Safety, Sustainability and Human Resources Panel

TRANSPORT FOR LONDON
EVERY JOURNEY MATTERS

Date: **28 September 2017**

Item: **Human Resources Quarterly Report**

1 Purpose

1.1 To provide the Safety, Sustainability and Human Resources Panel with an update on key Human Resources (HR) led activities and statistics from Quarter 1, 2017/18.

2 Recommendation

2.1 The Panel is asked to note the report.

3 Background

3.1 This is the first HR Quarterly Report to the Safety, Sustainability and Human Resources Panel for the 2017/18 reporting year.

3.2 This paper builds upon the previous quarterly report, providing additional information requested by the Panel on workforce composition and changes in this over the previous quarter.

4 HR Quarterly Report

4.1 The HR Quarterly Report focuses on providing the Panel with an update on a number of key HR activities underway, with sections covering workforce composition, composition changes occurring in Q1, along with updates on the TfL Scorecard, recruitment and work towards the Action on Equality report.

Appendices:

Appendix 1: HR Quarterly Report

List of Background Papers:

None

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HR Quarterly Report
2017/18 Quarter 1 Update

HR Quarterly Report – 2017/18 Quarter 1 Update

Introduction

This Human Resources (HR) quarterly report provides an overview of key developments and achievements that have taken place in the first quarter of the 2017/18 financial year, covering between 1 April 2017 and 24 June 2017 inclusive.

This report includes additional information requested at the previous SS&HR Panel in June 2017, providing greater detail on our workforce composition and how this has changed over the quarter, whilst also demonstrating how HR activities contribute towards wider TfL initiatives such as Action on Equality.

Recent and upcoming publications:

TfL has recently published the Annual Workforce Monitoring Report 2016/17 which is available on our website. This has been shared with the Panel directly via email.

The Gender Pay Gap Report is anticipated to be published on 31 October 2017. This will also be shared with the Panel when published.

Report Content

Section 1 – Workforce Composition

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

Section 2 – Changes in Q1

- External recruitment
- Leaving staff
- Internal recruitment
- Promotions
- Employee tenure
- Workforce Representativeness

Section 3 – Recruitment and Action on Equality Update

- Apprentices
- Graduate schemes
- Supporting current employees
- Workforce diversity

Section 1: 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 1 person working 35 hours per week. Headcount values at the end of Q1 2017/18 are as follows:
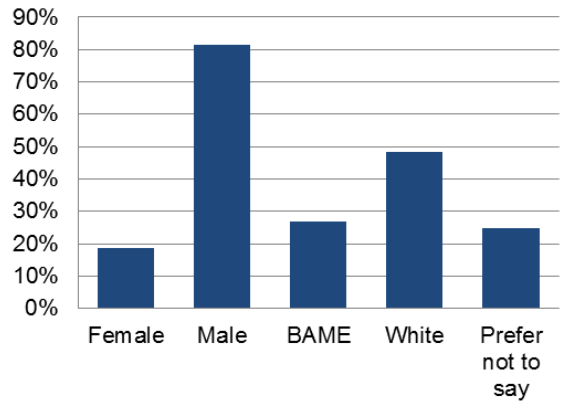
All TfL

Total FTEs from Q1 2016/17 to Q1 2017/18 have fallen from 26,752 to 26,036, this represents a decrease of just under 3 per cent.
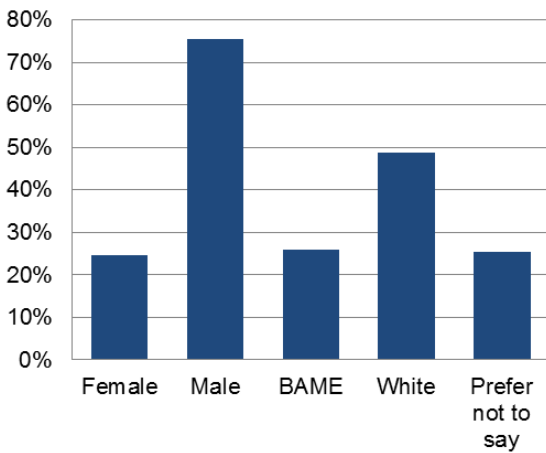
Workforce profile for all TfL, Q1 2017/18
26,036

London Underground

Workforce profile for London Underground, Q1 2017/18
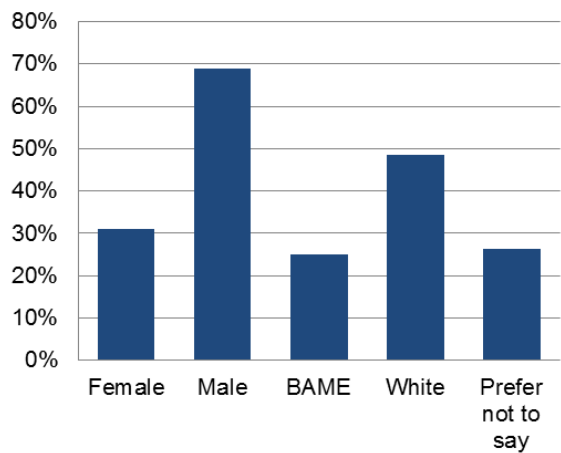## 17,028

Surface Transport

Workforce profile for Surface, Q1 2017/18
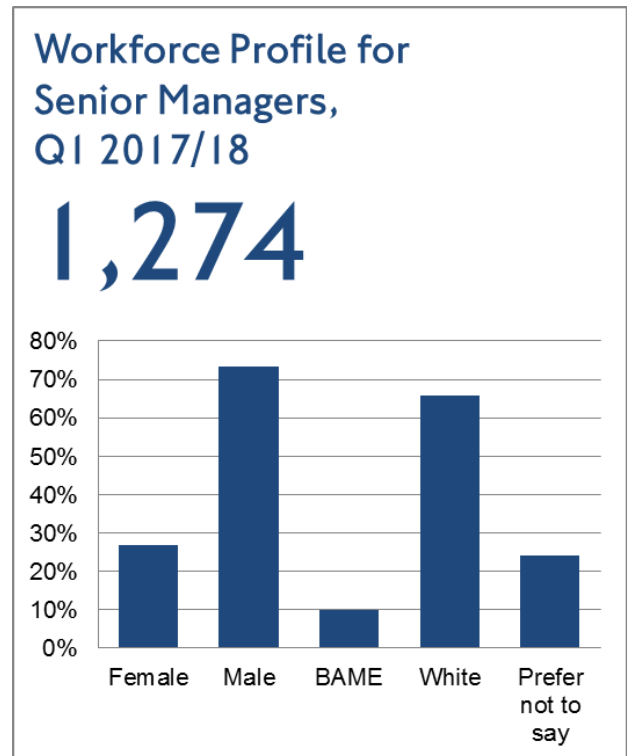## 3,975

Professional Services

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

Workforce profile for Professional Services, Q1 2017/18
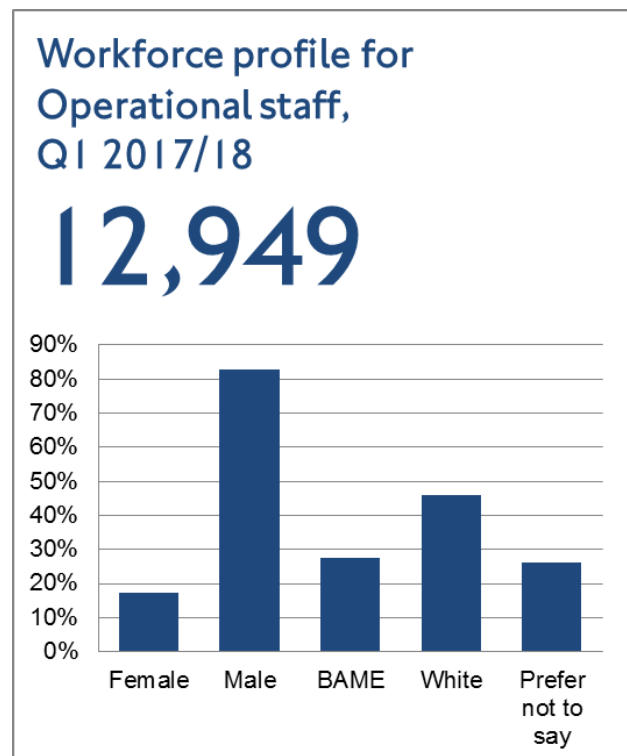
4,703
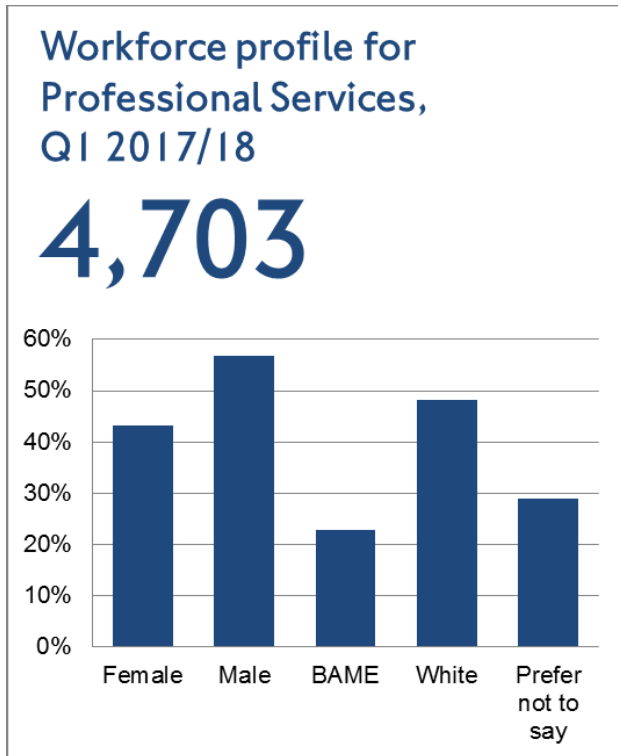
Workforce Composition

We have recently published our Annual Workforce Monitoring Report for 2016/17. This has been circulated to the Panel separately. This report outlines our progress made towards reflecting the make up of London and sets out what we have done so far to diversify our workforce. It provides quantitative and qualitative equality data covering recruitment and development, outcomes of harassment and grievance cases, plus promotion statistics by gender, ethnicity and disability. The following information continues on from this report and provides the Q1 data for 2017/18.
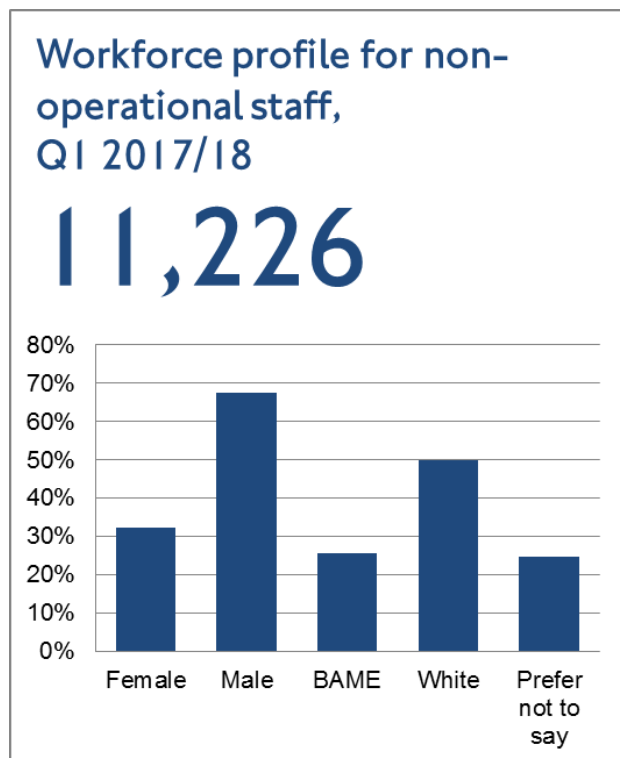
TfL Senior Manager Staff Composition (2017/18 Q1)

Workforce Profile for Senior Managers, Q1 2017/18

1,274

TfL Operational Staff Composition (2017/18 Q1)

Workforce profile for Operational staff, Q1 2017/18

12,949

TfL Non-Operational Staff Composition (2017/18 Q1)

Workforce profile for non-operational staff, Q1 2017/18

11,226

Non Permanent Labour

Non Permanent Labour (NPL) are temporary staff employed to complete project work or short term assignments. At the start of Q1 there were 1,742 employees who were NPL. At the end of Q1 this had fallen to 1,517, a fall of 13 per cent over the quarter.

Q1 2017/18:

1,742 (31 Mar 17)

1,517 (24 Jun 17)

This decline in the use of NPL continues the trend seen throughout the 2016/17 financial year. At the end of Q1 in 2016/17, there were 2,785 members of NPL staff across TfL, compared with 1,517 at the end of Q1 2017/18, an annual decrease in the use of NPL of 45 per cent. Work is continuing to reduce both the numbers and rates of NPL across TfL.   Managing Director sign-off is required to either hire or extend NPL contracts.

It is, however, important that TfL continues to make use of the flexibility offered by NPL, particularly through this time of change. 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 2: Changes in Q1

Section 1 of this report looks at a static snapshot of the workforce composition at the end of Quarter 1. Based on feedback from the previous Panel, the following section will provide a more dynamic picture of changes occurring across our workforce over the past quarter.

External Recruitment workforce composition (2017/18 Q1)

The below graph provides a breakdown of staff recruited externally into TfL. This does not include internal recruitment which is detailed separately. A key observation is that nearly two thirds of external recruits do not disclose their ethnicity. This has the effect of reducing the overall TfL disclosure rates, reducing the accuracy of any trend data and observations based upon these. External female recruitment is higher than the TfL overall rate, with 27.7% recruited against 24.4% across TfL.

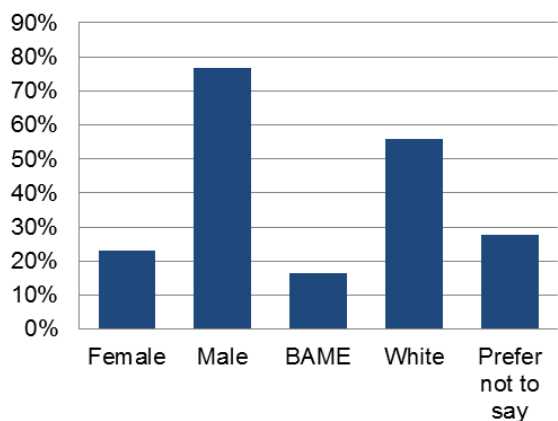**Workforce profile for external recruitment, Q1 2017/18**

548
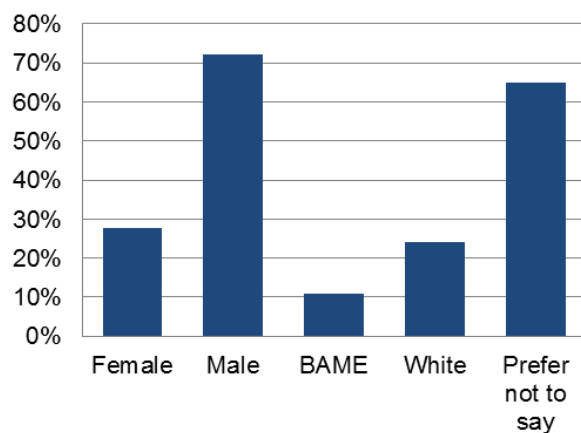
## Leaving staff composition (2017/18 Q1)

**Workforce profile for staff leaving TfL, Q1 2017/18**

453

Internal Recruitment composition (2017/18 Q1)

Internal recruitment in Q1 has been considerably more representative than the average TfL composition. Female recruitment was over 36%, and BAME recruitment was over 40% of those who declared their ethnicity.

Workforce profile for internal recruitment, Q1 2017/18

569
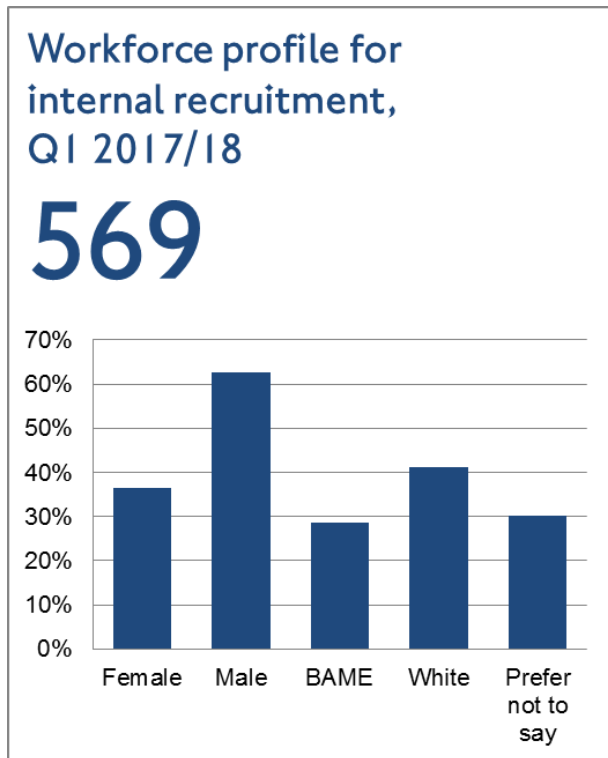
Internal Promotion composition (2017/18 Q1)

In Q1 there were 147 employees who were promoted to a more senior role. The split of these was better than, but still broadly reflective of the TfL overall composition.
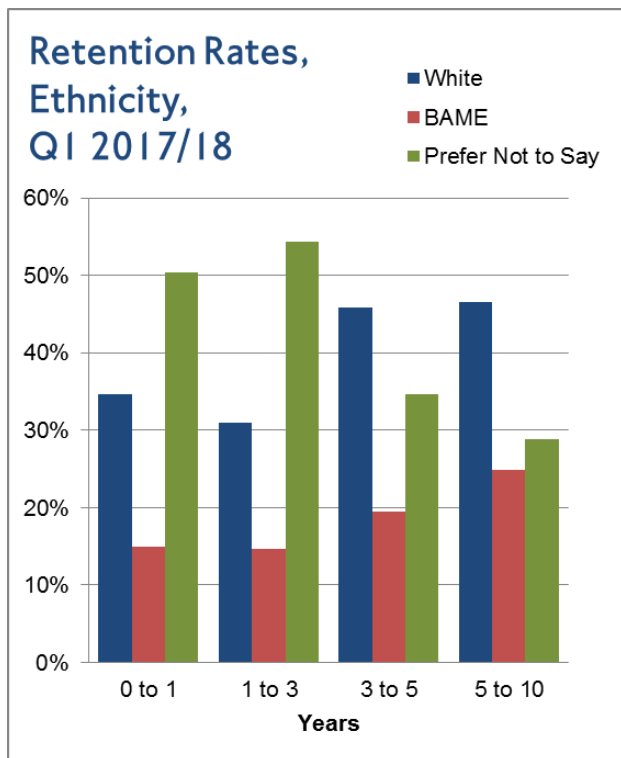
Workforce profile for internal promotions, Q1 2017/18

147
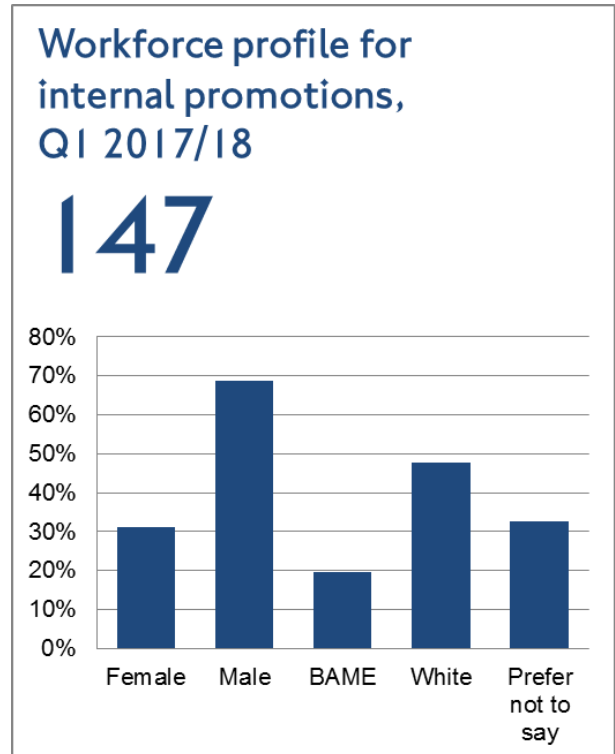
Retention Rates (2017/18 Q1)

The following tables show the diversity breakdown of TfL staff by their length of service at TfL.

Retention Rates, Gender, Q1 2017/18
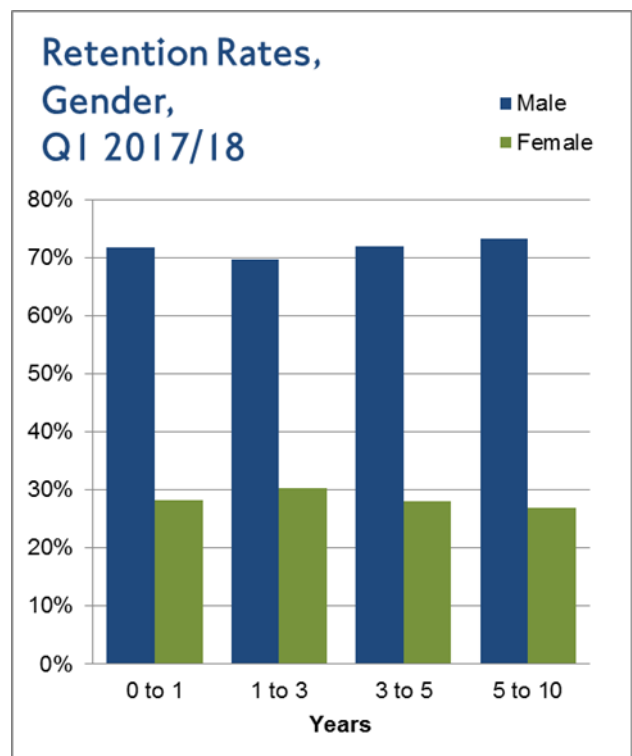
The gender split across TfL remains consistent when compared against average length of service at TfL.

Retention Rates, Ethnicity, Q1 2017/18

■ White
■ BAME
■ Prefer Not to Say

[Bar chart showing retention rates by ethnicity across years of service categories: 0 to 1, 1 to 3, 3 to 5, 5 to 10. Y-axis shows percentages from 0% to 60%. For 0 to 1 years: White ~35%, BAME ~15%, Prefer Not to Say ~50%. For 1 to 3 years: White ~31%, BAME ~15%, Prefer Not to Say ~54%. For 3 to 5 years: White ~46%, BAME ~19%, Prefer Not to Say ~35%. For 5 to 10 years: White ~46%, BAME ~25%, Prefer Not to Say ~29%. X-axis labeled "Years".]

The ethnicity breakdown of TfL employees over time does show several key observations. For employees with less than three years service with TfL, over 50 per cent of these staff do not declare their ethnicity. This is aligned with the Q1 external recruitment statistics.

Ethnicity declaration rates for employees who have joined TfL within the last 3 years are below 50%. Declaration rates improve significantly for employees who have been with TfL for longer than 3 years. Whilst it is positive that staff who have been with TfL feel more confident in disclosing their ethnicity, an area for concern and, one which will be investigated further, is why staff who have recently joined TfL do not have this same confidence to disclose.

HR Quarterly Report: 2017/18 Quarter 1 Update
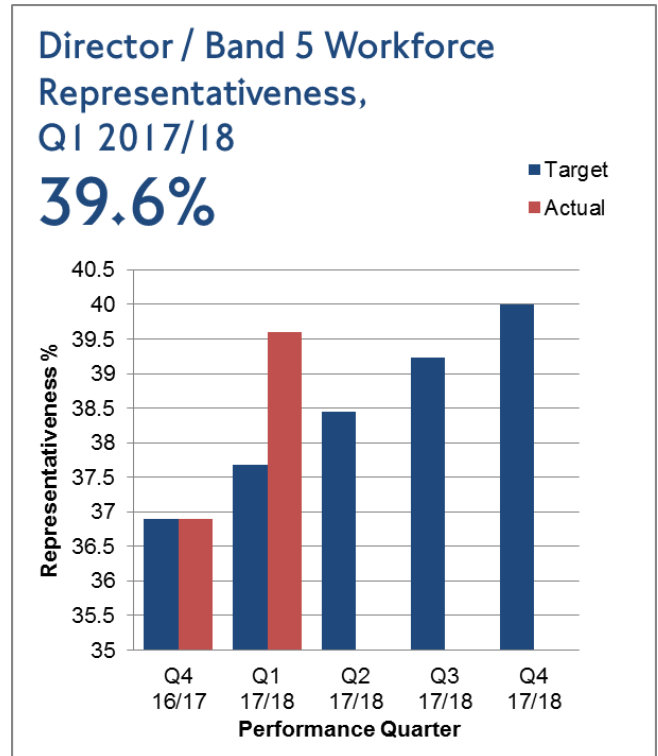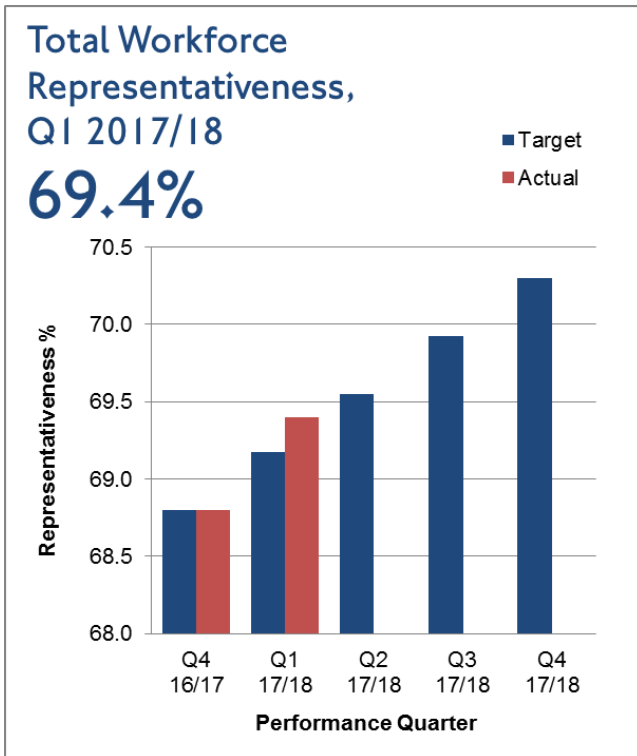
Workforce Representativeness

A new measure added to the TfL Scorecard for 2017/18 is workforce representativeness. This metric combines seven protected characteristics and measures how well TfL compares to the economically active London population. The seven characteristics measured are:

- Gender
- Age
- Gender reassignment
- Disability
- Race
- Religion or Belief
- Sexuality

A worked example is if 50% of the economically active London population are female, and of the total TfL workforce only 25% are female, TfL would be 50% representative for this measure.

The workforce representative measure is calculated each quarter and the results for Q1 2017/18 are provided overleaf for the total TfL workforce and for Band 5 and Director level.

Total Workforce Representativeness
Q1 2017/18

Total Workforce Representativeness, Q1 2017/18

69.4%

Director / Band 5 Workforce Representativeness, Q1 2017/18

39.6%

Director / Band 5 Workforce Representativeness, Q1 2017/18

The data from Q1 indicates that TfL is on target to meet the targets set for 2017/18. The jump seen in Director and Band 5 level could be attributed to the initial stages of Transformation and the significant changes seen in this population of our workforce so far this year.

Section 3: Recruitment and Action on Equality Update

Apprentices

In Q1 2017/18 saw the development of eight new apprenticeship courses for the September intake, bringing the total number of courses offered by TfL to 30. Of these eight new courses, the general management and embedded electrical systems design and development are Level 6, which are degree level equivalents.

As part of our commitment to encouraging more women to study Science Technology Engineering and Mathematics (STEM) subjects, HR Recruitment supported the development and launch in June of a new toolkit led by Women in Science and Engineering (WISE). The toolkit is designed to help businesses close the skills gap in technical roles in the transport industry by recruiting more women through apprenticeships. This toolkit shares best practice, expertise and case studies of employers, covering how to attract, engage, support and retain women in STEM apprenticeships. The toolkit also signposts you to the support, bespoke training and advice available from organisations including TfL.

Graduates

In June, HR ran the Graduate Insight Day. This event provided those graduates who joined us in September the opportunity to find out more about their scheme and working at TfL in general. The graduates were provided with the opportunity to network and exchange contact details with previous graduates, building relationships and engagement before they start the scheme.

The graduate team in HR have also been continuing their focus on supporting the career launch for the 129 graduates rolling off their respective schemes this summer.

Action on Equality Update

'Action on Equality: TfL's commitments to 2020' is a pan-TfL document which sets out TfL's vision and policy on equality and inclusion from 2016-20. Whilst not solely a HR document, there are many activities undertaken within HR that contribute to the aims and actions set out in this document. Highlights of this work that have taken place in 2017/18 Q1 are outlined in this section.

Supporting Current and Future Employees

Mental Health Awareness Week

TfL held events as part of the national Mental Health Awareness Week (8 – 14 May 2017) organised by the Mental Health Foundation. This helps raise the profile of mental illness for our staff and to illustrate the support and help available through our occupational health services.

During the week, lunchtime talks on the subject of mental health were held and attracted over 700 booking enquiries with only 500 spaces initially planned for. Subsequent lunchtime talks were scheduled to accommodate the demand, also demonstrating the interest and value placed on these talks by our staff.

Support available to our employees was highlighted throughout the week, including peer to peer support, counselling sessions and Mental Health First Aiders who can be contacted for support and information.

Employer Recognition Scheme – Gold Award

The Ministry of Defence have awarded TfL with the Employer Recognition Scheme (ERS) Gold Award, its highest grade of recognition for organisations which have signed the Armed Forces Covenant and demonstrated outstanding support for those who serve and have served.

The ERS Gold Awards recognise employers who actively support the Armed Forces community in their workplace and also encourage others to follow their lead. This award recognises our Smart Sourcing initiatives to help former forces staff into work experience placements and full time roles, along with ongoing support for reservist staff who work at TfL.

Disability Confident Employer

In April, TfL signed up to the Department for Work and Pensions' Disability Confident employer scheme, Level 1. This recognition scheme reaffirms TfL's commitment to employ, support and promote disabled people in our workplace. The scheme challenges employers to increase their understanding of disability, remove barriers and ensure opportunities are open to all employees.

The awarding of Level 1 status has been championed by our Staff Network Group for Disability, and work is now underway to achieve Level 2 status.

Workforce Diversity

Welcome Staynton Brown

Despite starting the role in Q2, on the 7 August Staynton Brown started his new role as Director of Diversity & Inclusion. Staynton has joined TfL from the NHS, where he was Associate Director, Equalities at Guy's and St Thomas' Foundation Trust since 2011.

By developing our Diversity and Inclusion (D&I) vision and strategy, he will help to ensure further progress in our commitment to providing an inclusive and accessible network and developing a workforce that reflects the diversity of the city we serve.

Staff Network Groups

The Staff Network Groups (SNGs) have been actively engaged in developing new ideas, initiatives and challenges to improve workforce diversity outcomes. Many of these challenges were shared with the TfL Executive Committee in a joint presentation from the SNGs. The Commissioner has since requested that D&I activity needs to be increasingly action orientated.

The recently appointed Director D&I has conducted a rapid review of what immediate actions can be taken to improve diversity and inclusion outcomes in the business. These include the views and feedback from the SNG's and a number of other stakeholders across the business. The actions focus on:

- Further removing bias in the recruitment process;
- Improving D&I governance and accountability across the business; ensuring leadership and development activity actively targets under-represented groups;
- Developing a D&I indicator scorecard that utilises workforce data more intelligently.

A full D&I update is on the forward agenda for the November SS&HR Panel.

Inspire Engineering

London Transport Museum, in partnership with TfL, has developed the Inspire Engineering programme to engage young people with engineering and reduce the skills gap facing the transport industry. As part of National Women in Engineering Day on the 23 June, TfL invited over 50 year 7 girls from the Sarah Bonnell School in Newham to take part in an Inspire Engineering event at the London Transport Museum. This event, as part of TfL's wider schools engagement programme, seeks to encourage young people from a diverse background to consider a career in the transport industry and TfL.
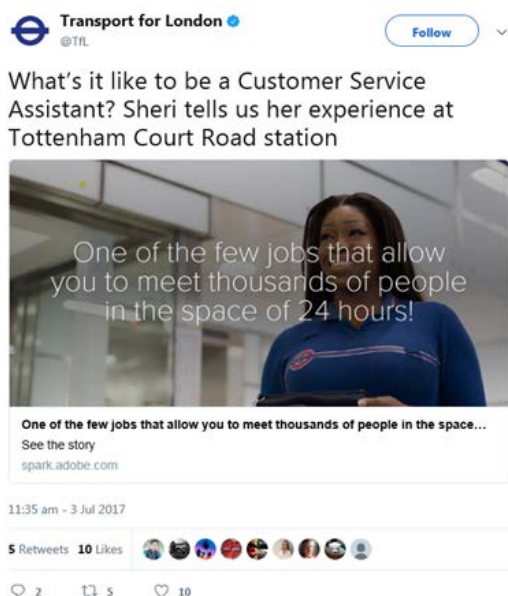
Recruiting the TfL way

Recent recruitment campaigns for On Street Enforcement Officers in Surface, and Customer Service Assistants in London Underground were reviewed in order to enhance the diversity of applications.

One of the key changes used in both recruitment campaigns was to target where these roles were advertised. Along with usual recruitment channels, adverts were placed on LinkedIn, Facebook and Twitter, and included biographies of existing female and/or BAME employees to dispel any myths and to give candidates a better insight to the roles themselves. The roles were also shared with our Staff Network Groups directly to target these campaigns specifically at diverse audiences.

The campaign for On Street Enforcement officers saw 36 per cent of applications from females, which is nearly double the 20 per cent female population currently performing the role.   The campaign also attracted 55.9 per cent of applications from BAME candidates. The campaign for Customer

Service Assistants on London Underground also saw an increase in applications from diverse candidates, with 31.5 per cent of applications from females and 73.8 per cent from BAME candidates.

These targeted campaigns have led to an increasing number of applications from diverse candidates, this is likely to result in a more diverse workforce, helping TfL deliver against the scorecard objective to build a workforce representative of the city it serves.

HR Quarterly Report: 2017/18 Quarter 1 Update

EVERY JOURNEY MATTERS