

## READING BOROUGH COUNCIL

### REPORT BY ASSISTANT DIRECTOR FOR HR AND ORGANISATIONAL DEVELOPMENT

TO:	PERSONNEL COMMITTEE		
DATE:	19 NOVEMBER 2020	AGENDA ITEM:	5
TITLE:	EQUALITY AUDIT 2019/20		
LEAD COUNCILLOR:	CLLR ELLIE EMBERSON	PORTFOLIO:	CORPORATE AND CONSUMER SERVICES
LEAD OFFICER:	SHELLA SMITH	TEL:	74697 / 0118 937 4697
JOB TITLE:	ASSISTANT DIRECTOR OF HR AND ORGANISATIONAL DEVELOPMENT	E-MAIL:	shella.smith@reading.gov.uk

#### 1. PURPOSE AND SUMMARY OF REPORT

- 1.1 To present an Equality Audit for 2019/20, which provides a summary of equalities monitoring data for the Council's current workforce and job applicants, and monitors trends over time.
- 1.2 In addition, to update Personnel Committee on progress towards meeting the requirements set out in the Tackling Employment Inequality Motion agreed by Council on 20 October 2020.

#### 1.3 Appendices

Appendix 1: Equality Audit 2019/20

Appendix 2: Summary of the Business in the Community Race at Work Charter

Appendix 3: Ongoing initiatives to increase diversity and inclusion in the workforce

#### 2. RECOMMENDED ACTION

- 2.1. The Committee notes the Equality Audit for 2019/20 at Appendix 1.
- 2.2. The Committee notes that the Council has signed the Business in the Community (BITC) Race at Work Charter (Appendix 2) and the work underway to explore working with BITC to carry out a more in-depth equality audit at the Council. The results of this will be used to develop actions to create a more inclusive culture at the Council.
- 2.3. The Committee notes that it will be presented with an Ethnicity Pay Gap Report for 2020, alongside the Gender Pay Gap Report for 2020, in February 2021.

- 2.4. The Committee notes that a Team Reading Diversity and Inclusion Action Plan will be created which brings together actions from the various equality strands to enable more effective monitoring and progress reporting to CMT and Personnel Committee.

### **3. POLICY CONTEXT**

- 3.1 Public authorities have specific duties under the Equality Act 2010 to help them comply with the public sector equality duty. They must:
- publish equality information at least once a year to show how they have complied with the equality duty
  - prepare and publish equality objectives at least every 4 years
- 3.2 The Equality Audit is a key component of meeting the duty, and the Council's own Equal Opportunity in Employment Policy. It covers data on the protected characteristics of the current workforce and job applicants in 2019/20 and compares it to the previous two financial years (2017/18 and 2018/19). The data is also intended to provide an equalities context and focus for ongoing discussions with internal and external stakeholders. The Equality Audit will be published on the Council's website.
- 3.3 All job applicants must provide data on their protected characteristics, or they can select a 'prefer not to say' option. In August 2019, the Council agreed to accept CV applications, however, candidates must complete a short application form prior to submitting a CV which includes equalities monitoring data.
- 3.4 The Equality Audit includes data on;
- Vacancies, applicants, starters, leavers and maternity leave
  - Demographic characteristics of the workforce by gender, ethnicity, age disability, full and part time working, length of service and pay grade
  - Staff engagement and procedures
- 3.5 The audit does not include data for sexual orientation or religion or belief. This data is available but approximately 50% of job applicants and current employees select the 'prefer not to say' option for these protected characteristics so there is concern about the validity and reliability of the data.

### **4. KEY FINDINGS AND ACTIONS TO ADDRESS AREAS OF CONCERN**

#### **4.1 Ethnicity**

- 4.1.1 The percentage of the workforce who identify as being from Black, Asian and Ethnic Minority backgrounds (BAME) has remained relatively stable in the last two years and stands at 14.2% in 2019/20. The percentage of BAME people in the economically active population within the borough boundaries is 23%.

4.1.2 The percentage of BAME job applicants in 2019/20 was 30.9%. The percentage of candidates from BAME backgrounds who were appointed in the same period was 17.2%.

4.1.3 On 20 October 2020, Council approved a Motion on Tackling Employment Inequality. This included becoming a signatory to Business in the Community (BITC) Race at Work Charter. A summary of the Charter is attached as Appendix 2. The commitments are:

**1. Appoint an Executive Sponsor for race**

Executive Sponsors for race provide visible leadership on race and ethnicity in their organisation and can drive actions such as setting targets for ethnic minority representation, briefing recruitment agencies and supporting mentoring and sponsorship.

The Chief Executive is the Corporate Management Team sponsor for diversity, which includes race equality.

**2. Capture ethnicity data and publicise progress**

Capturing ethnicity data is important for establishing a baseline and measuring progress. It is a crucial step towards an organisation reporting on ethnicity pay differentials.

Appendix 1 details the latest data for the Council on protected characteristic groups and includes ethnicity data. This will be published on the Council's website and communicated to staff internally.

**3. Commit at board level to zero tolerance of harassment and bullying**

The Race at Work Survey revealed that 25 per cent of ethnic minority employees reported that they had witnessed or experienced racial harassment or bullying from managers. Commitment from the top is needed to achieve change.

The Council's Bullying and Harassment Policy confirms our zero tolerance approach to this behaviour. In the 2019 staff survey, 12% of respondents said they felt bullied or harassed at work. We asked staff about their protected characteristics, including what ethnic groups they belonged to, within the survey. Unfortunately a significant number of respondents declined to answer or selected the 'prefer not to say' option for ethnicity, meaning that analysis was not possible because the data was not statistically significant.

**4. Make clear that supporting equality in the workplace is the responsibility of all leaders and managers**

Actions can include ensuring that performance objectives for leaders and managers cover their responsibilities to support fairness for all staff.

This is already a key responsibility in every member of staff's job description and is embedded in our Team Reading values.

5. **Take action that supports ethnic minority career progression**  
Actions can include embedding mentoring, reverse mentoring and sponsorship in their organisations.

We are developing a talent management and succession planning strategy and will ensure that this includes specific actions to support career progression for BAME employees. We will also explore offering additional support to job applicants from BAME backgrounds to assist them in applying for vacancies at the Council. Unconscious bias training is already part of our recruitment and selection training which is mandatory for all Council employees involved in recruitment decisions.

- 4.1.4 BITC provide an equality audit service, to support organisations to understand their current position in terms of diversity and inclusion and how improvements can be made across all protected characteristic groups. Contact has been made with BITC to explore the benefits of undertaking such an audit. It would focus on qualitative data (e.g. from focus groups with staff) as well as quantitative data (such as the information in this report), and how the findings could potentially be used to develop actions to create a more inclusive culture at the Council.

- 4.1.5 Since 2017, there has been a legal requirement for any organisation that has 250 or more employees to publish and report specific figures about their gender pay gap. There is currently no requirement to publish ethnicity pay gap data. However, Personnel Committee is asked to note that an ethnicity pay gap report will be produced and published by 31 March 2021. This will be based on data on the 'snapshot' date of 31 March 2020 (i.e. the same date as for the gender pay gap report for 2020). It will cover the same reporting requirements as the gender pay gap, as follows:

- mean ethnicity pay gap in hourly pay
- median ethnicity pay gap in hourly pay
- mean bonus ethnicity pay gap
- median bonus ethnicity pay gap
- proportion of ethnic groups receiving a bonus payment
- proportion of ethnic groups in each pay quartile

- 4.1.6 An initial analysis of average pay data by ethnic group has been carried out in order to inform this report. The data for the last three calendar years is included in Table 1 below. Excluding those who have not stated or chosen not to declare their ethnicity (less than 5%) the group with the highest average pay in 2020 are those who identify as Asian or Asian British followed by those who identify as White. Staff who identify as Black or Black British or Other Ethnic Group have average pay below that for all staff combined. Further analysis will be provided in the Ethnicity Pay Gap Report.

**Table 1 - Average pay by ethnic group**

<b>Ethnic Group</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Asian or Asian British	£28,221	£29,211	£31,346
Black or Black British	£25,463	£26,317	£27,041
Mixed	£23,111	£25,972	£24,491
Not Stated	£23,111	£22,462	£27,041
Other Ethnic Groups	£23,932	£20,169	£21,748
White	£27,790	£28,785	£29,577
<b>Grand Total</b>	<b>£27,358</b>	<b>£27,905</b>	<b>£28,729</b>

## **4.2 Gender**

- 4.2.1 The Council employs more female staff, with 59.1% females and 40.9% males although this has reduced in the past three years. The Council still attracts more applications from women than men, however these numbers are now more closely aligned than in 2018/19 with almost equal proportions of applications from men and women in 2019/20 (52.5% female and 46.1% male).
- 4.2.2 The Council's Gender Pay Gap (2019) is the subject of a separate report and action plan which is published on the website [HERE](#).
- 4.2.3 The latest report (based on data at the 'snapshot' date of 31 March 2019) shows that the Council's mean (4.99%) and median (5.05%) gender pay gap compares favourably with the national average gender pay gap figure of 17.3% for 2019 (which is down from 17.8% in 2018).

## **4.3 Disability**

- 4.3.1 A slightly larger percentage of applicants state that they have a disability (3.9%) than the existing workforce (3.7%). This compares with a 6% economically active population within the borough boundaries.
- 4.3.2 Previously the Council has:
- Achieved accreditation to the Government's 'Disability Confident Employer' scheme confirming that the Council values the talent that people with a disability bring to the workplace. Our accreditation has just been renewed to October 2023; this will be promoted both internally and externally.
  - Produced an on-line disability awareness training programme for managers to increase understanding, skills and awareness.
  - Reviewed and updated the Recruitment and Retention of People with a Disability Guidance in partnership with Trade Unions. This will be presented to Personnel Committee for approval on 19 November 2020.
  - Introduced a 'tailored adjustments agreement' to enable individual employees and line managers to discuss, agree and record specific workplace adjustments for employees with a disability.
- 4.3.3 The following actions are suggested to increase the number of disabled staff:

- a. Introduce a Steering Group comprising operational leads from across the Council - Adult Services, ICT, Procurement, Facilities Management, Communications, HR and Customer Relations. Key areas can come together to develop an organisational wide plan for meeting access and employment needs of people with a disability, promote and monitor its progress.
- b. Seek volunteers to feature in case studies to demonstrate the Council's proactive approach to employing people with a disability and to promote these internally and externally.

#### **4.4 Team Reading Diversity and Inclusion Plan**

- 4.4.1 The Council already undertakes a number of initiatives to support diversity and inclusion at work. These are detailed in Appendix 3. A Team Reading Diversity and Inclusion Action Plan is being created which brings together actions from the various equality strands, to enable more effective monitoring and reporting to CMT and Personnel Committee. The Action Plan will include steps being taken to address the staffing issues not already covered in this report which are contained within the Motion agreed by Council on 20 October 2020 on Tackling Employment Inequality. The Action Plan will also be informed by the findings of the more detailed equality audit to be carried out with assistance from BITC, as detailed in paragraph 4.1.4.

### **5. CONTRIBUTION TO STRATEGIC AIMS**

- 5.1 Monitoring the protected characteristic of our workforce is linked specifically to the promotion of equality and ensuring that we move to a position where our workforce represents the community it serves.

### **6. LEGAL IMPLICATIONS**

- 6.1. Under the Equality Act 2010, a public authority must, in the exercise of its functions, have due regard to the need to:
  - a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The Council has a duty to publish workforce and employment information to demonstrate compliance with this duty.

### **7. FINANCIAL IMPLICATIONS**

- 7.1. None

### **8. BACKGROUND PAPERS**

- 8.1. [Reading Borough Council's Gender Pay Gap Report 2019](#)