

# Agenda

**Meeting: Remuneration Committee**

**Date: Wednesday 7 November 2018**

**Time: 10.00am**

**Place: Conference Rooms 1 and 2,  
Ground Floor, Palestra, 197  
Blackfriars Road, London, SE1  
8NJ**

## Members

Ben Story (Chair)

Kay Carberry CBE (Vice-Chair)

Heidi Alexander

Ron Kalifa OBE

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](http://tfl.gov.uk/How-We-Are-Governed).

This meeting will be open to the public, except for where exempt information is being discussed as noted on the agenda. There is access for disabled people and induction loops are available. A guide for the press and public on attending and reporting meetings of local government bodies, including the use of film, photography, social media and other means is available on [www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf](http://www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf).

## Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat; telephone: 020 7983 4913 email: [ShamusKenny@tfl.gov.uk](mailto:ShamusKenny@tfl.gov.uk).

For media enquiries please contact the TfL Press Office; telephone: 0845 604 4141; email: [PressOffice@tfl.gov.uk](mailto:PressOffice@tfl.gov.uk)

Howard Carter, General Counsel  
Tuesday 30 October 2018

**Agenda  
Remuneration Committee  
Wednesday 7 November 2018**

**1 Apologies for Absence and Chair's Announcements**

**2 Declarations of Interests**

General Counsel

**Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.**

**Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.**

**3 Minutes of the Meeting of the Committee held on 13 June 2018  
(Pages 1 - 6)**

General Counsel

**The Committee is asked to approve the minutes of the meeting of the Committee held on 13 June 2018 and authorise the Chair to sign them.**

**4 Matters Arising, Actions List and Use of Delegated Authority  
(Pages 7 - 10)**

General Counsel

**The Committee is asked to note the updated actions list and the use of Chair's Action.**

**5 Pay Gap Analysis (Pages 11 - 18)**

Chief People Officer

**The Committee is asked to note an update on TfL's annual pay gap analysis with a particular focus on gender and ethnicity – based on data from 1 April 2016 to 31 March 2017.**

**6 Talent and Succession Planning** (Pages 19 - 40)

Chief People Officer

**The Committee is asked to note the paper.**

**7 Member suggestions for future agenda discussions** (Pages 41 - 44)

General Counsel

**The Committee is asked to note the forward programme and is invited to raise any suggestions for future discussion items for the forward programme and for informal briefings.**

**8 Any Other Business the Chair Considers Urgent**

**The Chair will state the reason for urgency of any item taken.**

**9 Date of Next Meeting**

**Wednesday 23 January 2019 at 10am**

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## Transport for London

### Minutes of the Remuneration Committee

Conference Room 1, Palestra, 197 Blackfriars Road. London SE1 8NJ  
10.00am, Wednesday 13 June 2018

#### Members

Ben Story (Chair)  
Kay Carberry CBE (Vice-Chair)  
Baroness Grey-Thompson DBE  
Ron Kalifa OBE

#### Board Members Also in Attendance

Heidi Alexander

#### Executive Committee

Mike Brown MVO	Commissioner
Howard Carter	General Counsel
Tricia Wright	Chief People Officer

#### Staff

Stephen Field	Director Pensions and Reward
Shamus Kenny	Head of Secretariat

### 01/06/18 Apologies for Absence and Chair's Announcements

Apologies for absence were received from Val Shawcross CBE.

The Chair welcomed Heidi Alexander to the meeting as an observer following her appointment on 9 June 2018 as Deputy Mayor for Transport and as a Member of TfL.

Sir Terry Morgan CBE, Crossrail Chairman, had also given his apologies for being unable to attend the meeting.

### 02/06/18 Declarations of Interests

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

It was agreed that all staff, with the exception of the Commissioner and Director of Pensions and Reward, would leave the meeting for the discussion of the exempt papers on Performance Awards 2017/18 and Crossrail Limited Former Chief Executive's Performance Award, with Mike Brown also leaving the meeting for the discussion of his performance.

## **03/06/18 Minutes of the Meeting of the Remuneration Committee held on 2 October 2017**

The minutes of the meeting held on 2 October 2017 were approved as a correct record and signed by the Chair.

## **04/06/18 Matters Arising, Actions List and Use of Delegated Authority**

Committee members had been consulted on three occasions prior to the use of delegated authority. The Deputy Chair of TfL had exercised authority delegated by the Board on 9 November 2017 to approve revised Terms of Reference for the Committee. On 4 April 2018, Chair's Action had been exercised to approve: proposals for how the 2017/18 performance award calculation for specified roles should be adjusted if TfL's performance delivery for 2017/18 warranted the payment of awards; and the weighting to be applied between the delivery business Scorecard and the TfL Scorecard for each of the four delivery businesses and the calculation method to be applied.

In relation to the action on attracting and retaining staff (Minute reference 17/07/17 (1)) a meeting between the new Chair of the Committee and the Mayor would be arranged as and when necessary.

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

## **05/06/18 Annual Remuneration Benchmarking Report for Roles under the Remuneration Committee's Terms of Reference**

Stephen Field introduced the paper and explained the background to peer group comparators used in previous reports. The Committee confirmed that it wished to continue to monitor the relative positioning of TfL Senior Management remuneration against the external market.

The Committee discussed its requirements for remuneration benchmarking going forward for the roles under its Terms of Reference, with a particular focus on the applicable 'peer group' to be surveyed given the complexity of TfL's roles, which included: regulatory authority; direct provider of transport services; procurer and manager of outsourced transport services; and management and delivery of a very large investment programme, all of which was overlaid by TfL's work to drive technology and innovation, the move into national and international consultancy and the need to consider wider Mayoral strategies such as the provision of affordable housing.

It was agreed that as part of the scope for awarding a new reward consultancy and benchmarking contract (from February 2019), bidders should be encouraged to consider not just the natural comparators listed in the last report, many of which were FTSE 250 companies, but also:

- (a) other FTSE companies, to reflect the scale of what TfL delivered;
- (b) organisations that faced TfL's challenge of being publically and politically accountable while also operating a very large business or businesses, examples might include HS2, Heathrow Airport and Thames Tideway; and

- (c) how comparator organisations could be grouped in a systematic way, for example as utilities, mass transport, airlines/travel, outsourcing/infrastructure and telecoms/technology.

**The Committee noted the paper; and**

- 1 noted the 2016 benchmarking report for the Commissioner and Managing Directors (Appendix 1 of the paper) and in particular the methodology used by New Bridge Street Consultants to produce it;**
- 2 confirmed that it should receive remuneration benchmarking information for all of the roles under its Terms of Reference;**
- 3 agreed that consideration be given to the issues raised by the Committee when awarding the new reward consultancy and benchmarking contract; and**
- 4 agreed that following the appointment of the reward consultancy and benchmarking contract from February 2019, a benchmarking report would be produced ahead of the annual pay and performance cycle 2019.**

## **06/06/18 2017-18 Scorecards**

Mike Brown introduced the paper, which sought approval for the overall delivery against the TfL and individual business or specialist services Scorecards for the year ended 31 March 2018.

The Internal Audit review of the Scorecard Outturn was shared with all members of the Audit and Assurance Committee. The Chair of that Committee exercised Chair's Action to sign off the year end results. She drew this Committee's attention to areas where there was scope for improvement for the 2018/19 Scorecards.

Mike Brown confirmed that the issues raised in relation to the 2017/18 Scorecard had not altered the final outturn outcome; those issues and the suggestions for things for future Scorecards had been addressed by the more robust measures in the 2018/19 Scorecard and its alignment with the Mayor's Transport Strategy and Business Plan, along with proposals for clearer documentation as part of the internal outturn review process. The Chair would be sent a copy of the Internal Audit review and would speak to the Chair of the Audit and Assurance Committee to confirm this Committee's understanding of the issues raised. **[Action: Chair]**

It was agreed that following the consideration of the 2018/19 Scorecard Outturn review by the Audit and Assurance Committee, the Chair of that Committee would meet with the Chair of the Remuneration Committee before this Committee considered the Scorecard Outturn report and Performance Awards. **[Action: Secretariat]**

As reported to the Board on 23 May 2018, Mike Brown said he had set demanding stretch targets for the business in 2017/18, which had been a very demanding year given TfL's financial position and the scale of its change management process. He and his Executive Committee had reviewed the outcomes across the whole organisation and were satisfied that they reflected a true picture of what had been achieved. He was pleased that core outcomes had been achieved and that plans were in place for each

area of the business where targets had not been met.

2018/19 would be another challenging year and its Scorecard again set demanding stretch targets. Mike Brown was pleased with the work to make many measures more robust and at how the Mayor's Transport Strategy outcomes had been successfully integrated into the new Scorecard. He was confident in the ability of his team to deliver and believed that the Scorecards were driving the right behaviours, with a consistent focus on the quality of, and the people driving, the delivery. The development of the next Business Plan would include interim measures for the Mayor's Transport Strategy outcomes, to help ensure that TfL was focussed on achieving clear trajectory milestones toward the long-term outcomes.

Members commended the progress TfL had made in moving to become a much more focused organisation, aligned around the delivery of the Mayor's Transport Strategy through the Business Plan and Scorecards. The next step for TfL would be to focus on succession planning and attracting and retaining talent; which was on the forward plan for a future Committee discussion.

The Chair of the Committee would discuss with the Chief People Officer the desirability and viability of some form of Alumni for TfL to keep in touch with its former employees.

**[Action: Tricia Wright / Chair]**

**The Committee noted the delivery against Scorecards for 2017/18.**

## **07/06/18 Performance Awards 2017-18**

Mike Brown introduced the paper and the exempt supplemental information on Part 2 of the agenda. All staff, with the exception of the Commissioner and Director of Pensions and Reward, left the meeting for the discussion of the exempt information, with Mike Brown also leaving the meeting for the discussion of his performance.

The paper sought approval for performance awards in respect of the Commissioner, Managing Director and specific Director roles in relation to the overall performance delivery for the year ended 31 March 2018 as measured against the TfL and delivery business Scorecards. The Committee was also asked to note the eligible performance awards for all other TfL staff (including Directors and Senior Managers).

The Committee asked the Commissioner to take a rigorous look at how part time cap utilisation was applied, to ensure it was flexible and open.

Following a discussion, the Committee agreed that the personal performance element score for the Managing Director, London Underground should be increased by two points. No other changes were made to the proposals in the paper. The Chair would provide the Commissioner with feedback from the Committee's discussion of his performance and again commended him for his decision to forgo the award in 2016/17.

**The Committee noted the paper and the supplemental information on Part 2 of the agenda and:**

- 1 agreed the individual performance ratings proposed for the Commissioner;**



- 2 **agreed the level of performance awards for the Commissioner, Managing Directors and Directors specified under the Committee's Terms of Reference against the 2017/18 performance delivery outturn with an increase of two points for the personal performance element score for the Managing Director, London Underground; and**
- 3 **noted the overall level of performance awards for other staff.**

## **08/06/18 Crossrail Limited Former Chief Executive's Performance Award**

In the absence of Sir Terry Morgan CBE, Mike Brown introduced the paper and the exempt supplemental information on Part 2 of the agenda.

The paper consulted TfL on the decision made by the Crossrail Limited (CRL) Remuneration Committee on the former CRL Chief Executive's performance-related payment in recognition of his achievements in the financial year 2017/18. TfL was asked to note that the CRL Chief Executive was not made a Long Term Incentive Plan Award for 2017/18 in line with the decision made in 2017.

The Committee noted that its role was limited to commenting on the decisions of the CRL Remuneration Committee and it had no authority to change those decisions.

The Committee's view was that any performance related payment should be clearly linked to delivery of key milestones including as to timing and cost and should be payable only when these were demonstrably met.

In recognition of the importance of the Crossrail project to TfL, the Committee welcomed the appointment of two Board Members to the Board of CRL, in addition to Mark Wild, to help ensure integration of CRL and its processes into TfL and provide oversight of the governance arrangements as the project drew to a close.

### **The Committee:**

- 1 **noted the achievements of the Crossrail Limited (CRL) Chief Executive in the 2017/18 performance year;**
- 2 **noted the proposal of the CRL Remuneration Committee to award the CRL Chief Executive a performance related payment in recognition of his achievements in the 2017/18 performance year; and**
- 3 **noted the proposal of the CRL Remuneration Committee not to make a Long Term Incentive Plan Award in respect of 2018/19.**

## **09/06/18 Members' Suggestions for Future Discussion Items**

Members noted the forward plan. There were no matters from this meeting to carry forward to the meeting scheduled for 12 July 2018.

## **10/06/18 Any Other Business the Chair Considers Urgent**

There was no urgent business to discuss.

## **11/06/18 Date of Next Meeting**

The Committee agreed to cancel the scheduled meeting of the Committee on 12 July 2018, as there were no substantive items to discuss. The next scheduled meeting of the Committee was therefore 7 November 2018 at 10.00am.

## **12/06/18 Exclusion of Press and Public**

**The Committee agreed to exclude the press and public from the meeting, in accordance with paragraphs 1 and 3 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the exempt appendices to the items on Performance Award 2017-18 and the Crossrail Limited Former Chief Executive's Performance Award.**

The meeting closed at 12.35pm.

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

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

## Remuneration Committee



**Date:** 7 November 2018

**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 informs the Committee of progress against actions agreed at previous meetings (Appendix 1) and the use of Chair's Action to approve salaries of £100,000 or more.

#### **2 Recommendation**

- 2.1 **The Committee is asked to note the Actions List and the use of Chair's Action.**

#### **3 Use of Delegated Authority**

##### **Salaries over £100k or more**

- 3.1 The revised Terms of Reference for the Committee required it to approve salaries of £100,000 or more. The Committee had informally discussed the process for such awards and agreed that a business case would be provided for each proposed award and that decisions would be taken by Chair's Action, in consultation with the members of the Committee, to avoid undue delay in filling roles.
- 3.2 On 12 July 2018, following consultation with members of the Committee, the Chair approved salaries of £100,000 or more for the following roles:
- (a) Director of Strategy & Network Development, Surface Transport (new role created through the Transformation programme replacing an existing post with increased scope);
  - (b) Director of Public Transport Service Planning, Surface Transport (new role created through the Transformation programme replacing an existing post with increased scope);
  - (c) Director of News & Stakeholder Engagement, Customers, Communication & Technology (change to existing role and job title through the Transformation programme with increased scope);
  - (d) Head of Delivery; Four Lines Management, Major Projects (appointment to an existing post);

- (e) Divisional Financial Controller – LU, Chief Finance Officer (resubmission of a previously approved role);
- (f) Non Permanent Labour – Utilities & Logistics Lead, Crossrail 2 (fixed term post); and
- (g) Seven Non Permanent Labour roles (various roles), Technology & Data (part of the Transformation programme).

- 3.3 On 15 August 2018, following consultation with the members of the Committee, the Chair approved the salary proposal of up to a maximum of £130,000 for the role of Director of Compliance, Policing and On-Street Services.
- 3.4 For the approvals on 12 July and 15 August 2018, the Chair and the Committee noted that no new contracts would be issued with notice periods greater than three months, until the Dawn Jarvis review had completed.
- 3.5 On 17 October and 26 October 2018, following consultation with the members of the Committee, the Chair approved the remuneration arrangements for two roles for a period of six months (or longer by agreement).

**List of appendices to this report:**

Appendix 1: Actions List

**List of Background Papers:**

Minutes of previous meetings of the Committee

Contact Officer: Howard Carter, General Counsel  
Number: 020 3054 7832  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)

## Remuneration Committee Actions List (reported to the meeting on 7 November 2018)

## Actions arising from the meeting held on 13 June 2018.

Minute No.	Description	Action By	Target Date	Status note
06/06/18 (i)	<b>2017-18 Scorecards – Audit and Assurance Committee Review</b> The Chair would be sent a copy of the Internal Audit review and would speak to the Chair of the Audit and Assurance Committee to confirm this Committee's understanding of the issues raised.	Chair	June 2018	Completed.
06/06/18 (ii)	<b>2017-18 Scorecards – Future outturn review process</b> It was agreed that following the consideration of the 2018/19 Scorecard Outturn review by the Audit and Assurance Committee, the Chair of that Committee would meet with the Chair of the Remuneration Committee before this Committee considered the Scorecard Outturn report and Performance Awards.	Secretariat	May 2019	Agreed
06/06/18 (iii)	<b>2017-18 Scorecards – TfL Alumni proposal</b> The Chair of the Committee would discuss with the Chief People Officer the desirability and viability of some form of Alumni for TfL to keep in touch with its former employees.	Chair / Tricia Wright	October 2018	A discussion would be held with the Chair.

There were no outstanding actions from previous meetings.

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## Remuneration Committee

Date: 7 November 2018



Item: Pay Gap Analysis

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### This paper will be considered in public

#### 1 Purpose

- 1.1 This paper seeks to update the Committee on TfL's annual pay gap analysis with a particular focus on gender and ethnicity – based on data from the 12 month period 1 April 2016 to 31 March 2017.

#### 2 Recommendation

- 2.1 The Committee is asked to note the paper.

#### 3 Background

- 3.1 The Mayor's manifesto contained a commitment to publish a gender pay audit for the Greater London Authority (GLA) and its functional bodies including TfL, with a requirement that work should be undertaken to narrow any gaps identified.
- 3.2 In addition our pay gap report for gender complies with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 and the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 whilst our ethnicity pay gap report meets with the additional reporting requested by the Mayor and is set out in the same format as for gender.
- 3.3 The information extracts in this paper are based on 27,179 TfL employees as at the 31 March 2017 snapshot date for hourly rate pay and the 12 month period 1 April 2016 to 31 March 2017 for performance awards. They show the median pay gap as opposed to the mean (which can be skewed by outlier information). The full published reports include both median and mean pay gap measures.
- 3.4 Our full reports for gender and ethnicity pay gap reporting are published on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/equality-and-inclusion-publications>.

#### 4 Gender Pay Gap

- 4.1 The gender pay gap is an equality measure that shows the difference in average earnings across all jobs between women and men employed by the same employer. The gender pay gap does not show difference in pay for comparable jobs as in 'equal pay'.
- 4.2 The overall gender split was 76.7 per cent men and 23.3 per cent women.

## Hourly Rate Base Pay Comparison

- 4.3 Tables 1 and 2 show the overall median comparison between the hourly rates of pay for full-pay relevant men and women.

**Table 1 – Consolidated TfL median gender pay gap hourly rates of pay**

	Men	Women	% pay gap
<b>Median</b>	£27.56	£22.14	<b>19.7%</b>

**Table 2 – Consolidated TfL median gender pay gap hourly rates of pay by payband**

	Men		Women		Hourly pay % pay gap
	Hourly pay median	No of employees	Hourly pay median	No of employees	
<b>Board</b>	£142.41	11	£152.71	12	<b>-7.2%</b>
<b>Director</b>	£99.84	39	£88.71	9	<b>11.2%</b>
<b>Band 5</b>	£54.73	142	£55.84	45	<b>-2.0%</b>
<b>Band 4</b>	£41.03	799	£39.34	291	<b>4.1%</b>
<b>Band 3</b>	£31.13	3,218	£28.34	1,178	<b>9.0%</b>
<b>Band 2</b>	£27.56	4,155	£21.54	1,541	<b>21.8%</b>
<b>Band 1</b>	£17.51	615	£17.10	803	<b>2.3%</b>
<b>Graduates</b>	£16.04	213	£14.24	116	<b>11.3%</b>
<b>Apprentices</b>	£10.92	263	£10.92	40	<b>0.0%</b>
<b>Operational</b>	£25.36	10,879	£20.53	2,045	<b>19.0%</b>

- 4.4 Our paybands and associated pay ranges are typically broad and accommodate a wide distribution of job size across a varied range of roles, occupations and different market rates.
- 4.5 At Payband 2 there is a group of employees (more heavily populated by males) that has a shift allowance consolidated into base pay therefore meaning that the pay comparison basis for this group is skewed by the incorporation of this additional pay element.
- 4.6 Within operational grades there is typically a higher proportion of men in the higher paying spot rate roles, for example, Train Operator, and a greater proportion of women in the lower paid spot rate roles e.g. Customer Service Assistant.

## Performance Award Pay Gap Comparison

- 4.7 Performance awards include a wide range of ad hoc payments such as individual performance-related payments (performance awards), London Underground's staff performance scheme (based on measures for Lost Customer Hours / Customer Satisfaction), Make a Difference recognition scheme awards, long-



service recognition awards and other one-off non-consolidated payments that employees may have been awarded during the course of the year.

- 4.8 Table 3 shows the median comparison between the awards paid to all relevant men and women.

**Table 3 – Consolidated TfL single figure awards pay gap**

	Awards men	Awards women	Awards % pay gap
<b>Median</b>	£200.00	£200.00	<b>0.0%</b>

- 4.9 The median award gap is impacted significantly by the payment of a £200 LCH performance award paid out to London Underground employees in July 2016 as this group represents more than half the total TfL population.

- 4.10 Table 4 shows the proportion of relevant men and women receiving awards.

**Table 4 – Consolidated TfL proportion of employees receiving awards**

	Men	Women
<b>Proportion of employees receiving awards</b>	<b>86.6%</b>	<b>80.0%</b>

## **Main Findings**

- 4.11 Proportionately fewer women in higher paid senior roles.
- 4.12 Proportionately more men in operational roles that are far more highly paid than other roles at a similar level because of shift and unsocial working allowance that are combined into the salary.
- 4.13 A gender imbalance and lower numbers of senior women in the smaller employing entities.
- 4.14 Fewer women in the transport and engineering sector as a whole, with research showing that only nine per cent of all engineers are female.

## **5 Ethnicity Pay Gap**

- 5.1 The ethnicity pay gap is an equality measure that shows the difference in average earnings across all jobs between White and BAME staff employed by the same employer. The ethnicity pay gap does not show difference in pay for comparable jobs as in 'equal pay'.
- 5.2 The overall ethnicity split in TfL was 52.4 per cent White, 26.2 per cent BAME and 21.5 per cent Prefer Not to Say/Unknown.
- 5.3 Forty per cent of Londoners are BAME and 36 per cent of economically active Londoners are from BAME communities whereas 26.2 per cent of our workforce declare as BAME. However, only 10.5 per cent of our senior managers declare that they are from BAME communities, which is an under representation of our overall workforce. Additionally, 25.3 per cent of our graduates and apprentices,

25.9 per cent of our bands 1-3 population, 28 per cent of our operational population and 13 per cent of our board members declare that they are from BAME communities.

### Hourly Rate Base Pay Comparison

- 5.4 Tables 5 and 6 show the overall median and mean comparison between the hourly rates of pay for full-pay relevant White and BAME employees.

**Table 5 – White and BAME Consolidated TfL median pay gap hourly rates of pay**

	White	BAME	% pay gap
<b>Median hourly pay</b>	£27.97	£25.23	<b>9.8%</b>

**Table 6 – White and BAME consolidated TfL median pay gap by payband**

	White		BAME		Hourly pay % pay gap
	Hourly pay median	No of employees	Hourly pay median	No of employees	
<b>Board</b>	£156.63	13	£156.63	3	<b>0.0%</b>
<b>Director</b>	£95.01	40	£112.47	3	<b>-18.4%</b>
<b>Band 5</b>	£54.76	146	£55.31	12	<b>-1.0%</b>
<b>Band 4</b>	£40.37	737	£40.52	124	<b>-0.4%</b>
<b>Band 3</b>	£30.98	2,514	£30.12	899	<b>2.8%</b>
<b>Band 2</b>	£27.30	3,004	£25.86	1,579	<b>5.3%</b>
<b>Band 1</b>	£17.74	642	£17.48	487	<b>1.5%</b>
<b>Graduates<sup>1</sup></b>	£16.01	229	£14.24	78	<b>11.1%</b>
<b>Apprentices</b>	£10.92	181	£10.67	81	<b>2.3%</b>
<b>Operational</b>	£26.91	6,366	£24.86	3,625	<b>7.6%</b>

### Award pay gap comparison

- 5.5 Table 7 shows the median and mean comparison between the awards paid to all relevant White and BAME employees.

**Table 7 – White and BAME consolidated TfL single figure awards pay gap**

	Awards White	Awards BAME	Awards % pay gap
<b>Median</b>	£200.00	£200.00	<b>0.0%</b>
<b>Mean</b>	£769.62	£412.15	<b>46.4%</b>

<sup>1</sup> TfL's graduate schemes salaries are structured by year. Proportionately there are more white graduates in Years 2 and 3 of the scheme and more BAME graduates in Year 1.

5.6 Table 8 shows the proportion of relevant White and BAME employees receiving awards.

**Table 8 – White and BAME consolidated TfL proportion of employees receiving awards**

	White	BAME
<b>Proportion of employees receiving awards</b>	<b>89.4%</b>	<b>87.5%</b>

**Main Findings**

- 5.7 Our workforce does not currently reflect the diversity of the Capital’s population.
- 5.8 The under-representation of BAME employees in senior levels, therefore in higher paid roles, along with the larger proportion of BAME employees in operational areas impacts greatly on the overall average earnings figures shown in the report as well as on awards paid.

**6 Closing the pay gap**

6.1 Our vision for equality is ‘every person matters’. It articulates our commitment to becoming a more diverse organisation, reflecting the city we serve and maximising the talent we have.

**What has been done?**

- 6.2 Appointed a Diversity, Inclusion and Talent Director. Directly accountable to the Commissioner, he is responsible for leading a focused strategy.
- 6.3 Added an ‘inclusion index’ to the TfL scorecard to make everyone more accountable for diversity and inclusion.
- 6.4 Ensured mentoring programmes support women and BAME colleagues in middle manager roles in London Underground Operations, where we have less representation.
- 6.5 Creating the London Underground diversity and inclusion culture team who lead on a programme of work to realise talent and unlock potential in an operational environment.
- 6.6 Diverse interview panels now in our interview guidance for senior roles.
- 6.7 Supporting the GLA’s Our Time project aimed at sponsoring talented women to get into more senior roles. Launched a cross-mentoring partnership with Fujitsu aimed at high potential BAME staff from each organisation.
- 6.8 Unconscious bias training for all senior managers.
- 6.9 Introduced a Diversity and Inclusion dashboard, which includes a focus on the experiences of under-represented groups of employees in our workplace and have clear aims to increase the number of people in under-represented groups performing some roles. We’ll use it to measure progress and ensure action is

taken to improve the experience of these groups. The pay gap is one of the indicators on the high level business area dashboard.

- 6.10 Utilised our BAME and Female Staff Network Groups as forums for discussing the Gender and Ethnicity pay gaps, along with other key Diversity and Inclusion issues.
- 6.11 Over 50 per cent of senior appointments have been women, and that there has also been an increase in BAME appointments, over the past 12 months.

#### **What is currently being worked on?**

- 6.12 Anonymous job applications (blind CVs) to reduce the likelihood of bias at the application stage.
- 6.13 Establishing diverse and independent panels for interviews.
- 6.14 Ensuring greater access to mentors and coaches for all our staff, but in particular for women and BAME staff who are underrepresented in more senior roles.

#### **What is planned?**

- 6.15 More robust Diversity and Inclusion governance with clear accountabilities and indicators to measure progress in response to an aspirational target, which is reduced each year.
- 6.16 Further elimination of bias in our approach to recruitment, performance and development.
- 6.17 Continue to attract, develop, promote and retain the best talent.
- 6.18 Continue to identify the next generation of leaders, and include a development programme targeted at groups that are currently underrepresented in senior roles.
- 6.19 Reviewing the pipeline of diverse talent amongst middle managers, and ensuring there is robust succession planning across the organisation.

## **7 2018 Pay Gap Analysis**

- 7.1 Work is currently underway regarding analysis for the latest pay gap information based on the 2018 snapshot date and 2017-18 financial year.
- 7.2 The TfL Reward & Recognition team work in partnership with Diversity & Inclusion to produce the analysis and published reports for both gender and ethnicity.
- 7.3 Publication of the final reports onto websites is co-ordinated by the GLA. Based on current plans it is expected that the 2018 reports will be published by the end of December 2018.
- 7.4 Given this expectation it is likely that an update on the 2018 pay gap analysis information could be provided to a future meeting of the Committee in early 2019.

**List of appendices to this report:**

None.

**List of Background Papers:**

TfL Gender Pay Gap Report 2017 <https://tfl.gov.uk/corporate/publications-and-reports/equality-and-inclusion-publications#on-this-page-3>

TfL Ethnicity Pay Gap Report 2017 <https://tfl.gov.uk/corporate/publications-and-reports/equality-and-inclusion-publications#on-this-page-4>

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## Remuneration Committee



**Date:** 7 November 2018

**Item:** Talent and Succession Planning

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### This paper will be considered in public

#### **1 Purpose**

- 1.1 This paper provides a summary of our approach to talent applied by Succession Planning, Workforce Planning and Senior Appointments.
- 1.2 The paper also provides a review on the Diversity and Inclusion of senior talent and how we can improve this, using practical measures with tangible outputs.

#### **2 Recommendation**

- 2.1 **The Committee is asked to note the paper.**

#### **3 Background**

- 3.1 Our approach uses the talent management framework, Maximising Potential, to identify and mobilise our talent across the organisation.
- 3.2 Maximising Potential is used for senior and director level appointments and has helped to identify internal talent who have successfully applied for more senior roles.
- 3.3 We have started to use the identification of talent to inform succession planning, beginning with all Director roles. Using a methodology and approach that was approved by the HR Leadership Team in January 2018, the Executive Committee is identifying 'ready now', 'ready soon' and 'ready later' successors, looking up to five years ahead. The successors have demonstrated high performance, high potential and good behaviours and have expressed a desire to progress. These plans are mostly complete and will support us in having a more diverse and agile leadership team, help us to future proof our organisation, enable slicker filling of resource gaps, and improve development and engagement of our teams. Additionally, roles at Band 5 level and below identified as critical will be included in succession plans. Guidance is provided to demonstrate what is deemed a critical role.
- 3.4 By mid-year 2018/19, over 10,000 employees will have had the opportunity to participate in Maximising potential. We will have a profile of our talent from Band 3 to Director level by 2020. This will enable us to build a more coherent picture of our succession pipeline. We are consistently using people identified as having high potential or are high performers – talent for internal applications.

- 3.5 We have launched automatic shortlisting to drive greater mobility of our talent across our organisation, this ensures individuals identified as high potential or high performance who have met the minimum criteria for the role are guaranteed an interview. Talent information through Maximising Potential has been used to inform shortlists for executive recruitment; and diversity and inclusion talent analysis has informed positive action initiatives in areas of underrepresentation.
- 3.6 Our approach to future workforce planning has seen a high level skills segmentation being incorporated into our talent framework and succession planning methodology. This is creating a clearer picture across the business of where we have critical roles, and helps to build a picture of skills required now and in the future.
- 3.7 Our talent pool is gender and ethnically diverse and more proportionally representative of London. The largest pool of talented women and BAME employees currently exists at middle management level, indicating a diverse pipeline of talent. It is necessary to drive diversity through succession planning, and continuing and improving leadership development and talent activities such as our Leader Led Learning development programme, automatic shortlisting (for candidates that meet the minimum criteria for the role), the Our Time programme (Supporting Future Leaders) and cross-company mentoring programmes.
- 3.8 Our in-house Executive Recruitment team have demonstrated industry best practice in sourcing more diverse candidates for senior roles. For example, over the past 12 months, 50 per cent of senior appointments have been women.
- 3.9 In addition, our pay gap report for gender complies with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 and the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, whilst our ethnicity pay gap report meets with the additional reporting requested by the Mayor and is set out in the same format as for gender.

## **4 Planning Ahead**

- 4.1 Further align our approach to talent management with our business priorities. Greater focus on how talent can be deployed to help us achieve our objectives and overcome challenges as well as to address individual development needs, building on areas where we are doing that successfully. We will use the business planning priorities to mobilise talent to help deliver the organisations most important priorities.
- 4.2 Ensure greater business led talent management. Senior managers are already engaged in the rollout of Maximising Potential, but we will ensure there are higher levels of consistency and engagement to ensure high quality reliable data through good quality conversations.
- 4.3 Greater visibility and mobility of our talent through developing Talent Boards. We will create focussed Talent Boards across the organisation to ensure we have a consistent view of and approach to managing and mobilising talent across the workforce.



- 4.4 Ensure we identify people with high potential and talent for more senior roles. We will continue to roll out automatic shortlisting, and Talent Boards will be able to identify high potential people suitable for more senior roles. Succession plans will also help to better manage our talent.
- 4.5 Enhance line Manager Capability. For talent conversations to be a success, line managers need to be able to have quality conversations with their team. We will continue to improve the quality of conversations through rolling out support and development for managers, and evaluating the impact of career conversations.

**List of appendices to this report:**

Appendix 1 – Talent and Succession Planning at TfL Presentation

**List of Background Papers:**

None

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NOVEMBER 2018

# Appendix I

## Talent and Succession Planning





# Talent Management



By mid-year 2018/19, over **10,000** employees will have had the opportunity to participate in Maximising potential

Maximising Potential is our talent management framework for Band 3s (manager grades) and above



Career Conversations is a 'light' version of Maximising Potential for Band 1s and 2s (operational and support grades)

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Succession Planning linked to Maximising Potential focuses on identifying and growing internal talent to fill business-critical roles now and in the future



All **Band 5s** and **Directors** calibrated by ExCo in April and June 2018, enabling the creation of succession and development plans

Of **1 000** band 4s and above who've taken part in Maximising Potential in 2017/18, **30%** have been identified as high performers/potential talent

Of **1 630** Band 3s who've taken part in Maximising Potential in 2017/18, **14%** of Band 3s have been identified as talent



Of **1 340** Band 1s & 2s (and equivalent grades), **11%** were identified as talent



## Diversity of talent

**32%** of talent at Band 3 level are women and **23%** are BAME. A higher percentage of BAME employees at band 3 level have been identified as talent compared to senior management level

**7%** of talent at Band 2s and 1s are women and **18%** are BAME



**36%** of talent at Band 4 and above are women and **9%** are BAME



## As a result of Maximising Potential

Identified talent via Maximising Potential has....  
been embedded in **LU people plan**  
filled **Director level vacancies**  
enabled movement of talent in LU via our **Automatic Shortlisting** pilot  
informed the identification of **7** women selected for **Our Time**



Maximising Potential has also informed...  
**Positive Action Initiatives** in business areas where there is under representation  
Local level **development activities** eg, 3 month secondments, work projects  
And Identified talent offered access to our leadership development programme  
– **Leader Led Learning**

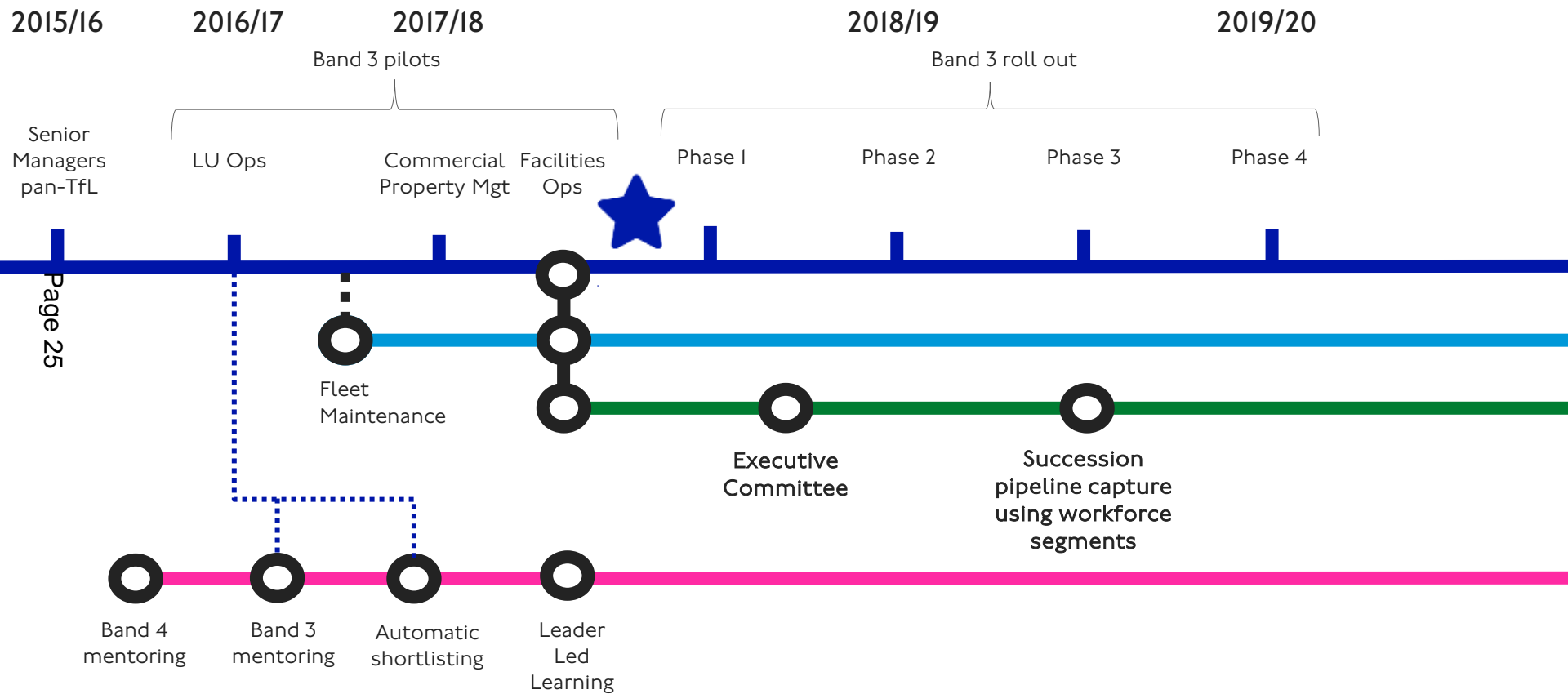


## What next for talent?

Alignment of **business priorities to talent management activities**; Needs to be **business led with HR support**; Greater mobility of talent through **talent boards**; Actively **move** our talent across TfL; Build a **diverse talent pipeline**; **Self-entry**; provide **technical development** opportunities and Leverage our **values** through middle managers

# Talent journey so far

- Maximising Potential
- Career Conversations
- Succession Planning
- Employee benefit
- Findings for paper



# Where we are now

## Maximising Potential (MP) and Career Conversations (CC)

- For mid year 2018/19 we will have rolled out our talent framework to 62% (2674/4316) of the Band 3 population and 30% (6269 / 21097) to operational and support roles
- By April 2020 we will have a profile of our talent from Band 3 to Director level
- Relevant company and functional councils have been engaged since the launch in 2015 and have been either cautionary or fully supportive of the approach and rollout. As we continue to rollout, relevant councils will be engaged

## Succession Planning

- Succession planning using workforce segments has moved out of the pilot phase into business wide roll out, following a successful implementation in Facilities Operations
- ExCo tasked each MD to identify successors for all their Director and critical Band 5 roles by the end of December 2018
- The LU People Plan has specified that succession plans are ready by end of October 2018 for business areas where MP and CC have taken place

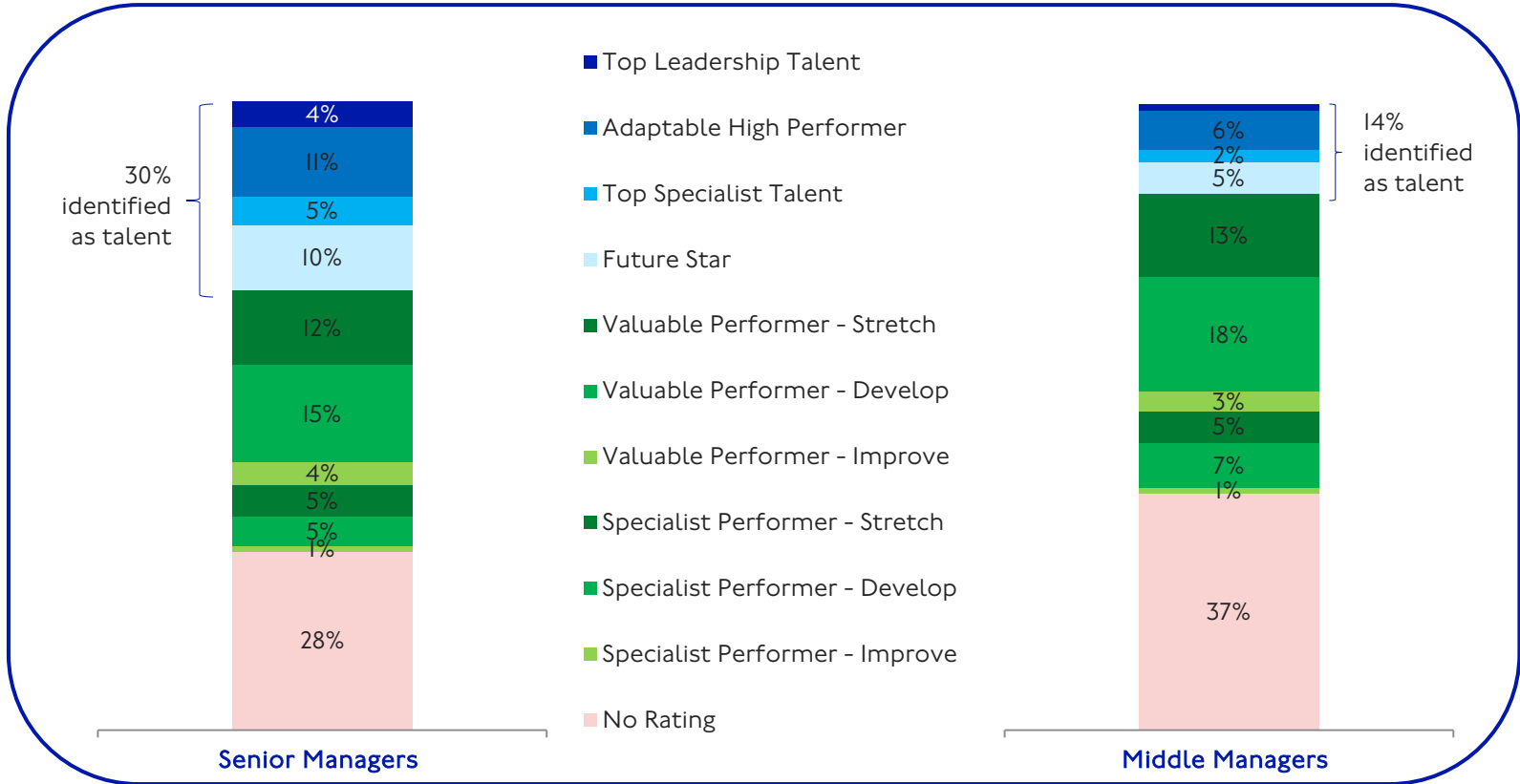
## Automatic Shortlisting

- Automatic Shortlisting was launched in 2017 to drive greater mobility of our talent across the organisation. As a direct result of this pilot 12 individuals identified as talent that met the minimum qualifying criteria have been promoted or offered a lateral move in LU. Half of these were women and a third were BAME
- Following a review, it was agreed that the pilot continue in this area, addressing issues identified, prior to any further roll out



# Our Talent Profile

Senior Managers (Band 4s and above) and Middle Managers (Band 3s and equivalent grades)



External research indicates around 20% of a workforce would be identified as talent. It would be expected that at senior levels this would be higher and would incrementally decrease as you went down the organisation, which is reflected in our data



# Our Talent Profile (1/2)

In our Band 3 to Director population, 20% of individuals have been identified as talent, indicating a strong talent pipeline, but we must encourage more lateral moves across our organisation to develop breadth

## Senior Managers (Band 4 and above)

- As shown on the graph on the previous slide, 30% of this population have been identified as talent (high performers/potential). This is a fall from 39% in 2016. Similar to patterns seen in other organisations this is likely to be an **outcome of the talent framework becoming more embedded**, with line managers feeling more confident in identifying talent and comfortable challenging decisions at calibration, making the outcomes more robust
- With the majority of our talent being identified as Adaptable High Performers and Future Stars, it would suggest there is **a healthy leadership pipeline ready in the next 1-2 years and possibly 2-5 years** (Valuable Performer – Stretch) if developed successfully
- Of those identified as talent, 60% are looking for a vertical move, with 3% looking for a lateral move. Those with aspirations to progress may be seen as a future flight risk if opportunities do not arise internally
- **The lack of interest in lateral moves is reflective of our culture.** If we are to create greater mobility across our organisation this attitude will need to change for employees, line managers and senior management





# Our Talent Profile (2/2)

## Middle Managers (Band 3)

- There is a strong talent pipeline available at the middle management level with 14% of those calibrated identified as talent (as shown on slide 7)
- 17%, whilst not currently identified as talent, have the capability to be stretched further as a specialist or people leader. This gives an indication of a longer term pipeline if this group are supported and developed
- Of those identified as talent, 77% are looking for a vertical move, with 5% looking for a lateral move. Similar to the senior manager population, it will be important to think about progression and development opportunities for these individuals to ensure we do not lose our top talent
- Only 14% of the overall middle manager population (from those who have been calibrated) have indicated they would be looking for a lateral move. Given there are fewer roles at the next level, low attrition levels and moving towards a more flatter structure it is important that people look more seriously at lateral moves

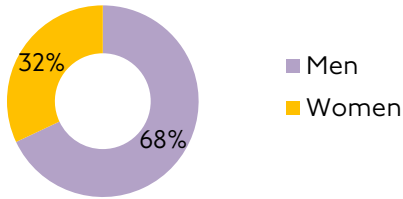


# Diversity of our talent (1/3)

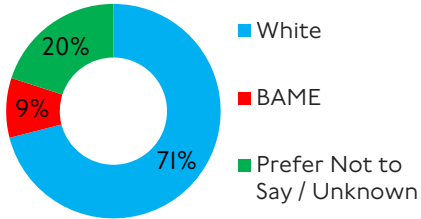
Baby boomers - up until 1960  
 Generation X - 1961-1980  
 Millennials - 1981-1999

## Senior Managers

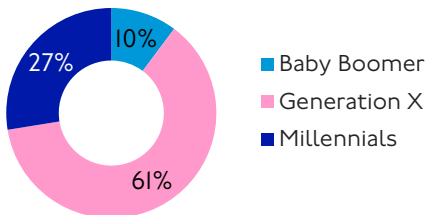
### Gender



### Ethnicity

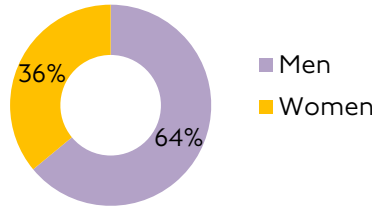


### Generation

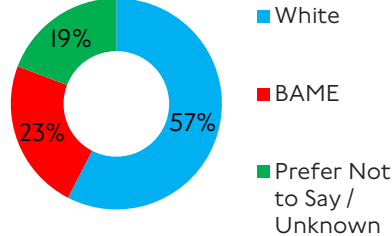


## Middle Managers

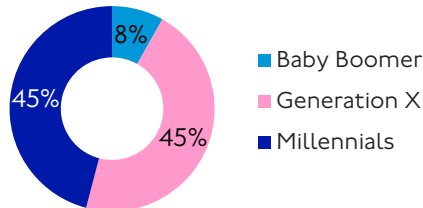
### Gender



### Ethnicity

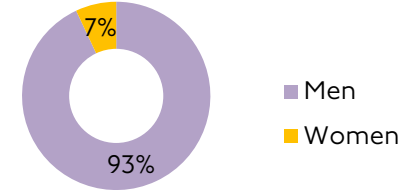


### Generation

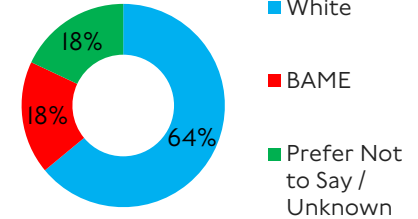


## Operational and Support roles

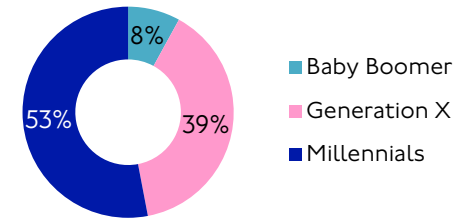
### Gender



### Ethnicity



### Generation



# Diversity of our talent (2/3)

Our talent pool is gender and ethnically diverse and proportionally representative of the areas included. The largest pool of talented women and BAME employees currently exists at middle management level, indicating there is a potential for a diverse senior manager pipeline that can be internally grown

## Gender

- There is a proportional representation of talented women at each level of the organisation indicating **no gender bias in how the framework is being used**
- At senior and middle management a 1/3 of those identified as talent are women. This is a strong pipeline and is slightly higher than the overall % of women at this level of the organisation (29%)
- Whilst only 7% of women were identified as talent at the operational and support grades. This again is reflective of the workforce where career conversation was rolled out (10% were women). The lack of gender diversity at this level is mainly a reflection of the Fleet Maintenance population. As we continue to roll out career conversations at this level, in areas with a more balanced gender workforce, we hope to see a healthier female talent pipeline develop



# Diversity of our talent (2/3)

## Ethnicity

- At each level of the organisation a similar percentage of BAME employees were identified as talent compared to the overall workforce
- Whilst at senior management level women represent a 1/3 of the workforce, only 10% are BAME employees. An area of focus will be to develop the BAME talent pool

## Generation

- Between 8-10% of those identified as talent are at an age close to retirement. Whilst this is a small population, it will be important to ensure we retain their knowledge and they are utilised to support the development of others
- As we go down the organisation the % of millennials identified as talent grows incrementally. If developed successfully, these will be our future leaders. However, we need to recognise their ways of working are different and this needs to be reflected in how we develop this group



# Analysis of senior level internal hires and job applications (Jan 2017 – May 2018)

## Data of Hires:

Overview of all internal senior appointments (Band 4, Band 5 & Director) from Jan 2017 – May 2018, including break down by Maximising Potential rating

## Promotional moves

Talent Category	Women	Men
Total Hires	13	16
high performers/potential Talent	69% (9)	38% (6)
Non identified Talent	8% (1)	19% (3)
Not Calibrated / No Data	23% (3)	44% (7)


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## Lateral moves


Talent Category	Women	Men
Total Hires	7	7
high performers/potential Talent	71% (5)	43% (3)
Non identified Talent	0%	29% (2)
Not Calibrated / No Data	29% (2)	29% (2)


## Observations:


Success stories and points to note from the application data for senior hires during this period.

- 

A review of maximising potential movements for Band 4s + shows that, **where women have a rating, Maximising Potential strongly supports their movement** – c70% of all female promotional and lateral moves were high performers/potential talent
- 

However, the **largest population of male promotions were uncalibrated applicants**. This suggests that a lack of rating may give an advantage to male applicants
- 

Regardless of a visible talent rating or categorisation, **women are leaning in and making almost as many applications as men**
- 

Currently we have a good pipeline of female and BAME future leadership talent with **13 Future Stars making applications converting to 7 hires**. These moves highlight the value of “stretch” promotions to increase diversity at senior level
- 

**Only 30% of hires were cross-functional**. This highlights that there remains a preference for technical and functional skills. More work needs to be done to increase visibility and broad mobility of talent



# Using talent data in Executive Recruitment

**1. Verify talent:** screen internal applications using talent data and prioritise high performers/potential talent

## Case study: Heads of Sponsorship, Surface

- Two newly created Band 5 Head of Sponsorship roles in Surface advertised via internal job board
- 14 applications from internal candidates with matching and transferrable skills from across our organisation
- Maximising potential data used to create shortlist of 6 high performers/potential talent (2 x Adaptable High Performer and 4 x Future Star)
- Two Band 4 women rated as Future Stars hired into roles

## Effectiveness

- ✓ Talent data has been applied to all roles informally and manually since its launch. **54% of hires are high performers/potential**
- ✓ Provides supplementary quality check on candidates
- ✓ Emphasises skills and potential over experience
- ⚠ high performers/potential talent has greater access to opportunities
- ⚠ Hiring Managers' (HMs) persistent preference for high functional skills making the framework redundant
- ⚠ Scepticism from HM's around calibrated ratings
- ⚠ Gaps in data mean it is not always possible to prioritise talented candidates as some may not have been appropriately flagged

**2. Identify talent:** conduct internal mapping to find strong candidates for key roles

- ✓ Strong business appetite for this approach - used for a range of Director and Band 5 roles
- ✓ External talent mapping approach has provided strong hires demonstrating a need to replicate internally
- ⚠ Missing calibrated scores means that the best talent is missed and often not in the right roles at the right time
- ⚠ Can only search on role title/business area, not skills. This limits outputs – no hires directly resulting from this approach yet

**Examples of roles:** 2 x Directors in City Planning / Director of Vision Zero, Head of Asset Strategy - LU

**3. Salary benchmarking:** compare offers to high performers/potential talent in similar roles to ensure pay parity

- ✓ Reduced risk of unequal or unfair pay; in particular helps to close gender pay gap at leadership level.
- ✓ Provides an additional comparison point against external market data.
- ⚠ Lack of governance on pay setting. Also pay increases are not always appropriate; for example development secondments where experience is the reward
- ⚠ Salaries are governed by external factors such as market pay and City Hall. This is not always in line with internal rates.

# Local secondments: success stories

## Director in Surface

**Talent rating at time of move:** Top Leadership Talent  
**Previous / substantive role:** Band 5 role in a different area of Surface

- Joined TfL as Band 5 within Surface
- Appointed to Director role on a local secondment after 12 months in Band 5 role
- Formally appointed to the Director of role following post-transformation open recruitment process



PROMOTION

## 'Head of' role in LU (Band 5)

**Talent rating at time of move:** Top Leadership Talent  
**Previous / substantive role:** Band 4 in Surface

- Applied for a Band 5 role in LU - shortlisted based on CV and Maximising Potential rating
- Not successful for this role but was offered local secondment to current role for 6 months as a result of her interview
- Appointed to the role formally following an open recruitment process



WITHIN FUNCTION

CROSS FUNCTION

## Head of Customer Service, LU (Band 5)

**Talent rating at time of move:** Top Leadership Talent  
**Previous / substantive role:** Head of Power Delivery (Band 5) - LU

- Recruited into Head of Power due to strong leadership skills rather than technical knowledge or capability
- Since joining has built a reputation as a strong leader with excellent potential
- Recently locally seconded to a lateral move in order to broaden skills set and help develop his career

LATERAL MOVE



**Lateral move cross functionally:  
Case study missing!**

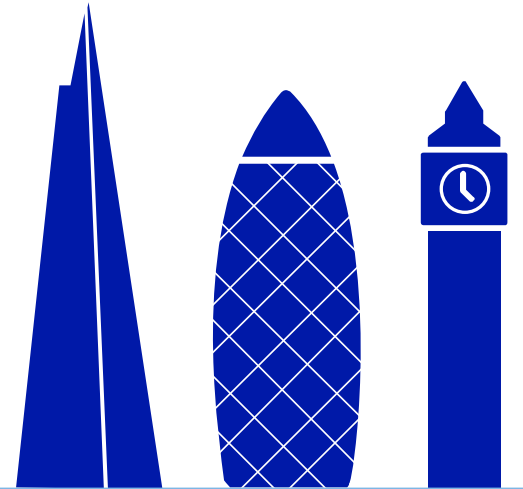
Greater visibility of available skills in the talent community and a removal of the stigma around lateral moves will enable cross-functional lateral moves

These moves are a great opportunity for us to develop our talent giving them both depth & breadth



# Appendix

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# Driving diversity through talent

## Activities that initiated from Maximising Potential

- A leadership development programme has been designed and introduced – Leader Led Learning – for those identified as talent
- Positive action initiatives (such as Mentoring from the LLL programme) in business areas where there is under presentation
- In August 2017, we launched an automatic shortlisting pilot for employees identified as ‘high performers/potential’ talent for Band 3s (manager grade and equivalent) in LU Operations. This means that people identified as talent will be fast-tracked to the first stage of assessment when applying for sideways or appropriate ‘one-up’ promotional moves. The aim is to promote internal mobility and development so that our people reach their full potential. This population includes proportionally high levels of female and BAME talent; if we foster this talent we can work towards a more diverse longer term talent pipeline
- 10% of the Band 3 women identified as talent through Maximising Potential were selected for the ‘Our Time: Supporting Future Leaders’ programme - a new initiative to support more women in the GLA group into leadership positions and help close the gender pay gap. This programme is expected to continue and will be expanded to include BAME talent
- A cross company mentoring programme for BAME talent was developed with Fujitsu to support the development of Band 3 talent in Tech and Data. Plans are in place to expand this programme further.



# Year-end 2018

## Our Talent Framework has been rolled out to 19% of the workforce

### Senior Managers (SM) (Band 4s and above)

- Maximising Potential is now a business as usual activity aligned to the performance review lifecycle
- 72% of all senior managers (720/1000) were calibrated in year-end 2017/18

### Middle Managers (MM) (Band 3s)

- Launched for all LU Band 3s in 2016/17. For this area, talent conversations have become BAU
- ExCo have agreed that Maximising Potential is rolled out to all Band 3s by 2020
- By year-end 2017/18, 38% (1631/4316) of the Band 3 population were in scope for Maximising Potential. The business areas in scope were agreed by HR delivery and the business
- Of this population 63% (1032/1631) of the Band 3 population were calibrated
- Highest engagement was in Professional Services at 70% with lowest levels of completion in Major Projects Directorate (MPD delivery) at 47% (*LU at 55% and Surface have not rolled out to Band 3s*)

### Operational and Support roles (Bands 1, 2 and equivalent roles)

- Career conversations piloted in Fleet Maintenance in 2016/17 and has now been launched in Facilities Operations, MPD and Strategy & Network Development (LU)
- Of this population 72% (934) had career conversations and were calibrated in March 2018
- Highest engagement was in Fleet Maintenance at 78% with lowest levels of completion in MPD at 26%
- Due to the low engagement in MPD it was agreed that they would revisit Maximising Potential and Career Conversations for mid-year 2018/19





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## Contact

Staynton Brown, Director of Diversity & Inclusion and Talent

Organisation Development: Leonie Saywell

Executive Recruitment: Rebecca Foden

Strategic Resourcing: Sarah Kelly



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## Remuneration Committee



**Date:** 7 November 2018

**Item:** Members' Suggestions for Future Discussion Items

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### **This paper will be considered in public**

#### **1 Summary**

- 1.1 This paper presents the current forward programme for the Committee and explains how this is put together. Members are invited to suggest additional future discussion items for the forward plan. Members are also invited to suggest items for the Committee's induction session and for future informal briefings.

#### **2 Recommendation**

- 2.1 **The Committee is asked to note the forward programme and is invited to raise any suggestions for future discussion items for the forward plan and for informal briefings.**

#### **3 Forward Plan Development**

- 3.1 The Board and its Committees and Panels have forward plans. The content of the plans arise from a number of sources:
- (a) Standing items for each meeting: Minutes; Matters Arising and Actions List.
  - (b) Regular items (annual, half-year or quarterly) which are for review and approval or noting as specified in the Terms of Reference: Examples include the annual consideration of pay and performance awards for the staff listed in the terms of reference and regular reports on remuneration on a pan-TfL basis, pay gaps and TfL's approach to talent management and succession planning.
  - (c) Items requested by Members: The Chairs Coordination Group will regularly review the forward plans and may suggest items. Other items will arise out of actions from previous meetings (including meetings of the Board or other Committees and Panels) and any issues suggested under this agenda item.

#### **4 Current Plan**

- 4.1 The current plan is attached as Appendix 1. Like all plans, it is a snapshot in time and items may be added, removed or deferred to a later date.

**List of appendices to this report:**

Appendix 1: Remuneration Committee Forward Plan.

**List of Background Papers:**

None

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### Remuneration Committee Forward Planner 2018/19

**Membership:** Ben Story (Chair), Kay Carberry CBE (Vice Chair), Heidi Alexander and Ron Kalifa OBE

<b>23 January 2019</b>		
Pay Gap Analysis	Chief People Officer	Update based on 2017/18 data sets
Executive Committee Remuneration benchmarking	Chief People Officer	An update on the progress in Executive Committee Remuneration benchmarking ahead of a paper to the next meeting. While there is a four year pay freeze on Director pay at TfL, the Committee will continue to monitor the relative positioning of TfL Senior Management pay versus the market.

<b>TBC June 2019</b>		
Executive Committee Remuneration benchmarking	Chief People Officer	Review the results of the 2018 remuneration benchmarking undertaken for specified Executive Committee roles.
2018-19 Scorecard Outturn	Commissioner	To note performance against the TfL scorecard
TfL Performance Awards	Commissioner	To approve performance awards for the Commissioner and other roles specified in its terms of reference.
TfL Remuneration	Chief People Officer	Annual update on remuneration on a pan-TfL basis including base pay and performance awards.

#### Regular items each year

- Executive Committee Remuneration benchmarking
- TfL Performance Delivery (year) and Performance Awards
- Crossrail Limited Chief Executive's Performance Award
- TfL Remuneration
- Pay Gap Analysis
- Talent Management and Succession Planning

#### Items to be programmed

- Salary for any person proposed to be appointed as an Officer of TfL with an annual basic salary of £100,000 or more.

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