

**To:** Cabinet  
**Date:** 15 December 2021  
**Report of:** Scrutiny Committee  
**Title of Report:** Workplace Equalities and Action Plan

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To present Scrutiny Committee recommendations concerning the Workplace Equalities and Action Plan report
<b>Key decision:</b>	Yes
<b>Scrutiny Lead Member:</b>	Councillor Liz Wade, Chair of the Scrutiny Committee
<b>Cabinet Member:</b>	Councillor Mike Rowley, Cabinet Member for Customer Focused Services
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendation: That the Cabinet states whether it agrees or disagrees with the recommendations in the body of this report.</b>	

<b>Appendices</b>
None

## Introduction and overview

1. At its meeting on 08 December 2021, the Scrutiny Committee considered the Cabinet Workplace Equalities and Action Plan report.
2. The Committee would like to thank Councillor Mike Rowley, Cabinet portfolio holder for Customer Focused Services, for presenting the report and answering questions, and Helen Bishop, Head of Business Improvement for authoring the report and supporting the meeting.

## **Summary and recommendation**

3. Cllr Mike Rowley, Cabinet Member for Customer Focused Services introduced the report. Which reflected the Council's ambition to be a welcoming and inclusive employer with a diverse, representative and high performing work force. The Workforce Equality Report attached to the report fulfilled a statutory requirement and contained some positive indicators. The target for BAME employees had been exceeded and the gender pay gap decreased. There had, nonetheless, been a stagnation in the number of BAME applications and there was more which could be done in this area, especially in relation to work with schools and further education establishments.
4. There had been good progress with the recommendations made by the Committee a year previously.
5. Helen Bishop, Head of Business Improvement, noted that this area work was underpinned by the new People Strategy which emphasised the importance of a truly inclusive culture which would be integrated into all aspects of an employee's work life.
6. As is often the case with this topic, the Committee makes a high number of recommendations in regards to this topic. In total, six recommendations are made relating to i) understanding the equalities performance of the Council's companies, ii) internal actions to support the Action Plan, and iii) clarifying an area of uncertainty over the causes of the pay gap.

## **Equalities Performance in the Council's Companies**

7. As referenced above, the Workplace Equalities report is one which Scrutiny is particularly engaged with, and the Committee is supportive of its production each year. Indeed, it feels that the Council could be going further.
8. The Council itself employs around 700 staff, but it is the sole shareholder in two other companies which, in total, employ almost as many people again. It is recognised by the Committee that there is a statutory responsibility on the Council to make a return for its Council staff, and that there are other arrangements for its wholly-owned companies. That point is accepted; the Council is not under a duty to do more than it currently is.
9. Scrutiny's suggestion is that the Council may actually wish to go further than the legal minimum. The Workplace Equalities and Action Plan report is viewed as an extremely worthwhile piece of work by the Committee. As the sole shareholder in two companies the Council is entitled to expect them to work in accordance with its strategic aims, and can, should it wish, require them to produce plans which support those aims. The Council, therefore, has the potential to near-double the extent of its reach if it were to tackle the issue of the diversity of the workforce of its companies. Indeed, with the fact that ODS is at present overwhelmingly staffed by white males there may be lower-hanging fruit and opportunity for greater impact.

10. Although the Committee is keen to see this being done, it recognises that to expect it too soon would be an undue burden. It suggests that the next round of Shareholder and Joint Venture Group meetings in March and April 2022 provide sufficient notice to gather, present and develop a plan to make the workforces of the Council's companies (and ODS in particular as the significantly larger employer) more reflective of the City's community. The Committee would then like to see in future years this information being published as an appendix to the Council's Workplace Equalities and Action Plan report.

***Recommendation 1: That the Council considers a report providing similar details of the diversity profile of its companies, particularly ODS, and the actions being taken to ensure the workforces of these companies are reflective of the community they serve.***

***Recommendation 2: That the Council publishes as an appendix to next year's report the same statistics for the staff in its wholly-owned companies as it does for its own staff***

### **Internal Actions to Support the Action Plan**

11. The Committee supports the proposed Action Plan and welcomes the results that have been achieved in a challenging year, with fewer vacancies making change more difficult. In addition to what is in the Action Plan the Committee highlights a number of additional areas it feels could be of benefit to the Council in achieving a workforce more reflective of the community it serves.

12. The first point put forward is that the Council's approach is not simply passive in attracting diverse candidates for roles – making it easier for them to apply – it is proactive, taking positive steps to address inequalities. For example, the promotion of the apprenticeship scheme to create a pathway for more women and BAME joiners for junior roles, and requiring recruitment agencies to put forward a diverse field of applicants for senior roles. The Committee's view is that this proactivity itself makes a powerful statement of the Council's intention to be an inclusive employer, an attractive characteristic when trying to develop a diverse workforce.

13. The Committee would welcome it if the Council were to leverage the positive actions it is taking to attract a diverse workforce, so that they contribute not only through their direct effects but indirectly as a tool to demonstrate the suitability of the Council's as a working environment for minoritised groups. The precise means of doing this will vary in different contexts, but the Committee would welcome a focus on the outcomes, real world difference, of the positive action. This is because it provides a greater sense of momentum for those being targeted and may therefore be more effective in attracting underrepresented candidates

14. In order to be able to do this, the Council must monitor its positive action schemes. If it were to do this, the Committee suggests that there is value in

including a dedicated section in the next year's Workforce Equalities report, detailing fully the schemes launched, the schemes concluded and the results of those schemes. As the Council wishes to take active steps to recruit a representative and diverse workforce it would also benefit from knowing whether its efforts in realising that goal are being effective. Specific inclusion within the report would help bring greater focus on the area and allow iterative improvements on an important element of the Council's workforce equality plan.

***Recommendation 3: That the Council, in the next year's report, provides details of the positive action schemes undertaken by the Council – those started, those completed and those planned, and their results (where relevant) – and that that information is shared with those minoritised groups the Council is targeting as being particularly unrepresented within the Council workforce***

15. Appendix 1 p. 9 of the Cabinet report contains the following statistic: '33% of managers have not declared their ethnicity'. The Committee views this as concerning. The Council's monitoring of its workforce relies on having good quality data upon which to build its response. Although a third of managers not declaring is unlikely to undermine data quality on its own, two problematic issues arise. The first being that managers are not understanding how important the link is between sharing their data and the Council's efforts to employ a representative workforce, a possible indication amongst those responsible for recruitment of the seriousness of the Council's commitment in this area. The second is that if declaring is not a high priority for managers, they are unlikely to impress upon their teams the importance of responding. Whilst management reticence may not undermine data quality on its own, the cascade effect of having a third of managers not deeming responding to be a priority could begin to impair the data in the future. Consequently, the Committee recommends that this reticence amongst managers is addressed and not allowed to become an embedded trend.

***Recommendation 4: That the Council makes a renewed and determined effort to persuade managers to share the details of their protected characteristics, particularly ethnicity, to ensure an increased response rate next year***

16. A final area the importance which the Committee feels it necessary to bring attention to is that of monitoring the demographic profile of responses to job adverts and short-listed candidates. The Committee recognises that the Council does already do this, but wishes to underline it as an area of particular importance from which further fruitful learning may be gleaned. Given that it is already Council policy to do so, the Cabinet does not need to be convinced of its merits as a principle. Scrutiny is aware of the resource constraints that the Council is subject to and does not wish to make a recommendation which fails to recognise this. However, as parts of the formal recruitment process these provide hard data on who is applying for roles and how far they are getting in the process. This information can be used to identify bottlenecks and inform future approaches. If there is capacity within the organisation, greater resourcing would

enable greater granularity of data, and hopefully more bespoke and effective solutions for the different parts of the Council.

***Recommendation 5: That the Council continues to monitor the demographic profile of responses to adverts and short-listed candidates, and supports areas which are struggling to attract appropriately-qualified diverse candidates to do so.***

### **Clarifying the Causes of Pay Gaps**

17. The final recommendation is a point of clarification. It was suggested to and agreed by the Committee that references to pay gaps could give the impression to members of the public reading that the Council paid unequal amounts for equal work, on the basis of protected characteristic status. Though the existence of pay gaps points towards underlying inequalities, which rightly the Council is seeking to address, this is very different to being proactively discriminatory. The Committee suggests that to avoid giving this impression the report should clarify that pay gaps exist as a function of the seniority and number of hours worked by people in different demographic categories, rather than unequal pay for the same work.

***Recommendation 6: That the Council amends its report to clarify that the pay gaps referenced in the report are caused by differences in seniority and full time/part time working, rather than unequal pay for equal work.***

### **Further Consideration**

18. The Committee does not anticipate revisiting this topic in the current civic year.

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**Cabinet response to recommendations of the Scrutiny Committee made on 08/12/2021 concerning the Workplace Equalities and Action Plan**

**Response provided by Cabinet Member for Customer Focused Services, Councillor Mike Rowley**

<b><i>Recommendation</i></b>	<b><i>Agree?</i></b>	<b><i>Comment</i></b>
<b>1) That the Council considers a report providing similar details of the diversity profile of its companies, particularly ODS, and the actions being taken to ensure the workforces of these companies are reflective of the community they serve.</b>	Yes	Scrutiny may wish to refer this to the Companies Scrutiny Panel, as a report on the diversity of the ODS workforce would be legally and administratively separate from the Council's Equalities Report. However, I'm happy to endorse the request; this wouldn't involve a lot of extra effort since ODS does monitor and does strive to diversify its workforce.
<b>2) That the Council publishes as an appendix to next year's report the same statistics for the staff in its wholly-owned companies as it does for its own staff</b>	Yes	It would make sense to do this for the sake of clarity and convenience, though as stated above, the reports would be prepared separately.
<b>3) That the Council, in the next year's report, provides details of the positive action schemes undertaken by the Council – those started, those completed and those planned, and their results (where relevant) – and that that information is shared with those minoritised groups the Council is targeting as being particularly unrepresented within the Council workforce</b>	Yes	
<b>4) That the Council makes a renewed and determined effort to persuade managers to share the details of their protected characteristics, particularly ethnicity, to ensure a greater response rate next year</b>	Yes	It isn't compulsory for any Council employee to do this, but we will once again make absolutely clear that there can be no negative consequence to identifying yourself as having a protected characteristic under the Equality Act.

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<p><b>5) That the Council continues to monitor the demographic profile of responses to adverts and short-listed candidates, and supports areas which are struggling to attract appropriately-qualified diverse candidates to do so.</b></p>	<p>Yes</p>	<p>This work is ongoing, and considerable progress is being made as this year's report shows. Efforts will continue to broaden knowledge and appeal of Council job and apprenticeship opportunities among minoritised groups and across the full diversity of Oxford's community.</p>
<p><b>6) That the Council amends its report to clarify that the pay gaps referenced in the report are caused by differences in seniority and full time/part time working, rather than unequal pay for equal work.</b></p>	<p>Yes</p>	

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