

**TRANSPORT FOR LONDON**

**BOARD**

**SUBJECT: PROJECT HORIZON EQUALITY IMPACT ASSESSMENT**

**DATE: 21 SEPTEMBER 2011**

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**1 PURPOSE AND DECISION REQUIRED**

- 1.1 The purpose of this paper is to update TfL Board members on the approach and progress and initial findings of the equality impact assessment (EqIA) for Project Horizon.
- 1.2 The Initial EqIA screening for those in scope due to the change has been completed for all the work streams. This paper outlines the current impacts for each work stream, the proposed mitigations that have been agreed and the on-going monitoring activity that is being put in place through the selection process. Consultation on the proposed new structures with staff and the Trades Unions may result in changes and the EqIA will take these into account.
- 1.3 The Board is asked to note this paper.

**2 BACKGROUND**

- 2.1 Project Horizon will deliver a major change to how TfL operates as an organisation. The scope of Horizon covers the following work streams: Assurance, Customer Proposition, Finance, Commercial, Commercial Development, Governance, Information Management, Legal, Marketing, Strategy and Planning, Stakeholder Engagement and Human Resources.
- 2.2 The project aims to protect frontline services, deliver capital programmes and save at least 20 per cent in the cost of delivering its support services. Most of this saving will come through a reduction in staff numbers working in non frontline roles and the focus of the EqIA will be predominantly on this element of the project.
- 2.3 An EqIA aims to assess the impact of any project or strategy on staff and, if needed, also assess the impact on customers of the services that have changed.
- 2.4 The initial phase of the EqIA for Project Horizon has focused on the impact of changes on TfL's workforce. It has done this through a process of analysing the current data of those who will be impacted by the change (those in scope), in terms of gender, ethnicity, age and disability status (Section 3. It has also looked at any impacts in terms of faith and sexual orientation although data for these characteristics is less complete, with only 40 per cent of TfL's staff having declared this information. Section 4 of the paper sets out the equality opportunities and potential risks of Project Horizon and the principles by which these opportunities will be delivered. Section 5 sets out the next steps to be undertaken.

### 3 WORKFORCE PROFILE OF STAFF IN SCOPE FOR PROJECT HORIZON

- 3.1 Table 1 shows the total workforce demographic profile for roles in scope for Project Horizon focusing on gender, disability and ethnicity (Black, Asian and minority ethnic groups – BAME).
- 3.2 Planned mitigations for any impacts identified as part of the EqIA are outlined in section 4 of the document.

**Table 1: Equality profile of staff in scope for Project Horizon as at 6 September 2011**

Grade	Numbers in scope	Men per cent	Women per cent	BAME per cent	Disability per cent
Band 1	654.4	52	48	40	5
Band 2	815.8	45	55	29	4
Band 3	1074.7	62	38	21	2
Band 4	397.5	71	29	12	3
Band 5	92	75	25	3	0

- 3.3 Table 1 shows that women, BAME and disabled people are proportionately more likely to be in more junior grades that are impacted by the proposed changes to structures. Although their representation is greatest in these grades, it is only in Band 2 roles that are at risk that women are in the majority. However, it is important to note that within the TfL population as a whole, women make up 22.3 per cent of the total workforce and 21.2 per cent of the senior management population. So the impact of Horizon, at this initial assessment stage shows there may be a disproportionate impact on women.
- 3.4 Men are the largest group impacted by the proposed changes, but their representation in roles that are in scope for Project Horizon is less than the 77.7 per cent representation in TfL as a whole.
- 3.5 BAME people comprise 29.4 per cent of TfL's total workforce, and 9.7 per cent of TfL's senior management population. Therefore, the initial findings show that roles currently in scope for change have a higher representation of BAME people than in the TfL population as a whole.
- 3.6 Disabled people are also over represented (compared to their representation in the TfL population as a whole). But this is to be expected as they are more likely to be employed in support functions than in operational roles. At present, there are 104 disabled people who are in roles that are in scope for change. This represents almost one sixth of TfL's declared disabled staff numbers. 2.5 per cent of TfL's population have declared themselves to be disabled people and 3.1 per cent of senior managers have declared themselves to be disabled people. All of the above are potential impacts only, and it is an aim of all Horizon work streams to monitor these demographics during the implementation of the new structures and the selection processes for the new roles.
- 3.7 Project Horizon has also been monitoring the age profile of the roles in scope for change. Table 2 shows the initial assessment of the age profile of staff who are in roles that are in scope for change.

**Table 2: Age profile of staff who are in roles that are in scope for project horizon**

Grade	Age 16-24 per cent	Age 25-35 per cent	Age 35-44 per cent	Age 45-54 per cent	Age 54-65 per cent
Band 1	5.7	34.4	31.6	15.3	13
Band 2	1.4	36.7	36.9	16.7	8.2
Band 3	0.2	25	39.8	24.3	10.7
Band 4	0.0	7.6	42.2	35.8	14.5
Band 5	0.0	2.2	39.1	41.3	17.4

- 3.8 The largest age groups in scope are those in the age ranges 35-44 and those between 25-34, in the lower pay bands.
- 3.9 Representation of Lesbian, Gay, Bisexual and Transgendered (LGBT) people in roles that are in scope for Project Horizon is difficult to ascertain for sure as declarations are generally too low to draw any significant conclusion. Those in more junior grades are more likely to declare their sexual orientation than those in senior grades, with Band 4 and Band 5 senior management roles, having a higher proportion of staff who either do not declare, or indicate that they prefer not to say. However, monitoring of the selection process and its impact on those who have declared their sexual orientation will continue.

**Table 3: Representation of employees in scope – those who have declared sexual orientation**

Grade	Bisexual Man per cent	Bisexual Woman per cent	Gay Man per cent	Heterosexual Man per cent	Heterosexual Woman per cent	Lesbian per cent
BAND1	0.6	0.5	2.9	26.6	22.5	0.6
BAND2	0.0	0.3	2.9	24.4	26.1	0.6
BAND3	0.2	0.1	2	31.7	17.8	0.3
BAND4	0.2	0.0	4.1	35.6	14	0.5
BAND5	0.0	0.0	0.0	47.8	14.1	0.0

- 3.10 Similarly, it is difficult to draw any conclusion from data around faith and belief, but this data will also continue to be monitored.

#### **4 EQUALITY OPPORTUNITIES, RISKS AND CURRENT PROPOSED MITIGATIONS OF PROJECT HORIZON**

- 4.1 Project Horizon aims to create a better, simpler cheaper organisation where the right things are done in the right way, with people working collaboratively across and within teams. It has been an opportunity to look at the entire organisation and how it is set up to deliver best for its customers and users. One of the opportunities that Project Horizon has delivered is bringing some support services and specialisms together in unified teams. This creates an opportunity for staff to have more varied career opportunities and access to wider opportunities across the organisation, which in itself has the potential for positive equality impacts.

- 4.2 Horizon presents a significant opportunity to make TfL a better place to work. The EqIA process began with a focus on the following key principles:
- (a) That a change in organisational culture is achieved through behavioural as well as structural change and job profiles and person specifications should make specific reference to the TfL behaviours and the individual responsibility to exhibit them and this will be reflected in how an individual's performance is appraised;
  - (b) Each Horizon work stream has a named individual who, with the support of the E&I team, will take responsibility for ensuring organisational design supports the creation of a more inclusive and collaborative environment; and
  - (c) HR processes and policies are crucial in delivering equality outcomes and they are focused on delivering fair outcomes during the implementation of Horizon.
- 4.3 The equality opportunities that Horizon has presented will be in creating an organisation and a set of behaviours that focus on the individual accountability of all staff to deliver and to create a working environment where individual contribution is recognised. Leaders within the new organisation will take responsibility for ensuring that work practices and behaviours within their areas are supportive of this. This means that managers will focus on facilitating good working relationships between team members as well as modelling behaviours that are fair and consistent.
- 4.4 During the development of organisational design for each work stream, opportunities to promote part time working and other flexible working options have been considered to mitigate any potential loss in headcount and still deliver the necessary cost reductions for the project. As part of the selection process, staff will be asked to state whether they would consider alternative working arrangements, other than full time positions. Each case will be examined individually by the selection panel and work stream leads.
- 4.5 Those staff who are currently working in part time, job share or other flexible working arrangements will be asked to give detail of these arrangements so that every effort can be made to accommodate them in the new organisation, if they are successful in securing a post through the selection process.
- 4.6 Disabled people's reasonable adjustments will of course be honoured in any new organisation. Selection panel members will be made aware of these at the appropriate point in the process.
- 4.7 The Mayor and TfL have a goal to represent all of London's diverse communities in TfL's workforce and outcomes will be assessed against this aim.
- 4.8 A key element of TfL's long term aim of becoming a more inclusive employer is the importance of encouraging behaviours that foster greater personal accountability, rewarding individual contribution and valuing and nurturing effective and respectful working relationships in and across teams. Therefore, the potential for positive impact of Horizon on individuals and the organisation as a whole is significant and it is a key responsibility of the senior team to ensure that these benefits are realised.

- 4.9 The restructuring of the HR function, which has now taken place and is in the final stages of implementation, has at its core a key accountability for ensuring that all leaders, managers and staff operate in a way that will support this change across the organisation. The One HR team is aligning its activities with business priorities including the key priority of realising the benefits of Horizon.

## **5 NEXT STEPS**

- 5.1 Consultation on new structures across each work stream begins in September 2011 and initial EqlAs, which have been completed, will form part of the discussions with Trades Unions and will be available to all staff who are in scope for change.
- 5.2 As selection for roles gets underway in the new structures, equality data will continue to be monitored and any adverse trends will be investigated and addressed appropriately. This monitoring will be done by HR Business Partners with the support of the Equality and Inclusion team.
- 5.3 The demographics of those expressing an interest for voluntary severance (VS) will also be monitored. Each work stream will ensure that the right balance is achieved between allowing people to take advantage of VS and ensuring that skills knowledge and experience required to deliver TfL's agenda is secured.
- 5.4 As each work stream completes its selection processes, a final EqlA will be produced which will compare the before and after state, outline mitigations that have been put in place and detail how expected benefits will be delivered. A paper outlining these outcomes will be submitted to the Board early in 2012.

## **6 RECOMMENDATION**

- 6.1 The Board is asked to NOTE the paper.

## **7 CONTACT**

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