Remuneration Committee

Date: 12 June 2023

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

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This paper will be considered in public

1 Summary

1.1 This paper provides information on any use of Chair's Action and the progress against actions agreed at previous meetings (Appendix 1).

1.2 There have been five uses of Chair's Action since the last meeting of the Committee on 2 March 2023; four in relation to the approval of salaries of £100,000 or more (as set out in Appendix 2) and one in relation to approval of the financial overlay trigger.

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 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 is 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.

Performance Awards and the Financial Overlay Trigger

3.5   On 11 May 2023, Members were sent a paper on Performance Awards and the Financial Overlay Trigger. On 1 November 2021, the Committee agreed, via Chair's Action, to apply a "financial overlay trigger" to the payment of any performance awards for the years 2021/22 and 2022/23. The overlay trigger required TfL to achieve operational financial sustainability by April 2023, defined as being free from extraordinary Government support for revenue funding.

3.6   The August 2022 long-term funding agreement, which covers the period up to 31 March 2024, changed some critical terms of previous funding arrangements in a way that voided the original measure for determining whether financial sustainability had been achieved as part of the original financial overlay trigger.

3.7   Members were asked to consider if the trigger had been met, given the position on the financial sustainability requirements set out in the August 2022 funding agreement and the basis of the 2023/24 Budget approved by the Board on 29 March 2023.

3.8   The use of Chair's Action was considered appropriate as a decision was required before the papers for this meeting on the performance of the Commissioner and Chief Officers were prepared.

3.9   On 15 May 2023, the Chair, in consultation with available members, agreed that following alignment with the 30 August 2022 long-term funding agreement and 2023 TfL Business Plan, TfL would reach financial sustainability and therefore the mechanism for determining the financial overlay trigger had been met. Consequently, in line with the agreed outcome of the TfL Scorecard delivery for 2021/22 and 2022/23, performance awards would be payable subject to the usual assessment process.

3.10   A paper on performance awards is elsewhere on the agenda for this meeting.

4   Actions List

4.1   Appendix 1 sets out the progress against actions agreed at previous meetings.

List of appendices to this report:
Appendix 1: Actions List
Appendix 2: Use of Chair's Action to approve salaries of £100,000 or more

List of Background Papers:
Minutes of previous meetings of the Committee
Chair's Action papers issued on 10 March, 20 March, 25 April, 11 May and 24 May 2023

Contact Officer: Howard Carter, General Counsel
Email: HowardCarter@tfl.gov.uk

Remuneration Committee Actions List (reported to the meeting on 12 June 2023)

Actions arising from the meeting held on 2 March 2023

Minute No.	Description	Action By	Target Date	Status note
05/03/23	**TfL Remuneration: Total reward framework** 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	November 2023	On forward plan, under Strategic Workforce Planning.
07/03/23 (1)	**Resourcing at TfL: Benchmarking processes and methodologies** An overview of TfL's benchmarking processes and methodologies would be provided to a future meeting of the Committee.	Fiona Brunskill	November 2023	On forward plan, as part of the Reward Strategy Update.
07/03/23 (2)	**Resourcing at TfL: Notice periods for the most senior staff and hard-to-fill roles.** 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.	Andy Lord	November 2023	An update will be provided as part of the Strategic Workforce Planning discussion.
07/03/23 (3)	**Resourcing at TfL: Further paper, March 2024** A comprehensive update on Resourcing at TfL would be scheduled for March 2024.	Fiona Brunskill	March 2024	On forward plan.

Actions arising from previous meetings

Minute No.	Description	Action By	Target Date	Status note
14/06/19	**Pay Gap Analysis Update: Diversity of Train Drivers** TfL would continue to review how it could further increase the diversity of its drivers, including reviewing the recommendations from the ASLEF report. A comprehensive status update would be provided to a future meeting.	Fiona Brunskill	May 2023	**Completed.** Work was undertaken on the recruitment / application process and information on the impact of those changes was provided in the Pay Gap Analysis report to the Safety, Sustainability and Human Resources Panel.
18/11/22	**Chief Officer and Director Pay Review 2022: Committee engagement for 2023 Review for Commissioner and Chief Officers** The Committee would be engaged on the reward and retention strategy for Chief Officers before any proposals for change were considered at a future meeting.	Fiona Brunskill	June 2023	On agenda.

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.

Request 10 March, approved 15 March 2023

1) Commissioner.

Request 20 March, approved 21 March 2023

2) Head of Project & Resource Management;

3) Senior Financial Reporting Manager (New Standards Project Manager);

4) Senior Scrum Master;

5) Senior Software Developer;

6) Senior Solution Architect;

7) Senior Solution Architect;

8) Project Manager;

9) Senior Application Engineer – Maximo;

10) Engineer – Civil;

11) Safety Critical Licensed Tunnel Inspector;

12) Safety Critical Licensed Tunnel Inspector;

13) Safety Critical Licensed Tunnel Inspector; and

14) Safety Critical Licensed Tunnel Inspector.

Request 25 April, approved 27 April 2023

15) Head of Portfolio - Networks;

16) Head of Test and Delivery;

17) Head of Technology Planning Management;

18) Head of RUC Technology Transformation;

19) Head of Technology & Data (T&D) Digital;

20) Head of Connect;

21) Head of ERP Change Delivery;

22) Consultant Occupational Physician;

23) Head of Governance, Risk & Assurance; and

24) S/4 Hana Delivery Lead.

Request 24 May, approved 30 May 2023

25) Commercial Manager;

26) Finance Business Partner;

27) Senior Software Developer (Java);

28) Senior Software Developer;

29) Senior Developer;

30) Senior Developer;

31) Senior Project Manager;

32) Senior Software Developer – Android;

33) Senior Software Developer – ios;

34) Senior Software Developer;

35) Senior Software Developer – .net;

36) Senior Software Developer – .net;

37) Senior Software Developer – Android;

38) Senior Technical IT Project Manager;

39) Senior Test Analyst;

40) Senior Test Analyst;

41) Systems Engineering; and

42) Systems Engineering.