

Board



Date: 17 March 2016

Item: Report of the meeting of the Remuneration Committee held on 15 March 2016

This paper will be considered in public

1 Summary

- 1.1 A meeting of the Remuneration Committee is to be held on 15 March 2016. As the Committee is not due to meet until after the dispatch of papers for this meeting, this paper summarises the items that the Committee is being asked to consider. The Chairman will provide an oral update at the meeting to confirm whether the Committee agreed the recommendations before it or made any changes.

2 Recommendation

- 2.1 **That the Board notes the report.**

3 Background

- 3.1 The main matters to be considered by the Committee are listed below.
- (a) Leadership and Succession Planning in TfL – Update;
 - (b) The Commissioner's Performance Assessment - A New Approach;
 - (c) TfL Performance Delivery 2015-16 and Performance Awards;
 - (d) Crossrail Limited Chief Executive's Performance and Pay Review;
 - (e) Remuneration of Women in Senior Roles in TfL;
 - (f) Future TfL Executive Remuneration;
 - (g) Managing Director Salary Reviews 2016; and
 - (h) TfL Scorecard and Managing Directors Scorecards 2016/17 Targets.

4 Issues Discussed

Leadership and Succession Planning in TfL - Update

- 4.1 The Committee is asked to note the current and proposed future activities which form TfL's Leadership and Succession programme.

The Commissioner's Performance Assessment - A New Approach

- 4.2 The Committee is asked to agree to a combination of the TfL group balanced scorecard and individual objectives as the basis for future performance assessment for the Commissioner.

TfL Performance Delivery 2015-16 and Performance Awards

- 4.3 The Committee is asked to note the delivery against the 2015/16 TfL and business area scorecards to date and to delegate authority to the Chair to agree the final performance awards once the final scorecard results are known. The Committee is also asked to note the overall level of performance awards for other staff.

Crossrail Limited Chief Executive's Performance and Pay Review

- 4.4 The Committee is asked to note the decision made by the Crossrail Limited CRL Remuneration Committee in relation to the CRL Chief Executive's base pay for 2016/17, and to consider the proposal to award him a performance related payment for 2015/16 and to note that he will be made a Long Term Incentive Plan Award, subject to targets being agreed by CRL.

Remuneration of Women in Senior Roles in TfL

- 4.5 The Committee is asked to note the paper and that the existing gap between male and female median salaries at all Payband levels shown is less than five per cent. An annual report would be submitted to the Committee.

Future TfL Executive Remuneration

- 4.6 The Committee is asked to consider the practicalities and appropriate structure for TfL's executive remuneration in light of benchmarking data. It is asked to note the current deficiencies and risks within TfL's existing executive remuneration arrangements. It is therefore asked to agree a review and the potential development of improved executive remuneration arrangements as a key priority for 2016/17.

Managing Director Salary Reviews 2016

- 4.7 The Committee is asked to consider a base salary increase, with effect from 1 April 2016, for a Managing Director to reflect a significant change in their area of responsibility.

TfL Scorecard and Managing Directors Scorecards 2016/17 Targets

- 4.8 The Committee is asked to approve the proposed TfL scorecard for 2016/17. An updated scorecard would be submitted to the Committee in June 2016 reflecting any changes arising from the 2015/16 outturn.

List of appendices to this report:

None

List of Background Papers:

Papers for the meeting of the Remuneration Committee held on 15 May 2016

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