

Transport for London

CORPORATE ADVISORY PANEL

**Meeting No. 1 to be held on Thursday 25 January 2007 at 1400hrs
Windsor House, 14th Floor Boardroom**

AGENDA

A Meeting of the Panel will be held to deal with the following business:

1. Apologies for Absence

	Business Items	Sponsor
2.	CAP Terms of Reference and CAP Work Plan 2007	Peter Hendy, Commissioner
3.	TfL Workforce	Valerie Todd, Interim MD Group Services
4.	TfL Workforce Diversity	Valerie Todd, Interim MD Group Services
5.	TfL Accommodation Strategy	Charles Stafford, Director Group Property and Facilities
6.	Project consents (ACORN)	Ben Plowden, MD Group Communications
7.	Any Other Business	

Date of next meeting
18th May 2007 at 1000 hours
Windsor House, 14th Floor, Boardroom

TRANSPORT FOR LONDON

CORPORATE ADVISORY PANEL

**SUBJECT: CAP TERMS OF REFERENCE AND CAP WORK PLAN
2007**

MEETING DATE: 25 JANUARY 2007

1. Purpose

- 1.1 To provide Panel members with details of the Panel's Terms of Reference as approved by the TfL Board and with a proposed future Work Plan for 2007.

2. Decision Required

- 2.1 The Panel is asked to note the CAP Terms of Reference and the Work Plan for 2007.

3. CAP Terms of Reference

- 3.1 The TfL Board approved the creation of the Corporate Advisory Panel at its meeting on 25 October. The purpose of this paper is to ask the Panel to note the Terms of Reference for the Panel and to provide the Panel with a Work Plan which provides an indication of the issues to be addressed in the next 12 months.
- 3.2 The Terms of Reference for the CAP as agreed by the TfL Board at its meeting on 25 October 2006 are attached as Appendix 1. The Panel was established to provide an appropriate forum for Board Members, Advisers and Senior staff to consider matters arising from the Corporate Directorship of TfL and also to provide a focus for the examination of equalities and inclusion issues across TfL.
- 3.3 Since the Board approved the Terms of Reference for the CAP, further consideration has been given to how best we can focus the consideration of equalities and inclusion issues in TfL's governance arrangements. In particular further consideration has been given to how the work of CAP would relate to the Equalities and Inclusion Programme Board. A paper will be presented to the TfL Board at its meeting on 7 February with proposals for amalgamating the Equalities and Inclusion Programme Board with CAP and proposing the necessary changes to the Terms of Reference of CAP to accommodate this.

4. CAP Work Plan 2007

4.1 The proposed Work Programme for the CAP for 2007 is set out in the table below:-

Serial	Date	Standing Items	Specific Agenda Items
(a)	(b)	(c)	(d)
1.	25 Jan 07	<ul style="list-style-type: none">• TfL Workforce;• TfL Workforce Diversity.	<ul style="list-style-type: none">• TfL Accommodation Strategy;• Project consents (ACORN);
2.	18 May 07	<ul style="list-style-type: none">• TfL Workforce;• TfL Workforce Diversity.	<ul style="list-style-type: none">• TfL Risk Register – Corporate Modes• Customer Services Integration Plan (CSIP);• TU Engagement;• Sustainable Procurement;• IM Strategy
3.	03 Oct 07	Joint meeting of all Panels to discuss Business Plan.	
4.	10 Dec 07	<ul style="list-style-type: none">• TfL Workforce;• TfL Workforce Diversity.	<ul style="list-style-type: none">• Freedom of Information and Data Protection Overview;• Stakeholder Engagement;

5. Recommendation

5.1 The Panel is asked to note the Terms of Reference for the CAP and the proposed CAP Work Plan for 2007.

**TRANSPORT FOR LONDON
CORPORATE ADVISORY PANEL**

SUBJECT: TfL WORFORCE

MEETING DATE: 25 JANUARY 2007

1. Purpose

- 1.1 This report summarises TfL's overall workforce composition and the current performance and related issues. The report is based on TfL's period 9 performance reports. The report provides the Panel with a suite of performance data that will assist in understanding the current people, service and performance issues being addressed by TfL in relation to our workforce. This report does not cover workforce diversity as it is dealt with in another paper on this agenda.

2. Background

- 2.1 In 2003/4 TfL reviewed its approach to managing its HR function and in 2005 a new model of HR service delivery was implemented. The model includes a Shared Service Centre for HR which provides the majority of the transactional HR functions on behalf of the whole of TfL, i.e.
- Resourcing – permanent recruitment and temporary resourcing
 - PMA services – management of grievance, disciplinary etc cases
 - Learning and development – delivery of non operational training programmes
 - Payroll services
 - Travel Services - management of staff travel service and discounts
 - Pensioner Liaison – ensuring retired colleagues receive relevant information on benefits and related changes.
 - Customer Services – general advice and assistance on individual and managerial HR matters
 - Graduate recruitment and placement service – ensuring TfL recruits the number of graduates needed each year and also provides work placement opportunities for young people, people from disadvantaged groups
- 2.2 The shared services model is complemented by teams of HR business partners who provide strategic HR and change management support to each of the modes and corporate departments.
- 2.3 This arrangement, working in partnership with line managers, ensures effective management of our people.

3 Workforce Composition

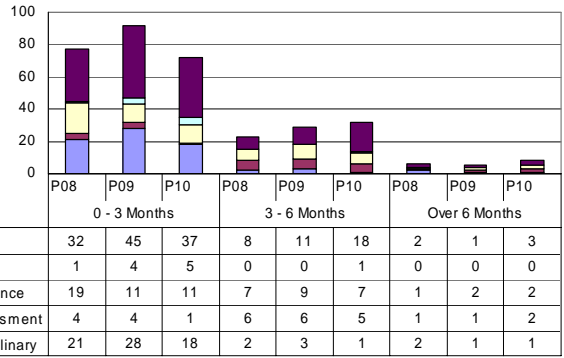
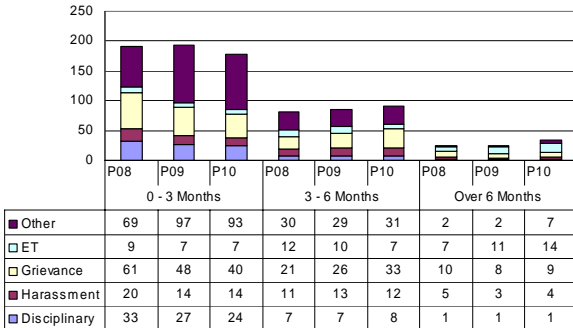
- 3.1 The total number of full time equivalent (FTE) staff across TfL rose this period to 20,435 now only 57 below the year end target of 20,492. The number of temporary employees fell by 7 this period to 1,718 but remains above the target of 1,277. Temporary employees make up around 8.7% of the total workforce.
- 3.2 The total number of staff employed by London Underground at period 9 was 13,716 which is below the budget by 441 due to slow recruitment of customer services assistants which has now been addressed.
- 3.3 Staff number in Surface Transport was 211 above budget for the period at 4,516. Temporary staff numbers fell slightly to 621 and have been declining since period 1.
- 3.4 London Rail's FTE was slightly below budget for the period at 184. London Rail continues to face difficulties in the recruitment to specialist roles. The number of temporary staff in London Rail was stable for this period.
- 3.5 Corporate Departments' staff numbers were 192 above FTE at 2,020. Higher staff numbers were due to a larger increased graduate intake than planned, higher number of staff in customer services and more project and change management resource in Group IM

4 Disciplinary, Harassment and Grievance Cases

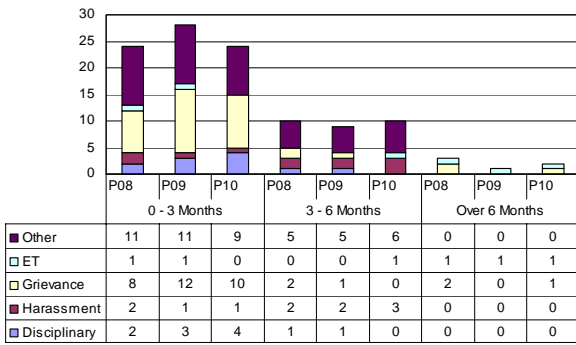
- 4.1 The People Management and Advice (PMA) team in HRS supports the organisation in managing grievance, disciplinary and harassment cases. The total number of open cases has reduced slightly at period 9 to 232 from 251 at period 8. This is a continuing trend since period 1. Grievances make up over 50% of cases and although this is a slight reduction from period 8 (52%) the number of grievances being raised remains a cause for concern.
- 4.2 A review of the current grievance procedure is underway, led by HR in collaboration with modal directors and HR business partners. Consultation with the unions on the new TfL Grievance Procedure will commence in April 2007 with implementation of the new arrangements in June 2007. Consultation with the business on TfL's proposals begins at the end of February 2007.
- 4.3 TfL monitors the time taken to close/resolve cases. The average time to close a disciplinary case is 30 days and around 56 days for grievances. Again, the length of time to resolve grievances is being addressed as a part of a review of the grievance procedure.

Age Analysis of Active Cases - ST

Age Analysis of Active Cases - LU



Age Analysis of Active Cases - TfL Corporate(+Rail)



Age Analysis of Active Cases - All Modes

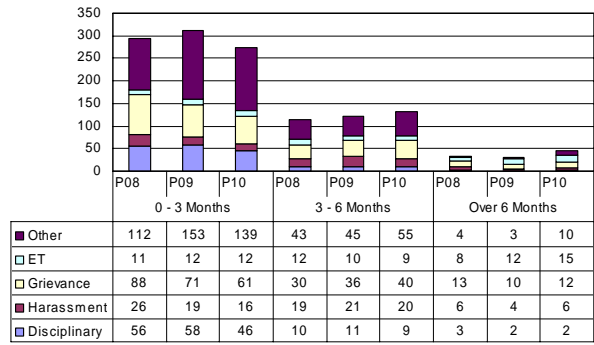
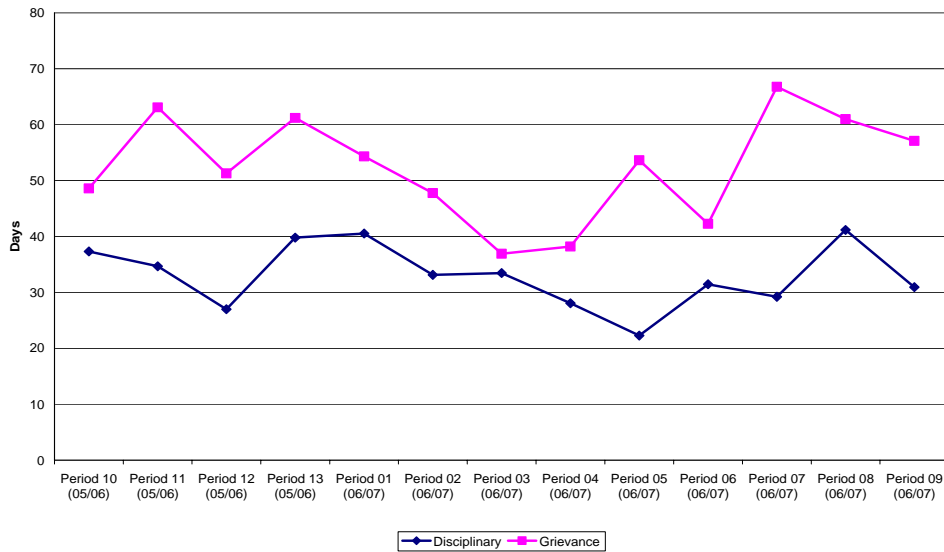
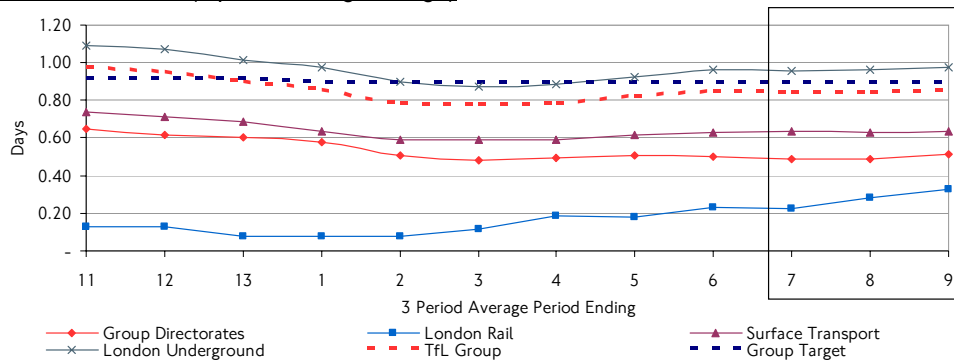


Table 2 – The average time to close a disciplinary /grievance case by period.



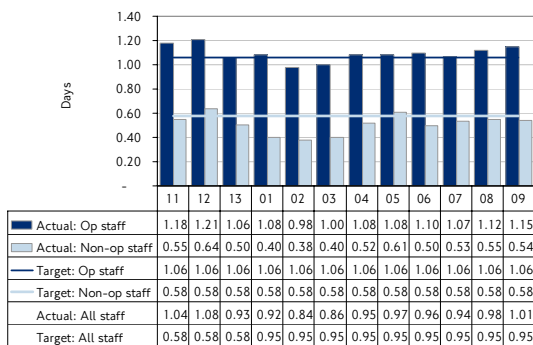
5 Sickness Absence

Sickness Absence (3 period rolling average)

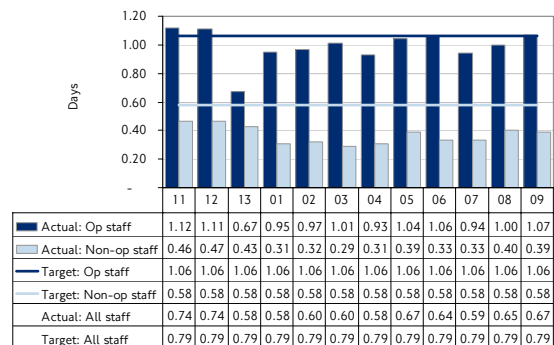


5.1 Sickness levels across TfL were within target levels for period 9. The slight increase in sickness absence since period 6 is in line with seasonal expectations as the trend lines for 2004/5 and 2005/6 illustrate.

Sickness Absence – London Underground



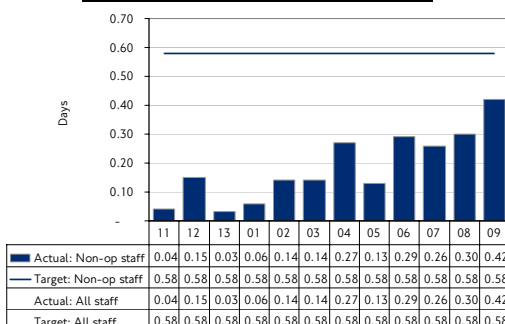
Sickness Absence – Surface Transport



5.2 Overall sickness absence rates within London Underground continue to be slightly worse than target this period due to an increase in operational sickness rates of 0.1 days above target of 1.06 days per employee. In contrast non-operational absence rates improved and were better than target at 0.54 days per employee.

5.3 The overall sickness rate in Surface Transport was better than target at 0.67 days per employee and represents a continued improvement of 0.02 days per employee. The absence rates of operational staff worsened slightly by 0.07 days per employee.

Sickness Absence – London Rail



Sickness Absence – Group Directorates



- 5.4 Sickness rates in London Rail were 0.42 days per employee, well below the target of 0.58 days.
- 5.5 Sickness rates within corporate departments increased to 0.57 days per employee compared to a target rate of 0.58 days.
- 5.6 There is a concerted effort across TfL to manage sickness levels. Recently, back to work interviews have become mandatory, health interventions are undertaken for illness such as stress and occupational health engagement together with occupational health referrals are implemented.

6 Recruitment and Retention

6.1 Period saw an increase in the recruitment activity across TfL. This has been driven by the need to fill roles created as part of the TfL business plan 2006/7, the need to reduce our reliance on temporary labour, and the numbers of staff needed to support the London Underground line upgrade programme. The staff turnover rate across TfL is currently c10% and has been at this level since period 6. Staff turnover has also contributed to the high volumes of recruitment. The tables below illustrates the trend is recruitment for senior and specialist post and high volume roles, e.g. customer services assistants revenue inspectors.

Table 7 -Non operational recruitment

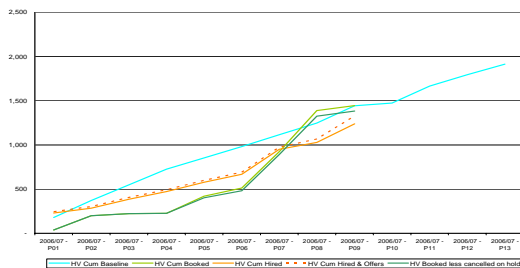
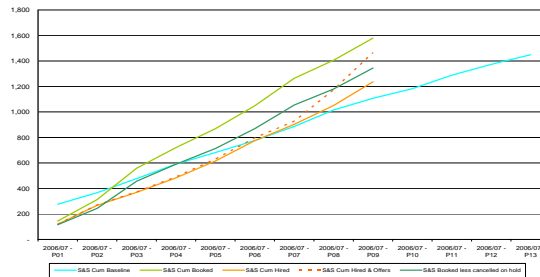


Table 8 -Operational recruitment

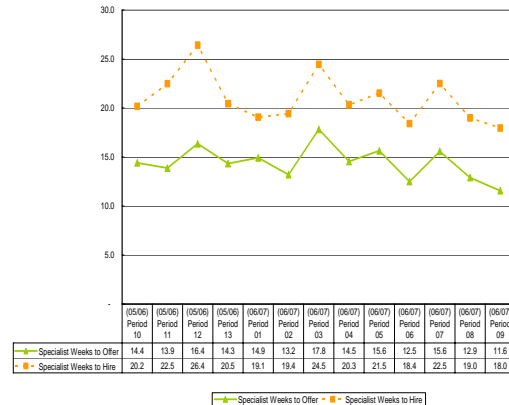


6.2 As part of its service improvement programme HRS, in conjunction with the modes and corporate departments, has put in place plans to reduce the time taken to recruit (i.e. from advert to offer and from offer to starting employment). The tables below illustrate the current performance.

Table 9 - Non operational – time to recruitment



Table 10 - Operational – time to recruitment



7 Temporary Staff

7.1 It is recognised good practice to retain a flexible element in any workforce. At present 8.4% of the TfL workforce is temporary staff, thus providing the flexibility to scale down or up to meet the demands of the business. (NB. This figure excludes consultant engaged through contracts to work on specific projects). TfL is still working to understand the current ratio of permanent staff to temporary; however the current position is that the level of temporary staff within the organisation is too high with around 630 having been in engaged by TfL for over 12 months.

Table 11 – Number of temporary staff across TfL

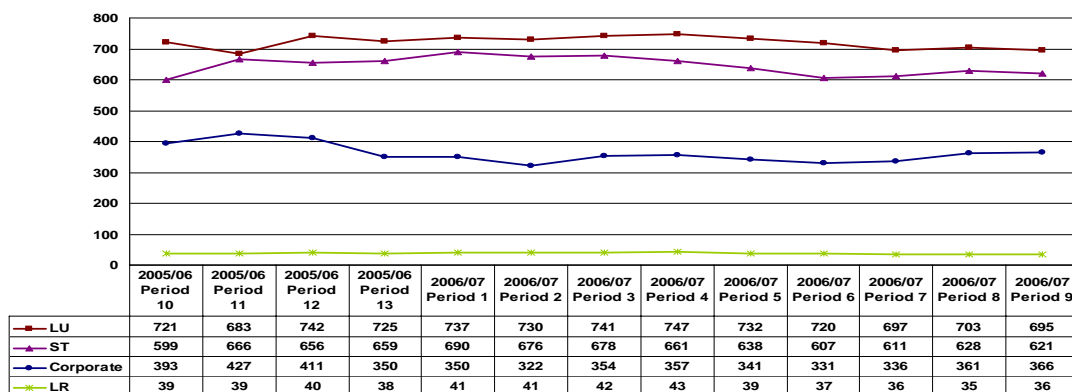
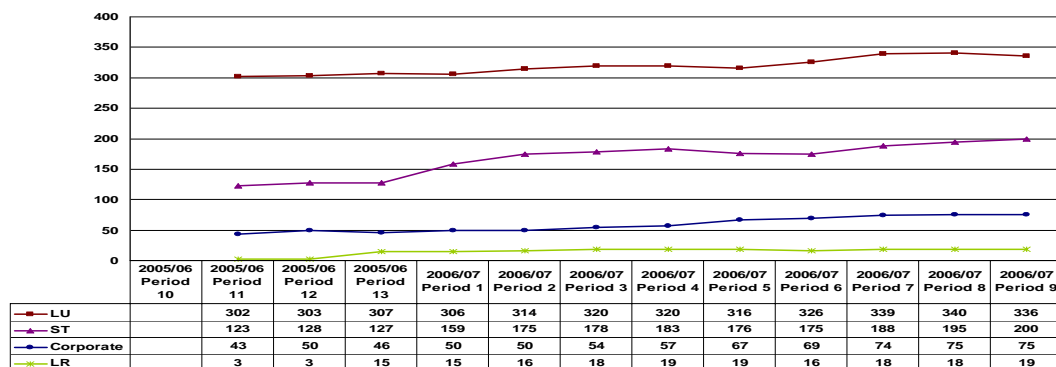


Table 12 – Number of temporary staff across TfL in post for more than 12 months



7.2 Although the number of temporary staff has reduced slightly since period 1 from 1,818 to 1,718 the number of agency staff as a percentage of the overall workforce has fallen from 9.9% to 8.4%. Across TfL plans are in place to further reduce the number of temporary staff.

8 Learning and Development

- 8.1 The Learning & Development team is focused on producing a pan TfL management development framework, which is specially targeted at manager grades 2 and 3 across all modes. The programme comprises essential and specialist skills and the roll-out has commenced and will be fully implemented by the end of this financial year.
- 8.2 At senior management level leadership development interventions have been designed with the aim of enhancing the overall Leadership Capability across TfL. This programme comprises both formal and informal learning and includes an on line development tool to highlight individual potential development needs informing ongoing performance discussions.

9 Performance management

- 9.1 Performance Management at TfL is a process that helps the business and our people succeed in achieving their goals and developing their capability. At its core it will ensure that people know exactly what is expected of them, know how well they are doing and lastly know how they can improve and progress.
- 9.2 It is a process that connects quality conversations around performance throughout the year, both formal and informal. The primary aim of the conversations is to engage the individual in the aims of the business, clarify what success will look like and how the organisation will get there.
- 9.3 Performance Reviews will be conducted between 26 February 2007 and 23rd March 2007. Moderation and sign off, including the analysis and review of the distribution of performance ratings by diversity factors will be complete by the end of May 2007.

10 Recommendations

- 10.1 The Corporate Advisory Panel is asked to note the report.

TRANSPORT FOR LONDON

CORPORATE ADVISORY PANEL

SUBJECT: WORKFORCE DIVERSITY

MEETING DATE: 25 JANUARY 2007

1. Purpose

- 1.1 Transport has a vital role in creating a socially inclusive transport network. TfL is committed to providing safe, integrated and accessible transport to all those who live in, work in or visit London.
- 1.2 This report summarises TfL's workforce diversity in relation to race, gender, disability and age providing the basis for future discussions at the Panel on plans and actions to improve workforce diversity, tackle discrimination and promote equality of opportunity.

2. Background

- 2.1 TfL is challenging discrimination and removing any unintended adverse impacts experienced by women, black, Asian and minority ethnic groups, disabled people, lesbians, gay men, bisexual (LGB) and transgendered people, older people, children and younger people, and people of faith and belief. TfL is also creating opportunities for the employment of people from the following groups who historically have experienced social exclusion. Unemployed people, people on low income, lone parents, people with caring responsibilities and refugees and asylum seekers.
- 2.2 Workforce Targets are set for BAME people, Women and Disabled people. TfL monitors the representation of people of faith and belief and LGB people, but does not currently set specific targets for these groups. During 2004 TfL carried out a staff survey requesting staff to declare their faith or belief or their LGB status. Approximately 24% of the organization responded to that survey and around 7% of staff have declared themselves to be either a Lesbian, a Gay man or a bisexual person. Around 24.3% have declared themselves to be a person of faith or belief. TfL plans to re-survey staff during 2007. TfL were recently placed 8th out of total of 200 organisations who took part in Stonewall's workplace index which indicates that we have a positive approach to LGB issues in the workplace and that we are seen as a LGB friendly employer. A LGB equality scheme will be developed during 2007 which will set out our key priorities for the next years including plans to further improve representation of LGB people in the organization.
- 2.3 TfL is finalising its Faith Equality Scheme which further develops our approach to faith equality in the workplace. Consultation and independent research with staff has shown that people of faith and belief within the organization regard us as a fair employer and that we

approach faith issues with sensitivity. Our aim over the next 12 months is to develop managers' understanding of the particular faiths or beliefs represented in the workforce.

- 2.3 Since it was established in 2000, TfL has placed great emphasis on promoting equality, eliminating discrimination and creating work opportunities for all Londoners. Over the past three years this has led to the following overall improvements:

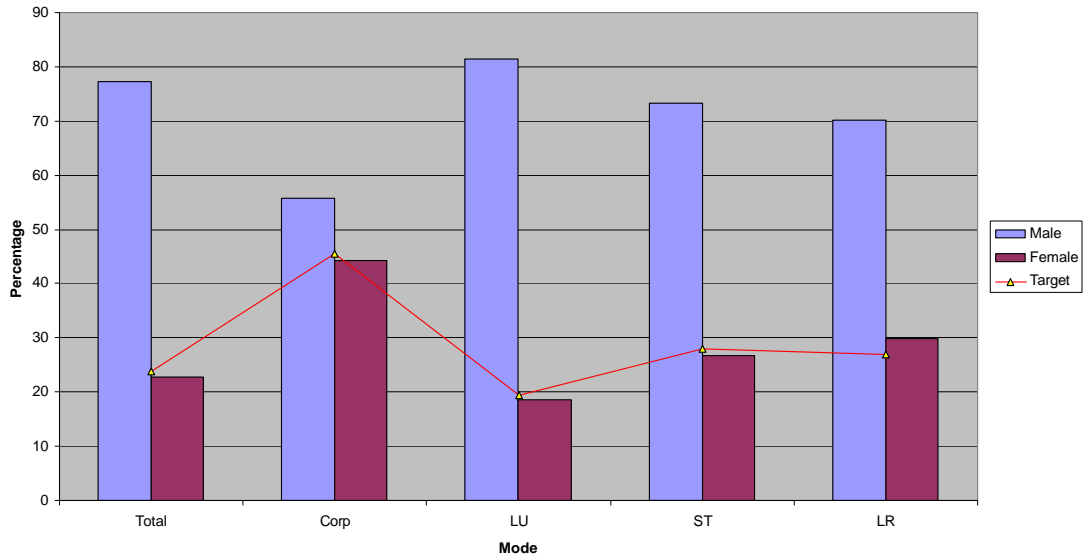
	31/3/04 Actual (%)	31/3/05 Actual (%)	31/3/06 Actual (%)
% of black, asian and ethnic minority staff	31.9	32.0	32.9
% of women staff	20.9	21.3	22.3
% of black, asian and ethnic minority staff in top 5% of earners	8.2	9.2	9.8
% of women in top 5% of earners	14.8	15.1	16.7
% of women joiners	34.5	32.0	37.0
% of black , asian and ethnic minority joiners	36.1	38.0	28.9
% of staff who are disabled	- *	0.4	7.7

* Due to the merger of London Underground and TfL during 2003/04 no actual figures for the organisation as a whole were recorded as LU did not monitor disabled staff in its organisation. A staff survey was carried out in 2004 across TfL and this was repeated in December 2005.

3 Representation of women across TfL

3.1 The following data (Table 1) shows the representation of women relative to men across the organisation. The overall target for women's representation in TfL for 2006/07 is 23.9%. Currently 22.7% of the workforce are women.

Table 1
Gender Distribution by mode



3.2 Progress to date shows that although there has been a year on year improvement it is unlikely that the 2006/07 targets will be met. There are a number of factors which have influenced this performance, including the higher rate of turnover for women when compared to men and the lower attraction rates for women.

3.3 There are a number of key activities aimed at increasing women's representation in the workforce. TfL has established a presence on recruitment portals specifically targeting women such as 'where women want to work'. TfL continues to have a high profile at appropriate exhibitions and has established an engagement programme with Job Centre plus to become more finely tuned to the behavioural characteristics of women seeking employment.

3.4 Past successes include campaigns to recruit women tube operators in London Underground resulting in an increase from 2.6% to 7.8% since 2001. Work is now underway to encourage women supervisors to become duty managers. Initiatives such as the dignity at work programme have helped London Underground and Women in the Bus Industry led by London Buses have improved facilities and opportunities for women. Further work has been carried out to encourage more women to become Revenue Protection Inspectors, this has included a more targeted recruitment campaign emphasising the customer services aspects of the role.

3.5 Internal research has also been undertaken to understand the attitudes towards flexible working arrangements and the impact this has on

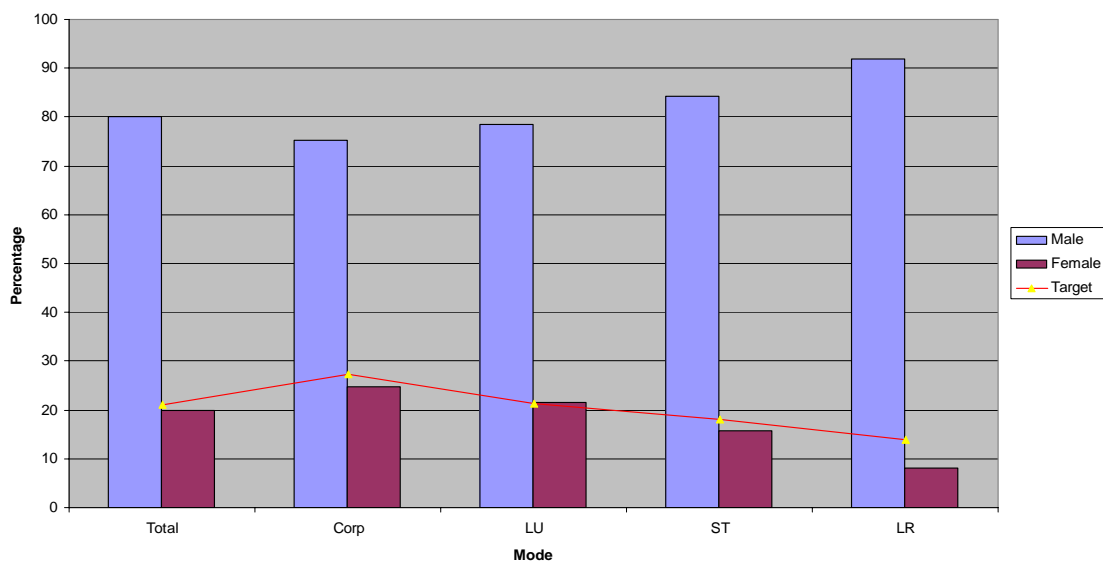
career choices. The results of this research are being collated and a report will be circulated for consideration by the business in the final quarter of 2006/7.

- 3.6 During December 2006 TfL introduced a child care voucher scheme to assist staff in meeting the cost of nursery and other prescribed child care arrangements. It is too early to assess uptake, but it is likely to have a positive effect on maternity return rates and retention of women within the organisation.
- 3.7 TfL's Gender Equality Scheme will be published in February 2007. This work has been developed not only to meet our obligation under the up-coming Gender Duty but also to build on TfL's work in addressing the barriers that lead to job segregation.

4 Women in Senior Management Positions

- 4.1 Women make up 20% of the people in senior management positions compared to the target for 2006/07 of 21.1%. There has been an increase of 0.5% in the last quarter. This improvement is encouraging.

Table 2
Senior Management - Gender Representation



- 4.2 Group E&I are currently monitoring through the exit interview process women leaving TfL, specifically, corporate areas, London Rail and Surface Transport. Exit interviews are undertaken by an independent consultant. The findings will increase understanding of the reasons for women choosing to leave the organisation. The trial started at the end of September 2006 and the first reports are due in the final quarter of 2006/07.

5 Representation of women by age band

5.1 A review of the Age distribution of staff demonstrates a diverse and balanced workforce. Table three shows that female staff are relatively younger than male staff which is probably due to transport being an historically male dominated industry.

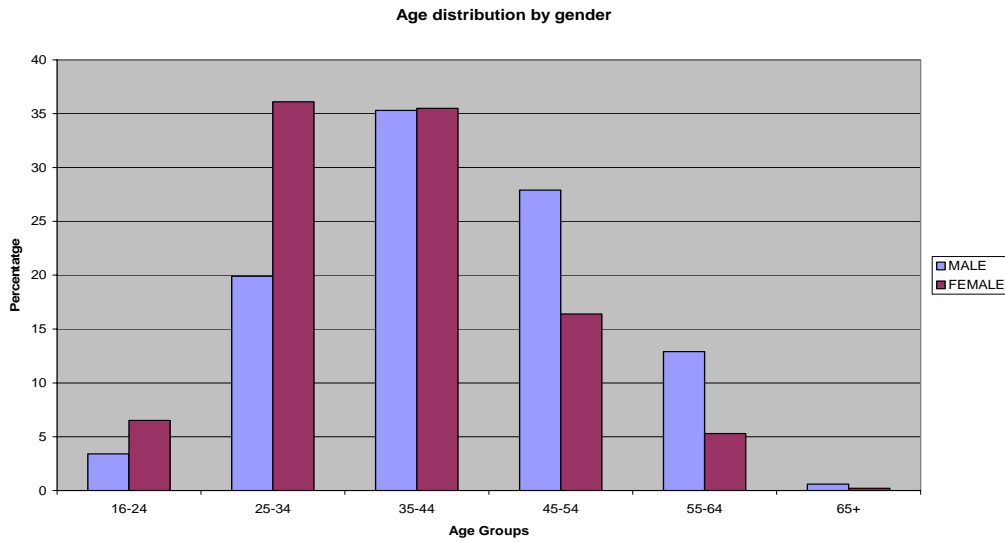


Table 3

5.2 Tables 4 – 7 show the distribution of staff by age and gender across modes. Men are relatively older in the operational modes and in areas such as London Rail where older workers are more likely to hold rail related technical experience. In corporate areas, the distribution of men and women between the age groups is more evenly distributed which indicates women’s long established place in professions/ disciplines such as legal services, HR, administration.

Table 4

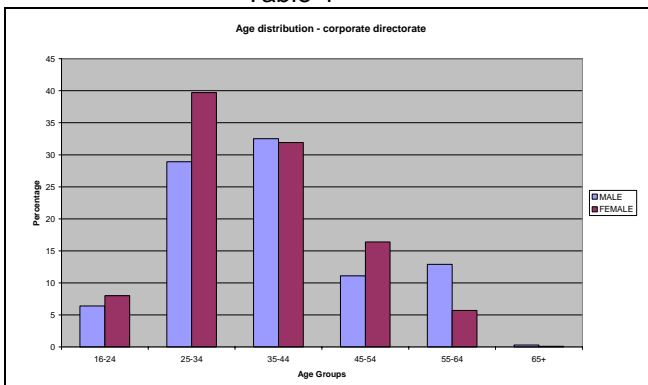
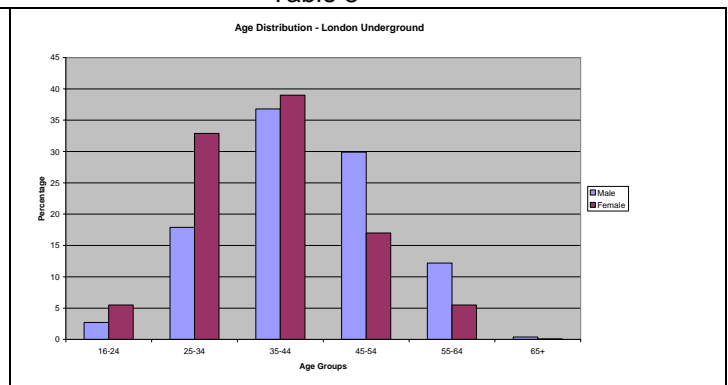
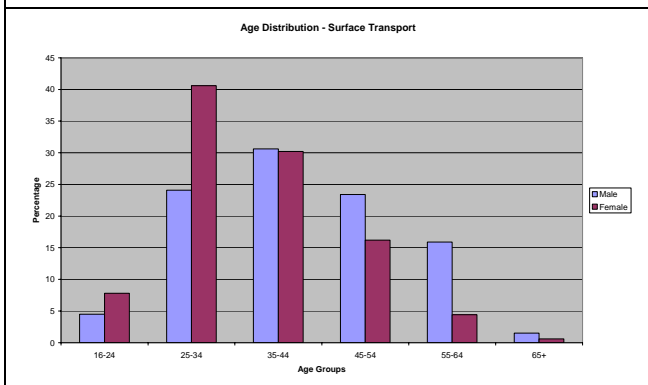


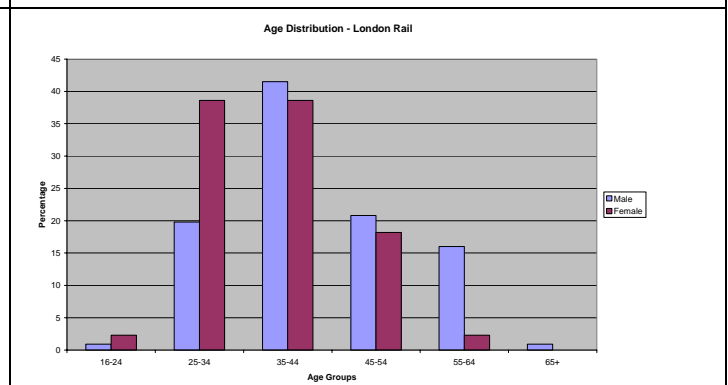
Table 5



Age Distribution - Surface Transport



Age Distribution - London Rail

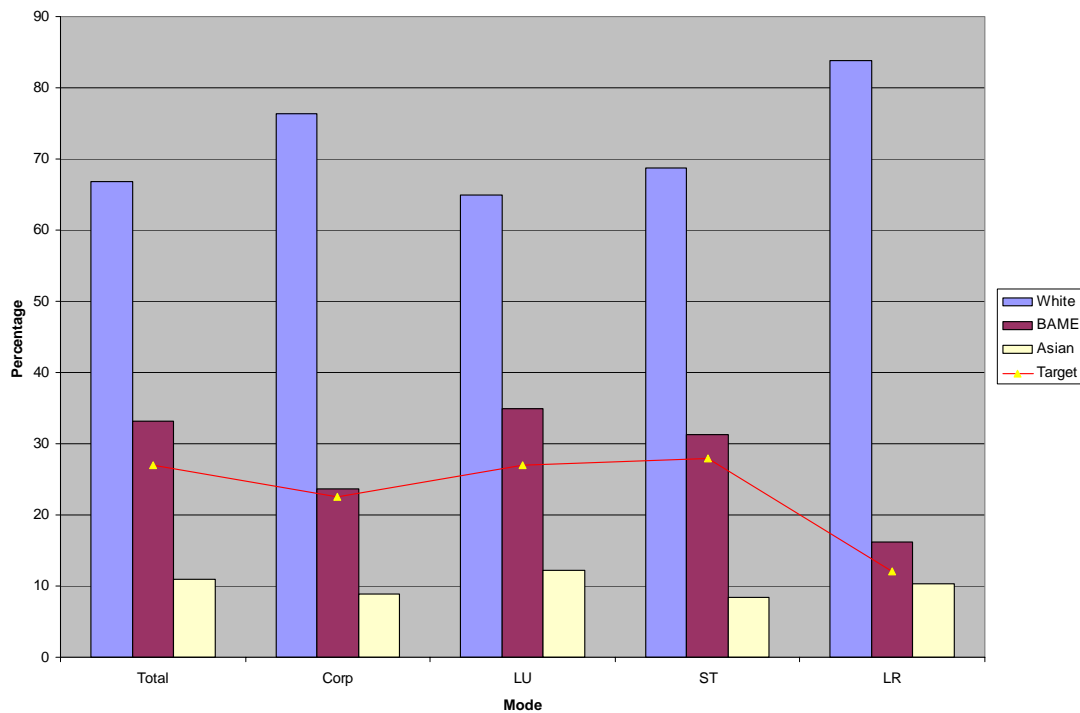


6 Representation of Black Asian and Minority Ethnic Staff (BAME)

- 6.1 During 2006 TfL adopted a single method of reporting BAME figures across the organisation which reflected the indicators required under Best Value reporting. This means that BAME representation is calculated using the total number of staff who have declared their BAME status and discounts the numbers who have not declared or prefer not to say.
- 6.2 Currently 90.1% of the workforce have provided this information. The number who have not provided this information is within the range that is expected from an organisation of TfL's size and complexity. TfL will continue to encourage staff to provide this information.
- 6.3 Table 8 illustrates overall TfL position in terms of its representation of BAME staff. The current position shows that 33.2% of the workforce is from BAME groups compared with a target of 27% (which reflects London's economically active BAME population). Data source: LDA BVPI 17B Annual population survey 2005/06.
- 6.4 BAME people are better represented in operational areas of the organisation such as London Underground and Surface Transport and less well represented in the support functions of the corporate directorates or in London Rail.

Table 8

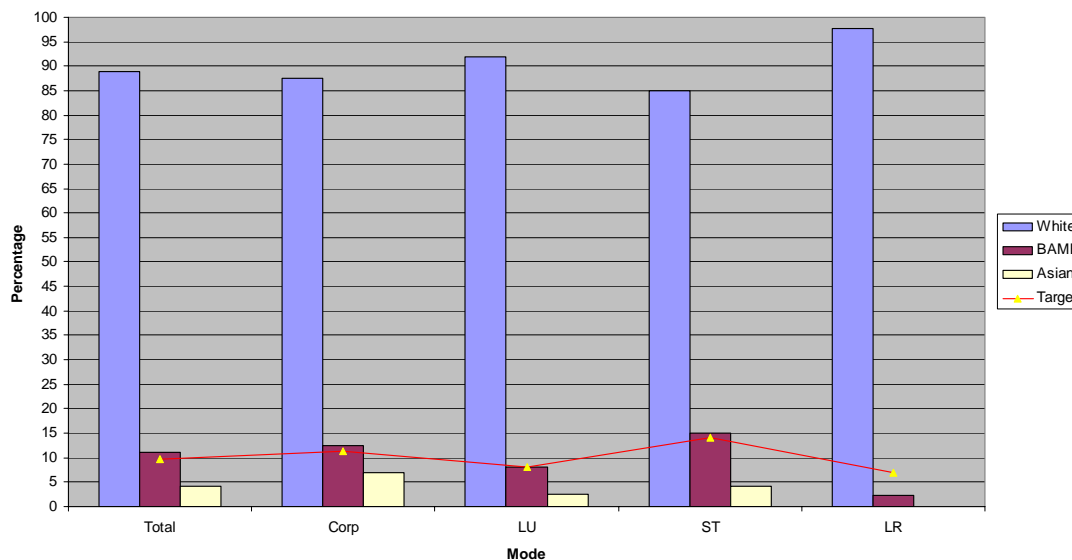
BAME representation by mode



- 6.5 Table 9 shows representation of BAME people in senior management across the modes. Currently 10.5% of senior roles are occupied by people from BAME groups. This is 1.1% above the target for 2006/07.

Table 9

BAME Senior Manager representation by Mode



- 6.6 Increasing the representation of BAME people within senior roles remains a key priority for the organisation. TfL will continue to ensure that recruitment campaigns are targeted at reaching the widest possible pool and that recruiting managers are trained in conducting a recruitment exercise that promotes equality of opportunity.

- 6.7 In addition, the TfL mentoring scheme has been successfully launched and currently 47% of participants on the scheme are from BAME groups. Mentoring is a recognised way of encourage more people from under-represented groups to plan and pursue their career choices.

- 6.8 Another example of good practice has been the TfL Press officers Internship Scheme. An initiative driven by the Group Media Relations to create a development and employment opportunity for BAME people, who are under-represented in this field.

- 6.9 During 2007 TfL will re-write its Race Equality Scheme and will develop further plans to work with educational establishments and other organisations to increase further BAME representation within the organisation.

7. Disabled Staff Representation

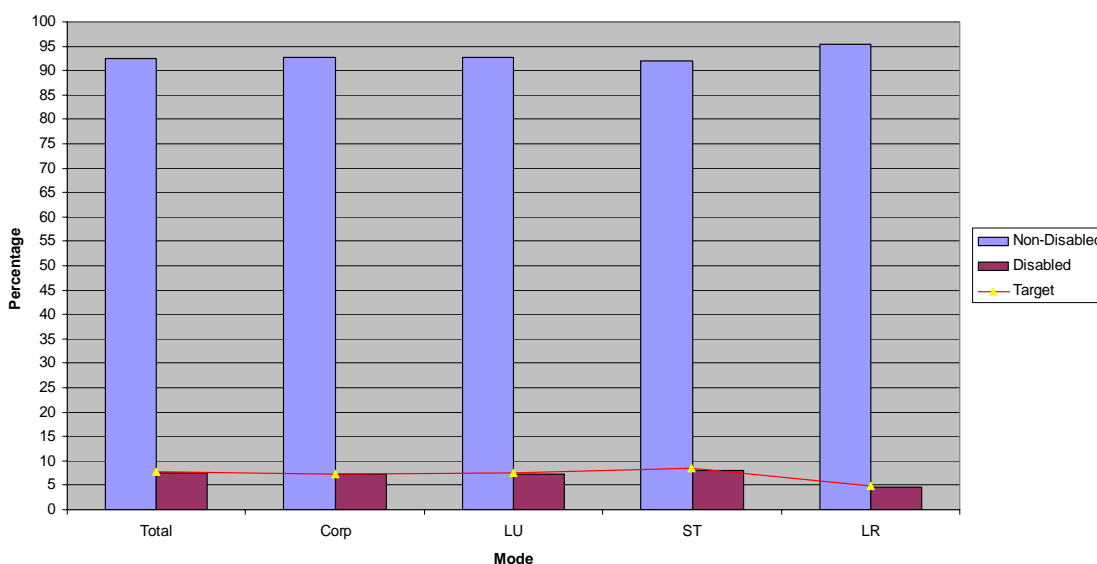
- 7.1 Following discussions with the Disability Rights Commission and the Audit Commission, during December 2005 TfL conducted a workforce survey to re-establish the number of disabled people working for TfL. 52% of staff responded to this survey, which is well above the level of participation in similar exercises carried out in 2003/04. TfL will repeat

this exercise again during December 2007. Encouragingly, responses from the survey were evenly spread across the modes and also between operational and non operational roles.

- 7.2 The target for 2006/07 is 7.8%. Current performance (Table 10) shows that disabled people make up 7.44% of the workforce and this figure is fairly constant across the modes and corporate directorates with the exception of London Rail where 4.7% of the workforce has declared a disability.
- 7.3 During 2006 TfL developed its Disability Equality Scheme and has included a number of actions in the scheme to both increase the number of disabled people applying for roles as well as ensuring that the process is as accessible as possible for disabled people with a variety of access needs.
- 7.4 Group E&I are working with Group HR services to review the current processes from end to end and a disabled person with recruitment expertise is leading this piece of work. The scope of this work also covers the processes of: implementing reasonable adjustments, selection methodology and our vacancy advertising strategy. The work is also looking at the best way of opening up work placement opportunities for disabled people and builds on the work done with the Camden Society and with Action for Blind people.

Table 10

Disabled Staff Representation by Mode



8. Disabled Staff in Senior Management

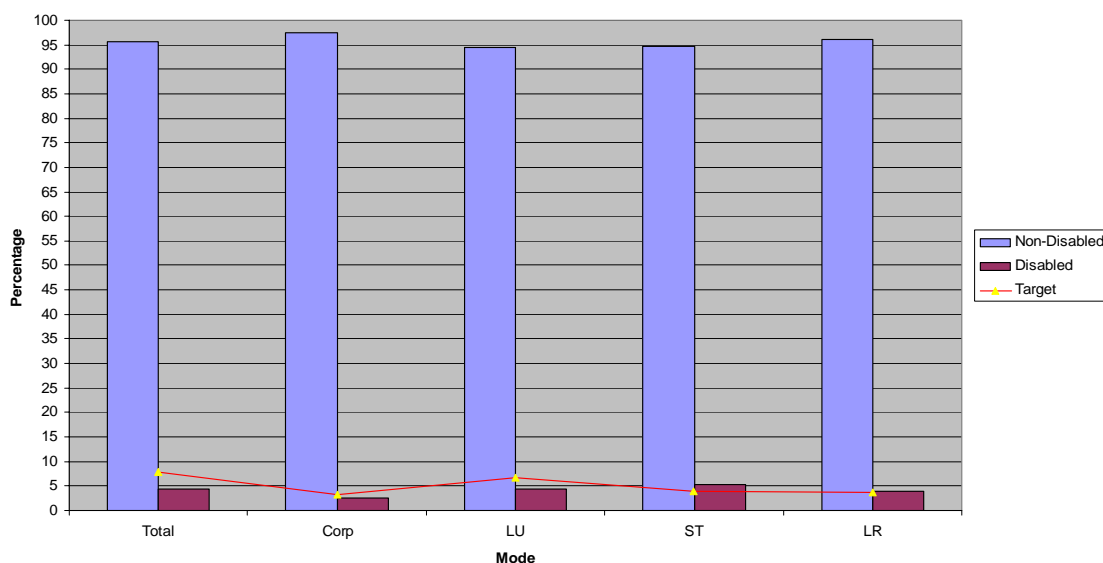
- 8.1 The senior management population (Table 11) shows that 4.5% of senior managers are disabled people. This compares with an overall target of 5.9%. Corporate areas and London Rail are below this figure with 2.5% and 3.9% of senior managers in these areas identifying

themselves as disabled. 5.4% of senior managers in Surface Transport and 5.5% in London Underground are disabled.

- 8.2 The low representation of disabled people in senior roles must also be addressed through developing existing disabled staff as well as attracting applicants from disabled candidates. During 2007 TfL plans to hold a recruitment event, working with other organisations to enhance our profile with disabled people as a possible employer. Currently 9 of the mentees on the Mentoring programme have identified themselves as disabled people.

Table 11

BAME Senior Manager representation by Mode



9. **Future targets:**

- 9.1 Equality & Inclusion targets for the period 2007-2008 are currently being compiled. Current performance together with demand planning will be taken into consideration. These will once again establish targets across TfL for women, BAME and disabled staff. Other groupings including faith and belief and sexual orientation will continue to be monitored to ensure that TfL remains reflective of the London community it serves.

10. **Recommendations**

- 10.1 The Corporate Advisory Panel is asked to note the progress made to date across the Equality & Inclusion agenda and offer comments as appropriate.

A new perspective on TfL's Workspace



The Accommodation strategy

TfL's Accommodation strategy has been developed by Group Property & Facilities to deliver a modernised and improved working environment for TfL staff. The long-term objectives of the strategy are to:

- Deliver accommodation that enhances TfL as an organization.
- Create integrated “hubs”, with over 2,000 staff per building.
- Create a modern workplace which reflects TfL's aims as a world-class employer, and which incorporates best workplace practices
- Accommodation thus becomes an organisational “enabler”, not an obstacle.
- Procure higher quality space at no higher cost, with minimum change cost.

The benefits of the strategy

Improving the office portfolio will contribute directly to front-line service by delivering the following benefits:

- Improved accessibility
- Increased quality of service, internally and externally
- Contribution to staff attraction, motivation and retention
- Improved staff satisfaction with their workplace environment
- Increased knowledge sharing and innovation
- Savings in travel time during the working day
- Enhanced environmental performance
- Improved flexibility and responsiveness to organisational and technological change
- Improved utilization of both property and the facilities therein
- Efficiency gains associated with the consolidation of support functions
- Promoting sustainable development

Three years of progress

In early 2004, TfL was expanding rapidly, with no accommodation governance or strategy in place. TfL's office workforce occupied over 8,000 workstations spread across 50 major and minor offices of varying condition throughout central London.

The newly-formed Group Property & Facilities team therefore initiated the analysis and feasibility studies necessary to define a cost-effective long-term strategy for consolidating the major buildings. Group Property & Facilities put strict controls in place not only to contain cost, but also to ensure that maximum contractual flexibility was achieved for any new space. As expansion continued, 2,000 further workstations were added to the portfolio in 04/05 and 05/06 under these new controls.

Phase one of the TfL accommodation strategy was approved by the TfL Board on 28th June 2006. This involves replacing over 4,000 of the SW1 workstations by taking space in the Palestra building in Southwark and in the Shard building at nearby London Bridge. Each new office will house 2,000 people in one location, and forms one of TfL's new "hubs". Palestra will provide a new home for Surface Transport, consolidating many directorates from different buildings under one roof. The Shard will accommodate Rail and Corporate, whilst LUL's SW1 presence will be concentrated into the immediate vicinity of Broadway.

These new buildings will improve a major part of TfL's office portfolio through more attractive and efficient working environments, through excellent transport links and through the reduced long-term cost of occupation achieved. Both new buildings deliver improved proximity to other GLA family members, but above all, both buildings deliver fully against the regeneration and sustainability agendas which are essential to London's long-term needs.

During phase one, TfL will dispose of both SW1 office leases which expire before 2015, and the newer sites acquired in 04/05 and 05/06. The disposal flexibility of the later leases will minimise costs of change during the migration process. In addition to the above, Group Property & Facilities are also preparing proposals to provide consolidated accommodation for TfL's service activities, often known as "back office". This project will deliver further efficiencies and savings, and will report during 2007.

TfL can now realise in full the benefits anticipated by phase one of the strategy, both as an office occupier and as part of the GLA family. The following pages provide a snapshot of TfL's two new buildings, followed by an overview of the interior design philosophy and working practices proposed.

Charles Stafford
Director Group Property & Facilities

Palestra, 197 Blackfriars Road Occupation 2008

Palestra is a self-contained building of 300,000 square feet, for which TfL has taken the head lease.

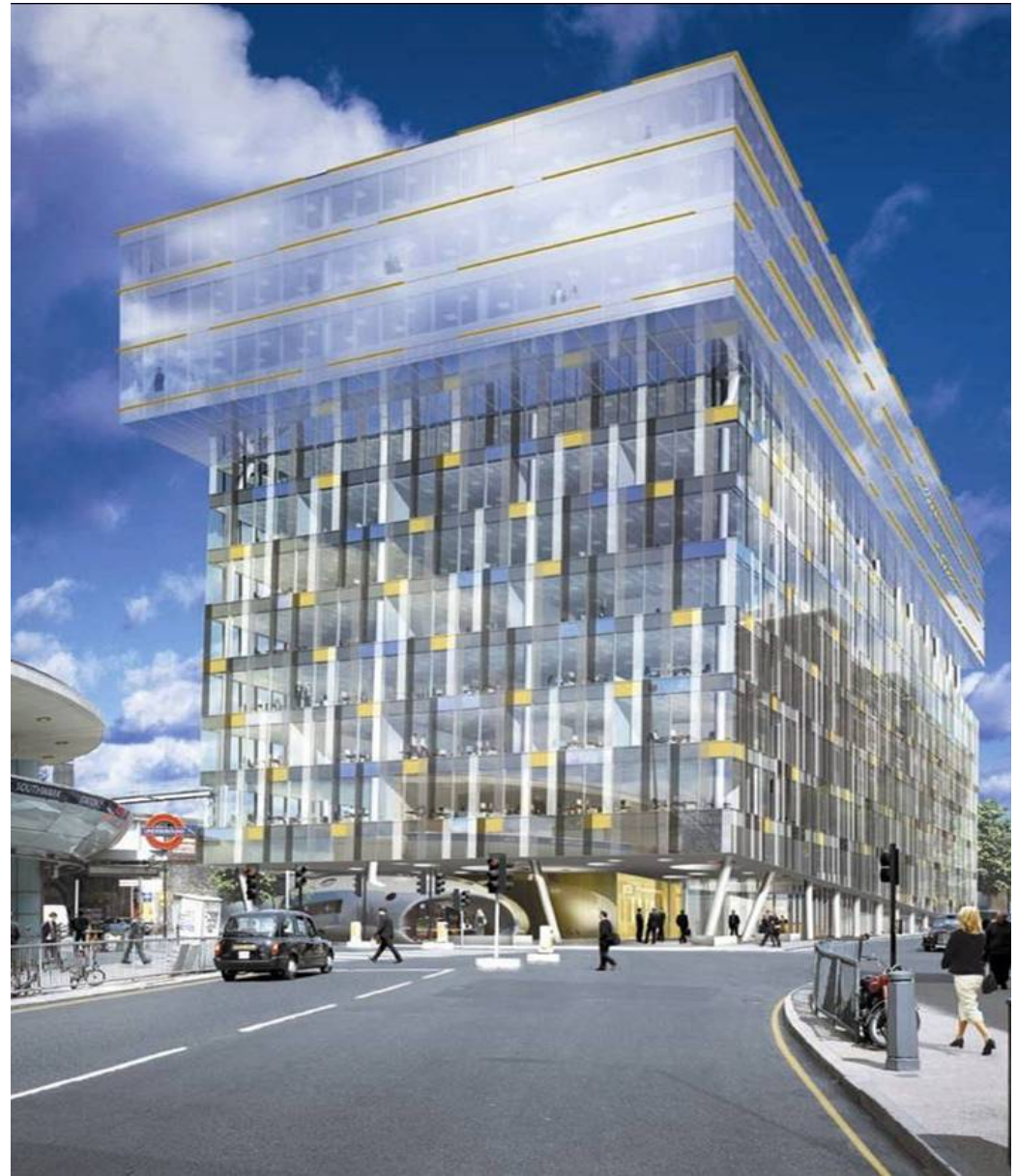
The building has 11 office floors (+ ground), and enjoys some of the largest floor-plates on the London office market.

The vast majority of Surface Transport's 3,000+ staff from 10 different buildings will be consolidated into the Palestra building during 2008, with each efficient floor-plate accommodating up to 270 people. Those Surface Transport staff not relocating to Palestra will move to the nearby London Bridge Tower ("the Shard").

The size of the floor-plates means that most Surface Transport directorates will each fit on a single floor.

The combination of having so much of Surface Transport consolidated into one building, combined with the ability to visually co-locate most directorates on single floors, will provide a true step change in the working environment.

The LDA already occupy the 5th and 6th floors of the building (now as sub-tenants to TfL), and Design for London will be based upon the 7th floor, thereby furthering the integration of GLA family members, and supporting GLA convergence.



Palestra is five minutes' walk from Waterloo Station, with good bus connections on Blackfriars Road, and is immediately opposite Southwark Station on the Jubilee Line. The building represents a significant regenerative development in the north Southwark area. Its design is highly sustainable, and the building has the potential to achieve an "Excellent" BREEAM rating *, as well as a good rating in operation under the new EU Energy Performance of Buildings Directive (EPBD).

Reception



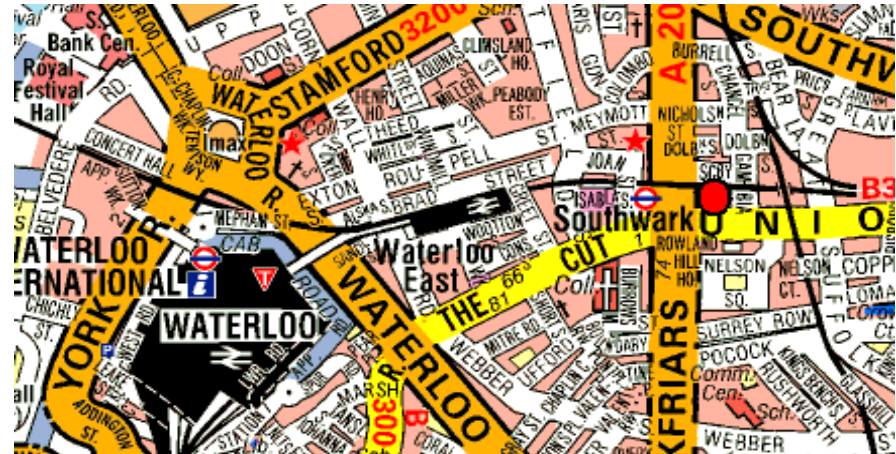
The 7th floor roof terrace



Open-plan space



Location



An indicative internal layout for TfL in Palestra is shown on page 10

*BREEAM is the Building Research Establishment Environmental Assessment Method. Further quantified investment required to achieve "Excellent"

London Bridge Tower (the “Shard”)

Occupation in 2011



The Shard is a mixed-use building of 900,000 square foot, with 71 occupied floors (87 overall). As London’s tallest building, the Shard will reach 1,016 feet and will comprise 580,000 sq.ft of office space, 185,000 sq.ft of hotel, 65,000 sq.ft of residential accommodation and 70,000 sq.ft of public spaces.

The office floors are from Ground to 24, and TfL has leased 190,000 sq.ft on the lower office floors, from 4th to 10th inclusive. As with the Palestra building, TfL has chosen a building with large efficient floor-plates, and each office floor will accommodate over 250 people. This will provide true flexibility for agencies for the Corporate, Rail and Surface groups who are programmed to move into this space in the middle of 2011.

Located above London Bridge Station, the building has excellent transport links via mainline rail, bus and Jubilee and Northern lines.



In terms of the London Plan, the Shard development will catalyse the regeneration of the London Bridge station area, and S106 benefits will provide improved facilities for mainline, bus and tube. It is anticipated that the building is likely to be the first tall building built under the London Plan to achieve “Excellent” status under BREEAM*, thereby demonstrating the extent to which vertical mixed-use development and sustainability can be integrated.

The plaza



Reception



The open-plan



Location



An indicative internal layout for TfL at the Shard is shown on page 11

*BREEAM is the Building Research Establishment Environmental Assessment Method – industry best practise.

A new perspective on how we use our workspace:

The benefits of good workspace design:

Workspace design plays an increasing role in the effectiveness of organisations, contributing to both culture and integration. An interactive and vibrant office helps to attract, and retain, the best people, and in a workplace often dominated by electronic media, a well-designed office can maximise the personal and organisational benefits of face-to-face interaction.

At a functional level, there is also increasing evidence that good workplace design reduces stress for employees, with measurable increases in productivity and reductions in absenteeism as a result of good ergonomics, increased comfort, good lighting design and good levels of daylight.

The workplace is a significant part of job satisfaction, contributing to the performance of both individuals and teams. Both Palestra and the Shard provide the essential building characteristics, and Group Property & Facilities will deliver the finished workspace to meet TfL's corporate needs.

Achieving the most productive use of a costly overhead:

Office accommodation is a costly overhead, often 20% of the cost of the people who occupy it. The match of supply and demand is therefore critical to the efficient control of this cost. True demand is measured not only by the number of people who work in a building, but by the extent to which they use the facilities within the building on a day-by-day basis.

After allowing for holiday and average sickness, a TfL desk can only be used by its occupier for 85% of working days of the year. For large organisations such as TfL, actual levels of utilisation below 60% are not unusual, and these provide the opportunity to make more efficient use of real estate in modern suitably equipped buildings.

By differentiating between roles which are mobile and those which are fixed, the scope exists to achieve reductions in overall unit costs without business impact. In particular, the introduction of more flexible working will deliver greater capacity to absorb for example project teams or organic growth. It can also promote better work-life balance and increased employee commitment.

The combination of excellent workspace design and increasingly efficient operation will provide TfL with a better working environment at reduced unit cost.

Consultation on new working practices is scheduled to commence in early 2007, and a summary is included at the end of this document.

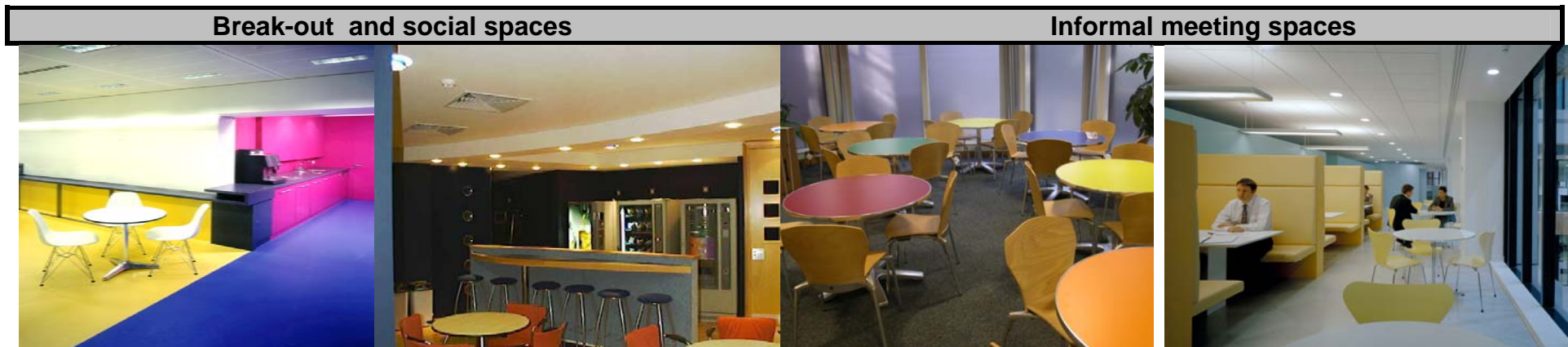
Design vision for the new interior workspace

- Make the office a “great place to be” by good design
- The workspace will promote interaction and engagement between staff at all levels.
- Each floor will have a social heart, an area of interchange, where people mix continuously throughout the day
- The social heart of the building will be a destination in its own right, where people go for both business & social purposes. For example, at Palestra this will centre upon the 7th floor roof terrace and associated facilities.
- Flexibility will be increased, to ensure the workspace consistently meets the changing needs of the business.
- New ways of working will be adopted, which will maximise the efficient use of accommodation resources. This will include the scope for moving away from one person to one workstation.

Design concepts

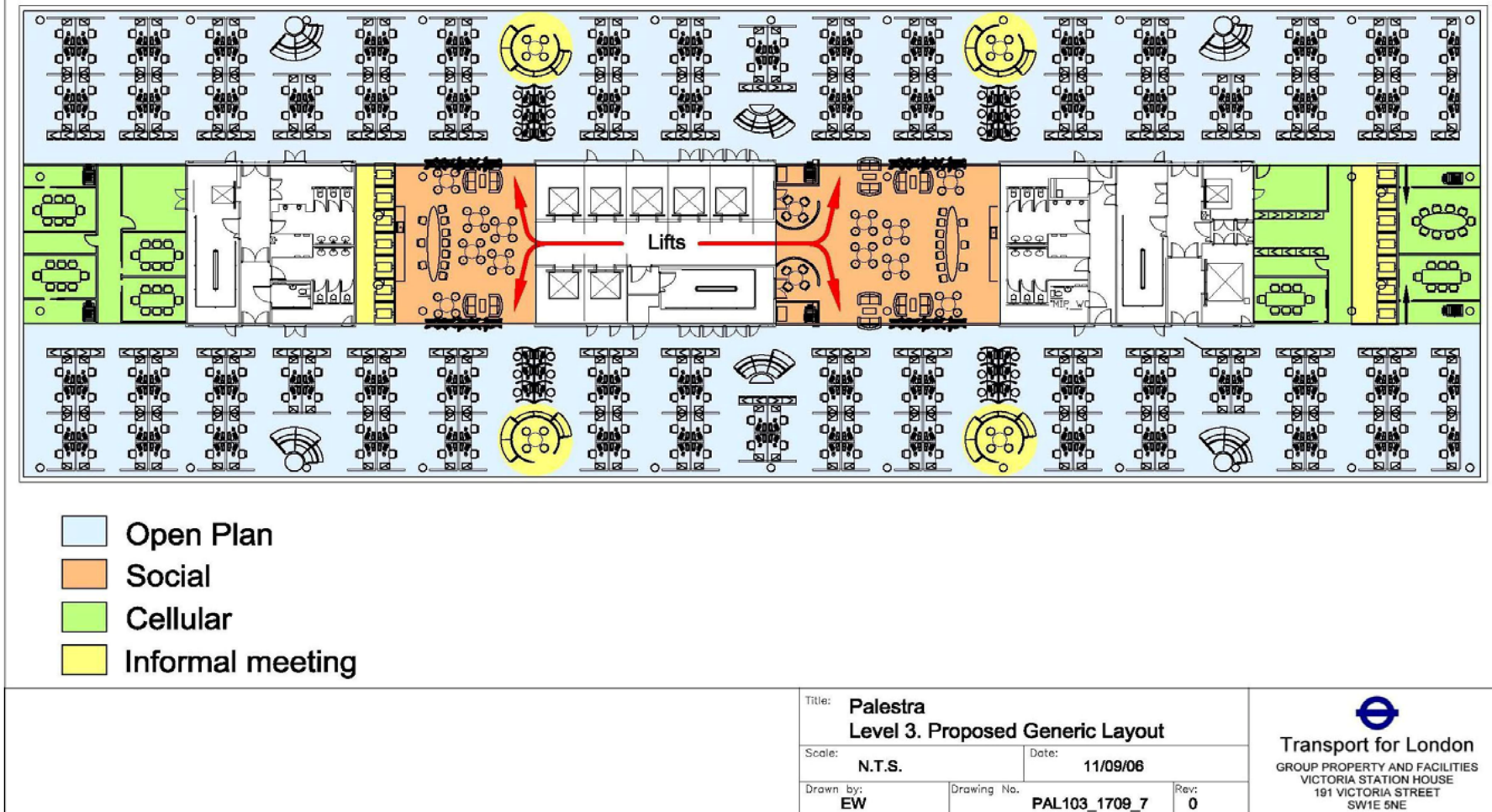
- Flexibility will be maximised in both technology and ergonomics
- Workstations will be uniform in type and layout, increasing the speed of change, as well as reducing its cost.
- Cellular space will be built at the core within clearly defined areas, and not at the perimeter
- Both workstations and cellular space will be allocated within clear and consistent guidelines
- Facilities for staff will be improved and varied to reflect the different tasks which occur in the office environment

Examples of these additional facilities are shown below:



Floor layouts

These pages show preliminary floor layouts at Palestra and at the Shard, indicating how the various elements of design combine to provide an integrated approach to the new workspace.





A new model for allocating office space

TfL's proposed policy to the allocation of workspace is due to commence consultation shortly. The proposed policy incorporates industry best practice configured to suit TfL's requirements, and uses as its evidence base the detailed time and motion studies completed in 2004 and 2006 across TfL's extensive SW1 portfolio.

In defining the amount of space proposed for a business unit, this new policy will evaluate various relevant factors, including:

- **The extent to which business units use their available space.** *This is based upon the actual recorded data from the recent time and motion study, and is the total measured usage as a % of availability.*
- **The way business units use their workstations.** *Different groups use their desks differently, and this factor is also based upon actual recorded data. Frequent short periods of vacancy do not make a desk useable by another member of staff, whereas long periods of vacancy (such as 4 hours) provide opportunities for increased utilisation.*
- **The nature of the business unit's activities.** *This factor reflects practical differences in the capacity of business units to make reductions in the "overhead" cost of accommodation, when considering front-line service implications*

These three primary factors, along with supporting considerations, will be used to create a robust and transparent decision model which can be applied to suitably equipped workspace across the portfolio, generating yet further efficiencies.

A new perspective on TfL's Workspace

AGENDA ITEM 6

TRANSPORT FOR LONDON

CORPORATE ADVISORY PANEL

SUBJECT: Addressing Consent Risk Now (ACORN) –
Organisation Review Update

MEETING DATE: 25 JANUARY 2007

1. Purpose

- 1.1 This report is for information and provides an update on the progress of the Addressing Consent Risk Now (ACORN) – Project.

2. Decision required

- 2.1 The report is for information only.

3. Summary

- 3.1 To deliver its investment programme on time and to budget TfL has to obtain a number of different formal consents from central and local government.
- 3.2 TfL recognises its performance in this area is generally good but there are areas where performance could be improved. This is particularly the case in relation to the development control process administered by local authorities, negotiation through which can lead to extensive and costly delays.
- 3.3 To ensure that this risk is minimised as much as possible the ACORN project was instigated as part of the development of the Investment Programme Oversight process.
- 3.4 ACORN has made considerable progress in meeting its overall objective of improving TfL's performance in gaining consents. This report provides an overview of the original objectives of ACORN, progress made against the objectives and further work to be completed by the ACORN project board.

4. Background – TfL and the issue of consents

4.1 There are three main types of consent processes with which TfL has to deal:

- **Transport and Works Act (TWA) consents** – generally relate to types of rail projects light, heavy and underground and are usually handled by specialist teams in LUL, London Rail or Finance and Planning – Major Projects.
- **Town Planning Act consents** – generally relate to smaller building projects and to Highway related schemes involving new land take. These have traditionally been handled by Group Property on behalf of the operational modes or by the modes themselves using specialist consultants.
- **Compulsory Purchase Orders (CPOs)** – not covered by the TWA arrangements for major schemes and are required for many development projects and highway schemes.

4.2 The successful approval of consents is essential to the delivery of projects and if they are not gained at the right time can cause considerable delay and expense, for example:

- **North Acton Garage** – failed inquiry with a sunk cost of c.£0.8m
- **Camden Town Station Redevelopment** – TWA order refusal with a sunk cost of >£10m and >2 year delay

4.3 The issue of TfL's overall capability in terms of securing consents was identified as part of the analysis undertaken during the establishment of the Investment Programme Oversight process. Recognising the importance of this issue in the summer of 2005, TfL set up a working group which brought together TfL experts to review internal delivery and external best practice.

4.4 This group found that TfL's overall performance in relation to obtaining consents was relatively good in comparison with other comparable organisations and that there were some areas with a very good track record (eg DLR). But it was also recognised that failure to obtain relevant consents as quickly and effectively as possible throughout the organisation represented an important potential risk to delivery of the Investment Programme. A key challenge for TfL was therefore to improve its corporate performance in relation to gaining consents.

4.5 Following from analysis, a project with the working title Addressing Consent Risk Now (ACORN) was established in May 2006. The ACORN project board is led by the Borough Partnerships Directorate of

Group Communications. The board contains representatives from across TfL. The main objectives for ACORN were to:

- improve **sharing of experience** and expertise between those involved in seeking and obtaining consents throughout the organisation;
- improve **mechanisms for coordination** of consent applications for sites where multiple modes seek different consents for projects at the same location.
- develop a **coordinated TfL approach** to dealing with a particular authority which may be the recipient of a number of different modal applications within an overlapping time span.

5 ACORN deliverables

5.1 The first task of the ACORN project board was to identify the key deliverables for the project, which are:

- **development of guidance materials** – to be used across TfL when applying for consents by providing advice based upon TfL experience of applying for consents. The guidance would be available via the intranet.
- **improved capability within TfL to deliver consents** – identifying consent roles, subject matter experts and a consents based organisation review, a directory of consents experts and opportunities to optimise the use of both internal and external resources in consents
- **improved communications and awareness** – to facilitate sharing of experience and good practice through training and knowledge sharing.
- **Creation of an ACORN Consents Advisor post** – to improve TfL's overall consent approval capability by developing best practice, awareness and skills through training and communications programme across TfL.

5.2 ACORN Project working in partnership

5.2.1 The ACORN project board recognised that to be successful in its objectives it would have to consult widely across TfL. A comprehensive consultation programme has taken place with Group Property, Group Procurement, Land Use Planning – Borough Partnerships, Projects Unit – Borough Partnerships, Information Access and Compliance, Road Network Development, Road Network Management, Strategy and Service Development (LUL) and London Light Rail and Docklands Light Railway.

- 5.2.2 A number of other work streams have combined with ACORN to enhance the project's impact across TfL. In particular:
- **Major Projects (Finance and Planning)** hired a permanent member of staff whose initial task included the development of a guide on consents approvals.
 - **TfL Group Legal team** hired a temporary member of staff to raise consents knowledge.
 - The **Oversight team** has facilitated contact with a number of key stakeholders.
 - ACORN has become an integral component to **PYRAMID** which is an online development tool of training courses to enhance the capability of Project and Programme Management across TfL.
- 5.2.3 All of this activity has enabled a significant level of buy-in across TfL throughout ACORN's development. This inclusive approach to developing TfL's capacity to deliver consents will continue throughout the remainder of the project.

5.3 ACORN progress

5.3.1 There has been significant progress made to date towards achieving the key deliverables of Project ACORN around producing guidance and improved capability, communications and awareness.

5.3.2 Guidance development:

- 25 guidance notes have been drafted and reviewed by individuals representing 12 investment projects and externally reviewed by a legal firm.
- An ACORN intranet site has been built providing a repository for the guidance notes, which will assist users in stepping through the guidance.

5.3.3 Capability development:

- A Directory of TfL consents experts has been created – with 7 consents- related disciplines defined and around 80 individuals identified across TfL.
- An ACORN Consents Advisor is currently being advertised for recruitment and discussions are taking place to decide where this post would best sit in the organisation to provide maximum impact.

5.3.4 Communications and awareness:

- An ongoing programme to raise knowledge of consents related processes and issues across TfL has been implemented.

- The first ACORN training session took place in November 2006. It was well attended with positive feedback provided by participants. There are further training events planned in January 2007.

5.4 ACORN next steps

5.4.1 Most of ACORN's initial objectives have been met. There is an outstanding organisational issue as to how the consent system should be organised within TfL. But ACORN is an organic process and will continue to develop as it moves forward.

5.4.2 The current focus of the project board is to ensure that the benefits envisaged are being realised across TfL. This is being done through a series of measures. The training programme is ongoing and the guidance will be reviewed in line with the Mayor's powers.

- Currently underway is a base-lining exercise measuring TfL consents performance in 2006. This will include determining the success rate of gaining consents, the variance of time from the original project plan to actual milestones and the variance of cost from the original project budget to actual cost.
- The project board is currently evaluating awareness of ACORN amongst projects which will require consents that are at preliminary stages of their development. This is being done through qualitative interviews of representative projects. Following on from this, ACORN training sessions will be held to share best practice.
- Investment Programme projects being delivered in 2007 will be analysed to determine the success rate of gaining consents, the variance of time from the original project plan to actual milestones and the variance of cost from the original project budget to actual cost. The results of this analysis will be compared with the 2006 base-line. This exercise will be repeated annually by the ACORN Consents Advisor.

5.4.3 Each of these areas of work which are underway will be subject of future reports to the Corporate Advisory Panel.

5.4.4 The ACORN project board is committed to ensuring thorough consultation occurs at each stage of the ACORN project. This will ensure a continued high-level of buy-in across the organisation.

6. Equalities implications

6.1 There are no direct equalities implications arising from this report.

7. Crime and disorder implications

- 7.1 There are no direct crime and disorder implications arising from this report.

8. Sustainability

- 8.1 There are no direct sustainability implications arising from this report.

9. Legal implications

- 9.1 There are no direct legal implications arising from this report.

10. Financial implications

- 10.1 There are no direct financial implications arising from this report.

11. Consultation / cross modal impacts

- 11.1 Considerable consultation across TfL has taken place as part of the organisational review. A number of interviews have taken place with key staff involved with consents process across TfL.

12. External / reputational implications

- 12.1 Improving TfL performance in gaining consents will have a positive effect on TfL's reputation amongst stakeholders and more widely the travelling public.

13. Risk management

- 13.1 The substance of this report deals with improving TfL's mitigation against the risks involved with gaining consents for its projects.

Meeting: Corporate Advisory Panel	Date: 25 January 2007
Report title: ACORN – Organisation Review Update	Version number: 01