TfL gender pay gap report 2017
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.

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The city we serve is one of the most diverse in the world. Key to our success is ensuring that our workforce is made up of talented, diverse people who are truly representative of London. But we are not there yet.

When it comes to gender, less than a quarter of our people are women. The transport industry has traditionally been dominated by men. But it is our job to examine why this is still the case, and create an organisation that more women choose to join, and that allows and encourages them to be successful and progress their careers.

This will also help us address the gap in pay. While we already work hard to address any discrepancies in equal pay, the scarcity of women in leadership roles means we have a long way to go to close our gender pay gap overall.

I want to see a change in how we think and behave when it comes to diversity and inclusion at TfL. We recently appointed our new Director of Diversity and Inclusion – directly accountable to me – and this year 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. That is why this report is so important; understanding and talking about our gender pay gap are the first steps to closing it.

Mike Brown MVO
Commissioner
Transport for London
What is the gender pay gap?

It is the overall difference in the average pay of men and women.

Government regulations mean we have to calculate it in two ways to give the clearest possible picture:

1. The mean shows the difference in average hourly pay between men and women
2. The median shows the difference between the middle paid woman and the middle paid man at TfL

The mean pay gap summarises the overall pay of men and women, 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 man and woman at TfL is paid.

**How is ‘equal pay’ different?**

Equal pay is the right for everyone to be paid the same for doing identical or directly comparable work.

We complete detailed equal pay audits to understand any gaps in line with parameters set by the Equality and Human Rights Commission. Where we do identify gaps we address them as part of our audits.
Our results

Pay*
Our overall hourly pay rates

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Median hourly pay</th>
<th>Proportion of employees</th>
<th>Median hourly pay</th>
<th>Proportion of employees</th>
<th>Pay gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper</td>
<td>£35.10</td>
<td>84.0%</td>
<td>£34.54</td>
<td>16.0%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Upper middle</td>
<td>£28.11</td>
<td>84.9%</td>
<td>£28.11</td>
<td>15.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Lower middle</td>
<td>£23.07</td>
<td>73.1%</td>
<td>£22.68</td>
<td>26.9%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Lower</td>
<td>£17.13</td>
<td>66.1%</td>
<td>£17.13</td>
<td>33.9%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Mean gender pay gap by quartile

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Mean hourly pay</th>
<th>Proportion of employees</th>
<th>Mean hourly pay</th>
<th>Proportion of employees</th>
<th>Pay gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper</td>
<td>£37.48</td>
<td>84.0%</td>
<td>£38.33</td>
<td>16.0%</td>
<td>-2.3%</td>
</tr>
<tr>
<td>Upper middle</td>
<td>£28.14</td>
<td>84.9%</td>
<td>£28.10</td>
<td>15.1%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Lower middle</td>
<td>£23.20</td>
<td>73.1%</td>
<td>£22.83</td>
<td>26.9%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Lower</td>
<td>£16.61</td>
<td>66.1%</td>
<td>£16.80</td>
<td>33.9%</td>
<td>-1.2%</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 women in the higher paid roles is evident in the proportion of women in the upper and upper middle quartiles.

The mean pay gap is less than the median because, while a greater proportion of women fall into the lower paid roles, the higher earnings of those in leadership roles bring the average up.

Pay quartiles
Median gender pay gap by quartile

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

We published our first report in 2016, before it became mandatory to do so. However, our original calculations were different to those now stipulated in the Equality Act, so we are unable to make meaningful comparisons between figures for 2016 and 2017.

* The figures in this section show the consolidated TfL median and mean gender pay and bonus gap figures based on hourly rates of pay at 31 March 2017.
Bonuses*
Proportion of employees who received a bonus

80%
Women

86.6%
Men

Bonuses* This refers to bonuses paid in the 12 months up to 31 March 2017. Bonus includes individual performance-related payments (performance awards), London Underground’s performance bonus scheme (LCH bonus), Make a Difference recognition scheme vouchers, long-service awards and other one-off bonus payments that employees may have been awarded during the course of the year.

Received a bonus | Did not receive a bonus

86.6%

Bonus gap

0%* median (middle) -18.1% mean (average)

* A significant number of our 13,000 operational employees receive a fixed bonus linked entirely to operational performance. This explains why there is no median bonus gap.

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

• Proportionately fewer women in higher paid senior roles
• Proportionately more men in operational roles that are far more highly paid than other roles at a similar level (owing to shift and unsocial working allowances that are combined into the salary)
• Fewer women in the transport and engineering sector as a whole. While our employees work across sectors from engineering to marketing, customer service to technology, the majority of our jobs are in STEM disciplines and operational areas – which still typically tend to attract more men than women. Recent research shows that only nine per cent of all engineers are women.

We want to be open and transparent about our pay, so we’ve taken this one step further and produced a report for every area of our business that is classed as a legal employer, even if it has fewer than 250 staff.

This information, as well as analysis for operational and non-operational roles, is in our full report.

Did you know?
Every business with 250 or more employees is required to publish an individual gender pay gap report.
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

• Launched Returnships in 2017 – a programme to support women who have been out of the workplace for several years back into employment

• Ensured mentoring programmes support women and BAME colleagues in middle manager roles in London Underground Operations, where we have less female representation. Seventeen women have taken part so far

• Our Women’s Staff Network Group supports personal progression and provides networking and mentoring opportunities. It now has more than 1,000 members

What we’ve done so far:

• Launched the Male Allies programme which encourages men, who make up the majority of our workforce, to champion gender equality and challenge non-inclusive behaviour. Around 250 are involved so far

What we’re working on:

• A clear plan to eliminate the gender pay gap

• Diverse interview panels, for senior appointments in particular

• Gender-balanced long and shortlists for hiring senior managers

• Unconscious bias training for all senior managers

• Focus on recruiting women into roles where they are currently least represented, such as senior manager and operational roles

• Engagement with schools to encourage more females to consider a career in engineering

What’s planned for 2018/19:

• More robust Diversity and Inclusion governance, with clear accountabilities, indicators to measure progress in response to our actions, and support our Staff Network Groups, particularly the Women’s Network

• Gender pay gap reduction to be set as a target and reduced each year

• Further elimination of bias in our approach to recruitment, performance and development. Also, to continue to attract, develop, promote and retain the best talent. Reviews on progress will be regularly reported to the Commissioner and Executive Committee

• Build on the success of existing initiatives to identify the next generation of leaders. To include the launch of a development programme targeted at groups that are currently under-represented in senior roles

• Anonymous job applications

• Support flexible working, unless there is a clear business case for not doing so

• Include targets to improve both senior level and overall representation in the TfL performance scorecard

• Develop a new Diversity and Inclusion strategy that sets more challenging ambitions and aspirations

• Include gender-related targets in contracts with our main suppliers

• Work in partnership across the GLA to develop Women in Leadership programmes

Gender pay gap reduction to be set as a target and reduced each year

Around 250 men are involved in our Male Allies programme

1,000+ members in our Women’s Staff Network Group

Anonymous job applications by 2018

TfL gender pay gap report 2017
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