Pay for Performance Pay Ranges

We use market information to build our pay ranges to ensure they are more closely aligned with pay in the external market.

The pay ranges are reviewed annually using pay benchmarking information. This does not mean that pay ranges will automatically be increased but rather that they will be reviewed to ensure appropriate alignment versus the external market. Once confirmed the pay ranges remain effective for the calendar year from 1 January to 31 December. The Reward team will publish the ranges for the year ahead in January.

The pay ranges are applicable to all payband 1, 2 and 3 (and equivalent grades) non-operational staff employed by TfL in Specialist Services (including those who support the London Underground & London Rail business unit), Surface Transport, London Rail and those within PMO.

These pay ranges **do not apply** to the following staff:

- All staff employed by London Underground
- All Surface Transport Operational staff
- Employees of London Transport Museum
- All Senior Managers (TfL Pay Bands 4 and 5, LU Business Managers and General Managers, Grades BMK – GMU and Directors and equivalent grades)
- All staff employed on a TfL or LU Apprentice scheme
- All staff employed on a TfL or LU Graduate Scheme

Payband 1 (1 January 2017 – 31 December 2017)

minimum	maximum
£21,300	£30,500

Payband 1 is a single, broad pay range that allows flexibility in pay setting according to varying roles and functions within payband 1.

Paybands 2 and 3

The pay ranges for paybands 2 and 3 are each divided into 4 zones, A, B C & D:

Zone A represents salaries that are below the combined market median range for roles at this level.one B represents the salary range most closely aligned to the combined market median range for similar roles and we would expect the majority of roles at that payband level to be paid within this range. Zone B is the broadest zone within the pay range, allowing the flexibility to set competitive pay according to

differing market levels of individual job families and disciplines as well as differing levels of individual experience and contribution.

Zones C and D represent salaries that are above or significantly above the normal combined market median range for roles at this level.

Dividing the pay ranges into zones helps TfL to achieve its objectives of ensuring market competitive pay and rewarding high performance in a fair and consistent way.

Payband 2 (Effective 1 January 2017 – 31 December 2017)

minimum £28,500	£31,000		£39,800	£42,700	maximum £44,600
Zone A	Zone B			Zone C	Zone D

Payband 3 (Effective 1 January 2017 – 31 December 2017)

minimum £42,500	£46,700		£63,800	£66,300	maximum £69,500
Zone A	Zone B			Zone C	Zone D

Setting Pay:

Whilst the external market is a key driver in setting pay, there are a number of other elements to consider and balance that will influence the positioning of an individual's pay, such as:

1) The individual's personal match to the relevant skills, knowledge, experience and behavioural profile.

2) The need to manage internal relativities in pay: The salaries of existing job holders in similar roles across your team / department and across TfL where appropriate, taking into account issues concerning fairness and equality.

3) The reporting relationship between the role and its line manager and the relative differences in pay.

4) The individual's current level of salary.

5) Any previous pay adjustments and in particular how recently they were made.

6) Promotions: It is sensible for the new salary to be set to a level that allows for continued salary progression in line with personal growth and development within the role. For some individuals it may be appropriate to set pay within zone A where they are likely to require significant development before becoming fully competent, see point 1 above.