About Transport for London (TfL)

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor’s aims for transport.

We have a key role in shaping what life is like in London, helping to realise the Mayor’s vision for a ‘City for All Londoners’. We are committed to creating a fairer, greener, healthier and more prosperous city. The Mayor’s Transport Strategy sets a target for 80 per cent of all journeys to be made on foot, by cycle or using public transport by 2041. To make this a reality, we prioritise health and the quality of people’s experience in everything we do.

We manage the city’s red route strategic roads and, through collaboration with the London boroughs, can help shape the character of all London’s streets. These are the places where Londoners travel, work, shop and socialise. Making them places for people to walk, cycle and spend time will reduce car dependency and improve air quality, revitalise town centres, boost businesses and connect communities.

We run most of London’s public transport services, including the London Underground, London Buses, the Docklands Light Railway, London Overground, TfL Rail, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the Emirates Air Line. The quality and accessibility of these services is fundamental to Londoners’ quality of life. By improving and expanding public transport, we can make people’s lives easier and increase the appeal of sustainable travel over private car use.

We are moving ahead with many of London’s most significant infrastructure projects, using transport to unlock growth. We are working with partners on major projects like Crossrail 2 and the Bakerloo line extension that will deliver the new homes and jobs London and the UK need. We are in the final phases of completing the Elizabeth line which, when it opens, will add 10 per cent to London’s rail capacity.

Supporting the delivery of high-density, mixed-use developments that are planned around active and sustainable travel will ensure that London’s growth is good growth. We also use our own land to provide thousands of new affordable homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means freezing fares so everyone can afford to use public transport, using data and technology to make services intuitive and easy to use, and doing all we can to make streets and transport services accessible to all. We reinvest every penny of our income to continually improve transport networks for the people who use them every day.

None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. We all need to pull together to deliver the Mayor’s Transport Strategy; by doing so we can create a better city as London grows.

Contents

5 Foreword
6 What is the ethnicity pay gap?
8 Our results
12 How we’re closing the pay gap
14 Written statement
London is one of the most diverse cities in the world. To serve our city well, we need to ensure that our workforce is made up of talented, diverse people who are truly representative of London.

But we are not there yet. Just over a quarter of our people are from black, Asian and minority ethnic (BAME) groups, a small proportion of whom are in senior management roles.

It is our job to examine why this is still the case, and create an organisation that more people from BAME groups choose to join, choose to stay and are able to do their best work. Only when we have more BAME talent progressing their careers and moving into senior leadership roles will we address the under-representation and related pay gap.

To be successful, we need to champion the richness that diversity brings and work hard to ensure this is a truly inclusive organisation that diverse talent wants to be a part of.

We recently appointed our new Director of Diversity and Inclusion – directly accountable to me – and the degree to which we represent London will be tracked on our scorecard as part of our core organisational performance.

But we need to do more. This is our first report which looks specifically at our ethnicity pay gap. It is an important step. Understanding and talking about what drives any pay gap is a key step towards closing it.

Mike Brown MVO
Commissioner
Transport for London
We calculate the ethnicity pay gap in two ways to give the clearest possible picture:

1. The mean shows the difference in average hourly pay between white and BAME employees

2. The median shows the difference between the middle paid white employee and the middle paid BAME employee at TfL

The mean pay gap summarises the overall pay of white and BAME staff, but it can be skewed by a small number of high or low earners in the group. The median gives a good idea of how much a typical white employee and BAME employee at TfL is paid.

* Our ethnicity pay gap calculation approach is in line with the Government regulations for calculating gender pay gaps.

The under-representation of BAME employees at a senior level, and therefore in higher paid roles, along with the larger proportion of BAME employees in operational areas, is reflected in the overall average hourly pay rates figures shown in the report.

* The figures in this section show the consolidated TfL median and mean ethnicity pay and bonus gap figures based on hourly rates of pay at 31 March 2017.

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**Our results**

**Pay**
Our overall hourly pay rates

<table>
<thead>
<tr>
<th>Pay quartiles</th>
<th>Median ethnicity pay gap by quartile</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>White</strong></td>
<td><strong>BAME</strong></td>
</tr>
<tr>
<td>Quartile</td>
<td>Median hourly pay</td>
</tr>
<tr>
<td>Upper</td>
<td>£35.97</td>
</tr>
<tr>
<td>Upper middle</td>
<td>£28.11</td>
</tr>
<tr>
<td>Lower middle</td>
<td>£24.62</td>
</tr>
<tr>
<td>Lower</td>
<td>£17.13</td>
</tr>
</tbody>
</table>

**Mean ethnicity pay gap by quartile**

<table>
<thead>
<tr>
<th><strong>White</strong></th>
<th><strong>BAME</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quartile</td>
<td>Mean hourly pay</td>
</tr>
<tr>
<td>Upper</td>
<td>£38.73</td>
</tr>
<tr>
<td>Upper middle</td>
<td>£28.50</td>
</tr>
<tr>
<td>Lower middle</td>
<td>£24.10</td>
</tr>
<tr>
<td>Lower</td>
<td>£17.20</td>
</tr>
</tbody>
</table>

The quartiles rank pay from lowest to highest and divide our employees into four evenly sized groups. Our under representation of BAME in the higher paid roles is evident in the proportion of BAME in the upper quartiles.
### Bonuses
Proportion of employees who received a bonus

<table>
<thead>
<tr>
<th>Received a bonus</th>
<th>Did not receive a bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>89.4%</strong> white employees</td>
<td></td>
</tr>
<tr>
<td><strong>87.5%</strong> BAME employees</td>
<td></td>
</tr>
</tbody>
</table>

### Bonus gap*

<table>
<thead>
<tr>
<th>Median (middle)</th>
<th>Mean (average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>46.4%</td>
</tr>
</tbody>
</table>

### What this all means...
Our ethnicity pay gap is a result of:

- Proportionately fewer BAME employees in higher paid senior roles. As senior roles are benchmarked on the individual role, salaries will vary.
- A greater proportion of BAME employees work in lower paid operational roles

This information, as well as analysis for operational and non-operational roles, is in our [full report](#).

* The mean bonus gap is higher than the median bonus gap due to having more employees from BAME communities in operational roles, in which they receive flat-rate bonuses and recognition awards, compared to the higher proportion of white employees in non-operational and senior management roles, who receive percentage-based bonuses.
How we’re closing the pay gap

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

What we’ve done so far:
• Appointed a Diversity and Inclusion Director. Directly accountable to the Commissioner, he is responsible for leading a focused strategy
• Added an ‘inclusion index’ to the TfL scorecard to make everyone more accountable for diversity and inclusion
• Ensured mentoring programmes support women and BAME colleagues in middle manager roles in London Underground Operations, where we have less BAME representation
• Our BAME Staff Network Group supports personal progression, champions equality and provides networking and mentoring opportunities
• Diverse interview panels now in our interview guidance for senior roles
• Unconscious bias training for all senior managers

What we’re working on:
• A Diversity and Inclusion dashboard, which will include a focus on the experiences of BAME employees in our workplace and have clear targets to increase the number of people in under-represented groups performing some roles. We’ll use it to measure progress and ensure action is taken to improve the experience of BAME employees
• A BAME leadership and development approach with partners in our Supplier Chain
• Anonymous job applications (blind CVs) to reduce the likelihood of bias at the application stage
• Establishing diverse and independent panels for interviews to ensure greater fairness and consistency in decision making
• Ensuring greater access to mentors and coaches for all our staff, but in particular BAME staff who are under-represented in more senior roles

What’s planned for 2018/19:
• More robust Diversity and Inclusion governance with clear accountabilities and indicators to measure progress in response to a target, which is reduced each year
• Further elimination of bias in our approach to recruitment, performance and development
• Continue to attract, develop, promote and retain the best talent
• Continue to identify the next generation of leaders, and include a development programme targeted at groups that are currently under-represented in senior roles
• Ethnicity-related targets included in contracts with our main suppliers

Reviews on progress will be regularly reported to the Commissioner and Executive Committee.
We confirm that the data included in this report is accurate.

Tricia Wright
HR Director

Staynton Brown
Director of Diversity and Inclusion

Mike Brown MVO
Commissioner