

Board

**Transport
for London**



Date: 12 December 2012

Item 14: Report of the meeting of the Remuneration Committee held on 22 November 2012

This paper will be considered in public

1 Summary

- 1.1 To report to the Board on the meeting of the Remuneration Committee held on 22 November 2012.
- 1.2 A paper is included on Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 3 of Schedule 12a of the Local Government Act 1972 in that it contains information relating to the financial or business affairs of a person or authority. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **That the Board note the report.**

3 Background

- 3.1 The main matters considered by the Committee were:
 - (a) TfL Performance Awards for 2011/12;
 - (b) Deferred Incentive Plan; and
 - (c) Crossrail Chief Executive's Performance Award 2011/12 and Base Pay Increase For 2012/13 and Crossrail Long Term Incentive Plan Performance Target 2012 – 2019.

4 Issues Discussed

TfL Performance Awards for 2011/12

- 4.1 The Committee agreed the overall delivery against the TfL and individual business or specialist services scorecards for 2011/12 for the Commissioner and Chief Officers and noted the eligible performance awards for other TfL staff.

- 4.2 The Committee congratulated the Commissioner and Chief Officers for TfL's achievements in 2011/12 against the tough targets for delivery of four key indicators; Safety and Environment, Customer Satisfaction, Operational Reliability and Finance, Project and People as well as preparation for the London 2012 Games.

Deferred Incentive Plan

- 4.3 The Deferred Incentive Plan for the Commissioner and Chief Officers was designed to ensure a clear focus on delivering the Mayor's priorities and the Business Plan over the medium term, covering the performance period 2010-2012 as well as the London 2012 Games. Performance awards for 2010/11 and 2011/12 ("the Deferred Period") had been set aside and payment of those sums would be made at the end of the Deferred Period in line with the rules of the Plan.
- 4.4 The Committee agreed an overall scorecard result for the plan and for the London 2012 Games metric.

TfL Scorecard for 2012/13

- 4.5 The Committee approved the proposed Group TfL scorecard for 2012/13. At the request of the Committee, the Deputy Chairman of TfL would review the scorecards for the individual Chief Officers to ensure that they aligned with the Mayor's priorities and objectives. The Commissioner also undertook to submit Scorecards to the Committee for approval before the start of the year that the Scorecard applied to.

Crossrail Chief Executive's Performance Award 2011/12 and Base Pay Increase For 2012/13 and Crossrail Long Term Incentive Plan Performance Target 2012 – 2019

- 4.6 The Committee was informed of the decision by the Crossrail Limited (CRL) Remuneration Committee to award the CRL Chief Executive a base pay increase for 2012/13.
- 4.7 The Committee was consulted on the proposed performance related payment for the CRL Chief Executive and was asked to approve the proposed Long Term Incentive Plan (LTIP) performance targets for 2012-2019. The Committee requested that there should be further dialogue with CRL on the proposed performance related payment and further information provided on the proposed performance targets.

List of appendices to this report:

None

List of Background Papers:

Papers for the meeting of the Remuneration Committee held on 22 November 2012.

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