Agenda

Meeting: **People and Remuneration Committee**

Date: **Monday 24 February 2025**

Time: **11:00**

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

Members

Peter Strachan (Chair)   Seb Dance
Tanya Joseph (Vice-Chair)   Keith Richards OBE
Zoë Billingham CBE

Copies of the papers and any attachments are available on tfl.gov.uk How We Are Governed.

This meeting will be open to the public, 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, Head of Secretariat ShamusKenny@tfl.gov.uk 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
Friday 14 February 2025

Agenda
People and Remuneration Committee
Monday 24 February 2025

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 Committee held on 20 November 2024 (Pages 1 - 6)

General Counsel

The Committee is asked to approve the minutes of the meeting of the Committee held on 20 November 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's Approach to Strategic Workforce Planning (Pages 13 - 74)

Chief People Officer

The Committee is asked to note the paper.

6   Performance, Readiness and Development (Pages 75 - 78)

Chief People Officer

The Committee is asked to note the paper.

7   Performance Awards 2025/26 (Pages 79 - 82)

Chief People Officer

The Committee is asked to note the paper and endorse the proposal to maintain performance award schemes for senior management for the 2025/26 period, including the continuation of a financial criterion.

8   Executive Committee Remuneration Benchmarking (Pages 83 - 110)

Chief People Officer

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

9   Colleague Quarterly Report (Pages 111 - 122)

Chief People Officer

The Committee is asked to note the report.

10   Risk and Assurance Report Quarter 3, 2024/25 (Pages 123 - 126)

Director of Risk and Assurance

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

11   Members' Suggestions for Future Discussion Items (Pages 127 - 130)

General Counsel

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

12   Any Other Business the Chair Considers Urgent

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

13   Date of Next Meeting

Tuesday 24 June 2025, at 13:00

14   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.

15   Executive Committee Remuneration Benchmarking (Pages 131 - 174)

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

16   Risk and Assurance Report Quarter 3, 2024/25 (Pages 175 - 176)

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

Transport for London

Minutes of the People and Remuneration Committee

**Conference Rooms 1 and 2, Ground Floor, Palestra,
197 Blackfriars Road, London, SE1 8NJ
10.00am, Wednesday 20 November 2024**

Members
Peter Strachan (Chair)
Tanya Joseph (Vice Chair)
Zoë Billingham CBE
Keith Richards OBE

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

Staff
Stephen Field   Director of Pensions and Chief Executive of the TfL
                                 Pension Fund
Manisha Gangopadhyay   Director of People (Non-Ops), ER and Reward
Lorraine Humphrey   Director of Risk and Assurance
Shamus Kenny   Head of Secretariat
Patricia Obinna   Director of Diversity and Inclusion
Sue Taylor   Director of People (Ops), ER and Reward

01/11/24   Apologies for Absence and Chair's Announcements

An apology for absence had been received from Seb Dance. 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, to ensure the public and press could observe the proceedings and decision-making.

This was the first meeting of the Committee, which was established on 9 September 2024. The remit of the Committee reflected good practice by bringing together the people elements of the former Safety, Sustainability and Human Resources Panel and the remuneration elements of the former Remuneration Committee. The Chair and Seb Dance had served on the previous Remuneration Committee and welcomed the new Members: Tanya Joseph as Vice Chair and Zoë Billingham CBE and Keith Richards OBE.

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.

02/11/24   Declarations of Interests

Members confirmed that their declarations of interests, as published on tfl.gov.uk, were up to date. These include the declarations from all new Members.

Following his initial declaration, Keith Richards OBE had updated his interests to include three new appointments, as: an Independent Member of Pay:UK End User Advisory Council; an Independent Member of MOSL Performance Assurance Committee for Non-Household Water Market; and as Commissioner for the Equality and Human Rights Commission.

There were no interests for Members to declare that related specifically to items on the agenda.

03/11/24   Minutes of the Meeting of the Remuneration Committee held on 24 July 2024

The minutes of the meeting of the Remuneration Committee held on 24 July 2024 were approved as a correct record, and the Chair was authorised to sign them.

04/11/24   Matters Arising, Actions List and Use of Delegated Authority

Andrea Clarke introduced the item. The paper provided information on the exercise of Chair's Action by the former Remuneration Committee, and by this Committee, in relation to the approval of salaries of £100,000 or more and one approval of an exit payment. A paper elsewhere on the agenda provided information on the £100,000 or more process and the outcome from previous Remuneration Committee approvals.

The Actions List provided 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 fell within the remit of this Committee.

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

05/11/24   TfL Change Landscape

Fiona Brunskill and Manisha Gangopadhyay introduced the item, which provided an update on the different change activity taking place across TfL.

The 'Our TfL' Programme (OTP), initiated in June 2022, had set the foundations for TfL to meet the challenges of today and face those of the future. OTP had helped to embed the value chain which, along with the revised Chief Officer structure, enabled TfL to take a more holistic approach to change and work collaboratively across the organisation to deliver its Vision of being a strong, green heartbeat for London. OTP had served its primary purpose over the expected two-year timeframe. As TfL's future pipeline continued to develop and mature, the OTP was being wound down as a programme.

The Committee discussed the Operational Change programme, a suite of projects to deliver TfL's strategic objectives and improve cost efficiency in the Operational part of the organisation. It also discussed the Enterprise Resource Planning programme, a suite of systems and associated processes used to run an organisation. These covered Finance, HR, Procurement and, for TfL, deployment of its Operational employees.

Members noted the good progress that was being made and the challenges ahead. The Committee would be kept informed of progress.

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

06/11/24 Action on Inclusion – 12 Months On

Fiona Brunskill and Patricia Obinna introduced the item, which provided an update on the delivery of the Action on Inclusion Strategy, from its launch at the end of June 2023. The aim of the strategy was to create an inclusive workplace where everyone could belong, supporting the delivery of the 'creating an inclusive culture' pillar of the Colleague Strategy.

Members noted the rationale for the strategy and how it had been developed with the engagement of staff across TfL, including over 500 "listening" sessions. They noted the update on progress to-date, future commitments, and the next steps.

The approach to monitoring the actions was noted and future updates would include input from the Chief Operating Officer and the Chief Capital Officer to highlight progress within their directorates. The TfL Viewpoint employee engagement survey included an inclusion index and the reports from the annual survey were shared with the Board.

The Committee welcomed the holistic and coherent approach taken in the strategy and the action already taken. It noted the work on training and culture change, particularly on improving the experience of disabled colleagues, which staff surveys showed were the least engaged. The approach to workplace adjustments had been reviewed to ensure colleagues received the support that they needed. New disability awareness training had also been introduced and the links would be shared with Members.

[Action: Fiona Brunskill]

The launch of TfL's Strategic Workforce Plan would be compatible with the Action on Inclusion work. Members and officers recognised that cultural change took time and continuous effort, which the development and implementation of the strategy was intended to achieve. Members were keen to support the work in any way that they could, including through attendance at events.

The Committee noted the paper.

07/11/24 Approach to Reward

Fiona Brunskill and Sue Taylor introduced the item. Ensuring that TfL provided a fair and attractive employee offer was an integral part of its Colleague Strategy, where it sought to balance fairness and affordability with meeting the competitive challenge of attracting

and retaining talent. In response to that challenge, TfL was reviewing its approach to pay management, which included the Job Families concept.

The Committee noted the current progress on pay talks and work on pay structures, frameworks, processes, and mechanisms used to set, manage and progress pay. It also noted the development of the Job Families concept and its benefits for attracting and retaining staff. They were being discussed with staff and the trade unions ahead of a consultation, with the aim of introducing the Job Families in 2025 for non-operational roles. Around 27 Job Families were currently proposed, which would enable TfL to compare against the market to help attract and retain talent.

The Job Families and their impact would be reviewed and, if necessary, adjusted annually.

The Committee noted the paper.

08/11/24   TfL Savings for Retirement Plan

Fiona Brunskill and Stephen Field introduced the item, which briefed the Committee on the new 'Supplementary Section' of the TfL Savings for Retirement Plan (SfR Plan), which had been set up by the TfL Pension team and trustees of the SfR Plan at the request of TfL.

The change was intended to help retain colleagues and was cost neutral to TfL. It would impact a small number of colleagues, particularly those with long service, though the number was expected to increase over time.

The Committee noted the paper.

09/11/24   £100,000 or more Process and Pay Outcomes of £100,000 or more Approvals

Fiona Brunskill introduced the item. The 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.

Members discussed the rationale for the process, noted the changes made and the robust internal governance applied before proposals were submitted to the Committee. The Chair and Chief People Officer would discuss the criteria for what was submitted to the Committee and the reporting mechanisms to ensure Board oversight, ahead of a further discussion at a future meeting.   **[Action: Fiona Brunskill]**

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

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

10/11/24　　Our Colleague Quarterly Report

Fiona Brunskill introduced the item, which provided an update on key activities across the Chief People Office area for the period September to November 2024, demonstrating progress against the Colleague Strategy. This would be a standing item for all scheduled meetings of the Committee.

Members noted the highlights from the report, which included: the work to improve the workplace adjustments process; the preparation for Viewpoint, the annual employee engagement survey, the launch of which had been delayed until January 2025 due to the cyber security incident; and the development of the Strategic Workforce Plan, which would ensure that TfL had the skills that it needed now and in the future. A paper on the Strategic Workforce Plan was scheduled for the next meeting of the Committee.

TfL had welcomed 272 new graduates (88), apprentices (163) and interns (21) in September 2024 across 65 different development programmes. The cohort was the most representative TfL had attracted and TfL was recognised by The Times as a top graduate employer.

The Committee noted the paper.

11/11/24　　Risk and Assurance Report Quarter 2 2024/25

Lorraine Humphrey introduced the item, which provided an overview of the status of and changes to Enterprise Risk 02 (ER02) – 'Attraction, retention, wellbeing and health of our employees'. The report summarised the findings from the assurance activity undertaken by teams within TfL's Risk and Assurance Directorate associated with this risk during Quarter 2 of 2024/25 (23 June to 14 September 2024).

ER02 had moved from requires improvement to adequately controlled. Members discussed the governance and processes in place to investigate allegations of staff-related fraud. Work was underway to streamline the investigation processes and further information on this would be provided in future reports.　　**[Action: Lorraine Humphrey]**

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

12/11/24　　Director Salary Reviews 2024

Andy Lord introduced the item. The terms of reference of the Committee required it to review from time to time the remuneration of the Commissioner, Chief Officers and Directors reporting to the Commissioner.

The Commissioner proposed an adjustment to base pay for Director roles that report to him to reflect their responsibilities and benchmarking against other Director roles within TfL and the market.

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

13/11/24   Members' Suggestions for Future Discussion Items

Andrea Clarke introduced the item. No additional suggestions were raised for future discussion items on the forward plan, other than those already noted during the meeting.

The Committee noted the forward plan.

14/11/24   Any Other Business the Chair Considers Urgent

There was no other urgent business to discuss.

15/11/24   Date of Next Meeting

The next scheduled meeting of the Committee was scheduled for 13 February 2025 at 10.00. [Post-meeting note, the date was subsequently rearranged to 24 February at]11.00am.

16/11/24   Exclusion of the Press and Public

The Committee agreed 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), when it considered the exempt information in relation to the items on: TfL Change Landscape; £100,000 or more Process and Pay Outcomes of £100,000 or more Approvals; Risk and Assurance Report Quarter 2 2024/25; and Director Salary Reviews 2024.

The meeting closed at 11.45am.

Chair: _____

Date: _____

People and Remuneration Committee

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

Date: **24 February 2025**

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. It also provides an update on the progress against actions agreed at previous meetings (as set out in Appendix 1).

1.2 Since the last meeting of the Committee, on 20 November 2024, there has been one use of Chair's Action in relation to the approval of salaries of £100,000 or more, as set out in Appendix 2.

2 Recommendation

2.1 **The Committee is asked to note the updated Actions List and the use 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. Twice a year, the Committee receives a paper that sets out details of the pay outcomes against the approved range agreed by Chair's Action.

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 paper to approve salaries of £100,000 or more, issued on 29 November 2024 (exempt from publication)

Contact Officer: Andrea Clarke, General Counsel
Email: AndreaClarke@tfl.gov.uk

People and Remuneration Committee Actions List (reported to the meeting on 24 February 2025)

Actions from the meeting held on 20 November 2024

Minute No.	Description	Action By	Target Date	Status note
06/11/24	**Action on Inclusion – 12 months on: Disability Awareness Training** New disability awareness training had also been introduced and the links would be shared with Members.	Fiona Brunskill / Secretariat	December 2024	**Completed.** Links to the training were sent to all Members of the Board.
09/11/24	**£100,000 or more Process and Pay Outcomes of £100,000 or more Approvals: Process Review** The Chair and Chief People Officer would discuss the criteria for what was submitted to the Committee and the reporting mechanisms to ensure Board oversight, ahead of a further discussion at a future meeting.	Fiona Brunskill	June 2025	An item is included on the forward pan for the next meeting of the Committee scheduled for 24 June 2025.
11/11/24	**Risk and Assurance Report Quarter 2 2024/25: ER02 Staff-related Fraud** Members discussed the governance and processes in place to investigate allegations of staff-related fraud. Work was underway to streamline the investigation processes and further information on this would be provided in future reports.	Lorraine Humphrey	June 2025	Work to streamline the process is ongoing and an update will be provided at the next meeting of the Committee scheduled for 24 June 2025.

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	**Completed.** This is included on the agenda for this meeting under the Strategic Workforce Plan item.
27/11/23 (2)	**Resourcing at TfL: Technology and Date 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	November 2025	A paper summarising the outputs of the directorate level Strategic Workforce Plans will be submitted to a future meeting.

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
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	**Completed.** A paper on TfL's Approach to Strategic Workforce Planning is included on the agenda for this meeting.

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 29 November, approved 2 December 2024

(1)   Head of Employee Relations;

(2)   Head of Payment Contracts and Agreements; and

(3)   Signals Technical Delivery Manager.

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People and Remuneration Committee

Date: **24 February 2025**

Item: **TfL's Approach to Strategic Workforce Planning**

This paper will be considered in public

1 Summary

1.1 This paper provides an update on our proposed approach to strategic workforce planning, ensuring TfL have the right resources, in the right place at the right time.

2 Recommendation

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

3 Background

3.1 TfL has a relatively low turnover at 4.7 per cent which has remained broadly consistent over recent years. While this indicates an ability to retain skills and knowledge, it can impact prospects for development internally and opportunities for bringing in new and diverse talent.

3.2 There are some areas of our organisation that do have a higher turnover and where we have some challenges attracting the right skills and talent. This has, in some circumstances, led to a heavier reliance on borrowing resource via consultancies or contingent labour.

3.3 Our retirement model predicts 22 per cent of our organisation may retire by 2030. With an average length of service of 25 years, loss of knowledge and skill through retirement is one of our biggest risks.

3.4 Our resource and business planning approach focusses on our one-to-two-year resource and budget allocation within the financial envelope available.

3.5 Over the past year we have developed our TfL wide Strategic Workforce Plan (set out at Appendix 1). This is aligned to our long-term strategy to 2030 and will enable better forecasting and identification of workforce challenges and future skills needs, with plans to bridge gaps where needed.

3.6 We agreed the remit of the TfL-wide plan, interrogated common future skills and workforce challenges, taking account of external factors and internal data analysis.

3.7 A methodology for the development of local strategic resource plans was created and is set out in the principles of the TfL wide Strategic Workforce Plan.

4 Our Approach: Build, Buy, Borrow, Blend

4.1 The plan highlights the need to have the right resources in the right place at the right time. It sets out considerations to enable informed decisions on the best way to resource a particular skill or activity. These include:

(a) Build: Focus on the developing and upskilling of our existing workforce to meet capability requirements;

(b) Buy: Recruitment of permanent resource for long-term skill and talent requirements;

(c) Borrow: Bringing in contingent or contract resources; and

(d) Blend: A combination of growing, hiring and borrowing talent.

5 Our Methodology and Supporting Toolkit

5.1 As with our recruitment and learning and development approaches, we have defined key principles that underpin our approach to strategic workforce planning:

(a) Evidence Based: use of the wealth of internal data, such as performance and readiness data, critical roles and succession plans, retirement models, and turnover data, to help us understand where our workforce challenges are as well as predict where they might be. Use of external benchmarking and horizon scanning is also an important feature in the development of plans;

(b) Inclusive: linked to Action on Inclusion, we want to ensure plans help us form a diverse pipeline that will support an inclusive workplace with access to the skills development needed for colleagues to thrive;

(c) Alignment: it is crucial that our plans are in line with our strategy and goals and help inform our business planning practices; and

(d) Review: for our long-term planning to succeed and be relevant we have committed to regularly reviewing our plans, allowing for the process to be iterative.

5.2 A toolkit has been created (as set out in Appendix 2) to aid the development of local plans. It acts as a framework and aligns to the principles and approach outlined in the TfL wide plan. It comprises a five-step methodology:

(a) contextual analysis: this section provides guidance on horizon scanning (internal and external analysis), data considerations and decision points;

(b) current workforce: this is where discussions to understand our current versus our future workforce needs and provides a decision tree to help understand potential sourcing strategies for future skill needs;

(c) using the data: this addressed harnessing our dashboards and reporting to help uncover blockers. Guidance to help analyse the data available to understand how workforce;

(d) sourcing strategies: this is linked to our build, buy, borrow, blend approach this section provides a simple triage to the right sourcing strategy; and

(e) written workforce plan: this is a template to provide consistency across the organisation.

6 A New Way of Working

6.1 Local strategic workforce plans for all Chief Officer areas will be in place by the end of December 2025, and will inform our broader talent initiatives by providing:

(a) our learning and development priorities;

(b) a clear understanding of where we want to borrow/outsource skills and talent;

(c) a forward look at recruitment needs to allow for proactive planning; and

(d) a strategic approach to graduate, apprentice, internship, and employability programmes demand.

6.2 Putting longer term resource plans in place will support evidence-based resourcing decisions that will enable us to continue to move London forward safely, inclusively, and sustainably.

7 Next Steps

7.1 The toolkit is initially being adopted in three different Chief Officer areas to provide feedback for continuous improvement.

List of appendices to this report:

Appendix 1: TfL's Strategic Workforce Plan

Appendix 2: Draft Strategic Workforce Planning Toolkit

List of Background Papers:

None

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Shaping the future: Our strategic workforce plan

EVERY JOURNEY MATTERS

Contents

Anticipating future demand

Looking and planning ahead is crucial to ensure our business is ready for the future. This plan sets out our commitments and approach for strategic workforce planning

Our colleagues are at the heart of everything we do. They are key to delivering our vision and values, as set out in the TfL Strategy to 2030.

Our Colleague strategy outlines how we will achieve our ambition to be a great place to work where everyone can thrive. Our Recruitment approach looks at how we will attract, select and hire colleagues, whether via progression internally or through external recruitment. And our Learning and Development approach shows how we will create a learning culture that develops the skills of all colleagues.

This Strategic Workforce Plan complements the strategies above, setting out the actions we will take to ensure we have people in the right place, with the right skills and at the right time.

Artificial intelligence (AI), changes in technology and flexing to the wants and needs of different generations mean that many organisations are having to re-imagine their workforce of the future. We are no different.

We must strengthen our longer-term workforce planning practices to better anticipate the skills and resources we will need, and what and when the right blend of those resources are.

We need to consider how our current workforce may change over the next three, five and 10 years and ensure we retain the skills, knowledge and experience that are key to our success.

Crucially, we recognise the need for more horizon-scanning: to understand where the competition will be for scarce skills, and anticipate the ways in which workforce needs may be changing.

In this changing landscape, we need to take a flexible approach, continuously adapting to ensure our organisation has the skills it needs to achieve our 2030 vision.

Caring

Open

Every Journey Matters

Adaptable

Our approach

This strategic workforce plan looks across the whole organisation to identify the critical cross-cutting skills we'll need through to 2030

A focus on key skills will help to optimise our efforts across resourcing, learning and talent, and ensure we have the right balance of essential skills across all teams.

In addition to this, where appropriate, each area of the business will create and manage its own full workforce plan, drawing on the outputs of this plan, to ensure each function has the right workforce across all levels and skillsets.

To bring these plans to fruition, we will progress a number of wider enabling activities to embed strategic workforce planning across TfL.

This will include activities in the following areas, which are outlined in the Roadmap section at the end of this plan:

- Awareness

- Capability

- Alignment

- Integrated business processes

- Data and future skills

There are many options to fulfil our short- and long-term resourcing challenges. Our approach is grounded in the Build, Buy, Borrow, Blend framework.

Using this framework, we can identify the most effective strategy for specific resourcing challenges across the organisation, and make informed decisions on whether to develop internal talent, hire externally or bring in temporary expertise:

- **Build** A focus on developing and upskilling the existing workforce to meet capability requirements

- **Buy** Permanent recruitment for long-term skill and talent requirements, where demand outweighs supply and there is the need to fill the gap with a specific skills from external sources

- **Borrow** Using contractors and consultants* for urgent or temporary needs, where expertise exists elsewhere to support knowledge transfer

- **Blend** A mix of the above approaches that combines building internal talent with buying external expertise

This approach can offer financial benefits by optimising talent acquisition costs, reducing training expenses and enhancing workforce flexibility, which will ultimately improve organisational performance and competitiveness.

Our aim
Right skills
Right place
Right time

* includes non-permanent labour, contractors, consultants, professional and managed services

Our challenges and opportunities

We need many different skills across the business, both now and in the future, to ensure our long-term success

Supporting our colleagues to develop the skills essential to their roles and understanding the external market so that we attract those skills will help put us on a more sustainable footing for the long term.

Our key challenge areas

✓ Commercial

✓ Data

✓ Engineering

✓ Environment

✓ Project management

✓ Service control

✓ Signalling

✓ Technology

Our internal landscape
Turnover

TfL has generally maintained a lower-than-average industry turnover, which can have an impact on opportunities for diversifying our workforce and creating opportunities for colleagues.

However, some areas of our business such as technology, data, engineering, procurement, commercial and project management have a higher turnover, with increased challenges to both recruit and retain skills.

Within some operational areas, internal movements have affected local retention and increased recruitment needs. There are also many scarce skills in areas such as service control and signalling that are in high demand and difficult to recruit for. These skills are are critical both to operational resilience and project delivery.

In Environment, key shortage areas include drainage engineers, ecologists, energy managers, and engineers and project managers experienced in areas such as waste and water management.

Some of these skills are niche to TfL and linked to internally developed knowledge, which means that training requirements can present a challenge. So it is imperative we think about the future capabilities needed to drive our operations and our business success.

Retirement profiles over the next 10 years remain an organisational risk, and we need a focus across the business on strengthening our succession planning and managing the transfer of knowledge. This will help both to create resilient and diverse pipelines and highlight our areas of risk, allowing for early interventions.

We want to create agility so we can anticipate and respond quickly to meet changing priorities, allowing for smoother movement of resources across all chief officer areas.

Having longer-term plans in place locally will allow our recruitment teams to prepare for finding harder-to-fill skills and roles.

'We need a focus across the business on strengthening our succession planning and managing the transfer of knowledge.'

Use of contractors and consultants

As an organisation we are committed to delivering our challenging business plan. This requires a range of skills that are scarce and in high demand.

Our strategic aim to reduce reliance on contractors and consultants needs to be balanced with financial affordability and the need to be flexible with some of our resources.

Being clear on longer-term demand, with guidance on when it is right to go to market, will help ensure value for money and the right blend of resources to achieve the best outcomes.

There are many options to fulfil our short- and long-term resourcing challenges. Our Strategic workforce planning toolkit will help to focus decision-making in this area.

Our internal market

During 2023/24, we saw internal turnover (movement of staff from one business area to another) of around 19 per cent across the organisation – in particular areas this remains higher. Creating readiness, promotion and development opportunities has helped retain knowledge and skills within our business. Increased movement can also create increased pressure on people leaders, particularly if these are short-term secondments where longer-term decisions could be made.

Create succession plans and talent pipelines to increase resilience and minimise the impact on hiring managers, colleagues and recruitment.

Identify similar and transferable skillsets, and how they can be deployed across the business, to build talent pipelines.

Workforce profile

We are privileged to have a workforce that spans five generations and the skills and experience that comes with it. However, more than a quarter of our workforce could reach TfL's average retirement age within the next six years. With the average length of service at retirement being 25 years, the potential loss of skill and crucial organisational knowledge could have a significant impact on our business.

It is imperative we are aware of our pinch points, which remain higher in certain areas such as Operations and Engineering, and continue to use the data and have open conversations to understand our risks.

Create pipelines with strong transfer actions in place to prevent the loss of knowledge and ensure we have the right operating model to grow our talent and address the areas where significant impact may be felt.

Data quality

Using data to understand our workforce is essential to creating strong long-term workforce plans. A key area to support workforce planning is job role data that is accurate and accessible.

Improve the quality of this data to better understand the movements of particular job roles and skills across the organisation and aggregate larger data sets.

6-10%
of our workforce was made up of NPL colleagues over the last five years

63%
of job offers are made to internal candidates (bands 1-4)

61
is the average age of retirement from TfL

Attraction and retention

We have a wealth of internal dashboards to help us understand where our potential pain points are. Together with the evolution of our Employee Value Proposition, this will give us the information we need to focus our efforts in the right places.

Of the **40 per cent** of colleagues completing our leavers' survey:

35% left for a better or new opportunity

20% left for better pay and benefits

54% were positive about pay and benefits at TfL

68% were positive about the business

63% were people leaders

Readiness and performance

Our aim, as set out in our Colleague strategy, is to ensure 'TfL is a great place to work where everyone can thrive so that we attract, retain and develop people with the skills to achieve our goals'.

A key commitment to achieving this is to enable everyone to achieve their work ambitions through:

- Supporting colleagues to find the right experiences and learning opportunities to drive their own development journey

- Using Readiness conversations to help colleagues explore what's next for them and capture the talents everyone brings

- Continuing to improve how we manage performance, with a focus on clear objectives and consistent feedback

Measures of success will include:

- Halving our gap where we are not already representative of the London population in terms of ethnicity, gender and protected characteristics

- Being recognised as one of the best companies to work for in the UK, with employee engagement better than the UK-wide benchmark

We will expand our talent intelligence by using myJourney to capture and map future skills, as well as making clearer links to relevant learning and development opportunities through the creation of clear pathway journeys.

We will further embed our identification of hard-to-fill roles, critical roles and single points of failure.

5%
turnover in staff across the business in 2023/24

17%
of people leaving had less than one year's service with us

External landscape

The rail industry is predicted to see many challenges in the future, with fewer young people coming into the industry and the population of over-55s increasing[1].

Between 2017 and 2022, skills shortages in this country doubled to more than half a million, and now account for 36 per cent of job vacancies[2].

The demand for both specialist and generalist skills in areas such as engineering, project management, technology and data are set to increase. We need to ensure that we monitor, attract and retain these skills.

In the construction industry, which makes up a large part of our capital projects, the skills shortage between 2017 and 2022 reached more than half a million.

Within both these industries the pressure to recruit and widen the appeal to a broader demographic is also a struggle.

UK projects are in the midst of a skills gap. Since the pandemic, project-based work has increased due to a shift to remote and hybrid models, the continued rush of technology and the need to get products and services to a broader marketplace quicker.

According to the Project Management Institute, the world will need a massive 88 million project professionals by 2027 – and 25 million more by 2030 than it currently has[3].

Industry action

The National Skills Academy for Railway offers valuable industry insights across the sector, highlighting demographic, skill and talent shortages. This data is helping us understand where the current and future workforce gaps are to aid informed decision-making.

Analysis by the National Foundation for Educational Research[4] has shown that the demand for digital and computer skills in the labour market will increase significantly over the next 10 years.

Skills England has been launched to meet the skills needs across the UK for the next decade. They will be creating more flexibility for levy funding on training for the skills we need and working with employers to assess their future skills needs.

In 2023 we joined a national programme of employer-led skills strategy reviews, Local London. Their skills improvement programme highlights the priorities for skills development across the Local London economic sub-regions, with a plan to better match employer demands with the training provision available. The programme is backed by the Department for Education and gives us great insight into what current and future priority skills needs are.

We actively engage with the Careers Hub, which supports careers education in schools. The Careers Enterprise Council provides an employer standards framework that assesses how effective engagement is with education. TfL scored 85 per cent in the inspiration category and a collaboration score of 83 per cent.

Activities and engagement across the business with London Transport Museum, Places for London, Schools outreach and STEM ambassadors remain key to attracting and inspiring a younger generation.

50%
of Londoners aged 16-25 want to pursue a green career

27%
of employers in the capital report a green skills shortage

88%
of young people aged 16-24 think that digital skills will be essential to their careers

1   National Skills Academy for Rail (2023), Annual Rail Workforce Survey 2023

2   Department for Education (2024), Press release: Skills England to transform opportunities and drive growth

3   PMI (2017), Project Management Job Growth and Talent Gap 2017–2027

4   National Foundation for Educational Research (2023), An analysis of the demand for skills in the labour market in 2035

Digital and data transformation

We need to be data-driven and actively harness the opportunities (and safeguard against threats) from technology, including AI and cyber. This is linked to improved business outcomes, including enhanced operating efficiency and increased revenue.

Being part of the ongoing digital transformation is essential to our future success. Across our organisation, we must be prepared for the continuing rapid changes in technology, simultaneously considering how we attract and retain specialist talent as well as upskilling our existing workforce.

In 2023 we measured our baseline data maturity using the Data Maturity Assessment for Government as a framework. The overall findings have shaped our strategic vision and principles for data, and our target maturity level.

While data protection and security awareness is embedded across the organisation, data literacy within teams is highly variable, with an inconsistent and locally based approach, both to the responsibility for data and to the management of upskilling initiatives.

There is heavy reliance on data specialists for basic tasks, while specialist skills are often under-utilised. An active and informal community supports collaboration and sharing of best practice and resources, but skills gaps are often filled by contractors and consultants or are self-taught.

Improve our foundational data capabilities to ensure every colleague is able to access and interpret data confidently to make evidence-based decisions.

'Organisations with an insights-driven culture are nearly three times more likely to have double-digit growth.'

Forrester.com[5]
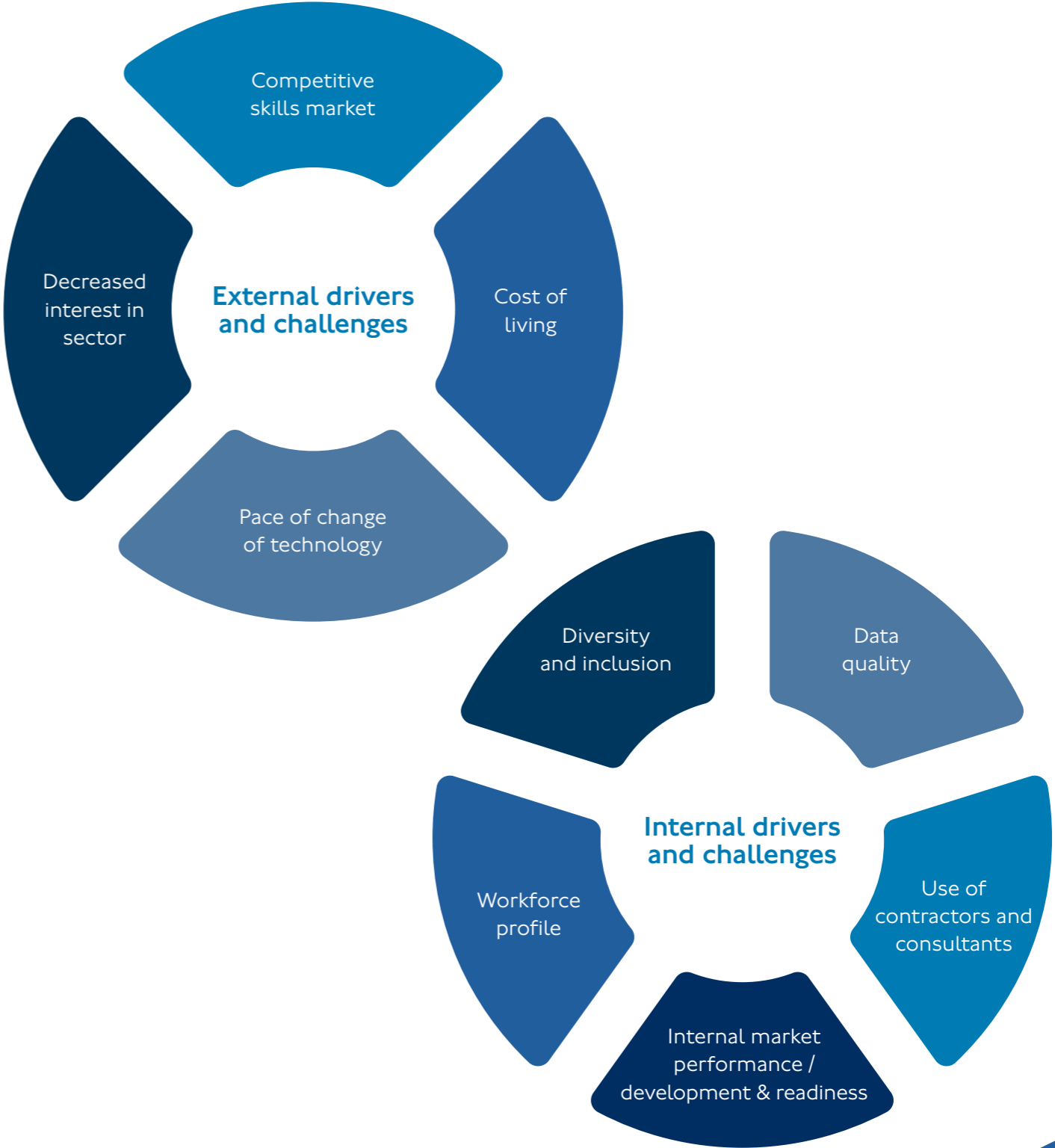
5 Forrester.com, Data-Driven Insights and AI

Competitive skills market

Decreased interest in sector

External drivers and challenges

Cost of living

Pace of change of technology

Diversity and inclusion

Data quality

Internal drivers and challenges

Workforce profile

Use of contractors and consultants

Internal market performance / development & readiness

Our key principles

We have four key principles that underpin
our approach to strategic workforce planning

Evidence-based

We will continuously review and improve
the data we use to support evidenced-
based decision-making in line with our
strategic priorities.

We will continue to use external market
data to monitor market trends, understand
external skills demand and identify
potential risks to attraction and retention.

Inclusive

Our Action on Inclusion strategy sets out
our long-term commitment to creating an
inclusive organisation that reflects the city
we serve.

Together with our Recruitment and Learning
and development approaches, we will ensure
we are creating a pipeline of diverse talent,
with access to the skills development
needed to allow our colleagues to thrive.

Alignment

Our Strategic workforce plan will align with
our 2030 Business Plan commitments and
be integrated into our business processes.

It will also align with wider industry
priorities to maintain a position of 'best in
class' across all relevant industries.

Review

We will review the Strategic workforce plan
and actions every six months to ensure it
remains relevant and achievable, and can be
further developed as our practices improve.

Building our skills capability

A strong culture of continuous learning will support all our colleagues in their careers and ensure we are able to respond to a changing and complex environment

Through critical and hard-to-fill role analysis, external research and engagement we have identified five skills that support our ambitions to be future ready:

- Data

- Digital and cyber

- Green

- Leadership

- Project management

Data

Making the most effective use of data is essential to inform our operations and future planning.

Data literacy is 'the ability to read, write and communicate data in context, with an understanding of the data sources and constructs, analytical methods and techniques applied.

Data-literate individuals have the ability to identify, understand, interpret and act data within business context and influence the resulting business value or outcomes'[6].

Sources of organisational data include dashboards for strategic workforce planning, diversity and inclusion, recruitment and succession planning, as well as retirement modelling and readiness and performance data.

Ensure our technical teams have the skills required to develop the associated data platforms, and our colleagues have the skills to interpret our data and take appropriate action.

Take a structured approach to improving general data literacy across TfL, in the development of specialist data talent who support our operational business and in the design of our talent pipeline for the future.

Success measures

We will achieve this by:

- Establishing data as a professional route – reskilling and nurturing our existing talent through defined career pathways and learning journeys

- Developing a strong pipeline for data talent through early career schemes

- Measuring data literacy within each business area and acting to close gaps through a range of interventions

We will measure our progress by:

- Developing literacy measurement metrics to track progress across the business

- Measuring how learning is embedded and shared (to encourage cultural shift) and the number of requests to specialist staff

- Monitoring levels of staff morale and retention

Digital and cyber

With thousands of job roles available across the business, we need a manageable approach to designing each individual's learning journey, equipping them with the necessary skills to navigate the digital workplace and access more job-specific content via learning paths.

Technology will continue to underpin our services across the organisation, and every colleague will need to be equipped with the skills and knowledge to use technology to its full potential.

In a rapidly and ever-evolving field such as technology, we also need to consider a robust and long-term approach to ensuring our technology and data workforce remain at the forefront of advancements and their skills and knowledge develop accordingly, through certifications where appropriate.

The need for specific IT skills, such as cyber security skills, is likely to grow as the technology threat landscape continues to broaden.

Map digital career pathways and enable existing IT staff to gain specialist skills or transition into specialist roles pipeline for the future.

Success measures

We will achieve this by:

- Creating a digital skills framework that is accessible for all and supports decision-making processes

We will measure our progress by:

- Assessments to understand if colleagues have seen an improvement in skills as well as participant satisfaction on their learning experience

- Monitoring levels of staff retention

Green

Green skills are defined as the knowledge, abilities, values and attitudes needed to protect and improve the environment.

We need to attract new talent at every career stage with strong competencies that include key elements of sustainability to ensure the right mix of skills, knowledge and practical experience.

Many of our green skills gaps could be filled by adapting current roles to the changing needs of the business and creating opportunities for our workforce to upskill in specialist areas.

Translate specialist experience into more effective in-house talent by encouraging training and development opportunities for colleagues and incorporate best practice in collaboration with suppliers and key stakeholders.

Where specialist talent is required to complement our core competencies, we will continue recruit in a strategic and timely fashion.

Success measures

We will achieve this by:

- Including sustainability principles in our leadership competency framework

- Considering how we can improve our offer to attract and mature the best talent at every career stage

- Using green knowledge resources such as environment digital/online learning and in-person resources such as carbon literacy, adaptation, green infrastructure and biodiversity training

We will measure our progress by:

- Tracking responses to competency-based questions on principles of sustainability

- Tracking improvements at every career stage, from attracting, recruiting and onboarding new talent to developing and retaining existing talent to retirement

- Delivery of environment aims in our strategy roadmaps, scorecard and core plans and reporting

Leadership

Achieving our objectives relies on a strong culture of good people leadership across the whole business that supports our vision to make TfL a great place to work.

We require our people leaders to be agile in meeting the future needs of the organisation. People leaders, particularly those in senior roles, need to help prepare the organisation and their teams to meet the challenges of the future workplace.

Ensuring continued development of our current people leaders, as well as developing a strong pipeline of future leaders, is a priority if we are to meet our strategic objectives and be resilient and adaptable in future years.

Our people leaders are expected to be role models for our values and practices across the organisation, demonstrating the expectations set out in our Leadership framework, including the key data, digital and cyber, green, leadership and project management skills.

Develop and upskill our people leaders to create a culture aligned with our purpose, vision and values, and make TfL a great place to work for everyone.

Success measures

We will achieve this by:

- Embedding the competencies in our Leadership frameworks to ensure they remain relevant to our future needs and are reflected in our recruitment, selection, performance management and development processes

- Investing in our people leaders' development at different levels and stages in their leadership journey (see right)

We will measure our progress by:

- Viewpoint engagement scores

- Monitoring turnover and reasons for leaving

- Evaluation and impact of development interventions

Our Leadership development framework

Our framework looks at development within our leadership at all levels.

Executive level	Supporting our chief officers and Board members to ensure we are continuing to make strategic impact on being the strong green heartbeat for London **Examples:** Senior leadership strengths
Senior level leadership	Building on our senior leadership strengths, we want to ensure our programmes continue to drive success for our senior leaders and their teams from the top down **Examples:** Getting ready for senior leadership 2024 cohort / succession planning
Mid-level leadership	Continued development of our mid-level people leaders is fundamental to achieving a great place to work, including supporting those aspiring to move into senior leadership **Examples:** Leading the future group coaching programme
First people leader role	We will support colleagues and new starters in their first people leadership role with initiatives to support development of fundamental leadership skills **Examples:** Our people leader foundation/ mentoring / secondments
Development opportunities for all	**Examples:** Leading Together online learning, Our people leader self-reflection tool and toolkits, GLA mentoring programme, opportunities to sponsor and/or manage placement of graduate, apprentice or intern / Our people leader foundation

Project management

With demand for project management on the increase, we must continue to grow our skills in-house.

Aspects of project management are increasingly needed across all our roles – skills such as tracking progress towards goals, balancing priorities and managing stakeholders.

We recently became an APM corporate partner, extending our contacts with other organisations, both within and beyond the transport sector, and improving the flow of project expertise.

Transform our TfL project management community, with a focus on project managers' agility, opening access to all areas of our organisation to broaden their base of skills.

Success measures

We will achieve this by:

- Encouraging our project professionals to pursue APM qualifications and chartership

- Developing a skills and capability workstream to enable fully agile resourcing

- Aligning our graduate and apprenticeship demand to future skills needs, and engaging with employability programmes to ensure we bring in new and diverse talent

- Aligning our competency framework to the APM to ensure we are in line with industry standards and enable easier benchmarking for us and our project professionals

We will measure our progress by:

- Monitoring retention of project managers

- Developing a retention plan for our project management graduates and apprentices

Our road map

The timeline below brings together our core principles with a series of actions to ensure strategic workforce planning (SWP) is embedded across the business over the next two years

Integrated business process

Q1 2025 onwards
Pilot SWP toolkit

Toolkit to be piloted in three business areas to support the development of local strategic workforce plans.

Q1 2025 onwards
Integrate SWP process with business processes

Better oversight and control of workforce numbers to align with business needs. Improved prediction of future demand, leading to more accurate budgeting and forecasting, increasing potential savings on recruitment.

Q2 2025 onwards
Work with procurement to identify the right resourcing model

Optimised resource allocation through clear workforce and resourcing strategies.

Q3 2025 onwards
Work with recruitment and resource planning teams to support the business in managing use of contractors and consultants

Reduced reliance on contractors and consultants through better internal resource planning and management.

Data

Q4 2024 – Q4 2025

Create a clear understanding of insights on our current workforce makeup. Use these insights to develop actions

Proactive workforce planning informed by data-led insights will enable a more agile and accurate response to business needs.

Q1 2025 – Q4 2025

Enhance data quality by optimising existing data, consolidating information on constractors and consultants and incorporating supply market data

Improved data-driven decision-making, identifying workforce gaps and surpluses. Enhanced data quality and accessibility, enabling more accurate workforce reporting, forecasting, and analysis.

Q1 2025 – Q4 2025

Integrate work with the Reward team and Organisational Design to improve job role data and explore opportunities with job families

Enhanced reporting abilities to understand the skills and roles that sit across the business. Improved data quality and agility and movement of similar skillsets across the value chains.

Awareness

Q1 2025 – Q4 2025

Communications and engagement campaign, including a roadshow, to promote use of SWP and workforce dashboards to understand pipeline and areas of focus for each chief officer area

Enhanced understanding of SWP across the organisation, including understanding area-specific barriers by accessing the data available, thus driving stakeholder engagement and buy-in.

Q2 2025 onwards

Training and engagement in use of SWP toolkit and how to turn data insights into clear actions

Improved understanding of SWP practices, leading to refined recruitment processes, better alignment with business strategy, cost savings, and improved agility across the organisation.

Q4 2025 - ongoing

Align with the wider organisation design activity to support how SWP could feed into future role and structure design

Alignment of SWP initiatives with wider organisational transformation objectives, particularly around people processes.

Capability

Q3 2024 – Q1 2025
Toolkit finalised and shared with the business

Consistent tools and frameworks to support BPs in workforce planning and decision-making.

Alignment

Q1 2025
Create a clear narrative on the state of the workforce and use of contractors and consultants, and what the combined efforts of the recruitment, training and talent teams will achieve

Unified and consistent messaging and approach to workforce planning across all functions.

Q3 2025 – Q4 2025
Review recruitment policy to support tailoring employment efforts, focusing time on proactivity and reducing volume of contractors and consultants

Integrate the use of the SWP toolkit to support and tailor recruitment efforts and ensure the best route to market when a role needs filling.

Future skills

Q1 2026
Working with the business to create local workforce plans, making SWP part of business as usual

Clear, actionable workforce plans tailored to each business area, aligned with organisational goals.

Q4 2025 – Q2 2026
SWP integrated into the succession planning

Succession plans in place for all critical and hard-to-fill roles, as well as single points of failure. Inclusive of future skills requirements at both a discipline-specific and wider context level.

Q3 2026 - TBC
Recognising the decreased interest in the sector and lack of representation in STEM subjects, integrate SWP into school and young people outreach delivery, so future skills requirements are aligned

To increase awareness of TfL's future skills requirements, attracting early pipeline talent.

Appendix 2

DRAFT Strategic Workforce Planning Toolkit

2025

EVERY JOURNEY MATTERS

About this toolkit

Strategic Workforce Planning (SWP) is often defined as 'getting the right people, with the right skills, in the right place, at the right time'. It is also important to distinguish between short-term tactics (resourcing and recruitment) and long-term strategies (workforce planning).

The SWP toolkit is designed to equip the business with the necessary methodologies and guidance to develop comprehensive workforce strategies, ensuring the right mix of talent to meet current and future organisational goals, while fostering capability building across the business

Business areas across TfL are at varying levels of maturity, so they may apply the tools and guidance differently.

In this toolkit we will cover:

1 **The 5-step methodology and guidance**

There is a 5-step method to SWP, which will help you to identify areas of focus, alongside the relevant question and decision guidance.

2 **A range of tools and guidance**

A range of tools and guidance to support HR and business needs in developing Strategic Workforce Plans across the organisation.

Use the side bar to move through stages

This symbol indicates a clickable element

Contextual analysis

Current workforce

Using the data

Sourcing strategies

Written workforce plan

SWP 5-step methodology

SWP 5-step methodology

A five-step methodology has been developed by the SWP team to support HRBPs as they guide strategic workforce planning throughout the organisation.

The 5 key elements will help you to identify areas of focus and appropriate question guidance to enable the development of Strategic Workforce Plans. The approach is not necessarily linear; depending on the maturity of each business area, certain tools or guidance may not be applicable.

Data should serve as a fundamental component throughout each phase of the process.

1. Contextual analysis	2. Current workforce	3. Using the data	4. Sourcing strategies	5. Written workforce plan
Guidance includes: • The broader context	**Guidance includes:** • Gap Analysis • Demand Signalling	**Guidance includes:** • Uncovering Blockers • 101 Data Analysis	**Guidance includes:** • Build, Buy, Blend Resourcing Strategies • Sourcing strategy decision tree	**Guidance includes:** • SWP Structure Template • Aligning with broader initiatives

Contextual analysis

Current workforce

Using the data

Sourcing strategies

Written workforce plan

Contextual Analysis

Contextual analysis

Continue to section ❯

Overview: Contextual analysis

Contextual analysis involves understanding the external and internal factors affecting the organisation's workforce needs and supporting your development of strategic drivers.

External Market Analysis

- Labor Market Trends: Explore trends such as talent shortages, demographic shifts, and economic conditions.

- Industry Trends: Identify specific trends within your industry that impact workforce requirements.

- Competitor Analysis: Assess the workforce strategies of competitors and how they might affect your talent acquisition.

Internal Market Analysis

- Organisational Strategy: Align workforce planning with the organisation's strategic goals.

- Company Culture: Consider how company culture influences workforce needs and talent attraction.

- Technology and AI Impact: Evaluate how emerging technologies and the use of AI might impact current and future workforce needs.

Data considerations:

- Include real-time data on labour market trends, competitor workforce strategies, and economic indicators.
- Internal data could include organisational performance metrics, employee survey results, and company culture assessments.

Decision Points:

- What are the critical external factors affecting our workforce?

- How do internal factors align with or contradict our strategic goals?

- Do we have a clear understanding of the market dynamics?

Guidance on:

❖ The Broader Context

Click on each tool to discover what it is

The broader context

Click on each question for more information…

!

When preparing to develop a strategic workforce plan, it's essential for you to consider the broader context of your organisation and the environment in which it operates. Here are 10 key contextual analysis questions to guide thinking. **These are not exhaustive of what you can look at.**

How do political and regulatory environments impact the workforce, including labour laws, employment regulations, and government policies?

Consider the effects of changing regulations, compliance requirements, and government initiatives on workforce planning.

What are the current economic conditions, and how might they influence the organisation's workforce needs?

Assess the impact of economic trends, such as inflation, unemployment rates, and economic growth, on talent availability and cost.

What technological advancements are emerging, and how could they affect workforce roles and skill requirements?

Evaluate how automation, AI, digital transformation, and other technologies might change job functions or create new roles.

What are the current industry trends, and how they may shape the workforce?

Understanding industry trends, such as those seen in large-scale projects like HS2.

What social and cultural trends, such as shifting workforce expectations, diversity, equity, and inclusion (DEI), and work-life balance priorities, should be considered?

Analyse how changing societal norms and values might influence workforce dynamics and expectations.

What are the organisation's current and future technological needs, and how will these impact workforce requirements?

Considering the impact of technology helps in planning for new skill requirements and potential automation.

How do environmental factors, including sustainability goals and climate change, impact workforce planning?

Explore how the organisation's commitment to sustainability or environmental challenges might affect roles, skills, and workforce practices.

The Broader Context

- Political and regulatory
- Economic conditions
- Technological advancements
- Industry trends
- Social and political
- Future technology
- Workforce structure
- Environmental factors

How does the organisation's current workforce structure and capabilities support or hinder its strategic objectives?

Assessing existing capabilities helps identify gaps and areas for development in the workforce plan.

Next stage ❯

The broader context

Contextual analysis

Current workforce

Using the data

Sourcing strategies

Written workforce plan

Click on each question for more information…

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Consider t_____ and government

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What are the organisation's current and future techno_____ and how will these impact workforce re_____

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_____nvironmental factors, including sustainability goals and _____change, impact workforce planning?

_____re how the organisation's commitment to sustainability or _____vironmental challenges might affect roles, skills, and workforce _____practices.

Political and regulatory

Labour Laws and Employment Regulations: Government mandates on working hours, wages, and workplace safety directly impact workforce management, requiring organisations to stay compliant while balancing operational needs.

Union Relations: Strong unions like RMT influence workforce dynamics through negotiations, strikes, and collective bargaining, affecting staffing, pay, and working conditions in transport organisations.

Regulatory Bodies: Compliance with safety and operational standards set by bodies like the ORR and DfT demands ongoing staff training and adherence to regulations, impacting workforce strategy.

Public-Sector Funding: Budgetary constraints, especially for public entities like TfL, drive cost-saving measures, including hiring freezes and redundancies, affecting long-term workforce planning.

Brexit and Immigration Policies: Post-Brexit limits on EU workers create skill shortages, requiring a focus on developing domestic talent or recruiting from new international sources.

Next stage ›

The broader context

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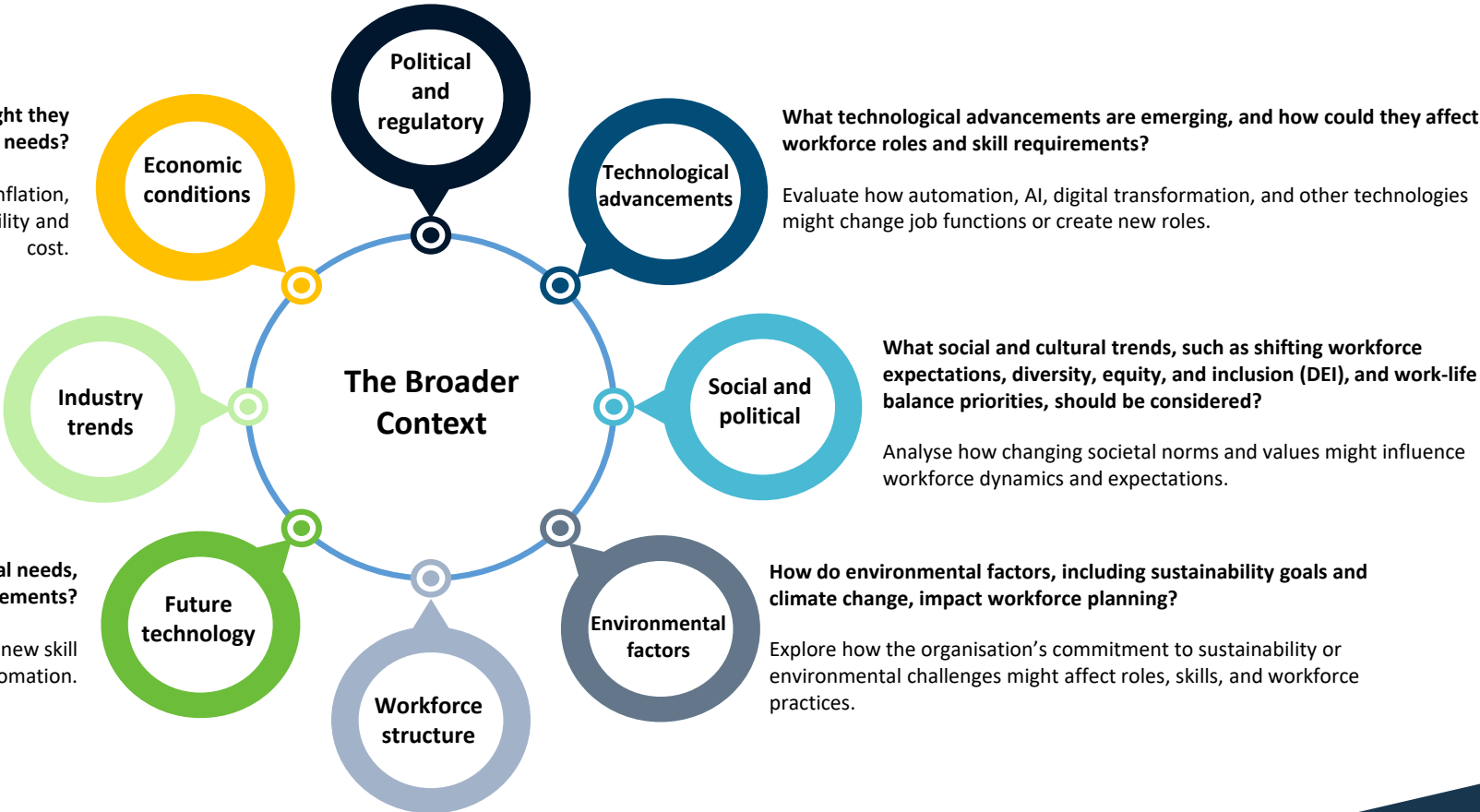
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Considering the impact of technology helps in planning for new skill requirements and potential automation.

How do environmental factors, including sustainability goals and climate change, impact workforce planning?

Explore how the organisation's commitment to sustainability or environmental challenges might affect roles, skills, and workforce practices.

The Broader Context

- Political and regulatory
- Technological advancements
- Economic conditions
- Social and political
- Industry trends
- Future technology
- Workforce structure
- Environmental factors

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Assessing existing capabilities helps identify gaps and areas for development in the workforce plan.

Next stage

The broader context
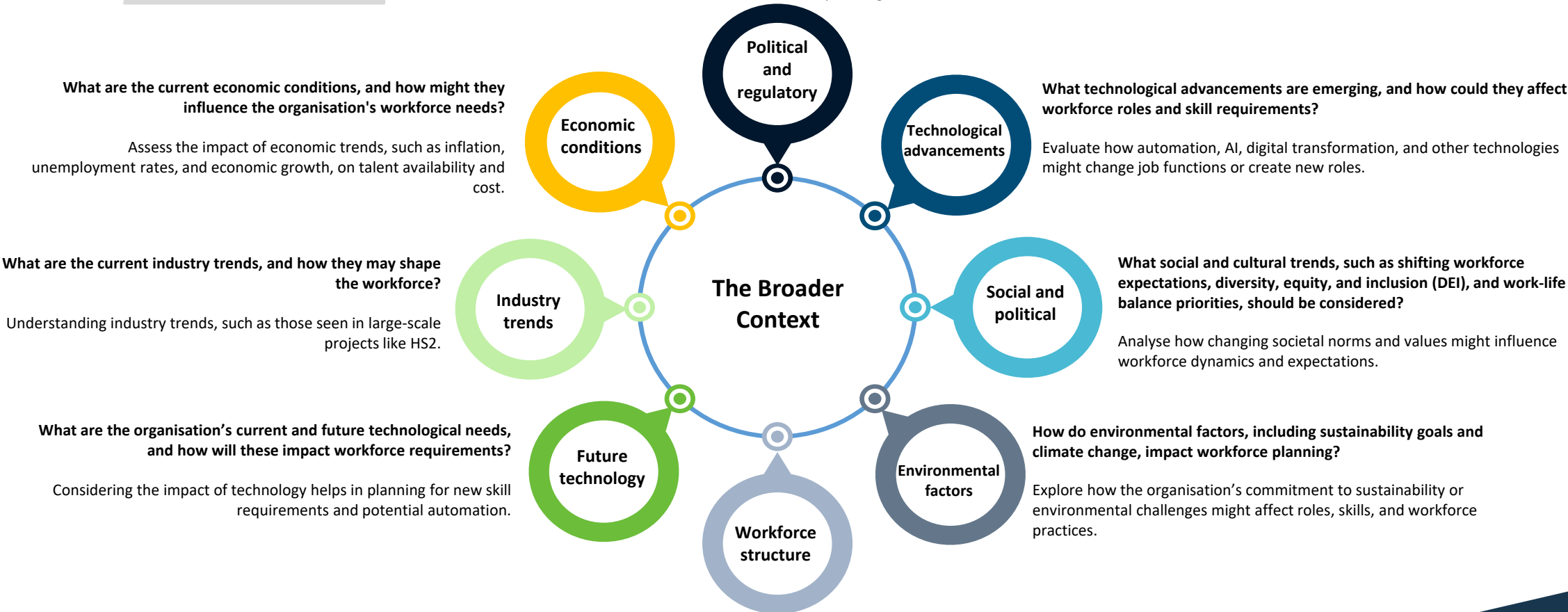
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Technological advancements

Technological advancements are reshaping the transport workforce:

Automation & AI: Reducing operational roles but increasing demand for AI, system maintenance, and data specialists.

Digital Twin Technology: Virtual models of transport systems require skills in data integration and predictive analytics.

IoT: Increased use of sensors in fleet management calls for expertise in real-time data analysis and system integration.

Electrification: Growing need for skills in electric vehicle tech, charging infrastructure, and smart grids.

Big Data: The rise of data in operations will require skills in data science, analytics, and cybersecurity.

Upskilling in digital literacy and engineering is crucial.

To see how TfL are progressing with our data strategy follow

[this link](#).

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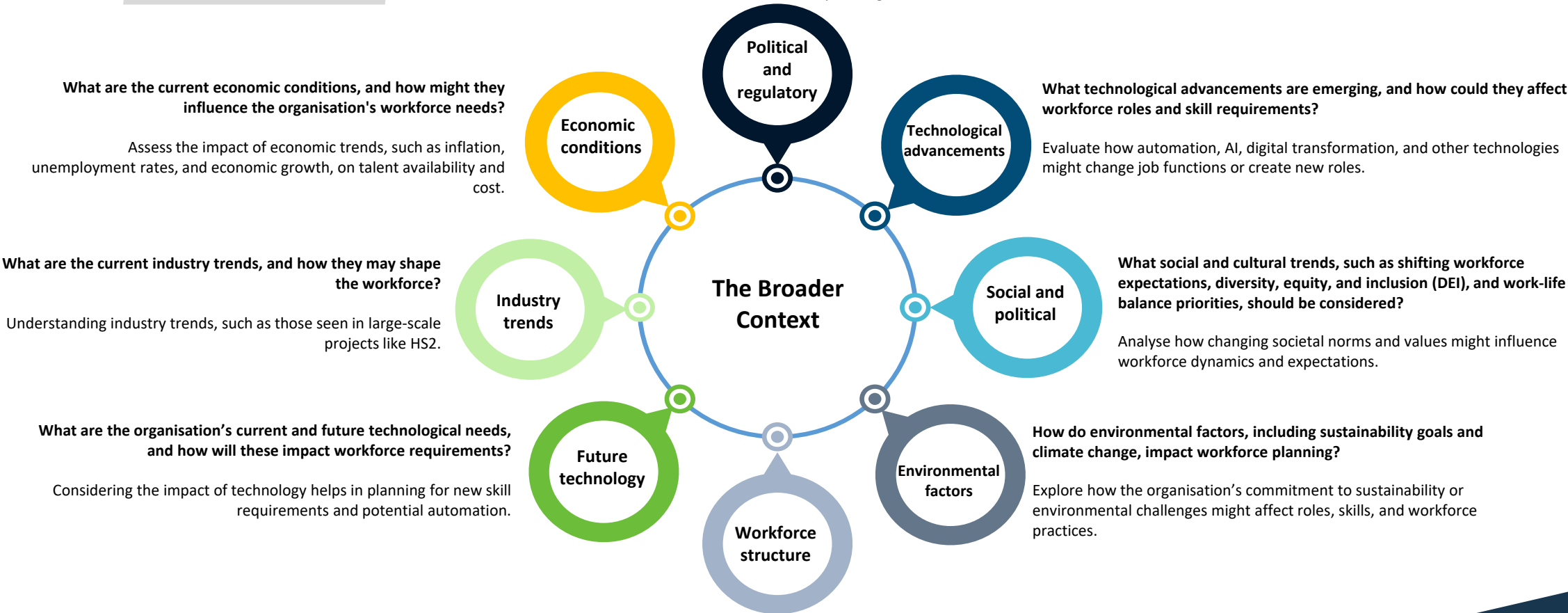
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Social and political

Changing Demographics: Aging population and urbanisation demand more accessible, reliable transport.

Public Expectations: Increased focus on safety, convenience, and affordability puts pressure on service standards.

Regulation & Policy: Government policies on decarbonisation and sustainability are shaping infrastructure projects and investment in green transport.

Labour Laws: Stricter employment laws and union activities in the UK transport sector affect workforce planning and management.

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Contextual analysis

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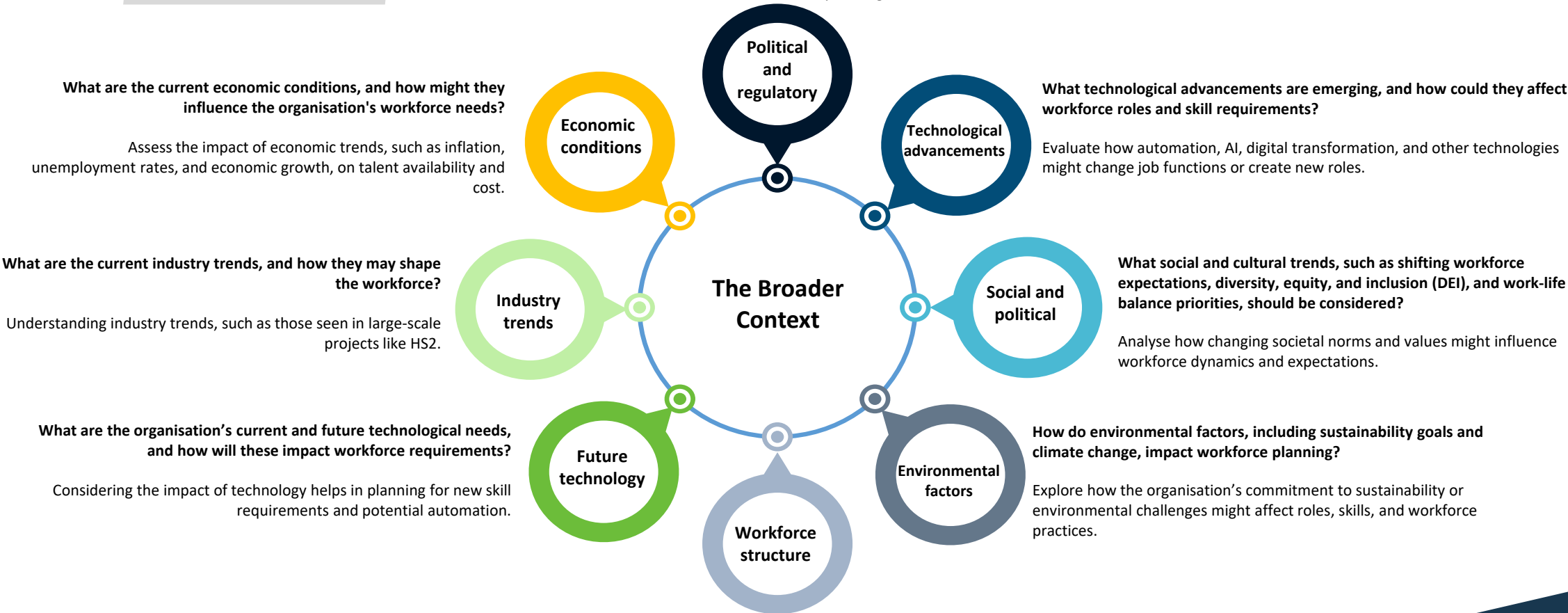
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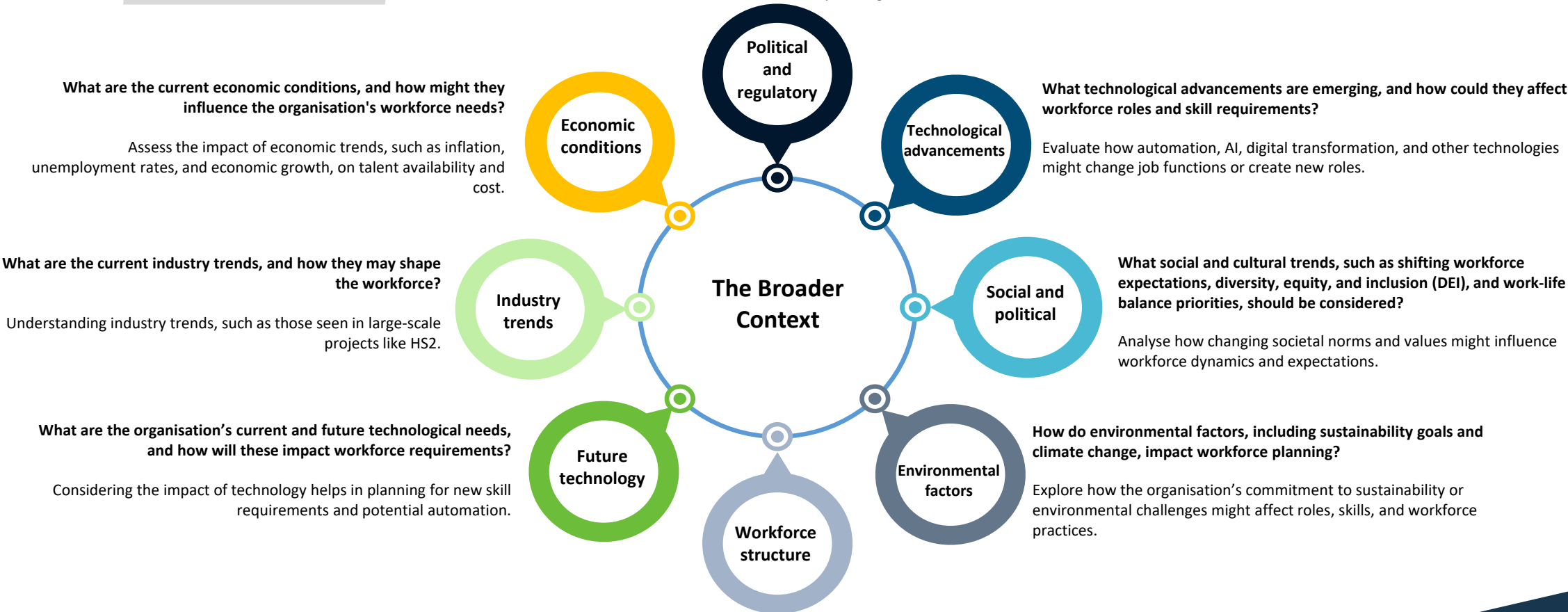
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Environmental factors

Green Initiatives: As government policies push towards decarbonisation and more sustainable transport solutions, the workforce in transport organisations must adapt. This may involve reskilling for roles in electric vehicle maintenance, infrastructure for green transport options, and compliance with environmental regulations.

Climate Regulations: Growing pressure to reduce emissions and invest in greener technologies like electric buses and rail.

Sustainable practices: Companies are expected to adopt sustainable practices to align with government targets and public demand.

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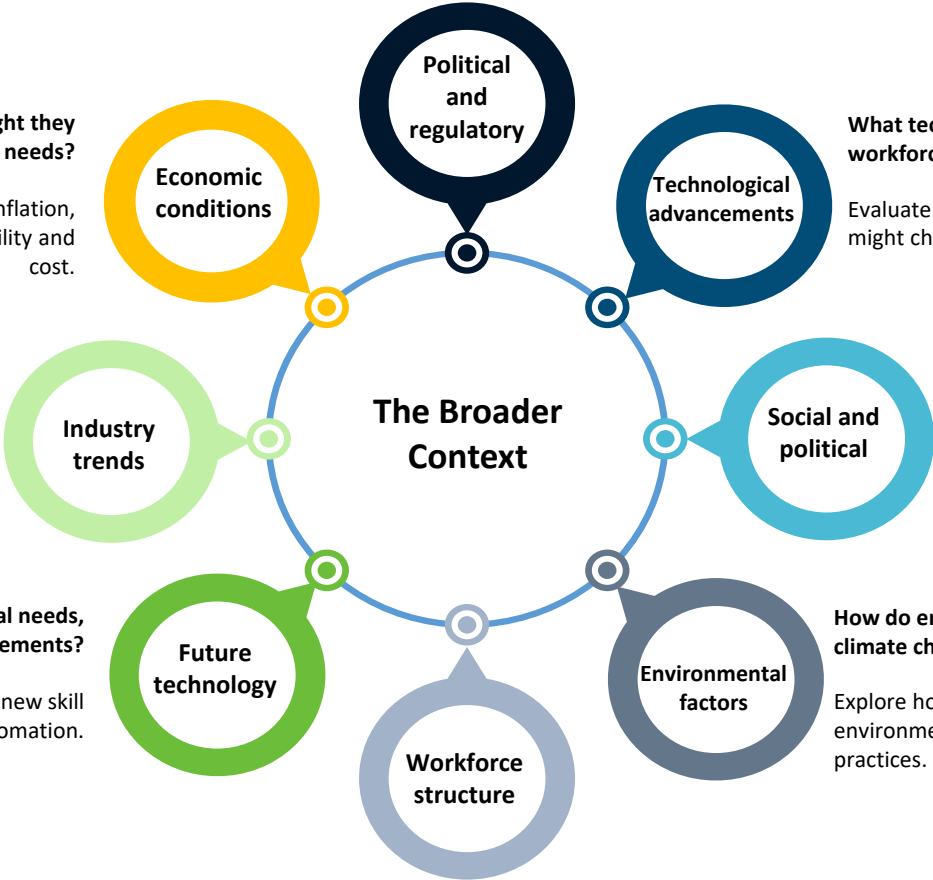Understanding industry trends, such as those seen in lar... projects l...

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Workforce structure

Assessing existing capabilities helps identify gaps and areas for development in the workforce plan.

1. Are the right skills in the right places?
2. Is the workforce adaptable to change?
3. Are we prepared to upskill or reskill where necessary?
4. Are current roles and responsibilities aligned with strategic priorities?
5. to support strategic execution, and do they have the capabilities to drive transformational change?
6. Is our workforce size optimal for future growth?

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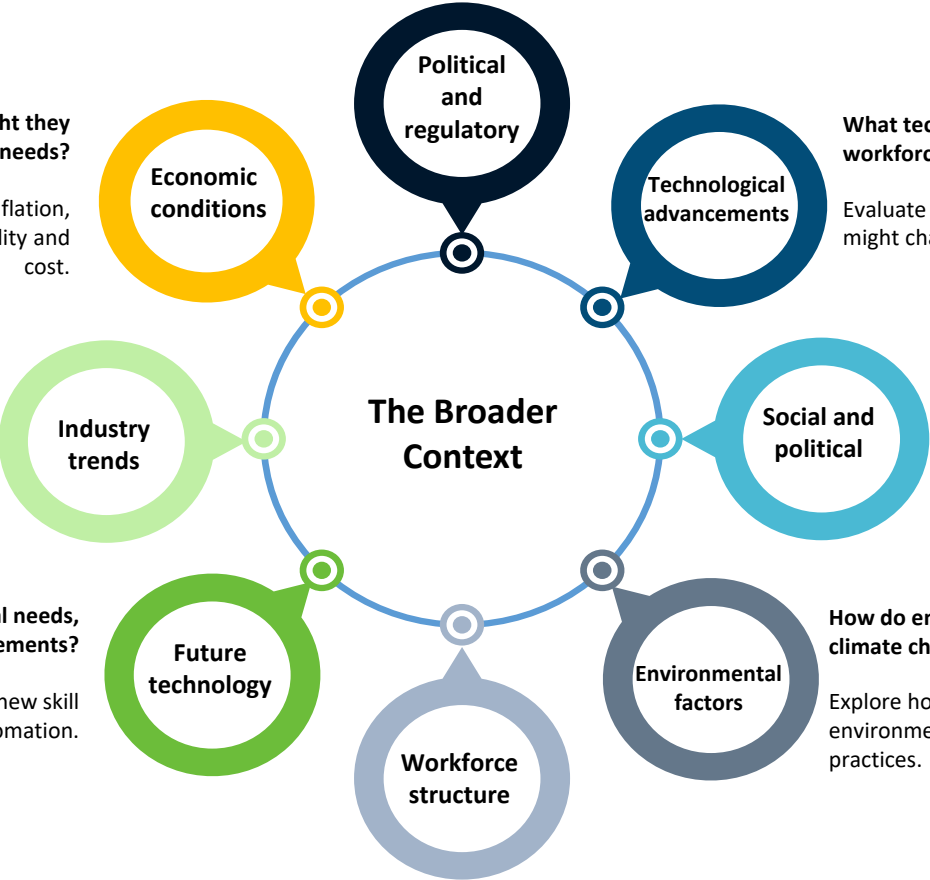
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Future technology

When considering the impact of technology, it directly helps organisations plan for new skill requirements and potential automation in several ways:

Skill Shifts: As technology evolves, workers will need new skills, such as data analytics, AI, and digital maintenance, to manage automated systems and digital platforms.
Automation of Routine Tasks: Routine or repetitive jobs, like ticketing and scheduling, are prime candidates for automation. This frees up employees for more complex, strategic roles, but requires re-skilling.
Cross-Disciplinary Expertise: New technologies often demand multi-skilled employees who can bridge traditional roles (e.g., engineers who understand software development).
Adaptability & Training: Workforce planning must include provisions for continuous learning and development so employees can adapt to rapid technological changes.

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Industry trends

Infrastructure Investment: Large projects like HS2 and Crossrail are increasing demand for specialised skills, making upskilling and reskilling essential for future workforce needs.

Sustainability Push: There is a growing emphasis on electrification and green transport initiatives, with organisations focusing on reducing carbon emissions and investing in renewable energy technologies**.**

Skills Shortage: There is a current shortage of critical skills, especially in engineering and digital, intensifying competition among transport companies for top talent.

Changing Regulations: New safety and environmental regulations are impacting operational standards, requiring companies to adjust their workforce strategies and compliance training.

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Central diagram nodes:
- Political and regulatory
- Economic conditions
- Technological advancements
- Industry trends
- **The Broader Context**
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- Future technology
- Workforce structure
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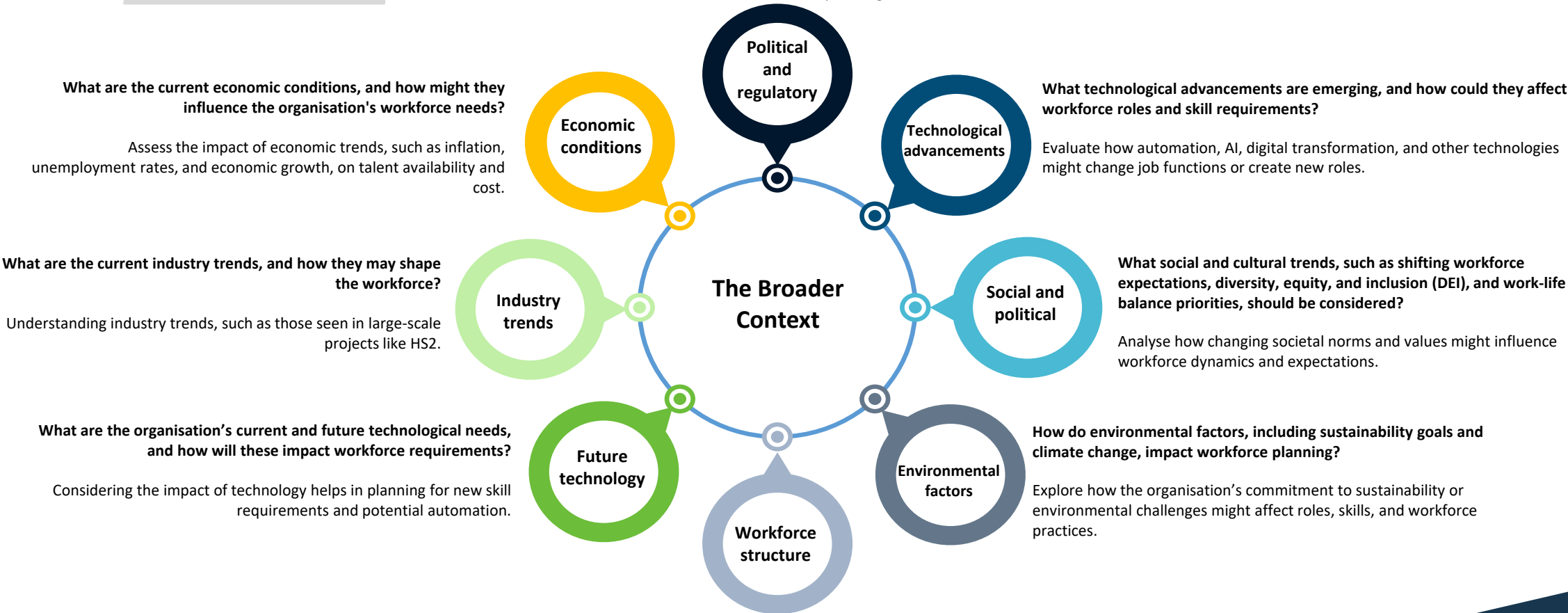Click on each question for more information…

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Economic conditions

When considering the current economic conditions and their influence on the transport industry's workforce needs, a few key factors stand out:

Inflation and Rising Costs: With rising inflation and operating costs, transport organisations may face budget constraints. This could lead to cost-cutting measures such as hiring freezes or reduced investment in skills development.

Labour Market Shortages: The transport sector is facing shortages in critical roles like drivers, engineers, and technical staff. Economic uncertainty could exacerbate these shortages.

Post-Pandemic Recovery & Demand Fluctuations: Unpredictable passenger numbers and freight demands can lead to fluctuating workforce needs.

Government Spending & Infrastructure Investment: Economic conditions can influence government spending on transport infrastructure. Reduced investment in large-scale projects could affect long-term hiring and the demand for specialised skills.

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Diagram — **The Broader Context** (central node) surrounded by:
- Political and regulatory
- Technological advancements
- Economic conditions
- Social and political
- Industry trends
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- Future technology
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Current Workforce Assessment

Overview: Current Workforce Assessment

Workforce Assessment focuses on understanding the current workforce, identifying skill gaps, and analysing future needs.
The SWOT grid below is a good way to summarise the workforce assessment of TfL:

Strengths

Workforce dashboard: a detailed workforce dashboard exists, including age, tenure, and diversity, with ability to create data visualisations.

Strong recruitment: a positive employer brand, attracting a large pool of candidates.

L&D programmes: helps retain employees and foster continuous growth within the organisation.

Weaknesses

No skills taxonomy: skills are currently recorded sporadically across the business.

Data analysis: whilst a workforce dashboard exists, the ability to analyse and take data insights can be improved.

Enhanced succession planning: increased succession planning needed to ensure future leadership and critical roles are filled.

Opportunities

Catalogue the skills: create some loose job families, grouping by grade or reporting line.

Data integration: Integrate the workforce dashboard and recruitment dashboard.

Threats

Competition for skills and experience: intense competition from the transport sector and adjacent industries.

Shift in employee expectations: remote working and flexibility are now more important to people than ever.

Gap Analysis

Current vs. Future Needs: Compare existing skills with what will be needed in the future, where training or development can bridge skill gaps or external hiring is necessary**.**

Demand Signalling

Proactive Resource Allocation: Demand signalling helps identify future workforce needs by forecasting changes in demand for skills and roles

Guidance on:

❖ Gap Analysis

❖ Demand Signalling

Click on each tool to discover what it is

Sidebar navigation:
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Gap Analysis

Conducting a gap analysis allowed you to understand where you may have challenges to key skills or roles within the organisation. There are several ways you can support teams to do this.

1 Interviews

You can use interviews to get a more personal understanding of current skill or workforce gaps in particular professions. **This should be supplemented with data.**

See example questions that you could help guide people with:

1. What are the greatest immediate concerns that you have for your workforce?
2. What are your top key critical roles that are required to operate effectively? Are you expecting these to change in the next 2-3 years?
3. Implications for sourcing: How do you deal with shortages in the skills you have in your workforce?
4. Are there high-risk roles that you have that are either a single point of failure, one deep or a niche skill that is particularly difficult to recruit? What are the implications on succession planning?
5. What opportunities do you have for keeping up with changes in workforce trends in the work that you do?
6. What is the impact of the financial boundaries placed on you?

2 Analysing the data

You can analyse the Workforce data available across various sources. This will help:

i) Identify the skills gap and vulnerabilities

ii) Assess where the recruitment pipeline or gaps in roles are

See 'Using the data' for a more detailed guide to analysing data.

Demand Signalling

Contextual analysis

Current workforce

Using the data

Sourcing strategies

Written workforce plan

Is there a clear understanding of future workforce demand?

Yes

No

No immediate resourcing or training required. Monitor for changes in demand.

Yes

Do current workforce skills match the anticipated demand?

No

Refer to the broader context, conduct horizon scanning and identify future workforce needs.

Initiate workforce training programmes to address the gaps.

Yes

Can the skill gap be filled through training?

No

Plan for external recruitment to meet workforce demand; use the sourcing strategies to determine.

Yes

Is external recruitment a viable solution to meet demand?

No

Is the current workforce capacity sufficient for the forecasted demand?

No

Evaluate workforce resourcing options (temporary hires)

Consider alternative strategies (refer to the BBB sourcing strategy approach)

Maintain current staffing levels but review regularly.

Next stage

Using the data

Overview: Using the data

Analysing workforce data, including identifying and analysing knowledge, skills, abilities and talent profiles, as well as turnover rates and other factors such as employees' views on job security, satisfaction and intention to leave, gender split; age profile; skills audit; grade distribution; succession plans, is fundamental to creating data driven strategic workforce plans and decisions.

Decision Points:

- Based on the data, determine where there are significant gaps between the current skill set of the workforce and the skills needed to meet future business objectives.

- Decide if you need to adjust staffing levels, redistribute tasks, or implement efficiency improvements to align workforce capacity with business needs.

- Use data on employee satisfaction, turnover rates, and succession plans to evaluate the risk of losing key talent. Decide on targeted retention strategies, such as enhanced career development opportunities or adjustments to compensation packages, to mitigate these risks.

Guidance on:

- ❖ [101 Data Analysis](#)

- ❖ [Uncovering blockers](#)

- ❖ [Data Exploration](#)

Click on each tool to discover what it is

101 Data Analysis ❯

101 Data Analysis

Conducting data analysis is crucial to understanding your current workforce, and where resource strategies will be required. The steps below outline five-distinct steps to follow when looking at the workforce data.

Collect the relevant data

e.g. workforce demographic, performance data, survey results

Decide on the right method of analysis

e.g. trend, predictive

Analyse and present

e.g. a dashboard or report

Define the challenge or assumption you would like to address

e.g. employee numbers, skill set

Determine the action

e.g. resourcing strategies

03
02
04
01
05

Workforce Analysis

!
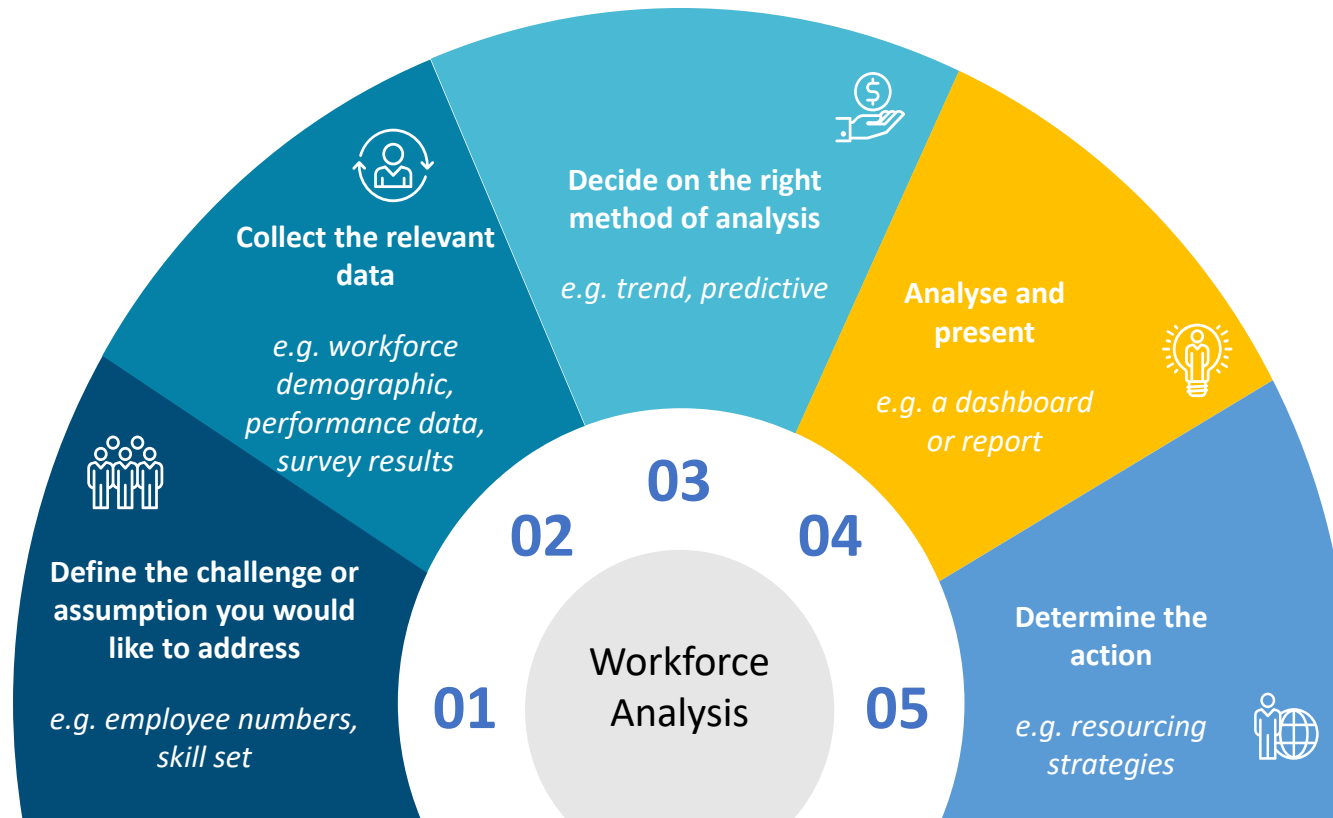
Why is using data so important?

- Improved decision-making

- Enhanced employee experience

- More cost-effective business practices

- Greater understanding of future workforce needs

- Better alignment between HR and company goals

Uncovering blockers

Contextual analysis

Current workforce

Using the data

Sourcing strategies

Written workforce plan

! Asking a set of direct, detailed questions, whilst using the workforce data from both the workforce dashboard and SmartCore, will help uncover any blockers or issues that may need attention prior to resourcing.

Skills
- Is your skills mix about to change?
- Are career pathways accessible?
- Do you need to prioritise where your skills focus is?
- Do you know what your critical roles are?

Recruitment
- Do you have an overreliance on professional services and contractors?
- Do you need to focus on D&I?
- Are you struggling to recruit into key roles?
- Do you need to focus on early talent?

Focus on 1-3 key considerations from any area that can improve how you forecast your workforce demand using data
- Does your workforce data need update?
- Do your line managers need upskilling?
- Do your team leaders need to strengthen accountability?
- Does your team understand it's strategic objectives?

Organisation Design
- Do you have a spans and layers challenge?
- Are there any projects ending resulting in post reduction?
- Do you need to reduce role variation?
- Are you changing location?

Retention
- Do you have an overtime issue?
- Do you have high churn issues?
- Do you need to better focus L&D?
- Do you have an ageing workforce?

Data Exploration

Data Exploration

These questions prompt thinking around critical aspects of the workforce. By aligning workforce capabilities, identified through the data, with business needs, they support more informed decision-making in SWP.

Questions	Data
Current and Future Business Demands • What are the current and future business demands? • How do our workforce capabilities align with future demands?	• Projected revenue growth (%) over the next 5 years. • Expected increase/decrease in workforce size (headcount %) • New project/work pipeline
Skills and Abilities • What essential skills are required for success? • Are there new skills needed due to industry changes?	• Percentage of workforce with critical technical skills (%) • Skill gap percentage in high-demand areas (e.g., AI, data analytics) • Training hours per employee per year
Talent Profiles and Succession Planning • What is the current talent profile for key positions? • Do we understand our top talent's strengths and development needs? • What are the risks of key personnel departures?	• % of roles with ready successors • Internal promotion rate (%) • Average time to fill critical leadership roles (months)
Workforce Demographics and Diversity • What is the gender and age profile of our workforce? • How does the grade distribution align with organisational needs?	• Age distribution: % of workforce over 55 (retirement risk) • Gender and ethnic diversity ratio (% in leadership positions) • Turnover rate (%) by demographic group.
Workforce Stability and Risk Management • How secure do employees feel in their roles?	• Overall employee turnover rate (%). • Percentage of key positions with identified risks (e.g., single points of failure) • Average employee tenure (years)
Strategic Alignment • Is the workforce aligned with strategic goals? • Are workforce initiatives adaptable to changing business needs?	• Percentage of workforce aligned with future strategic priorities (via surveys) • Resource allocation to strategic initiatives (% of workforce in key areas) • KPI achievement rate (%) for key strategic goals.

! This is not an exhaustive list of data points, but good examples of where to look across the Workforce Dashboard and SmartCore.

Contextual analysis

Current workforce

Page 66 Using the data

Sourcing strategies

Written workforce plan

Next stage

Sourcing Strategies

Overview: Delivering Sourcing Strategies

There are many options to fulfil TfL's short- and long-term resourcing challenges. Our approach is grounded in the *'Build, Buy, Borrow'* (BBB) framework.

Build, Buy, Borrow Resourcing Strategies

By using the BBB framework, we can identify the most effective resourcing strategy for specific resourcing challenges across the organisation, ensuring we make informed decisions on whether to develop internal talent, hire externally, or bring in temporary expertise.

The optimum mix of employed and contingent labour allows companies to better align the interests of their talent with the interests of their company, maximize the talent market in all its forms for the right roles and improve their ability to expand and contract their workforce with changing market and economic trends.

Decision Points:

- Determine whether to invest in long-term training and development programmes to build the necessary skills internally.

- Assess whether future business demands require acquiring specialized skills or leadership capabilities that cannot be developed internally in the needed timeframe.

- Evaluate the potential need for temporary and contract workers to address fluctuating demands or rapidly changing skill requirements over the next 10+ years.

Guidance on:

❖ [Build, Buy, Blend Resourcing Strategies](#)

❖ [Sourcing Strategy Tree](#)

Click on each tool to discover what it is

BBB Strategies

Template: Build, Buy, Blend Resourcing Strategies

Sourcing Strategy	Description	Why would this be appropriate?
BUILD	Focus on developing and upskilling the existing workforce to meet capability requirements	• Where the resource currently exists and focus needs to be on the development of this workforce through training and knowledge transfer so that they can meet the needs of the future • A build strategy assumes that the resource currently has the foundation capability (entry level requirements) and it is a case of developing them further within role and along a development pathway
BUY	Permanent recruitment for long term skill and talent requirements	• Where demand outweighs supply and there is the need to fill the gap with FTE resource • Where the specific skillset is available externally for critical capabilities
BORROW	Leveraging contingent or contract talent for urgent or temporary needs.	• Where expertise exists elsewhere which can support knowledge transfer • Where expertise exists elsewhere and could plug a gap in immediate term whilst right skillset is recruited internally • Likely to be transport or industry specific external consultancies • Consider the benefits to the other organisation secondment relationships
BLEND	A hybrid approach that combines both building internal talent and buying external expertise	• If there are critical roles that require immediate expertise from outside while also developing internal talent for future needs. • When maintaining a strong internal culture is important, but external innovation and fresh ideas are also needed. • To manage risks by not over-relying on either internal development or external hiring.

Sourcing Strategy Tree

Sourcing strategy decision tree

It has been identified this skill is required over the long-term- Has recruitment in the last year been successful for this skill?

Contextual analysis

Current workforce

Using the data

Sourcing strategies

Written workforce plan

Key:

BUILD

BUY

BORROW

BLEND

! The following questions act as a guide in conjunction with the sourcing strategy recommendations for a specific role or skill.

Yes

BUY: run individual or bulk campaign depending on number of roles required

One off

Do you need this skill as a one off or do you need to build a pipeline?

Pipeline required

BLEND: building internal talent and buying external expertise.

Yes

Is there a large proportion of this skill within the contingent labour pool?

No

BUY: Run rolling campaign to secure pipeline

No*

Are there lower grades within the workforce that could be upskilled to fill skill gap?

Yes

BUILD: build junior cohort through development and learning

No

Are there partnerships already established to get the skill?

Yes

BORROW: align with partnership to secure skill

No

Are there established connections with other departments or industry to access skill?

Yes

BORROW: temporarily second in from other departments

No

Could the role or part of the role be automated to cover the skill required?

Yes

BUY: Run rolling campaign to secure pipeline OR technology

No

Is there a scheme available to re-skill members of the current workforce interested in developed the skill?

Yes

BUILD: build junior cohort through development and learning

No

BUY: Explore options to pursue Contingent Labour or Professional Services

*
Evidence shows recruitment has been attempted within the last two years and was unsuccessful

Next stage

Written Workforce Plan

Overview: Written Workforce Plan

A Written Workforce Plan serves to translate strategic insights and workforce analysis into concrete, actionable steps. This phase involves the detailed formulation of specific initiatives and interventions to address identified workforce gaps, align talent supply with future organisational needs, and ensure a resilient and capable workforce. It is essential to align with other programmes and processes, to ensure the strategic goals of TfL are met in cohesion.

Decision Points:

- Determine the primary objectives for the SWP. Who is the plan aimed at? What are the strategic and financial goals?

- Identify who you will need input from to carry out the action plan and recommendations cited in the SWP. This may include the finance team, resourcing, or other business areas.

- Metrics and monitoring are essential for the successful long-term implementation of working force planning capability. Key performance indicators (KPIs) might include employee turnover rates, time-to-fill positions, and employee satisfaction scores.

Guidance on:

❖ SWP Structure Template
❖ Aligning with broader initiatives

Click on each tool to discover what it is

SWP Structure Template

SWP Structure Template

A full SWP Structure Template can be found here:

The template includes the below structure, including prompts:

1. Executive Summary

2. Stakeholders Involved

3. Contextual Analysis and Strategic Drivers

4. Current Workforce (Supply, Gap and Demand Analysis)

5. Using the Data

6. Delivering Sourcing Strategies

7. Monitoring and Evaluation

Contextual analysis

Current workforce

Using the data

Sourcing strategies

Written workforce plan

3. Contextual Analysis and Strategic Drivers

Short and long-term organizational goals

Specific workforce challenges the organization is expected to face in the short and long-term

Challenges in emerging market, economic, and political environment

Upcoming legislative, policy, or regulatory changes that may affect organization

Gap Analysis

Describe the gaps between your workforce supply and workload demand

Identify what gaps are most critical considering the strategic goals

Prioritize the gaps in terms of what to address first, second, third, etc.

Identify which gaps are most difficult and

Aligning with broader initiatives

Aligning with broader initiatives

Aligning Strategic Workforce Planning with broader business objectives ensures that the workforce is positioned to support long-term goals. It helps anticipate future talent needs, optimise resource allocation, and ensure that staffing decisions are directly linked to achieving business outcomes. This alignment enhances agility, fosters proactive planning, improves talent retention, and maximises operational efficiency, ensuring the organisation can respond effectively to changes in market demand or strategic direction.

Broader initiatives

Graduate, Apprentice and Internships:
These schemes can fulfil a long-term pipeline of talent, careful consideration should be given to the type of skillset you will need over the next 3-5 years.
Graduate and undergraduate schemes (sharepoint.com)

Employability Programmes
Our programmes offer access to skills, training and experience to support individuals with their education and entrance or re-entrance into the workforce. They are offering an opportunity for us to diversify our workforce and help individuals who face barriers into employment.
Employability Outreach (sharepoint.com)

Succession Planning and Knowledge Transfer
With retirement as a key organisational risk ensuring we have a pipeline and a plan for retaining the knowledge and skills we have are key.
Succession Management (sharepoint.com)

People and Remuneration Committee

Date: **24 February 2025**

Item: **Performance, Readiness and Development**

This paper will be considered in public

1   Summary

1.1   This paper provides an overview of TfL's performance and talent development frameworks and improvements being planned for 2025/26.

2   Recommendation

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

3   Background

3.1   TfL's approach to performance and talent development supports our goal to be a great place to work for everyone to thrive so we attract, retain and develop colleagues with the skills to achieve their career ambitions.

3.2   Building a strong culture of good people leadership across the organisation, where colleagues and leaders have regular, open, honest, quality on their (and their direct reports) contribution to our overall success, development, career aspirations and wellbeing.

4   Performance Management

4.1   The management of performance is a year-round process (April to March). It is based on clear and measurable objectives, continuous quality conversations between people leaders and their team members.

4.2   A key enabler is our HR system; 'myJourney', where colleagues capture objectives, record achievements, monitor progress, request and give feedback, and set development objectives.

4.3   In April, people leaders work with their team members to review and identify performance objectives for the coming year aligned to our strategies, and business priorities. These are reviewed and updated throughout the year.

4.4   At the end of the performance year in March, people leaders and team members will have conversations to recognise colleagues' overall contribution, summarise achievements and review feedback from stakeholders on delivering against our values.

4.5   End of year conversations also allow for the assignment of overall performance ratings based on evidence and agreed between people leaders and their team members.

4.6   Performance ratings are applied to those eligible for pay for performance , and Senior Manager Reward Framework. The current rating scale is based on the following descriptors: I am: 'Supported', 'Succeeding', 'Advancing', and 'Exceeding'.

4.7   Year-on-year feedback and progress on this approach is captured, reviewed and underpins continuous improvements. Feedback from last year suggested we need to streamline our performance ratings with potential changes planned for 2025/26. The emphasis, however, remains on people leaders maintaining regular, open, honest, quality conversations about performance throughout the year.

5   Readiness and Talent Development

5.1   Talent Development in TfL is based on the principle that everyone is 'talent' and that development is key to everyone's success regardless of their career ambitions.

5.2   Our 'Readiness' approach is based on three statuses: 'Strengthen', 'Stretch', or 'Move'. Employees determine their own readiness status based on their ambitions, personal drive, and circumstances at any given time.

5.3   Colleagues can update their readiness status and have a career development conversation with their people leader at any time throughout the year.

5.4   A colleague's readiness can then inform their development plan and what activities or training a colleague would need to make the next step in their career; be that strengthen or stretch in their current role, or move roles to gain broader skills, knowledge and experience.

5.5   Information and subsequent development objectives are captured in myjourney.

6   Succession Planning

6.1   The outcomes of end of year performance and readiness discussions inform our Succession Planning. Introduced in 2023, this process initially focussed on identifying 'critical' and 'hard to fill' roles, as well as successors for senior leadership positions.

6.2   People leaders regularly identify successors by analysing performance and readiness data, considering the current and future requirements of the role and assessing the employment market.

6.3   Potential successors are categorised into three groups:

    (a)   emergency cover or 'Caretaker';

    (b)   'Ready Now' – with 0-12 months; or

    (c)   'Ready Soon' – within one-three years.

6.4   Discussions on performance and career development, along with the identification of successors, help shape development objectives, which are recorded in myJourney.

6.5   The outcomes of these discussions also inform our future skills and development needs, talent pipeline and contributes to local strategic workforce plans.

List of appendices to this report:

None

List of Background Papers:

None

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People and Remuneration Committee

Date: 24 February 2025

Item: Performance Awards 2025/26

This paper will be considered in public

1 Summary

1.1 This paper proposes the continuation of performance award schemes for senior management (Commissioner, Chief Officer, Director and payband 5 and 4 Senior Managers) for the performance year 2025/26.

1.2 Performance awards are a vital part of TfL's total remuneration package for senior management, supporting our ability to attract and retain essential talent within the organisation.

1.3 TfL's performance award schemes play a crucial role in driving high performance across the organisation. By directly linking rewards to business performance, as reflected in our scorecards, these schemes emphasise the key priorities in delivering the Mayor's Transport Strategy and unify senior management in delivering our critical goals. They ensure that rewards are commensurate with the level of success achieved, providing a fair and value-for-money approach.

1.4 The Committee is asked to endorse the proposal to maintain performance award schemes for senior management for the 2025/26 period, including the continuation of a financial criterion. It is proposed to maintain performance award schemes for TfL employees in paybands 1-3 for the 2025/26 performance year, under the TfL Pay for Performance framework, with the continuation of a financial criterion.

2 Recommendation

2.1 **The Committee is asked to note the paper and endorse the proposal to maintain performance award schemes for senior management for the 2025/26 period, including the continuation of a financial criterion.**

3 Background

3.1 For the performance year 2025/26, three performance elements will be used to determine performance award outcomes:

   (a) TfL's performance against the critical priorities outlined in the business scorecards;

(b)   individual contributions to these priorities, as defined by a performance rating; and

(c)   the 'financial criterion'.

3.2   The financial criterion is an overarching financial performance condition, separate from the annual scorecard and individual performance rating conditions, integrated into all our performance award schemes.

3.3   The financial criterion has no bearing on the calculation of annual performance award budgets or individual awards but serves as a condition that determines whether the process for calculating performance-based awards should proceed.

3.4   If the financial criterion is met, the actual budget amount (up to a prescribed maximum) is determined based on a one-year performance period using TfL's annual business scorecard results. Individual performance awards are then calculated by applying a fixed multiplier to each performance rating against the calculated budget. This ensures that everyone with the same performance rating receives the same percentage performance award. Monetary values are determined as a percentage of base salary.

3.5   If TfL meets the financial criterion by 1 April 2026, and successfully delivers against the TfL scorecard, performance awards for the 2025/26 performance year will be paid during 2026/27.

4   Proposed Annual Scheme Design 2025/26

4.1   It is proposed that for the 2025/26 performance year, the performance award schemes continue to operate with a financial criterion. For 2024/25 the requirement was for TfL to achieve an operating surplus of more than £0. The financial criterion for 2025/26 will be established once the scorecards for 2025/26 are finalised.

4.2   In 2024, the TfL Executive Committee agreed that, at Chief Officer and Director levels the single TfL scorecard will be used, with all performance awards calculated 100 per cent based on the TfL scorecard result.

The TfL Executive Committee is currently considering the approach to calculating senior manager performance award budgets aligned to business scorecards for 2025/26. The Committee will be updated on any decision to change the current methodology.

Individual contribution, measured through personal performance ratings, will then determine the actual percentage performance award individuals receive from the available budget.

4.3   The scorecard thresholds will remain as below:

(a)   60 per cent – minimum threshold;

(b)   75 per cent – on target threshold;

(c)   100 per cent – maximum.

4.4   All scheme documents and business rules will be updated to reflect the changes to scorecard alignment and the financial criterion for 2025/26.

4.5   We also intend for all other performance award arrangements, including individual performance arrangements and performance awards under the Pay for Performance framework, to maintain the same financial criterion as our senior management schemes.

4.6   For 2025/26 performance year onwards, the TfL Executive Committee has agreed to transition from the existing four-point rating scale to a three-point scale. This change is in response to feedback received from colleagues and aims to further streamline the process.

4.7   The calculation of the budget for performance awards will remain unchanged. However moving to a three-point scale will require rebalancing the distribution of awards resulting in less differentiation between the middle and highest rating and increased averaging of award outcomes across these ratings. While this simplifies the process, there is some risk that it may demotivate the highest performers who might expect a more leveraged level of award.

4.8   Ensuring a reasonable distribution of ratings, in line with the 'anticipated distribution' that we communicate, is key to ensuring we reduce the averaging impact of having fewer ratings and are able to provide meaningful differentiated reward outcomes for each rating.

4.9   Indicative matrices for senior management, aligned to the new rating scale and based on anticipated ratings distribution, will be shared with employees and the Committee when the 2025/26 scheme is communicated.

List of appendices to this report:

None

List of Background Papers:

None

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People and Remuneration Committee

Date: **24 February 2025**

Item: **Executive Committee Remuneration Benchmarking**

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This paper will be considered in public

1 Purpose

1.1 This paper provides the Committee with an updated benchmarking report for TfL's Executive Committee roles for 2025.

1.2 The Committee is provided with the report to support their decision making on individual pay positioning as part of the Annual Pay Review process for 2025 and for any ad hoc pay positioning decisions required during the year.

1.3 The full benchmarking report is included on Part 2 of the agenda, which contains 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 or business affairs of TfL. Any discussion of that exempt information must take place after the press and public have been excluded from the meeting.

2 Recommendation

2.1 **The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda and provide their observations and feedback in relation to the report.**

3 Background

3.1 The Reward team has worked with Willis Towers Watson (WTW) to agree the benchmarking methodology and define the peer groups for both the private sector and the publicly accountable groups used in the report.

3.2 Appendix 1 provides an introduction and outlines the methodology underpinning the report, the background and market context along with information detailing the peer groups and long-term incentive valuation methodology. The full benchmarking report is included on Part 2 of the agenda.

3.3 The report surveys remuneration under the following elements:

(a) Base Salary;

(b) Total Target Annual Compensation (base salary + on-target bonus + individual retention arrangements where applicable);

(c)   Total Target Direct Compensation (base salary + on-target bonus + retention + expected value of Long-Term Incentive (LTI) awards); and

(d)   Total Target Remuneration (base salary + on-target bonus + retention + expected value of LTI awards + benefits + pension).

3.4   Defining the market, i.e. the 'peer group' of businesses and organisations that are appropriate to compare against, is critical in formulating the report as it has a significant impact on the benchmarking results that are derived.

3.5   The benchmarking report for Executive Committee roles was last produced in full in February 2024.

4   Peer Groups and the Methodology for Generating Comparable Data

4.1   The report surveyed the market from the perspective of two separate peer groups.

4.2   Peer Group 1 – Private Sector comprises 272 comparable peer organisations including companies with similar business activities such as transport, construction and engineering. The report also looks at peers within other sectors that have a similar scale and complexity to TfL and includes some from utilities, telecommunications, fast moving consumer goods (FMCG), natural resources and manufacturing industries (see pages 11 and 12 in the report).

4.3   Peer Group 2 – Publicly Accountable comprises 26 UK organisations deemed to have some degree of public accountability.

4.4   As far as possible, WTW has mirrored the peer groups used in the 2024 report. There are some changes due to some companies no longer participating in the WTW surveys with new organisations added to replace those lost. The WTW 'global grades' of the companies (which are central to the benchmarking methodology) have been carefully considered when forming these peer groups to deliver comparators of appropriate scale and complexity.

4.5   WTW also produced a separate benchmarking report for TfL's Director roles that are not under the Committee's Terms of Reference. This report is used by the Commissioner and Chief Officers to understand the relative positioning of pay of their direct reports. The information in the Directors' report is derived from WTW's General Industry survey (excluding Financial Services) which also includes organisations within Peer Groups 1 and 2 as detailed above.

5   Report Format

5.1   The report, as set out in Appendix 1, provides relevant data from the peer groups discussed above along with supporting commentary on the state of the market and key trends in executive compensation in both the private and public sector environments.

5.2   The full report contains detailed tables for each TfL role surveyed outlining the relative position of the current incumbent compared to the market under each of the four remuneration categories (base salary through to Total Target Remuneration). Comparative ratios show the specific position in percentage terms against the market quartiles and the median position.

6   Interpreting the Benchmarking Data

6.1   Caveats for interpreting benchmarking data are included on page 8 of the appended report. These include other factors beyond market benchmarking that are relevant in pay setting decisions. Market data therefore provides a useful 'snapshot' of information that can help guide decisions on pay setting but no single salary amount, e.g. the actual median (if that is determined as the market position most relevant), should be automatically interpreted as being the 'correct' positioning.

7   Observations on Benchmarking Results from February 2025

7.1   Analysis of base salary reveals that most Executive Committee roles are behind market when compared to the private sector peer group median. TfL roles tend to be positioned below the lower quartile or between the lower quartile and the median when looking across the peer group. There is similar pattern of positioning for base salary of TfL roles when looking at the Publicly Accountable Group (although greater variation for the Chief Capital Officer and Chief Customer and Strategy Officer depending on the benchmark used).

7.2   WTW has provided two separate benchmarks for the Chief Capital Officer and Chief Customer and Strategy Officer roles due to the broader than normal span of activities that these roles cover in TfL. Both benchmarks should be considered for pay positioning purposes for these roles.

7.3   Due to the volatility experienced with some of the datapoints, WTW has applied a 'constant incumbent' sample benchmark as an additional viewpoint that smooths out significant change caused by the sample being used (and therefore not necessarily representative of general market movement).

7.4   The comparison of Total Target Remuneration in general reveals a lower market position for TfL roles than the base salary analysis when comparing against the private sector. In the private sector, as well as higher salaries, roles at this level also receive higher levels of variable pay in the form of annual bonuses (Short Term Incentives (STIs)) as well as arrangements for LTIs. TfL's STI equivalent, its annual performance award scheme, generally does not deliver a percentage of salary equivalent to market based STI arrangements and there are no LTI arrangements at TfL. The longest-term variable pay arrangements used within TfL are personal retention schemes which can be up to four years duration.

7.5   The comparison of Total Target Remuneration against the public sector reveals a stronger market position for TfL roles than the base salary analysis, although three roles including the Commissioner, Chief Finance Officer and Chief Operating Officer remain significantly behind.

7.6 This pattern of market relativity is similar across most TfL senior management roles, from payband 4 through to Director level, although more marked at senior levels.

8 Future Executive Benchmarking Requirements

8.1 The next executive remuneration benchmarking report with WTW will be produced in 2026.

8.2 Some data in this paper will be reflected in TfL's Annual Report in 2026.

List of appendices to this report:

Appendix 1: Willis Towers Watson Executive Benchmarking Report 2025, with redactions.

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

List of Background Papers:

None

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Transport for London

Executive Committee benchmarking

DRAFT FOR DISCUSSION

Transport for London

January 2025

wtw

Contents

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Introduction and Methodology (1/4)

- Transport for London (TfL) has engaged WTW to assist in providing market pay assessments for the following roles:

• *Commissioner*	• *Chief Capital Officer*	• *Chief Safety, Health & Environment Officer*
• *Chief Finance Officer*	• *Chief Customer & Strategy Officer*	• *General Counsel*
• *Chief Operating Officer*	• *Chief People Officer*	• *Director of Communications & Corporate Affairs*

- This report presents a summary of our findings, high-level commentary on how to interpret our market assessments as well as details of our methodology.

Peer Groups

- We have presented market data using WTW's 2024 United Kingdom compensation survey data and benchmarked these roles using three peer groups which were presented to and agreed with TfL Reward and can be found in Appendix I:

  - **Peer Group 1 – Private Sector:** 272 peers of comparable companies with a focus on transport, construction, engineering, utilities, telecommunication, goods, natural resources and manufacturing industries.

  - **Peer Group 2 – Publicly Accountable:** 26 peers across a range of UK organisations deemed to have some degree of public accountability.

  - **Director Peer Group – General Industry excluding Financial Services:** 1,190 peers across WTW's surveys.

- Where possible, we have replicated Peer Group 1 – Private Sector and Peer Group 2 – Publicly Accountable, as used in previous market assessments throughout 2023/2024. There are some differences due to changes in company participation in WTW's surveys. Specifically, 55 companies that participated previously did not participate in the 2024 survey, while we have added 54 new companies to Peer Group 1. In Peer Group 2, two companies have dropped out, but we have included seven new participants.

- The Global Grades of the parent companies have been considered when forming these peer groups, and we have aligned the participating industries in agreement with the TfL Reward team.

- As agreed with TfL, the Director peer group has been revised this year from a combination of Peer Groups 1 and 2 to a general industry excluding financial services, to ensure we provide the most robust market assessments possible.

Introduction and Methodology (2/4)

Methodology

- As agreed with TfL, WTW have used the same benchmarking methodology in this benchmarking exercise as the one used in the benchmarks we provided in February 2024. Instead of using a specific job match at the specified Global Grade, we have applied a tailored assessment approach where the most comparable position(s) from each company in the custom peer groups have been selected based on functional title and level. The starting point for this is always to assign an overall survey match. This allows us to leverage the appropriate market data from our surveys. We then refer to relevant data points outside of the primary job match, and in doing so we will consider the level of the role, scope factors such as corporate/noncorporate and geographic scope and the position title. This ensures we are capturing a full view of the marketplace. Conversely, we have excluded individual data points that we judge not to be similar although the job area and level may suggest otherwise. This approach is more sustainable and will provide TfL with more consistency year-on-year.

- To align with market practice, we have used a build-up approach instead of independently arrayed data for each element of compensation. This enables us to be consistent across all benchmarks and produce a robust output.

- As agreed with TfL, for the executives who have a long-term retention arrangement, we have annualised their arrangement and included this in the calculation for the incumbent's target total annual compensation. This is to provide a more accurate picture of their total remuneration package.

- To align with the format of WTW's market assessment exhibits, TfL's target bonus percentage and pension have been rounded to the nearest 1%. The total target annual compensation, target direct compensation and target remuneration is being built out however using the complete target bonus and pension percentages.

- For the roles where a significant difference at base salary has been observed, we have provided an additional benchmark using a constant sample. The constant sample is formed for each respective role by replicating the sample from the benchmarks provided in 2024 (2023 survey data) and inputting the latest data from the companies who participated in WTW's 2024 surveys.

- In line with previous benchmarks, we have used proxy pension contribution amounts taken from the wider WTW compensation survey data (12% at median).

Presentation of results

- We have presented an Executive Summary of TfL's compensation package versus the market quartiles for all the roles before presenting the detailed market references for each individual position. This has been presented for base salary and total target remuneration for all roles across both peer groups. Please note we have presented the Director of Comms & Corporate Affairs market quartiles for the Director Peer Group on the Peer Group 1 – Private Sector graphs.

- The detailed market references for each individual position show the lower quartile, median and upper quartile target market data. Reporting target compensation provides a view of data that is not affected by year-on-year, individual or company performance, and should provide a more stable assessment than actual total compensation figures.

Introduction and Methodology (3/4)

- In the market assessments the following compensation elements build up the assessments to provide a total remuneration, the definition of each element is below:

    - **Base Salary** – the current full-time equivalent (FTE) annual base salary, including any guaranteed additional fixed payments such as holiday pay and any extra-contractual months required by law, collective agreement or organisation practice. This is a fixed amount, typically paid in monthly payments.

    - **Target Annual Incentive % of Base Salary** – the target bonus/annual incentive (i.e., to be paid for target/on-budget performance) as a percentage of current annual base salary.

    - **TfL Annualised Long-Term Retention Arrangements** – TfL's long-term retention arrangements as a percentage of current annual base salary divided by the length of the arrangement.

    - **Target Total Annual Compensation (TAC)** – the sum of base salary and target annual bonus/incentive. For individuals with a long-term retention arrangement, this is included in the incumbent's TAC.

    - **Expected Value of Long-Term Incentives % of Base Salary** – Long-Term Incentive (LTI) levels are reported as an 'Expected Value' (EV) percentage of base salary to allow for consistent comparison across companies and plan types. EV represents a best estimate of the value that executives may receive annually at the time of grant. See Appendix II for more detail on our LTI methodology.

    - **Target Total Direct Compensation (TDC)** – the sum of target total annual compensation and expected value of long-term incentives.

    - **Pension % of Base Salary –** reflects the value of the company pension contributions or a defined benefit equivalent.

    - **Total Target Remuneration (TR) –** the sum of target total direct compensation and pension arrangements.

Introduction and Methodology (4/4)

The assessments are intended to be self-explanatory, however, it is important to note:

- The market assessments are intended to reflect pay levels for fully competent and experienced individuals. However, it is usual for pay levels to vary around our assessment depending on the individual's experience, profile, time in job, level of performance and any premium paid on recruitment.

- Our experience suggests that salaries can vary by 15% to 20% of our mid-market reference and still be considered competitive once factors such as experience, length of service and overall contribution are taken into account.

- Our assessments are not recommendations but are intended to provide one of a number of reference points to assist companies in determining pay levels; we expect companies to apply judgement in reaching individual pay decisions and to bear in mind conditions across the broader employee group.

- The detailed role market assessments present compa-ratios for the current level of the incumbent's base salary as a percentage of our corresponding assessments. For example, a compa-ratio of 90% means that the incumbent's pay is 10% below our mid-market assessment for this position.

Background and Market Context

Market Context and Trends on Executive Pay (1/2)

The following slides show trends analysis based on FTSE 250 listed company 2024 Annual General Meeting (AGM) activity. Whilst we appreciate that TfL is not a listed company, we consider that many of these trends are likely to have applicability for the wider market, including private companies.

Base salary

- 4.0% median CEO and CFO increases (4.7%/5.0% in Prior Year (PY))
- 14% of CEOs and 10% of CFOs received no increase (14% of CEOs and 11% of CFOs in PY)
- Around 60% of CEOs and 55% of CFOs received an increase lower than that of the wider workforce (80% / 70% in PY)
- Where Executive Director (ED) increases are lower than for wider workforce, median discounts are 1.0% of salary for CEOs/CFOs (2.0% in PY)

	LQ	Median	UQ
CEO	3.0%	4.0%	5.0%
CFO	3.1%	4.0%	5.0%

Annual bonus

- 22 [14%] have increased maximum annual bonus opportunity (12 [13%] PY)
- Median annual bonus opportunity 150% (150% PY)
- 85% have paid a bonus (90% PY)
- Median bonus pay-out 71% of maximum (70% PY)
- 2% applied upwards discretion and 12% downward discretion (4% and 14% respectively PY)

Annual bonus payout (% of max)		
LQ	Median	UQ
43%	71%	90%

Long-Term Incentives (LTI)

- 35 [22%] have increased maximum LTI opportunity (19 [20%] PY)
- Median Performance Share Plan (PSP) award value 200% (200% PY)
- 67% of LTIs vested (62% PY)
- Median LTI vesting 65% of maximum (59% PY)
- 1% applied upward discretion and 2% downward discretion (4% and 4% respectively PY)

LTI vesting (% of max)		
LQ	Median	UQ
20%	65%	98%

Pension

- Over 95% now aligned with wider workforce rate
- CEO median pension level 8% (10% PY)

Share ownership

- Over 95% now operate a post-cessation holding requirement
- Around 70% comply with The Investment Association's (IA) guidance (lower of: actual shareholding or 100% of in-employment guideline for 2 years after leaving).

Market Context and Trends on Executive Pay (2/2)

Policy renewals

- 53 companies (33%) have put their directors' remuneration policy to shareholder vote in 2024.

- 66% have made major changes to one or more elements of remuneration – see next box.

- 34% have made only minor changes – for example, enhancing clawback and malus triggers; increasing flexibility for Remuneration Committee (RemCo) to apply discretion to pay outcomes; re-balancing the weighting financial and strategic metrics in LTI; simplifying the vesting & holding period structure of Restricted Share Plans (RSPs).

Major policy changes

- 14 companies have increased bonus levels; one of these is an introduction of market-standard bonus, two are for the CFO/other EDs only, one for new EDs only and one has postponed the increase implementation beyond fiscal year 2024 (FY24). One company's increase is in the context of a rebalancing of variable pay and LTI levels have been reduced correspondingly; another company is reducing bonus opportunity in third year of policy.

- Ten companies have reduced the proportion of bonus requiring deferral: in seven cases, the reduction applies once the share ownership guideline (SOG) is met / partially met; in one, it applies for those participating in a newly introduced LTI plan; and one company has increased the proportion of bonus requiring deferral for those not meeting the SOG.

- 25 companies have increased LTI levels, three for the CFO only and one for new EDs only. Nine companies have increased levels in the context of a change in vehicles: four have introduced a RSP to run alongside their PSP; two have switched from a RSP to a market-standard PSP; two have introduced 'stretch' PSPs and one has switched from a value creation plan (VCP) to a 'stretch' PSP. Four companies have postponed the increase implementation until fiscal year 2025 (FY25).

- One company is replacing its bonus and PSP with a single variable plan (SVP) without an increase to quantum. Another company is introducing a LTI plan for new ED hires only. For one year only, one company is introducing an interim award of restricted shares (RS) to replace its bonus and PSP awards.

- Twelve companies have introduced or increased/extended SOG requirements, either in- and/or post-employment.

Environmental, Social and Governance (ESG)

- Over 85% of companies have ESG metrics in annual bonus and over 55% in LTI, broadly broken down as per these charts.

- Almost 25% have disclosed the introduction, expansion or other modification of ESG-related measures in annual bonus this year.

- Over 20% have disclosed the introduction, expansion or other modification of ESG measures in their LTI this year.

- People & HR related metrics reflect the most common single ESG category in annual bonus, although a wide range of other ESG metrics are also used.

- Environment & sustainability related metrics are by far the most commonly found ESG metrics in LTIs.

Annual bonus ESG metrics

Category	%
People & HR	54%
Environment & Sustainability	42%
Generic ESG Metrics	41%
Governance	39%
Customer Service	35%
Other Non-Financial Metrics	28%
Inclusion & Diversity	19%
Employee Health & Safety	19%
Strategic Measure	4%

LTI ESG metrics

Category	%
Environment & Sustainability	77%
Inclusion & Diversity	26%
Governance	19%
People & HR	13%
Generic ESG Metrics	12%
Customer Service	10%
Employee Health & Safety	4%
Other Non-Financial Metrics	4%
Strategic Measure	1%

Chair and Non-Executive Director (NEDs) fees

- Around 55% of companies are increasing Chair and/or basic NED fees for 2024.

- Median increases are 4.4% for Chairs (5.0% in PY), broadly in line with that for the wider workforce.

- Median increases for basic NED fees are 4.0% (4.5% in PY), in line with that for EDs.

Appendices

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Peer groups

Peer Group 1 – Private Sector (1/2)

- 3M
- AA - The Automobile Association
- ABB (Asea Brown Boveri)
- Acteon
- Adient
- AECOM
- Affinity Water
- Airbus Group (EADS)
- Aliaxis
- Allegion
- Allnex
- AMETEK
- Amey
- Anglian Water
- Aptiv
- Arcadis
- Arqiva
- Arrow Electronics
- Associated British Ports
- Assystem
- Audley Travel
- Avery Dennison
- Avis Budget Group
- B&Q
- Babcock International
- BAE Systems
- Balfour Beatty
- Ball
- BCA Marketplace

- Bechtel
- Bentley Motors
- Biffa
- Boeing
- Bombardier
- Bose
- BP
- BPA
- BrandSafway
- British Airways
- Buro Happold
- CAE
- CALA Group
- Canon (Europe)
- Capricorn Energy
- Card Factory
- Cargill
- Cathay Pacific Airways
- Centrica
- CGG
- Church & Dwight
- Clarios
- CNH Industrial
- Colt Technology
- Corning
- Costain
- Cox Enterprises
- CTIL - Cornerstone Telecommunications Infrastructure

- Dana
- De La Rue
- DHL eCommerce
- DHL Express
- DHL Supply Chain
- Digby Wells Environmental
- DPD Group
- E.ON
- EasyJet
- Eaton
- EDF Energy
- Electricity North West
- Electrium
- ELEXON
- Eni
- EnPro Industries
- Enviri
- ESB
- Expleo Group
- Faiveley Transport
- FANUC
- Ferguson Group Services
- Finning International
- FirstGroup
- Flex
- Flowserve
- Fluor
- Focusrite
- Fortive Corporation

- FremantleMedia Group
- Freudenberg
- Fugro
- Gamma Telecom
- Garrett - Advancing Motion
- Gates
- GE Aerospace
- GE Vernova
- General Dynamics Mission Systems
- GHD Consulting
- GKN Aerospace
- Globeleq
- Greene, Tweed and Co.
- Greif
- Grosvenor Group
- GSM Association
- GXO Logistics
- Halliburton
- Harman International Industries
- Harrods
- Hearst
- Hertz
- Hexcel
- Hirose Electric
- Holiday Extras
- Honeywell
- Horiba
- IAG Loyalty
- IDEX Corporation

- Incora
- Indra T&D
- Ingenico
- INNIO Jenbacher
- Intelsat
- Inter Cars
- International Automotive Components
- ITN
- ITV
- Iveco Group
- Jabil Circuit
- Jacobs Engineering
- John Lewis Partnership
- Johnson Controls
- Just Eat Takeaway.com
- Kingfisher
- Kohler
- KONEKongsberg Automotive
- Krones
- Kuehne + Nagel
- L3Harris
- Laing O'Rourke

Peer groups

Peer Group 1 – Private Sector (2/2)

- Lanxess Solutions
- Lear
- Leggett and Platt
- Lightsource BP
- Limbs & Things
- Lincoln Electric
- Lockheed Martin
- Loram Maintenance of Way
- LyondellBasell
- Manitou
- Marks & Spencer
- Marshall of Cambridge Aerospace
- Marshalls
- MBDA
- McCrometer
- Midcounties
- Motability Operations
- Moto Hospitality
- Mott MacDonald
- National Gas
- National Grid
- Nationwide Platforms
- NBC Universal
- NG Bailey
- Nissan Corporate
- Nissan Motor
- Nissan Motor (NDE)
- Nissan Motor Manufacturing

- Nissan Motor Parts Center
- Nissan Technical Centre Europe
- Nokia
- Nordson
- Northrop Grumman Corporate
- Northumbrian Water
- NWF
- Ocado Retail
- Ocom
- OpSec Security
- Orange
- ORE Catapult
- OTT HydroMet
- Oxford Instruments
- Paramount Global
- PayPoint
- PCCW
- Petroleum Geo-Services
- Pets at Home
- Plexus
- Previan
- Protolabs
- Puma
- QinetiQ
- Recurrent Energy
- Renishaw
- Rockwell Automation
- Rolls-Royce

- Rolls-Royce SMR
- Royal Haskoning
- RS Group
- RWE Generation
- RWE Group
- S&C Electric
- Safran Seats
- Sainsburys Group
- Savers
- Schneider Electric
- ScottishPower
- Screwfix
- SEFE Marketing & Trading
- Selfridges
- SGN - Scotia Gas Networks
- Shearwater Geoservices
- Shell
- Shure
- Siemens
- Siemens Electrical & Electronic Services
- Siemens Mobility
- Sixt Autovermietung
- Sky
- SMA Solar Technology
- Solenis
- Sony Music Entertainment
- Stanley Black & Decker

- STV
- Talk Talk
- Telent
- Tenneco
- Tesco
- Tesla Motors
- Thales
- The Wellcome Trust
- Thomson Reuters
- Three
- Thyssenkrupp
- Toshiba Europe
- Trane Technologies
- TRUMPF
- T-Systems
- TT Electronics
- TUI Group
- Tullow Oil
- Unipec
- Uniper
- Utilita Energy
- Valmet
- Verizon
- Victaulic
- Virgin Media O2
- Viridor
- Visteon
- Vivergo Fuels

- VOI Technology
- Voltalia
- Volvo
- VPI
- Vueling
- Waitrose
- Wallbox Chargers
- Walt Disney
- Water Plus
- Westlake Chemical
- whistl
- Williams Racing
- Wincanton
- Wm Morrison Supermarkets
- Wolseley
- Wood Mackenzie
- Woodward
- World Kinect
- XPO Logistics
- Yamaha Motor Europe
- Yazaki Corporation
- Yondr Group
- Yoox Net-a-Porter

Peer groups

Peer Group 2 – Publicly Accountable

- Arriva
- BBC
- Cadent Gas
- Calor Gas
- Channel 4
- Drax Power Group
- Financial Conduct Authority, The
- FirstGroup
- Gatwick Airport
- Heathrow Airport
- High Speed Two (HS2)
- Highways England
- MTR Elizabeth Line
- National Grid

- Network Rail
- Ofcom
- Ovo Energy
- Pennon Group
- Royal Mail
- Sellafield
- Severn Trent
- Southern Water
- Thames Water Utilities
- The National Energy System Operator
- United Utilities
- Wessex Water

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Peer groups
Director Peer Group – General Industry excluding Financial Services (1/8)

Page 100

- 3M
- A+E Networks
- AA - The Automobile Association
- AB Agri
- AB Mauri Head Office
- AB World Foods
- ABB (Asea Brown Boveri)
- Abbott Laboratories
- AbbVie
- ABL Group
- ABM Industries
- Accenture
- Acer
- Acorn Regulatory
- Acronis
- Acteon
- Adam Matthew Digital
- Adaptimmune
- Adecco Group
- Adevinta
- Adient
- Advantech
- AECOM
- Affinity PetCare
- Affinity Water
- Agfa-Gevaert
- AgReserves
- Air Partner
- Airbus Group (EADS)
- Airwair International
- AKQA

- Al Jazeera
- Alcoa
- Aliaxis
- Align Technology
- Alive DX
- ALK
- Alkegen
- All3Media
- Allegion
- Allfunds Tech
- Alliance Medical
- Allied Bakeries
- Allnex
- Almac Group
- Almirall
- Amadeus
- Amarin Corporation
- Amazon.com
- AMC Networks International
- American Sugar Refining
- AMETEK
- Amey
- Amgen
- Amway
- Anchor
- Anglian Water
- Anglo American
- Angular Group
- AO World
- Apellis Pharmaceuticals
- Apple

- Applied Materials
- AptarGroup
- Aptiv
- AQA
- Aquaculture Stewardship Council
- Arcadis
- Arco
- Argenx
- Argus Media
- Arqiva
- Arrow Electronics
- Arup Group
- Arvato SCM
- Ascensia Diabetes Care
- Ascential
- ASML
- ASOS
- Associated British Foods
- Assystem
- Astellas Pharma
- Aster
- Astex Pharmaceuticals
- AstraZeneca
- ASUSTeK Computer
- atai Life Sciences
- ATAL Engineering
- AtkinsRéalis
- Atlas Air Worldwide
- Auratus
- Aurora Energy Research
- Auto Trader

- Autodesk
- Avaloq
- Avanade
- Avanos Medical
- Avaya
- Avery Dennison
- Aveva
- Avis Budget Group
- Axalta Coating Systems
- Aylo
- Azelis
- B&Q
- B. Braun
- Babcock International
- BAE Systems
- Bain & Company
- Baker Hughes
- Balfour Beatty
- Ball
- Bandwidth
- Barna Steel
- Barry Callebaut
- Bausch & Lomb
- Baxter
- Bayer
- BBC
- BBD Software
- BCA Marketplace
- BDO
- Beauty Pie
- Bechtel

- Beckman Coulter – Diagnostics
- Beckman Coulter - Life Sciences
- Becton Dickinson
- Believe Digital
- Belron International
- Belron UK
- Bentley Motors
- Bespak
- BestSecret
- Bettys & Taylors of Harrogate
- BIAL
- BICS - Belgacom International Carrier Services
- Biffa
- Bill & Melinda Gates Foundation
- Biogen
- BioNTech
- Bio-Rad Laboratories
- Biosynth
- Bleckmann
- Block
- Bloomberg
- Bloomsbury
- Blueprint Medicines
- BMG Rights Management
- BMI Group
- BMJ - British Medical Journal
- BMT
- Boden
- Boehringer Ingelheim

Peer groups

Director Peer Group – General Industry excluding Financial Services (2/8)

- Boeing
- Bombardier
- Booking.com
- Booz Allen Hamilton
- Boralex
- Bose
- Boston Consulting Group
- Boston Scientific
- Bourne Leisure
- BP
- BPA
- Brady
- Brainlab
- BrandSafway
- Brembo
- Bristol Myers Squibb
- British Airways
- British Engines
- British Sugar
- Britvic
- Broadridge Financial Solutions
- Brooks Sports
- Brunswick
- BSI - British Standards Institution
- BT Global Services
- Burberry
- Buro Happold
- Burson
- Bute Energy
- BuzzFeed
- ByteDance

- C & J Clarks
- Cabot
- Cabot Financial
- Cadent Gas
- CAE
- CALA Group
- Calor Gas
- Cambridge Consultants
- Cambridge University Press & Assessment (CUPA)
- Canon
- Canon (Europe)
- Canon Medical Research Europe
- Canva
- Canvas8
- Capgemini
- Capita
- Capri Holdings
- Capri Sun
- Capricorn Energy
- Carbon Clean
- Card Factory
- Cargill
- Carl Zeiss
- Carnival
- Catalent Pharma Solutions
- Cathay Pacific Airways
- CAVU
- CBOE Global Markets
- CBRE Group
- CDW

- Cegedim
- Celanese
- Cellnex
- Center Parcs
- Central Asia Metals
- Centrica
- Cepheid
- CF Industries
- Viridien
- CGI - Conseillers en Gestion et Informatique
- Chanel
- Channel 4
- Charles River Laboratories
- Checkatrade.com
- Chevron Phillips Chemical
- Chugai Pharmaceutical
- Church & Dwight
- Cielo Talent
- Cisco Systems
- City & County Healthcare
- CityFibre
- CitySprint
- Claire's
- Clarios
- Clinigen Group
- CNH Industrial
- Coca-Cola
- Codorniu
- Colgate-Palmolive
- Colt Technology

- Columbia Sportswear
- Comcast Cable Corporation
- Compass
- Computacenter
- Computershare Loan Services
- Condé Nast Publications
- Conduent
- Conga
- Consult Red
- ConvaTec
- Cooper Standard Automotive
- Co-operative Group
- CooperSurgical
- CooperVision
- Corio Generation
- Corning
- Corteva Agriscience
- Costain
- CoStar Group
- Cox Enterprises
- CSL
- Currys
- Cushman & Wakefield
- Cyncly
- Cytiva
- Daiichi Sankyo
- Daily Mail and General Trust
- Dana
- Danaher
- Dassault Systèmes
- De La Rue

- De Nora
- Dedalus
- Delinian
- Dell
- Deloitte (United Kingdom)
- Dentons Global
- Dentsply Sirona
- Dentsu Aegis Network
- Dexcom
- DHL eCommerce
- DHL Express
- DHL Global Forwarding
- DHL Supply Chain
- Diageo
- Digby Wells Environmental
- Digital Catapult
- Digital Realty
- dLocal
- Domino's Pizza
- Dormakaba
- Dow Chemical
- DP World
- DPD Group
- Drax Power Group
- Drees & Sommer
- Driven Brands
- DXC Technology
- E & J Gallo Winery
- E.ON
- Eastman Chemical
- Easyfair

Peer groups

Director Peer Group – General Industry excluding Financial Services (3/8)

- EasyJet
- Eaton
- eBay
- EBSCO Information Services
- ECOBAT Technologies
- Ecolab
- Economist Group
- Ecotone
- Ecovadis
- Edelman
- EDF Energy
- Edrington Group
- Edwards Lifesciences
- Egger
- EirGrid
- Eisai
- Electricity North West
- Electrium
- Electronic Arts
- ELEXON
- Eli Lilly
- Ellison Oxford
- Emerald
- Emis Health
- EMR
- Endeavour Mining
- Endress+Hauser
- Enfinity Global
- English Heritage
- Eni
- Enovis

- EnPro Industries
- Entain
- Enviri
- Envista Holdings
- Epson
- Equal Experts
- Equinix
- Equisoft
- Ergomed
- Ericsson
- ERM - Environmental Resources Management
- Ernst & Young
- ESB
- Esko
- Essex County Council
- Esteve Pharmaceuticals
- Etex
- Eumedica
- Euroapi
- Everton Football Club
- Evotec
- Exclusive Networks
- EXL Service
- Exotec
- Expedia
- Expleo Group
- Faiveley Transport
- FANUC
- Fastmarkets
- Fedrigoni

- Fenwick
- Ferguson Group Services
- Ferring Pharmaceuticals
- Fieldcore
- Fifth Season
- Financial Conduct Authority, The
- Financial Ombudsman Service
- Financial Times
- Finning International
- FirstGroup
- FitFlop
- Flamingo Horticulture
- Flex
- Flowserve
- Fluor
- Flutter Entertainment
- Focusrite
- Foot Locker
- Footasylum
- Forbes
- Fortive Corporation
- Fortna
- Fortnum & Mason
- Fortrea
- Foundever
- Four Seasons Hotels and Resorts
- Fourth Floor Creative
- Fraikin
- Francis Crick Institute
- Fred Perry
- Freemans Grattan Holdings

- FremantleMedia Group
- Freshworks
- Freudenberg
- Frontiers
- FTI Consulting
- Fugro
- Fujitsu
- GALVmed
- Games Global
- Gamma Telecom
- Gap
- Garrett - Advancing Motion
- Gates
- Gatwick Airport
- GE Aerospace
- GE HealthCare Technologies
- GE Vernova
- Gemfields
- Generac Power Systems
- General Dynamics Mission Systems
- General Mills
- General Motors
- Genesis Analytics
- Genmab
- Genus
- Germains
- Gerson Lehrman Group
- GHD Consulting
- Gigaclear
- Gilead Sciences
- GKN Aerospace

- Glanbia Group Services
- GlaxoSmithKline
- Glenmark Pharmaceuticals
- Global Media Group Services
- Global Payments
- Global Switch
- GLOBALFOUNDRIES
- Globalization Partners
- Globeleq
- Glory Global Solutions
- Google
- GOUSTO
- Graco
- Grant Thornton (United Kingdom)
- Greencore Group
- Greene King
- Greene, Tweed and Co.
- GreenSquareAccord
- Greif
- Grey
- Groupe M6
- GroupM
- Grünenthal Pharma
- GSM Association
- Gü Desserts
- Guardian News & Media
- GWI
- GXO Logistics
- Gymshark
- H.B. Fuller
- Habitat for Humanity International

Peer groups

Director Peer Group – General Industry excluding Financial Services (4/8)

- Hach
- Haemonetics
- Haleon
- Halfords
- Halliburton
- Harman International Industries
- HarperCollins Publishers
- Harrods
- Harworth
- Havas Group
- Haworth
- HBX Group
- HCA Healthcare
- HC-One
- Headlam Group
- Hearst
- Heathrow Airport
- Helen of Troy
- Hertz
- Hewlett Packard Enterprise
- Hexcel
- High Speed Two (HS2)
- Highways England
- Hillenbrand
- Hilton Grand Vacations
- Hilton Worldwide
- Hirose Electric
- Hitachi Europe
- Hitachi Rail GTS
- Hitachi Solutions
- Hitachi Vantara

- Hogarth Worldwide
- Holland and Barrett
- HomeServe
- Honeywell
- Horiba
- Hortifrut
- Hotel Chocolat
- Hovione
- HP Inc.
- HTC
- Humanscale
- Hutchison Whampoa
- Hyaltech
- Hyde Group
- Hypertherm
- IAG Loyalty
- IBM
- Ibstock
- ICF International
- ICON Clinical Research
- Ideagen
- IDEX Corporation
- IDT - Integrated DNA Technologies
- IG Group
- IGD
- Illumina
- IMG
- Immediate Media
- Immunocore
- Incora
- Incubeta

- Incyte
- Indra Corporativo
- Indra T&D
- Infinity Power
- Informa
- Ingenico
- Ingram Content Group
- Ingram Micro
- INNIO Jenbacher
- Innovative Vector Control Consortium (IVCC)
- Insight Direct
- Insights Learning and Development
- Instanda
- Integra Lifesciences
- Intel
- Intelsat
- Inter Cars
- Intercontinental Hotels Group
- International Automotive Components
- International Game Technology
- International Paper
- Intertrust
- Intuitive Surgical
- Ion Beam Applications
- IPC - Independent Purchasing Company
- IPG Automotive
- Ipsen
- IQE

- IQVIA
- Irdeto
- Iron Mountain
- Irving Oil
- ITN
- ITV
- IVC Evidensia
- Iveco Group
- Jabil Circuit
- Jacobs Engineering
- Jazz Pharmaceuticals
- JBT Corporation
- JELD-WEN
- Jenoptik
- John Lewis Partnership
- John Wiley & Sons
- Johnson & Johnson
- Johnson & Johnson Medical Devices
- Johnson & Johnson Pharmaceuticals
- Johnson Controls
- Jones Lang LaSalle
- Jordans Dorset Ryvita
- Just Eat Takeaway.com
- Kaizen Digital Services
- Kao Brands
- Kao Data
- Kapsch TrafficCom
- KCOM Group
- Kedrion

- Kennametal
- Kenvue
- Kenwood
- Kier Group
- Kimberly-Clark
- Kindred Group
- Kingfisher
- Kohler
- KONE
- Kongsberg Automotive
- Konica Minolta
- Kontoor Brands
- Krones
- Kuehne + Nagel
- Kyocera Documents Solutions
- Kyowa Kirin
- L3Harris
- Labcorp
- Lacoste PCL
- Laing O'Rourke
- Lam Research
- Lamb Weston Holdings
- Landor
- Lanxess Solutions
- Lear
- Learnlight Administration
- Leeds Bradford Airport
- Leggett and Platt
- Leica Biosystems
- Leica Microsystems
- Lennox International

Peer groups

Director Peer Group – General Industry excluding Financial Services (5/8)

- LEO Pharma
- LeoVegas
- LeoVegas UK
- Lexmark
- Lhoist
- Li & Fung
- Liberty Global
- Liberty Latin America
- Lidl
- Lightsource BP
- Limbs & Things
- Lincoln Electric
- Linedata Services
- Linesight
- Link Group
- Linx Printing Technologies
- Lions Gate Entertainment
- Littelfuse
- Livescore Group
- Lockheed Martin
- Loftware
- Logicalis
- Loram Maintenance of Way
- Lovehoney
- Low Carbon
- LRQA
- Lululemon Athletica
- LyondellBasell
- Macmillan Distribution
- Macmillan Publishers International
- Macopharma

- Made Tech
- Majestic Wine
- Mallinckrodt
- Mambu
- Mango
- Manitou
- Manutan
- Marathon Petroleum
- Marel
- Marine Stewardship Council
- Marks & Spencer
- Marriott International
- Marshall of Cambridge Aerospace
- Marshalls
- Marston's
- Martin Audio
- Mary Kay
- MASS
- Mastercard
- Matalan
- Mattel
- Mayborn Group
- MBDA
- McArthurGlen
- McBride
- McCain Foods
- McCann Worldgroup
- McCrometer
- McDonald's
- McKesson
- MDU Services

- Medac
- Mediq
- Medivet
- Medtronic
- Menarini
- Merck KGaA
- Merit Medical Systems
- Merlin Entertainments Group
- Merz Aesthetics
- Merz Therapeutics
- Meta
- Metlen Energy
- Microsoft
- Midcounties
- MillerKnoll
- Minsait
- Mission Foods
- Mitie
- MoD Defence Equipment & Support
- Moderna
- Molecular Devices
- Molson Coors Beverage Company
- Momenta Operations
- Momentive Performance Materials
- Mondi
- MongoDB
- MONY Group
- Motability Operations
- Moto Hospitality
- Mott MacDonald
- Moy Park

- MSA Safety
- MSD
- MTR Elizabeth Line
- Mulberry
- myDentist
- NAES
- Nagravision
- Nando's Chickenland
- Nasdaq
- NashTech
- National Gas
- National Grid
- Nationwide Platforms
- Navblue
- NBC Universal
- NCR Voyix
- Nestlé
- NetApp
- NetFlix
- Network Rail
- Newell Brands
- News UK
- NextEnergy Capital
- NG Bailey
- NielsenIQ
- Nike
- Nissan (NMPC)
- Nissan Corporate
- Nissan Motor
- Nissan Motor (NDE)
- Nissan Motor Manufacturing

- Nissan Motor Parts Center
- Nissan Technical Centre Europe
- Noble Corporation
- Nokia
- Nordson
- Norgine
- Northrop Grumman Corporate
- Northumbrian Water
- NOV
- Novartis Pharma
- Novelis
- Novo Nordisk
- Novocure
- NTT Data
- Nuffield Health
- NWF
- Ocado Group
- Ocado Retail
- OCB-EU - Device & Mobile Solutions
- Occidental Petroleum
- Oceaneering International
- Ochre Bio
- Ocom
- OEE – Industrial Automation Business
- Ofcom
- Office Holdings
- Ogilvy
- Ogury
- OLIVER Agency

Peer groups

Director Peer Group – General Industry excluding Financial Services (6/8)

- Oliver Wyman Financial Services
- Omron Healthcare
- Omron Management Center Europe
- ON Semiconductor
- Ono Pharmaceutical
- OnPath Energy
- Ontex
- OpSec Security
- Oracle
- Orange
- Ordnance Survey
- ORE Catapult
- Organon
- Oticon
- Otsuka Pharmaceutical
- Otsuka Pharmaceuticals Europe Ltd
- OTT HydroMet
- Otter Products
- OVH
- Ovo Energy
- Oxbotica
- Oxford Instruments
- Oxford Nanopore Technologies
- Oxford University Press
- P2P
- Pall Corporation
- Palladium
- Palo Alto Networks
- Panduit
- Paramount Global
- PAREXEL

- PATH
- PCCW
- Pearson
- Peloton Interactive
- Penguin Random House
- Pennon Group
- PepsiCo
- Percepta
- Perfetti Van Melle
- Perrigo
- Personio
- Petroleum Geo-Services
- Petronas
- Pets at Home
- Pfizer
- PGA European Tour
- Phenomenex & Agela
- Phillips 66
- Phinia
- Places for People
- Planet
- Plexus
- PLP
- Portakabin
- Poundland
- PPG Industries
- Premier Foods
- Previan
- Primark
- Project Management Institute
- Prometeon Tyre Group

- Prosus Services
- Protolabs
- PRS for Music
- PTC Therapeutics
- Public Library of Science
- Publicis
- Puma
- PVH Corp.
- PwC
- QA
- QinetiQ
- QuidelOrtho
- Qurate Retail Group
- Rackspace Technology
- Radiometer
- Radisson Hotels
- Radius
- Ralph Lauren
- Ramsay Health Care
- RATIONAL
- Rayonier Advanced Materials
- RDM Group (Reno de Medici)
- Reach
- Recipharm
- Recurrent Energy
- Regeneron Pharmaceuticals
- RELX Group
- Renishaw
- Rentokil Initial
- Replimune
- Resideo

- Ricardo
- Rich Products
- Richemont
- Ricoh
- Ricoh Corporate
- Right to Play
- Rio Tinto
- Riot Games
- Ritchie Brothers Auctioneers
- RM Education UK
- Roboyo
- Roche Diabetes Care
- Roche Diagnostics
- Roche Pharmaceuticals
- Rochester Electronics
- Rockwell Automation
- Rocky Mountaineer
- Roke Manor Research
- Rolls-Royce
- Rolls-Royce SMR
- Ross Video
- Royal Caribbean Cruises
- Royal Haskoning
- Royal Institution of Chartered Surveyors (RICS)
- Royal Mail
- Royal Society for the Prevention of Cruelty to Animals (RSPCA)
- RPS Group
- RS Group
- RSA Security

- RSM UK
- Rugby Football Union
- RWE Generation
- RWE Group
- RWE Offshore Wind
- RWE Renewables
- RWE Supply & Trading
- RWS Holdings
- RxCelerate
- Ryan LLC
- Sabio
- Safran Seats
- Sage
- Sage Publications
- Sainsburys Group
- salesforce.com
- Sally Beauty
- Samsung
- Samsung R&D Institute UK
- Sandoz
- Sanofi
- SANS Institute
- SAP
- SAS Institute
- Savers
- Schneider Electric
- Sciensus
- Sciex
- Scopely
- ScotMid
- Scott Bader

Peer groups
Director Peer Group – General Industry excluding Financial Services (7/8)

- Scottish Rugby
- Scottish Water International
- ScottishPower
- Screwfix
- Sealed Air
- Securitas Direct
- SEFE Marketing & Trading
- Selfridges
- Sellafield
- Sennheiser
- Sensient Technologies
- Sentiem
- Serco Group
- SES
- Severn Trent
- SGN - Scotia Gas Networks
- SGS - Société Générale de Surveillance
- Shangri-La International Hotel Management
- SharkNinja
- Shearwater Geoservices
- Sheffield Forgemasters
- Shell
- Shure
- SICK Group
- Siegwerk Druckfarben
- Siemens
- Siemens Digital Industries Software
- Siemens Electrical & Electronic Services

- Siemens Healthcare
- Siemens Healthcare Diagnostics
- Siemens Healthineers
- Siemens Industry
- Siemens Magnet Technology
- Siemens Mobility
- SIG
- SIG Group
- Sinch
- Sirtex Medical
- SITA
- Sixt Autovermietung
- Sky
- Slalom
- SMA Solar Technology
- Smith & Nephew
- Smiths News
- SNG
- Sociedad Anonima Damm
- Softcat
- SoftwareONE
- Solenis
- Solicitors Regulation Authority (SRA)
- Solvay
- Sony
- Sony Music Entertainment
- Sony Pictures Entertainment
- Sopra Steria
- SoundCloud
- Southern Water

- Specsavers Optical Group
- Springer Nature
- SPX Corporation
- SSP Group - The Food Travel Experts
- STADA
- Stanley Black & Decker
- Starbucks
- Stats Perform
- Steelcase
- Stepstone
- Steris
- SThree
- Stolt-Nielsen
- Stryker
- STV
- Sulzer
- Sumitomo Corporation
- Sumitomo Heavy Industries
- Sun Chemical
- Superdrug
- SWIFT
- Swiss Precision Diagnostics
- Swissport International
- Sygnature Discovery
- Sylvamo
- T.J. Morris
- Takeda Pharmaceuticals
- Talk Talk
- Tapestry
- TATA Steel

- Taylor & Francis
- TaylorMade Golf
- TD Synnex
- Team.blue
- Tecan
- Telefónica Digital
- Telefónica Global Technology
- Telefónica Tech
- Telegraph Media Group
- Telent
- Tencent Technology
- Tenneco
- Tesco
- Tesla Motors
- Teva Pharmaceutical Industries
- Teya
- TfL - Transport for London
- Thales
- Thames Water Utilities
- The Arch Company
- The Entertainer
- The Institute of Cancer Research
- The July
- The Knot Worldwide
- The Law Society
- National Energy System Operator (NESO)
- The Veterinary Defence Society
- The Workshop
- Thermo Fisher Scientific
- TheVeryGroup

- Thomson Reuters
- Thorlabs
- ThoughtWorks
- Thredd
- Three
- Thyssenkrupp
- Tipalti
- Tirlan
- TJX Companies
- TMF Group
- TMX Group
- TomTom
- Tory Burch
- Toshiba Europe
- Tosoh
- Trane Technologies
- Travel + Leisure Co.
- Travel Counsellors
- Travelodge
- Travelport
- Travis Perkins
- Trèves
- Trinity College London
- Triumph International
- Trojan Technologies
- Tropic Biosciences
- TRUMPF
- T-Systems
- TT Electronics
- TTEC
- TTP

Peer groups
Director Peer Group – General Industry excluding Financial Services (8/8)

- TUI Group
- Tullow Oil
- Tunstall Healthcare
- TUV Rheinland
- Twinings
- Twinkl Educational Publishing
- UCAS
- UCB
- UL Solutions
- Ultragenyx
- Under Armour
- Unipec
- Uniper
- UniPhar
- Unisys
- Unite Students
- United Christian Broadcasters
- United Utilities
- UnitedHealth Group
- Unity Technologies
- Univar
- University of Bath
- University of Warwick
- Unternehmensgruppe Theo Müller
- UPM
- Utilita Energy
- Utility Warehouse
- Valero Energy

- Valmet
- Valneva
- Value Retail
- Velatia
- Veolia
- Veralto
- Verastar
- Verint Systems
- Verisk Analytics
- Verizon
- Version 1
- Versuni
- Vertex Pharmaceuticals
- Vertical Aerospace
- Vertiv
- Vesuvius
- Vetoquinol
- Viaplay Group
- Viatris
- Victaulic
- Victoria's Secret
- Videndum
- Videndum Production Solutions
- Videojet Technologies
- Virgin Atlantic Airways
- Virgin Management
- Virgin Media O2
- Viridor

- Visa
- Visteon
- Vivergo Fuels
- Vivescia
- Vivo Energy
- VML
- Vodafone
- Vodafone Group Services
- VOI Technology
- Voltalia
- Volvo
- VPI
- Vueling
- Wahl Clipper
- Waitrose
- Walgreens Boots Alliance
- Wallbox Chargers
- Walt Disney
- Warburtons
- Warner Bros. Discovery
- Warner Music Group
- Watches of Switzerland
- Water Plus
- Waters
- Weetabix
- Weir Group
- Wendy's Group
- Wessex Water

- West Burton Energy
- West Pharmaceutical Services
- Westlake Chemical
- Westmill
- WestRock
- WH Smith
- Which?
- whistl
- Whitbread
- WildBrain
- William Hill
- Williams Racing
- Williams-Sonoma
- Wilmington
- Wincanton
- WirelessCar
- Wise
- Wm Morrison Supermarkets
- Wolseley
- Wolters Kluwer
- Wood Mackenzie
- Woodward
- World Kinect
- World Vision
- Worldline
- WPP Corporate
- Wyndham Hotels & Resorts
- Xerox

- XPO Logistics
- X-Rite
- Yahoo!
- Yamaha Motor Europe
- Yazaki Corporation
- Yondr Group
- Yoox Net-a-Porter
- Yorkshire Water
- Zayo Group
- Zentiva
- Zimmer Biomet
- Zühlke

LTI valuation methodology

- The expected value of an LTI grant reflects the present value of the expected future gains from it. As LTI grants carry the risk of loss due to performance and vesting restrictions, it is appropriate to make certain adjustments to reflect the possibility that they will not vest. When calculating expected values we typically take into account factors including: type of performance measure and the 'toughness' of the target setting (i.e., the probability of meeting the performance target); length of performance and vesting periods; and whether dividends are re-invested or accumulated during the vesting period).

  - The expected value of **share options** is calculated using a binomial lattice model, based on a number of input assumptions. A discount is then applied to this value to take account of any applicable performance vesting conditions.

  - For **performance / restricted shares**, the expected value represents the face value of shares (i.e. the number of shares multiplied by share price) as at the date of grant, less a discount applied to take any applicable performance vesting conditions into account, less the value of dividends paid during the vesting period if participants do not receive the benefit of these.

  - In the case of **deferred bonus matching shares** and **co-investment plans**, We assume that executives seek to maximise their reward opportunity and will therefore elect to defer the maximum amount of bonus allowable. Deferred bonus matching share awards are then valued as performance share awards (see above). Note that deferrals not subject to further performance conditions are included as part of the annual bonus and are not valued as part of long-term incentives.

  - Consistent with other types of long-term incentive award, **long-term cash bonuses** are valued at date of grant (not pay-out). The value represents the target / expected pay-out level.

  - For complex or **unusual plan types** which do not fit into the categories described above, a bespoke valuation will be applied, using consistent principles and assumption setting methodology.

Disclaimer

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People and Remuneration Committee

Date: **24 February 2025**

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 December 2024 and February 2025.

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

December 2024 to February 2025

24 February 2025

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Our Colleague Quarterly Report December 2024 to February 2025

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 also covers updates and achievements since the last Committee meeting, held in November 2024.

The format of this report will provide an update on

1. Our Colleague Strategy

2. Our Colleague Scorecard

3. Create an inclusive culture
   a. Publishing our Pay Gaps
   b. Launching Viewpoint, Our New Engagement Survey
   c. Marking International Day of Persons with Disabilities
   d. Mental Health Masterclasses
   e. Wellbeing Colleagues
   f. Updating our Diversity Questions in myJourney

4. Support everyone to achieve their work ambitions.
   a. Leadership Development
   b. Performance Management
   c. Strategic Workforce Planning
   d. Employability Programmes
   e. Early Careers
   f. The TfL Change Landscape
      a. Project Management Community
      b. myJourney Phase 2 Go-Live

5. Provide a fair and attractive employee offer
   a. 2024 Pay Talks Concluded
   b. Reward Consultation and Implementation of Job families (TfL and TfL Operations)
   c. Our Pension Fund's Sustainability Report
   d. TfL Pension Review Update

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Measure	Year End Target	Period Target	Period End	Scorecard
Attendance	94.25%	93.75%	Data Unavailable	Unavailable
Senior Leader Representativeness				
Gender	35.3%	34.9%	34.7%	Amber
Ethnicity	20.4%	20.0%	20.6%	Green
Minority Faith	13.1%	12.9%	12.4%	Red
Disability	6.9%	6.6%	6.5%	Amber
LGB	6.1%	5.9%	5.8%	Amber

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.

Our Colleague Scorecard

The table below provides Period 10 figures (ending 4 January 2025) of the colleague section of the TfL Scorecard for financial year 2024/25.

As of Period 10, our Senior Leader Representativeness measure shows that we are exceeding our Ethnicity target. However, the status for Gender, Disability, and LGB (Lesbian, Gay, Bisexual) is currently amber. Our Faith category is in the red and falls below our minimum target. We have made progress in year for women, minority ethnicity and colleagues with a disability. However for women and colleagues with a disability we have not made as much progress as anticipated.

Due to the ongoing impact of the cyber incident, we are currently unable to provide attendance data updates for this quarter.

The final measure for Colleague Engagement on our colleague scorecard will be derived from our annual Viewpoint

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survey, which opened in late January after delays due to the cyber incident. We will share the results with the Board in May 2025, following discussions with our colleagues and trade unions.

Create an inclusive culture

Publishing our Pay Gaps

We are scheduled to publish our 2024 Pay Gap Report and Pay Gap Action Plan alongside other Greater London Authority (GLA) Group organisations shortly. This report is based on data up to 31 March 2024.

Our pay gap reports highlight the differences in average earnings across all jobs between men and women, White and Black, Asian and minority ethnic, and non-disabled and disabled employees.

Identifying and implementing actions to reduce our pay gaps is a key strategic priority for TfL within the Action on Inclusion initiative.

Launching Viewpoint, Our New Engagement Survey

Following a delay due to September's cyber incident, our Viewpoint 2024 survey opened in late January. Viewpoint is crucial in shaping the future of TfL, ensuring it becomes the best it can be for everyone. The feedback collected will contribute to local people plans and broader projects across TfL.

This year, the management of Viewpoint was brought in-house to a new platform, offering greater flexibility to ask the right questions and providing quicker results to drive actions.

The survey is managed by a dedicated employee engagement team within the Chief People Office and will run for four weeks, allowing ample time for colleagues to respond. The results will be analysed to identify any necessary actions to support our goal of making TfL a great place to work.

To support the launch of Viewpoint, a virtual Q&A session was held with guest speakers Patricia Obinna, Director of Diversity and Inclusion, and Jamie Wicks, Master Data and BI Delivery Lead.

Marking International Day of Persons with Disabilities

In December, we proudly marked the International Day of Persons with Disabilities, celebrated annually on 3 December. This day raises awareness of both visible and non-visible disabilities.

Disability Awareness is a key short-term priority within our Action on Inclusion initiative, as we recognise the need to do more to remove barriers for our disabled colleagues. As part of this commitment, we continue to roll out Disability Awareness training for people leaders. This training, required for anyone with line management responsibilities, was developed to help people leaders become more knowledgeable and confident about disability.

While we continue to offer these sessions in partnership with the Business Disability Forum, our reporting mechanisms remain

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unavailable following the cyber incident in September.

Mental Health Masterclasses

Our Occupational Health team continues to lead initiatives across the organisation to support better physical and mental health among colleagues. Mental health was a particular focus during December and January, coinciding with winter, a time of year widely recognised as challenging for many people.

Several Mental Health Masterclasses were held for people leaders, designed to build confidence in recognising the signs of mental health issues and providing the right support. Research has shown that when managers have this training and knowledge, sickness absence in their teams is reduced.

Wellbeing Colleagues

Last spring, we launched a new peer support group called 'Wellbeing Colleagues.' These colleagues act as advocates and play a key role in disseminating information and advice. The number of members in this support group has now reached 175. They all undergo periodic training, and in November 2024, they were briefed on the benefits of good nutrition to share with others.

Updating our Diversity Questions in myJourney

As part of the myJourney phase 2 launch, we made changes to the Diversity and Inclusion fields within myJourney to gather a more accurate picture of our colleagues and ensure we use inclusive language. These changes align with our commitments in Action on Inclusion and were agreed upon in consultation with our Colleague Network Groups.

The changes include:

Sexual Orientation: Following feedback from our OUTbound Colleague Network Group, we added three new fields: Asexual, Queer, and Pansexual. While many find the reclamation of the word 'Queer' empowering, we acknowledge that some colleagues may not see it as appropriate. We ask all colleagues to respect the terms others use to describe themselves and to follow their lead on how they choose to identify.

Faith/Belief: Based on feedback from our Faith Colleague Network Group, we added Jainism as an option for colleagues who identify as Jain.

Disability: To foster a more inclusive approach, we revised the wording of this question to ask if colleagues consider themselves to have a 'disability or long-term condition'. This language is more inclusive, recognising that some colleagues do not identify with the term 'disabled'. Additionally, we added an option for colleagues to specify their workplace experiences to help us work towards removing barriers.

Pronouns: Pronouns are words we use in place of nouns, such as I, You, He, She, They, Them. By creating opportunities for colleagues to share their pronouns, we can avoid gendered assumptions.

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Support everyone to achieve their work ambitions

Leadership Development

The final session of this year's 'Coaching for the Future' Leadership programme for our paybands 2 and 3 people leaders concludes in February. This brings the total number of participants to 744. A comprehensive evaluation of the programme is underway, with early feedback indicating that all participants feel it has supported them in navigating the challenges of people leadership. Over 90 per cent report that it has directly contributed to better quality conversations about performance, development, and wellbeing with their teams.

In November, we launched the 'Our People Leader' foundation site on our intranet site Platform, serving as a one-stop shop for people leaders to find all the development resources they need. Our successful People Leader Welcome event has been extended based on feedback to include an overview of key management processes, policies, and systems. This is complemented by a new people leader e-learning programme launching in February.

Cohort 2 of our 'Getting Ready for Senior Leadership' programme is also set to finish in February. Evaluations of the first and current cohorts indicate that most

participants believe the programme has increased their confidence and self-assurance. Seven of the 10 participants in Cohort 1 have secured a sideways move or promotion, citing the programme as having a direct impact.

We will continue to learn from the feedback on both programmes and incorporate it into future development opportunities.

Performance Management

We have been actively communicating and engaging with colleagues on the updated guidance and materials to support the preparation for 'End of Year' conversations. These resources are designed to help ensure that these discussions are productive and meaningful.

The window for colleagues and their people leaders to conduct end-of-year performance, readiness, and development conversations is open from 10 February to 31 March. During this period, we encourage everyone to take the time to reflect on their achievements, identify areas for growth, and set goals for the upcoming year. These conversations are a valuable opportunity to discuss career aspirations, receive constructive feedback, and plan for future development.

Strategic Workforce Planning

TfL's first Strategic Workforce Plan was published internally in mid-December, marking a significant milestone achieved through collaborative efforts across the Value Chain. This plan serves as a

comprehensive guide for workforce planning and development.

Local areas have already started utilising the supporting toolkit to create their own localised Strategic Workforce Plans. This toolkit provides practical resources and guidance to ensure that each area can effectively align with the overarching strategic goals.

An update on our Strategic Workforce Plan is included elsewhere on the agenda for this meeting, providing further insights. Each Chief Officer area is expected to have their local plans published by the end of 2025, ensuring a cohesive and unified approach to workforce planning across the organisation.

Employability Programmes

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

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

Reactivate is our three-month employability programme supporting people who have existing work experience and transferable skills but have been unemployed for a significant amount of time.

We welcomed 10 Reactivate programme participants in January 2025. All participants complete training and placements across the business to support the strengthening of core skills in readiness for employment.

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

Of the 16 Activate programme participants that completed in December 2024, one participant has secured employment in TfL's Licensing and Regulation application team and one participant has secured an external customer service role.

We continue to support all those who have completed the programme into positive progressions through job applications, interview preparation and exam revision.

Early Careers

In January, we began assessment centres for our 117 Graduate, 22 Summer, and 28 Year in Industry internships, set to start in 2025 across 33 different schemes. We continue to operate both physical and virtual assessment centres, with 39 planned through March.

In February, we launched our Apprentice campaign for 175 vacancies starting in September. These opportunities span 40 schemes in disciplines such as Engineering, Technology and Data, Real Estate, Finance, General Management, Project Management Office, Commercial and Procurement, and Sustainability. New apprenticeships include Boatmaster and Marine Engineering.

To support the launch, we attended the TfL Supplier Skills Apprenticeship event

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on 11 February and will host our own TfL Apprenticeship event on 28 February. Additionally, we will participate in events across London in schools, colleges, and at the borough level in support of National Apprenticeship Week.

The TfL Change Landscape

We have made significant delivery strides across the TfL Change Landscape:

Project Management Community

Following a busy 2024 and the successful consultation and TUPE transfer, we are now delivering a range of financial and non-financial benefits. We have introduced a new Competency Framework to provide more targeted and tailored training, fostering the growth and development of our project professionals. Additionally, we have implemented a new Agile process, allowing us to move people flexibly around the organisation in response to business demands and colleague development needs.

We have also launched community hubs, bringing colleagues together under asset groups to enhance collaboration, knowledge sharing, and lesson learning, ultimately improving project delivery within the Capital investment portfolio. We are currently working through some organisational and role alignment activities before entering the Embedding phase on 1 April this year.

myJourney Phase 2 Go-Live

myJourney Phase 2 was successfully launched on 18 November 2024, delivering new SuccessFactors functionality to approximately 30,000 colleagues across TfL, the GLA, and the Old Oak and Park Royal Development Corporation. The technical go-live was supported by an extensive training, communications, and engagement plan to drive user uptake and adoption across the Subject Matter Expert, Manager Self Service, and Employee Self Service user groups.

Provide a fair and attractive employee offer

2024 Pay Talks Concluded

Pay negotiations for 2024 have now concluded with no industrial action taking place. Awards are being implemented, with payments scheduled before the end of the financial year.

As we continue to modernise the business, discussing proposals can sometimes lead to disputes and disagreements with our recognised trade unions. When this occurs, we utilise our extensive collective bargaining arrangements to resolve these disputes, while working to minimise and mitigate the impact of any actions if an agreement cannot be reached.

Over the past year, we have made significant progress in reviewing our people policies. We have revised our flexible working and parental leave arrangements and introduced specific guidance on sexual harassment.

Reward Consultation and Implementation of Job Families (TfL and TfL Operations)

Since July 2024, we have been consulting with our trade union colleagues on changes to the way we manage pay. We discussed the proposed scope for our Job Families pay framework, the principles for how Job Families will work in practice, and the people impact of any changes we make. In November 2024, we concluded consultations on plans to introduce Job Families pay ranges for all colleagues currently covered by our Pay for Performance and Senior Manager Reward frameworks, effective from April 2025.

The introduction of Job Families is a key deliverable under our Colleague Strategy theme of creating a fair and attractive employee offer. Through Job Families, we aim to significantly improve how we manage base pay across the organisation by creating a more structured, transparent, and equitable framework.

The main benefits of Job Families include ensuring that roles performing the same or similar work are grouped together, allowing us to pay our people more consistently and reduce internal pay disparity. This approach aligns more closely with the external market and industry standards. Colleagues will benefit from greater pay transparency and clarity on how pay decisions are made, fostering confidence in our pay management and helping colleagues understand how to progress their careers. Additionally, this framework is expected to positively impact gender, ethnicity, and disability groups by mitigating any potential biases that can contribute to pay gaps.

Our Pension Fund's Sustainability Report

The Fund published its seventh Sustainability Report in December, continuing to engage on this complex and important topic with its members and other stakeholders. Its key message this year was that the Fund continued to make strong progress on its Net Zero Target with carbon emission intensity down by 53 per cent compared to the 2016 baseline, well on track to meet the 55 per cent interim target by 2030 and 100 per cent by 2045. More importantly, it was doing so by making sensible long-term investments in line with the Trustee fiduciary responsibility to deliver stable and sustainable funding. As part of that, the allocation to Environmental, Social and Governance investments reached 13.5 per cent of the Fund assets - around £2bn, nearing the 2025 target of 15 per cent.

The report emphasises that the Fund sees climate change not just as a key risk but also as an opportunity to make value enhancing investments. The Fund has expanded its clean energy portfolio by committing £300m into energy transition and renewable energy strategies, including a £33m direct acquisition of an onshore windfarm in Cambridgeshire. A further £100m was committed to International Finance Corporation Mandate, which would make financially attractive investments in emerging and lower income countries focusing on climate, inclusive business and gender equality, all aligned with the United Nations Sustainable Development Goals.

EVERY JOURNEY MATTERS

Finally, the report outlined excellent progress made on stewardship in the last 12 months, which involves collaboration with like-minded investors as well as engagement initiatives and company-wide voting. This included a total of 132 engagements across 94 companies, 58 milestones achieved and a total of 227 sustainability-linked resolutions voted globally.

TfL Pension Review Update

As part of our funding agreements with the Government during the coronavirus pandemic we were required to carry out a review of TfL's pension scheme. Extensive work was carried out and we always held the position that 'do nothing' remained an option throughout the process.

No requirement on pensions featured in our most recent capital funding agreement and our view is that the original condition has now been met. The Government is aware of our position and there are no plans being developed or actively considered by TfL to change the TfL Pension Fund.

The conclusion of this process has coincided with the triennial valuation of the pension scheme's assets and liabilities. This valuation has shown a significant improvement in the funding position of the TfL Pension Fund, reflecting macroeconomic factors and good management by the Trustees.

This means that TfL will benefit from being able to reduce payments into the TfL Pension Fund for a period, helping us to balance our budget and invest in London's transport network.

This positive outcome means no change to our colleague pension arrangements and a better financial outcome for TfL which will help us to navigate a challenging economic environment.

The valuation we have agreed was carried out at an effective date of 31 March 2024. The next valuation date is expected to be 31 March 2027.

People and Remuneration Committee

Date:	24 February 2025
Item:	Risk and Assurance Report Quarter 3 2024/25

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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 3 of 2024/25 (15 September to 7 December 2024) (Q3).

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 financial or business affairs of TfL and information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime. Any discussion of that exempt information must take place after the press and public have been excluded from the 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 is scheduled to be presented to the Executive Committee on 18 July 2025 and then to this Committee on 18 September 2025 for 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. 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. Audit planning for 2025/26 has commenced in consultation with key stakeholders in TfL.

5 Work of Note for Quarter 3

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 Internal Audit issued one draft audit report against ER02 in Q3: 'Action on Inclusion Strategy' and it was given a conclusion of 'adequately controlled'. Appendix 1 provides further details of this audit.

5.3 At the end of Q3 one Internal Audit was in progress against ER02: 'Our People Leaders Framework', the findings of which will be presented at the next meeting of this Committee.

Quality, Safety Security Assurance

5.4 No QSSA audits were issued against ER02 in Q3.

Counter-Fraud and Corruption

5.5 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) in Q3, 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 No ER02 audits were cancelled or deferred by Internal Audit or QSSA in Q3.

7 Performance and Trends

7.1 In the past 12 months Internal Audit has conducted three audits against ER02, two were concluded as 'adequately controlled' ('Action on Inclusion Strategy' and 'Learning and Development – External Training') and one audit was concluded as 'requires improvement' ('Headcount Controls Process'). The QSSA team has conducted two audits on 'Management of Legionella Risk', one concluded as 'adequately controlled' and the other 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 management of actions. For ER02 at the end of Q3 there were nine open audit actions, five of which were overdue: three by 31-60 days and two by 61-100 days. All overdue actions are regularly discussed with Chief Officers and there is a focus on ensuring more actions are closed on time.

List of appendices:

Appendix 1: Audits Completed in Quarter 3 of 2024/25

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 3 of 2024/25

Internal Audit: Draft report issued in Quarter 3 of 2024/25
ER02 Attraction, retention, wellbeing and health of our employees

Chief Officer	Ref	Audit Title	Objectives	Conclusion	Summary of Findings
Chief People Officer	24 004	Action on Inclusion Strategy	Provide assurance on how effectively the Action on Inclusion strategy is being embedded and realised.	Adequately Controlled	Effective governance processes are in place for the Action on Inclusion strategy and action is being taken to implement the strategy's Programme Plan deliverables. In view of the effective governance processes and action being taken to implement the deliverables, we have concluded that this area is adequately controlled.

ER02 Attraction, retention, wellbeing and health of our employees

Quality, Safety and Security Assurance Audits Completed in Quarter 3 of 2024/25

Chief Officer	Ref.	Audit Title	Objectives	Conclusion	Summary of Findings
None					

People and Remuneration Committee

Date: 24 February 2025

Item: Members' Suggestions for Future Discussion Items

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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), DDI (Director of Diversity and Inclusion) 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.

24 June 2025		
Pay Outcomes of £100,000 or more Approvals	CPO	To note.
TfL Pay Gaps 2024 & Action Plan	DDI	To note.
Approach to Reward Update	CPO	To note.
TfL Performance Delivery and Performance Awards	Commissioner / CPO	To approve.

21 July 2025 – if required		
TfL Performance Delivery and Performance Awards	Commissioner / CPO	To approve.

18 September 2025		
Action on Inclusion Progress	DDI	To note.

19 November 2025		
Pay Outcomes of £100,000 or more Approvals		To note.
Strategic Workforce Planning	CPO	To note.
Enterprise Risk 2 Update - Attraction, retention, wellbeing and health of our employees (ER02)	CPO	To note.

As at 14 February 2025

11 March 2026		
Performance Awards 2026/27	CPO	To note.

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)
- Strategic Workforce Planning (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 14 February 2025

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

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