers practical advice on how to deal effectively with issues such as banter and microaggressions. This will use the media that our Operational colleagues tell us is most appropriate in the circumstances e.g. via an operations poster campaign with associated conversation cards to facilitate discussion; and
- (d) we will design and deliver Operational D&I training (via facilitated workshops) for use during line closures and/or as opportunities arise while we are developing a full suite of training interventions (as above).

List of appendices to this report:

None

List of Background Papers:

None.

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Contact Officer: Patricia Obinna, Director of Diversity & Inclusion
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People and Remuneration Committee



Date: 20 November 2024

Item: Approach to Reward

This paper will be considered in public

1 Summary

- 1.1 Ensuring TfL provides a fair and attractive employee offer is an integral part of our Colleague Strategy, where we need to balance fairness and affordability with meeting the competitive challenge of attracting and retaining talent.
- 1.2 In response to this challenge, we are reviewing our approach to pay management, with this paper introducing the Job Families concept and their benefits.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Latest on our Pay Talks

- 3.1 As at 5 November 2024, the best offer has been made to all our recognised trade unions covering all collective bargaining groups. We are waiting on formal responses to the offer.
 - (a) For London Underground collective bargaining the offer is 3.8 per cent + £450 with a minimum increase of £1,970 for those earning less than £40,000. The average award value across this group is 4.6 per cent.
 - (b) For TfL collective bargaining the offer is 4.0 per cent + £400 with a minimum increase of £2,000 for those on operational contracts. The average award value across this group is 4.9 per cent.
 - (c) For Rail for London Infrastructure collective bargaining the offer is 4.0 per cent + £400 with a minimum increase of £2,000 for those on operational contracts. The average award value within Maintenance is 5.0 per cent and within Operations is 4.9 per cent.

4 Improving Pay Management at TfL

- 4.1 Pay Management is the collective term we use for pay structures, frameworks, processes and mechanisms that we use to set, manage and progress pay.
- 4.2 Feedback from our colleagues via our employee engagement Viewpoint survey, and our trade unions, coupled with data analytics show that we have fundamental issues to address. These issues include internal pay disparity, external market relativity and the increasing perception of unfairness from our colleagues.

- 4.3 Our aim is to make pay internally fair, competitive against external industry and markets; while ensuring it is financially sustainable for the long-term.

5 Job Families

- 5.1 One component of our Pay Management is the Job Family concept and is our current area of focus. Job Families are a group of roles with common features, such as output, skills, knowledge or experiences which are consistent across the organisation.
- 5.2 We have identified 27 Job Families across TfL Non-Operational areas and are now in the process of consulting with the TfL Company Council on Job Families. Further detail is provided in Appendix 1.
- 5.3 The benefits of a Job Family approach include:
- (a) a consistent approach to pay setting;
 - (b) reduced pay disparities over time;
 - (c) a closer market alignment in base pay that strongly supports attraction and retention;
 - (d) pay becomes easier to segment and made more specific to the work being done;
 - (e) better control of costs;
 - (f) reduced need for ad hoc arrangements; and
 - (g) positive impact on our pay gaps.

List of appendices to this report:

Appendix 1: Approach to Reward slide deck.

List of Background Papers:

None.

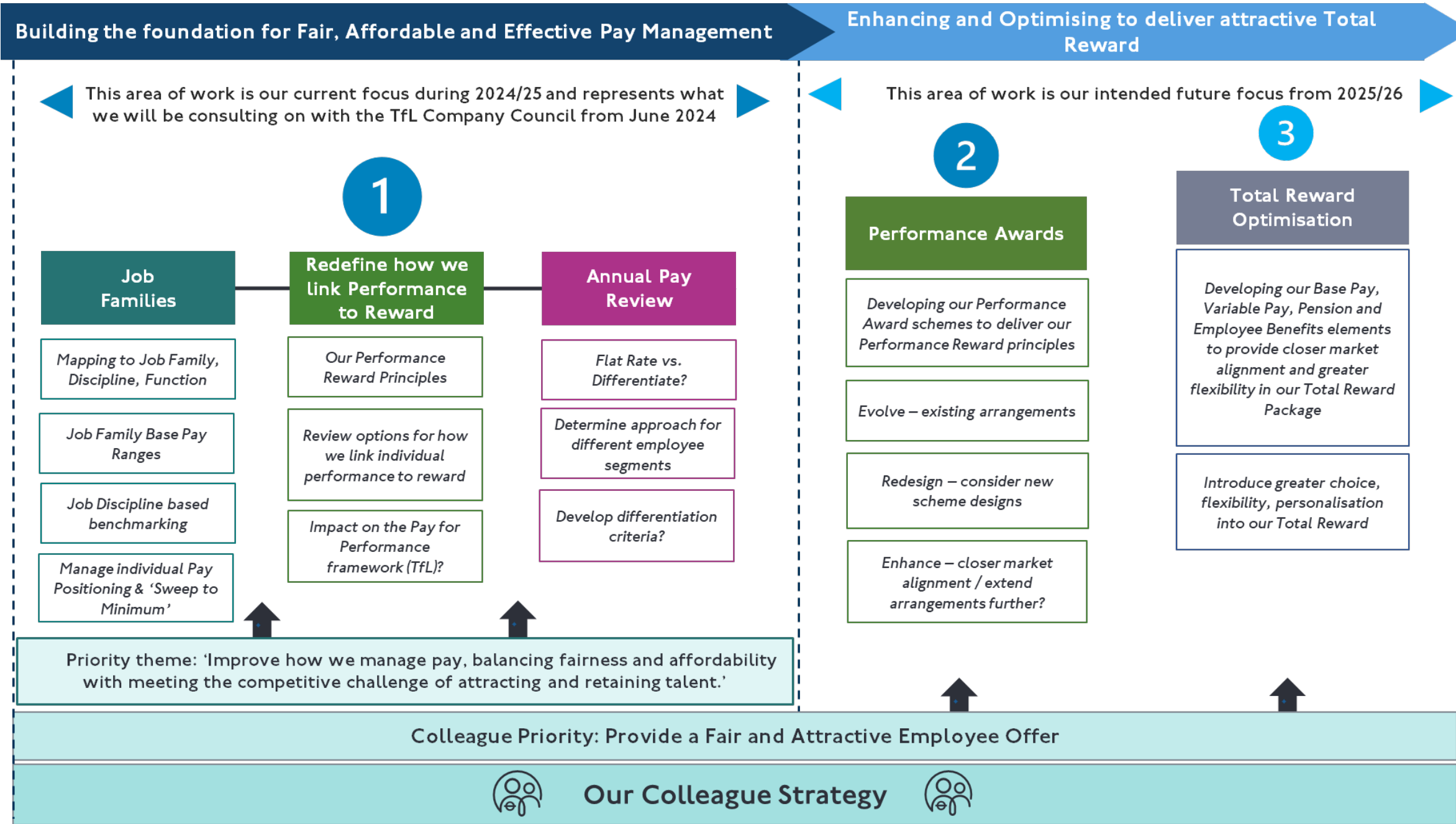
Contact Officer: Peter Robinson, Head of Reward
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Contact Officer: Fiona Brunskill, Chief People Officer
Email: Fionabrunskill@tfl.gov.uk

Approach to Reward

20 November 2024





The benefits for TfL of a Job Families approach



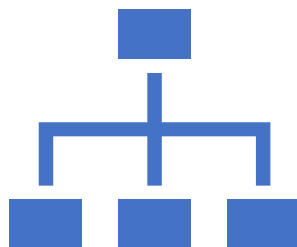
TfL Job Families

Non-Operations

27 Job Families

 Corporate Affairs & Comms	 Strategy & Planning	 Data & Analytics	 Accounting, Risk & Business Process	 Financial Analysis & Tax	 City & Transport Planning	 Commercial Management
 Tech & Data Operations	 Tech & Data Development Job Family Group x 7	 Customer Support	 Procurement	 Legal	 Engineering	 Environment, Health & Safety
 Human Resources	 Project Management	 Facilities Management	 Marketing & Business Development	 General Management & Administration	 Property Management & Development	 Occupational Health

Inputs



'As Is' Jobs

5 × £

'As Is' Broad Pay Ranges

Job Families Methodology

Willis Towers Watson Manufacturing, Distribution and Services (MDS) Pay Survey for Public/ Private Sector organisations including Transport

- General Industry Survey
- Circa 1,200 participating Organisations
- Breadth & depth of data

Willis Towers Watson



Function

A group of jobs that share **the same general purpose**;
e.g) Corporate Affairs / Project Management



Discipline

Group of jobs *within a function* that share the same **specific duties and / or activities**; TfL jobs have been mapped to their specific discipline



Benchmarking Data & Insights

WTW survey data & supplementary survey sources

Outputs



27 x TfL Job Families



Alignment of ~8,500 individuals to the TfL Job Families

5 × £



135 × £

'As Is' Broad Ranges are enhanced by 'To Be' Job Family Pay Ranges

Our consultation approach

- Our **Job Families proposals** are subject to consultation with our recognised Trade Unions (TUs) meaning we seek feedback from our representatives before we proceed
- We have been consulting with the recognised TfL trade unions on Job Families in parallel to the 2024 Pay Talks
- These are proposals that reflect ongoing work and discussion and may change in response to discussion, and may change during consultation, such as the number of proposed job families.

Our communications approach

- We have created a dedicated Sharepoint site where we will keep colleagues updated throughout the consultation and implementation process using a mix of established communications channels to reinforce messages
- Updates and Frequently Asked Questions will be posted on Platform and on our dedicated SharePoint site.



People and Remuneration Committee



Date: 20 November 2024

Item: TfL Savings for Retirement Plan

This paper will be considered in public

1 Summary

- 1.1 The purpose of this paper is to brief the Committee on the new 'Supplementary Section' of the TfL Savings for Retirement Plan (SfR Plan). This has been set up by the TfL Pension team and trustees of the SfR Plan at the request of TfL. No decision is required by the Committee as no additional cost or increase to individual reward package and this briefing is provided for its information.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Background

- 3.1 Specified employees who were eligible to remain as a member of the TfL Pension Fund (the Fund) but have instead opted out in particular circumstances and as a result are currently in receipt of a 'cash supplement' payable by TfL in lieu of active membership of the Fund and standard pension provision. This cash supplement is treated as taxable remuneration on the employee.
- 3.2 Due to this cash supplement being made in lieu of future pension accrual, it was felt appropriate that these employees be granted a method to save some or all of this cash supplement (and other Basic Salary) as they wish, into a TfL sponsored pension arrangement but at no additional cost to TfL.
- 3.3 TfL requires that such option does not result in a further pension 'liability' to TfL and the risk of potential pension funding costs in future.
- 3.4 Based on these criteria, it was concluded that a Defined Contribution (DC) arrangement would be the most suitable. Such arrangements are funded by the contributions paid into them, and do not result in any ongoing pension liability or risk on the sponsor (TfL) and the existing TfL SfR Plan pension arrangement can be utilised for this purpose.

4 Solution

- 4.1 TfL has one active DC arrangement that is open to new members, the SfR Plan. This is an occupational trust arrangement, sponsored by TfL, with governance and operations managed by a board of trustees taken from TfL employees.
- 4.2 At the request of TfL, the trustees of the SfR Plan have put in place a Supplementary Section, to be used for any TfL employees that wish to use it.

Membership is offered at the sole discretion of TfL and by its invitation only and is voluntary for the employee to join should they wish.

- 4.3 No employer (TfL) contributions are required into the Supplementary Section. Communications from TfL explaining the Section make it clear that it is available for employee contributions only, and TfL will not make contributions into it.
- 4.4 The benefits provided to members are in-line with the standard benefits to members of the SfR Plan (i.e. DC benefits) using the existing range of investment and retirement options available to all members. Therefore, the implementation of this and ongoing operation has been, and will continue to be at a minimal marginal cost to TfL.

5 Proposed Next Steps

- 5.1 The Section is now in operation and able to accept new joiners. TfL will inform relevant employees of its availability and will invite future members as it determines necessary. TfL's expectation is this will therefore be a narrow range of employees and hence membership of the Section will be modest in number.

List of appendices to this report:

None.

List of Background Papers:

None.

Contact Officer: Stephen Field, Director of Pensions & Chief Executive of the TfL Pension Fund.

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People and Remuneration Committee

Date: 20 November 2024

Item: £100,000 or more Process and Pay Outcomes of
£100,000 or more Approvals

This paper will be considered public

1 Summary

- 1.1 The Committee approves the remuneration for appointments with a full-time equivalent salary of £100,000 or more per annum. This paper updates the Committee on changes to the process and provides a comparison of salaries approved by the Committee with that on actual appointment, as set out in the paper on Part 2 of the agenda.
- 1.2 A paper is included on Part 2 of the agenda, which contains exempt supplemental information setting out the relevant information for permanent and non-permanent labour roles for the Committee's review. The information is exempt by virtue of paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to individuals and the financial affairs of a person or authority. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda.**

3 Background on £100,000 process

- 3.1 In 2017 TfL introduced a process to govern and monitor the levels of senior pay for those individuals on salaries greater than £100,000, or a day rate equivalent of £454.54 (the '£100,000 or more process').
- 3.2 This process seeks Committee approval to hire or extend the contract of an individual if their pay is equivalent to £100,000 or greater per annum, or to make an adjustment to an individual's pay if it is set above this threshold.
- 3.3 The current threshold has been in place since 2016, during which time we have seen headcount numbers increase. What initially predominantly only affected Director and Band 5 roles, now includes Band 4 roles and in some specific cases Band 3 non-permanent labour (NPL) roles (mainly Engineering and Technology and Data).
- 3.4 The scope of this process has also increased since its launch with the addition of reviewing NPL roles on day rates equivalent to £100,000 or more and Higher Duty Pay (HDP) for employees acting up which brings an individual's base and

HDP above the £100,000 threshold.

- 3.5 Current submissions to the Committee are likely to be received every four-six weeks, although this is dependent on volume.
- 3.6 The Committee is asked to review submission packs containing individual applications with justification for hiring or setting pay above this threshold. This can be undertaken as part of meetings or, more usually, through Chair's Action as delays to the approval process can impact appointment and retention of individuals, particularly for hard to fill roles.
- 3.7 Prior to Committee review, applications receive support and endorsement from the local Chief Officer, the Chief People Officer and the Commissioner.
- 3.8 Business cases are sent in a submission pack (split by permanent and NPL roles) with further updates on the number of colleagues from both a permanent and NPL perspective by period.
- 3.9 The Committee also receives a detailed update on what has been submitted in the process in a given year (included within this paper) alongside two bi-annual reports a year that detail the changes in numbers to the £100,000 or more process in a given six month period.

4 Background £100,000 Pay Outcomes

- 4.1 A comparison of salaries approved by the Committee with that on actual appointment is set out in the paper on Part 2 of the agenda.
- 4.2 This is the fifth £100,000 or more pay outcomes paper submitted and covers the period from May 2024 to October 2024 for permanent and NPL roles. Previous papers have covered £100,000 or more pay outcomes from July 2017 onwards.

List of appendices to this report:

Appendix 1: Current Process Flow

Appendix 2: Permanent/Secondment/FTC Business Case

Appendix 3: NPL Business Case

A paper containing exempt supplemental information is included on Part 2 of the agenda

List of Background Papers:

None

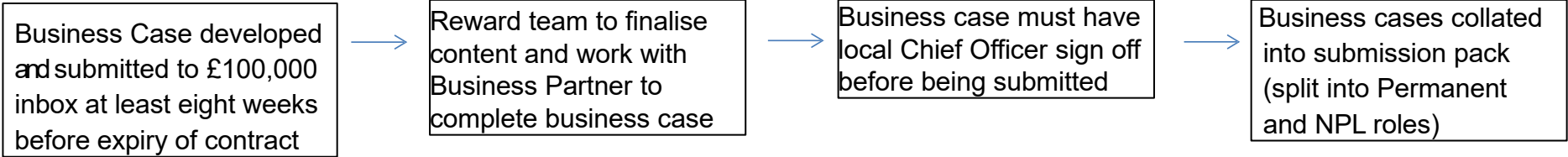
Contact Officer: Fiona Brunskill, Chief People Officer

Email: fionabrunskill@tfl.gov.uk

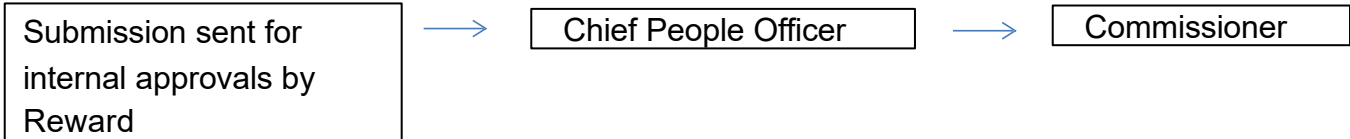
£100,000 Process – October 2024

Please note that timescales may vary. Submissions are dependent on internal approval.

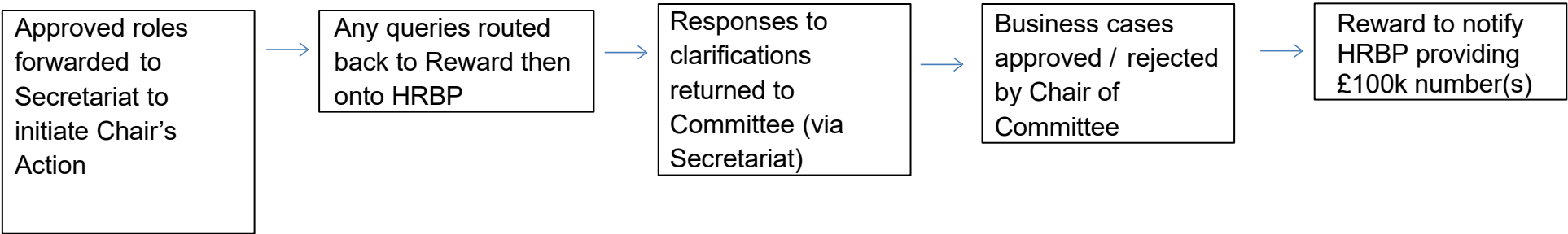
First Phase: Business Case Development



Second Phase: Internal approvals – five5 working days timescale



Third Phase: Committee Chair’s Action – 5 working days timescale



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£100,000+ Business Case - Permanent / Fixed Term Contract / Secondment / HDP

Request Type (delete as appropriate)	New role above £100,000 (People & Remuneration Committee Approval required) OR Existing role above £100,000: <ul style="list-style-type: none"> • Appointment to an existing role above £100,000 OR • Basic Salary adjustment OR • HDP allowance above £100,000 	
Business Area		
Role Title		
Role Sign off	Confirm role has been evaluated: Yes/No	Confirm role has approval via headcount controls? Yes/No
Salary	Payband / Level:	Payband Range:

Employee name (if known):		
Contract Type: (Permanent / Fixed Term Contract / Secondment):		End date (if FTC or secondment):
Max base salary:		
Are there any other special arrangements in place?		
Effective date:		

For HDP Only	Start date of HDP:	End Date of HDP:
HDP % (Base Salary + HDP% = £x)		
Reason for HDP request		

Senior Representation	
Have you considered how this appointment impacts the senior representation of the team?	
Gender Pay Gap	
Have you considered the internal relativities on the pay proposed?	

Other relevant information (please keep to one page in total):

Chief Officer Approval	Name:	Date:

Internal Use Only
approval number:
routing:

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£100,000+ Business Case – Non-permanent Labour (NPL)

Request Type (Delete as appropriate)	New NPL above £100,000 OR Existing NPL above £100,000: Extension OR Existing NPL above £100,000: Rate Increase OR Existing NPL above £100,000: Extension & Rate Increase	
Business Area		
Role Title		
Salary/Rate of Pay	Payband / Level:	Payband Range:
Role approved via headcount controls?	Yes/No	

For New NPL Only	Start Date:	End Date:
Reason: (Maternity/ Absence/ project /awaiting recruitment etc.)		
Name of project or employee backfilling (if applicable)		
If request is >12 months, reason a Fixed Term Contract has not been offered (include details of recruitment campaign)		

For NPL Extensions Only	Original Start date of NPL at TfL	Existing end date	Contract required until
NPL Name:			
Reason for extension:			
If request is >12 months, reason a Fixed Term Contract has not been offered (include details of latest recruitment campaign)			
Name of project or employee backfilling (if applicable)			
If daily rate is changing – include rationale including date of last rate change			

Umbrella Day Rate Requested	£ p/d
Umbrella Day Rate Min – Max	£ - £ p/d

Other relevant information (please keep to one page in total):

Chief Officer Approval	Name:	Date:

Internal Use Only
approval number:
routing:

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People and Reumeration Committee



Date: 20 November 2024

Item: Our Colleague Quarterly Report

This paper will be considered in public

1 Summary

- 1.1 The Quarterly Report is a standing item on the agenda for this Committee. It provides an update on key activities across the Chief People Office for the period September to November 2024.

2 Recommendation

- 2.1 **The Committee is asked to note the report.**

List of appendices to this report:

Appendix 1: Our Colleague Quarterly Report

List of Background Papers:

None

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Our Colleague Quarterly Report

September to November 2024

20 November 2024



Our Colleague Quarterly Report

September to November 2024

Introduction

Our Colleague Quarterly Report provides an overview of work taking place to make Transport for London (TfL) a great place to work, for everyone.

The report provides an update on our longer-term approach to people activity, and how we will ensure that TfL is able to attract and retain talent, while also improving the wellbeing of our colleagues. The report will also cover updates and achievements since the previous update to the final meeting of the Safety, Sustainability and Human Resources Panel held in September 2024.

The format of this report will provide an update on

1. Our Colleague Strategy
2. Our Colleague Scorecard
3. Creating a culture of inclusion
 - a. Workplace Adjustments
 - b. Improving Disability Awareness
 - c. Implementation of the new EQIA app
 - d. Our new Engagement Survey
4. Supporting everyone to achieve their work ambitions.
 - a. Leadership Development
 - b. Performance Management
 - c. Strategic Workforce Plan
 - d. Graduates, Apprentices and Interns
 - e. 2025 Recruitment Campaign
 - f. Employability Programmes
5. An attractive and fair employee offer
 - a. Our Approach to Reward
 - b. Pay Talks
 - c. Employee Value Proposition
 - d. You Matter Awards 2024
 - e. Our TfL Programme and Change Landscape



Our Colleague Strategy

Our Colleague Strategy

Our Colleague Strategy was successfully launched on 5 July 2023. This sets out our goals between now and 2030, recognising where we are now and what we will do to make this a great place to work for everyone.

A healthy heartbeat comes from colleagues feeling supported at work. We are building an inclusive workplace where everyone feels safe, valued and able to improve and develop, whatever their role and wherever they are in their career.

Alongside our trade unions and Colleague Network Groups, we will design and implement progressive and transparent policies and processes, that better meet the needs of our colleagues.

Our Colleague Scorecard

The table below provides Period 5 figures (ending 17 August 2024) of the colleague section of the TfL Scorecard for financial year 2024/25

As of Period 5, we were on course to meet four of the five representativeness measures.

We are currently unable to provide data updates for Quarter 2 2024/25 (23 June to 14 September 2024) on attendance or representation due to the cyber incident. We aim to include up-to-date figures in the next quarterly report.

The final colleague scorecard measure will come from our annual employee engagement Viewpoint survey, now scheduled to launch in January 2025 due to the recent cyber incident.

Measure	Year End Target	P5 Period Target	P5 Period End	P5 Scorecard
Attendance	94.25%	93.75%	93.96%	Amber
Senior Manager Representativeness				
Women	35.3%	34.4%	34.8%	Green
Ethnic Minority	20.4%	19.6%	20.3%	Green
Minority Faith	13.1%	12.8%	12.4%	Red
Disability	6.9%	6.1%	6.4%	Green
LGB	6.1%	5.7%	5.9%	Green



Creating a culture of inclusion

Workplace Adjustments

A new centralised process for colleagues to apply for workplace adjustments was introduced in April 2024, making the process more streamlined and accessible for colleagues who may face barriers to achieving their full potential. The Diversity and Inclusion team can track the spend for any adjustments that have a cost attached from the centralised workplace adjustment budget and provide advice and guidance; as well as troubleshoot complex queries.

The newly established Workplace Adjustments team is now fully operational.

Their primary objective is to continue to raise awareness of workplace adjustments across TfL by developing a comprehensive strategy aimed at educating and informing all colleagues and People Leaders about the importance and benefits of workplace adjustments.

We remain committed to supporting People Leaders in making informed and sustainable decisions that prioritise the wellbeing of our colleagues.

Improving Disability Awareness

TfL's Disability Awareness Training for People Leaders is a required learning for all People Leaders. Due to the recent cyber incident, we are currently unable to provide figures on the uptake of TfL's

Disability Awareness Training for People Leaders. We aim to include up-to-date figures in the next quarterly report, pending their availability.

Implementation of the new EQIA app

In July we launched the Workforce Equality Impact Assessments (EQIA) app, a commitment in Action on Inclusion. This interactive and intuitive online portal streamlines knowledge sharing and processing of EQIAs.

Although the EQIA app experienced a brief outage during the cyber incident, it is fully functional again.

A working group has been established to review the app with the aim of making improvements and further enhancements.

Our new Engagement Survey

We remain committed to transitioning our annual Viewpoint survey to a new system managed internally by our teams.

While the survey questions have been finalised, the launch has been postponed due to the recent cyber incident.

The survey is now scheduled to launch in January 2025.



Supporting everyone to achieve their work ambitions

Leadership Development

The last of the four cohorts of our Leading the Future group coaching programme is underway. A total of 744 leaders, mainly pay band 2 and 3s have benefited from the programme this year from which we have received overwhelmingly positive feedback from participants. The team are now looking at evaluating the programme's overall effectiveness and building on this success.

Our second cohort of 'Getting Ready for Senior Leadership,' TfL's sponsorship programme for pay band 4 and 5 leaders who aspire to achieve the Director level is underway. All 26 participants have been paired with Director sponsors who are working together to build experience, gain exposure, and develop senior leadership skills.

Performance Management

Following feedback from colleagues, we have slightly amended our performance ratings descriptors. 'I am achieving' has now changed to 'I am succeeding' to better reflect the vast majority of colleagues who succeed in meeting all their objectives and performance expectations. Descriptors for all four

ratings have also been improved for better clarity.

Strategic Workforce Plan

TfL's first Strategic Workforce Plan is in its final stages of development for internal publishing by end of December. A number of internal stakeholders have contributed to the development of the plan across all Chief Officer areas and Value Chain through a Strategic Resourcing Group.

The plan is complemented by an interactive toolkit to support local business areas with their long-term resource planning. Our next steps include piloting the toolkit within one to two local business areas to support the development of their long-term resourcing plans. The Strategic Workforce Plan will be shared with the Committee in February 2025.

Graduates, Apprentices and Interns

On Monday 9 September we welcomed 271 new graduates, apprentices and interns to TfL. Our new cohort of talent consists of 88 graduates, 163 apprentices and 21 interns across 65 different development programmes. The new cohort attended our one-day corporate induction which included a variety of welcome speeches from senior People Leaders, team building activities and panel talks. They also met our Colleague Network Groups and trade union colleagues, finishing the day with a networking session. Following the corporate induction, the new cohort were hosted by their business areas for their local inductions.



The representation of graduates declaring a disability rose to its highest level at 17 per cent and the representation of women rose from 24 per cent in 2023 to 28 per cent in 2024. While this is positive, women are still underrepresented on our apprenticeship scheme compared to the demographics of London. In all other areas, the latest cohort of graduates is representative.

Increasing the number of women in our graduate and apprenticeship schemes remains a priority. We utilise a number of tools such as mentoring, using role models and extensive marketing activities to build on our extensive young people outreach work with the aim of increasing the pipeline of women in transport.

Graduate starts (including interns)	2024	London's economically active population
Women	38%	46%
Black, Asian, Ethnic Minority	63%	36%
Disability	19%	11%
LGBT	19%	5%
Minority faith	24%	22%
Unemployed	less than 10%*	5.5%**

Apprentice starts	2024	London's economically active population
Women	28%	46%
Black, Asian, Ethnic Minority	53%	36%
Disability	8%	11%
Minority faith	26%	22%
LGB	7%	5%
Unemployed	8%	5.5%**

*Data presented in compliance with data protection requirements

**London's unemployment rate

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/regionallabourmarket/october2024#main-points>

2025 Recruitment Campaign

In November we launched Graduate, Summer and Year in Industry internship vacancies to start in 2025, across 33

schemes including Engineering, Technology and Data, Real Estate, Finance, General Management, Commercial Partnerships, Project Management Office, Commercial and Procurement, Planning, Communications and Corporate Affairs, and Sustainability.

To support the launch planned for 20 November, we hosted two events at our head offices and attended Gradjobs Live! at Olympia London to promote our roles.

Other events included hosting Queen Mary University students for an insight session about TfL graduate roles. Over 40 students registered and we have presented application tips and mock group exercises to help prepare them for our assessment centres.

Employability Programmes

Steps into Work is our supported internship for neurodiverse students who spend 12 months with TfL and are supported into work for a further 12 months.

Activate is our three-month employability programme supporting people who have limited or no work experience become work ready.

We have welcomed 24 new Steps into Work students and 16 Activate programme participants who will complete training and placements across the business to support the strengthening of core skills in readiness for employment.

Eleven of the 23 Steps into Work students that graduated in July 2024 have successfully moved into paid



employment. We continue to support the remainder with progression activity including job applications, interview preparation and exam revision to gain their maths and English functional skills qualifications, a common requirement for entry level roles.

Preparations will also resume for the Customer Service Assistant (CSA2) campaign pathway for alumni that was rescheduled due to the cyber incident.



An attractive and fair employee offer

Our Approach to Reward

Consultation on Job Families continues with our trade unions and focuses on non-operational areas including the impact assessment (EQIA), analytics and, the principles governing how the Job Families framework would work in non-Operations including detailed examples of Job Families and pay range design.

Pay Talks

Pay talks with our trade unions continue.

Employee Value Proposition

Following the sign off of our employer value proposition (EVP) design concept we are working on the final developments of the design guidance, materials and resources. We have completed photoshoots with colleagues from across the organisation to ensure our EVP is visually representative of our people and are working towards the refresh of content on our recruitment website that engages potential colleagues as to why TfL is a great place to work.

You Matter Awards 2024

The Executive Committee and the Commissioner will attend the annual You Matter awards ceremony on 21 November. Now in their third year, these pan-TfL awards are a golden opportunity to celebrate champions from across the organisation who have steered us closer to

achieving our vision. They are also a chance for colleagues to recognise their peers and show appreciation for their efforts.

There were 315 nominations received across 14 individual and team awards, all aligned to our Vision, Values and strategic themes. Once again, the event includes the hugely popular Lifetime Achievement award and People's Choice award categories, the winner of the latter determined by colleagues.

This fantastic event showcases the immense volume and variety of important work we deliver across our organisation and the enthusiasm and commitment of our hard-working colleagues.

Our TfL Programme and Change Landscape

We have made significant delivery strides across the Our TfL programme (OTP) and the wider Change Landscape including rolling out several important changes:

Enterprise Resource Planning - myJourney (Phase 2)

myJourney is delivering transformational upgrades to our core people systems, replacing our ageing systems with more agile and integrated solutions that are easier to support and maintain, and enable us to remodel our processes to deliver a great user experience for our colleagues and candidates.

Phase 2 will go live on 18 November and delivered new functionality across TfL, the Greater London Authority and Old Oak and Park Royal Development Corporation (circa 30,000 colleagues), including a new,



modernised system for recruiting with improved features and user interfaces that minimises manual data entry and enhances document management for core HR processes.

This is a significant step on our Enterprise Resource Planning (ERP) Transformation roadmap and will provide both the technical and user adoption foundations for future enhancements and maintenance in this space.

Customer and Strategy (OTP)

In October we launched a consultation with our colleagues in Investment Planning. The proposed changes will ensure the Investment Planning Directorate has a clear remit across the business and will introduce a scalable approach to resource allocation for our investment projects.

We also commenced consultation in our Strategy team. Within the Strategy Directorate our aim is to create a single, joined up strategic function providing a golden thread from overarching strategies to business led delivery.

Stations Change Programme (Customer Services Phase 2)

The programme and business have been making progress on enabling the new Stations operating model for 2025: Setting up a more effective management structure with clear and consistent roles and responsibilities, more engaged and motivated frontline colleagues with managers who focus on people leadership and more consistent number of direct reports and team sizes for Area Managers and Customer Service Managers.

Consultation has been progressing throughout the process both at Stations Functional Council and Managers Functional Council and we are currently in the process of confirming final timeframes for go-live.



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People and Remuneration Committee

Date: 20 November 2024

Item: Risk and Assurance Report Quarter 2 2024/25

This paper will be considered in public

1 Summary

- 1.1 This report provides the Committee with an overview of the status of and changes to Enterprise Risk 02 (ER02) – ‘Attraction, retention, wellbeing and health of our employees’.
- 1.2 This report also summarises the findings from the assurance activity undertaken by teams within TfL’s Risk and Assurance Directorate associated with this risk. The paper covers the work during Quarter 2 of 2024/25 (23 June to 14 September 2024) (Q2).
- 1.3 A paper is included on Part 2 of the agenda, which contains supplementary information that is exempt from publication by virtue of paragraphs 3 and 7 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the business and financial affairs of TfL that is commercially sensitive and likely to prejudice TfL’s commercial position; and information relating to ongoing fraud and criminal investigations and the disclosure of this information is likely to prejudice the prevention or detection of crime and the apprehension or prosecution of offenders. Any discussion of the exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda.**

3 TfL Enterprise Risks

- 3.1 ER02 has been reviewed and updated and was presented at the final meeting of the Safety, Sustainability and Human Resources Panel on 4 September 2024. ER02 will continue to be reviewed on a quarterly basis and any updates will be presented at future meetings of this Committee along with a full paper as part of its annual review.

4 Annual Audit Plans

- 4.1 The rolling Internal Audit plan contains a series of third line audits that address all TfL Enterprise Risks. The annual Quality, Safety, Security Assurance (QSSA) audit plan contains a series of second line reviews that include ER02. Audits against other Enterprise Risks are also reported to the applicable Committee or Panel as well as the Audit and Assurance Committee. The Internal Audit plan for the second half of 2024/25 was approved by the Audit and Assurance

Committee on 18 September 2024 and will be updated as appropriate to facilitate any additional audits that might be required as a result of the cyber incident.

5 Work of Note for Quarter 2

- 5.1 Audit reports issued are given a conclusion of 'well controlled', 'adequately controlled', 'requires improvement' or 'poorly controlled'. Individual findings within audit reports are rated as high, medium, or low priority. A memo, rather than an audit report, is usually issued for real-time reviews and provides more flexibility in how information is reported.

Internal Audit

- 5.2 In Q2 no draft reports against ER02 were issued and at the end of the quarter there was one Internal Audit in progress against ER02, which related to Action on Inclusion Strategy the findings of which will be presented at the next meeting of this Committee.

Quality, Safety Security Assurance

- 5.3 QSSA issued one audit in Q2 against ER02 'Network Management and Resilience: Asset Operations Management of Legionella Risk' which was concluded as 'requires improvement'. Additional information is provided in Appendix 1.

Counter-Fraud and Corruption

- 5.4 The Counter-fraud and Corruption team investigates all allegations of fraud and corruption involving TfL employees and non-permanent labour. Themes identified during colleague related investigations and control environment improvements (implemented or recommended), are set out in the paper on Part 2 of the agenda. Individual colleague related cases are part of the wider fraud reporting that is submitted to the Audit and Assurance Committee.

6 Cancelled and Deferred Work

- 6.1 All cancellations and deferrals are undertaken in consultation with the relevant business teams. No ER02 audits were cancelled or deferred by Internal Audit or QSSA in Q2.

7 Performance and Trends

- 7.1 In the past 12 months Internal Audit has conducted four audits against ER02, the QSSA team has conducted one audit. In total there were two audits concluded as 'requires improvement', two concluded as 'adequately controlled', and one memo. In the 12 months prior to that, there was one audit conducted by Internal Audit concluded as 'requires improvement'. As such, at this time there is insufficient data to provide a meaningful performance trend, however we will continue to keep this under review as more audits are completed.

- 7.2 Work continues on the close out of management of actions, particularly overdue actions with management teams and the relevant Chief Officers. At the end of Q2 for ER02 there were 14 open audit actions of which two were overdue, but by less than 30 days (one of which has been closed since the end of Q2). All actions that are overdue by more than 100 days are reported to the Audit and Assurance Committee and are discussed with Chief Officers.

List of appendices:

Appendix 1: Audits Completed in Quarter 2 of 2024/25 against ER02

A paper containing exempt supplementary information is included on Part 2 of the agenda

List of Background Papers:

None

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Appendix 1 – Audits Completed in Quarter 2 of 2024/25

ER02 Attraction, retention, wellbeing and health of our employees

Quality, Safety and Security Assurance Audits Completed in Quarter 2 of 2024/25

Chief Officer	Ref.	Audit Title	Objectives	Conclusion	Summary of Findings
Chief Operating Officer	24 749	Network Management and Resilience: Asset Operations Management of Legionella Risk	To seek assurance that the risk from Legionnaires disease is controlled in accordance with legislative requirements and the TfL management system.	Requires Improvement	The requirements of the regulations, standards and the management system could not be fully demonstrated. Gaps were identified in record keeping, document management, monitoring and assurance arrangements. Network Management and Resilience Asset Operations had identified and were working on improvements to their systems at the time of the audit and significant progress has been made to ensure compliance. There were seven medium priority issues identified and one good practice.

Internal Audit: Draft report issued in Quarter 2 of 2024/25

ER02 Attraction, retention, wellbeing and health of our employees

Chief Officer	Ref	Audit Title	Objectives	Conclusion	Summary of Findings
None					

People and Remuneration Committee



Date: 20 November 2024

Item: Director Salary Reviews 2024

This paper will be considered in public

1 Summary

- 1.1 The Commissioner proposes to make adjustments to base pay for Director roles that report to the Commissioner.
- 1.2 A limited number of Director roles report directly into the Commissioner, which then falls within the remit of the Committee to agree with the proposals.
- 1.3 A paper is included on Part 2 of the agenda, which contains exempt supplementary information that is exempt from publication by virtue of paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to an individual and the financial affairs of a person or authority. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendations

- 2.1 **The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda and agree the salary increase proposals for Director roles that report to the Commissioner, as set out in the paper on Part 2 of the agenda, with effect from 1 April 2024.**

3 Background

- 3.1 The terms of reference of the Committee require it to review from time to time the remuneration of the Commissioner, Chief Officers and Directors reporting to the Commissioner.
- 3.2 Proposals from the Commissioner for adjustments are set out in the paper on Part 2 of the agenda, for the Committee's approval.

List of appendices to this report:

A paper containing exempt supplementary information is included on Part 2 of the agenda.

List of Background Papers:

None.

Contact Officer Fiona Brunskill, Chief People Officer
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People and Remuneration Committee



Date: 20 November 2024

Item: Members' Suggestions for Future Discussion Items

This paper will be considered in public

1 Summary

- 1.1 This paper presents the current forward plan for the Committee and explains how this is put together. Members are invited to suggest additional future discussion items.

2 Recommendation

- 2.1 **The Committee is asked to note the forward plan and is invited to raise any suggestions for future discussion items.**

3 Forward Plan Development

- 3.1 The Board and its Committees and Panels have forward plans. The content of the plans arise from a number of sources:
- (a) standing items for each meeting: Minutes; Matters Arising and Actions List; and any regular quarterly reports. For this Committee this includes the Our Colleague Quarterly Report;
 - (b) regular items (annual, half-year or quarterly) which are for review and approval or noting as specified in the Terms of Reference: Examples include the annual consideration of pay and performance awards for the staff listed in the Terms of Reference and regular reports on remuneration on a pan-TfL basis, pay gaps and TfL's approach to talent management and succession planning;
 - (c) items requested by Members: The Deputy Chair of TfL and the Chair of this Committee will regularly review the forward plan and may suggest items. Other items will arise out of actions from previous meetings (including meetings of the Board or other Committees and Panels) and any issues suggested under this agenda item.

4 Current Plan

- 4.1 The current plan is attached as Appendix 1. Like all plans, it is a snapshot in time and items may be added, removed or deferred to a later date.

List of appendices to this report:

Appendix 1: People and Remuneration Committee Forward Plan

List of Background Papers:

None

Contact Officer: Andrea Clarke, General Counsel
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People and Remuneration Committee Forward Plan

Membership: Peter Strachan (Chair) Tanya Joseph (Vice Chair), Zoë Billingham CBE, Seb Dance and Keith Richards OBE

Key: CPO (Chief People Officer), CSHE (Chief Safety, Health and Environment Officer), DPR (Director of Pensions and Reward), DRA (Director of Risk and Assurance)

Standing items		
Colleague Quarterly Report	CPO	To note.
Risk and Assurance Report (Quarterly)	DRA	To note.

February 2025		
Strategic Resource Planning	CPO	To note.
Senior Management Performance Awards Scheme 2025/26	CPO and DPR	To consider the operation of the Performance Awards Scheme for 2024/25.

Regular items each year

- Pay Outcomes of £100,000 or more Approvals (twice a year)
- TfL Performance Delivery and Performance Awards (annual approval)
- Senior Management Performance Awards Scheme
- TfL Remuneration (annual, noting of overall remuneration policy)
- Pay Gap Analysis (annual, noting of gap and actions to address)
- Resourcing at TfL (as required)
- Action on Inclusion Progress (annual)
- Approach to Reward
- Approach to Engagement
- Wellbeing Strategy
- Enterprise Risk 2 Update - Attraction, retention, wellbeing and health of our employees (ER02)

Items approved by Chair's Action if the decision needs to be taken urgently (reported to next meeting)

- Approval of base Salaries of £100,000 or more
- Approval of exit payments for any officer listed in the Terms of Reference or if over £100,000 (excluding statutory notice period)

As at 12 November 2024

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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