

Board



Date: 13 December 2023

Item: Report of the Meeting of the Remuneration Committee held on 9 November 2023

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items considered by the Remuneration Committee at its meeting on 9 November 2023.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Panel Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 9 November 2023 were published on 1 November 2023 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters considered by the Committee were:
- (a) Matters Arising, Actions List and Use of Delegated Authority;
 - (b) Resourcing at TfL;
 - (c) Executive Committee Remuneration Benchmarking; and
 - (d) Pay Outcomes of £100,000 or more Approvals.
- 3.3 A summary of the items considered is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 29 February 2024.

4 Issues Discussed

Matters Arising, Actions List and Use of Delegated Authority;

- 4.1 The Panel noted that there had been six uses of Chair's Action since the last meeting of the Committee on 12 June 2023: four were in relation to the approval of salaries of £100,000 or more; one was in relation to updating non-permanent labour (NPL) contractual arrangements; and one was in relation to streamlining the approval of salaries of £100,000 or more process.

Resourcing at TfL

- 4.2 The Committee noted the update on how TfL was addressing its green, digital and leadership skills challenges through its strategic workforce planning activities.
- 4.3 A review of critical and hard to fill roles had taken place and identified 250 unique roles and a succession planning exercise had concluded at the end of October to help ensure a talent pipeline was being developed. Technology and Data (T&D) would have its own strategic workforce plan, due to the challenges in filling specialist roles given market rates, and this would be submitted to a future meeting.
- 4.4 The Independent Investment Programme Advisory Group had identified T&D and Engineering as areas in where hard to fill roles had an impact on delivery. This often resulted in a high use of NPL staff. While TfL sought to reduce NPL levels by developing its own staff, the Committee recognised that some hard to fill roles attracted NPL and it also offered flexibility. The Executive was also reviewing notice periods for staff in hard to fill roles.
- 4.5 The Committee noted that leaver surveys identified a key reason for leaving TfL was a lack of career opportunities. The Committee would receive updates on succession planning and the Reward Strategy at future meetings.

Executive Committee Remuneration Benchmarking

- 4.6 The Committee noted a new and updated benchmarking report and that the unique nature of TfL's role and governance arrangements meant there were no direct comparators, so benchmarking was against a broad range of organisations.
- 4.7 As with previous benchmarking exercises, all of TfL's Chief Officer roles were shown to be below the benchmarked medians, and this was further entrenched when total compensation packages were included.
- 4.8 The Committee noted that officers were attracted to TfL for a variety of reasons but that continued or widening pay disparity did impact on TfL's ability to retain and attract the best talent. The impact of below median Chief Officer remuneration also compressed remuneration throughout the organisation.
- 4.9 Further work was required on the benchmarking of some roles due to changes in job descriptions and responsibilities and Members suggested that benchmarking for the Commissioner's role should include international comparators.
- 4.10 The report helped to support consideration of remuneration packages. It was anticipated that changes for a small number of roles would be submitted to the next meeting of the Committee.

Pay Outcomes of £100,000 or more Approvals

- 4.11 A process was in place for the Committee to approve full-time equivalent salaries in excess of £100,000 per annum for permanent and NPL positions. The Committee noted an update that compared the salary approved by the Committee with that given on actual appointment, for the period covering August 2022 to September 2022 for permanent and NPL positions.
- 4.12 On 18 September 2023, the Chair approved, in consultation with Committee members a streamlined approval process for salaries of £100,000 or more. Members noted the roles that had been internally approved under the new process and not previously seen by the Committee.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Remuneration Committee on 9 November 2023

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