

Committee Name: Cabinet

Committee Date: 23/02/2022

Report Title: Improving the diversity of the Council's workforce update

Portfolio: Cllr Alan Waters, Leader of the Council

Report from: Chief Executive

Wards: **All Wards**

Purpose

To consider the update on progress against the actions to improve the diversity profile of the council's workforce, which were presented to Cabinet for approval in March 2021.

Recommendation:

It is recommended that Cabinet:

1. Note the progress made against the action plan to improve the workforce diversity profile; and
2. Agree that further reporting against the workforce diversity action plan is picked up in the annual progress report against the council's new Corporate Plan and in the annual refresh of the council's Equality Information Report.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the Inclusive Economy and People Living Well corporate priorities. This report also helps to meet the Equality, Diversity and Inclusion adopted policy of the Council and the Modernising the Council objective of the COVID-19 Recovery Plan.

View the [Corporate Plan 2019-22](#)

Report Details

Introduction

1. The Council has a strong commitment to equality, diversity and inclusion both as an employer and as a service provider. This is demonstrated in the Council's Corporate Plan, Covid 19 Recovery Plan and in the Norwich 2040 City Vision.
2. The 2011 Census indicated that 9.1% of the economically active population of Norwich City are from an ethnic minority group. This is significantly higher than other Norfolk local authority areas, which range from 1.6% to 3.4% of the population.
3. On 10 March 2021, Cabinet considered an outline strategy and action plan to improve the diversity of the council's workforce over time, specifically the ethnic diversity of the workforce.
4. The report identified that the workforce profile of the council was currently not representative of the communities we serve and there was a significant difference in relation to employees from an ethnic minority heritage.
5. Three key themes identified in the strategy were to:
 - a. Ensure our recruitment practices and processes are designed to attract a diverse candidate pool.
 - b. Build an inclusive workplace and create a culture where people from all backgrounds feel included and valued.
 - c. Embed effective and objective workforce and succession planning to support the retention and progression of talented employees
6. This report provides Cabinet with details of progress made against the plan since its inception in March 2021. The report considers the impacts, successes and challenges faced so far.

Progress against actions - overview

7. The Council recognises that improving the diversity of the workforce will not happen overnight – the aim is for incremental progression over the medium to long term.
8. The following table provides a summary of the actions set out in the March 2021 Cabinet report, and the progress made against each action:

	Action	Status	Comments
1.	Develop a detailed action, activity and re-source plan	Complete	Detailed action and activity plan developed, and actions and activities being implemented.

	Action	Status	Comments
2.	Increase workforce reporting of protected characteristics	Ongoing	Regular leadership messages encouraging employees to update their data. Contact with all new starters by HR & OD to encourage them to complete their data.
3.	Improve the diversity of the workforce and specifically those from an ethnic minority background	Ongoing	The ethnic diversity of the workforce has increased since the plan was adopted in 2021.
4.	Ensure service reviews do not disproportionately affect under-represented groups.	Ongoing	Equality impact assessments (EQIA) are carried out on all organisational change proposals and shared with trade unions as part of consultation and engagement.
5.	Ensure employment policies are designed to actively support the council's determination to improve the diversity of its workforce	Ongoing	Equality impact assessments are carried out on all new policies.
6.	Equality, diversity and inclusion training developed and rolled out to all council staff	Ongoing	Unconscious bias e-learning has been rolled out to all employees and has been made available to Councillors. A new programme of equality, diversity and inclusion training has been developed and piloted, with roll-out of the mandatory training across the council commencing on 19 January 2022.
7.	Improvements to recruitment and selection processes	Ongoing	Feedback continues to be offered to all job applicants at all stages of the recruitment process. Recruitment & selection training has been reviewed. Review of agency framework commenced.
8.	Voluntary reporting of ethnicity pay gap	Complete	Ethnicity pay gap has been calculated and was reported/published in January 2022 alongside gender pay gap.

	Action	Status	Comments
9.	Proactively improve the culture of the council	Ongoing	A strategic partner to support a culture change programme across the council has been appointed, to commence Spring 2022. The programme will be linked to the adoption of a number of strategic documents and priorities including the new Corporate Plan and new hybrid working policy.

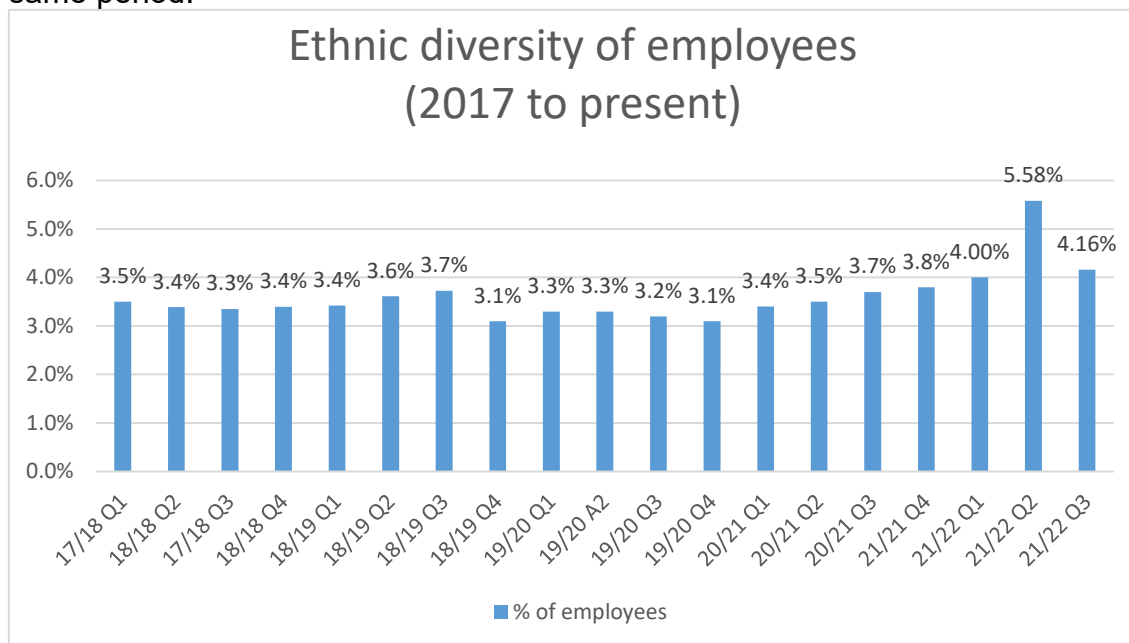
Increase workforce reporting of protected characteristics

9. Reporting of protected characteristics improved slightly since the report to Cabinet in March 2021. The data gap in respect of ethnicity at the end of September 2021 was 5%, with 3% of employees who preferred not to state their ethnicity. Reporting declined at the end of December 2021 and the data gap has increased slightly to 8.47%. This primarily relates to employees who have not updated their data rather than those who have updated data and selected prefer not to say/unspecified.
10. In terms of next steps – to further improve the quality of data, all employees will be provided with their personal data held in the HR information system and asked to review and update the data. Information and an explanation of why we collect sensitive personal data and what we do with it will also be provided.
11. There are two areas where there are significant data gaps. These relate to disability and sexual orientation. In both categories, the main reason is employees have not updated data rather than having selected prefer not to say/unspecified. Overall, data gaps are most prevalent in the community services directorate. Targeted work to understand any concerns and increase reporting of protected characteristics has been planned. All employees will be written to in February 2022 requesting they update their personal data and an employee engagement survey scheduled for May 2022 will include questions around protected characteristics to inform our understanding of why employees haven't updated their data. Next steps will be determined by the outcome of these activities.

Improve the diversity of the workforce and specifically those from an ethnic minority group

12. Overall, there has been a positive direction of travel over the past year. Data shows that the ethnic diversity of the workforce has increased to 4.16% in December 2021, compared to 3.1% in December 2020.

13. The ethnic diversity of the top 5% of earners also increased slightly in the same period.



Ensure service reviews do not disproportionately affect under-represented groups

14. Equality impact assessments are carried out on all organisational change proposals and shared with trade unions as part of consultation and engagement, to ensure there is not a disproportionate detrimental impact on employees with protected characteristics.

Employment policies

15. As part of our next steps, a revised employment policy framework and timetable to refresh policies and EQIAs has been drafted.

Equality, diversity and inclusion training

16. Unconscious bias e-learning has been rolled out to all employees and has also been made available to councillors, to help adjust discriminatory patterns of thinking and behaviours.
17. A new programme of equality, diversity and inclusion training has been developed and piloted. There are two programmes:
- a) a module for all employees - Being Inclusive
 - b) a module specifically aimed at managers – Inclusive leadership
18. The training provider carried out surveys with senior managers to inform the programme and the new training was piloted in October 2021, with two manager sessions and two employee sessions. The feedback from these pilots was overwhelmingly positive and roll out of the mandatory training across the council commenced on 19 January 2022.

19. An assessment of the suitability of this training for Councillors and any adjustments required is currently being considered.

Recruitment and selection

20. Recruitment & selection training has been reviewed. The updated training for all recruiting managers will be rolled out in April 2022. Data shows that diversity has generally improved at shortlisting stage with some improvement at offer stage.

Ethnic minority heritage		Applications	Shortlisted	Appointed
2018/19	Q1	8.40%	9.23%	3.16%
	Q2	7.00%	7.60%	2.90%
	Q3	13.00%	16.40%	8.30%
	Q4	5.00%	0.00%	0.00%
2019/20	Q1	6.70%	8.00%	0.00%
	Q2	6.20%	7.50%	0.00%
	Q3	7.80%	11.00%	3.90%
	Q4	10.30%	4.10%	0.00%
2020/21	Q2	10.10%	0.30%	0.30%
	Q3	10.56%	3.53%	0.00%
	Q4	9.73%	2.33%	1.17%
2021/22	Q1	9.09%	6.06%	3.03%
	Q2	11.72%	8.60%	1.56%
	Q3	10.34%	1.14%	0.00%

21. A review of the essential requirements for each job role has commenced. This is currently carried out as jobs become vacant and prior to advertising. A systematic review of the essential requirements for job roles will commence alongside service reviews.

22. An equality, diversity and inclusion (EDI) statement is now included on recruitment advertisements and EDI requirements incorporated in specifications for recruitment partners and discussions on addressing EDI in recruitment campaigns have commenced with our recruitment partner.

23. Equality checks on shortlisted candidates have been extended to include race and ethnicity. The impact of this will be evaluated in August 2022.

24. Focused workshops have been held with customer contact managers, and the use of alternative media channels to improve the candidate pool have been piloted. The Council has also researched and are currently evaluating diversity focused job posting sites/media and are investigating software tools to identify bias in recruitment/job descriptions.

Voluntary reporting of ethnicity pay gap

25. Our mean hourly rate has been found to have no pay gap.

Culture change

26. A strategic partner to support a culture change programme across the council has been appointed, with inclusivity and workforce diversity to be a key theme of the programme. The programme will commence by April 2022 and will coincide with the adoption of the new Corporate Plan and hybrid working policy.

Next steps and future reporting to Cabinet

27. Work continues to implement the actions set out in the plan presented to Cabinet in 2021, as well as identifying new opportunities to increase the diversity of the workforce. It is pleasing to see that the workforce data shows we are moving in the right direction, albeit with much more work to do.
28. Reference to our ambitions to increase the diversity of the council's workforce is made in the new Corporate Plan, and it is recommended that future reporting against progress is incorporated into the annual review of progress against the Corporate Plan and in the refresh of the Equality Information Report. Both reports are presented to Cabinet for discussion.

Implications

Financial and Resources

29. There are no proposals in this report that would reduce or increase resources. All actions have to date been implemented within existing resources and budget. Any additional costs identified to deliver the actions which cannot be contained within existing budget will be supported through the Business Change reserve following consideration of a business case.

Legal

30. The Equality Act 2010 provides the legal framework to protect the rights of individuals and advance equality of opportunity for all. The Public Sector Equality Duty (PSED), which was created under the Equality Act and came into force in 2011, places specific duties on public bodies to have due regard to eliminate discrimination, to advance equality of opportunity and foster good relations between different communities. The Employment Rights Act 1996.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	Equality Impact Assessments are carried out on policies and proposals impacting on employees and on an action specific basis, as appropriate.
Health, Social and Economic Impact	Increasing the diversity of the workforce to better reflect communities is likely to have a health, social and economic impact
Crime and Disorder	None
Children and Adults Safeguarding	None
Environmental Impact	None

Other Options Considered

31. Not applicable to the progress update.

Reasons for the decision/recommendation

32. Not applicable as this is a progress update

Background papers:

[10 March Cabinet paper](#)

Appendices:

None

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