

Transport for London

Minutes of the Remuneration Committee

**Chamber, City Hall, Kamal Chunchie Way, London E16 1ZE
2.00pm, Wednesday 24 July 2024**

Members

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

Executive Committee

Andy Lord	Commissioner
Fiona Brunskill	Chief People Officer
Andrea Clarke	General Counsel

Staff

Shamus Kenny	Head of Secretariat
Sue Taylor	Director of People (Ops), Employee Relations and Reward

14/07/24 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 broadcast live to TfL's YouTube channel, except for the discussion of the information on Part 2 of the agenda, which was exempt from publication.

At its meeting on 24 July 2024, the Board approved a new decision-making structure, so this would be the last meeting of the Remuneration Committee. The Chair thanked Members for their contributions to the work of this Committee over the years. From September 2024 there would be a People and Remuneration Committee, which brought all people issues, including staff welfare issues, and remuneration decisions to one meeting. This reflected good practice in the operation of similar committees in other organisations and was welcomed.

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.

15/07/24 Declarations of Interests

Members confirmed that their declarations of interests, as published on tfl.gov.uk, were up to date.

There were no interests for Members to declare that related specifically to items on the agenda. For the items relating to Chief Officer Remuneration, all non-essential staff would leave the meeting. Staff attending that were included in that item had not received the exempt information and would leave the meeting during the discussion where it related to them.

16/07/24 Minutes of the Meeting of the Committee held on 29 February 2024

The minutes of the meeting of the Committee held on 29 February 2024 were approved as a correct record, and the Chair was authorised to sign them.

17/07/24 Matters Arising, Actions List and Use of Delegated Authority

Andrea Clarke introduced the item. Since the last meeting of the Committee on 29 February 2024, there had been two uses of Chair's Action approving salaries of £100,000 or more and details of the Chair's Action reported to that meeting were also included in the paper.

The Chair, in consultation with available Members, had also exercised the authority delegated by the Committee at its last meeting to approve performance awards.

The Committee noted the updated actions list and use of Chair's Action.

18/07/24 Reward Strategy – Job Families and Pay Management

Fiona Brunskill introduced the item, which provided a further update on the ongoing review of Reward Strategy, which included the approach to pay management and the concept of a job families pay structure, which were intended to align with the priorities set out in TfL's Colleague Strategy.

TfL was seeking to set a fair and attractive employee offer, with pay that reflected the market to attract and retain the talent it required to meet its strategic objectives. It was expected that the strategy would reduce reliance on non-permanent labour, which was currently used for roles that were hard to fill, and therefore reduce costs. The trade unions were being consulted on the proposals and staff across TfL were also being kept informed and updated.

Once established, roles would continue to be benchmarked to ensure that pay aligned to the market. Business areas would have a long-term resource plan and the projected savings from the new approach would be baked into savings budgets.

The Reward Strategy approach should reduce the perception of pay unfairness, which was a consistent and long-term theme from staff surveys, and it had generally been well received, particularly by people leaders.

The Committee noted the paper.

19/07/24 TfL Remuneration Outcomes 2021/22

Fiona Brunskill introduced the item, which provided an update on annual remuneration outcomes pan-TfL, including both base pay and performance awards. As updates were shared with the Committee once the information was available in TfL's Annual Report and Accounts, the paper covered base pay annual pay reviews effective 1 April or 1 July 2022 and performance awards for 2021/22. The performance awards were paid in the 2023/24 financial year as TfL achieved the financial overlay trigger required by the Committee.

Pay negotiations for 2022/23 were completed in January 2023, and TfL agreed a four per cent increase, applied across the organisation and to senior managers and some Chief Officers that had not had a pay review.

The Committee noted the cost of base pay for TfL staff, and the London Underground staff who had a higher rate due to a four-year pay deal, and the impact of the pay and performance awards. The pay for senior managers remained well behind the market rate so a flat rate had been applied rather than a discretionary approach. The pay approach for Places for London staff was also different, to reflect the market.

Members welcomed the information and TfL's transparency.

The Committee noted the paper.

20/07/24 Pay Outcomes of £100,000 or more Approvals

Fiona Brunskill introduced the item. The current governance process for appointments with a full-time equivalent salary of £100,000 or more per annum required Committee approval for the proposed salary for both permanent and non-permanent labour positions.

The paper and the exempt supplementary information on Part 2 of the agenda provided a comparison of salaries approved by the Committee from October 2023 to May 2024 with that on actual appointment.

Members welcomed the information.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda.

21/07/24 Performance Awards 2024/25 – Financial Criteria

Andy Lord introduced the item. At the meeting of the Committee on 29 February 2024, the Committee noted the performance award scheme for 2024/25, including the continuation of a financial criterion. Following discussions with his Executive Committee, the Commissioner had set the financial criterion for the performance year 2024/25 as TfL to achieve an operating surplus (i.e. a TfL operating surplus greater than £0).

The Committee noted the paper.

22/07/24 Chief Officer Salary Reviews 2024

Non-essential staff left the meeting for the discussion of this item, including any staff referred to in the paper for the discussion of their proposed salary.

The Chief People Officer proposed adjustments to base pay for select Chief Officer roles based on the latest executive benchmarking exercise, presented to the Committee at its meeting on 29 February 2024.

The Committee discussed the proposals, considering the benchmarking data and other information.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda and agreed the salary increase proposals for Chief Officers, as set out in the paper on Part 2 of the agenda, with effect from 1 April 2024.

23/07/24 Members' Suggestions for Future Discussion Items

Andrea Clarke introduced the item. With the formation of the People and Remuneration Committee from September 2024, as approved by the Board on 24 July 2024, the forward plan would be reviewed to ensure it aligned with the wider remit of the new Committee.

The Committee noted the forward plan.

24/07/24 Any Other Business the Chair Considers Urgent

The Deputy Chair of TfL commended and thanked Kay Carberry CBE for her leadership as Chair of the Committee, as this was both the last meeting of this Committee under its current remit and the last meeting that Kay would Chair. Kay Carberry CBE thanked the Members of the Committee for their work, the lead officers on the Committee and the Secretariat team that supported the work of the Board.

There was no other urgent business to discuss.

25/07/24 Date of Next Meeting

The date for the meeting of the People and Remuneration Committee, which was the successor to this Committee, would be held on 20 November 2024 at 10.00am.

26/07/24 Exclusion of the Press and Public

The Committee agreed to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), when it considered the exempt information in relation to the items on: Pay Outcomes of £100,000 or more Approvals; and Chief Officer Salary Review 2024.

The meeting closed at 3.05pm.

Chair: _____

Date: _____