

# Transport for London

## Minutes of the Remuneration Committee

Conference Room 1, Palestra, 197 Blackfriars Road, London SE1 8NJ  
10.00am, Thursday 2 March 2023

### Members

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

### Executive Committee

Andy Lord	Interim Commissioner
Fiona Brunskill	Interim Chief People Officer
Howard Carter	General Counsel

### Staff

Stephen Field	Director of Compensation and Benefits
Shamus Kenny	Head of Secretariat

## 01/03/23 Apologies for Absence and Chair's Announcements

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

The Chair welcomed everyone to the meeting. The meeting was also being webcast live to TfL's YouTube channel to ensure the public and press could observe the proceedings and decision making.

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.

## 02/03/23 Declarations of Interests

Members confirmed that their declarations of interests, as published on [tfl.gov.uk](https://www.tfl.gov.uk), were up to date and there were no other interests to declare that related specifically to items on the agenda.

## 03/03/23 Minutes of the Meeting of the Committee held on 9 November 2022

The minutes of the meeting of the Committee held on 9 November 2022 were approved as a correct record and the Chair was authorised to sign them.

## **04/03/23 Matters Arising, Actions List and Use of Delegated Authority**

The Committee noted that there had been four uses of Chair's Action since the last meeting of the Committee on 9 November 2022, all in relation to the approval of salaries of £100,000 or more.

**The Committee noted the updated Actions List and use of delegated authority.**

## **05/03/23 TfL Remuneration**

Fiona Brunskill and Stephen Field introduced the item, which provided a comprehensive update on annual remuneration processes pan-TfL, including both base pay and performance awards. This included details of the base pay annual pay reviews effective 1 April or 1 July 2020 and the base pay annual pay reviews effective 1 April or 1 July 2021. It also set out details of performance awards paid in the 2020/21 and 2021/22 financial years that related to the 2019/20 performance year. Members also noted that the pay ratio from the Commissioner to the median and to the lowest paid had reduced and, although some of this related to a change in definition, TfL compared very favourably to other organisations. This reward information had previously been summarised in TfL's Annual Report and Accounts for the financial years ending 31 March 2021 and 31 March 2022.

Members acknowledged the complex collective bargaining arrangements and challenging environment within which TfL operated. The 2022 Viewpoint staff survey and other communication channels revealed pay to be a key issue for staff, reflecting the pay suppression for senior management since 2016, including the suspension of performance awards during the financial crisis caused by the coronavirus pandemic and the pay award disparity between London Underground and TfL staff.

Considerable work was underway to review the total reward framework to create a fairer system with job families established against external benchmarking. Progress on this work would be reported to the Committee. **[Fiona Brunskill]**

**The Committee noted the paper.**

## **06/03/23 Executive Remuneration Benchmarking**

Stephen Field introduced the paper. On 6 July 2022, the Committee noted that a procurement exercise was underway for a new supplier as the previous executive remuneration benchmarking provider was unable to fulfil the contract in future years, due to a reorganisation of its activities.

Members noted that the competitive tender process was unsuccessful, due to a poor response from the market. Therefore, following discussions with a provider that could meet TfL's requirements in full, TfL was in the final stages of agreeing contractual terms with that provider. Once a new contract was in place, work between TfL Reward and the provider would commence immediately to provide the benchmarking reports for 2023.

It was anticipated that the benchmarking report would be available for the next meeting of the Committee. As requested by the Committee, on 6 July 2022, the report would use

the current methodology and comparator groups and present the information in a similar format, with the provider able to comment on wider remuneration trends. As with any new provider, there were likely to be some adjustments to the data sources and peer groups.

**The Committee noted the paper.**

## **07/03/23 Resourcing at TfL**

Andy Lord, Fiona Brunskill and Stephen Field introduced the item. Following the previous discussion on Resourcing at TfL at the meeting on 9 November 2022, the Committee was provided with further detail on retention, the future skills requirements of the organisation, the approach to strategic workforce planning and how TfL was addressing its skills challenges. The paper also addressed an action from the meeting of the Board on 7 December 2022, to provide a breakdown of non-permanent labour (NPL) use at TfL and steps to reduce its use.

The Committee welcomed the work in this area and noted the good progress being made on establishing the foundations for data led processes, which would enable TfL to anticipate and predict future skill needs and reduce the impact of staff turnover or internal moves. While turnover was not an issue overall, there were specific areas of the business that were impacted and required improved succession plans. Work was underway on succession plans and to improve individual development plans and TfL was piloting the use of Promotion Panels. Considerable effort was also being put into developing TfL's leaders to drive inclusion, engagement, and consistent standards.

The Committee discussed the use of NPL, particularly in Engineering and Technology and Data where TfL's work was often world leading, with excellent training and development opportunities. TfL was often unable to attract or retain key individuals in these specialisms due to remuneration constraints. This was being considered as part of the work on establishing job families and external benchmarking to develop a talent pipeline. An overview of TfL's benchmarking processes and methodologies would be provided to a future meeting of the Committee. **[Action: Fiona Brunskill]**

Given the impact of staff turnover in senior roles over the last two years, the Committee asked that the Commissioner review the impact of the current notice periods for the most senior and hard-to-fill roles and report back if there was a need to review the policy. **[Action: Andy Lord]**

The Committee also noted that the work on the total reward framework, which would require some difficult decisions to be taken. The new pay framework was expected to be in place for 1 April 2024.

The various strands of work were expected to show a difference, or in some cases the development of a clear plan, within 12 months. A comprehensive update on Resourcing at TfL would be scheduled for March 2024. **[Action: Fiona Brunskill]**

**The Committee noted the paper.**

## **08/03/23 Members' Suggestions for Future Discussion Items**

The Committee noted the forward plan. The requests for future papers, captured in the actions above, would be incorporated into the plan.

**The Committee noted the forward plan.**

## **09/03/23 Any Other Business the Chair Considers Urgent**

There was no other urgent business to discuss.

## **10/03/23 Date of Next Meeting**

The next scheduled meeting of the Committee was changed from Thursday 15 June to Monday 12 June 2023 at 3.00pm.

The meeting closed at 10.46am.

Chair: \_\_\_\_\_

Date: \_\_\_\_\_