

Date: 6 March 2018

Item: Transformation Programme

This paper will be considered in public

1 Summary

1.1 This paper provides an update on the Transformation Programme and an overview of the approach we are taking to assuring changes across the business.

2 Recommendation

2.1 **The Panel is asked to note the paper.**

3 Transformation Programme Background

3.1 We are undertaking the largest ever review of our organisation to provide the most efficient, effective and affordable transport service for Londoners. This includes modernising the way in which we work.

3.2 As part of this, we are making good progress in reducing operating costs and are on track to reach our net operating surplus target of £153m by 2022/23.

4 Organisational Activity

4.1 We have been reviewing every part of our business, identifying and implementing new structures and ways of working that will enable us to function more efficiently and effectively.

4.2 Last year, we launched three phases of organisational change, reviewing the work of 10,600 roles.

4.3 Following consultation on proposals with our staff and trades unions we have completed organisational change programmes in Commercial, Finance, Technology & Data, Customers Communication and Technology and City Planning and at senior manager level in London Underground, Surface and Engineering.

4.4 On 7 November 2017, we began our third phase. This affects a number of managerial, support and other non-frontline areas across TfL and London Underground. None of this will compromise safety, which remains our top priority.

4.5 Face-to-face briefings were held for all staff affected by these proposals. Between 7-10 November 2017, 5,700 members of staff were briefed at 73 separate staff briefings. A wide range of ongoing engagement activity is underway, including further briefings and drop in sessions with Senior Management.

4.6 We are consulting with Trade Unions across 19 different forums on proposals with over 30 representatives. Discussions continue and in a number of areas we have

received alternative proposals which have been considered at a local level. We remain committed to conducting meaningful consultation with Trade Unions.

5 Organisational Change Assurance

- 5.1 A rigorous assurance process is embedded into each stage of the transformation cycle, from design to delivery. At each stage, the review is focused on assessing the safety and sustainability of proposals.
- 5.2 A key aspect of the assurance process is the transition review which takes place after the close of formal consultation and four weeks prior to the planned launch of any new structure. The review, governed by our Transformation Board, is focused on two areas: whether the proposed implementation plan sufficiently ensures the safe delivery of the new structure for our people and customers; and secondly, whether the new structure will be effective from day one.
- 5.3 In parallel, detailed safety assurance is coordinated by Health Safety and Environment, who provide a recommendation to the Transformation Board. The focus of safety assurance is to review transition plans assessing how they: address the future management of HSE, capacity and wellbeing of staff, HSE authorities; and the level of HSE risks and mitigation plans.
- 5.4 Upon completion of the transition review the Transformation Board provides recommendations that must be addressed before the business area may proceed with implementing a new structure.

6 Culture and Ways of Working

- 6.1 Changing organisational structures (where necessary) is only part of modernising an organisation; developing how we engage with all staff and how we lead is also central to how we will successfully deliver our Business Plan. To do this we are launching a number of actions to deliver more effectively for London, including by making optimal use of our reducing office space.
- 6.2 A new long term People Strategy is being developed to ensure full alignment and prioritisation of this across the organisation.

List of appendices to this report:

None

List of Background Papers:

None

Contact Officer: Andrew Pollins, Transformation Director.
Number: 020 3054 8109
Email: AndrewPollins@tfl.gov.uk