

Date: 23 March 2023

Item: TTL Properties Limited People Strategy

This paper will be considered in public

1 Summary

- 1.1 This paper summarises the progress since the paper to the Committee on 30 June 2022. It sets out the methodology followed in progressing the TTL Properties Limited (TTLP) People Strategy work including the internal and external benchmarking being undertaken.
- 1.2 In developing the TTLP People Strategy, we are working to create an environment which encompasses the best of TfL and enables TTLP to deliver its objectives. The aim is to make TTLP a welcoming and desirable place to work, whilst building a team that reflects the diversity of London and can positively shape the capital's future.
- 1.3 We ask the Committee to note the progress, specifically the proposed actions while we map out longer term strategies for attracting and retaining colleagues. Subject to the Committee's comments, these will be resourced and effectively communicated, complementing the new operating model.

2 Recommendation

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

3 Background

- 3.1 The TTLP People Strategy has been developed with a range of inputs. These include TfL's Colleague Strategy, the TTLP employee engagement results from the Viewpoint survey, and external benchmarking. In addition, we have sought to maximise the input from people at all levels across TTLP.
- 3.2 The finalisation of TfL's Colleague Roadmap and the start of work to develop functional people plans in TfL has enabled us to explore how we can partner with the wider organisation to achieve common goals. As an example, on both recruitment and change management we are now working with the relevant parts of TfL to deliver improvements to our business. More generally, we are keen to position TTLP as a proving ground for new TfL people initiatives, using TTLP's size and agility to test things that might then be deployed across the wider organisation.

- 3.3 At 59 per cent, TTLP's headline engagement score from Viewpoint is currently the same as TfL. Given the ability to attract people who buy into our vision and the opportunity for those people to work on some of the largest and most important projects in London, TTLP should be a positive and energised place to work. We are therefore setting a target to reach 70 per cent total engagement by 2025-26. It is clear from this year's Viewpoint results that to improve total engagement we need to focus on team collaboration, personal development, managing change, learning from mistakes and colleagues feeling involved in decision making.
- 3.4 We have carried out external benchmarking in several areas to inform our Strategy. This has highlighted that:
- (a) on workforce diversity, in pay bands 1-4, the percentage of our people from ethnic minorities is significantly lower than the London working population average; and at the most senior levels, this gap is even greater, in both gender and ethnic minority representation;
 - (b) many of the challenges and opportunities we have are shared by other companies in the real estate sector; and we and our comparators are also experiencing a lack of suitably experienced and qualified candidates for key roles;
 - (c) while our approach on reward will be based around the strength of the overall package we can offer as part of the TfL family, on pay, bonus and longer-term financial incentives, TTLP is significantly behind what is on offer in the wider real estate sector; and
 - (d) other companies have shared that, despite the importance of competing strongly on salary and remuneration, learning and development and the wider employee experience are increasingly seen as critical in attraction and retention.
- 3.5 In developing the TTLP People Strategy over recent months, we have deliberately followed a "people first" approach, under which every employee of TTLP has been given opportunities to contribute to the shaping and development of the Strategy.
- 3.6 The work has been led by the TTLP People Group, with support from the TTLP leadership team and colleagues in TfL. The Group is made up of representatives from the different areas of TTLP, all of whom are genuinely committed to making our organisation a brilliant place to work. It has devised, designed and evolved the contents of the Plan working closely at all stages with people from across our business.
- 3.7 In framing the People Strategy, the Group held a series of workshops during the early development of the document to inform its headline content. As well as broad engagement across the company and in TfL as the document evolved, they held sessions with our delivery partners to compare their thinking with practice elsewhere. Two all-staff sessions – one in November 2022 and the most recent in February this year – enabled a total of over 200 colleagues to contribute to the substance of the Strategy. This level of

engagement will continue as we develop and deliver the People Implementation Plan.

4 People Implementation Plan

- 4.1 Our TTLP People Strategy has informed our approach to the People Implementation Plan which has been distilled into three focus areas:
- (a) The Fundamentals – putting the right building blocks in place for our new company, ensuring we can recruit the people we need, clearly communicate and deliver change, and deliver a fair reward and recognition framework that motivates and retains our employees;
 - (b) Diversity, Inclusion and Wellbeing – becoming an organisation that reflects the diversity of London at all levels, which ensures everyone can be heard, and fosters an environment that enables people to thrive; and
 - (c) Growing our Own – offering development and progression for all to enable business and personal success, putting in place a sector-leading skills and education programme, and using values-based recruitment to attract people who share our ambition for TTLP and London.

The Fundamentals.

- 4.2 We are conscious, consistent with the steer given by our people, that we need to get the basics right and create a strong foundation before attempting anything more expansive. This approach will also give us time to build a team dedicated to achieving our vision in this area – work on the Strategy until now has mostly been done by people working over and above their day jobs.
- 4.3 The success of our TTLP People Strategy relies on us having a clear set of fundamentals that we need to get right to ensure our people can successfully deliver TTLP objectives and meet our total engagement targets. As part of this we will work to ensure that managers and employees understand and meet their responsibilities in relation to core people processes like the end-year performance one currently underway.
- 4.4 We acknowledge the need to move quickly to address recruitment. We have 18 live vacancies and are expecting considerable business growth over the next year with the new operating model in place requiring recruitment of at least c.30 additional colleagues. Resourcing continues to present a risk to delivering our business plan, and existing recruitment is not consistently delivering the quantum or quality that is required, and the timescales to recruit can be protracted for several reasons.
- 4.5 To mitigate this, we have secured dedicated resource to accelerate the recruitment process and are developing a plan to improve the “reach” to recruit the best talent into TTLP. We are considering how and where we best advertise and promote the TfL benefits and opportunity to work in this new property company with an exciting and varied portfolio. For the harder to fill roles, particularly in surveying, we are considering developing a microsite to promote the work of TTLP and advertise vacancies. We are looking to carry

out market mapping to target specific areas and specialisms and, where necessary headhunt for these roles. We will also explore options for flexible resourcing to meet the requirements of future ventures.

- 4.6 We will also review both the attraction strategy and the candidate assessment to make sure that we are prioritising talent over proven experience in real estate. We will also fully map the recruitment processes to review opportunities for efficiencies and simplify recruitment for hiring managers including creating a TTLP Hiring Managers' Toolkit.
- 4.7 To ensure improved visibility of existing opportunities in support of fairness and transparency, we will consistently advertise all roles, secondments and other placements.
- 4.8 Working with TfL Reward, we will also create a Reward strategy for TTLP. Reward in terms of base salary and bonuses is regularly referenced as a concern and is cited as the reason staff are leaving. Any work on Reward will need to be addressed in line with TfL's review of the pay framework and be subject to normal TfL approval processes.
- 4.9 Colleagues asked for more recognition around successes, and our move to Victoria Station House earlier this year and the completion of our Executive Leadership Team have helped to generate a "one team" environment which helps with this. Looking ahead, we will find opportunities to thank and recognise our staff on a more consistent basis, building on existing TfL systems and processes.
- 4.10 Colleagues also requested more effective and consistent communication around change, which is also now being undertaken, both face-to-face and in written communication.

Diversity, Inclusion and Wellbeing

- 4.11 London is the most diverse city in the world and is forecast to become even more diverse with demographic changes leading to more people who have protected characteristics calling London home. TTLP's diversity, inclusion and wellbeing require significant improvement to meet the TfL and London benchmarks.
- 4.12 Within TTLP, we are fortunate to be able to build on our SPACE (Speak, Participate, Act, Collaborate and Equalise) group. Following the murder of George Floyd, this group was set up by a team of people in TTLP to allow colleagues to talk openly about the personal issues that affect them professionally, specifically around race. SPACE has delivered a range of high-quality events including topical debates and panel discussions, a variety of podcasts, packed South Asian Heritage and Black History Month calendars providing information, food and even music for the team to enjoy.
- 4.13 SPACE needs to be given the active support to be able to play a more central role in TTLP. SPACE's paper, 'SPACE for Change' sets out a series of recommendations based in part on bespoke surveys of TTLP employees.

SPACE is poised to create and review Diversity and Inclusion training with the first programme targeted at Leadership, starting with the Executive Leadership Group. In time, this training will be rolled out across TTLP and will cover, empathy, allyship and promoting inclusion. SPACE will also work with us to improve our recruitment processes and policies to promote representation, fairness and equalise inequality gaps.

- 4.14 Alongside that, we need to create a formal TTLP diversity action plan with targets. This will include the creation of a 'Shadow Leadership Group' to give more colleagues exposure to executive decision making while also allow greater input from diverse voices, particularly in the period that it takes to create a fully diverse leadership team. We are also arranging core Diversity and Inclusion training for all members of TTLP. We will also take more opportunity to highlight and promote work that is currently being undertaken to improve access and inclusion.
- 4.15 To support diversity, inclusion and wellbeing, TTLP will also encourage employees to engage in volunteering activities. This is shown to be effective I team-building as well as allowing colleagues to better understand and connect with TTLP's customers and the wider city.
- 4.16 Finally, we will continue our collaboration with other members of the GLA Group and wider industry initiatives, particularly those utilised by strategic partners, including joint venture partners.

Growing Our Own

- 4.17 Our ambition is to enable everyone who works for us, whatever their background, to be successful. Our existing employees have told us they want clear career pathways within TTLP. To enable this, we will produce a Learning and Development Strategy, focussing particularly but not uniquely on real estate disciplines.
- 4.18 The fact that we cannot compete with the top end of the commercial market in terms of pay, and our ambition to attract a more diverse talent pool including where people may have less direct experience are both reasons we need a strong people development proposition which is properly resourced. Such an approach will significantly enhance our attractiveness as an employer and improve staff retention. The creation of an alumni community will also maintain connections for potential returning colleagues.
- 4.19 Our learning and development work will be informed by analysis of the skills and experience across our business to improve our understanding in those areas. We will also do a comprehensive succession planning exercise, identifying the critical roles and how we inclusively develop staff to move into leadership or specialist roles.
- 4.20 In the shorter term, we will use the end year performance review process to ensure that every employee has a high-quality conversation about their development. In support of this and similar conversations in the future, we will

provide training on MyJourney, the TfL employee performance review tool which uses SAP SuccessFactors.

Next steps

- 4.21 Subject to the Committee's feedback, a People Implementation Plan will be produced to detail the prioritisation, sequencing, resourcing and timescales of the above work. It will also detail the metrics by which we will measure success.
- 4.22 In parallel, work continues on our future operating model. We are moving as quickly as we can with developing a flexible structure which will enable us to deliver our ambitious plans and improve employee retention. Following the finalisation of the Executive Leadership Group structure, we hope to be able to begin shortly filling roles at the next layer down this spring.

List of appendices to this report:

None

List of Background Papers:

None

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