

**Date: 17 November 2016**

**Item: Human Resources Quarterly Report**

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**This paper will be considered in public**

**1 Purpose**

- 1.1 To provide the Safety, Sustainability and Human Resources Panel with an update on a number of key Human Resources (HR) led activities during Quarter 2, 2016/17.

**2 Recommendation**

- 2.1 **The Panel is asked to note the report.**

**3 Background**

- 3.1 This is the first HR update to the Safety, Sustainability and Human Resources Panel. The intention is to seek input from the Panel on the development of the content and topics of the report which will be produced to update the Panel on any significant matters from the previous quarter.
- 3.2 In addition, a number of future papers will be identified with the Panel for more in depth discussion and will be included on the forward agenda for future meetings of the Panel.

**4 HR Quarterly Report**

- 4.1 The first HR Quarterly Report focuses on providing the Panel with an introduction to a number of key HR activities underway, covering equality & inclusion, the graduate and apprentice schemes, the TfL Schools Programme and TfL's 'Smart Sourcing' approach to recruitment.

**List of Appendices to this paper:**

Appendix 1: HR Quarterly Report

**List of Background Papers:**

None

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# HR Quarterly Report – Quarter 2, 2016/17

## Introduction

Human Resources (HR) is a core function supporting our delivery businesses (London Underground, Surface Transport, Major Projects and Commercial Development) and works alongside other Professional Services. HR has a key role in delivering the Mayor's manifesto commitments particularly in relation to skills for Londoners and a fairer and more equal city.

One of our priorities is to invest in our people and lead them to be the best that they can be every day. To do this we need to recruit, manage, reward, develop and engage our workforce, recognising the

important contribution our people make to life in our city.

This is HR's first Quarterly update, which serves as an introduction to a number of topics and provides an overview of a number of key activities underway. The aim is to work with the panel to evolve the content of the report over the coming months.

## HR Performance

### Equality & Inclusion

- Annual Workforce Monitoring Report
- Senior manager workforce composition
- Gender Pay Gap Report
- Staff Network Groups (SNG's)
- Equality Framework for Local Government (EFLG)
- 100 Years of Women in Transport
- Steps into Work explained
- Equality and Inclusion Training
- Support Programmes
- Maximising Potential (Talent Management)

### Smart Sourcing

- Case Study: Naval Airman to Senior Traffic Engineer
- Bronze Employer Recognition award from the Ministry of Defence
- Smart Sourcing achievements and benefits

### Graduate Scheme

- Breakdown of graduates since 2006
- Diversity and Inclusion Award
- Achievements to date

### Apprenticeship Scheme

- Our plan, successes and achievements
- Impact of the forthcoming Apprenticeship Levy and the Enterprise Bill

### Schools Programme

- Aim of the programme
- Initiatives to inspire early years
- Linking Women in Transport with career events for primary and secondary school pupils

### Our People

- Permanent Headcount
- Non Permanent Labour
- Attendance
- Grievances

# Equality and Inclusion

## Overview

Our workplace equality objectives are:

- Achieve a workforce which is reflective and representative of the diversity of London.
- Ensure all future and current employees are supported to make the most of their skills and talents.
- Create a more inclusive culture in which all staff feel engaged.

We have an established Equality & Inclusion Leadership Group who are responsible for the overall Equality and Inclusion strategy and plan in the organisation.

We are committed to promoting diversity and inclusion and an extensive work programme was published in our **Action on Equality (AOE)** report in early 2016. This supports our purpose of keeping London moving, working and growing and making life in our city better. We are committed to embedding the values of equality and inclusion in everything we do from our business practices to our transport services. AOE sets out our clear objectives and direction for our work through to 2020 and is available to both our employees and to our customers.

We also publish the TfL Annual Workforce Monitoring Report and this year we have analysed our Gender Pay Gap.



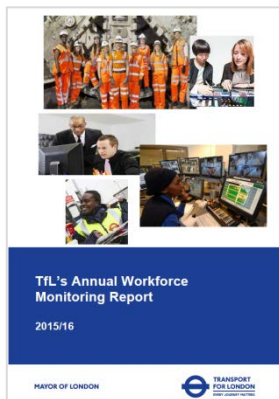
# Equality and Inclusion

## Annual Workforce Monitoring Report

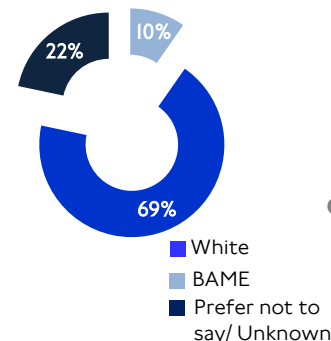
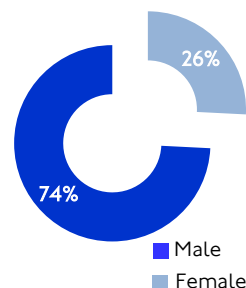
This report outlines our progress towards reflecting the make up of London and sets out what we have done so far to diversify our workforce. It provides quantitative and qualitative equality data covering recruitment and development, the outcomes of harassment and grievance cases, plus promotion statistics by gender, ethnicity and disability.

The equality data covers all our permanent employees in both operational and non-operational roles. It reflects our structured approach to diversity and inclusion and complies with the recommendations of the Equality and Human Rights Commission guidance to public sector equality duties.

Our 2015/16 report has recently been published on the TfL website..



## Senior manager workforce composition



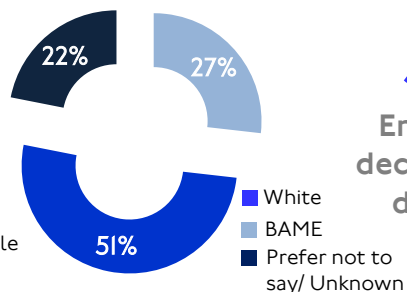
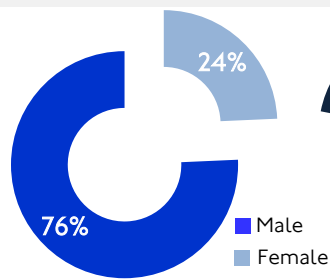
**168**  
Employees declared their disability

March 2016  
Data may not always add to 100 per cent due to rounding

There are a number of **positive action initiatives** in our plan to increase the diversity of our senior managers. These include:

- Our annual Stuart Ross Press Office BAME internship
- To help talented Band 3 staff from BAME groups to develop the skills they require to successfully apply for senior managerial roles, we have worked with external organisations on a Mentoring Circle programme. This has allowed 10 BAME staff members to be part of a circle of mentees who are mentored by a senior manager from one of the participating organisations. This year the BAME Staff Network Group launched its pilot BAME Mentoring Circle programme and 40 BAME staff members have joined with eight Mentors.

## Workforce composition 2015/16



**532**  
Employees declared their disability

- Working with the House of Commons to offer secondment positions to two of our employees to help them demonstrate they are able to fulfil their potential to work in senior management roles.

What our secondees have said:

“It has been a tremendous opportunity to work on a House of Commons Select Committee. I have researched, briefed and reported on some of the most pressing issues facing our nation, engaging with some of the best minds in the country, right at the heart of our political system. An absolute privilege.”

**(Kunal Mundul – Stakeholder Communications Manager, LU)**

“My time at the House has been one I will remember as it has both enhanced my personal and professional growth, increased my confidence, built great working relationships with colleagues at the House and most of all, recognition of my contribution to the Committee’s work has both been recognised and highly commended”.

**(Johnnet Hamilton – Senior External Relations Manager, Public Affairs)**

- We have analysed our employee data and produced our first **Gender Pay Gap Report**.

Additionally, we completed a more in-depth Equal Pay Audit report every two years to examine pay differentials by gender and ethnicity, to help create awareness and to facilitate action planning to address anomalies. Pay gaps identified are a reflection of the demographics of TfL and our overall under-representation of women at a higher level and therefore in higher paid roles within the organisation.



- Staff Network Groups (SNGs)**

We support six SNGs (BAME, Carers, Disability, Faith and WellBeing, LGBT and Women) which are run by elected members and non-elected committees. Involvement is on a voluntary basis. The SNGs are an important source of support to colleagues from equality groups and a means of engagement with all employees. They have a strong degree of autonomy, with support and advice from the Equality and Inclusion team with sponsorship from an individual TfL Executive Committee member.

- The **Equality Framework for Local Government (EFLG)** is a national

benchmarking standard that measures the equality progress of an organisation and reviews activities and outcomes for both employees and customers. We co-ordinate a self-assessment process that is validated by peer assessors from other organisations. In February 2016, we retained our ‘Excellent’ rating.



- In November 2014, working with industry partners, we launched the **100 Years of Women in Transport programme (YOWIT)** to celebrate the significant role women have played in transport over the past 100 years. This has now been re-branded as Women in Transport (WIT).



This group will look at how to overcome the under representation of Women in Transport, who currently make up only 18 per cent of the transport workforce, and promote best practice.

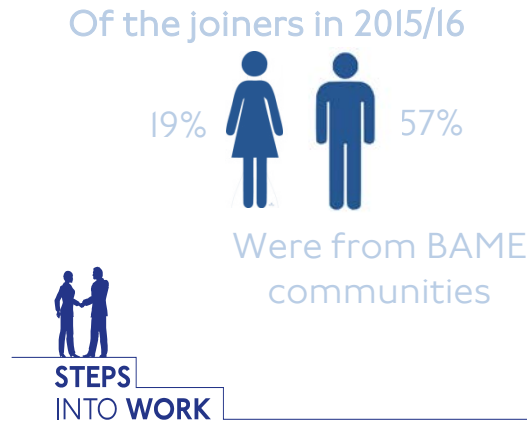


- **Steps into Work** is a one year work experience programme for adults with learning disabilities. We partner with Remploy and Barnet and Southgate College to enable individuals to gain new skills and knowledge and real work experience.

Each year, we recruit between 10 and 12 students for the programme who study for a BTEC Level 1 Work Skills qualification. Each work in three placements across the organisation.

Up to, and including December 2015, 53 students had successfully been placed. There are nine currently on track to complete the programme in December 2016, plus one student who joined in January 2016 but left the programme early when he was successfully recruited to a paid role in Information Management (IM) as a Junior Analyst.

As well as employment, education and training outcomes, we measure student confidence through the programme and benefits to us based on feedback from placement teams who host students. We regularly receive feedback that staff attitudes towards people with disabilities improve having hosted a placement and that hosting a Steps into Work student provides development opportunities for placement managers and buddies.



What one of our placement hosts has said:

“We gained so much from knowing that we have helped student gain the confidence, knowledge and skills to work successfully in a job role. We have also benefited from knowing that we helped to provide a rewarding experience for the student, as well as helping her learn new skills which will help her in the future.”

“The experience has helped us to understand that we all have different learning needs and that it’s important to respond to those very specific needs appropriately”

### Case Study: David Yeboah



David completed the Steps into Work (SiW) programme in December 2015. At the start, he was shy and lacked confidence dealing with customers, following a bad experience in a previous work placement when a customer had shouted at him.

Throughout the SiW programme, David gained belief in his own ability and took

part in a customer services assistant placement at Kings Cross Station. This built his confidence in face-to-face interaction and he realised he enjoyed helping customers, especially using his knowledge of the transport network. Through this placement David came to realise that not all customers are rude and will shout at you.

David also completed a placement in the IM Service Transition Team. He said: “I really enjoyed this placement as I really like technology and I got to see how we were using technology to improve their services.”

David is now employed full-time with our Lost Property Office as a direct result of being on the SiW programme. David aspires to buying his own flat in the future through continued hard work and dedication. For him, this is just the beginning.

- **Equality and Inclusion training** is available for all employees and forms a key part of the induction for all new employees.

It is also one of the core modules, of our People Management Development Programme (Managing Essentials). Training covers areas such as defining diversity, inclusion and equal opportunities, stereotyping and unconscious bias. There is also a short unconscious bias film which recruiters are able to view before any recruitment campaign.



- We run **Deaf Awareness & British Sign Language and Visual Awareness workshops** to help employees feel more confident in dealing with deaf/hard-of-hearing and blind/partially sighted customers and colleagues. Our Dyslexia Specialist offers support to our employees with dyslexia and/or dyspraxia.

We also offer a number of other programmes that support the development of employees. These include:

- The **Springboard Women's Development programme** which supports the development and progression of women across Transport for London. The programme is designed to help women develop into senior management roles to reflect the diverse communities we serve.



- **Coaching Squared** is a pioneering cross-organisational partnership programme designed to boost the confidence and career prospects of managers over a nine-month period. The programme matches candidates from other organisations with a similar level of experience to form a co-coaching partnership.



# Talent Management

## Initiatives to achieve TfL's Workplace Equality objectives

### Maximising Potential

Maximising Potential provides us with the guidance and tools to better understand employee performance, potential and aspirations in an objective, consistent, open and fair way for all individuals involved.

- Ninety five per cent of all senior managers participated in this programme
- Twenty four percent of the senior manager population were identified as specialists and over half of them aspire to progress their career within a specialist field
- At senior manager levels, a similar number of women and men have been identified as top leadership talent
- Women are more likely to be rated as high potential
- The same percentage of BAME and white senior managers are identified as talent

Following Maximising Potential a number of actions have been taken to improve the diversity at senior manager level.

1. Focus groups have been organised for female and BAME senior managers to understand possible barriers to progression. The information gathered will be fed into our overall behavioural change programme,

2. To boost the BAME talent pipeline, LU is piloting the roll out of Maximising Potential to the Band 3 population (Middle Management) where there is greater diversity than the current senior manager population.

3. LU is also piloting career conversations at all levels in its Fleet function, which will give us the opportunity to review potential talent and understand employees' aspirations. We can create 'career passports' for employees to build a healthy internal pipeline of talent to fill vacancies as they become available. This work will also help us identify any possible barriers that exist to progression amongst different groups and take steps to remove them.





# Recruitment – Smart Sourcing

Our recruitment activities will allow us to reach new talent pools, particularly in scarce skills areas that will be identified by our Strategic Workforce Planning approach. This will help us understand our future demand and improve our longer term recruitment planning.

One key initiative currently being undertaken is called '**Smart Sourcing**'. Our Smart Sourcing Project is working to help get people with the right skills back into employment. There are four Smart Sourcing pilot areas; the Armed Forces, rehabilitation of offenders, executive resourcing and graduate recruitment.

## Case Study: Naval Airman (AET) to Senior Traffic Engineer



During Mark's career in the Navy he was responsible for aircraft on-board aircraft carriers, during which he had the opportunity to travel to places such as the US, Japan, Singapore, Malaysia,

Dubai, Libya, Brazil, Germany and Denmark to name a few.

Following a severe accident resulting in a broken neck, Mark's career in the Navy unfortunately ended in 2012.

Mark joined us on a placement in 2012 before securing a permanent role shortly after as a Traffic Engineer.

Mark is now a Senior Traffic Engineer who also trains other engineers within the department. He has the opportunity to work on a wide range of complex situations and projects. He offers subject matter expertise to external bodies and is involved with the research and development of new technologies

We have gained a Bronze Employer Recognition award from the Ministry of Defence for the support we pledged through our Armed Forces Covenant and for our work to support service leavers, their families and reservists.

Our Smart Sourcing approach will also identify sourcing opportunities to address the shortage of protected characteristics in specific areas, for example women and BAME candidates in senior posts.

## Achievements include:

- Delivery of CV and interview training and support to injured veterans at external military rehabilitation units (now a quarterly activity)
- Civilian work attachments for those about to leave military service
- Armed Forces day campaign to showcase us as a military friendly employer
- Working with Prison training units to guide training whilst in prison towards apprenticeships
- Working with a number of 'Social Enterprise Organisations' that support in-work poverty and single parents

## The overall benefits that are expected to be realised by us in due course are:

- Reduced recruitment costs
- Quicker recruitment times
- Contributes towards our commitments for diversity
- Viewed as an attractive employer and enhanced reputation

# Graduate Scheme

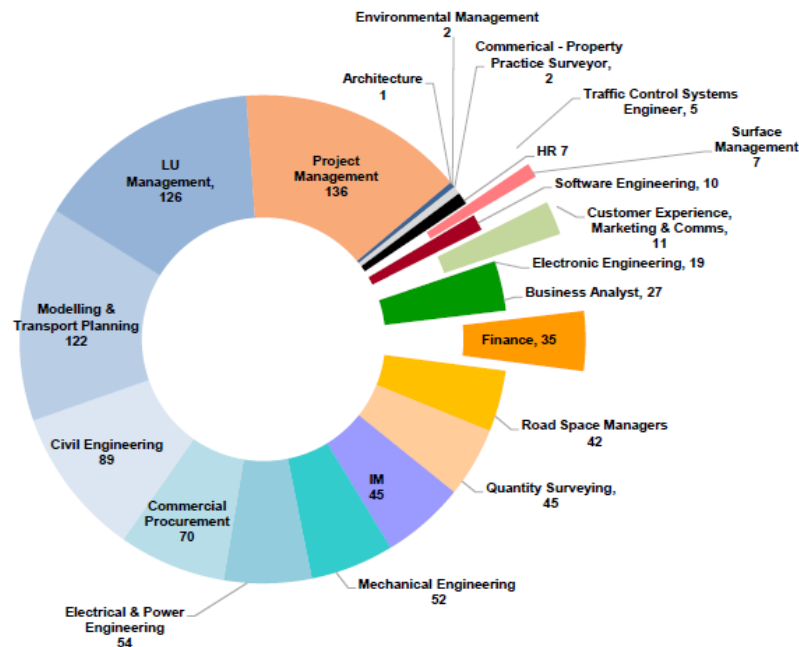
Since 2006, 907 graduates have joined TfL with 73 per cent still working in the business. This is made up of 45 per cent alumni and 28 per cent still on various graduate schemes.

Of the overall population, 52 per cent (473 individuals) come from the following four schemes:

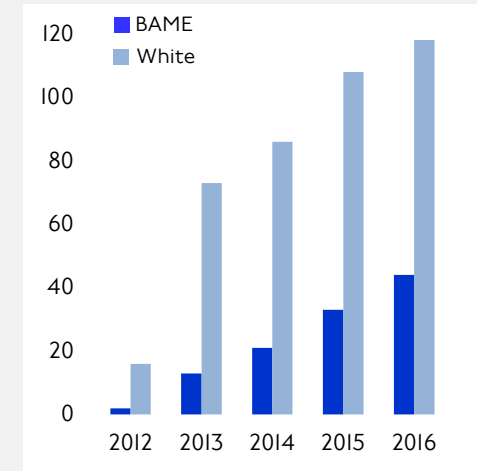
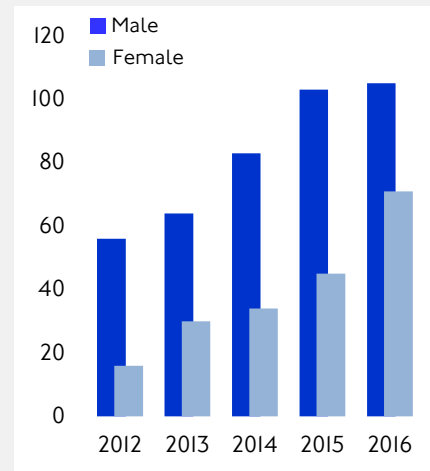
- Project Management
- LU Management
- Modelling & Transport Planning
- Civil Engineering

The retention rate for the graduates, in these four schemes, is 75 per cent, which is 2.1 per cent higher than the 73 per cent retention average across all schemes.

## All TfL Graduates (Since 2006) by Scheme Discipline



## Annual Graduate intake 2012 - 2016



## Highlights

- On average 44 per cent of Alumni graduates per entry year moved from their sponsored business areas, to a different one
- TfL currently offer 21 different graduate schemes
- In September 2016, 143 apprentices, 149 graduates and 27 Year in Industry students started employment with TfL

In 2015, we overhauled the graduate scheme to attract and select diverse talent. Our selection process is now more about potential than past experience so it's fair, regardless of people's social background and the opportunities they've already had.

The approach to graduate recruitment is markedly different and a huge change for the entire business.

**Achievements include:**

- A rise in the number of female applicants and offers. Some of our programmes used to be heavily male-dominated schemes. That's no longer the case – 40 per cent of all graduate offers in 2016 were to women
- The quality of candidates invited to assessment centres has improved. This year 45 per cent of candidates attending assessment centres were offered roles or invited to be part of a reserve talent pool. In 2014 only a third were meeting our benchmark
- Certain schemes that were previously hard to fill now have

more applicants than we need. This means we can choose from a bigger talent pool

- Removing the traditional application form, in favour of situational strengths tests, has led to cost savings of around £69,000 in 2014/15

Our fresh thinking is award winning – in October 2016, we won the Diversity and Inclusion Initiative award from the Chartered Institute of Personnel and Development.





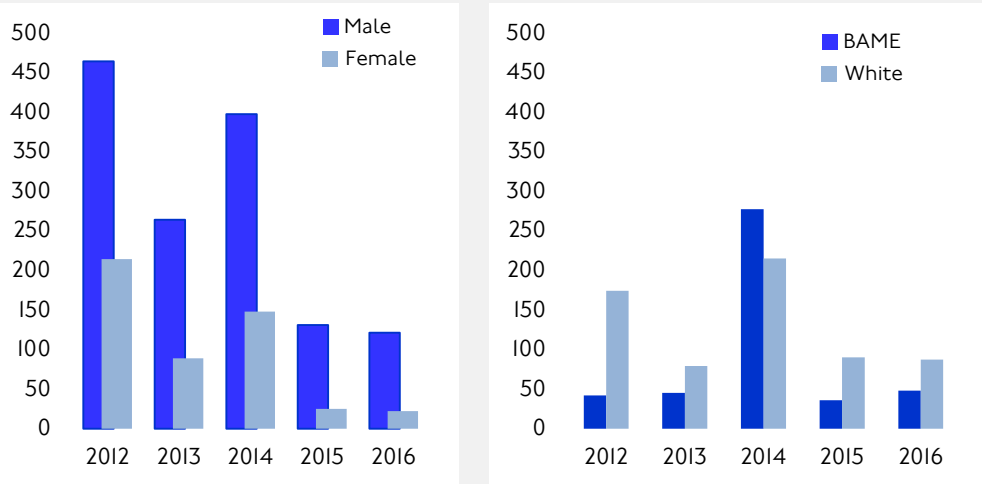
# Apprenticeship Scheme

As part of the development of our **apprentice scheme** the range has grown to 26 different apprenticeship schemes, delivering against 20 different apprenticeship frameworks ranging from Engineering, HR, Project Management and Commercial Procurement. Of these we now offer three specific Technology Apprenticeships: Information Management, Web Development and Software Development.

Customer Service Assistant (CSAs) apprenticeships are no longer included in our apprenticeship numbers as these individuals are now trained in role.

Currently we have 341 apprentices in the business.

Apprentice intake 2012 – 2016\*



\*Note 1: We continually review our apprenticeship programmes to ensure they meet business needs and as a result from 2015 only those hired to join an apprentice programme now form part of our reporting. Prior to 2015 CSAs were included in the total.



# Apprenticeship Scheme – The Evolving Future

In spring 2017 the way the government funds apprenticeships in England is changing. A levy will be charged which we will pay to HMRC. We will also be working through the impact of the Enterprise Bill on our apprenticeships and review this alongside our graduate numbers.

Additionally we are striving to be a workforce that is more representative of the city it serves; we know that diversity is a key driver to success; diverse companies are more likely to outperform by 15 per cent and ethnically diverse companies by 35 per cent (McKinsey).

## Our plan

An ambitious integrated recruitment strategy has been devised to initially recruit 248 apprentices in September 2017. This represents a 32 per cent increase upon last year. The plan spans pan-TfL and is wholly aligned to our Smart Sourcing concept and strategy.

Aiming to leverage upon the pre-existing networks and relationships built by our schools skills team, engineering ambassadors, women in Transport and the London Transport Museum.

The plan will capitalise upon the successful hiring of the previous year (2016):

## Successes (2016)

- 24 per cent of our total apprenticeship hires were women - an increase from 15 per cent in 2015
- 32 per cent of our apprenticeship hires were from BAME backgrounds

It will also provide opportunities for improvement on how we identify, attract and engage with a wider pool of diverse talent based on key findings previously:

## Key findings (2016)

- 48 per cent of all apprentice hires since 2014 in London have come from London Boroughs with the highest degree of ethnic minority and hardship
- Our most successful hiring has come from the borough schools
- We have only attracted 3 per cent from girl's schools in London
- Females have been under-represented across our Operational, Engineering, Infrastructure and Project Management disciplines

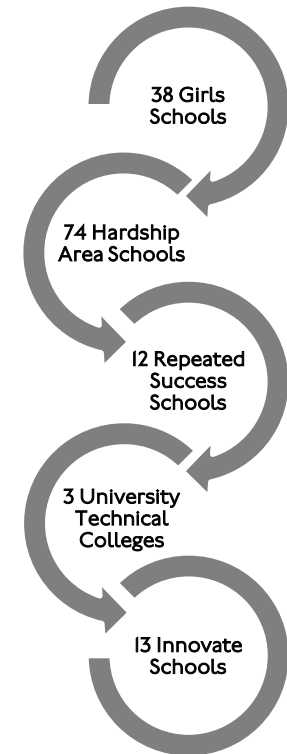
Our strategy provides us with a unique opportunity to tackle some of our key diversity and skills shortage challenges and to provide a more diverse workforce profile for the future that represents London's demographics.

Our recruitment team are currently busy executing an ambitious plan to ensure that we target apprenticeships to encourage **girls** and people from **BAME** communities to apply for jobs in the transport sector.

These groups are under-represented in **Science, Technology, Engineering and Maths (STEM)**. Our aim is to encourage girls and those from BAME communities from an early age to understand the impact that their choice of studies can have on their career options.

We have mapped over 140 schools across 15 of London's most disadvantaged boroughs with a high proportion of free school meals and also academic attainment.

Our strategy will target:





# Apprenticeship Scheme

We also have a programme of activities planned between October and December to ensure more robust targeting of diversity, as well as a full review of our recruitment processes to ensure that it continues to be driven by best practice, is unified, and drives our diversity agenda further.

Simultaneously, we are engaging with numerous industry bodies with a stronger marketing presence to ensure we can attract a diverse talent pool, including ex-youth offenders, young person's progression panels I4-I9, the Youth Policy Officer at the GLA, and Borough Youth Employment Officers.

Our aim is to continue our trend of hiring more girls and BAME applicants to our apprenticeships compared to previous years to help represent the London demographics.



# Schools Skills Programme

The **Schools Skills Programme** partners with schools to help support young people into scarce skills disciplines particularly those in Science, Technology, Engineering and Mathematics (STEM).

Driven by our supply chain and industry partners' anticipated scarce skills needs we aim to raise the profile of these scarce skill careers at the appropriate time to the appropriate age group within schools. We do this through interventions which deliver impact and value for money, working in partnership with other organisations where this delivers the greatest impact.

## The programme aims to:

- Increase the number of students studying STEM subjects at school and pursuing engineering and technology in general.
- Look for meaningful opportunities for our people to develop skills they can apply within the workplace, and for those early in their career help them become future leaders (for example graduates and apprentices).
- Help to deliver the Mayor's priorities regarding education and skills, our Skills and Employment Strategy, Action on Equality Scheme, our school and young people delivery plan and the DfT Skills Strategy.



**'Innovate TfL in association with Cleshar'**: Is a Project based competition for Year 12 and 13 students to develop and propose an innovation to TfL to win a place at the Schools Challenge Final, work experience at TfL and prizes, which encompasses engineering, digital and technical skills elements. This year 5 girls schools signed up for the competition and over 50 per cent of the volunteers supporting in schools are women, from a range of disciplines including technology business areas.



Education and Employers and Engineering Ambassadors (**STEMNET** – a national database of Science, Technology, Engineering and Mathematics professionals who volunteer to work with schools and teachers to inspire the next generation of STEM professionals). Engineering Ambassadors (“from Software to Civils”) support TfL, the London Transport Museum and STEMNET school related activities.

Today we have

**168**

**Engineering Ambassadors**

Since 2009 more than 6,000 young people have taken part in our **Inspire Engineering Programme**, sponsored by Siemens, TfL and delivered by the London Transport Museum (LTM). Primary Inspire introduces Year 3-6 (7-11 year olds) to the challenges facing the Victorian’s designing and creating the worlds first Underground railway at Covent Garden. Inspire Engineering at the LTM’s Acton Depot introduces year 7, 8 and 9 students (11-14 year olds) to the challenges our engineers face in keeping London moving and making life in London better. The day includes interactive experiments such as “Braking Eggsperiment” and interviewing Siemens and our Engineers.



In 2016

**165**

**Employees volunteered to inspire children about the work they do**

In 2016 we launched, as part of our **Women in Transport Campaign**, 165 employee volunteers to support primary, secondary school and inspiring women careers events, through “Education and employers”. This included those in technology related roles – 300 hours were given in 2015/16.

'Plotr is a careers advice website for 11-24 year olds built around the Plotr "Game". We are represented in Plotr through our company page and our jointly sponsored "a better connected world – Transport Careers" world profiling with more than 35 careers including STEM and scarce skill disciplines within TfL, HS2, Network Rail, The Chartered Institution of Highways and Transportation (CIHT), the National Skills Academy for Rail (NSAR) and the Young Rail Professionals launched in July 2016. London is the top location.



**180,000**

Average website visits per month

**55%**

Of registered users are women

**London** is the top location



# Our People

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

The summary provides details of people related data that is used to support the effective management of employees across TfL.

## Permanent Headcount

Full time equivalents (FTEs), which equates to 1 person working 35 hours per week. Headcount at the end of Q2:

### London Underground



### Surface Transport



## Professional Services\*



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

## Non Permanent Labour (NPL)

NPL are temporary staff that are employed to complete project work or other short term assignments.

At the end of Q2 there were:



Action has been taken to reduce both numbers and rates of NPL, this is ongoing and further savings continue to be made, with reduction plans in place covering the year.

The numbers of NPL are steadily reducing as tighter headcount controls are instigated and sign off is now required at Managing Director level before NPL can be hired or their contracts extended.

Numbers of NPL have reduced by 662 (since the 15 December 2015).

Our biggest savings have been made across IM, Finance and HR as well as from our Capital Programmes.

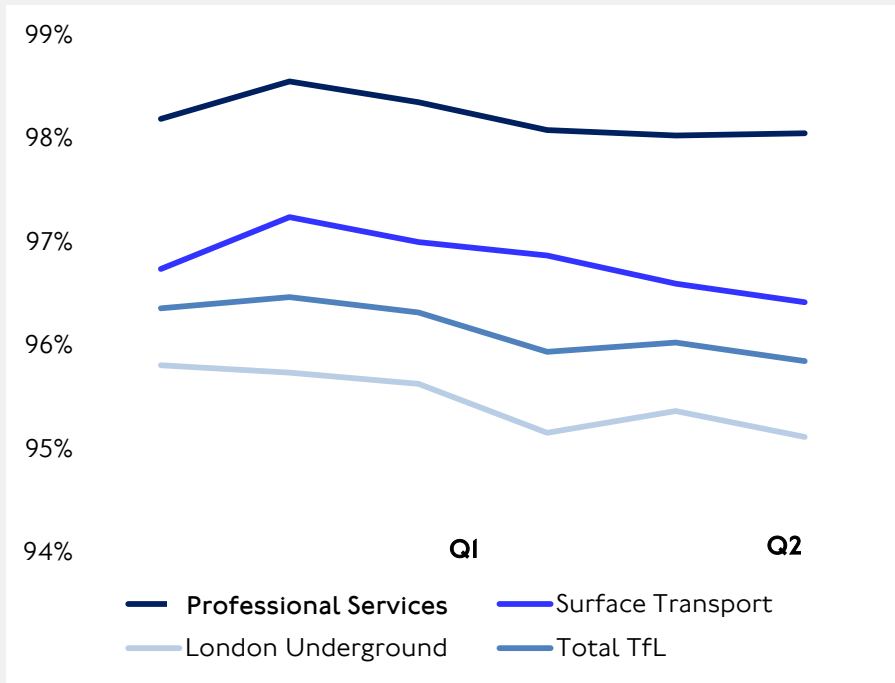
All business areas are targeting cost savings and continue to plan to further reduce NPL.

The reduction in NPL numbers now equates to a **weekly saving of:**

**£1,226,874**



### Attendance 2016 /17 Q2



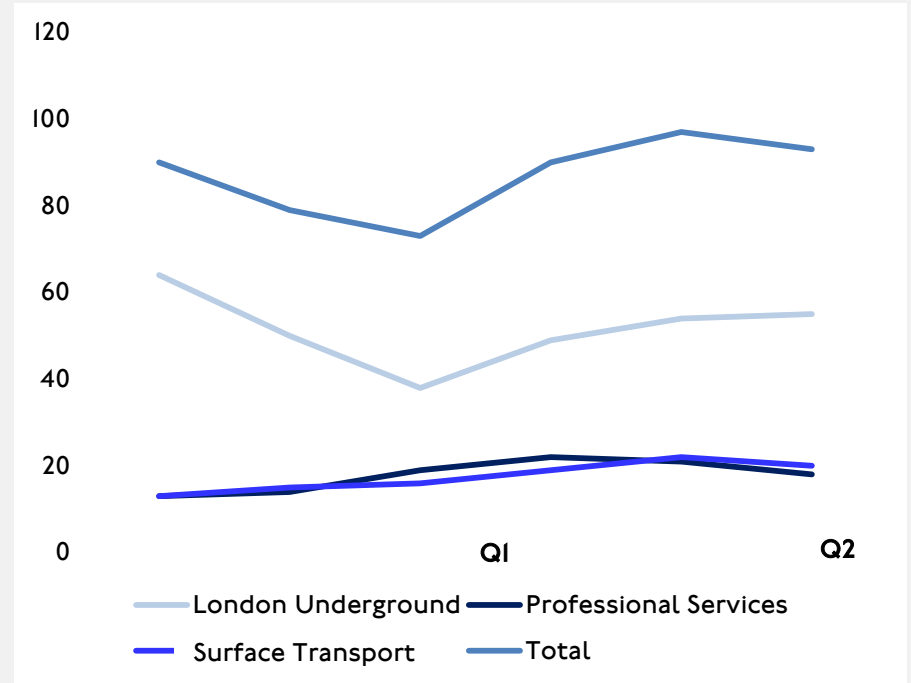
The level of attendance is expressed as a percentage and focuses on sickness absence and excludes approved holidays.

Attendance is closely monitored and managed by line managers with advice from HR Specialists and Occupational Health Team to maximise attendance levels.

At the end of Q2 attendance levels were:

Professional Services	98.2 per cent
Surface Transport	96.8 per cent
London Underground	95.5 per cent
<b>TfL Total</b>	<b>96.2 per cent</b>

### Grievances 2016/17 Q2



Line Managers with the support of specialist HR Staff called People Management Advisors (PMAs) manage grievances across TfL.

TfL aims to ensure positive working relationships between all employees and encourages a work environment whereby any problems or issues can be addressed and resolved as part of the normal working practice. Should this not be possible, then procedures exist to help resolve grievances as quickly as possible with consistency and fairness.

At the end of Q2 the number of grievances were:

Professional Services	18
Surface Transport	20
London Underground	55
<b>TfL Total</b>	<b>93</b>