

CORPORATE AND EQUALITIES ADVISORY PANEL (Meeting No 2)
to be held on Friday 18 May 2007
in the Boardroom, 14th Floor, Windsor House
Commencing at 1000 hours

AGENDA

1. Apologies for Absence
2. Approval of Minutes of the Previous Meeting held on 25 January 2007
3. Matters Arising and Outstanding Items

Business Items	Sponsor
4. Terms of Reference of CEAP	Peter Hendy, Commissioner
5. TfL Workforce	Valerie Todd, MD, Group Services (Maria Antoniou)
6. TfL Workforce Diversity Achievements	Valerie Todd, MD, Group Services (Yvonne Howard)
7. TU Engagement	Valerie Todd, MD, Group Services (Maria Antoniou)
8. Corporate Strategic Risks	Howard Carter, General Counsel (John Burton)
9. IM Strategy	Stephen Allen, MD, Finance (Phil Pavitt)
10. Sustainable Procurement	Valerie Todd, MD, Group Services (Andrew Quincey)
11. Accommodation Update	Valerie Todd, MD, Group Services (Charles Stafford)
12. Any Other Business	

Date of Next Meeting: 1000 hours 3 October 2007 (Joint meeting of Panels).

Transport for London

Minutes 01/01/07 – 07/01/07

MINUTES OF THE CORPORATE ADVISORY PANEL MEETING No.1 held on 25 January 2007 in Windsor House at 1400 hours

Present: Peter Hendy (Chair)
Judith Hunt (Vice Chair)
Paul Moore
Dabinderjit Singh Sidhu
Howard Carter
Ben Plowden
Valerie Todd

Special Advisers: Lynn Sloman

In Attendance: Steve Allen (Director of Corporate Finance)
Peter Boxell (Chief of Staff, Group Services)
Carole Harden (Interim Group HR Director)
Mary Hardy (Director of Internal Audit)
Yvonne Howard (Interim Director Group Equality and Inclusion)
Gareth John (Director, Legal and Compliance)
Rachel Kerry (Group Services Head of Finance)
Jeff Pipe (Corporate Governance Advisor)
Andrew Quincey (Director of Group Procurement)
Sam Richards (Commissioner's Chief of Staff)
Charles Stafford (Director of Group Property and Facilities)

Secretary: James Varley

01/01/07 APOLOGIES FOR ABSENCE

ACTION

Apologies for absence were received from Kirsten Hearn, Murziline Parchment and Jay Walder.

02/01/07 Corporate Advisory Panel Terms of Reference and Work Plan

The Commissioner welcomed the formation of the Panel. It was vital to the organisation that such a forum existed to discuss Corporate issues as well as Equality and Inclusion issues. Proposals were being developed to submit to the next TfL Board Meeting to further strengthen the Panel's role in relation to equality and inclusion issues including changing the Panel's name to the Corporate and Equalities Advisory Panel and a change in the Terms of Reference to reflect its consideration of equality and inclusion matters.

Howard Carter

The Panel **NOTED** the Terms of Reference and the Work Plan for 2007.

03/01/07 TfL Workforce

Valerie Todd introduced the item. She informed the panel that TfL comprised nearly 20,500 FTE employees. Progress was being made to reduce reliance on temporary staff which would also reduce the risk of losing key skills and knowledge by placing more people into full time contracts.

A breakdown of temporary staff would be provided to a future meeting.

Valerie Todd

Whilst some departments appeared to be overstaffed against their budgeted allocations, this did not reflect the true situation as budgeted figures were set over 12 months ago and changes in circumstances dictated the need to retain or employ additional staff.

Statistics for disciplinary and harassment issues had remained relatively static however grievances were on the increase. Policies were being reviewed to ensure that grievances would be dealt with effectively and efficiently.

Staff turnover remained at approximately 10% but variances existed within modes and departments. A further breakdown of the figures would be provided to a future meeting.

Valerie Todd

Comparative data for staff sickness would be provided to a future meeting.

Valerie Todd

The Panel **NOTED** the report.

04/01/07 Workforce Diversity

Valerie Todd introduced the report and highlighted the current situation. The representation of women still fell short of target however the number in senior management positions had improved.

BAME representation was ahead of target but issues still existed in middle and senior positions. Further work was being undertaken including targeting BAME students at universities and new Intern programmes. Also, work would be undertaken to develop and encourage existing staff to progress with the organisation.

Valerie Todd

There was also under representation in terms of staff with disabilities.

Each year, the figures were refreshed and managers were incentivised to achieve their targets.

Future reports would also look at the recruitment process and early stages of employment to gain further insight.

Valerie Todd

The Panel **NOTED** the report.

05/01/07 TfL Accommodation Strategy

Charles Stafford introduced the item and informed the Panel that the biggest benefit of the strategy would be the consolidation of people.

The design of Palestra would encourage flexible working and enable more face to face meetings. The buildings would also be more energy efficient than the current sites.

Work was still required on the location of back office staff and a report would be provided to a future meeting.

Valerie Todd

The Panel **NOTED** the report.

06/01/07 Project Acorn

The item was introduced by Ben Plowden. He explained that the purpose of the project was to share knowledge and best practice of consent issues across TfL.

DLR had been particularly successful in obtaining consents and much could be learned although the nature of their operation meant that the consents they had obtained were often in very different circumstances to those of the other modes.

There was clearly a need to develop a forensic knowledge and understanding of local issues in order to anticipate and address significant issues.

The Panel **NOTED** the report.

07/01/07 Any Other Business

There being no further business the meeting closed.

Signed: _____ (Chair)

TRANSPORT FOR LONDON

CORPORATE AND EQUALITIES ADVISORY PANEL
ACTION LIST

OUTSTANDING ITEMS FOR FUTURE MEETINGS

Target Date	Description	Action By:	Minute No.	Status/ note:
TBA	Report of Accommodation Strategy for back office staff	Valerie Todd	05/01/07	To be presented at the CEAP 18 May 07

ACTION LIST – actions resulting from current and previous meetings

Target Date	Description	Action By:	Minute No.	Status/ note:
18/05/07	Change name to CEAP	Howard Carter	02/01/07	Completed
TBA	Provide a breakdown of temporary staff	Valerie Todd	03/01/07	To be presented at the CEAP 18 May 07
	Provide breakdown of staff turnover figures	Valerie Todd	03/01/07	To be presented at the CEAP 18 May 07
	Provide comparative staff sickness rates	Valerie Todd	03/01/07	To be presented at the CEAP 18 May 07
	Continue work to increase BAME representation	Valerie Todd	04/01/07	To be presented at the CEAP 18 May 07

TRANSPORT FOR LONDON

Corporate and Equalities Advisory Panel

SUBJECT: Revised Terms of Reference for the Corporate Advisory Panel.

MEETING DATE: 14 May 2007

1. PURPOSE

- 1.1 The TfL Board considered the Terms of Reference of the Panel at its meeting on 28 March 2007. This paper briefs the Panel on the changes to the Terms of Reference agreed by the Board.

2. DECISION REQUIRED

- 2.1 To note the changes to the Terms of Reference agreed at the last TfL Board meeting and to consider the possibility of scheduling additional meetings for the remainder of 2007.

3. BACKGROUND

- 3.1 Equalities and Inclusion issues have always had a high profile within TfL. Group Equalities and Inclusion are an autonomous section within Group Services with a remit to –
- (a) Remove barriers to accessing TfL's transport services;
 - (b) Ensure TfL employs a diverse workforce that reflects the diverse population of London; and
 - (c) Ensure those who provide services on TfL's behalf have a similar commitment to equality and inclusion.
- 3.2 Until the new arrangements were agreed there was a cross modal Equalities and Inclusion Programme Board which met quarterly. Its membership was drawn from across TfL. It was chaired by the Mayor's advisor on Equalities and Inclusion issues, Lee Jasper, and also attended by senior GLA officers.
- 3.3 All papers to the Board, Board Committees and Panels must include, or be able to explain the omission of, a section on the impact on Equalities and Inclusion arising from the report. Group Equalities and Secretariat are actively managing this process as part of a wider initiative to improve the quality and coverage of Equality and Inclusion issues within corporate decision taking.

4. BUILDING ON THE CURRENT POSITION

- 4.1 Although Equalities and Inclusion matters were always intended to be a significant component of this Panel's work it was felt that this was not explicit enough in the Terms of Reference. To address this issue the Board agreed to make the Panel's role in addressing Equalities and Inclusion issues more explicit and to change its name to the Corporate and Equalities Advisory Panel.
- 4.2 At the same time it was agreed that the work of the Equalities and Inclusion Programme Board should be incorporated within its remit. This was seen as of particular benefit as it provides a forum for discussing Equalities and Inclusion matters which is attended by the Commissioner, Board members and TfL Chief Officers as members.
- 4.3 The GLA's Policy Director Equalities and Policing and the Policy Adviser Women's Issues will be invited to attend Panel Meetings, particularly those meetings that focus on equality and inclusion issues.
- 4.4 In order to allow more time in the annual cycle of meetings to be devoted to Equalities and Inclusion issues without detracting from the other important matters within the Corporate and Equalities Advisory Panel's area of responsibility it is proposed that consideration be given to another two meetings being added. These will be primarily devoted to Equalities and Inclusion issues. The extra meetings will be an additional time demand on the members but it is a balanced response to the extension of the Panel's remit. Panel members are asked for their views on this proposal and the most appropriate time for any additional meeting(s) to be scheduled.
- 4.5 The newly reconstituted Corporate and Equalities Panel will assume the responsibilities currently discharged by the Equalities and Inclusion Programme Board.
- 4.6 The terms of reference of the Corporate Advisory and Equalities Panel have been revised to reflect the extended Equalities and Inclusion agenda and the option of scheduling additional meetings, if required. The Board also approved the appointments to the Panel of Rana Roy as a member and Shiria Khatun as an adviser. The revised terms of reference are appended to this report.

IMPLICATIONS FOR EQUALITIES AND INCLUSION

- 5.1 The expansion of the Terms of Reference of the Corporate and Equalities Advisory Panel is intended to give a significant boost to TfL's Equalities and Inclusion agenda and to provide a substantial additional resource to facilitate the Board's consideration and oversight of these issues.

6. IMPLICATIONS FOR CRIME AND DISORDER

- 6.1 The expansion of the Terms of Reference of the Corporate and Equalities Advisory Panel will not detract from its role as a focus for commenting and reporting on Crime and Disorder issues on a pan-TfL basis.

7. IMPLICATIONS FOR SUSTAINABILITY

- 7.1 The expansion of the Terms of Reference of the Corporate and Equalities Advisory Panel will not detract from its role as a focus for commenting and reporting on Sustainability issues on a pan-TfL basis.

8. RECOMMENDATIONS

- 8.1 The Panel is asked to:
- a) note the change of name of the Corporate Advisory Panel to the Corporate and Equalities Advisory Panel;
 - b) note the revision of Standing Orders to substitute the terms of reference in the appendix for the current terms of reference; and
 - c) to consider the holding of additional meetings in 2007.

CORPORATE AND EQUALITIES ADVISORY PANEL

Membership

Chair : Peter Hendy

Vice Chair : Judith Hunt

Members : Kirsten Hearn
Paul Moore
Rana Roy
Dabinderjit Singh Sidhu
Steve Allen
Howard Carter
Nigel Marson
Valerie Todd

Advisers : Shiria Khatun
Murziline Parchment
Lynn Sloman

In attendance: With the Chair's agreement other persons can attend all or any part of a meeting.

Secretary : To be agreed by the Board Secretary.

Quorum : 3 members

Frequency of meetings

1. The Panel shall meet at least 4 times a year or at such greater frequency as determined by the Chair. 2 meetings a year are to be primarily concerned with Equalities and Inclusion issues.

Terms of Reference

2. The Panel will advise and assist the Commissioner with issues relating to TfL corporate matters and in particular, the following -
 - (a) overseeing the development of TfL's approach in relation to corporate matters, reflecting the Mayor's transport and other strategies;
 - (b) monitoring the implementation of TfL's Equalities and Inclusion initiatives with particular reference to –
 - Monitoring delivery against targets for each business unit, in particular targets relating to senior management;
 - Reviewing the plans put forward by the business units and Human Resources to deliver the change in workforce composition required;

- Reviewing the plans put forward by the business units and Human Resources to enable the progression through the organisation of suitable candidates from equality groups;
 - Monitoring issues relating to harassment in the workplace and reviewing TfL's plans to deal with this matter;
 - Monitoring the number of women bus drivers and ensuring TfL's plans are adequate to achieve the required targets; and
 - Monitoring the number of BAME taxi drivers and TfL's plans to deliver the agreed increase in BAME drivers.
- (c) monitoring cross modal application of corporate matters including policies, accommodation, employment practices, equality and inclusion and Information Management;
- (d) monitoring the TfL corporate components of TfL's Business Plan and Budget proposals;
- (e) supplementary monitoring of the development and implementation of projects as agreed by the Commissioner;
- (f) evaluating overall business performance and reviewing Best Value plans and performance indicators in relation to corporate management;
- (g) monitoring TfL's approach to external communications and stakeholder relations; and
- (h) monitoring the development and implementation of the GLA group convergence framework.

Equalities and inclusion

3. In carrying out its Terms of Reference the Panel will give due regard to the principle of equal opportunity for all people. In particular it will seek to promote equality of opportunity, good relations between different groups, eliminate unlawful discrimination and provide accessible transport for all.

TRANSPORT FOR LONDON

CORPORATE AND EQUALITIES ADVISORY PANEL

SUBJECT: Workforce

MEETING DATE: Friday 18 May 07

1 Purpose

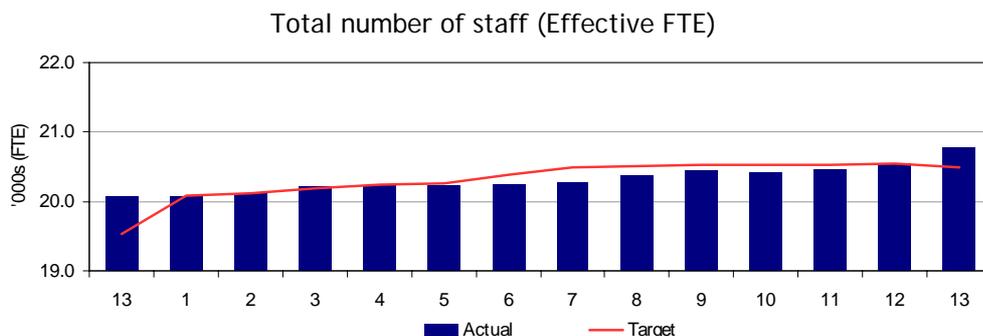
- 1.1 This standing report summarises TfL's overall workforce composition for the financial year 2006/2007. The report provides a suite of performance data together with appropriate narrative that should be noted by Panel members.
- 1.2 More extensive detail relating to TfL activity in support of the Equality & Inclusion agenda appears as agenda item two in the second standing report entitled Workforce – Diversity Achievements.

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. 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.

3 Workforce - General

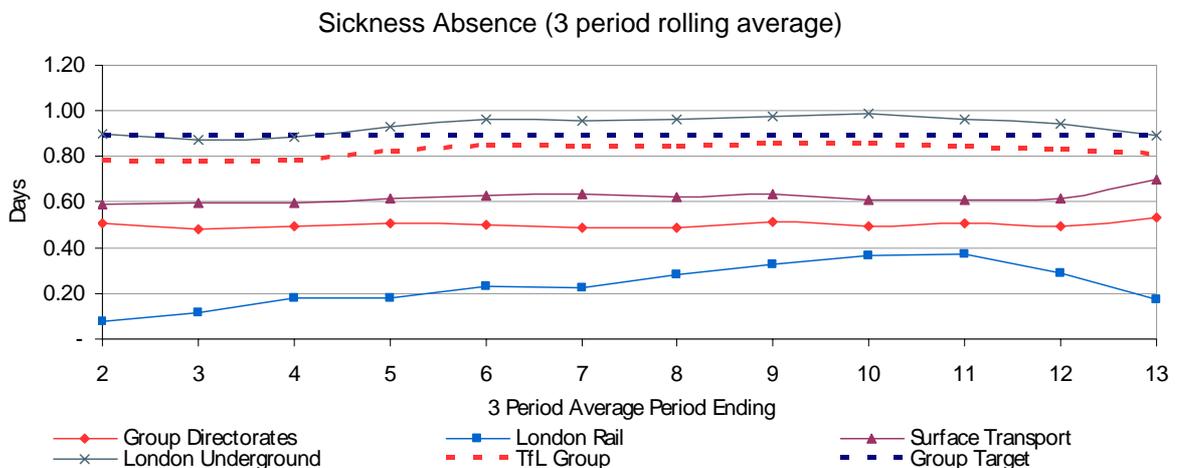
- 3.1 The total number of full time equivalent staff (FTE) across TfL rose increased by 343 in the fourth quarter to 20,778 at year end, 289 higher than the budget of 20,489 due to higher than budget staff numbers in Surface Transport. (Greater granularity of detail regarding joiners and leavers can be found at Annex A).



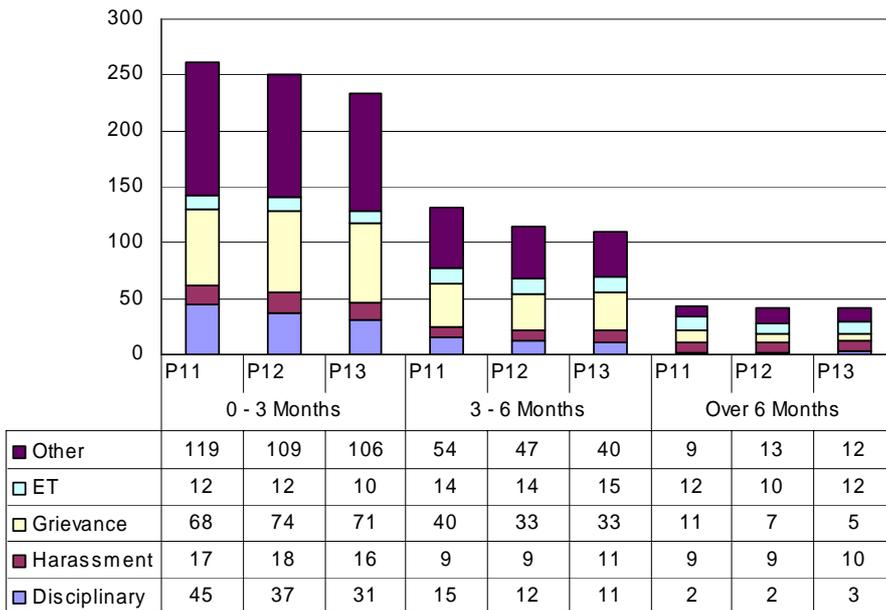
- 3.2 At 14,000, staff numbers in London Underground were 285 higher than at the end of quarter three following the acceleration of the Customer

Service Assistant recruitment programme. The year end position is 120 below budget and 197 higher than 2005/06. Temporary staff numbers fell by 104 to end up 3 below budget supported by a programme of reduction and monitoring over the last quarter which was critical to informing the development and achievement of realistic but stretching targets for 2007/08.

- 3.3 The total number of staff in Surface Transport rose by 61 this quarter to end the year at 4,577. The number of temporary staff fell by 27 from quarter three to 594 at the end of the fourth quarter. Total staff numbers in Surface Transport at the end of 2006/07 were 239 higher than the budget of 4,338 due to additional staff employed on Road Network management projects, IT projects, and in East Thames buses to operate a bus route formerly run by the Centra company.
- 3.4 Group Directorate staff numbers, at 2,011 FTE, fell by 20 from quarter three to end the year 185 above budget, up 110 (5 per cent) from 2005/06. This higher than budget result was due to additional staff working on Oyster help desk to ensure that service targets continue to be met, additional staff working on projects to rationalise TfL's customer service activities, and additional staff in central Human Resources Services to support recruitment.
- 3.5 For all of 2006/07 sickness absence levels averaged 10.7 days per employee, 0.9 days better than target and significantly better than the 2005/06 result of 12.6 days per employee. Every mode in TfL saw better than target performance in terms of sickness in both the fourth quarter and all of 2006/07. The best performing mode was London Rail that had a result that was 4.6 days lower than its target of 7.5 days per employee, while the greatest improvement was seen in Surface Transport where sickness absence rates fell from 11 days per employee in 2005/06 to 8.2 days for all of 2006/07. (See Annex B for greater granularity of data)



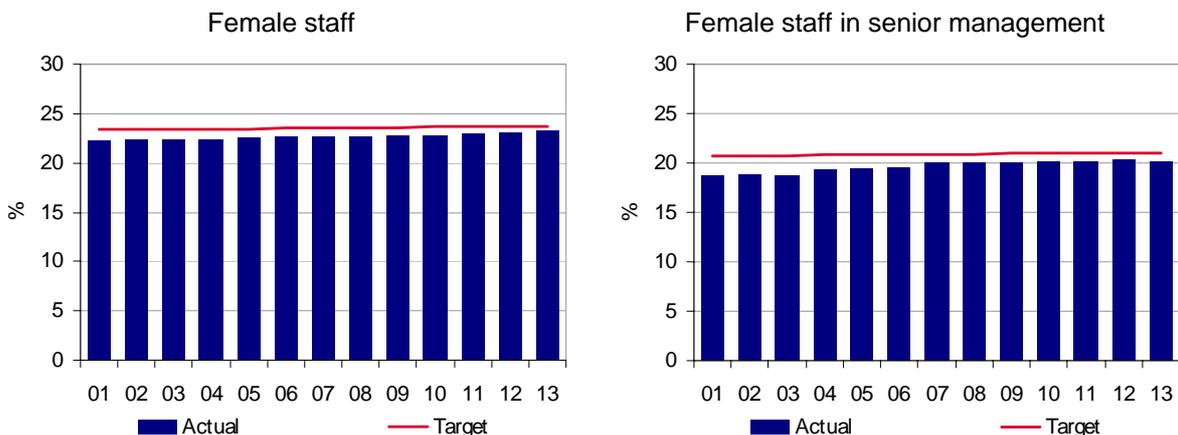
4. Workforce – Harassment /Discipline/ Grievance



4.1 The above graphical representation illustrates the number of active cases for Harassment, Discipline and Grievance across all modes over the last three periods of the 2006/2007 reporting period. These compare favourably with figures reported to the previous panel with significant reductions in Grievance (81 down to 71) and Disciplinary cases (46 down to 31) for cases that have been open for less than three months.

4.2 Extensive analysis of live cases has been conducted since the last panel to determine whether commonality exists between cases that would suggest corrective action is required within the organisation. The eclectic nature of cases and randomness of business location has not identified any trend that was not the result of data collection methodology. The situation will continue to be monitored.

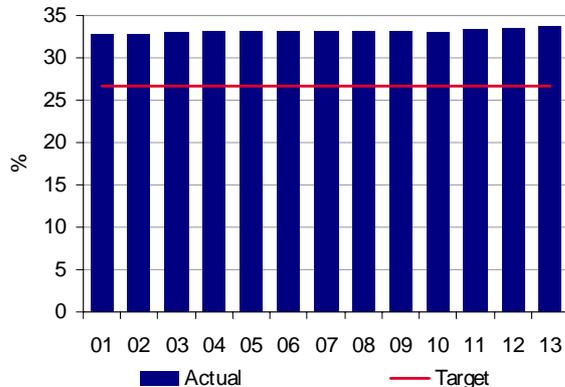
5. Workforce – Women



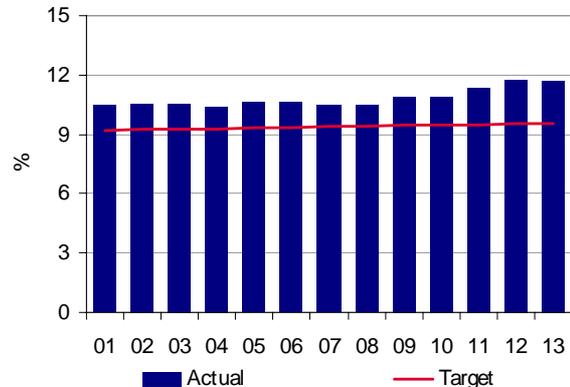
- 5.1 The percentage of female staff across all of TfL increased by 0.5 per cent this quarter to 23.3 per cent, 0.4 points short of the target of 23.7 per cent. The percentage of female staff in senior management saw similar improvements this quarter – rising 0.2 points to 20.2 points, though also short of the target of 21.1 per cent.
- 5.2 There are a number of initiatives in place to improve these results going forward. Most significantly, in the last quarter of 2006/07 TfL's gender equality scheme, which outlines TfL's action plan to increase gender equality in both service delivery and employment, was launched.
- 5.3 Other specific initiatives to improve the representation of women in TfL's workforce in the fourth quarter of 2006/07 include research at Surface Transport to understand why women leave; a new family friendly rostering scheme at East Thames Buses; research in London Underground on attracting and retaining female duty managers; and research and action plans to support gender specific recruitment targets for forthcoming LU recruitment of Customer Service Assistants, Station Supervisors, and Train Operators.

6. Workforce – ethnicity

Black, Asian and Minority Ethnic Group Staff



Black, Asian and Minority Ethnic Group Staff in Senior Management

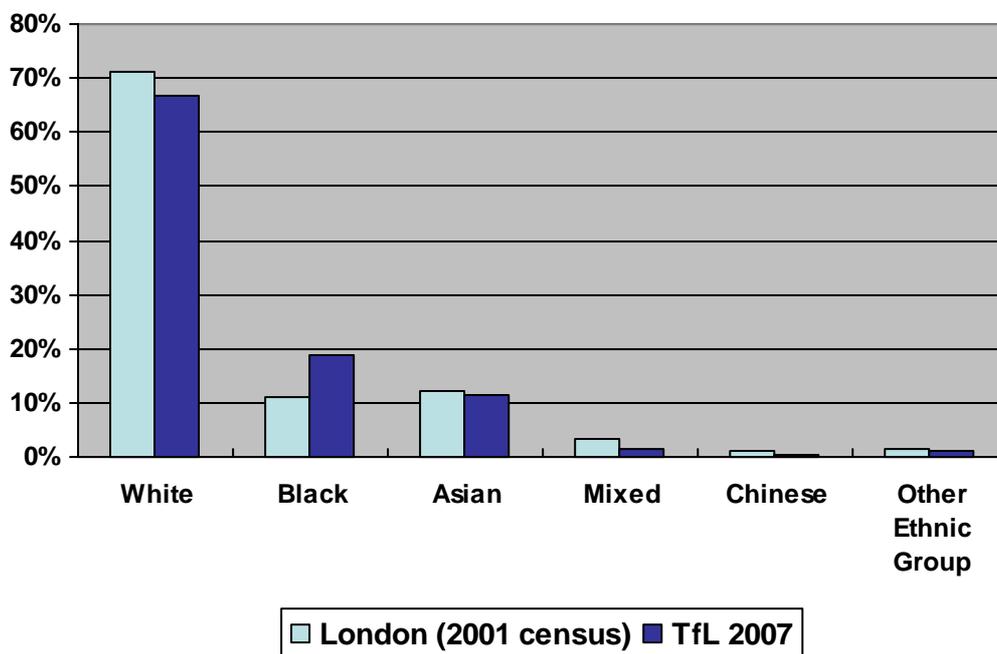


- 6.1 The percentage of Black, Asian and Minority Ethnic Group (BAME) staff employed at TfL at year end was 33.6 per cent, an increase of 0.7 per cent on quarter three and still well above the target of 27 per cent. BAME staff in senior management accounted for 11.7 per cent of all staff, an increase of 0.8 per cent on quarter three and 2.2 per cent above the target of 9.6 per cent.

- 6.2 TfL is now looking to actions that will improve the balance of BAME representation at different levels of the organisation. The TfL mentoring scheme, which had 48 per cent BAME participation in the first round, is now being further rolled out with phase two beginning in the last quarter of 2006/07. The evaluation of London Underground's Managing

Diversity Competence Programme has begun, and the training of the staff to deliver this programme in house is ongoing with 13 specialist trainers already identified.

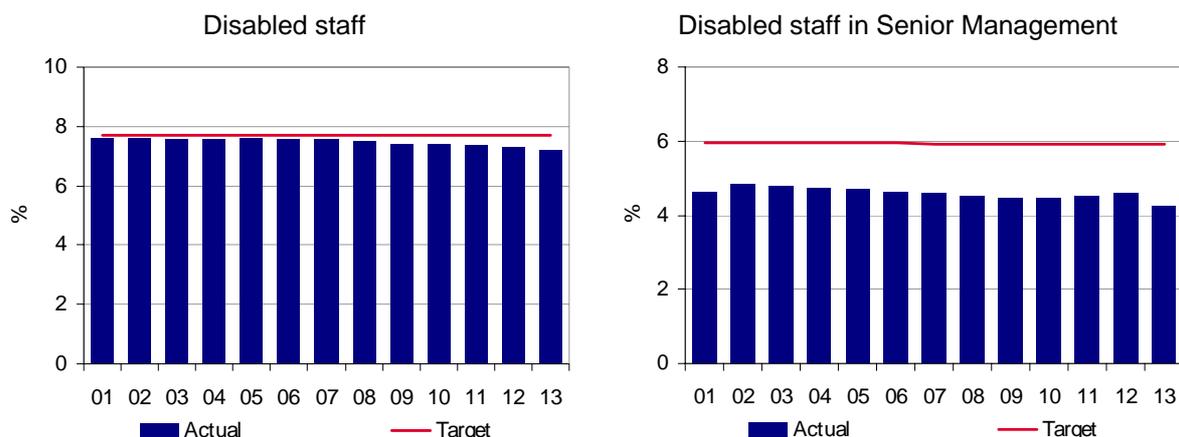
- 6.3 A similar programme has begun in Surface Transport - the Diversity Competence Programme for managers in Road Network Performance to build on the competence of managers in managing diversity as a prelude to extending the initiative to other ST directorates. Across all of TfL the BAME Staff Network Group has been raising awareness of the BAME agenda and assisting and supporting the development of solutions to deal with work issues that specifically affect the BAME workforce.



- 6.4 The above table illustrates how the ethnic population of London that was last recorded at the time of national census in 2001 correlates with the declared ethnicity of 90% of the current TfL workforce. Whilst exact replication would not be expected, the graph does demonstrate that the general spread of ethnicity within London is represented within the TfL population.

- 6.5 However, whilst BAME representation within the workforce is higher within the TfL population the black component is significantly higher than may be expected. This could well be a legacy of much earlier recruitment activity.

7. Workforce – Disabled



7.1 The percentage of disabled staff employed at TfL at year end was 7.2 per cent, a decrease of 0.2 per cent on the last quarter and 0.5 percent below target. Representation of disabled staff in senior management also decreased in the final quarter by 0.2 per cent to be 4.3 per cent at year end, 1.7 per cent below target.

7.2 The decline in the percentage of disabled staff from the third to the fourth quarter of 2006/07 was caused by an increase in the number of people who have declared their status as non-disabled, making the overall percentage of disabled staff fall even though the raw number of disabled staff increased. In line with best value indicator calculation guidelines, staff who do not declare their status as disabled or non-disabled are not included in the calculation.

7.3 To ensure continuous improvement in this area, TfL is reviewing policies and procedures associated with recruiting and improving retention of disabled people. In the operational modes, London Underground has started the second phase of the work experience project for disabled people in operational environment working with MENCAP as discussed in the third quarter operational and financial performance report. Alongside the pilot of the Managing Diversity Competence Programme in Surface Transport Streets (Road Network Performance), there is another initiative being trialled to support the recruitment of people with learning disabilities.

8. Workforce – Targets

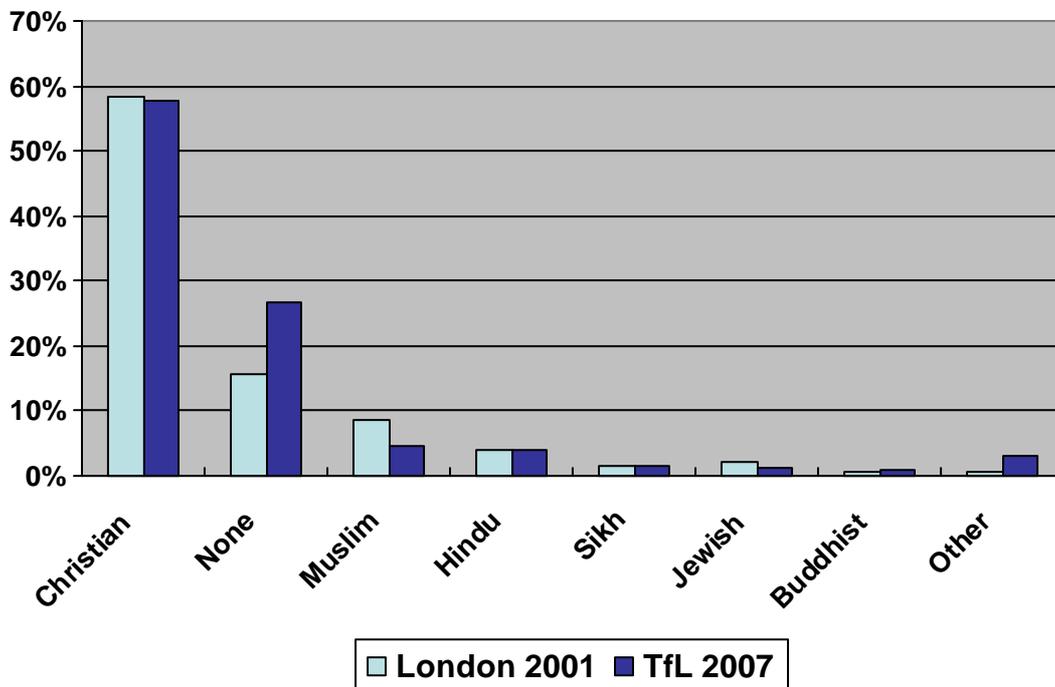
8.1 Transport for London monitors the diversity of its staff population as part of its commitment to have a workforce which reflects London's diverse population. TfL has set targets to measure progress in achieving this level of diversity for Black, Asian and Minority Ethnic people, Women and Disabled people. These targets are agreed by Modal directors as part of the business planning cycle. During 2006/7 Group Equality and Inclusion has been working with the business to further develop the target setting process to ensure that the targets are

informed by criteria such as the expected growth or decline in staff numbers, historic data on retention and other turnover data, and any particular recruitment campaigns that can be targeted at currently under-represented groups.

- 8.2 TfL also monitors representation of Lesbian, Gay, Bisexual and Transgendered staff and the people of faith and belief within its workforce, although it does not currently set targets for these groups.
- 8.3 The following targets have now been agreed for 2007/2008:

Target Group	TfL	LU	ST	LR	Corp
Women	23.7	19.5	28.0	27.0	45.6
Women in Senior Mgt	21.1	21.3	18.0	14.0	27.3
BAME	26.7	27.0	28.0	12.0	22.5
BAME in Senior Mgt	9.6	8.0	14.0	7.0	11.3
Disabled People	7.7	7.6	8.4	4.8	7.3
Disabled People in Senior Mgt	5.9	6.6	4.0	3.8	3.2

9. Workforce – Faith



- 9.1 The above data has been compiled to compare the declared faith of the population of London at the last national census in 2001 with that of the declared faith of c20% of the existing TfL workforce.

9.2 Whilst it once again demonstrates that TfL is largely representative of the population of that it serves; it must be noted that the survey data for workforce is based on small numbers at the current time. As greater levels of data are compiled for the existing workforce in the future it may prove possible to set targets that could be monitored with a high degree of confidence.

10. Workforce – external

10.1 Targets have been agreed in respect of BAME and women taxi drivers, which have been set as 12.5% for BAME by 2012 (a rise of about 1% per annum), and doubling the proportion of women taxi drivers to 3% by 2012. At the end of Period 12, 4.9% of the total licensed taxi driver population came from BAME groups and 1.6% women. 62% of the total licensed private hire driver population came from BAME groups and 1.7% were women.

10.2 Despite the effort and commitment of the London Buses, bus operators and others and measurable progress at some companies, the latest analysis of the bus driver gender split shows that, at network level, the proportion of women bus drivers remains static at below 6%. However the increase in women supervisors - now at 10% - is more encouraging. A letter is being issued, by the MD of Surface Transport to the operators, setting out interim targets for 2007/08 and seeking updated action plans to ensure these targets are delivered. The interim targets are consistent with the target of 12% by 2012 that have been agreed with the GLA.

11. Workforce – Temporary staff

As at Period 12 (2006/2007) there were 1,659 temporary staff employed across TfL. The 2007/08 Budget details a requirement to reduce temporary staff by **11%** (170 heads) from the 2006/07 budgeted numbers. Based on Period 12 actuals the reduction required is **19%** (313 heads).

Mode/Directorate	2006/07 Budget	Temporary Employees as % of Workforce	No of Temporary Employees in Period 12	2007/08 Budget	Temporary Employees as % of Workforce
London Underground	621	4.4	669	528	3.6
Surface Transport	590	12.3	606	573	11.9
London Rail	35	16.9	31	45	20
Group Directorates	270	13	353	200	9.5
Total	1,516	7.2	1,659	1,346	6.2

12 Equalities implications

12.1 Equalities implications resulting from data presented within this document is covered in depth within the following agenda item.

13. Crime and disorder implications

13.1 There are no crime and disorder implications within the scope of this document.

14. Recommendations

14.1 Panel members are asked to note the contents of this report.

Workforce – TfL Joiners

Annex A1

Mode		Men	Women	Unknown Gender	Disabled People
Asian/Asian British	London Underground	103	29		
	Surface Transport	49	20		
	London Rail	7	1		
	Corporate	18	9		
	Not assigned				
	Overall Result	177	59		
Black/Black British	London Underground	111	100		
	Surface Transport	106	51		
	London Rail	1			
	Corporate	8	17		
	Not assigned				
	Overall Result	226	168		
Chinese/other	London Underground	9	6		
	Surface Transport	7	6		
	London Rail				
	Corporate	5	2		
	Not assigned				
	Overall Result	21	14		
Mixed	London Underground	38	14		
	Surface Transport	13	11		
	London Rail		2		
	Corporate	1	3		
	Not assigned				
	Overall Result	52	30		
White	London Underground	368	170		
	Surface Transport	284	123		
	London Rail	15	5		
	Corporate	86	55		
	'Not assigned				
	Overall Result	753	353		
Not assigned	London Underground	86	60		
	Surface Transport	156	84		
	London Rail	10	5		
	Corporate	79	85		
	Not assigned	1			
	Overall Result	332	234		
Total	London Underground	715	379		
	Surface Transport	615	295		
	London Rail	33	13		
	Corporate	197	171		
	Not assigned	1			
	Overall Result	1,561	858		

Workforce – TfL Leavers

Annex A2

Mode		Men	Women	Unknown Gender	Disabled People
Asian/Asian British	London Underground	44	8		
	Surface Transport	19	3		
	London Rail				
	Corporate	8	7		
	Not assigned				
	Overall Result	71	18		
Black/Black British	London Underground	64	28		
	Surface Transport	55	17		
	London Rail	1	3		
	Corporate	7	10		
	Not assigned				
	Overall Result	127	58		
Chinese/other	London Underground	7	3		
	Surface Transport	1			
	London Rail				
	Corporate	3	1		
	Not assigned				
	Overall Result	11	4		
Mixed	London Underground	8	3		
	Surface Transport	4	4		
	London Rail		1		
	Corporate	4	2		
	Not assigned				
	Overall Result	16	10		
White	London Underground	289	80		3
	Surface Transport	155	62		4
	London Rail	11	7		
	Corporate	65	64		
	Not assigned	1			
	Overall Result	521	213		7
Not assigned	London Underground	52	21		
	Surface Transport	48	30		
	London Rail		1		
	Corporate	37	23		
	Not assigned	1			
	Overall Result	138	75		
Total	London Underground	464	143		3
	Surface Transport	282	116		4
	London Rail	12	12		
	Corporate	124	107		
	Not assigned	2			
	Overall Result	884	378		7

Workforce – Sickness levels by mode

Annex B

	P1 to P13 2004-2005	P1 to P13 2005-2006	P1 to P13 2006-2007
BV12	BV12 (Absence Days Per Employee)	BV12 (Absence Days Per Employee)	BV12 (Absence Days Per Employee)
TfL Group All Staff	12.48	13.05	11.71
TfL Group Operational Staff	15.05	15.82	14.46
TfL Group Non-Operational	7.80	7.82	6.95
Corporate All Staff	9.41	9.30	8.23
Corporate Operational Staff	3.26	16.29	14.01
Corporate Non-Operational	9.75	9.25	6.87
London Underground All Staff	13.04	13.83	12.78
London Underground Operational Staff	14.61	15.46	14.32
London Underground Non-Operational	7.56	7.55	7.79
Surface Transport All Staff	12.08	11.29	9.97
Surface Transport Operational Staff	18.54	16.64	15.40
Surface Transport Non-Operational	6.67	6.95	6.03
London Rail All Staff	4.66	2.65	4.54
London Rail Operational Staff	0.00	0.00	0.00
London Rail Non-Operational	4.66	2.65	4.54

TRANSPORT FOR LONDON

CORPORATE AND EQUALITIES ADVISORY PANEL

SUBJECT: Workforce - Diversity Achievements

MEETING DATE: 18 May 2007

1. Purpose

- 1.1 This report sets out key achievements and milestones in delivering TfL's equality agenda between 2000 - 2006. The report illustrates the fact that delivery of the equality agenda is integral to the success of TfL. It captures key activity and progress which has laid the foundations for delivering TfL's current equality priorities.
- 1.2 Since its establishment in 2000 TfL has had (and continues to have) a clear commitment to equality and inclusion, recognising that transport is one of the most powerful mechanisms for tackling inequality and social exclusion. Strong planning mechanisms and a determined focus on delivery has resulted in a wholesale change of culture and approach, and major achievements for the equality agenda in TfL.
- 1.3 The activities captured here provide the context and background for continuing progress on the equality agenda with the newly established Corporate and Equalities Advisory Panel. The work of the Mayor's Advisors; Anni Marjoram and Lee Jasper, and the Equality & Inclusion Programme Board (which led the equality & inclusion programme from 2004 to 2007) is recognised and commended.

2. Building the Foundations for Equality

- 2.1 TfL was set up in 2000 with the responsibility for delivering an integrated transport system outlined within the Mayor's Transport Strategy (MTS). This strategy sets out policies to promote equality and social inclusion. Policy 3.9 gave a clear direction for TfL to ensure that transport plans and initiatives take into account the needs of all Londoners to access services, through meeting their travel requirements.
- 2.2 Resource for leading the equality agenda was initially provided through Human Resources and an Access and Mobility Team, focusing on Door to Door Services and improving access for disabled people. In recognition of the need to develop a pan TfL equality strategy and support the delivery of the agenda the Group Equality & Inclusion function was established in 2003.
- 2.3 Governance arrangements were put in place, to provide a framework of accountability and responsibility and ensure the work undertaken by Group Equality & Inclusion was managed effectively and in the best interests of the public. A Programme Board, whose membership comprised the TfL Commissioner, the Director of Group Equality & Inclusion and Special Advisors to the Mayor was established. Its role was to ensure

equality and inclusion projects undertaken met the strategic goals of TfL and the Mayor's priorities for equality and inclusion.

- 2.4 Establishment of this high level body with strategic input from the Mayor's Advisor on Women's Issues, Anni Marjoram and the GLA Director of Policing and Equalities, Lee Jasper sent out a clear message across the organisation of the high priority accorded to equality and inclusion across TfL. This approach complemented the existing GLA annual budget and equality submission process.
- 2.5 The work of the Programme Board was underpinned by establishment of the Employment and Service Delivery Steering groups at senior management level. The Steering Groups are responsible for the direction and management of employment and service based equality and inclusion projects across all modes.

3. Equality & Inclusion – Key Achievements

3.1 Service Delivery

- 3.1.1 Major goals have been achieved in increasing access to transport services, removing barriers and promoting social inclusion. For example; TfL reached a key milestone in improving transport for disabled people in 2005 through achieving low floor access on all buses - making it the largest wheelchair accessible bus network in the world.
- 3.1.2 Children and young people under 17 travel free on the transport network and wide aisle gates improving access for disabled people have been developed and trialled by London Underground.
- 3.1.3 Achievement of Level 4 in the Local Government Equality Standard and the 2005 Opportunity Now Public Sector Award for London Underground's Managing Diversity Competence programme are indicative of this success of the work done by TfL.

3.2 Workforce Diversity

- 3.2.1 In 2003 reliable data systems were established to monitor workforce composition. TfL has made progress in diversifying the workforce in all areas since 2003 when the amalgamation with LU was completed. In 2003 21.3% of TfL's staff were women; by the end of 2006/07 this had increased to 23.3%. In 2003 19.1% of senior management staff were women and this had risen to 20.2%. In 2003 BAME staff constituted 31.8% of the workforce and this again has risen to 33.6% by 2006/07.
- 3.2.2 Over the same period the proportion of BAME staff at senior levels has also risen from 6.6% to 11.7%. Over the past 12 months TfL has been working with organisations such as the Hindu Council and the British Sikh Association to develop specific actions which will benefit the Asian community. Monitoring figures for March 2007 showed 16.07% employees were Asian. The proportion of disabled staff has also increased from 1.4% in 2003 to 7.2% in 2006/07. Monitoring of disabled staff at senior levels started in 2006.

3.2.3 In December 2003 TfL implemented the new Employment Equality Regulations (Religion and Belief and Sexual Orientation) and began to monitor these dimensions of our workforce.

3.3 Policy Development – Key achievements

3.3.1 TfL has mainstreamed equality and inclusion activity within the business planning process. The 2004/05- 2009/10 business plan marked the start of TfL reflecting intended equality benefits and outcomes within business plans investment programmes.

3.3.2 A review of the process for carrying out Equality Impact Assessments (EQIAs) was completed in 2006. A comprehensive guide supported by training for the completion of EQIAs has been rolled out. TfL's employment policies are currently being reviewed and all revised policies have been impact assessed.

3.3.3 In 2007 TfL launched the Independent Disability Advisory Group (IDAG) to support the delivery of TfL's accessibility programmes and monitoring progress. This body is the first of its kind for a transport body.

3.4 Community Engagement - Key Achievements

3.4.1 TfL has sponsored a number of GLA community events and conferences with prominent display stands, staffed by TfL employees. These include: Capital Woman, Women in the London Economy, Disability Capital, the Rise festival and the faith festivals including Vaisakhi, Diwali and Eid. Large numbers of the public attend these events, for example almost 4000 people attended Capital Woman and 20,000 people attended Vaisakhi in 2007. These events provide a major platform to promote TfL services and employment opportunities to diverse communities.

3.4.2 Extensive work on consultation has been carried out as part of the development of the Disability Equality and Gender Equality Schemes. Examples of innovative practice include the Citizen's Jury hosted by TfL in February 2006. This was cited by the Disability Rights Commission as an example of best practice in involving disabled people. Other events for older and young people and people with learning disabilities have set benchmarks for engagement across the organisation.

3.5 Exemplary Employer - Key Achievements

3.5.1 Over the last two years the Group Equality and Inclusion team has established six staff network groups to identify common workplace issues across the BAME, gender, faith, age, sexual orientation and disabled agendas. Membership of all teams is open to all staff across TfL.

3.5.2 TfL has taken part in both the Stonewall and the Opportunity Now Benchmarking surveys over the past few years and is the most improved public sector body in the country (currently ranked 8th in the Stonewall Index). Having identified the need to raise issues regarding women in transport, TfL established and launched the Women's Transportation Seminar London (WTS London) in 2005. WTS is committed to leading the London agenda for women in transport.

- 3.5.3 Within the Operational Modes Group Equality & Inclusion leads and supports best practice. The award winning Managing Diversity and Competence programme (MDCP), which equips LUL managers with the skills to manage diversity, has trained 52 senior managers and 132 middle managers. The programme is highly regarded among staff and is being rolled out to over 700 operational managers. The scheme is also being rolled out across Surface Transport.
- 3.5.4 A review of equality and inclusion training in 2005 led to the development of the Valuing People course. This sets out the TfL context for equality, inclusion and diversity and aims to equip individuals to take on their personal responsibility for promoting equality. The course is compulsory for all new starters. Over 800 people have attended Valuing People in the last 18 months.
- 3.5.5 In 2006 TfL established an organisation-wide mentoring programme, which successfully recruited and matched 100 mentors and mentees from diverse backgrounds. 48% of participants are BAME staff, 46% women, 9% LGBT staff and 4% disabled employees.

3.6 Surface Transport - Key Achievements

- 3.6.1 By December 2005 all London buses provided low floor access, a major improvement which increases access for wheelchair users and passengers with buggies.
- 3.6.2 In 2000 approximately only 63% of bus ramps were operational. By 2006/07 99% were operational.
- 3.6.3 Disability equality training became part of a BTEC vocational qualification, compulsory for all bus drivers in October 2002. This training helped to secure the achievement of Beacon Status for London Buses in 2004/05.
- 3.6.4 The Travel Assistance scheme launched in 2005/06 is encouraging a greater number of disabled people to use public transport services independently. Since April 2006, 600 people have used the scheme.
- 3.6.5 During 2003/04 TfL progressed the development of the 'iBus' initiative which will be rolled out across the entire London bus network by 2009. Bus travelers will have access to real time information about the bus network in audible and visual format. A revised countdown system at bus stops is also being developed to complement the on bus displays.
- 3.6.6 October 2002 also marked the launch of the 'Know what you are getting into' campaign by the Mayor as part of the Safer Travel at Night programme. The goal was to raise awareness, particularly in women, of the risks of traveling with illegal "minicab" drivers (touts).
- 3.6.7 The Public Carriage Office (PCO) delivered a marketing campaign in 2005/06 to highlight the benefits of becoming a licensed private-hire driver, targeted at women and BAMEs to increase the representation of these groups in the licensed taxi sector.

- 3.6.8 The number of BAME drivers currently undertaking the “Knowledge” has risen from 22% of new applicants in 2004/05, when lawful positive action activities were specifically introduced, to 27% in 2006/07.
- 3.6.9 The number of people killed or seriously injured on London’s roads to have fallen from 6,016 (2001) to 3,650 (2005), a reduction of 39%. The number of children killed or seriously injured on London’s roads have fallen from 717 (2001) to 355 (2005), a reduction of 50% was achieved four years ahead of national Government targets.

3.7 London Underground - Key Achievements

- 3.7.1 In 2002 London Underground had 39 step-free stations. This has risen to 47 stations, with 3 more in development. LU’s programme includes a commitment to achieve 25% step free access to stations by 2010 and 33% stations step-free by 2013 (92 stations).
- 3.7.2 TfL developed the wide aisle ticket gate in 2003/04 and began the testing of the gates at Canary Wharf Underground Station in 2005/06 with disabled people and others who would benefit from a wider gate.
- 3.7.3 During 2004, London Underground (LU) reported a rise in female and BAME entrants to the Modern Apprenticeship scheme (from 0% female to 16%, 0% BAME to 21%) and launched its first gender specific Customer Service Assistant (CSA) campaign. Along with creative advertising and other lawful positive actions, LU has increased its female representation at the CSA level to over 26% compared to 21% in 2003.
- 3.7.4 The London Underground, Managing Diversity and Competence programme (MDCP), which is equipping LU managers with the skills to manage diversity, won the ‘Opportunity Now’ award in March 2005.
- 3.7.5 By the end of 2005/06, all 8,000 front line London Underground Staff received Disability Equality Training. The Wembley Park station received a Guide Dogs award for service delivery.
- 3.7.6 In 2005/06 LU started to pilot a work experience project for disabled people in station/operational environments. To date 6 people have completed this programme.

3.8 London Rail - Key Achievements

- 3.8.1 The DLR was designed from the outset to provide fully step-free access across the network.
- 3.8.2 The development of the DLR ambassador’s scheme from 2004/05 set good practice in involving the local communities who live along the DLR route (especially in the London Borough of Tower Hamlets). The ambassadors have encouraged communities to work with London Rail to improve information about the services and security at stations.

3.9 Corporate Services - Key Achievements

- 3.9.1 During 2003/04 TfL began to mainstream equality and inclusion within the business planning process. The 2004/05 - 2009/10 business plan marked the start of TfL reflecting intended equality benefits and outcomes within business plans, business case development and investment programmes.
- 3.9.2 TfL secured, through the spending review in 2004, sufficient budget to achieve further accessibility improvements, actions to reduce congestion, the building of further transport links and capacity improvements.
- 3.9.3 Based on experience gained through the East London Line rolling stock and main works procurements, four supplier diversity requirements are being inserted into major contracts, where relevant and appropriate. Supplier diversity requirements have been included, in a number of major projects, as well as some large procurement transactions:

The Street Management Term Maintenance Contracts

The DLR operating concession

The Engineering and Project Management framework

4 Equalities Implications

- 4.1 This report highlights achievements for equality achievements between 2000 and 2006.

5 Crime and disorder implications

- 5.1 There are no crime and disorder implications.

6 Recommendations

- 6.1 Panel members are asked to note the contents of this report.

TRANSPORT FOR LONDON

CORPORATE AND EQUALITIES ADVISORY PANEL

SUBJECT: Trade Union Engagement

MEETING DATE: 18 May 07

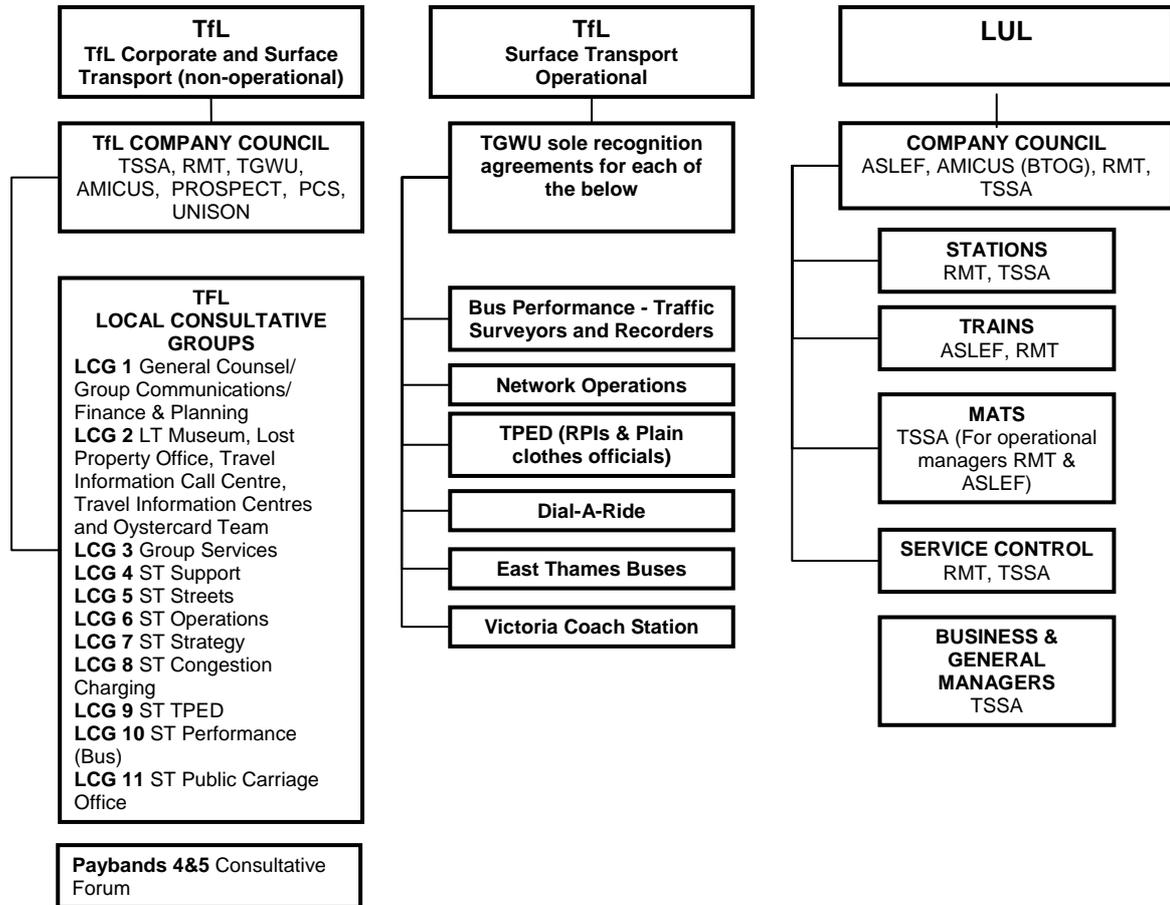
1 Purpose

- 1.1 This paper summarises the formal trade union machineries of consultation and negotiation across the TfL Group.

2 Background

- 2.1 There are primarily three groups across TfL for formal trade union engagement. These are TfL - Corporate Directorates and Surface Transport (non-operational), Surface Transport (Operational) and London Underground Limited. This approach ensures that the differences in operating requirements of each group can be taken into account when reaching an agreement with the trade unions
- 2.3 Within each of the groups identified in 2.1, the engagement with the trade unions is further defined. Primarily there is a distinction between matters that are dealt with at the company level and that at the local level. This ensures that decision making lies at the lowest possible level. Signed agreements with the trade unions (machineries of negotiation and consultation) formalise the engagement with the trade unions, and they are summarised overleaf in the diagram (Fig 1).
- 2.5 Additional engagement and informal discussions with trade unions also takes place. Meetings on matters such as Equality & Inclusion and pensions (Pensions Working Group) are good examples of issues that are addressed in this way.

3. Summary of the machineries of negotiation



4. TfL - Corporate Directorates and Surface Transport (non-operational)

- 4.1 Following 14 months of discussion and negotiation with the trade unions, a Framework for consultation and negotiation has been agreed. Prior to this agreement there was an ad hoc method of working with the trade unions in the absence of formalised structure, especially at local level. The trade unions are in the process of signing the Framework in advance of a formal launch on 31 May 2007.
- 4.2 The new structure provides the procedural framework for joint consultation and collective bargaining in the interests of TfL and its employees which assists in promoting an overall environment of stability and consistency for industrial relations. The structures ensure that Senior Managers and Directors retain ownership of issues and that decisions are made at the lowest possible level
- 4.4 Company Council is a forum where negotiation on terms and conditions (pay, hours, annual leave) occurs. It is also where consultation on employment policies and procedures, company initiatives, business plans occurs. An overview of modal activities is also provided. Meetings are held on a quarterly basis and are attend by all seven unions (AMICUS, PROSPECT, PCS, RMT, TGWU, TSSA, UNISON)

4.5 Local Consultative Groups do not negotiate but there is consultation on the local application of employment policies and procedures, local initiatives, and organisational change meetings. The meetings are held on a quarterly basis.

4.6 Local level representation allows additional meetings with the local trade union representatives to discuss organisational change and other general day-to-day issues to obtain resolutions where possible.

5. TfL - Surface Transport (operational)

5.1 For Surface transport there are 6 different agreements (all of which are solely with the TGWU) that reflect the different operational requirements and the history of the different areas. Some of the areas, in conjunction with the TGWU, have introduced a Fair Share Agreement. The six individual agreements are as follows:

Bus Performance–Traffic Surveyors and Recorders
Network Operations
TPED (Revenue Protection Inspectors and Plain clothes officials)
Dial-a-Ride
East Thames Buses
Victoria Coach Station

5.2 Within these agreements there is no distinction between the company and local level. There is however a forum for negotiation on terms and conditions (pay, hours, and annual leave) and any other topic that it is agreed in writing should be the subject of negotiation. There is also consultation on employment policies and procedures, company initiatives and business plans.

6. London Underground

6.1 The agreement provides a procedural framework for joint consultation and collective bargaining in the interest of London Underground and its employees through a representative system.

6.2 The collective machinery supports London Underground's efforts to instil in its employees an emphasis on the customer, both internal and external. It ensures that decision making authority must rest at the lowest level appropriate to the subject matter in question

6.3 Company Council is the forum for negotiation on general pay awards, general terms and conditions of employment, principles of employment, proposed changes to the Machinery of Negotiation and Health and Safety Machinery. The meetings are attended by 4 unions (ASLEF, BTOG, RMT, TSSA).

- 6.3 Functional Council provides a platform for consultation on the application and operation of the disciplinary procedure, application of equal employment opportunities, changes to timetables and schedules, training (excluding safety training, which will be discussed within the Health and Safety Machinery). There are five individual councils and they are Stations and Revenue Control, Trains, Signalling Operations, Support Managers & Administrative, Technical and Operational Managers and Managers.
- 6.4 Local level representation TU representatives must be employed within the Functional Unit for which they are appointed and be a member of a recognised trade union. Local representatives must be currently employed by London Underground and be working within the constituency in question and a member of a relevant trades union party to the agreement. At this level there may discussion and resolution on local application of agreements reached at other levels within the collective bargaining machinery. Collective grievances may also be discussed at this level in accordance with the option within the Individual Grievance Procedure.

7. Equalities implications

- 7.1 There are no specific equalities implications within the scope of this document. The machineries of negotiation do not affect the right of all employees to join a trade union of their choice, nor does the application of the machineries treat any employee less favourably on the grounds of age, disability, nationality, ethnic or national origin, sex, race, religious or cultural belief, sexual orientation or transgendered status.

8. Crime and disorder implications

- 8.1 There are no crime and disorder implications within the scope of this document.

9. Recommendations

- 9.1 Panel members are asked to **note** the contents of this report.

TRANSPORT FOR LONDON

CORPORATE AND EQUALITIES ADVISORY PANEL

SUBJECT: CORPORATE STRATEGIC RISKS

MEETING DATE: 18 May 2007

1. PURPOSE

The purpose of this paper is to update the Panel on the elements of the TfL Strategic Risk Register that have a direct bearing on the corporate directorates. The Committee is asked to NOTE the contents of this paper.

2. BACKGROUND

There are currently thirteen TfL strategic risks. On the basis of excluding purely financial and operational risks, TfL Corporate has responsibility for managing four of them. These are Risk 2 (Quality and quantity of people); Risk 6 (IM systems and strategy); Risk 8 (Industrial relations) and Risk 12 (Governance). The Commissioner owns all thirteen strategic risks, but in the majority of cases has devolved responsibility for the mitigation strategies to appropriate Managing Directors across the business. In the case of Risks 2 and 8, mitigation responsibility has been allocated to the MD Group Services, whereas for Risk 12 the General Counsel takes the lead. Risk 6 (IM) was until recently managed by MD Group Services, but is now the responsibility of MD Finance.

3. STRATEGIC RISK REGISTER

The strategic risks were originally captured at a Chief Officer workshop held in 2003. The aim was to capture a “top-down” view of the risk profile for the organisation. During the workshop risks were identified through a brainstorming exercise and then clustered under overall headings. These headings were used for the main risks in the Strategic Risk Register, with other identified risks retained as sub-risk elements. This enables the focus to be placed upon the key generic risk areas, without losing sight of the important contributory risks, or causes. Originally, however, the main focus for management was upon the Risk Map rather than upon the Register. The emphasis was upon ensuring that the key risks had been identified and were being treated as priorities as part of business operations and planning.

Since the original workshop the Risk Map has been validated and refreshed annually – either through one-to-one meetings with Chief Officers or through a workshop session.

For example, the latest workshop was held with all of the Chief Officers in September 2006. The workshop was timed to tie-in with the closing phase of the Business Planning cycle.

Over the last two years the supporting Strategic Risk Register has significantly matured as a document. During early 2006 the Register was extensively updated by the members of the Risk Management Group. This is a group of directors and senior managers that meet at least quarterly to review progress on strategic risks. The establishment of this group in 2005 has enabled the organisation to move forward rapidly on the detailed elements of the strategic risk process.

4. CORPORATE RISKS

The following table summarises the level of current risk exposure for the three Corporate strategic risks, along with some key mitigation activities already in hand. This is not intended to be a full representation of the all of mitigation controls and initiatives, but is provided more as assurance that effective strategies are in place.

Risk	Risk Level	Mitigation Highlights
Risk 2 Quality and quantity people	HIGH	<ul style="list-style-type: none"> - Manpower plan - Key “hot” skills gaps identified - Graduate recruitment and management simplified and improved - Reward and retention programme
Risk 6 IM systems & strategy	HIGH	<ul style="list-style-type: none"> - Highly-respected IM specialist appointed as permanent CIO - Successful transition to a new intermediate desktop provider

Risk	Risk Level	Mitigation Highlights
Risk 8 Industrial relations	MEDIUM	<ul style="list-style-type: none"> - Developed framework for Consultation and

		Collective Bargaining - Multi-year pay deals
Risk 12 Governance	LOW	- Corporate Governance Framework and Policy - Revised Standing Orders - Legal Compliance Report - Training and e-learning initiatives

As with all of the strategic risks, the above risks are mapped to risks and mitigating strategies already in place within the directorates. This mapping and cross-referencing enables us to avoid duplication and to understand the relationship between strategic and operational risks.

5. RISK REPORTING

The Risk Register is a living document, used to manage and monitor risk strategies for the strategic risks. It is updated quarterly by the Head of Risk Management as part of the discussions with directorate representatives on risk mitigation progress. However, in addition to this document, a quarterly report is prepared for the Commissioner giving the position on each of the thirteen strategic risks. In this report each risk is awarded a mitigation, or control, status.

This status (given on a red / amber / green scale) is intended to highlight areas where progress on risk mitigation should be improved. The focus is placed upon those areas where proposed mitigating actions have been progressed slower than originally planned, or where current mitigating strategy is proving to be ineffective and where inadequate corrective action is being put into place. The current status for strategic risks 2, 8 and 12 is “green”. Risk 6, the IM risk, has a status of “amber”. Whilst this is a matter for management concern, there is positive evidence of improvement in the area – the previous Quarter’s status was “red”. This status reflected a number of operational issues which diverted management from establishing a number of key mitigating elements. These related to IM strategy and governance – areas which are now being actively addressed.

4. RECOMMENDATIONS

The Panel is asked to NOTE the contents of this paper.

Cross Ref:	Secretariat Record Number 8
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TRANSPORT FOR LONDON
CORPORATE AND EQUALITIES ADVISORY PANEL

SUBJECT: Information Strategy

MEETING DATE: Friday 18 May 07

1 Purpose

- 1.1 The recently appointed Chief Information Officer, Phil Pavitt, will provide a presentation on Information Management Strategy. Within the presentation an update on specific programmes such as the Customer Services Integration Programme (CSIP) will be covered.
- 1.2 The presentation has been included in the briefing pack to provide members of the panel with background material. However, it should be noted that more complex slides will be supplemented by handouts at the meeting.

2 Equalities implications

- 2.1 The Information Management Strategy will ensure that specified requirements for challenged community users are implemented during programme delivery.

3. Crime and disorder implications

- 3.1 Potential crime and disorder implications will be addressed during programme delivery.

4. Recommendations

- 4.1 Panel members are asked to **note** the contents of the presentation.

TRANSPORT FOR LONDON
CORPORATE AND EQUALITIES ADVISORY PANEL

SUBJECT: Sustainable Procurement

MEETING DATE: 18 MAY 2007

1 Purpose

- 1.1 This paper is primarily designed to give the Panel an update on implementation progress of the GLA Group Sustainable Procurement Policy.

2 Background

- 2.1 The Mayor is “*seeking to develop London as an exemplary sustainable world city*”. To meet this challenge, in March 2006 the members of the Greater London Authority (GLA) Group agreed a GLA Group Sustainable Procurement Policy outlining their approach to sustainable procurement.

- 2.2 The seven key themes of the GLA Group Sustainable Procurement Policy are:

- Encouraging a diverse base of suppliers
- Promoting greater environmental sustainability
- Promoting fair employment practices
- Promoting workforce welfare
- Meeting strategic labour needs and enabling training opportunities
- Promoting community benefits
- Encouraging ethical sourcing practices

- 2.3 On 31 March 2006 the Mayor issued a Direction and Delegation to TfL to adopt and implement the GLA Group Sustainable Procurement Policy. Under the GLA Act, TfL must comply with Directions of the Mayor when exercising its functions.

3 Sustainable Procurement Implementation Overview

- 3.1 Good progress has been made by TfL Group Procurement within a number of the themes listed in 2.2 above: the Supplier Diversity programme; promoting Environmental Sustainability; Promoting Fair Employment practices (through The London Living Wage programme); and Encouraging Ethical Sourcing Practices.

- 3.2 Both the Policy for The Mayor's Green Procurement Code and a Supplier Diversity Policy have been published. A number of procurement toolkits, consisting of guidance, processes and standard templates, have been developed to enable procurement professionals to incorporate both supplier diversity and "green" procurement requirements (including sustainable timber) into each step of the process, from specification to contract.
- 3.3 The TfL procurement procedures have been updated to include instructions and guidance on considerations to implement supplier diversity and "green" procurement requirements into the procurement process from the start. A draft TfL Ethical Sourcing Policy is currently being circulated for comment.
- 3.4 Incorporation of Sustainable Procurement requirements must be undertaken in compliance with relevant EU and UK law. Under UK Procurement Law, there must be no discrimination against other member states and requirements must relate to subject matter of contract. There must also be no positive discrimination that contravenes UK Employment Law. TfL must comply with its Best Value obligations by demonstrate value for money at all times.
- 3.5 Sustainable Procurement is being implemented in new contracts on a case-by-case basis and is being addressed as the procurement strategy is developed, rather than an afterthought once contract terms and conditions have been agreed.
- 3.6 A Sustainable Procurement Working Group has been established, consisting of members from all procurement teams within TfL, which ensures implementation is optimised across the organisation. This working group complements the steering group chaired by the GLA and made up of representatives from all Functional Bodies.

4 Supplier Diversity

- 4.1 TfL is inserting Supplier Diversity requirements into OJEU, PQQs, ITTs and contract conditions, where relevant, including:
 - Equality Policy
 - Diversity Training Plan
 - Supplier Diversity Plan
 - Communications Plan

- 4.2 As of May 2007, Supplier Diversity requirements have been included in a number of major and other procurement projects, including:

Project	Award Date	Initial Value
East London Line: Rolling Stock Manufacture & Maintenance	September 06	£223m
East London Line: Main Works	October 06	£336m
London Overground Operating Concession	April 07	£60m pa over 7 years
East London Transit Main Works	June 07	£19m
Thames Gateway Bridge Main Works	Proposed 2013	£500m (estimate)
DLR Concession Re-let	June 06	£400m
SAP Frameworks (various lots)	September 06	£60m
Term Maintenance Contracts	December 06	£1.2bn over 10 years
IM Bespoke eLearning Framework	March 07	£1m
London Overground Ticket Vending Machines	May 07	£7m
Palestra Main Works	June 07	£9m
Traffic Control System Maintenance	October 07	£200m
London Road User Charging Contract	October 07	£300m

- 4.3 TfL Procurement is also undertaking a pilot scheme with existing suppliers on the Project Management & Engineering Framework, working with each to develop an action plan to achieve TfL's four Supplier Diversity requirements as set out in section 4.1 above.
- 4.4 The total value of purchase orders raised with diverse suppliers during 2005/6 was £152.6m, 9.5% of total spend. This can be broken down into:
- £149.4m (9.3%) with reclassified SMEs
 - £11.4m (0.71%) with self-classified BAMEs
 - £9.6m (0.6%) with self-classified Female Owned companies
- 4.5 TfL is using the Supply London database, managed by PERA on behalf of the LDA, and supply2.gov.uk to publish information on low value contracts.
- 4.6 Meet the Buyer events are being hosted to help SME and BAME businesses build relationships between themselves, with TfL's major suppliers, and TfL itself.
- 4.7 TfL facilitated a Meet the Buyer event on 18th October 2006. A report was published highlighting the successes from the event:
- 603 suppliers attended to meet the 49 buying firms
 - 2,737 supplier / buyer meetings took place against a pre-event forecast of 1,152

- 97% of clients surveyed on leaving the venue said they would attend again. They also said that 86% of the suppliers they met would definitely or probably win business in the future
- 97% of Suppliers surveyed on leaving the venue said they would attend again
- 84% also said that they felt confident that they would win business in the future as a result of the event
- 22% of the firms attending confirmed that they were BAME's which exceeded the pre-event target of 20% and up from 7% in 2003
- 16% of the firms attending were women majority owned. This is higher than in 2003 where the figure was 14%
- 81% of seminar attendees rated the seminars as meeting or exceeding expectations

5 Environmental Sustainability

- 5.1 Initial work to deliver greater environmental sustainability through procurement followed engagement with London Remade, the organisation responsible for delivering the Mayor's Green Procurement Code.
- 5.2 TfL progressed to the highest level of the Mayor's Green Procurement Code (level B2) in 2006 following the implementation of a pan-TfL green procurement programme. By agreeing to level B2, TfL must, with London Remade's assistance, set realistic targets and measure progress towards those targets. Progress is monitored both through the London Remade annual Purchase Report and dedicated green reporting requirements within TfL's terms and conditions of contract.
- 5.3 As of May 2007, Green Procurement requirements have been included in a number of major projects and other procurements, including:

Project	Award Date	Initial Value
London Underground Advertising Concession	July 06	£250m revenue over 7 years
Cleaning of Bus Station & Stands and On-Bus Cleaning	August 06	£10m over 5 years
Bus Shelter Cleaning	August 06	£10m over 5 years
Highway Maintenance Contracts	December 06	£1.2bn over 10 years
Group Furniture Contract	April 07	£12m
Traffic Control System Maintenance	April 07	£200m
London Overground Ticket Vending Machines	May 07	£7m
Palestra Main Works	June 07	£9m
London Road User Charging Contract	October 07	£300m

5.4 There have also been a number of “quick win” projects launched to support the Environmental Sustainability programme, including replacing bottled water coolers with plumbed-in units in head offices, replacing standard virgin A4 printer paper with 80% recycled paper (EP4) without a change in look or feel and giving greater visibility of “green” stationery products available for purchase on SAP.

6 Sustainable Timber

6.1 In February 2007, the GLA published the “Sustainable Timber Policy”. TfL has adopted the policy and developed contract terms, conditions and performance indicators that implement to implement the policy.

6.2 The accepted certified schemes for sustainable timber are:

- Forest Stewardship Council (FSC)
- Canadian Standards Association (CSA)
- Programme for the Endorsement of Forest Certification (PEFC)
- Sustainable Forestry Initiative (SFI)

6.3 Implementation is being led by the Group Furniture Contract (expected award in April 2007; initial value £12m).

6.4 Next steps include developing standard texts for new TfL contracts, which will be available for all TfL procurement personnel to use, where relevant, from May 2007.

7 Promoting Fair Employment through the London Living Wage (LLW)

7.1 The LLW rate for 2007/08 is £7.20 as of 2nd April 2007 (the National Minimum Wage is £5.35). No direct TfL employees are paid below this rate.

7.2 In view of the new age regulations which came into force on 1st October 2006, the GLA has dropped the Youth Living Wage proposal and recognises that a lower rate may be paid to those in training posts.

7.3 A requirement to pay the London Living Wage has so far been included in four contracts:

Project	Award Date	Initial Value
Cleaning of Bus Station & Stands and On-Bus Cleaning	August 06	£10m over 5 years
Victoria Coach Station Cleaning & Toilet Attendants	December 06	£2.5m over 3 years
Highway Maintenance Contracts	December 06	£1.2bn over 10 years
Traffic Control System Maintenance	October 07	£200m

7.4 The benefits of implementing the LLW are difficult to quantify financially. However, the initial impact on the Cleaning of Bus Stations & on Bus Cleaning contract has been positive, with the contractor reporting:

- Easier recruitment
- Higher quality staff
- Lower turnover
- Better attendance
- Better productivity, motivation and loyalty

7.5 Detailed feedback is not yet available for the Victoria Coach Station Cleaning & Toilet Attendants contract, but initial reaction of staff appears to be good and similar effects as on the Bus Stations contract appear likely.

8 Encouraging Ethical Sourcing Practices

8.1 In December 2006, London Underground (LUL) became the first public sector body to join the Ethical Trading Initiative, a UK-based alliance of companies, NGOs and trade union organisations working to promote and improve the implementation of corporate codes of practice which cover supply chain working conditions.

8.2 As part of ETI membership, LUL has to submit an annual plan detailing how it will meet its membership obligations and an annual report detailing its findings from monitoring the supply chain in the previous year. It is also committed to joining any relevant ETI initiatives or activities.

8.3 The ETI Base Code will now be adopted and included in all future tenders and contracts for LUL uniform garments. The first contract was for the Supply of Uniform Footwear, awarded in January 2007; the contract commences in June 2007.

8.4 A draft pan-TfL Ethical Sourcing Policy has been produced and is being circulated internally for comment.

9 The Pan-GLA Sustainable Procurement Team

9.1 The Pan-GLA Team will work across the GLA functional bodies and be hosted by TfL. The team is needed to help the functional bodies, who are all grappling with the same issues. Accountability for implementation will remain with the functional bodies.

9.2 The team will:

- Champion sustainable procurement and provide training for each function body
- Act as a focus for best practice, practicable solutions, compliance and data collation
- Develop detailed advice on procurement procedures and contract terms
- Lead on jointly sponsored work
- Advise on making functional bodies procurement processes more accessible
- Monitor delivery against project plans and provide a verification function

9.3 All Functional Bodies have agreed to jointly fund the team, which is planned to be in place by the summer 2007. It is proposed that the team will be made up of approximately four procurement professionals.

10 The Mayor's Delegation and Direction

10.1 Under TfL's Standing Order No. 1 paragraph 18, TfL is required to report any Directions from the Mayor to a Board meeting as soon as reasonably practicable.

10.2 Following the adoption (MA2631) of the Mayor's Sustainable Procurement Policy across the GLA Group, the Mayor has directed and delegated TfL to establish and operate the Cross-GLA Group Sustainable Procurement and Supplier Diversity Implementation Support Team (MA3006).

10.3 It is recognised that each GLA Group body is grappling with similar issues regarding the sustainable procurement policy and that support for implementation can most effectively be provided by pooling resources and that this will be best attended to by establishing the Cross-GLA Group Sustainable Procurement and Supplier Diversity Implementation Support Team.

10.4 The establishment of the team seeks to maximise value for money by ensuring members of the GLA Group benefit from economies of scale and avoidance of duplication. The team will be staffed by senior procurement specialists (supported by an administrative officer) and will be funded on a shared basis, with financial contributions varying to take account of the relative scale of the procurement activities of each organisation in the GLA

10.5 Group, and in the case of the LDA, the particular relevance of the sustainable procurement agenda to its core activities. Accountability for implementation of the sustainable procurement policy will remain with each functional body, but each functional body will benefit from the support of the Team.

- 10.6 On 18 April 2007 the Mayor issued a Delegation and Direction to TfL to undertake the revision of the Transport Strategy. The effect of the Delegation and Direction is that TfL will establish and operate the Cross-GLA Group Sustainable Procurement and Supplier Diversity Implementation Support Team.
- 10.7 The Team will be based at TfL to take advantage of economies of scale within a large procurement function, and to build on progress already made within TfL. TfL will also contribute to the running costs of the Team. Board Members will note that the Delegation and Direction refers to a Mayoral Approval Form which is available from Company Secretariat.

11 Best Value Obligations

- 11.1 TfL understands that to include Sustainable Procurement requirements retrospectively into existing contracts could potentially be expensive. Implementation therefore remains on a contract-by-contract basis for relevant new contracts and relevant existing contracts as they come up for renewal.
- 11.2 The objective remains to achieve the requirements of the GLA Group Sustainable Procurement Policy within the existing financial constraints of the TfL Business Plan.
- 11.3 By virtue of the Local Government Act 1999, TfL is a "best value authority" which means, in brief, that it must "*make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness*". The references to efficiency and economy are, of course, very similar to the requirement of TfL's general transport duty set out in the GLA Act 1999.
- 11.4 The legislation describes in outline the methods TfL should use when making those arrangements, namely that it should:
- challenge current service provision
 - compare itself to other best value authorities
 - consult with users
 - assess the competitiveness of the services provided.
- 11.5 Clearly, therefore, good, competitive procurement can play a key role, not only in delivery of these requirements but in being able to demonstrate that it has done so. The original requirement to assess all services over a five year rolling programme has in recent years been relaxed so that TfL can focus its efforts in reviewing those services it feels need attention.

- 11.7 As well as TfL's Best Value obligations and general fiduciary duty, careful attention continues to be given at all times to:

non-commercial considerations – Research conducted for ODPM ("Handling of Workforce Matters in Procurement", August 2002) indicated that information on how a supplier manages and develops its workforce is important for allowing an authority to be confident of the quality and continuity of the service

public procurement law – TfL is subject to EU and UK procurement law where the contract in question is of a type governed by that law and above specified monetary thresholds. If TfL fails to comply with its obligations in this regard, a range of actions may be taken, the key one of which is challenge by aggrieved bidders or the European Commission. If successful, this can lead to the setting aside of the procurement process or, if a contract has been completed, an award of damages to the claimant

powers – Any step taken by TfL must be positively authorised by legislation. Actions that do not have an appropriate basis on law can be challenged as being *ultra vires*

employment law – If the contractor applying any Sustainable Procurement requirements does not do so equally across its workforce, this could potentially give rise to claims of discrimination by employees or individuals against the contractor. Similar issues may also arise where there are significant numbers of agency staff within the workforce performing any particular contract

- 11.8 The issues raised in each of these areas must be satisfactorily addressed in each procurement where Sustainable Procurement requirements are proposed to be implemented. Sustainable Procurement must, therefore, be implemented on a case by case basis and a blanket policy applying to all contracts would not be lawful.
- 11.9 Close evaluation of the GLA Group Sustainable Procurement Policy has led to the conclusion that a generic specification of this in contracts will dilute the implementation and scope. As not all the themes in section 2.2 may be relevant to the contract or may not apply equally or proportionately, the agreed approach is to judge which of the theme(s) is / are most relevant before converting this to a specification.
- 11.10 An example is the Thames Gateway Bridge, which includes several of the above mentioned relevant themes, namely supplier diversity, environmental considerations and the London Living Wage.
- 11.11 In future, the GLA Group Sustainable Procurement policy or its relevant themes will be regarded as an integral part of the specification of the goods, works or services being procured. These will be evaluated during the overall Best Value assessment as part of the standard procurement process.

11.12 Any contract award containing Sustainable Procurement requirements will be governed by the standard operating processes and the final decision on whether the contract meets TfL's Best Value obligations will rest within the standard business governance procedures. The procurement project team will recommend the contract award though the appropriate approver will make the final decision depending on the value of the transaction, in line with the Standing Orders. The support of Corporate Finance will be sought, if appropriate.

12 Recommendations

11.1 The Corporate & Equality Advisory Panel is asked to **NOTE** this report.

TRANSPORT FOR LONDON
CORPORATE AND EQUALITIES ADVISORY PANEL

SUBJECT: Accommodation Strategy

MEETING DATE: Friday 18 May 07

1 Purpose

- 1.1 In the Accommodation Strategy Paper approved by the TfL Board on 28th June 2006, the consolidation of accommodation for “non-core” activities was identified as an independent work-stream to be reported separately (paragraph 4.4 of that Board paper).
- 1.2 Significant analysis has been carried out to date on this aspect of the TfL accommodation review and a case compiled for Service Site collocation. This has included the specifying and referencing of the open market search, the compilation of a short list and the identification of preferred accommodation options.
- 1.3 Group property & facilities will provide an update to members of the panel on progress that has been made to date. The presentation will not appear in the briefing pack as there are commercially sensitive matters that would be inappropriate to circulate before the meeting.

2 Equalities implications

- 2.1 Equalities implications resulting from the accommodation strategy have been considered within the workstream.

3. Crime and disorder implications

- 3.1 Potential crime and disorder implications have been considered within the workstream.

4. Recommendations

- 4.1 Panel members are asked to **note** the contents of the presentation.