

To: Cabinet
Date: 5th February 2024
Report of: Director of Communities and Citizens
Title of Report: Equalities Update

Summary and recommendations	
Purpose of report:	<p>To present and seek approval for the publication of the annual Workforce Equality Report 2024, the Gender Pay Gap Report, Ethnicity Pay Gap Report and Disability Pay Gap Report.</p> <p>To share current progress on the Workforce Equalities Report and Action Plan.</p>
Key decision:	No
Cabinet Member:	Councillor Nigel Chapman, Cabinet Member for Citizen Focused Services and Council Companies
Corporate Priority:	All
Policy Framework:	Corporate plan 2024 - 2028
Recommendations: That Cabinet resolves to:	
<ol style="list-style-type: none"> 1. Approve the contents of the Workforce Equality Report 2024; 2. Delegate authority to the Head of People to publish the Workforce Equality Report and to make any changes as may be required before publication following Cabinet discussion; 3. Approve the contents of the Gender Pay Gap, Ethnicity Pay Gap and Disability Pay Gap reports for this year; and 4. Delegate authority to the Head of People to publish the Gender Pay Gap table at paragraph 14 before 30 March 2025, the Ethnicity Pay Gap table at paragraph 23 and the Disability Pay Gap table at paragraph 29 on the Council website. 	

Appendices	
Appendix 1	Workforce Equality Report (2024)
Appendix 2	Gender Pay Gap and Distribution of Council staff by Grade, Gender and Age
Appendix 3	Ethnicity Pay Gap and Distribution of Council staff by Grade and Ethnicity
Appendix 4	Disability Pay Gap and Distribution of Council staff by Grade and Disability

INTRODUCTION

1. In 2022 we launched our [Equality, Diversity and Inclusion Strategy](#), developed using the Local Government Association Equalities Framework, which outlines four areas of focus for equality, diversity and inclusion (EDI).

- Understanding and Working with our Communities
- Leadership and Organisational Commitment
- Responsive Services and Customer Care
- Diverse and Engaged Workforce

Our commitment to equality, diversity and inclusion influences how we work with our residents, staff and elected members. We want Oxford City Council to have a workforce that reflects the community it serves, and to be seen as an employer of choice that values and draws strength from diversity.

2. This report is focused on our Council workforce. However, it is important to recognise the wider context of the Council's equalities work and how workforce equalities fits within the strategic framework.
3. The Council's People Strategy defines the Council's ambition for its workforce to have the right people, with the rights skills, highly motivated, high performing and business efficient delivering the best outcomes to the people of Oxford. The strategy articulates the respectful, inclusive and supportive culture that will nurture a more representative workforce, taking a more in-depth and holistic approach that focuses beyond key performance indicators.
4. The People Strategy is divided into six key themes to address the external context the Council faces and enable our business goals. These link every aspect of a person's career cycle, ensuring the highest standards of leadership and fostering a culture which is inclusive. These themes are:
- High Performing and flexible workforce
 - Attract, reward and retain talent
 - Support Development
 - Create a culture of wellbeing, diversity and engagement

- Promote, champion and support inspirational leaders
 - People Team transformation
5. The key priorities within these themes are:
- Recruitment and retention of talented and experienced people
 - Leadership and management development to build an inclusive and high-performing organisation
 - Providing more career development opportunities
 - Improving the diversity of the workforce
 - Excellence in basic people service delivery

WORKFORCE EQUALITIES REPORT

6. The Council is an employer committed to increasing the diversity of its workforce and providing an inclusive environment with equality of opportunity for all employees. The Council is committed to making sure its workforce is representative of the diverse population it serves.
7. Presentation of the Workforce Equalities Report (WER), at Appendix 1, is an annual report that the Council is obliged to publish every year under the Equality Act 2010 (the Act). The WER provides an update on equalities-related activities of the Council. It is a ‘snap shot’ of how diverse the workforce is, what recruitment has taken place and contains data trend analysis for a three year period (1 April 2021 to 31 March 2024). The WER also provides comparative population data and a breakdown of the Council’s staffing in relation to key equalities reporting areas.
8. The WER covers aspects of the employment lifecycle and highlights what the Council has done to increase the diversity of its workforce, in addition to embedding the Public Sector Equality Duty and Equality Act 2010 best practice.
9. The main items to note are as follows:
- Recruitment activity has increased as employee turnover has increased. We had 135 new starters joining the Council compared to 98 in 2022/23. Overall, the headcount of the organisation increased by 3.3% during the last 12 months.
 - Over half of the workforce are women (60%), which is higher than the proportion of women in the population of Oxford at 48.2%. The proportion of women in senior roles has decreased by 1%, with women making up 49% of roles at grade 11 and above.
 - Data indicates a modest increase from 14.2% to 14.8% in the representation of employees from minority ethnic groups in the workforce, against a target of 15%. The proportion of ethnic minority candidates applying for jobs has increased from 32% to 39.8%. The proportion appointed has increased to 18.5% from 14% in the previous year. Ethnic minority representation in

management roles has increased from 9% to 10% (note that 21% of managers have not declared their ethnicity). Census data puts the economically active population from ethnic minority groups at 27.7%. Recruitment data does not cover all recruitment activity but only direct, online applications. We currently have no way of capturing other data efficiently. We receive applicants looking for visa sponsorship to allow them to work in the UK and this group is more diverse. We are unable to progress these applicants to shortlisting stage.

10. Key achievements in the last 12 months include:

- We designed and launched a positive action management development programme for aspiring managers to build a talent pool to improve representation in management roles of women, people from minority ethnic backgrounds and people with a disability.
- We have introduced Inclusive Recruitment training for hiring managers to develop knowledge and skills to build more inclusive recruitment practices that reduce bias in the process.
- We have designed and launched EDI level one training. This is delivered online and in person to make sure it is accessible to all staff. This training is not currently mandatory. There is mandatory training on our e-learning platform.
- The REACH staff network is going strong since being setup in January 2024. REACH stands for Race Ethnicity and Cultural Heritage. A Disability and Neurodiverse network was set up in June 2024.
- The annual staff engagement survey shows improvements in views on diversity, inclusion and belonging since last year with 94% of 668 survey respondents agreeing with the statement "At the Council, I think differences are respected, irrespective of things such as ethnicity, gender, disability, age and sexual orientation". This was a 3% increase on the 2023 survey. There was the same increase in results for: "I feel like I belong here at the Council" with 84% agreeing with this statement, compared to 81% last year. The Lunch and Learn sessions are likely to be having a positive impact on building an inclusive culture.

11. The WER sets out our priority aims and specific actions for 2024/2025.

The Council will continue work to improve the diversity of its workforce by building inclusive recruitment practices to improve the diversity of candidates and recruits. This will include:

- Continued training for hiring managers on inclusive recruitment practices
- Online shortlisting and scoring carried out individually by panel members
- Blind application forms where personal data is hidden from the shortlisting panel
- Introduction of a positive action policy

12. We will support development of our staff and applicants from local communities to open up more opportunities and retain talent. This will include:

- A regular, short career planning programme
- Continued partnership working with Activate learning to develop skills in local communities and develop more apprenticeship opportunities
- Work experience opportunities for two local schools

13. We will continue to build inclusive leadership practices and culture. This will include:

- Building on the level 1 EDI training to design and deliver level 2 EDI training for hiring managers and Level 3 EDI training for strategic managers and leaders.
- Continued roll out of Bitesize Training for people managers to support inclusive management practices and personal development
- Ongoing lunch and learn sessions to raises awareness and build inclusion and a sense of belonging for all groups
- A structured approach to staff networks to increase the number and establish a clear purpose and opportunities to influence

14. We will improve the understanding of our workforce and individual employee experiences. This will include:

- Ongoing staff surveys and evaluation of results
- Working closely with Union colleagues and their equality and diversity leads
- Improved understanding of our workforce and individual employee experiences

GENDER PAY GAP

15. The Council is required under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to publish an annual report that provides details of the Council's gender pay gap using a number of key measures: basic pay; bonus; the proportion of male and females receiving a bonus; and pay quartile data (basic pay) for male and female staff. Due to the Government's gender pay reporting cycle, the pay data that the Council must publish by 30 March 2025 relates to Council pay data at the 'snapshot date' of 31 March 2024.

16. Gender pay gap reporting is based on two calculation methods. The first uses the hourly rate of pay for male and female staff for the following reporting indices: -

36. Mean* gender pay gap (basic pay)

- Median** gender pay gap (basic pay)

We also report Pay Quartiles by gender.

* The mean hourly rate is calculated by totalling the hourly rates of all employees and dividing by the number of employees.

** The median hourly rate is the middle value when all hourly rates are placed in order from lowest to highest.

The second method relates to reporting on the bonus pay gap. However, the Council does not currently make any bonus payments so has no data to report for this element.

For the pay gap, the difference between average male and average female pay is expressed as a percentage. The percentage gap is that in favour of men. If the pay gap is in favour of women this is expressly stated or shown as a negative figure.

17. The Council’s gender pay gap details for the snapshot date of 31st March 2024 is shown below along with the percentage of men and women in each pay quartile.

31 March 2024	
Mean gender pay gap (basic pay)	6.5%
Median gender pay gap (basic pay)	0.0%
Mean gender bonus gap	0%
Median gender bonus gap	0%
Proportion males receiving a bonus	0%
Proportion females receiving a bonus	0%

Pay Quartiles by Gender

Quartile	Males %	Females %
Top	51.03	48.97
Upper Middle	45.88	54.12
Lower Middle	30.41	69.59
Lower	36.08	63.92

18. Comparisons between the Gender Pay Gap as at 31st March 2023 and 31st March 2024 are shown in Table 1 of Appendix 2. This data shows that:

- The mean gender pay gap has decreased from 7.5% in 2023 to 6.5% in 2024, in favour of men. This is positive news but female employees are under-represented in the top pay quartile.
- The median gender pay gap has decreased from 0.7%% in 2023 to 0.0% in 2024.

19. Tables 2, 3, 4 and 5 of Appendix 2 report the distribution of staff by grade, gender, employment type and age and show that:

- 60% of the Council’s work force is female.
- 34% of females work on a part-time basis, compared to 10% of all male staff.

The high number of part-time females contributes to the Council’s mean gender pay gap as a greater proportion of females working part time are paid at lower grades: 38% are paid at grades 5 and 6 whilst 30% of part-time males are paid at grade 8.

20. The Office for National Statistics (ONS) reports annually on the national gender pay gap. The report is from data in the Annual Survey of Hours and Earnings (ASHE) which is based on a 1% sample of jobs from HM Revenue and Customs Pay as You Earn records. The ONS has summarised the main points from the statistics as follows:

- The national gender pay gap has been declining slowly over time, falling by a quarter for full-time employees over the last decade. In April 2024 it was 7%.
- The gender pay gap is larger for those aged over 40 years.
- The gender pay gap is higher among higher-paid workers.
- The pay gap is higher in skilled trades and occupations and lower in service occupations such as care and leisure.

21. Nationally, the gender pay gap is higher for all employees than it is for full time or part-time employees. This is because women fill more part time jobs which have a lower hourly median pay compared to full time roles.

22. The table below shows the Council’s mean hourly rate of pay for part time female staff is £18.67 and the median rate is £17.36. Part-time workers are, on average, paid at lower rates of pay because they tend to occupy lower-level roles. There is only a small difference in the mean pay rate between part-time men and women but 83% of part-time employees are female.

Employment	Average	Pay Gap	Average Female Salary (per hour)	Average Male Salary (per hour)
Full Time	Mean	4.71%	£21.00	£21.99
Part Time	Mean	0.48%	£18.67	£18.76
Full Time	Median	0%	£19.64	£19.64
Part Time	Median	2.58%	£17.36	£17.36

ETHNICITY PAY GAP

23. Ethnicity pay gap reporting remains voluntary. We have published ethnicity pay gap data since 2020. The Government has published guidance for employers on reporting the ethnicity pay gap. The guidance uses the same methodology that is used for calculating the gender pay gap. This is the method that we have and will continue to use to calculate the Council’s ethnicity pay gap.

24. The provision of ethnicity information is voluntary and, for the Council’s workforce, 13.45% of employees have not shared data about their identity. For the purpose of this report the categories have been grouped into three classifications:

- Minority ethnic groups
- White

- Not known

25. It is important to note that whilst the classifications have been grouped to provide a useful overview, this does not inhibit the Council from undertaking a deep-dive to better understand impact at specific ethnicity level. However, it is worth noting that given the size of the smaller cohorts when assessing specific ethnicities, it is important to be careful in how the information is interpreted and compared. The Government guidance recommends that when calculating data it should be at the most specific level that is possible. However, it also recommends a minimum group size of 50 for published data. The current number of employees from minority ethnic groups is relatively small, representing 14.8% of the workforce.

26. The Council's ethnicity pay gap details for the snapshot date of 31st March 2024 are below:-

31 March 2024	
Mean ethnicity pay gap (basic pay)	14%
Median ethnicity pay gap (basic pay)	12%
Mean ethnicity bonus gap	0%
Median ethnicity bonus gap	0%

Pay quartiles by Ethnicity

Quartile	Minority Ethnic Groups %	White %
Top	8.44	91.56
Upper Middle	13.56	86.44
Lower Middle	21.71	78.29
Lower	22.84	77.16

27. Comparisons between the Ethnicity Pay Gap as at 31st March 2023 and 31st March 2024 shows that:

- The mean ethnicity pay gap has increased from 10.8% in March 2023 to 14% in March 2024.
- The median ethnicity pay gap has increased from 11.6% to 12%.
- The representation of minority ethnic groups has decreased in the top and lower middle quartiles and increased in the other two.

28. The non-reporting of personal information impacts the reliability of this data. 13.45% of the whole workforce has not declared information.

DISABILITY PAY GAP

29. This is the fourth year that the Council has reviewed its disability pay gap. The methodology used is the same as that already used for the gender and ethnicity pay gap reporting.

30. The provision of disability information is voluntary and for the Council’s workforce 16.19% of the data is not known. For the purpose of this report the categories have been grouped into three classifications:

- Disabled
- Non-disabled
- Not known

31. The current proportion of the workforce at the Council declaring a disability is 10.2%.

32. The Council’s disability pay gap details for the snapshot date of 31st March 2024 are below:-

31 March 2024	
Mean disability pay gap (basic pay)	3%
Median disability pay gap (basic pay)	0.0%
Mean disability bonus gap	0%
Median disability bonus gap	0%

Pay Quartiles by Disability

Quartile	Disabled %	Non-disabled %
Top	11.49	88.51
Upper Middle	13.22	86.78
Lower Middle	14.20	85.80
Lower	8.33	91.67

The data shows the mean disability pay gap is down from 4.9% in March 2023 to 3% in March 2024. The representation of disability in the top pay quartile has increased from 9.32% to 11.49%.

The Council has no median disability pay gap. This compares favourably with a national median pay gap of 12.7%.

33. Appendix 4 provides a table and graphic representation of disability by grade. There is a notably higher number of employees with a disability in grades 5-8. Employees with a disability are under-represented at senior pay grades.

34. The non-reporting of information impacts the reliability of this data. At 16.19% of the whole workforce, the number of people not reporting on disability is higher than the proportion of people reporting having a disability at 10.2%.

MEASURING PROGRESS / OUTCOMES

35. This WER is useful in providing a set of indicators to measure the performance of the organisation from a pay gap perspective as part of the Council's equalities aspirations. Alongside this, the Council's staff survey will help to set outcomes and measure progress – the focus being on qualitative related outcomes such as trust and belonging, career progression and inclusive management.

FINANCIAL IMPLICATIONS

36. A base budget of £60,000 is in place to support the Council's on-going commitment to building a more diverse workforce and inclusive culture.

LEGAL IMPLICATIONS

37. The Equality Act 2010 (the Act), section 149 introduced the Public Sector Equality Duty. It requires that in everything the Council does, it must have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by 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.

41. 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 partnerships.

42. 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; and
- (b) Other persons affected by its policies and practices.

43. This report does not address the requirement in the 2017 regulations to publish information relating to persons other than employees affected by the Council's policies and practices. That duty is to be discharged separately.

44. The Regulations also impose obligations on the Council to publish information relating to the "gender pay gap" in the organisation on the snapshot date of 31st March in any year. In particular, the Council is 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. The information must be published within 12 months of the relevant snapshot date.

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

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Background Papers: None

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