

Date: 28 February 2018

Item: Human Resources Quarterly Report

1 Purpose

- 1.1 To provide the Safety, Sustainability and Human Resources Panel with an update on key Human Resources (HR) led activities and statistics from Quarter 3, 2017/18.

2 Recommendation

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

3 Background

- 3.1 This is the third HR Quarterly Report to the Safety, Sustainability and Human Resources Panel for the 2017/18 reporting year.
- 3.2 This paper builds upon the previous quarterly report, providing additional information requested by the Panel on disability across TfL and demonstrating the achievements of HR and our people over the quarter.

4 HR Quarterly Report

- 4.1 The HR Quarterly Report focuses on providing the Panel with an update on a number of key HR activities underway, with sections covering workforce composition, composition changes occurring in Q3, along with updates on the TfL Scorecard.

Appendices:

Appendix 1: HR Quarterly Report

List of Background Papers:

None

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HR Quarterly Report
2017/18 Quarter 3 Update

HR Quarterly Report – 2017/18 Quarter 3 Update

Introduction

This Human Resources (HR) quarterly report provides an overview of key developments that have taken place in the third quarter of the 2017/18 financial year, covering between 17 September 2017 and 9 December 2017 inclusive.

This report contains additional information requested by the Panel on disability across the organisation whilst also highlighting some achievements by HR and our People over the quarter.

Report Content

Section 1 – HR Update

- Apprentice Recruitment 2018
- D&I Dashboards
- Calls to Action
- Inclusion Index

Section 2 – Workforce Composition

- Permanent Headcount
- Workforce composition by area
- Non-Permanent Labour

Section 3 – Changes in Q3

- External recruitment
- Internal recruitment
- Case Study – CSA Recruitment Q2
- Workforce Representativeness

Section 1: HR Update

This section seeks to provide the Panel with an update on ongoing activity across HR and Diversity & Inclusion (D&I). This is a current and forward looking update which is in addition to the more static data provided in the workforce composition section.

Apprenticeship Applications now open

On the 23 January 2018, TfL hosted an Apprenticeship open evening to officially launch applications for our 2018 apprenticeship intake. The event was hosted at the London Transport Museum with over 1,000 prospective applicants attending.

TfL continues to expand its apprenticeship courses available and now offers 27 different schemes. These range from level 2 apprenticeships which are equivalent to GCSEs to level 7 apprenticeships which are Masters level equivalent.

TfL is working towards the Enterprise Act target which specifies that public sector organisations should aim for 2.3 per cent of all employees being apprentices. Whilst this is an ambitious target for an organisation the size of TfL, we are expanding the number of new apprenticeship places from 230 in 2017 to over 400 in 2018.



Skills London 2017

On the 24 and 25 November, apprentices from across TfL joined our School Skills and Early Careers Recruitment teams at the ExCeL for Skills London. As the largest jobs and careers event in the UK for 15-24 year olds, it attracts more than 30,000 young people, parents and teachers. As always our people were our greatest asset and we were recognised by the organisers as the 'Most Engaging Team' at the event standing out amongst more than 200 organisations including the Army, HS2, the NHS, Heathrow, Thales and Siemens.

European Diversity Awards

On the 16 November, we were winners of the Accenture Social Mobility Initiative of the Year at the European Diversity Awards held at the Natural History Museum. We were recognised for 'Moving Forward', an initiative that enables people from all backgrounds to enjoy equal opportunities for career advancement and success at TfL.

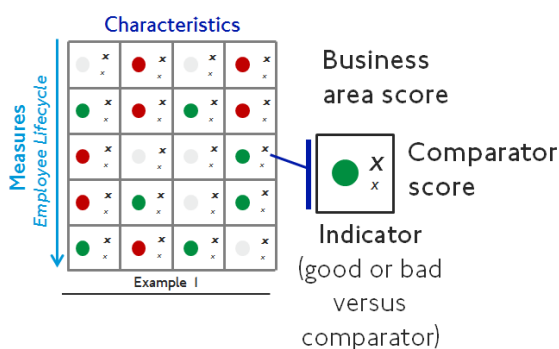
This initiative also included attracting more apprentices from deprived schools. We are partnering with the most deprived schools in London to remove barriers into employment particularly for young BAME boys and girls. In the past year we have held 146 school events promoting our apprenticeship opportunities and TfL as a career destination for young

people. In 2017, this has resulted in 21 per cent of our overall hires coming from deprived schools, compared with 17 per cent in 2016.

Diversity and Inclusion

D&I Dashboards. In March 2018 we will be introducing D&I Dashboards which aim to provide the different business areas with the information, tools and support to drive further improvements in diversity.

The D&I Dashboards will provide each business area with indicators at all stages of the employee life cycle, from hires to leavers. This will build upon positive work demonstrated in the previous Quarterly Report on recruitment, and shine a light on all key enablers or barriers to improvements in diversity and inclusion.



Detailed information will increase understanding of local progress and issues for senior managers. From this information the D&I team will suggest actions to help improve the metrics provided. The D&I team along with HR will provide guidance on how to use the information and offer support to users maximising the benefits of this tool.

Diversity and Inclusion governance. New governance arrangements are being developed to be launched in 2018. These will include Leadership Groups on employee and passenger related diversity, accessibility and inclusion issues as well as an action orientated Forum. The Forum will bring together Staff Network Groups and others involved in workforce related D&I.

Anonymised Candidate Screening - HR is piloting this with two innovative suppliers that use behavioural science to reduce the risk of any potential unconscious bias throughout the hiring process.

Drive a more flexible working culture and environment – We are developing a Carers passport modelled on examples from other organisations.

Neurodiversity policy - We are collaborating with colleagues from the BBC who are leading on neurodiversity and working with Trade Union colleagues, the disability Staff Network Group and external partners to create our policy.

A New Workplace Adjustments Tool – is almost complete. The tool will help those who need reasonable adjustments and their line managers to engage on these issues more effectively and constructively.

The GLA Group Diversity & Inclusion Action Standard. Meetings with members of the HR community are taking place to make them aware of this Standard, its purpose and associated timetable, as well as their involvement in the self assessment process.

Develop a leadership programme aimed at future leaders in currently underrepresented roles - Expansion of the pool of mentors and

we have a target for mentor recruitment. Development programmes with one of our larger suppliers and the GLA is in place.

Females in Transport Engineering (FiTE)

FiTE, a Women's Staff Network Group sub-group, was created in December to lead on initiatives to encourage more females to take up engineering as a profession and support those already in role. Created by women engineers, FiTE aims to provide a knowledge-sharing network - offering mentoring, inspiration and career support for women in the engineering community, both within TfL and externally.

A core objective of the group will be to help TfL Engineering set an industry standard for diversity and inclusion. In conjunction with the Year of Engineering 2018, the FiTE will host multiple events to not only showcase the achievements of those who keep London moving, but also inspire a new generation.

Launch of the Viewpoint inclusion index

This year we have introduced the Inclusion index which is derived from the Viewpoint survey. This helps us understand how people working at TfL feel, which can be filtered by demographic characteristics. It's important to us that everyone feels they are treated fairly; no matter their age, gender, sexual orientation, religion, ethnicity or carer status.

The inclusion index means that we can check if any areas of the business are treating colleagues unfairly because of their protected characteristics – and give them the right support.

Section 2: Our People

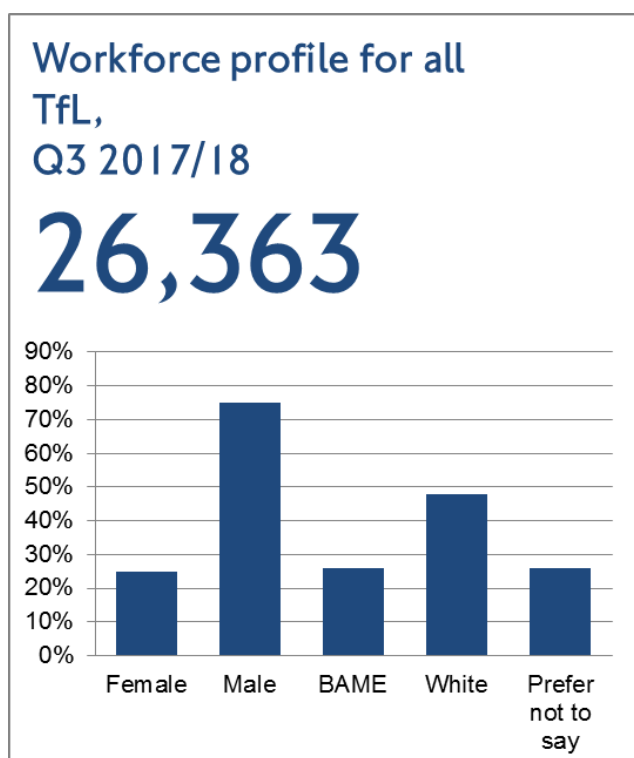
Permanent Headcount

Data extracted from the HR System (SAP) excludes Crossrail and other employees whose details have not yet transferred to SAP.

The following staff numbers represent both permanent TfL employees and temporary staff measured in full time equivalents (FTEs) which equate to one person working 35 hours per week. Headcount values at the end of Q2 2017/18 are as follows:

All TfL

Total FTEs has decreased slightly from 26,397 in Q2 to 26,363 by the end of Q3. This is marginally higher than the 26,103 FTEs in Q3 2016/17. This has been driven by small increases in our operational employees.

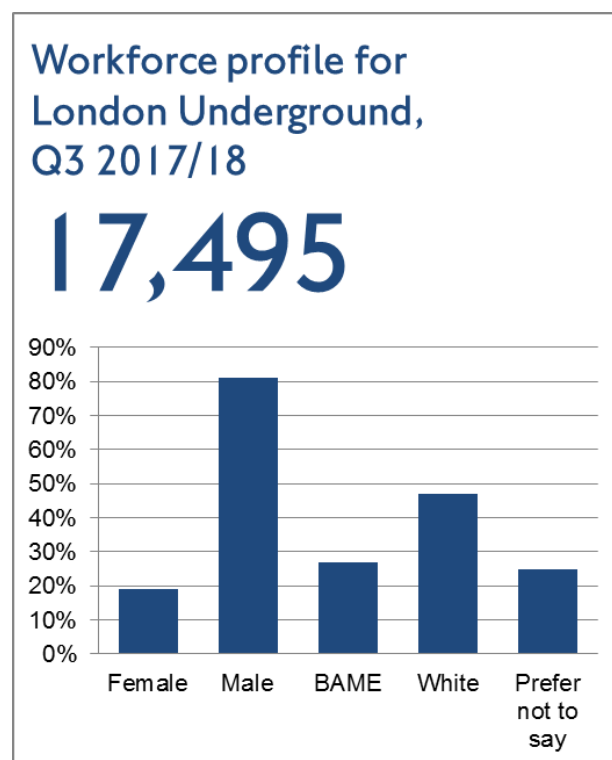


The proportion of Black and Minority Ethnic (BAME) employees across TfL saw an increase in Q3, increasing from 25.68 per cent of the workforce to 26.37 per cent. In absolute numbers this meant a four per cent increase in BAME employees since the previous quarter. Employees not disclosing their ethnicity has fallen marginally, not enough to account for all of the recent change.

The proportion of the TfL workforce that is female increased by 0.1 per cent between Q2 and Q3. Whilst this change may seem small, this masks changes in the number of female employees which has increased by five per cent since Q3 2016/17.

London Underground

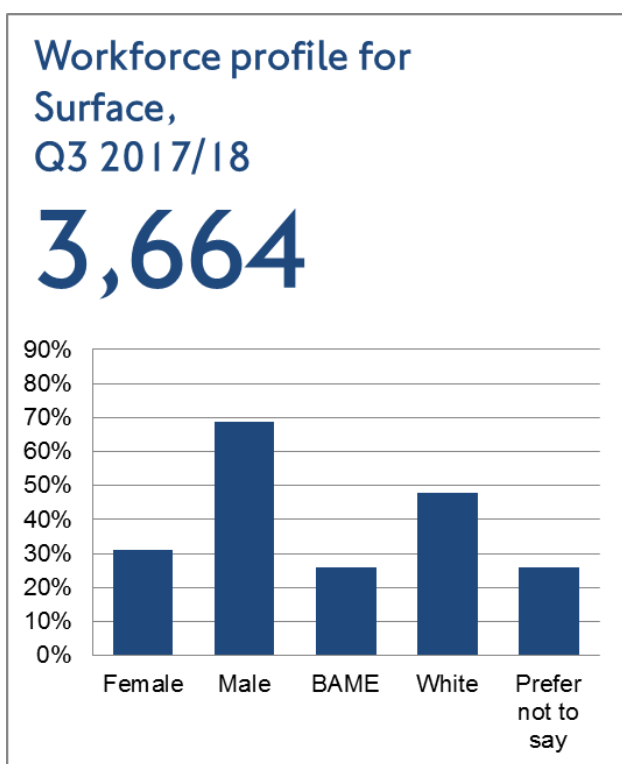
The total FTEs in London Underground increased slightly from 17,438 in Q2 to 17,495 by the end of Q3.



The proportion of females in LU increased from 18.67 per cent to 18.81 per cent over the past quarter. The proportion of BAME employees increased by 0.65 per cent over the quarter, increasing from 26.67 per cent, to 27.33 per cent.

Surface Transport

Total FTEs in Surface have fallen from 3,882 in Q2 to 3,664 in Q3. This reduction is primarily driven by reorganisation through the Transformation programme.

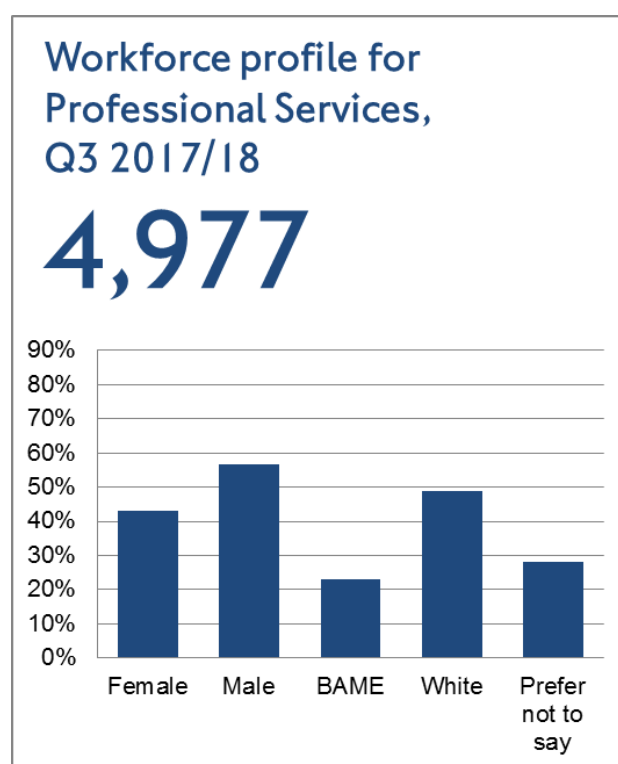


The proportion of BAME employees has increased from 23.54 per cent in Q2 to 25.22 per cent in Q3. The absolute number of BAME employees increased by just over 10 per cent over the same quarter. This helps demonstrate the positive impact that the Diversity & Inclusion safeguards such as diverse and independent interview panels have had as part of our Transformation programme.

The proportion of female employees in Surface declined slightly from 31.11 per cent, to 30.72 per cent over Q3.

Professional Services

Professional Services comprises functions within TfL including General Counsel, Finance, Human Resources, Commercial and Customers, Communication and Technology where services are provided on a shared basis across all TfL divisions.



The proportion of BAME employees in Professional Services increased from 22.81 per cent to 23.28 per cent in Q3. This represented a five per cent increase in BAME employees in the previous quarter.

The proportion of female employees in Professional Services remained constant at 43.19 per cent.

TfL Senior Manager Staff Composition

The total number of senior managers has fallen in Q3 from 1,247 to 1,206. This continues an ongoing trend, with a decrease from 1,276 in Q3 2016/17.

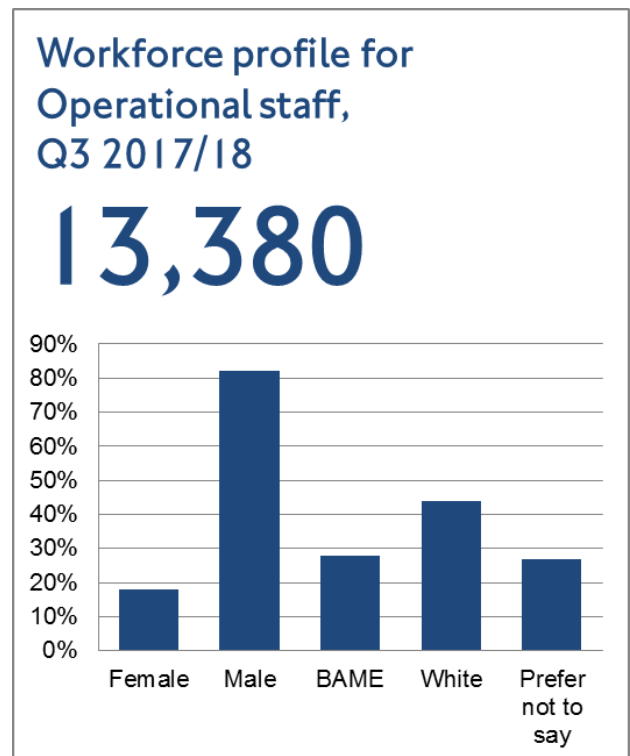
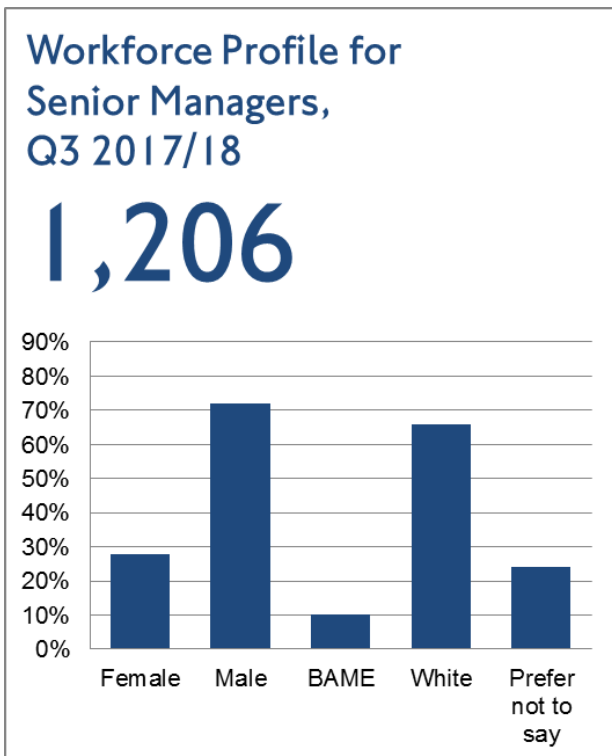
The proportion of female senior managers has increased from 26.35 per cent in Q2 to 28.03 per cent in Q3. The absolute number of female senior managers also increased despite the overall decrease in senior managers.

The proportion of BAME senior managers also increased slightly from 9.62 per cent to 10.20 per cent in Q3.

TfL Operational Staff Composition

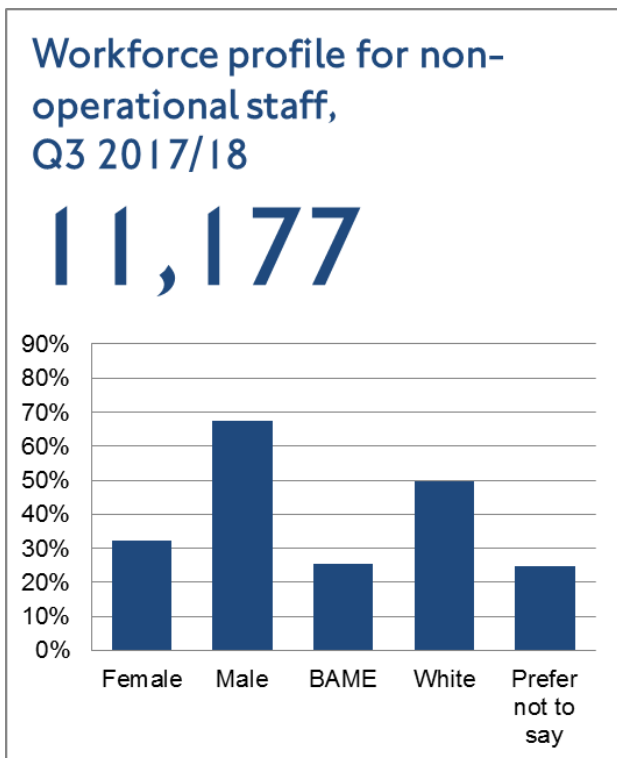
The number of operational employees increased in Q3, from 13,197 to 13,380. The proportion of female employees increased by 0.29 per cent in Q3, with the proportion of female operational employees increasing from 17.28 per cent at the end of 2016/17 to 18.21 per cent by Q3 2017/18.

The percentage of BAME operational employees has increased from 27.40 per cent in Q2 to 28.21 per cent in Q3. London Underground being the biggest driver of this increase in operational employees.



TfL Non-Operational Staff Composition

The number of non operational employees has decreased from 11,306 in Q2 to 11,177 in Q3.



The proportion of BAME non operational employees has increased from 25.41 per cent to 25.91 per cent. This represents a three per cent increase in BAME non operational employees in the previous quarter. This has been primarily driven by increases in Surface non operational employees. The proportion of female non operational employees has fallen from 32.51 per cent in Q2 to 32.24 per cent in Q3.

In the past quarter non operational employees follow the same trend that there have been considerable improvements in the number and proportion of BAME employees in many areas of TfL. These increases have not been mirrored by increases in the number of female employees.

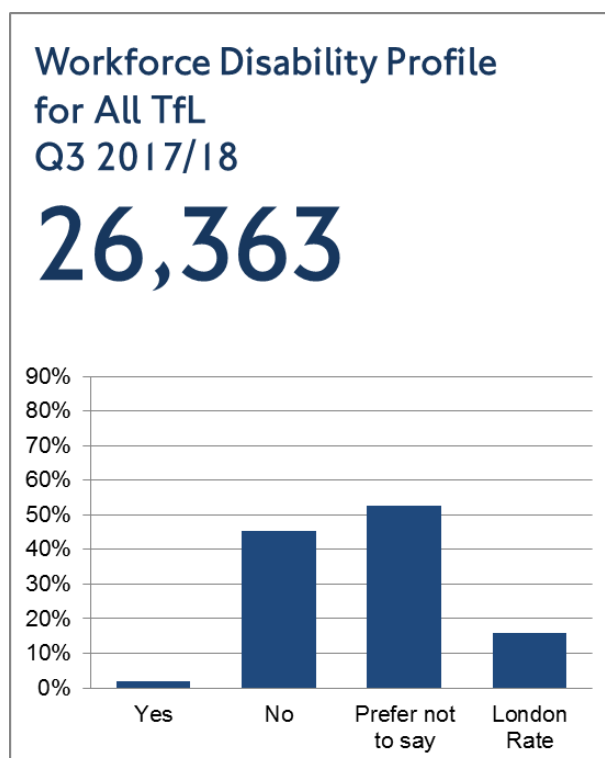
Disability

A request at the previous Panel was for more visibility on the level of representativeness for disabled employees across TfL. The following information shows the levels of representativeness for the same employee groups as recorded at the end of Q3.

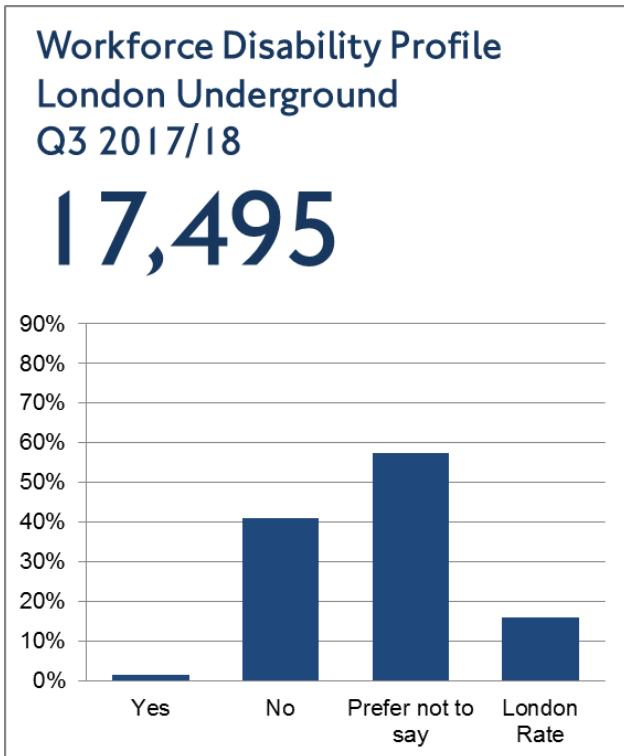
All TfL

The combined declaration rate for disability across TfL is 1.98 per cent. This varies from 1.16 per cent for our operational employees, to a 3.46 per cent in professional services.

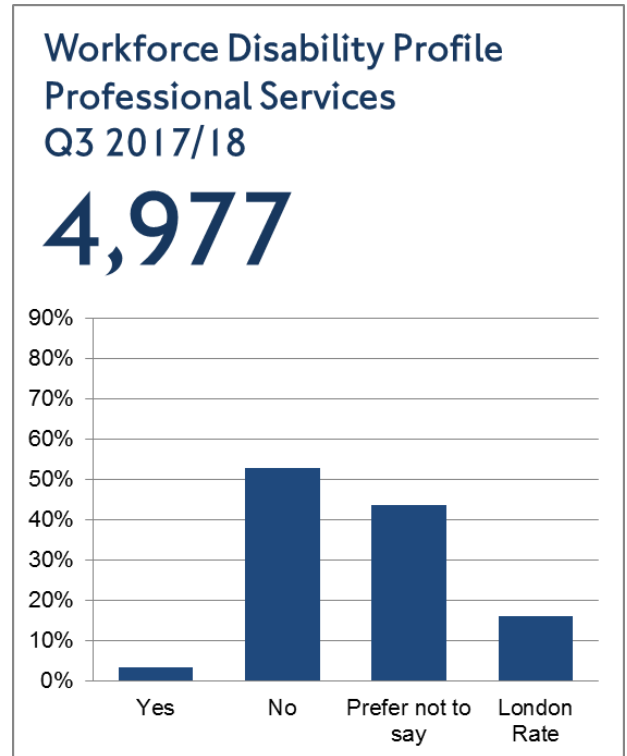
High levels of non disclosure of disability exist in all areas of TfL. Exploring the reasons why people fail to disclose is a key step to identifying the barriers disabled employees may face.



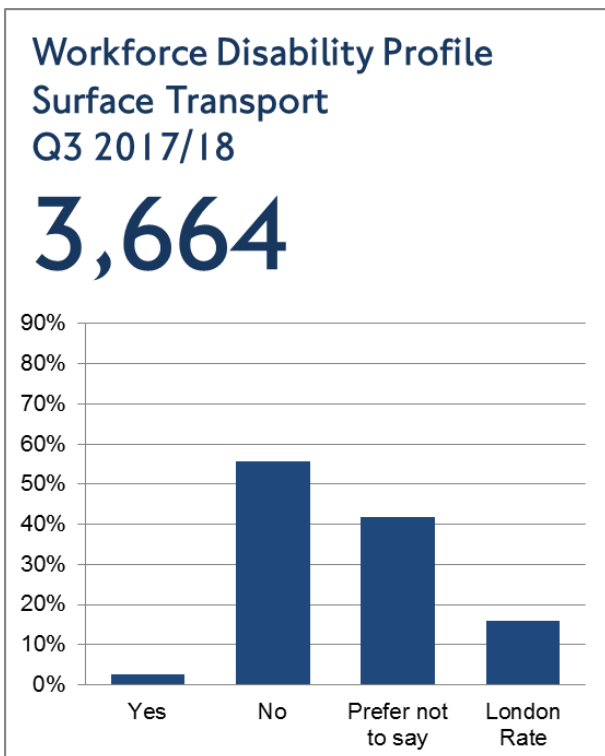
London Underground



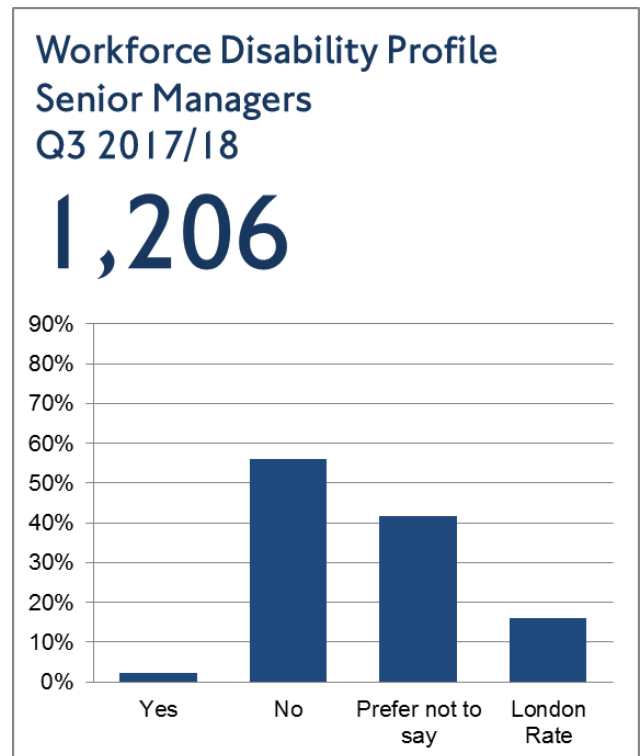
Professional Services



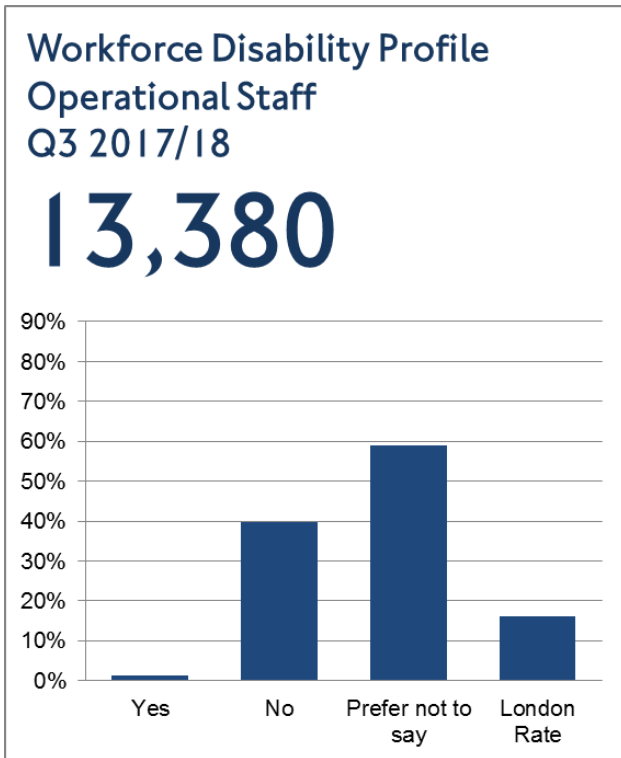
Surface



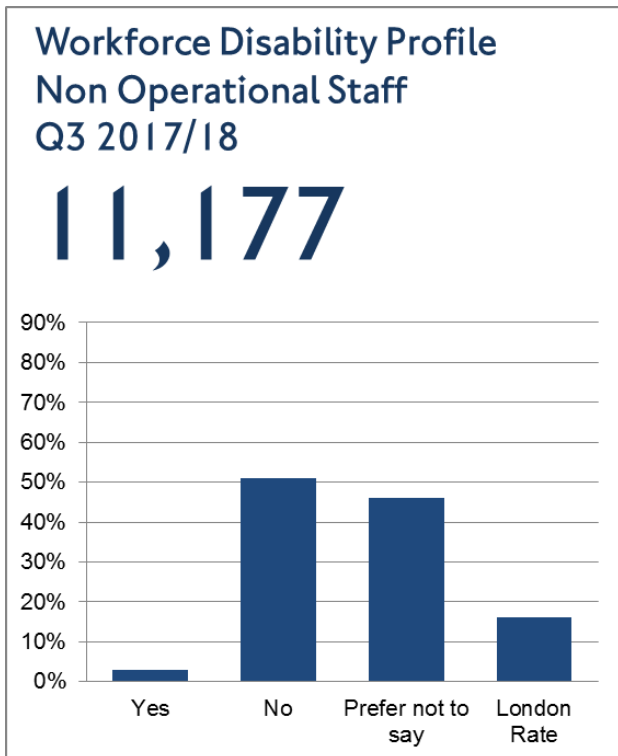
TfL Senior Manager Staff Composition



TfL Operational Staff Composition



TfL Non-Operational Staff Composition



Non Permanent Labour

Non Permanent Labour (NPL) are temporary staff engaged to complete project work or short term assignments.

The use of NPL has decreased slightly over the previous quarter, from 1,548 at the end of Q2 to 1,521 at the end of Q3.

Q3 2017/18:

1,548 (16 Sep 17)

1,521 (9 Dec 17)

The trend towards reducing the use of NPL across TfL continues, despite the first small increase experienced in Q2. Total NPL use has decreased from 3,095 at the start of Q1 2016/17. This has reduced the cost of NPL use across TfL by over £3.1m per week.

It is important that TfL continues to make use of the flexibility offered by NPL, particularly through this time of change and temporary peaks in demand, e.g. in recruitment resulting from Transformation. It is equally important that we do not close off our ability to hire talent in scarce skills areas.

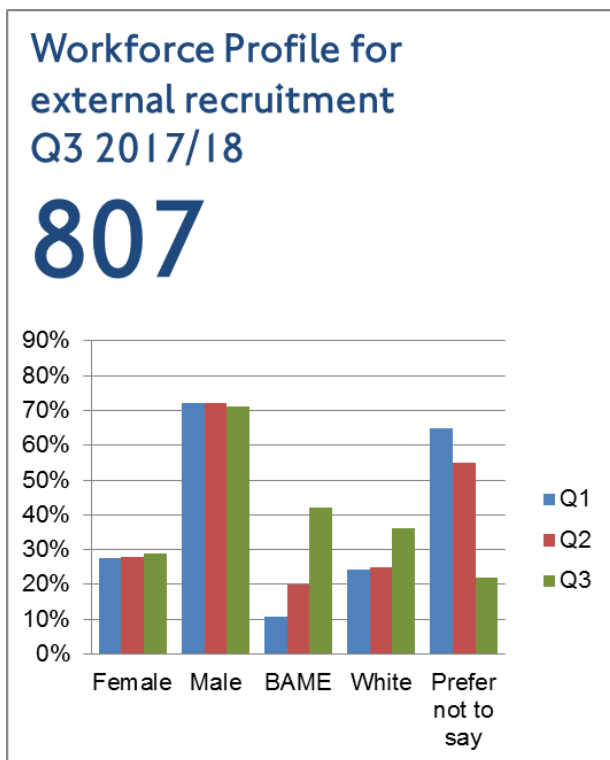
We will look to balance the cost and use of NPL with our ongoing commitment to our customers and our key role in keeping London moving and growing.

Section 3: Changes in Q3

Section 3 of this report looks at a static snapshot of the workforce composition at the end of Quarter 3. The following section will provide a more dynamic picture of changes occurring across our workforce over the previous quarter.

External Recruitment workforce composition (2017/18 Q3)

The below graph provides a breakdown of staff recruited externally into TfL.



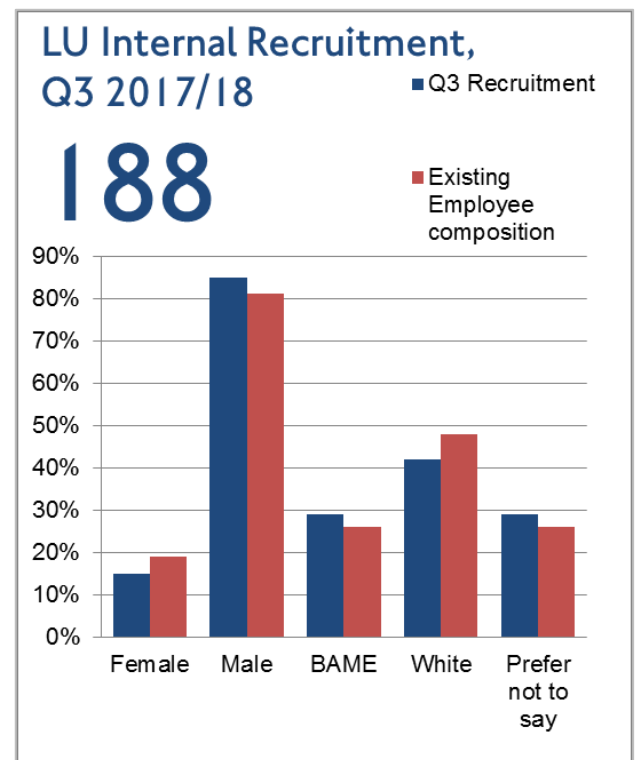
External recruitment in Q3 increased slightly from 728 to 807. Q3 saw increases in female and BAME recruitment. The increase in BAME recruitment can in part be attributed to an increase in BAME employees declaring their ethnicity.

Internal Recruitment (2017/18 Q2)

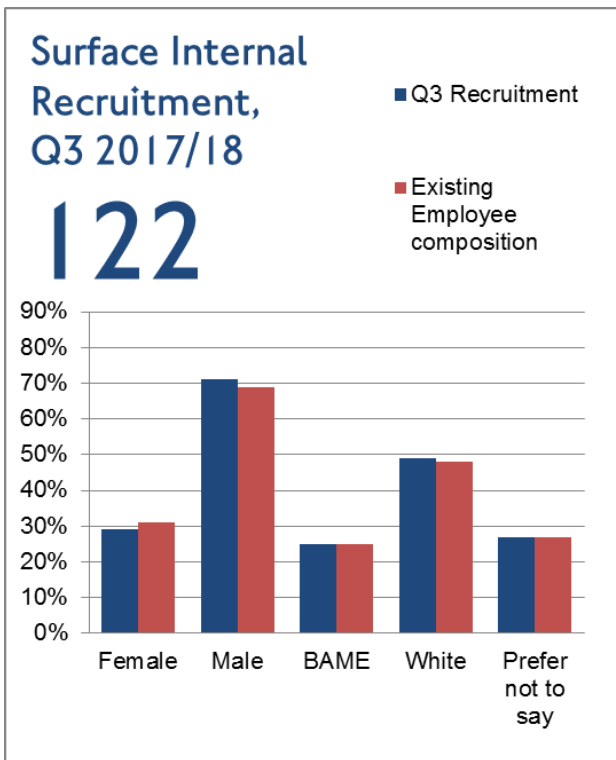
The following analysis combines all internal recruitment, both promotional and lateral movements by business area.

Internal recruitment has been measured against the current employee composition for each business area to illustrate if internal recruitment is as reflective of current employees.

London Underground Internal Recruitment



Surface Internal Recruitment

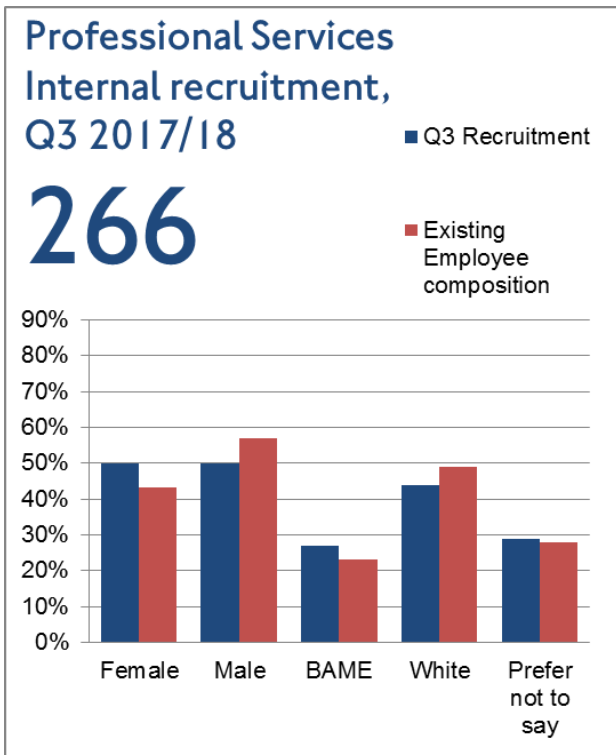


BAME internal recruitment was higher than or equal to the existing employee population for all three areas.

Female recruitment was slightly lower than the existing employee composition for Surface and London Underground. For Professional Services there was a 50/50 split for male and female recruitment.

When applying for new positions internally, we often get a higher declaration rate of a candidates ethnicity than that held centrally. This explains why those recruited have a far lower tendency not to declare their ethnicity than the existing employee population. This is in contrast to external recruitment when the majority of recruits do not declare this.

Professional Services Internal Recruitment

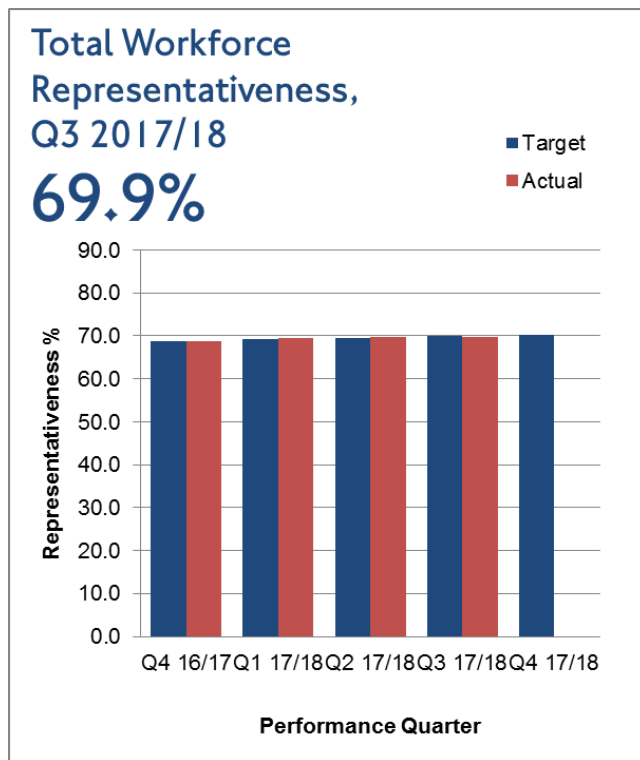


Workforce Representativeness

Total Workforce Representativeness

Q3 2017/18

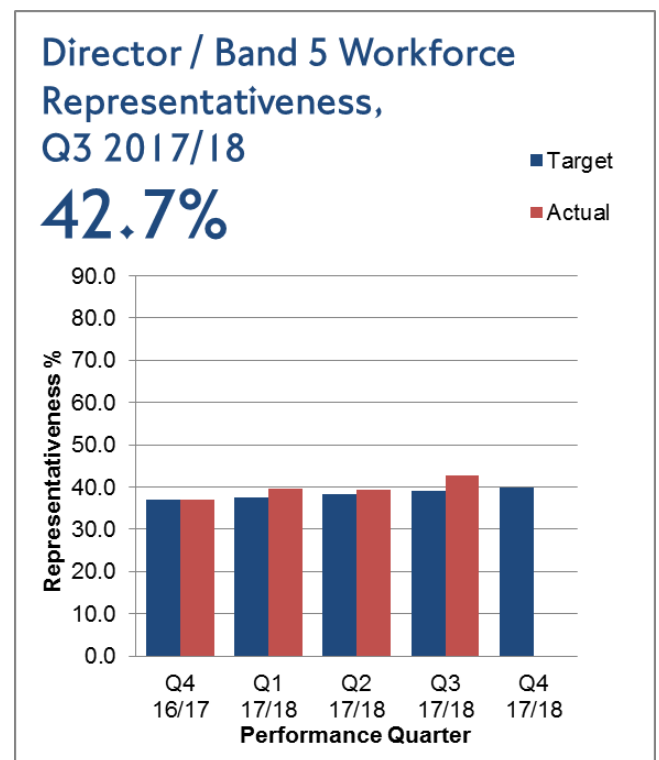
Total workforce representativeness has remained constant at 69.9 per cent over the past quarter. This is on target for Q3 but is not ahead of target as with previous quarters. We are still on target to meet the end of year total workforce representative target of 70.3 per cent.



Director / Band 5 Workforce Representativeness, Q2 2017/18

Data from Q3 shows a significant increase in the representativeness of the Director and Band 5 cohort across TfL. At the end of Q2 this was 39.5 per cent representative, increasing to 42.7 per cent in the last quarter.

This has been primarily driven by a five per cent increase in female senior managers in the past quarter and leaves us ahead of the end of year target of 40 per cent.





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