



HR Quarterly Report

2017/18 Quarter 4 Update

HR Quarterly Report – 2017/18 Quarter 4 Update

Introduction

This Human Resources (HR) Quarterly Report provides an overview of key developments that have taken place in the fourth quarter of the 2017/18 financial year, covering between 10 December 2017 and 31 March 2018 inclusive.

This report also provides an overview of the 2017/18 performance year in addition to Q4.

Report Content

Section 1 – HR Update

- HR Update
- Diversity & Inclusion Update

Section 2 – Workforce Composition

- Permanent Headcount
- Workforce composition by area
- Non-Permanent Labour

Section 3 – Changes in Q3

- External recruitment
- Internal recruitment
- Workforce Representativeness

Section 1:

HR and Diversity & Inclusion Update

This section provides the Panel with an update on ongoing activity across HR and Diversity & Inclusion (D&I). This is a current and forward looking update which is in addition to quantitative data provided in the workforce composition section.

HR Update

Apprenticeships 2018

On the 23 January, our Schemes Recruitment team held an event at the London Transport Museum to launch our apprenticeship schemes for the 2018 cohort. We partnered with London Youth and Freeformers to deliver an evening with representation from business sponsors and apprentices from across all of our 25 schemes. Attendees benefited from engaging with current apprentices and more experienced colleagues, employability skills sessions, application advice from our recruitment team, and coding workshops run by Freeformers.

We were overwhelmed by the interest in the event, with over 1200 people attending in total. There was interest in every stand throughout the evening, with high quality conversations from potential applicants, asking insightful questions to sponsors and current apprentices.

The recruitment process for the 2018 apprentice intake is now underway, so far we have had over 10,000 applications for the 149 roles to start in September. Applications are now closed for 22 out of the 25 schemes

available. We will provide the Panel with a further update when this is concluded.

Recruitment Team of the year

In March, we won the Recruitment Team of the Year award at the FIRM Awards 2018. Many of our campaigns caught the judging panel's attention and were highlighted as best-in-class. These included Women on the Front-Line, a programme to drive increased female participation in front line roles which involved station open days to give women an insight into the roles available and job adverts highlighting positive role models of women currently working in front line roles. We were also commended for the outreach programme, 'Moving Forward' for apprenticeship roles. Targeting deprived boroughs and girls' schools, this scheme aims to increase social mobility and attract more girls into roles involving science, technology, engineering and mathematics.

Innovate TfL in association with Cleshar

On the 9 March 2018, TfL hosted the finals of the 2017/18 Innovate TfL Challenge, in association with Cleshar. The Challenge this year was open to all London schools with a year 12 cohort (16/17 year olds) with teams competing to develop innovative ideas to help TfL meet the Mayor's transport priorities.

This year saw the number of teams entering the competition rise from 19 to 44, a 131 per cent increase. The competition gives teams the opportunity to present their ideas in front of 150 transport professionals, with the winning team receiving work experience with us.

Armed for Careers in Transport

We hosted our fifth annual Ex-Military and Reservists Career Day on the 23 February. This free event at Stratford Skills Training Centre gave the armed forces community insight into careers in the transport industry. As a Gold Award winner in the Ministry of Defence Employer Recognition Scheme, we're committed to supporting veterans and reservists in finding employment. Our fifth annual industry day had more charities, workshops and opportunities than ever before.

Girl's Network Careers Event

As part of our International Women's Day celebrations we recently hosted the Girl's Network Careers Event where volunteers from across the business including graduates, apprentices, and ex-interns outlined the broad range of ways students and young people can join TfL and find their ideal role in transport.

This was an interactive session aimed at girls aged between 14-19 where they could ask questions and gain a valuable insight from our team of enthusiastic volunteers. Our team shared information on the routes they took to their current jobs, advice on do's and don'ts on how to get into your ideal role, plus great advice they had been given and actioned, or anything that didn't go to plan, including career changes or set-backs.

It was a really useful session to get young people to consider all the resources available to them and consider careers that haven't been traditionally promoted to them. The attendees also had the chance to network with people from very different backgrounds.



Leader Led Learning Programme

Leader Led Learning is our in house leadership programme which utilises the skills and experiences of existing leaders as speakers, mentors, sponsors, work placement hosts and bloggers. The programme offers aspiring leaders three different journey paths, Graduate Leader, Aspiring Leader and Expert Leader and 1400 staff are currently benefitting from different activities on the programme. An Emerging Leader pathway is currently being developed for Band 2 staff identified as having potential for people management and this will launch in September.

Mentoring

Our in house mentoring programme continues to meet the demand from all of our managers who have requested a mentor. We are also developing group mentoring to extend the availability of mentors and also increase collaboration. In May we launched our first cross company mentoring scheme with Fujitsu. This is aimed at BAME managers and we hope to develop more shared mentoring with other suppliers this year.

Diversity and Inclusion

Diversity & Inclusion Strategy

In the latter part of 2018, we will be producing an innovative and bold strategy in line with the recently launched 'Inclusive London', the Mayor's new Equality, Diversity and Inclusion strategy. Our new evidence-led strategy will focus on the promotion of equality, diversity and inclusion for our people, our passengers, partners and suppliers. It will replace 'Action on Equality' and set out steps to realise our vision of delivering a world-leading, integrated transport network that is inclusive and accessible for all.

Governance

Crucial to the successful delivery of our new approach will be robust governance. The new Accessibility and Inclusion Strategy Group will help deliver the strategy by moving our thinking from 'access' to 'inclusive design' and focusing us further on end-to-end customer journeys. The Diversity and Inclusion Leadership Group will provide the strategic focus for our workforce related D&I priorities including those set out in the GLA Group D&I Action Standard.

Tracking Progress

In April 2018, we launched the first version of our Diversity and Inclusion Dashboards, providing further data and insight to our senior managers. The dashboards give a much richer and insightful picture of employee outcomes for a number of characteristics covered by the Equality Act. An example Dashboard for HR and an explanatory note are included in Appendix I.

The dashboards will allow us to focus our activity in the right areas and see how effective our actions are in different parts of our organisation. The measures included in the dashboards cover each stage in the employee lifecycle and will be reviewed on a quarterly basis going forward. The dashboards drive local accountability and action.

Our assessment against the GLA Group Diversity & Inclusion Action Standard is now complete and we are awaiting further guidance on the evaluation process.

Gender Pay Gap

In March, we published our third annual Gender Pay Gap Report for 2017, showing a median pay gap of 19.7 per cent, and a mean pay gap of 10.7 per cent. We have a detailed action plan to reduce this gap which includes a range of measures from specific performance targets to anonymous job applications and development programmes. This action plan can be found on our website at <http://content.tfl.gov.uk/tfl-gender-pay-gap-action-plan-march-2018.pdf>. Together with our outreach programmes, which encourage more girls to consider STEM careers, these measures will bring new energy to our work to tackle the gender pay gap.

Our Commissioner, Mike Brown, Tricia Wright our Chief People Officer and Staynton Brown attended the launch of the Mayor's Our Time sponsorship initiative signalling the level of support and commitment for this scheme, which we believe will play an important role in tackling the gender pay gap.

We, alongside other members of the GLA group, published our ethnicity pay gap. In 2017 the gap was 9.8% (median) and 10.2% (mean). The report highlighted a pay gap due to the underrepresentation of Black and Minority Ethnic (BAME) employees in senior levels and the larger proportion of BAME employees in operational roles. Currently 40 per cent of Londoners are BAME and 32 per cent of economically active Londoners are from BAME communities. At TfL 26.2 per cent of our workforce are BAME, and only 10.5 per cent of senior managers are BAME.

We will be developing an action plan that tackles the root causes of our ethnicity pay gap, including taking steps to ensure that people from BAME communities are able to access senior roles. We are already widening access to mentors and coaches and introducing targeted development programmes to identify the next generation of leaders from groups that are typically underrepresented.

Disability Confident Level 2

In April, we reaffirmed our commitment to employing, supporting and promoting disabled people in our workplace by signing up as a Disability Confident Level 2 committed employer. This self-assessment process includes a measure to encourage disabled people to apply for jobs with us by offering an interview to those who meet the minimum criteria for the job.

The process highlighted our strengths and our areas for development and we will be scoping the steps needed to be Disability Confident leaders. Among our achievements include the work of our Disability Staff Network Group, The Adjustments Group and our Wellment Network who work tirelessly to support our disabled and neurodiverse employees including through the recent Dementia Awareness Week and mental health awareness week in May.

In addition, we have a strong commitment to supporting adults with learning disabilities into work via the Steps into Work project. This scheme has offered 250 people with mild to moderate learning disabilities the chance to gain skills and work experience. Many of the students, and their parents, have said that the scheme has been life-changing and has boosted their confidence, especially as they had struggled to get paid employment before. In June 2018 four graduates from the scheme start their Customer Service Assistance Training with TfL.

In 2019 the number of full time student spaces on our Steps into Work scheme will be doubling from 12 to 24.

Inclusive Culture

A number of projects are underway to support our efforts to ensure we have an inclusive culture for example the launching of a Carer's Passport in June and the development of a flexible working campaign.

In early 2018 we launched the London Underground Inclusive Operational Culture Programme. This is an evidenced based, data driven project to illuminate engrained issues to identify cultural barriers to inclusion and gather additional data relevant to diversity and barriers to career progression.

Beginning with the Viewpoint Inclusion Index, we are identifying the areas of London Underground (LU) which seem to perform better and less well on inclusion. We will supplement this data with other key metrics of inclusion and then begin conversations with colleagues working in those different areas to understand the experiences behind the data.

This is a solution-focussed project, intended to drive improved outcomes that reflect the ideas and experiences of our staff and generate recommendations through staff engagement and involvement. We will seize all opportunities to pilot potential interventions and measure their impact. The diversity and inclusion dashboard will indicate where progress has been made. The project is jointly sponsored by the Managing Director of LU and Director of D&I.

Section 2: Our People

Permanent Headcount

Data extracted from the HR System (SAP) excludes Crossrail and other employees whose details have not yet transferred to SAP.

The following staff numbers represent both permanent TfL employees and temporary staff measured in full time equivalents (FTEs) which equate to one person working 35 hours per week.

All TfL

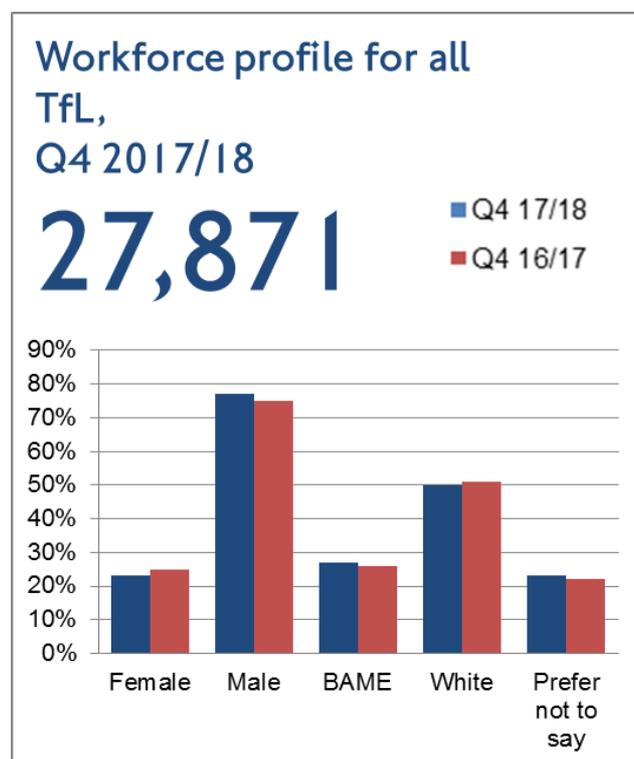
Total FTEs on SAP has increased in Q4 from 26,363 in to 27,871. On the 18 March 2018, 1,872 employees in LU whose information was held on legacy software from the former Tubelines Ltd transferred to the TfL HR system SAP. This is part of an ongoing programme to rationalise and streamline legacy software as part of Tech & Data improvements. The only employees not included on SAP are now the British Transport Police and Crossrail.

This transfer has impacted the headcount profile of all TfL, LU and Operational employees in particular. These employees are primarily involved with the renewal and enhancement of track, signals and civil engineering works.

In 2017/18, total headcount on SAP has increased by 1,970. Of this 1,872 were LU employees who transferred to SAP during Q4. This increase can also be accounted for by

increased operational recruitment in LU, including an additional 325 Customer Service Assistants (CSAs) who were recruited following talks with Trades Unions in February 2017.

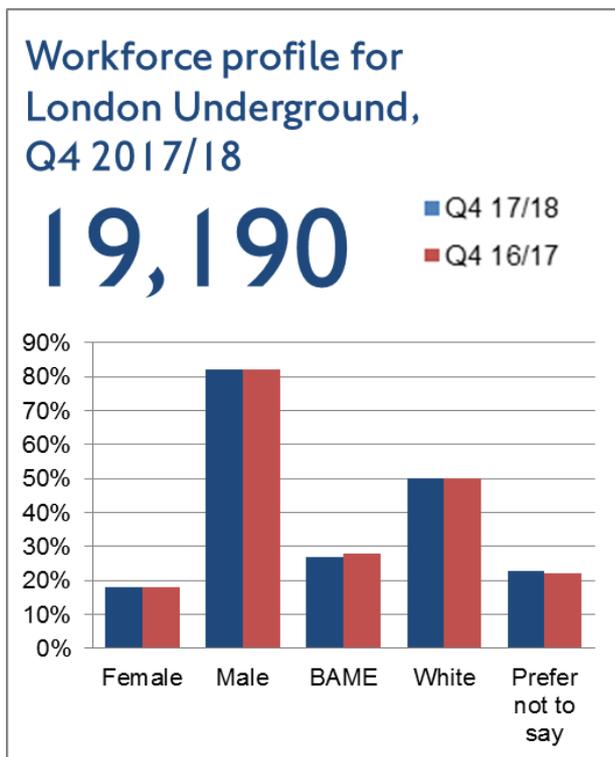
The proportion of BAME employees across TfL increased in Q4, from 26.37 per cent of the workforce to 26.51 per cent. If the absolute number of BAME employees is looked at rather than in proportion, this meant a 6.8 per cent increase in BAME employees since the previous quarter. Employees not disclosing their ethnicity has fallen from 25.77 per cent in Q3 to 23.62 per cent in Q4.



The proportion of the TfL workforce that are female decreased in Q4 from 24.76 per cent to 23.45 per cent. This sudden decrease was driven by the employee data transfer for SAP. The number of female employees increased in 2017/18 by just under five per cent.

London Underground

The total FTEs in London Underground increased from 17,495 at the end of Q3 to 19,190 by the end of Q4. This is an increase of 1,508 employees during the final quarter. This increase takes into account the transfer of 1,872 employees into SAP for LU. If this transfer is removed the number of employees would have decreased by 364 during Q4.

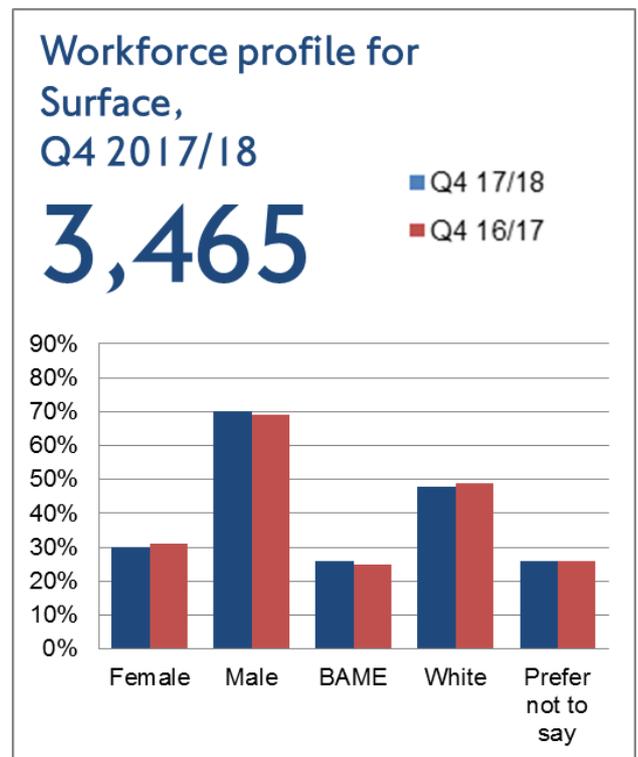


The proportion of LU employees that are female decreased from 18.81 per cent to 17.59 per cent by the end of Q4. Despite the reduction in the proportion of LU employees that are female, the absolute number of female employees has increased from 3,071 at the end of 2016/17, to 3,402 by the end of 2017/18, a 10.7 per cent increase over the year.

The proportion of BAME employees in LU decreased slightly in Q4 from 27.33 per cent to 27.22 per cent.

Surface Transport

Total FTEs in Surface have fallen from 3,664 in Q3 to 3,465 in Q4. This is also down from 4,067 at the end of 2016/17, an 11 per cent decrease over 2017/18.



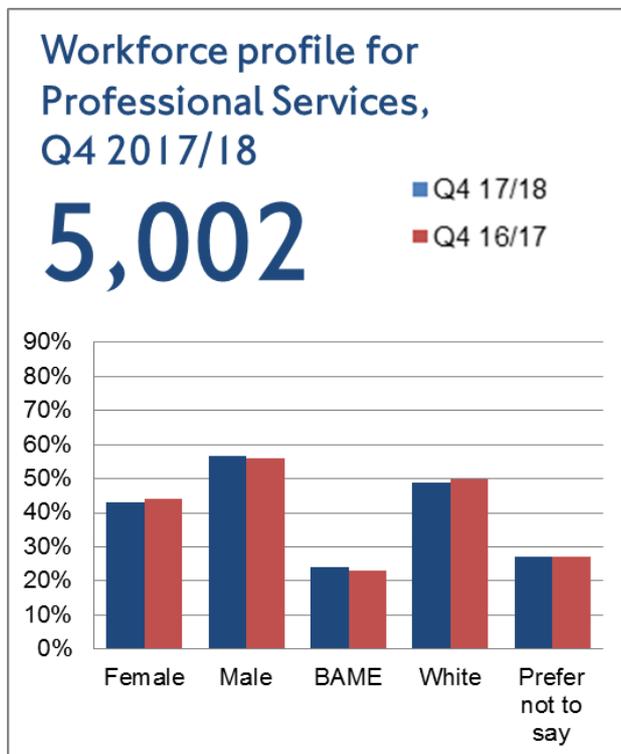
The proportion of BAME employees has increased from 25.85 per cent at the end of Q3 to 26.28 per cent. This is also up from 24.9 per cent at the end of 2016/17. The proportion of female employees decreased slightly during Q4 from 30.72 per cent to 30.33 per cent.

Professional Services

Professional Services comprises functions including General Counsel, Finance, Human Resources, Commercial and Customers, Communication and Technology where services are provided on a shared basis across all delivery divisions.

Total FTEs in Professional Services increased from 4,977 to 5,002 in Q4. There was an increase of female employees from 43.19 per cent to 43.30 per cent. The absolute number of female employees in professional services increased by nine per cent over 2017/18.

The proportion of BAME employees in Professional Services increased from 23.28 per cent to 23.89 per cent in Q4. The total number of employees declaring as BAME increased by 14.6 per cent over 2017/18.

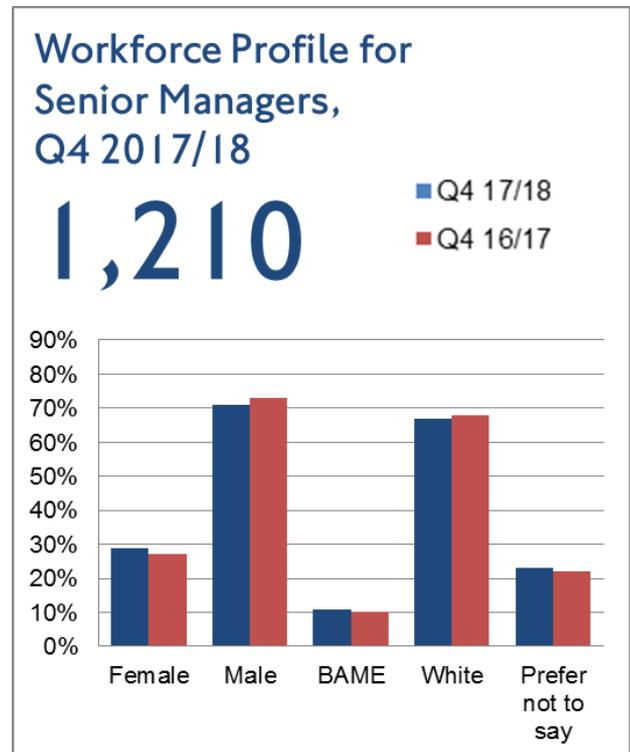


TfL Senior Manager Staff Composition

The total number of senior managers has increased from 1,206 to 1,210 in Q4. This is a six per cent decrease from 1,283 at the end of 2016/17.

The proportion of female senior managers has increased from 28.03 per cent to 28.84 per cent in Q4. This is also up from 26.89 per cent in 2016/17. The absolute number of female senior managers also increased despite the overall decrease in the number of senior managers.

The proportion of BAME senior managers also increased slightly from 10.20 per cent to 10.83 per cent at the end of Q4. The number of BAME senior managers increased by 6.51 per cent in Q4.

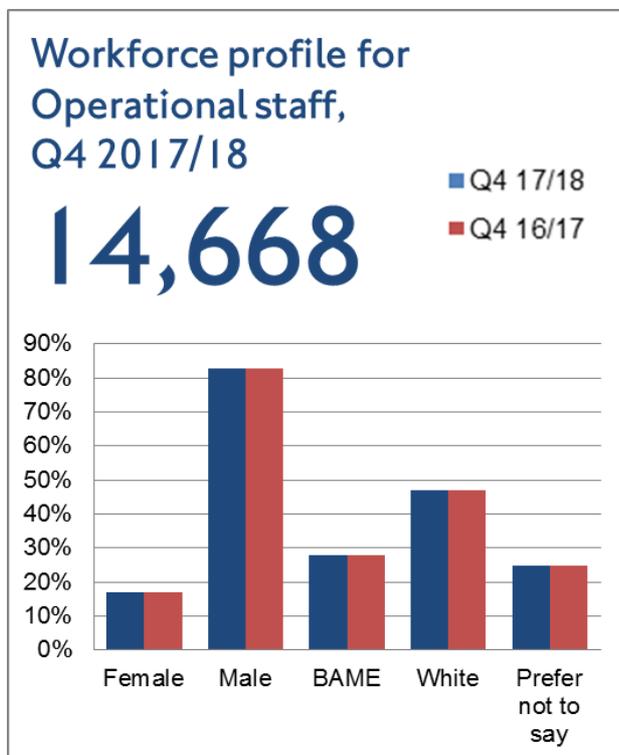


TfL Operational Staff Composition

The number of operational employees increased in Q4, from 13,380 to 14,664. This increase is attributable to the transfer of LU staff onto SAP.

The proportion of female operational employees decreased in Q4, from 18.21 per cent in Q3 to 16.80 per cent in Q4. The number of female employees increased during Q4, however, the vast majority of employees transferring onto SAP were male reducing the proportion that were female.

The proportion of BAME operational employees has decreased slightly during Q4, from 28.21 per cent to 28.11 per cent. The proportion of operational employees who did not declare their ethnicity fell significantly in Q4, from 27.25 per cent to 24.57 per cent. The high declaration rates of employees transferring to SAP drove this change.

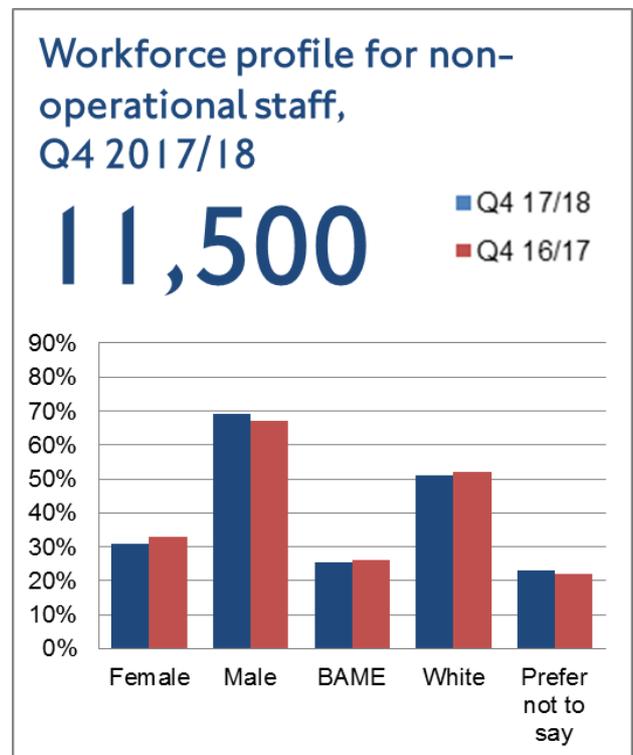


TfL Non-Operational Staff Composition

The number of non operational employees has increased from 11,177 in Q3 to 11,500 in Q4.

The proportion of BAME non operational employees has increased from 25.91 per cent to 26.13 per cent in Q4. This represents a 3.76 per cent increase in BAME non operational employees in the previous quarter.

The proportion of female non operational employees has fallen from 32.24 per cent in Q3 to 31.24 per cent in Q4. As with other employee classifications, whilst the proportion of female employees has declined slightly, the actual number of female employees has increased during Q4 and over 2017/18 as a whole.



Disability

The following section will outline the declared rates of disability across different areas of the organisation. The changes in the declaration rates are too small to provide any trend analysis over the previous quarter.

There are plans currently being developed to drive improvements in the declaration rates for disability across TfL. This will allow more detailed analysis on the scale of the disability experienced and allow for a detailed and informed action plan to be developed. It is anticipated that this will be implemented in 2018/19. More information on this will be included in a subsequent update.

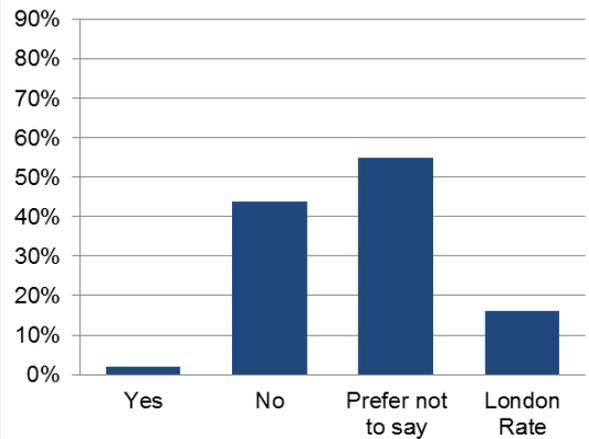
All TfL

The combined declaration rate for disability across TfL is 1.98 per cent. This varies from 1.16 per cent for our operational employees, to 3.46 per cent in professional services.

High levels of non disclosure of disability exists in all areas of the organisation. Exploring the reasons why people fail to disclose is a key step in identifying the barriers disabled employees may face.

Workforce Disability Profile for All TfL Q4 2017/18

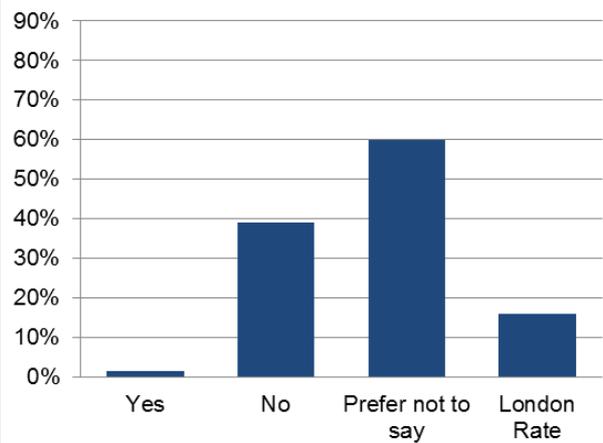
27,871



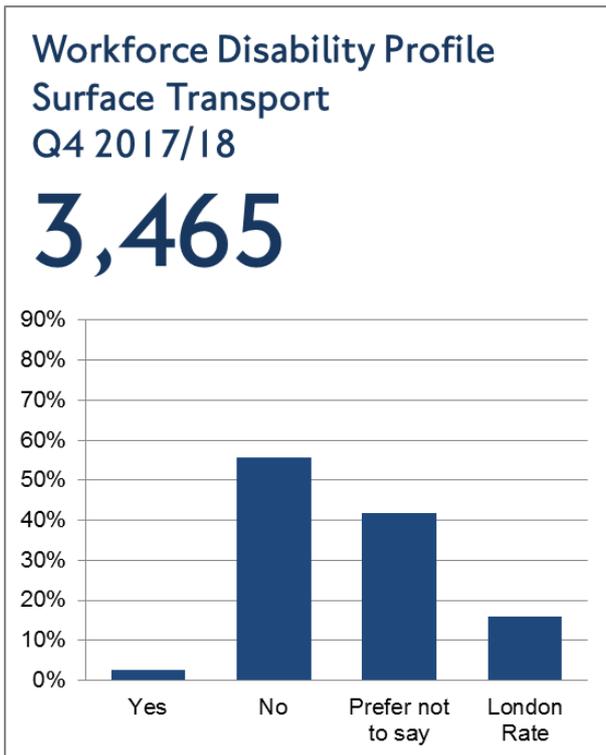
London Underground

Workforce Disability Profile London Underground Q4 2017/18

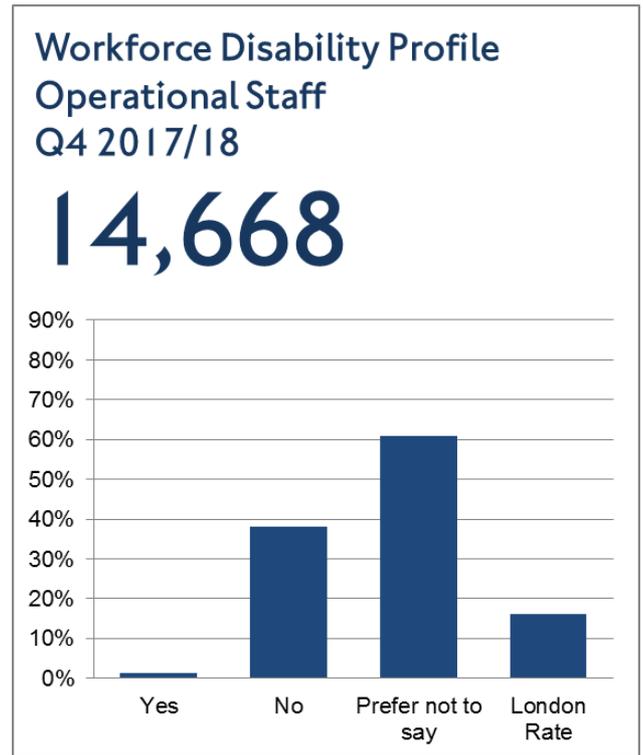
19,190



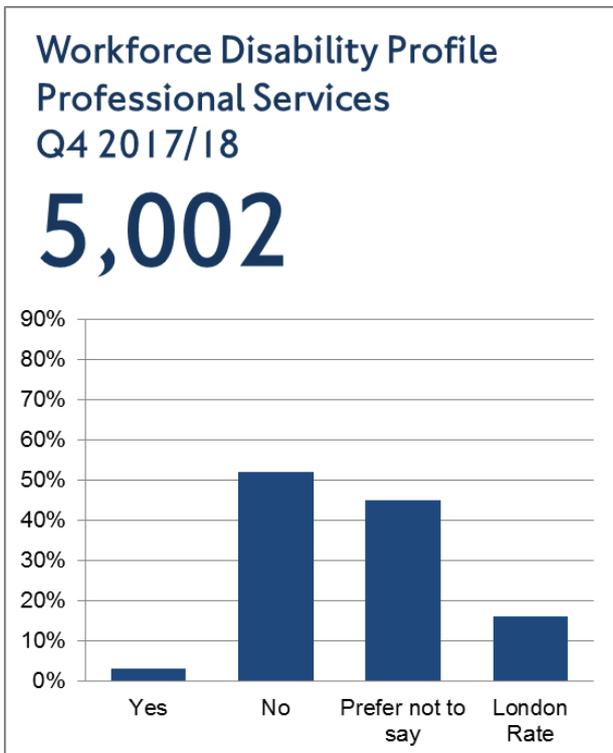
Surface



TfL Senior Manager Staff Composition



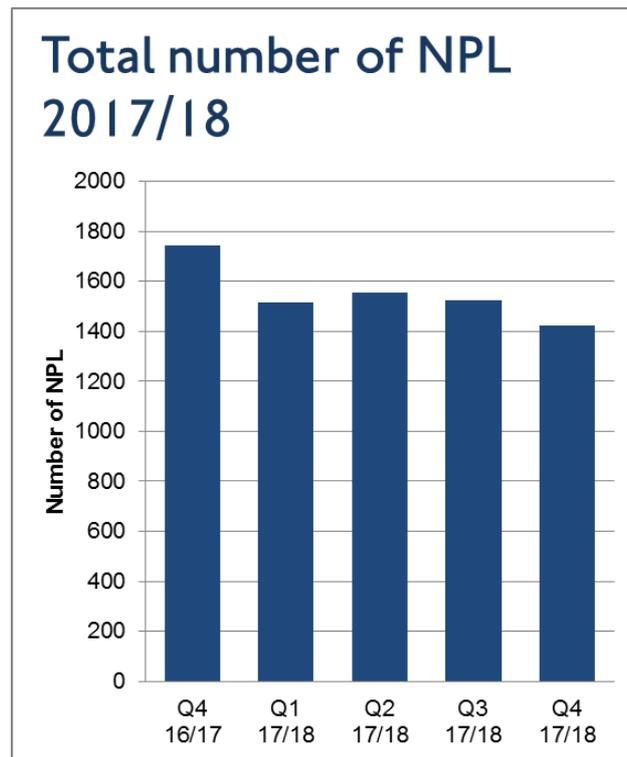
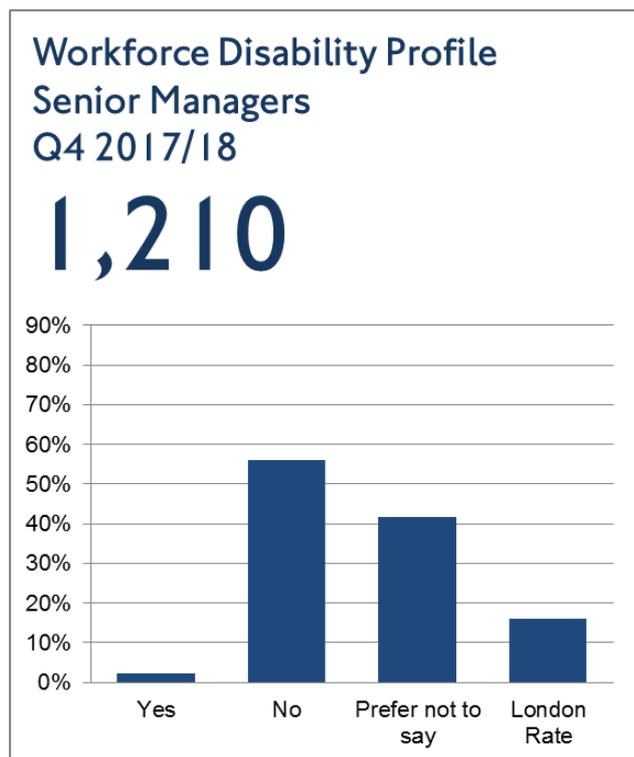
Professional Services



TfL Operational Staff Composition



TfL Non-Operational Staff Composition



Non Permanent Labour

Non Permanent Labour (NPL) are temporary staff engaged to complete project work or short term assignments.

The use of NPL has decreased in Q4, from 1,521 to 1,422. The number of NPL at the end of 2016/17 was 1,749, which represents a 23 per cent decrease over the year.

The trend towards reducing the use of NPL across TfL continues, despite the first small increase experienced in Q2. Total NPL use has decreased from 3,095 at the start of Q1 2016/17. This has reduced the cost of NPL across TfL by over £3.4m per week.

It is important that we continue to make use of the flexibility offered by NPL, particularly through this time of change and temporary peaks in demand, e.g. in recruitment resulting from Transformation. It is equally important that we do not close off our ability to hire talent in scarce skills areas.

We will look to balance the cost and use of NPL with our ongoing commitment to our customers and our key role in keeping London moving and growing.

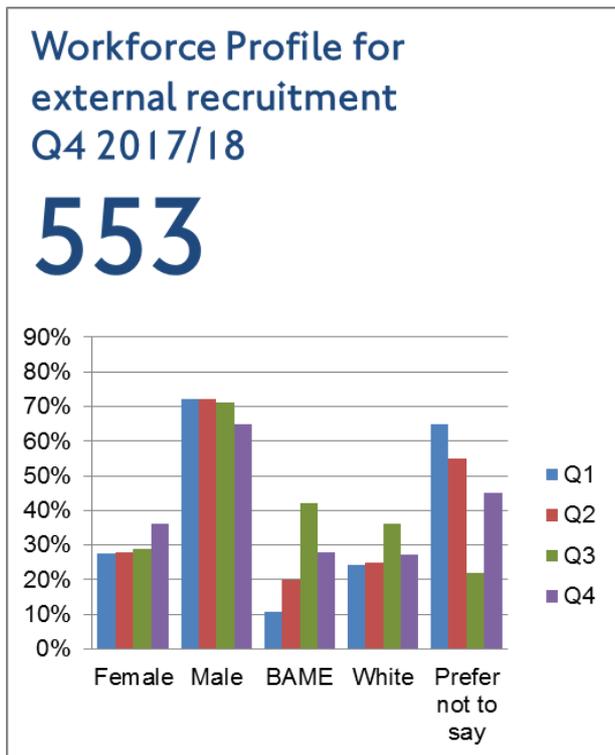
Section 3: Changes in Q4

The following section provides a more dynamic picture of changes occurring across our workforce over the previous quarter, looking at the composition of recent recruitment across the organisation.

External Recruitment workforce composition (2017/18 Q4)

The below graph provides a breakdown of employees recruited externally for each quarter over 2017/18. In Q4, external recruitment decreased from 807 to 553.

One of the key trends is the increasing levels of female external recruitment hires each quarter. In Q4, females represented 36 per cent of those employees hired. This compares to 23 per cent of all our employees who are female.



Employees who join us have a far higher propensity not to declare their ethnicity than existing employees.

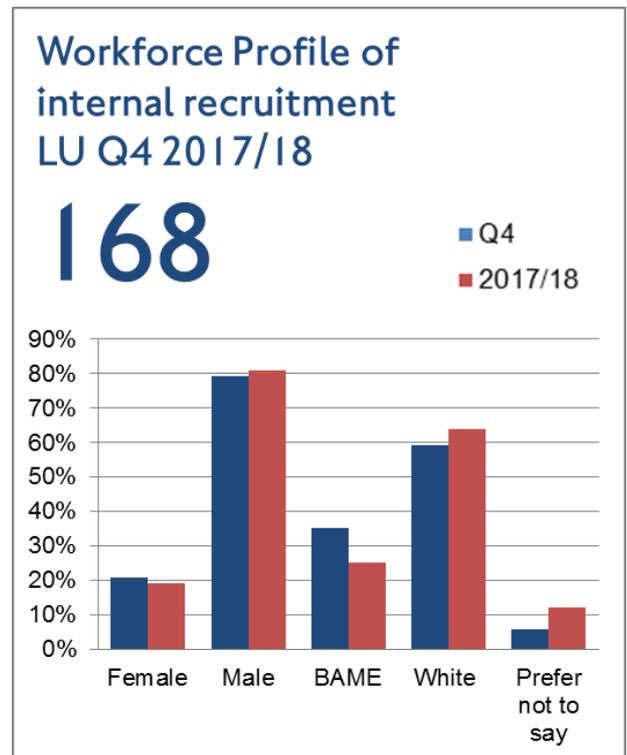
Internal Recruitment (2017/18 Q4)

The following analysis combines all internal recruitment, both promotional and lateral movements by business area.

Internal recruitment has been measured for Q4 and for 2017/18.

London Underground Internal Recruitment

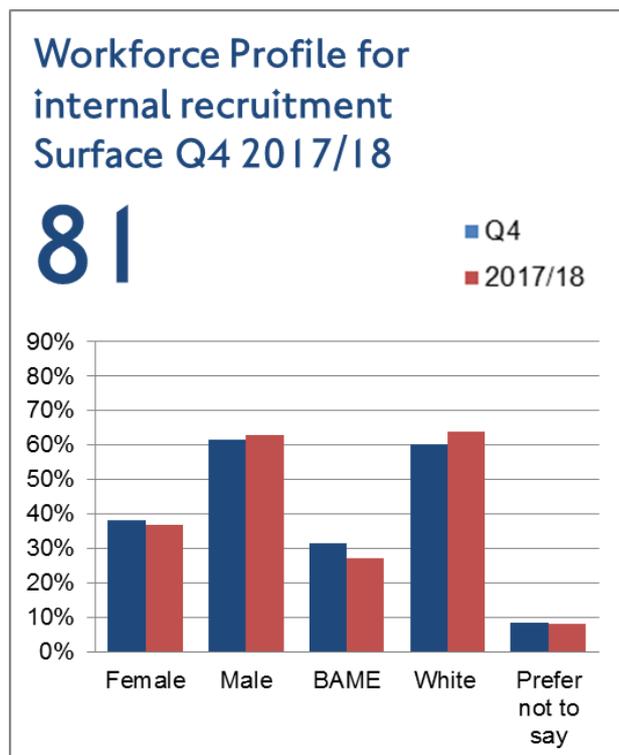
Internal recruitment within LU during 2017/18 was broadly representative of the wider LU workforce, however, considerably below the wider London composition.



Work is ongoing within our D&I and Schools Engagement teams to increase the attractiveness of operational roles to minority groups and of transport in general as a career choice. The results of this are starting to be reflected in the profile of our external recruitment; however, this will take time to filter into our internal recruitment statistics for LU.

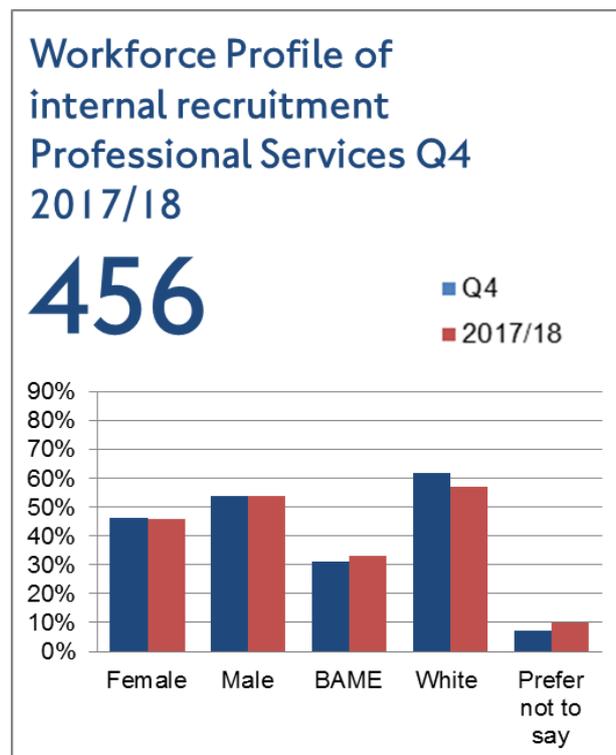
Surface Internal Recruitment

Surface Internal Recruitment has been more representative than the existing employee profile for 2017/18. In Q4, 38 per cent of those hired were female, which is higher than the existing Surface population of 30 per cent who are female. BAME recruitment is also higher than the existing employee composition.



Professional Services Internal Recruitment

Internal recruitment for Professional Services is also more representative than the existing employee composition. In 2017/18, 46 per cent of internal recruits were female, compared with 43 per cent of existing employees. BAME recruitment is also higher than the existing employee composition, with 33 per cent of hires, up on the 24 per cent of existing employees who are BAME.



Workforce Representativeness

Total Workforce Representativeness

Q4 2017/18

Total workforce representativeness for all TfL employees was 69.7 per cent, just below the target of 70.3 per cent for 2017/18. The representativeness of our employees has increased from 68.9 per cent over the year.

Total workforce representativeness is again on the TfL Scorecard, with a target for 2018/19 of 70.7%. Some of the measures identified in Section I of this report will help us achieve this scorecard measure, in particular the development of the Diversity & Inclusion Strategy which will align and coordinate positive work taking place across the organisation.

Director / Band 5 Workforce Representativeness, Q2 2017/18

For the Director and Band 5 workforce representativeness scorecard measure, at the end of Q4 this was 44.7 per cent, significantly above our target of 40 per cent by the end of 2017/18.

There has been considerable change in this population in 2017/18 driven primarily by the Transformation programme. Other measures have been put in place over the past year to ensure that there are diverse interview panels and unconscious bias training for all hiring managers. This has led to a significant improvement in the representativeness in a short space of time.

We will continue to build on this good work and have set the target for 2018/19 at 46.6 per cent.

