

# Transport for London

## Minutes of the Remuneration Committee

Meeting Room 8.8, City Hall, The Queen's Walk, London  
12 noon, Thursday 29 September 2011

### Members

Daniel Moylan	Chairman
Boris Johnson	Member
Christopher Garnett	Member
Judith Hunt	Member (by telephone)

### Officers In Attendance

Peter Hendy	Commissioner
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### **05/09/11 Apologies and Declarations of Interest**

Apologies for absence were received from Sir Mike Hodgkinson. No interests were declared relating to matters considered at the meeting. The Commissioner would leave the meeting during any discussion of his personal remuneration or benefits.

### **06/09/11 Minutes of the Meeting of 25 March 2011**

The minutes of the meeting held on 25 March 2011 were approved as a correct record and signed by the Chairman.

### **07/09/11 Matters Arising and Action List**

**The Committee noted the Actions List.**

### **08/09/11 Deferred Incentive Plan for the Commissioner and Chief Officers**

The Commissioner introduced the paper, which sought the Committee's approval for the adoption of the Deferred Incentive Plan ('the Plan') for the Commissioner and Chief Officers over a two year period ( 2010/11 and 2011/12). The Plan was agreed by the Committee on 29 July 2010 and was introduced for Directors in September 2010.

The Committee noted that the views of Sir Mike Hodgkinson had been sought and that he supported the recommendations contained in the paper.

#### **The Committee:**

- 1 approved the introduction of the Deferred Incentive Plan in respect of the Commissioner and Chief Officers, as outlined in the paper and Appendix 1;**
- 2 approved the targets, outlined in Appendix 2 of the paper, subject to confirmation of the Olympics targets in 2012; and**
- 3 approved the proposal that the Olympic targets would be set in 2012 and would be subject to further consideration at a meeting of the Remuneration Committee in 2012, including consideration of the metrics related to Olympic delivery.**

**09/09/11 Commissioner, Chief Officers, Directors and Senior Managers Salary Review and TfL Scorecard for 2011/12**

The Commissioner introduced the paper, which sought the Committee's agreement to a pay freeze for the Commissioner, Chief Officers and Directors, for the third year running, and agreement to the proposed Group TfL scorecard for 2011-12. The paper also informed the Committee of the base pay awards that TfL made to its Pay Band 4 and 5 senior managers.

The Committee noted that the views of Sir Mike Hodgkinson had been sought and that he supported the recommendations contained in the paper.

**The Committee:**

- 1 approved a base pay freeze for the Commissioner, Chief Officers and Directors;**
- 2 approved the proposed TfL scorecard outlined in Appendix 2 of the paper, subject to the inclusion of a London Underground miles operated target;**
- 3 noted the reward proposals for high performing senior managers (pay bands 4 and 5 only), and those senior managers below 115 per cent of their Total Remuneration market median with a 'Fully Matches' performance rating;**
- 4 noted that an improved benchmarking report on the remuneration for the Commissioner, Chief Officers and Directors would be provided for the 2012 Salary Review; and**
- 5 noted the approach to the Will Hutton Fair Pay Review Final Report and that a further paper, with proposals, would be submitted to a future meeting.**

**10/09/11 TfL Performance Awards 2010/11**

The Commissioner introduced the paper, which sought the Committee's approval of the performance awards of the Commissioner and Chief Officers for 2010/11. The paper also set out the overall level of performance awards for all other TfL staff (including Directors and Senior Managers).

The Commissioner left the meeting while the Committee considered his individual performance award.

The Committee noted that the views of Sir Mike Hodgkinson had been sought and that he supported the recommendations contained in the paper.

2010/11 had been a demanding year for TfL, with tough targets set against delivery of TfL's investment programme, efficiency savings plans, and improvement of day-to-day service delivery. Overall delivery had been good, and the total score against the TfL scorecard was 79 per cent. The Mayor and the Committee congratulated staff on a good year's performance.

**The Committee:**

- 1 agreed the individual performance awards for the Commissioner and Chief Officers, as set out in the paper; and**
- 2 noted the overall level of performance awards for other staff.**

**11/09/11 Crossrail Chief Executive's Performance Award 2010/11**

The Commissioner introduced the paper, which informed the Committee of the achievements of the Crossrail Limited (CRL) Chief Executive over the past performance year and his performance award for 2010/11.

The Committee was informed that, while the positive review notice at Review Point 4 had triggered important delegations of authority to the CRL Board, there remained a continuing requirement for CRL to consult the Committee in relation to the Chief Executive's remuneration and performance awards.

**The Committee:**

- 1 noted the achievements of the CRL Chief Executive in the 2010/11 performance year;**
- 2 noted the performance award for the CRL Chief Executive for the performance year 2010/11; and**
- 3 requested details of the calculation of the 90 per cent award to the previous Chief Executive and details of the salary and performance and arrangements that apply to the new Chief Executive.**

**12/09/11 Any Other Business**

There was no other business.

The meeting closed at 13.15pm.

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

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