

# HR Quarterly Report February to May 2023

24 May 2023



# HR Quarterly Report

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### Introduction

This updated Human Resources (HR) Quarterly Report provides an overview of work taking place to make Transport for London (TfL) a great place to work, for everyone.

The report will provide an update on our longer-term approach to people activity, and how we will ensure that TfL is able to attract and retain talent, whilst also improving the wellbeing of our colleagues. The report will also cover updates and achievements since the previous Panel held on the 22 February 2023.

The format of this report will provide an update on

1. Our emerging Colleague Strategy
  - a. Creating a culture of inclusion
  - b. Supporting everyone to achieve their work ambitions
  - c. An attractive and fair employee offer
  
2. Our TfL Programme



# Our emerging Colleague Strategy

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Our emerging Colleague Strategy will set 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 your role and wherever you are in your career.

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

Our Colleague Strategy will be broken down into three key commitments which we will make to our colleagues:

## **Creating a culture of inclusion across our organisation**

Across our organisation, every one of us has a role to play. Building a safe space for conversations and challenge will ultimately lead to a more effective, innovative organisation that meets everyone's needs and promotes wellbeing in the widest possible sense.

## **An attractive and fair employee offer**

We are working towards a new approach to reward and our overall employment offer. Our employee benefits, policies and ways of working need to help you build your career here, and motivate others to join us.

## **Supporting everyone to achieve their work ambitions**

We will deliver London's future with your skills, ideas, energy and creativity. Great leadership with a continued focus on your ambitions and wellbeing, with everyone having access to opportunities, is at the heart of how we will make TfL a great place to work.

A further update on our emerging Colleague Strategy and how we will launch this is provided as a separate agenda item at this Panel.

## **Showcasing our Colleague Strategy**

On the 20 April, we held our first in person HR Conference since the pandemic. Over 300 colleagues attended the event which was used as a launchpad for our Colleague Strategy.

This event showcased the aims and objectives of the strategy and highlighted the role we all have in bringing this strategy to life. All of our work across the Chief People Office will be aligned to this strategy. The response from our colleagues on the day was overwhelming and we look forward to sharing this with our colleagues across TfL

# Creating a culture of Inclusion

## Action on Inclusion

Whilst diversity has always been an important focus at TfL, we are moving towards a more inclusion focused approach to positively impact our organisation for our colleagues and customers. We are focused on creating an equitable, high-performing workplace where people from all backgrounds can get the support they need to thrive and grow.

In response to this challenge, we have developed our Action on Inclusion strategy which sets out steps we will take to make TfL a genuinely inclusive employer. This strategy will be published and shared with our colleagues by the summer

Over the past two years, Action on Inclusion was developed through a combination of over 500 listening sessions with our colleagues and emerging data. This has allowed us to create a strategy that matters to our people.



The document comprises of three key themes:

1. Representing our city – How we will ensure our organisation truly reflects the diversity of London
2. An inclusive starting point – Practical steps to improving equity, diversity and inclusion in the workplace
3. Skills and opportunities – How we will develop everyone to be their best at work, ensuring TfL is a great place to work for everyone to thrive

There is an additional agenda item, outlining how this strategy has been developed and its aims on the agenda for this meeting.

## Representation at Senior Levels

Diversity without an inclusive culture is not sustainable in the longer term, as diverse talent will leave the organisation if we are not an inclusive place to work.

However, in order to represent London, it is important that TfL represents Londoners at every level of the organisation. This is key to making sure that there is diversity of thought in decision making and in turn will make TfL a more inclusive place to work.

The Senior Leadership Representation measure has been added to the TfL Scorecard for 2023/23 and is a measure of the percentage of colleagues in pay band four and above who have declared to be black or minority ethnic; to be women; to have a disability; to be lesbian, gay or bisexual; or to have a minority faith or belief.

Senior representation can be influenced; by recruitment campaigns, by encouraging more of our colleagues to share their diversity information with us, and by addressing causes of attrition and barriers to progression which may disproportionately affect colleagues with protected characteristics.

Our ambition is to halve the difference in representation between our current senior colleagues and the economically active population of London for five protected characteristics between 2023/24 and 2030.

### **Reviewing our Policies**

We want TfL to be a great place to work where everyone can thrive. An essential part of this is having the right policies in place to support our people. Our policies are also a vehicle by which we can embed an inclusive culture.

Our current policies follow a 'one size fits all' approach. This means we have to apply prescriptive rules without exception, making it difficult to do the right thing by our people and our organisation. Feedback from colleagues and managers have been that our policies are chaotic and confusing and do not demonstrate how we wish to treat our people in line with our Vision and Values.

We are moving to principle-based policies and procedures which means moving away from a reliance on detailed, prescriptive rules that are typically long, rigid and complex that must be applied without exception. We will no longer have a 'one size fits all' approach but instead rely more on high-level, broadly stated rules or principles to set the standards that in the main, allow managers to consider individual circumstances.

We have now gone live with consulting our Trade Union colleagues on updates to our Attendance, Grievance, Discipline and Bullying & Harassment policies, with an ambition to go live with these new policies early in 2024.

### **Leaver Survey**

In February we launched our new Leaver Survey which is being sent to all colleagues who voluntarily left the organisation. This survey will act as our temperature check to see why colleagues are voluntarily leaving the organisation.

Our response rate to date is 44 per cent, with 47 of 106 leavers having now filled out the survey. Whilst this is too soon to provide any detailed analysis, in particular by business area, key themes are already emerging.

The most common reason for colleagues leaving TfL is for a better or new opportunity elsewhere with 30 per cent of leavers citing this as their key reason for leaving. This includes a number of sub reasons, such as a promotion from their current role, a career change, or further development opportunities.

We will aim to bring a more detailed report early in 2024 when we have rich enough data to drill down into some of the reasons and provide the Panel with work we are doing in response to these findings.

# Supporting everyone to achieve their work ambitions

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## Update on our performance and readiness conversations

We have concluded our end of year performance and readiness conversations for the 2022/23 performance year on the 15 May 2023.

These conversations between colleagues and their people leaders identify performance over the previous year, along with their readiness to progress to the next stage of their career. These readiness ratings will be used to inform development plans for our colleagues and be used to other initiatives such as succession planning (below).

The next steps are to do a review into how these conversations have been used across the different parts of TfL, identifying areas where there is lower engagement with this process such as in operational areas. Further detail will be brought back to the Panel when available.

## Strategic Workforce Planning

Our Strategic Workforce Planning tool has been trialled and tested within the HR community and will be launched to our people leaders within the coming months.

Our HR business partners have been using the data from the dashboards to support more strategic decision making around our resourcing and graduate and apprentice demand. It has also been providing key evidence on what action we can put in place to support retention.

This data includes retirement profiles for each Chief Officer area. This estimates the number of colleagues anticipated to retire based upon age, length of service and previous trends. The highest anticipated retirement rates are seen in operational areas, with over two per cent of colleagues anticipated to retire each year from 2026 onwards. This retirement profile is significantly smaller for other Chief Office areas with Capital anticipated to have less than 0.2 per cent of colleagues retiring each year by 2026.

A Strategic Resourcing Group has been formed to identify and mitigate any resourcing issues and ensure we are managing our resourcing collaboratively. This group is focusing on supporting the retention of our key skills associated with the critical and hard to fill roles by ensuring robust succession plans are in place and steps are taken to mitigate against the loss of this knowledge and expertise from the business.

## Critical Roles and Succession Planning

The identification of our critical and hard to fill roles has been aligned with our action planning cycle which takes place after our End of Year reviews in May and June. It is at this point that the business has committed to having an understanding of the skills associated with these roles which will allow us to understand our future skills needs.

Our Graduate, Apprenticeship and Internship schemes are being used to respond to our longer term critical and scarce skills requirements. Recruitment in 2023 to schemes which are directly addressing green, digital and leadership skills will help ensure we have a pipeline of talent with the skills needed for the future.

Succession plans for the critical and hard to fill roles will be in place by the end of October 2023.

# An attractive and fair employee offer

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## Our Approach to Reward

Our current work on pay management has four main areas of focus:

1. Delivering a consistent approach to pay structuring, pay ranges and pay setting that is more closely aligned to market levels whilst being both affordable and supporting long term financial sustainability.
2. Reviewing how we currently link Reward and individual performance and the elements of our pay frameworks that support this approach (Pay for Performance in TfL, Performance Related Pay in LU and the pan-TfL Senior Manager Reward Framework)
3. Aligned with point two above, review how we might distribute the annual pay review budget differently if we change the performance-based approach to base pay progression as part of the annual pay review process
4. Individual pay progression 'in role' – reviewing how we might better manage pay progression so as to optimise pay positioning in future for an individual aligned with personal development and increased contribution.

Our immediate focus is on pay structuring and pay ranges as the foundation of a new approach to pay management where we are working on the design for a Job Families

model that could be applied across the organisation.

In support of this work, we have now formalised the pay management project as a programme within our overarching Change portfolio. Our Reward team has been realigned to better support the dual activities of the project delivery as well as normal BAU work.

Our ambition is to implement the new Job Families approach for the start of the 2024/25 performance year in April 2024, subject to consultation.

### **Our Employee Value Proposition**

We are operating in a competitive marketplace for talent. People, whether in or out of work, have more options and this has created an unprecedented number of job vacancies, resulting in greater competition. We need a way of standing out from the crowd as a prospective employer and something that clearly communicates what makes TfL unique as a place to work.

We are commencing a piece of work to better articulate why colleagues should work at TfL and progress their careers with us.

Our employee offer is the offer we make to attract prospective employees and retain existing employees; our Employee Value Proposition is how we market it.

As part of our initial work, we have identified three areas of focus which we need to

**Our purpose:** How we present ourselves to prospective employees and continue to motivate existing employees, focusing on our

brand and moving London forward. Highlighting the opportunity to work in a green organisation, tackling the climate emergency, on world leading projects, improving people's lives.

**Career Journey:** Offering an employee journey that is flexible, varied and allows career growth while still having a life away from work.

**A flexible offer:** A core benefits package that enables people to live their own lives outside of work according to their own priorities.

As this work progresses, we will return to the Panel with more detail.

# Our TfL Programme

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## Our TfL Programme

The Our TfL Programme (OTP) continues to progress at pace. Work to review and update the scope across the programme has been carried out and sub-programmes are continuing to progress initiatives through design, refining potential efficiencies.

Early benefits have been focused on making it easier to work across TfL for our colleagues. These benefits include the removal of the Financial Commitment Oversight Group, streamlining of headcount controls, and re-alignment of the Tech & Data senior leadership team.

Work to capture the as-is state across the organisation continues to progress and will be essential in informing OTP design work. Work done to date includes a comprehensive programme of mapping, analysis and engagement in order to develop the activity map for TfL and to identify opportunity areas for improvement.

The programme continues to engage with stakeholders across the organisation, with updates being taken to leadership forums, team meetings and TfL Company Council.

More detail on Our TfL Programme and sub-programmes will be provided at an informal session with the Panel.