

To: City Executive Board
Date: 14 November 2018
Report of: Head of Business Improvement
Title of Report: Workplace Equalities Report and Action Plan

Summary and recommendations	
Purpose of report:	To seek approval for the publication of the Annual Workforce Equalities Report and the resulting Action Plan to improve the diversity of the Council's workforce and make it more representative of the community it serves.
Key decision:	Yes
Executive Board Member:	Councillor Nigel Chapman, Customer Focused Services
Corporate Priority:	An efficient and effective Council: our ambition is for a customer –focused organisation, delivering efficient, high quality services that meet people's needs.
Policy Framework:	None.
Recommendations: That the City Executive Board resolves to:	
<ol style="list-style-type: none"> 1. Approve the Workforce Equalities Report 2018/19; 2. Delegate authority to the Head of Business Improvement to publish the Workforce Equalities Report 2018/19 and to make any typographical changes as may be required before publication; and 3. Approve the Action Plan at Appendix 4 of this report for submission as part of the 2019/20 budget setting process. 	

Appendices	
Appendix 1	Workforce Equalities Report
Appendix 2	Recruitment and Retention Analysis
Appendix 3	Benchmarking Data
Appendix 4	Action Plan
Appendix 5	Communications Campaign
Appendix 6	Distribution of staff by sex and grade & disability and grade

Introduction and background

1. Oxford has an ethnically and culturally diverse community. Such diverse communities require the Council to provide strategic community leadership, promote community cohesion and equality across its services and aim for its workforce to reflect the communities it serves. Organisations cannot thrive and grow if everyone in them thinks and behaves in the same way. Having a diverse workforce with people from different racial, educational and social backgrounds and a diverse age range, opens up a wealth of possibilities and helps to encourage improvement, creativity and innovation.
2. There is also a clear competitive advantage to be gained from employing a diverse workforce. An organisation with a diverse range of service users is well placed to understand the needs of a wide range of customers, and can interact with a broad client base. Not only that, but it is also in a good position to recruit and retain staff in an increasingly diverse and competitive labour market. Embedding diversity of thought throughout an organisation also means that talent can be properly recognised and nurtured.
3. In respect of workforce equality, the Equality Act 2010 places a duty on public bodies to publish employment information relating to employees who share a protected characteristic. Oxford City Council (“the Council”) does this through an annual Workforce Equalities Report (WER) which provides a snapshot of employee data metrics. The latest WER provides information as at 31st March 2018, which also includes Oxford Direct Services Ltd (ODS). This can be found at Appendix 1.
4. Beyond this formal duty as an employer, the Council is committed to increasing the diversity of its workforce as a matter of social justice. Analysis of comparative Oxford population data ensures that the Council understands where there are gaps and the significance of them. This has enabled the development of an appropriate and robust Equalities Action Plan to improve the community representation in the Council’s workforce. This can be found at Appendix 4. The Action Plan for ODS will be agreed separately by its Board and reviewed by the Companies Scrutiny Panel.
5. This report sets out the methodology used, findings from a range of data analysis and benchmarking data from comparable authorities. It also explains what the Council is already doing and recommends an Action Plan for significant and lasting improvement.

Methodology

6. An examination of the Census data from 2011, the Office for National Statistics Labour Force Survey 2016 and the Annual Population Survey 2016 led to an understanding of the demography of Oxford’s population.
7. The data collected over three years in the Workforce Equalities Reports from 2015/16 to 2017/18 provides proper trends on which to build further action. The data in the WER includes ODS, and is disaggregated at points throughout the report, purely to understand the Council position and to determine where improvements to Council activity are required. The information includes: sex; ethnicity; age; disability; sexual orientation; religious beliefs and non-beliefs; where employees live; recruitment activity and turnover; equal pay and the gender pay gap; and disciplinary activity

8. 2017/18 recruitment activity has been analysed to identify any potential issues arising from the recruitment process covering application through to interview and then to appointment. This analysis can be found at Appendix 2.

Key Findings

9. It is clear that the Council has made good progress in recruiting female staff and people with disabilities and the percentage of staff employed in these categories broadly reflects Oxford's economically active population who seek employment. However, plans need to be developed to ensure that staff with these "protected characteristics" hold more senior positions, including in the Senior Leadership Team. This is part of the Action Plan.
10. The data reveals a less encouraging picture in relation to BAME staff. The gap in the ratio of staff employed by the Council and the Oxford's economically active population make-up remains large. Given limited resources, the Action Plan therefore focuses mainly on plans to close this gap and measure progress over the four years.
11. The Labour Force Survey shows that 47% of the national workforce was female.
 - The WER shows the proportion of female employees of the Council and ODS was 35.6% in 2018.
 - The Council has 58.70% of female employees whilst ODS has 11.52% in 2018.
 - The Council's senior management team has 25% female employees.
12. 76% of the Council's female staff occupy Grades 3 to 7, with 21% employed in a role between Grades 8 and 11, and only 2% of female staff are above Grade 11. Please refer to Appendix 6 for more detailed analysis.
13. In terms of disability, the Census asks individuals if their activities are "long-term limited" by health or disability. 6.7% of Oxford residents who are economically active and not full-time students self-reported as limited in this way. By comparison, 7.2% of current Council staff reported they have a disability. Analysis of the data shows that 74% of disabled staff are employed on Grades 3 to 7, with 26% occupying roles between Grade 8 and 11. There are no members of staff in the Council employed in a role above Grade 11 with a declared disability. Please refer to Appendix 6 for more detailed analysis.
14. The key ethnicity data for the Council is as follows:
 - The Census 2011 data shows 18.7% of the economically active population come from an ethnic minority. This excludes full-time students.
 - The WER shows that overall 8.95% of Council and ODS employees are from a BAME group and this has remained relatively consistent since 2015/16.
 - The Council has 11.95% of employees from a BAME group, whilst ODS has 5.84%.
 - Some smaller service groups have no BAME representation, whilst other service areas, in particular Business Improvement, Housing and Community Services, have higher numbers of staff from a BAME group.
 - Housing and Community Services have a significant service delivery/presence within areas of Oxford where the BAME population is high. These service areas will be a key focus in terms of creating a workforce that is representative of the

communities the Council serves. However the Council must also ensure that all service areas contribute to the changing face of the Council and the ODS workforce if all services are to be more effective.

- Around 90% of staff from a BAME group are Grade 3 to Grade 7, which compares with 66% of staff from a white group which presents a challenge to the organisation to get more employees from BAME backgrounds into more senior posts.
15. The recruitment analysis set out in Appendix 2 shows that there is a well-qualified local labour market, suggesting that there should be a consistent level of applications from all ethnic groups (i.e. BAME and white) across most of the roles advertised by the Council, with the exception of roles which feature a specific technical/professional qualification as an essential criterion of the person specification.
 16. In addition, in 2017/18 there were circa 22% of job applicants that came from BAME groups. If the current levels of BAME staff were higher in the organisation, these levels of BAME applications would be sufficient to keep the organisation representative. However, as we need to increase our BAME levels we need to ensure we are focusing our recruitment campaigns in ways to attract higher numbers of BAME candidates with the right qualifications for the role.
 17. The general recruitment activity analysis indicates that overall there were a proportionate number of job applications received from white and BAME applicants. There is a disproportionate gap in the number of white and BAME applicants for Council recruitment schemes that were invited to interview (42% and 36% respectively) and then subsequently appointed (7% and 5% respectively). The reasons for this are not known, despite sampling of four recent recruitment campaigns, but, may cover issues such as unconscious bias or inadvertent discriminatory assessment criteria in job descriptions or interview assessments.
 18. In terms of the Council's workforce equality data a fully accurate picture cannot be guaranteed due to a number of staff who have not declared some aspects of their personal characteristics. This means that some of the figures we are reporting in terms of representation in the workforce may be inaccurate, which may in turn affect the relevance of some of the Action Plan activity. The Council is committed to working with support from both Unison and Unite to improve this position. Analysis of recruitment suggests more work could be done at the on-boarding stage to promote reporting. The gap of staff not reporting their personal characteristics is as follows:
 - Ethnicity – 6.92%
 - Disability – 6.62%
 - Sexual Orientation – 34.38%
 - Religious beliefs – 36.42%
 19. Staff turnover for the Council averages around 12% annually and for ODS the figure is 10%. This level is usually considered "healthy" for an organisation, providing a balance between retaining knowledge and bringing in fresh talent and new ideas. Although the information gathered from leavers has improved, there is still further valuable information to be gained from staff exiting the organisation to gather more granular details for reasons for leaving.

20. Some 55% of the Council's workforce lives outside the OX1 to OX4 postcode area, which is partly a reflection of the high cost of housing in Oxford as well as the Council's ability to attract talent on both a regional and national basis. The Council is committed to making the workforce representative of the population it serves, although we should be mindful that for example some BAME appointments may not therefore come from the city centre.

Benchmarking

21. Research has been conducted across several Councils to obtain benchmarking data across four protected characteristics. This can be found at Appendix 3. Cambridge City Council and Reading Borough Council appear to be the two councils that are the closest comparators in terms of BAME census data. Their BAME workforce representation levels are 7.18% for Cambridge and 16% for Reading.
22. Officers of Reading report particular concerns about BAME levels in higher management grades but the Council has not employed any specific strategies to improve their representation.
23. As with the Council (see paragraph 13 above), the authorities analysed also experience a level of under-reporting by employees of personal data.

Building on current foundations

24. The Council has built some solid management practices which support an open and engaging working environment.
25. The Council is proud to have maintained its Gold Level Investors in People (IiP) Gold accreditation in 2017 which reflects its commitment to best practice people management. It will continue to embed these best practices in order to recruit and retain a talented workforce that better reflects the local community. IiP sets out to promote equality and diversity within its framework in the following areas: the values and behaviours of the organisation, the ability to build capability to meet organisational objectives with a workforce that is diverse and reflects communities.
26. In order to be in a better position to recruit a workforce more representative of the Oxford's resident economically active population the Council has continued to review the essential criteria and the practical entry assessment tests for high turnover posts; cascaded best practice around recruitment by involving more staff in the "meeting and greeting" process and informal stakeholder groups; advertised job opportunities in local community publications and community centres; and promoted our more popular/entry level roles via recruitment roadshows.
27. The Council maintains its commitment to staff development and continues to maintain a Corporate Training budget of £124,000 in addition to Service Area funding of £302,000. Over a number of years there have been several specific management and staff development programmes and between 2015 and 2017 the Council provided additional funding for a comprehensive Health and Wellbeing programme (£150,000) and for a Leadership and Management development programme for all managers, (£174,000). The Council has an internal training resource designing and delivering a varied and high quality corporate training programme including an accredited ILM manager's course. The commitment to staff development across the organisation has enabled it to

build sound foundations of good people management and engagement practices creating great working environments.

28. The Council has explored new opportunities to promote the careers available, and has reviewed the apprenticeship opportunities on offer in 2018 to incorporate more specialist apprenticeships. By combining the demands imposed by the apprenticeship levy, identifying hard to recruit posts and utilising the apprenticeship cohort funding the Council is in the process of recruiting 11 new apprentices, four at a higher level qualification/degree level. As of Sept 2018 eight new apprentices have been recruited of which 25% are BAME appointments. Internally the Council has provided apprenticeship training to four current employees through the apprenticeship levy.
29. The Council has held a Corporate *Customer Service Excellence* (CSE) accreditation since 2016. One area of outstanding practice that was recognised was the work of the Youth Ambition (YA) team. Whilst it is difficult to attribute where specific actions have had an impact in building greater levels of diversity within the Council workforce, there is a compelling case that their work enables significantly higher levels of access to more marginalised communities, whilst also building and strengthening relationships. The YA team directly targets people and groups who work with communities to advertise and promote Council job vacancies and also systematically shares them with community leaders, promoting greater visibility of opportunities for diverse communities.
30. Leisure Services regularly involves other agencies and community groups in recruitment processes, giving a broader view on the merits of applicants. Organisations which have been involved in selection panels in recent years include Asylum Welcome, Oxford Friend, Risinghurst Community Association and East Oxford United.
31. As part of an Accessibility and Disability Support Review, a review of accessibility provision for the Town Hall and St Aldates Chambers office accommodation has recently been completed by Jane Topliss Associated Ltd. A report has been produced which identified upgrades to improve the facilities for the members of the public, councillors and staff who have specific access requirements. In addition to this work Oxford Audio has been commissioned to review the current audio and visual equipment (AV) provision, and Action for Hearing Loss has completed a survey of the Council's hearing loop systems used in meeting rooms. Councillors and staff have been involved throughout these survey processes and key stakeholders consulted on the report to clarify the options to be considered going forwards.
32. The Council is a Living Wage Champion. The Council's first "Gender Pay Gap" report for 16/17 indicates that there is no "pay gap" between female and male staff, which is a reflection of the changes implemented through successive local pay agreements.

Positive Action

33. Positive action is one of the Government's range of measures aimed at ending discrimination in the workplace under the Equality Act 2010. It can be used in two areas: "encouragement and training" (since October 2010) and "recruitment and promotion" (from April 2011). Positive discrimination is unlawful in the UK. For example, an employer recruiting a person because he or she has a relevant

protected characteristic rather than because he or she is the best candidate would be committing discrimination under the Equality Act 2010.

34. Employers can take positive action to help people with a particular protected characteristic if:

- They are disadvantaged in some way in relation to work
- their participation in employment or training is particularly low, or
- they have particular needs which are different from other people who do not share their protected characteristic

35. An employer can take a 'protected characteristic' into account when deciding who to appoint to a job, if:

- People with that characteristic are at a disadvantage or under-represented in the employer's workforce, and
- The applicant and other candidates are equally qualified

For example, if an employer has several equally qualified candidates for a job, it would not be unlawful discrimination to give preferential treatment to a woman if women are under-represented in the employer's workforce. But the employer would have to take the comparative merits of the other candidates into consideration before making the appointment.

Action Plan

36. The Action Plan (appendix 4) builds on existing good practice by enhancing the Council's training offer and its recruitment and HR procedures. However, in order to make a real step change a bolder approach to communications is outlined, and more radical positive action type activity is recommended.

37. Mandatory training is to be provided for all Council staff for the first time. This will be through two distinct e-learning courses; Equality & Diversity and Unconscious Bias. These courses will be available from November 2018 with a requirement for all staff to do both by January 2019. New starters will be required to complete the training as part of their probation requirements. Staff will be required to re-visit this e-learning every two years following a bi-annual content review and refresh. The aim of the courses will be to improve staff understanding of equality and diversity issues. From November 2018 there will also be a training programme for managers covering issues such as creating and maintaining an inclusive work environment; being a role model for equality and diversity; and understanding the impact of unconscious bias.

38. The activities outlined in the improved recruitment section will widen access to entry level roles in the organisation particularly in teams such as Customer Services, Revenues and Benefits and Youth Ambition. Getting the views of representative staff and communities to help shape our approach will also be vital.

39. To support this approach candidates will be supported with CV writing and interview advice and a talent pool of BAME candidates will be developed. Subject to budget approval the aim is to improve opportunities to further attract BAME candidates into the organisation for a career in local government at several entry points – as work experience placements, via post graduate

traineeships, and by sponsoring professional qualifications among the workforce.

40. This will be enhanced by a communications campaign (Appendix 5) that will promote the Council as an “employer of choice”, and in particular one that welcomes and supports applicants from the BAME community, develops career prospects and promotes job opportunities. Raising the diversity agenda internally is also critical as this will further manifest the culture and momentum for BAME representation to flourish.
41. Work will be undertaken to ensure all managers promote internal career opportunities for BAME staff whether through training, coaching or secondments.

Measuring Progress

42. Realistically, given the profound nature of some of the changes required to bring workforce BAME levels up to those found in the community, this is likely to be a medium term issue. The aim is to achieve workforce BAME levels of 13.65% by March 2020, and to continue to measure progress annually, reporting to both City Executive Board and Scrutiny Committee.
43. This progress should be reviewed and measured regularly, so that action plans and performance expectations can be adjusted accordingly.

Financial implications

44. The activities listed in the plan requiring additional budget are subject to agreement as part of the forthcoming 2019/20 budget process.

Legal issues

45. The Equality Act 2010 (“the Act”) section 149 introduced the Public Sector Equality Duty. It requires that everything the council does, must have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
46. A relevant protected characteristic is defined in section 4 of the Act as age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership.
47. The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 require the Council to publish information annually about how it complies with the Public Sector Equality Duty. The information must include, in particular, information relating to persons who share a relevant protected characteristic who are:
 - (a) its employees;
 - (b) other persons affected by its policies and practices.

48. The Regulations also impose obligations on Councils to publish information relating to the “gender pay gap” in their organisation on the snapshot date of 31st March in any year. In particular, Councils are required to publish the difference between the average hourly rate of pay paid to male and female employees; the difference between the average bonus paid to male and female employees; the proportions of male and of female employees who receive bonuses; and the relative proportions of male and female employees in each quartile pay band of the workforce.

49. The Workforce Equality Report and the Action Plan have been prepared in compliance with the requirements of the Act.

50. Positive action in recruitment is lawful provided that the conditions in sections 158 and 159 of the Act are met. Paragraphs 36 - 38 of this report explain how positive action can be lawfully used by the Council. It is only allowed where it is a proportionate way to address any under-representation or disadvantage

Report author	Helen Bishop
Job title	Head of Business Improvement
Service area or department	Business Improvement
Telephone	01865 255232
e-mail	hbishop@oxford.gov.uk

Background Papers: None

This page is intentionally left blank