

# Transport for London

## Minutes of the Remuneration Committee

Committee Room 2, City Hall, The Queen's Walk, London, SE1  
4.00pm, Monday 13 January 2014

### Members

Baroness Grey-Thompson DBE	Chair
Daniel Moylan	Vice Chairman

### Also in Attendance

Isabel Dedring	Deputy Chair of TfL
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### Staff

Howard Carter	General Counsel
Sir Peter Hendy CBE	Commissioner
Shamus Kenny	Head of Secretariat

### 01/01/14 Apologies for Absence and Chair's Announcements

Apologies for absence had been received from the Mayor, Boris Johnson and Sir John Armitt CBE.

### 02/01/14 Declarations of Interests

Baroness Grey-Thompson declared an interest as a member of the London Legacy Development Corporation. Daniel Moylan declared an interest as a Councillor for the Royal Borough of Kensington and Chelsea and as Chairman of Urban Design London.

### 03/01/14 Minutes of the Meeting held on 3 July 2013

The minutes of the meeting held on 3 July 2013 were approved as a correct record and signed by the Chair.

### 04/01/14 Matters Arising and Actions List

As requested under action 14/07/13, dates for the meetings of the Committee in 2014/15 had been agreed and circulated. Howard Carter outlined the business to be conducted at each of the meetings. It was agreed that the forward plan would be included as a standing item on future agendas. **[Action: Secretariat]**

The meeting on 27 March 2014 would include a discussion on leadership and succession planning. The paper would:

- explain the processes in place, or planned, to develop directors and senior managers across TfL;

- explain the processes in place, or planned, to retain, develop and utilise staff that had completed the apprentice and graduate programmes; and
- identify the senior operational roles that would be the hardest to fill and how this was being managed; both in terms of retaining the incumbent post holders and developing the next generation of operational leaders.

**[Action: Sir Peter Hendy]**

The Committee asked the Commissioner to have early engagement with Crossrail Limited about freezing base pay awards in 2014/15 and consultation on performance related pay awards.

**[Action: Sir Peter Hendy]**

**The Committee noted the Actions List.**

## **05/01/14 Driving Performance at TfL**

Sir Peter Hendy introduced the paper, which provided further detail on the scorecard setting process at TfL and its outcomes. The paper set out the rigorous process for setting the scorecards, how performance was scrutinised and challenged, and how the process was driving improvements in performance.

The Committee discussed how performance related pay could drive behaviours and performance and supported its use. It recognised that some measures reflected issues of importance to the public and that that limiting the number could result in generic objectives that were hard to measure in a meaningful way. The Committee asked if there was any available benchmarking information on how many objectives other large transport providers and public authorities set for the most senior staff. **[Action: Sir Peter Hendy]**

Members believed that performance related pay should be a larger element of the pay of senior managers. The Committee requested further information to its next meeting setting out how performance related pay worked below Director level. **[Action: Sir Peter Hendy]**

The Committee requested a short narrative, expanding on the remuneration text in the Annual Report, setting out how the performance related pay element of the of the remuneration of the Commissioner and Chief Officers drove the performance of TfL.

**[Action: Sir Peter Hendy]**

The draft TfL Group Scorecard, showing changes tracked from the 2013/14 Scorecard would be circulated to Members in February in advance of being submitted to the Committee for approval in March 2014. In addition, Members would be provided with the five year trend analysis and the individual business area scorecards.

**[Action: Sir Peter Hendy]**

**The Committee noted the paper.**

## **06/01/14 Remuneration of the Commissioner and Chief Officers**

Sir Peter Hendy introduced the paper, which outlined the key components of remuneration that made up the total remuneration package of the roles under the Remuneration Committee's scope.

The Committee discussed the desirability of having longer term objectives linked to Mayoral targets. The Chair would meet with the Mayor to test his appetite for introducing a long term incentive plan in addition to annual performance plans.

**[Action: Baroness Grey-Thompson]**

**The Committee noted the paper.**

## **07/01/14 Any Other Business the Chair Considers Urgent**

There was no urgent business to discuss.

There being no further business, the meeting closed at 5.30pm.

Chair: \_\_\_\_\_

Date: \_\_\_\_\_