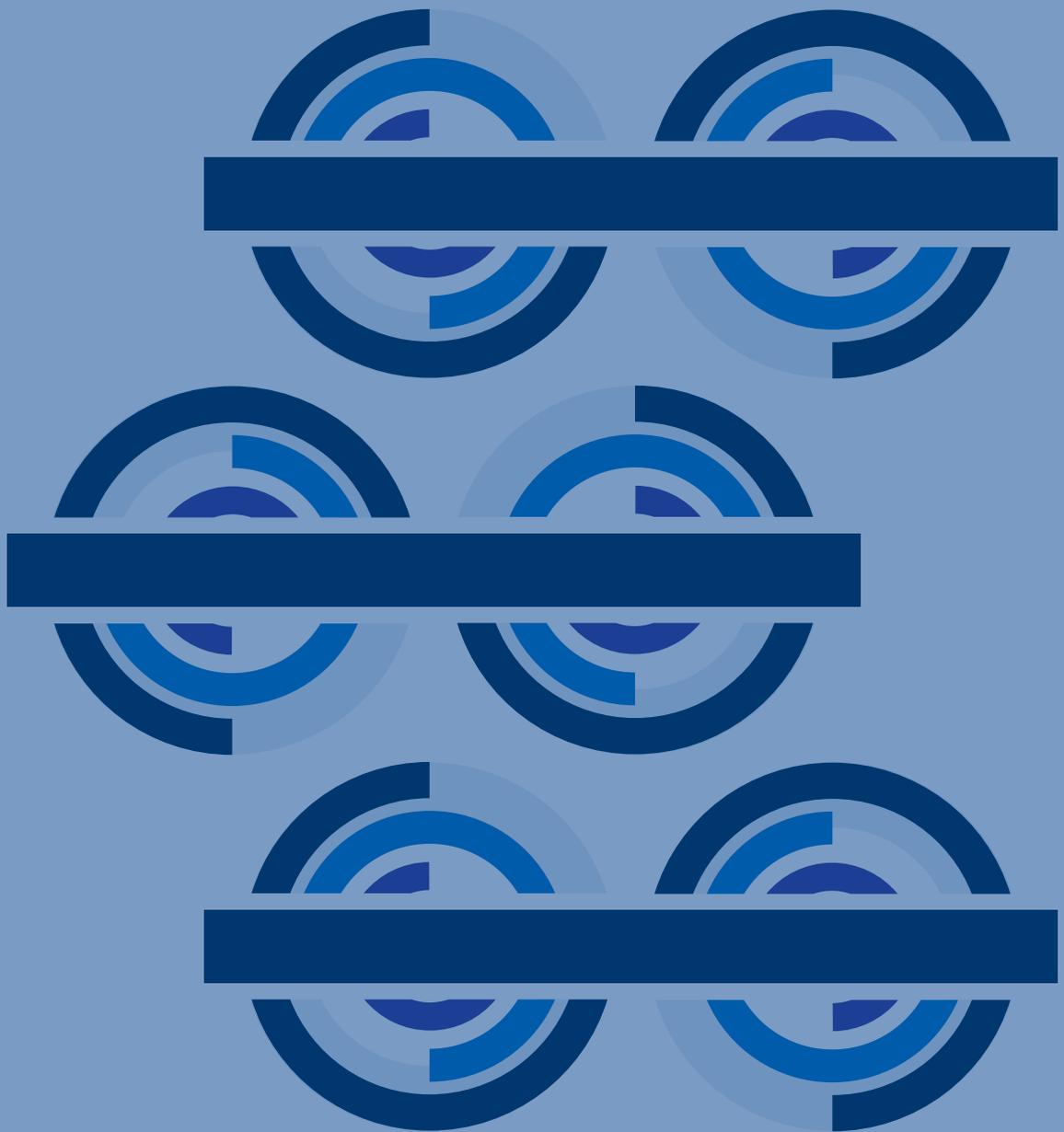


TfL gender pay gap report 2018



About Transport for London (TfL)

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport.

We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners'. We are committed to creating a fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made on foot, by cycle or using public transport by 2041. To make this a reality, we prioritise health and the quality of people's experience in everything we do.

We manage the city's red route strategic roads and, through collaboration with the London boroughs, can help shape the character of all London's streets. These are the places where Londoners travel, work, shop and socialise. Making them places for people to walk, cycle and spend time will reduce car dependency and improve air quality, revitalise town centres, boost businesses and connect communities.

We run most of London's public transport services, including the London Underground, London Buses, the Docklands Light Railway, London Overground, TfL Rail, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the Emirates Air Line. The quality and accessibility of these services is fundamental to Londoners' quality of life. By improving and expanding public transport, we can make people's lives easier and increase the appeal of sustainable travel over private car use.

We are moving ahead with many of London's most significant infrastructure projects, using transport to unlock growth. We are working with partners on major projects like Crossrail 2 and the Bakerloo Line Extension that will deliver the new homes and jobs London and the UK need. We are in the final phases of completing the Elizabeth line which, when it opens, will add 10 per cent to central London's rail capacity.

Supporting the delivery of high-density, mixed-use developments that are planned around active and sustainable travel will ensure that London's growth is good growth. We also use our own land to provide thousands of new affordable homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means freezing fares so everyone can afford to use public transport, using data and technology to make services intuitive and easy to use, and doing all we can to make streets and transport services accessible to all. We reinvest every penny of our income to continually improve transport networks for the people who use them every day.

None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. We all need to pull together to deliver the Mayor's Transport Strategy; by doing so we can create a better city as London grows.

Contents

5 Foreword

6 What is the gender pay gap?

8 Our results across TfL

12 Our results for non-operational employees

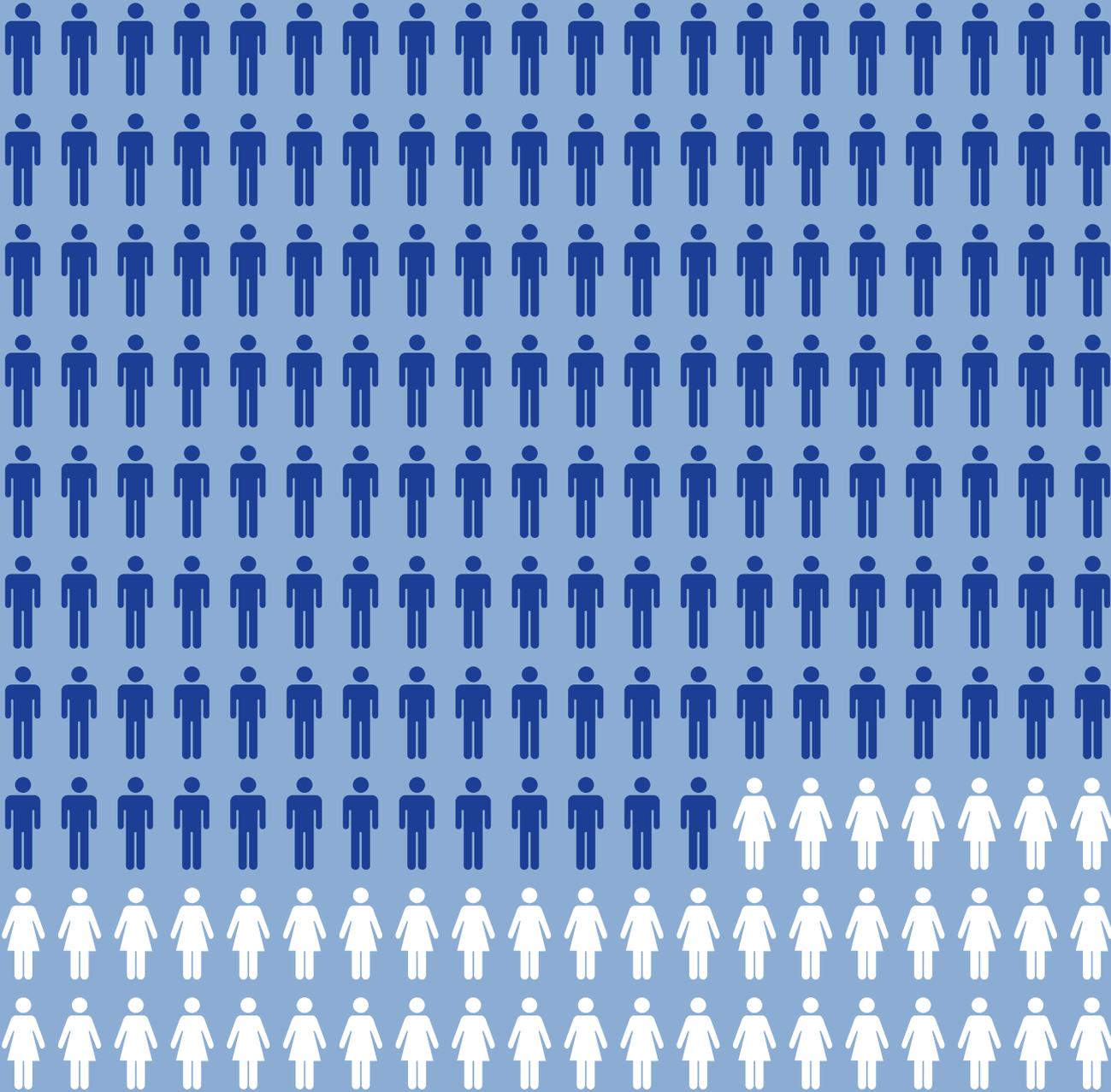
16 Our results for operational employees

20 What this all means

22 How we're closing the pay gap

28 Written statement

Under a quarter of our people are women



27,399
employees

76.5%
men

23.5%
women

Figures at 31 March 2018

Foreword

London is one of the most diverse cities in the world. To ensure that we are able to support its continued success, we need a deep understanding of what matters to the people that live and work here. One of the best ways to achieve this is through a talented and diverse workforce that is truly representative.

Embracing diversity is not just the right thing to do, it makes business sense and leads to consistently higher performance and delivery. More diverse organisations have a deeper understanding of their customers and serve them better, they attract and retain the best staff, and they make better decisions, solve problems faster and innovate more readily.

Our efforts to ensure we are an organisation where women want to work and can pursue a successful, rewarding career are having positive impacts. Over the last 12 months more women have joined us, and we have improved the proportion of women in senior roles by 11.5 per cent. However, we recognise that our gender pay gap is heavily influenced by the fact that women tend to hold roles in the lower pay grades and there are simply not enough women in senior positions.

To tackle the imbalance, we are focusing on long-term change and creating an environment where everyone can succeed. We are maximising opportunities for the talented women who already work here by widening participation in mentoring programmes and revisiting secondments and work placements. We are continuing to



eliminate unconscious bias in recruitment and encouraging more applications from under-represented groups.

There is no one-size-fits-all solution but we are continuing to challenge the status quo, both within our organisation and in the wider transport industry. Together, we will ensure that all colleagues are equally supported to develop in their careers and are always able to deliver their best for London.

A handwritten signature in black ink, consisting of a stylized 'M' followed by a horizontal line and a shorter horizontal line below it.

Mike Brown MVO
Commissioner
Transport for London

What is the gender pay gap?

It is the overall difference in the average pay of men and women.

Government regulations mean we have to calculate it in two ways to give the clearest possible picture:

1. The mean shows the difference in average hourly pay between men and women.
2. The median shows the difference between the middle paid woman and the middle paid man at TfL.

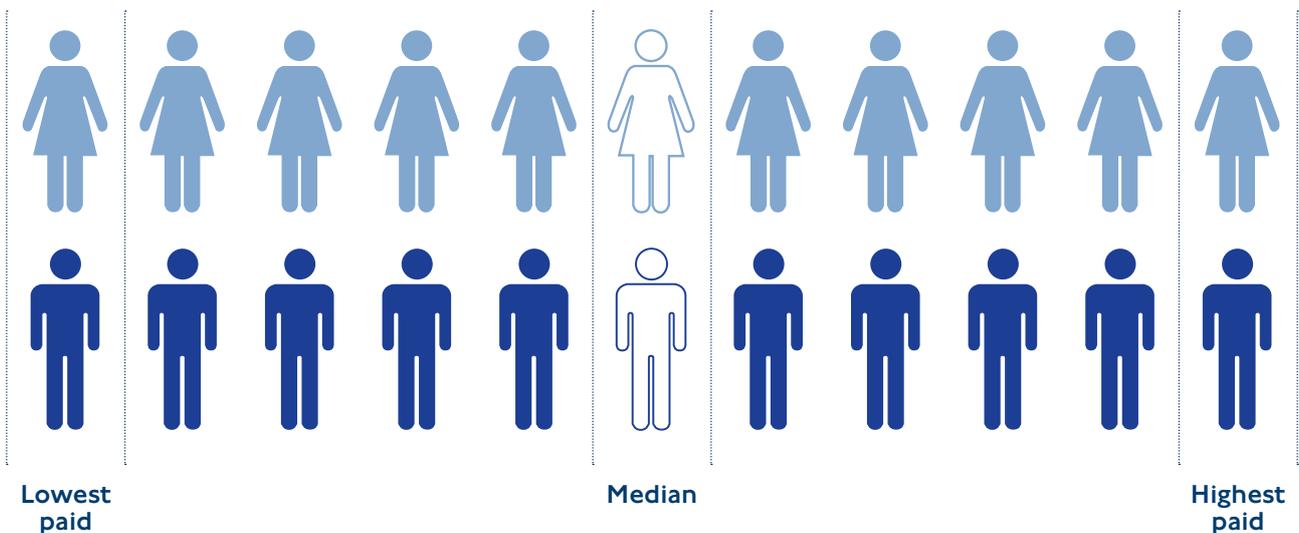
The mean pay gap summarises the overall pay of men and women, but it can be skewed by a small number of high or low earners in the group. The median gives a good idea of how much a typical man and woman at TfL is paid.

How is 'equal pay' different?

Equal pay is the right for everyone to be paid the same for doing identical or directly comparable work.

We complete detailed equal pay audits to understand any gaps in line with parameters set by the Equality and Human Rights Commission. Where we do identify gaps we address these as part of our audits.

Median gender pay gap



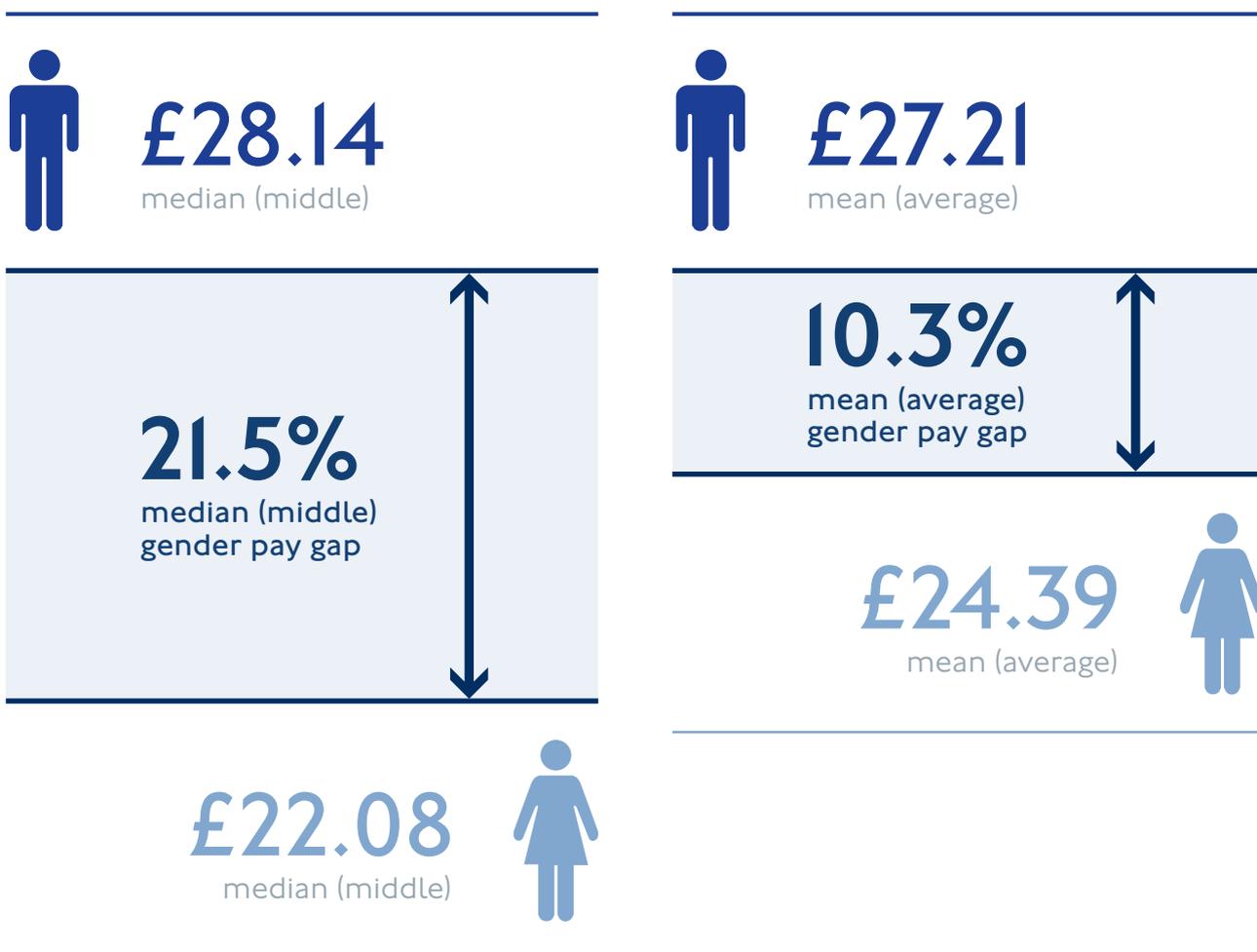


Our results across TfL

(including all operational and non-operational roles)

Pay*

Our overall hourly pay rates



The mean pay gap is less than the median because, while a greater proportion of women fall into the lower paid roles, the higher earnings of those in leadership roles bring the average up.

* The figures in this section show the consolidated TfL median and mean gender pay and bonus gap figures based on hourly rates of pay at 31 March 2018.

Pay quartiles

Median gender pay gap by quartile

Quartile	Men		Women		Pay gap
	Median hourly pay	Proportion of employees	Median hourly pay	Proportion of employees	
Upper	£35.20	84.4%	£35.28	15.6%	-0.2%
Upper middle	£29.01	84.1%	£29.01	15.9%	0.0%
Lower middle	£23.43	74.4%	£22.83	25.6%	2.6%
Lower	£17.68	65.4%	£17.68	34.6%	0.0%

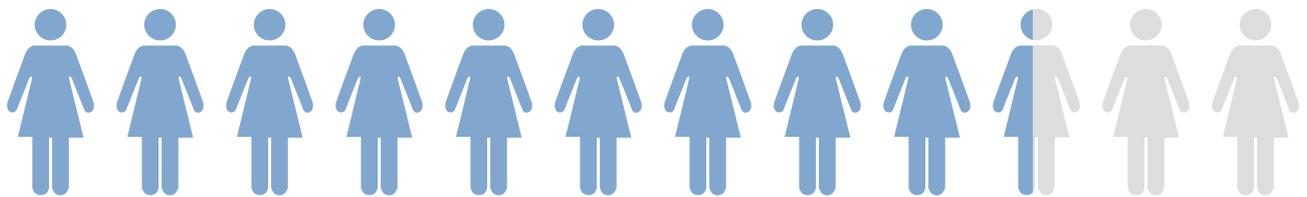
Mean gender pay gap by quartile

Quartile	Men		Women		Pay gap
	Mean hourly pay	Proportion of employees	Mean hourly pay	Proportion of employees	
Upper	£37.01	84.4%	£38.73	15.6%	-4.7%
Upper middle	£28.78	84.1%	£28.61	15.9%	0.6%
Lower middle	£23.53	74.4%	£23.13	25.6%	1.7%
Lower	£16.72	65.4%	£16.92	34.6%	-1.1%

The quartiles rank pay from lowest to highest and divide our employees into four evenly sized groups. Our under-representation of women in the higher paid roles is evident in the lower proportion of women in the upper and upper middle quartiles.

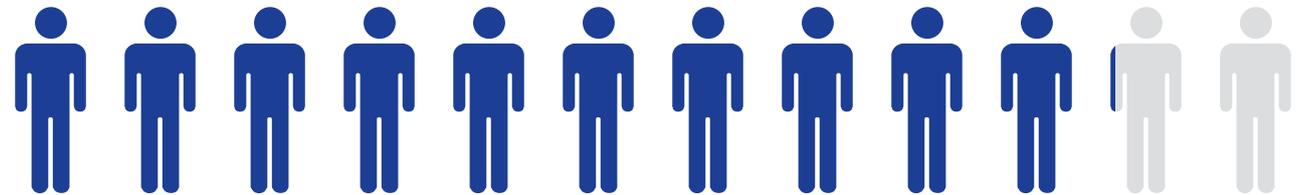
Bonuses*

Proportion of employees who received a bonus



79.4%

women



85.8%

men

  Received a bonus

 Did not receive a bonus

* This refers to bonuses paid in the 12 months up to 31 March 2018.

Bonus gap

-4.6%

median (middle)

-23.7%

mean (average)

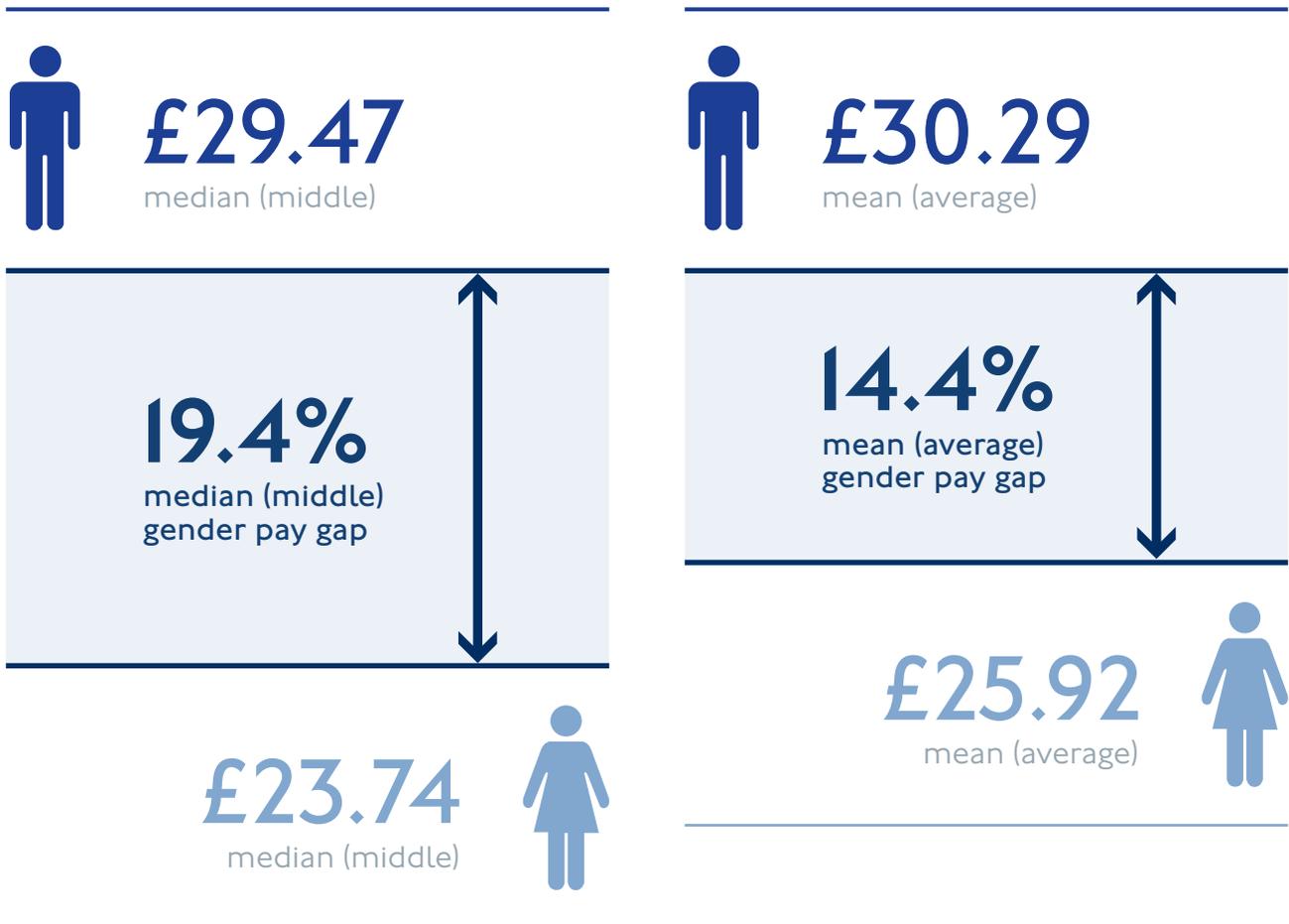
Bonus includes individual performance-related payments (performance awards), London Underground's performance bonus scheme (LCH bonus), Make a Difference recognition scheme vouchers, long-service awards and other one-off bonus payments that employees may have been awarded during the course of the year.

The mean bonus gap is larger than the median bonus gap due to the greater proportion of females in non-operational roles who received a percentage based performance award. This compares to the greater proportion of men within operational roles in London Underground who receive the lower value flat rate performance bonus (everyone receives the same value of award).

Our results for non-operational employees

Pay*

Our non-operational hourly pay rates



Non-operational positions do not have a fixed rate for the role. Within this group employees' pay is more flexible, with room for rewarding individual contribution and skills, and there is potentially more scope for inequity between different groups of employees.

Example roles are within human resources, finance, engineering, property development and customer contact centres.

* The figures in this section show the TfL median and mean gender pay and bonus gap figures for non-operational employees based on hourly rates of pay at 31 March 2018.

Pay quartiles

Median pay gap by quartile

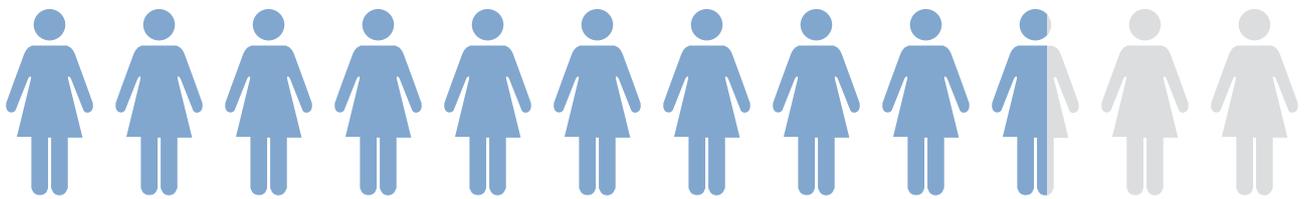
Quartile	Men		Women		Pay gap
	Median hourly pay	Proportion of employees	Median hourly pay	Proportion of employees	
Upper	£38.54	81.6%	£38.71	18.4%	-0.4%
Upper middle	£31.15	81.0%	£30.65	19.0%	1.6%
Lower middle	£25.69	64.0%	£24.92	36.0%	3.0%
Lower	£18.07	52.7%	£18.11	47.3%	-0.2%

Mean pay gap by quartile

Quartile	Men		Women		Pay gap
	Mean hourly pay	Proportion of employees	Mean hourly pay	Proportion of employees	
Upper	£41.92	81.6%	£44.08	18.4%	-5.1%
Upper middle	£30.87	81.0%	£30.66	19.0%	0.7%
Lower middle	£25.33	64.0%	£24.83	36.0%	2.0%
Lower	£17.39	52.7%	£17.78	47.3%	-2.3%

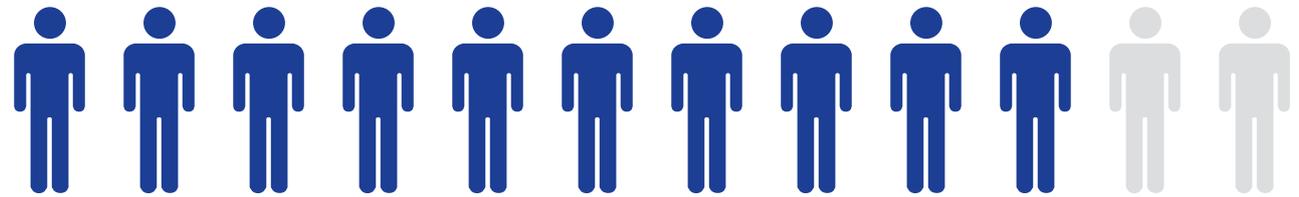
Bonuses*

Proportion of employees who received a bonus



80.6%

women



85.5%

men

  Received a bonus

 Did not receive a bonus

* This refers to bonuses paid in the 12 months up to 31 March 2018.

Bonus gap

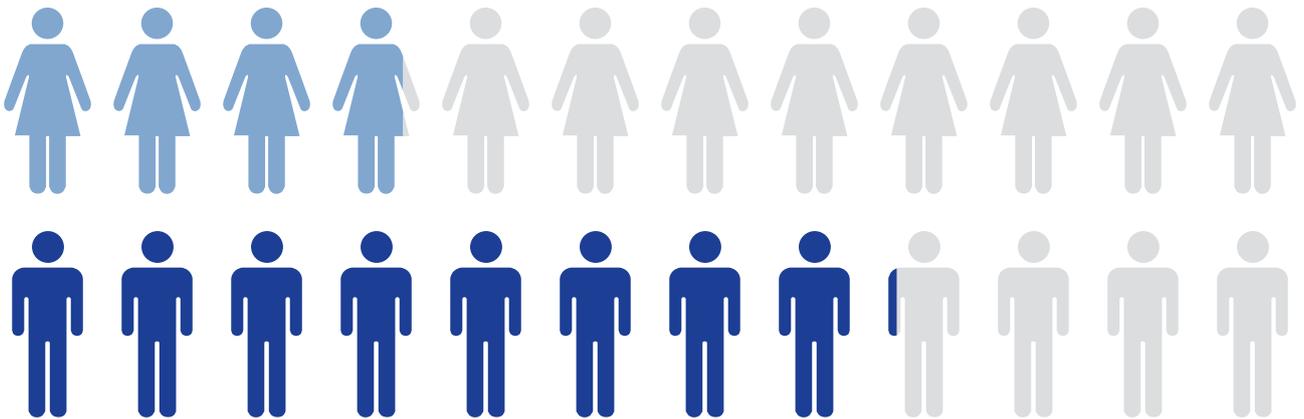
-124.0%

median (middle)

2.1%

mean (average)

There is a higher proportion of men within London Underground who would only be eligible for the LU operational performance bonus which has a lower value. The male median bonus was £275. In contrast, the greater proportion of women in roles which receive a percentage based bonus brings the female median value up. The median female bonus is £616.



12,727

employees

30.9%

women

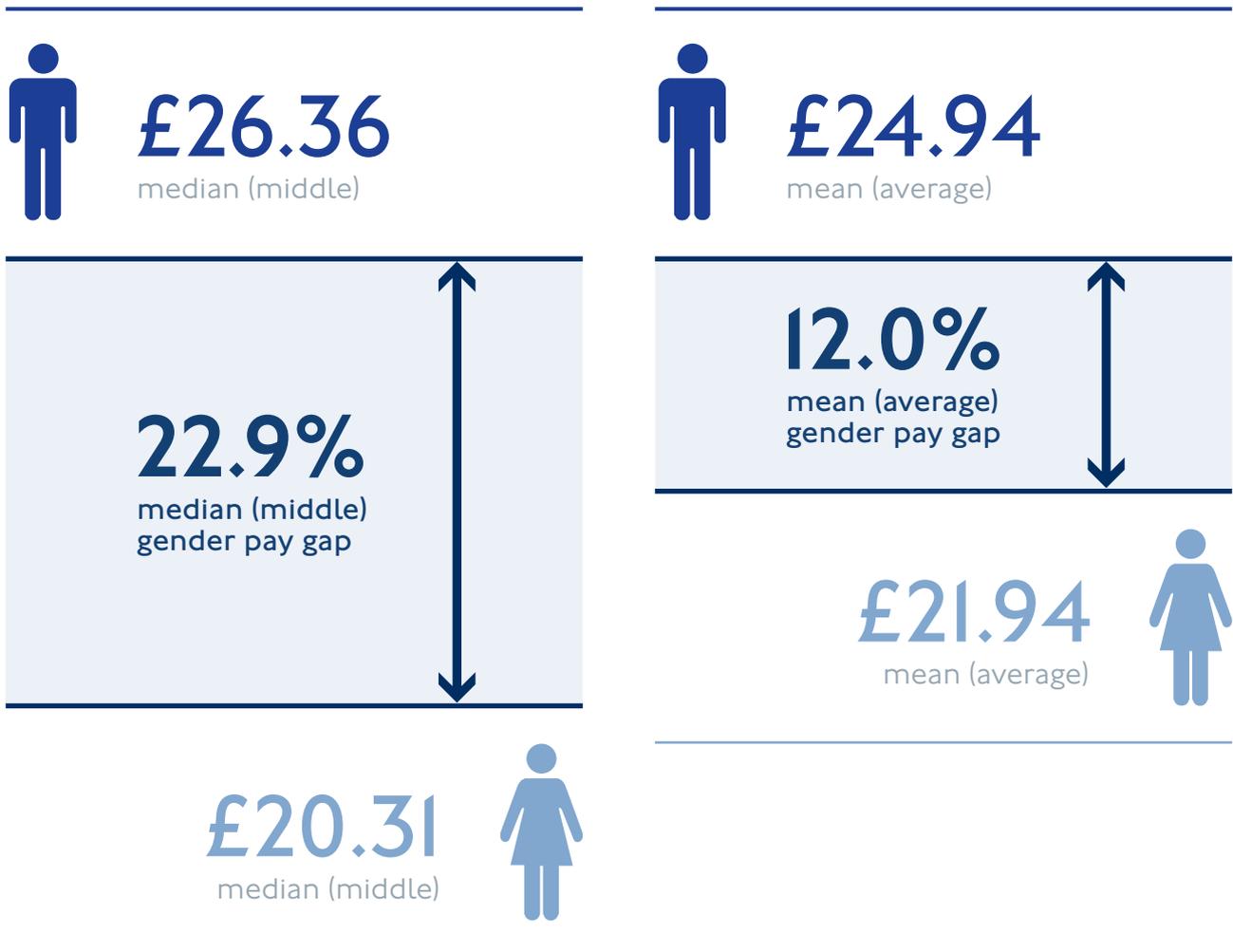
69.1%

men

Our results for operational employees

Pay*

Our operational hourly pay rates



Operational roles include those of 'spot rate' or 'fixed rate' roles as part of the operational staff pay structure; for example, Station Supervisor, Train Operator, Customer Service Assistant, Track Operative, Dial-a-Ride Driver, Bus Station Controller, Pier Controller.

By definition this is the same rate of pay for the role irrespective of gender therefore no differentials exist within each job.

* The figures in this section show the TfL median and mean gender pay and bonus gap figures for operational employees based on hourly rates of pay at 31 March 2018.

Pay quartiles

Median gender pay gap by quartile

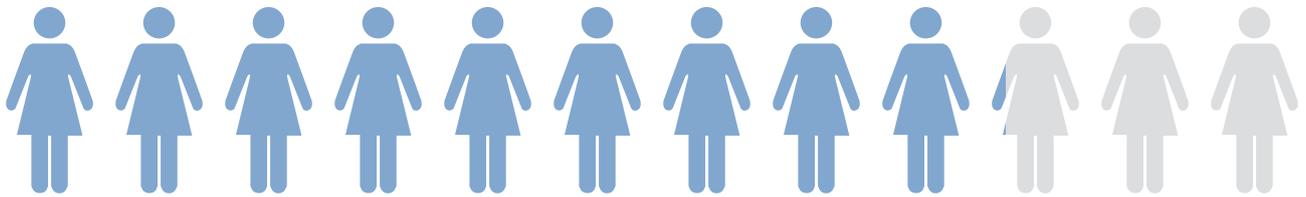
quartile	Men		Women		
Quartile	Median hourly pay	Proportion of employees	Median hourly pay	Proportion of employees	Pay gap
Upper	£30.21	90.1%	£29.01	9.9%	4.0%
Upper middle	£28.87	88.3%	£29.01	11.7%	-0.5%
Lower middle	£21.32	83.1%	£21.19	16.9%	0.7%
Lower	£17.68	72.3%	£17.68	27.7%	0.0%

Mean gender pay gap by quartile

	Men		Women		
Quartile	Mean hourly pay	Proportion of employees	Mean hourly pay	Proportion of employees	Pay gap
Upper	£31.45	90.1%	£30.45	9.9%	3.2%
Upper middle	£28.07	88.3%	£28.14	11.7%	-0.3%
Lower middle	£21.86	83.1%	£21.34	16.9%	2.4%
Lower	£16.56	72.3%	£16.61	27.7%	-0.3%

Bonuses*

Proportion of employees who received a bonus



77.4%

women



86.1%

men

  Received a bonus

 Did not receive a bonus

* This refers to bonuses paid in the 12 months up to 31 March 2018.

Bonus gap

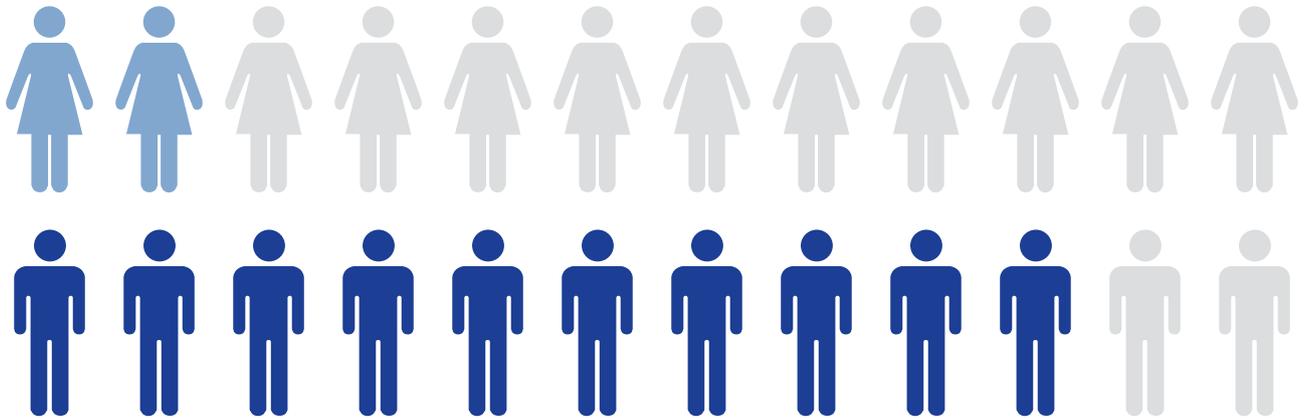
0.0%

median (middle)

6.0%

mean (average)

A significant number of our 14,000 operational employees receive a flat rate bonus linked entirely to operational performance. This explains why there is no median bonus gap.



14,672

employees

17.1%

women

82.9%

men

What this all means

It has been positive to see that the overall representation of women in TfL has increased in 2018 compared to 2017. The table below illustrates that in our non-operational business areas this has been across the majority of levels including senior management (with only a small decline in two mid-level grades). This increase in senior management representation in particular has contributed to a small decrease in the mean gender pay gap (down to 10.3 per cent from 10.7 per cent).

However, our operational population represents more than half (53.5 per cent) of our total workforce. In the operational world, our analysis shows that women are more likely to be employed in the lower paid grades. This has a significant impact on our overall median gender pay levels.

For example, the median male operational salary is c.£47,000 compared to the median female operational salary of c.£38,000.

	2017 representation of women	2018 representation of women	Change
Board	52.2%	56.0%	3.8%
Director	18.8%	25.5%	6.7%
Band 5	24.1%	27.8%	3.8%
Band 4	26.7%	27.7%	1.0%
Band 3	26.8%	26.4%	-0.4%
Band 2	27.1%	26.9%	-0.2%
Band 1	56.6%	57.6%	1.0%
Graduates	35.3%	36.6%	1.3%
Apprentices	13.2%	24.5%	11.3%

This occupational segregation can also be seen through analysis of our new hires and promotions between 2017 and 2018. Of all women hired in to operational roles, 76.8 per cent went in to Customer Services Assistant (CSA) roles, while 10.5 per cent of women went in to Train Operator and train maintenance roles.

As a comparison, of all men hired in to operational roles, 59.9 per cent went in to CSA positions with nearly 20.4 per cent going in to the higher paid roles.

The salary differences between these roles has had a significant effect on median gender salary levels between 2017 and 2018.

However, the overall increase in women demonstrates the effectiveness of the interventions that have been put in place over the past year and is evident in that the mean average pay gap has reduced due to the increase in the proportion of women in the higher paid grades within the organisation.

The majority of our Action Plan is more likely to deliver an impact over the medium to long term. Attracting women into roles related to STEM subjects, such as engineering, which are traditionally staffed by men, as well as into senior management positions, is not something that can be easily achieved within a single reporting cycle, but we are committed to a long-term sustainable change.

How we're closing the pay gap

Our vision for equality is 'every person matters'. It articulates our commitment to becoming a more diverse organisation, reflecting the city we serve and maximising the talent we have.

Over the past 12 months, we have put in place a significant number of activities to increase the representation of women in our organisation. We are delivering on our ambition to create a more diverse organisation, more representative of London.

Our scorecard

Our scorecard sets targets to improve: the overall representativeness of our organisation; the representativeness of our senior management; the inclusiveness of our workplace shown through the Inclusion Index in the TfL scorecard that we use to report on our progress to the Mayor and our Board.

Our senior leaders' performance award relies on progress in meeting our scorecard targets, and sees us place Diversity and Inclusion on the same footing as our other priorities including safety, reliability, customer satisfaction and finances.

Diversity and Inclusion (D&I) dashboards

In April 2018, we launched the first version of our new D&I dashboards, providing further data and insight to our senior managers. These data driven

dashboards give a much richer and more insightful picture of employee outcomes and experience across the entire employee lifecycle.

The dashboards help 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 cover each stage in the employee lifecycle, for a number of characteristics covered by the Equality Act, and will be reviewed on a quarterly basis going forward. The dashboards are successfully driving local accountability and actions while demonstrating our commitment to improving transparency.

Mentoring

We have taken steps to ensure that women and people from BAME communities are able to access senior, higher paid roles. We are already widening access to mentors and coaches as well as introducing targeted development programmes to identify the next generation of leaders from groups that are typically under-represented.

Internal mentoring will become increasingly important over the coming performance year. Mentor matching has been set up to link potential mentees to a suitable mentor. Our leaders have a wealth of knowledge and experience to share – and perhaps

even more importantly, understand the landscape, politics and idiosyncrasies of the business better than anyone. For mentees, this is a chance to explore individual personal goals and get a different perspective on careers and development opportunities.

Together, these steps will reduce the gender and ethnicity pay gaps.

Creating an inclusive culture in London Underground

One of the ways that we will create an inclusive culture is through a better understanding of our secondment culture. By ensuring better visibility of the process as well as the opportunities available, we will encourage a truly meritocratic culture with clear links to recruitment.

Our Time

We are leading supporters and partners of the Our Time initiative, co-ordinated by the GLA. The initiative will pair high-potential women with senior female and male employees from across the GLA family, for a minimum of six months.

We will create our own criteria for selecting high-potential women and senior staff will also be engaged to enable their participation. This will ensure the initiative helps to develop the necessary diverse pipeline of well-prepared, confident and ambitious women that is essential to achieving gender parity in the workplace.

While the initiative will begin by focusing on women, over time we plan to use the methodology to focus on other groups that face barriers to progression and therefore experience pay inequality.

Work placement

We will launch our second Women in Construction programme which gives women work placements in the transport industry.

More than 15 women took part in the pilot programme, which was run in partnership with the charity Gingerbread, a not-for-profit organisation which supports single parents. The women come from a range of backgrounds – some are single parents and others are looking to gain experience that they can then use to gain employment in the transport sector. We are also currently running a programme to encourage more women into Train Operator roles.



Behavioural insights

We are working in partnership with the Behavioural Insights Team (BIT), the Government Equalities Office and Harvard University. The partnership will use TfL data and the BIT's behavioural science expertise to understand how we can best tackle our gender pay gap. The project will see the Behavioural Insights Team:

- a. undertake background research to understand potential relevant behavioural factors
- b. analyse our data to understand gender differences across the talent management process. This will review employee salaries and bonuses, pay grades, recruitment, promotion and retention data, demographic data, employee tenure and other relevant data
- c. review our existing research and undertake additional qualitative research
- d. develop behavioural interventions that seek to achieve the goals outlined in the discovery phase, where possible involving academic partners from Harvard
- e. design a randomised controlled trial (RCT) to test the effectiveness of one or more interventions

Recruitment

In June, we opened a high volume recruitment campaign for the role of Trains Manager, a senior operational role.

Underpinning the campaign was activity to increase the number of applications from under-represented groups. This involved promoting positive role models in the recruitment material, promoting the recruitment campaign through our Staff Network Groups, along with roadshow events allowing potential candidates to speak with existing Trains Managers.

The recruitment campaign was open to internal candidates, and provided a key opportunity for internal progression within London Underground.

The gender split of applications for the Trains Manager position saw nearly double the proportion of women making it through to the assessment stages, much higher than the existing London Underground employee composition.

Anonymised CVs

Our anonymised shortlisting pilot took place last year, resulting in a significant increase in the percentage of women and BAME hires. In one pilot, we saw 53 per cent of new hires being women. We will continue with anonymising CVs.

Awards

In March, we won the Recruitment Team of the Year at the FIRM Awards for work including the Women on the Front-line campaign. This programme helped to increase female participation in front-line roles through station open days and job adverts which highlighted positive female role models.

We were also commended for the outreach programme, 'Moving Forward'. We know that levels of deprivation are higher among London's BAME communities and this initiative targets deprived boroughs and girls' schools, aiming to increase social mobility and attract more girls into apprenticeships involving science, technology, engineering and mathematics.

In June, we won the UK award for best work/life balance, as researched by the world's largest jobs website Indeed, beating companies like Google and Apple to the top spot. This accolade was all the more rewarding as it was due to reviews left by current and previous employees rather than a judging panel.

The award recognised that we offer more than just a salary, seeking to offer a healthy work/life balance through a good holiday allocation, flexible working hours and support offered by our Staff Network Groups. This allows our employees to feel supported and to deliver their best performance for our customers.

#BehindEveryGreatCity

As part of the Mayor's #BehindEveryGreatCity campaign, on 21 March 2018 we launched a competition to encourage more children to think about the many ways women play an integral role in helping people travel around London.

Our Women's Staff Network Group has more than 1,000 members and has been a passionate advocate of #BehindEveryGreatCity. It provides leadership and a forum for employees to meet fellow colleagues, giving them the opportunity to talk to each other, be supported and share advice. It also runs a number of activities from tech masterclasses, speed mentoring and sessions on gender bias. There are a number of spin-off groups, including Women in Tech, Females in Transport Engineering and Male Allies.

What's planned for 2018/19

- More robust diversity and inclusion governance, with clear accountabilities, indicators to measure progress in response to our actions, and support for our Staff Network Groups, particularly the Women's Network
- Gender pay gap reduction to be set as a target and reduced each year
- Further elimination of bias in our approach to recruitment, performance and development. Also, to continue to attract, develop, promote and retain the best talent. Reviews on progress will be regularly reported to the Commissioner and Executive Committee
- Build on the success of existing initiatives to identify the next generation of leaders. To include the launch of a development programme targeted at groups that are currently under-represented in senior roles
- Full roll-out of anonymous job applications
- Support flexible working, unless there is a clear business case for not doing so
- Develop a new Diversity and Inclusion strategy that sets more challenging ambitions and aspirations
- Develop a new strategic approach to managing our talent, from pre-employment to executive recruitment, through a Talent strategy
- Include further gender-related targets in contracts with our main suppliers

Written statement

We confirm that the data included in this report is accurate.



A handwritten signature in black ink that reads "Tricia Wright".

Tricia Wright
Chief People Officer



A stylized handwritten signature in black ink.

Staynton Brown
Director of Diversity,
Inclusion and Talent



A handwritten signature in black ink.

Mike Brown MVO
Commissioner





© Transport for London
December 2018

tfl.gov.uk

PUB18_070