

<b>Subject:</b>	<b>BAME Pay Gap reporting</b>		
<b>Date of Meeting:</b>	<b>3 December 2020</b>		
<b>Report of:</b>	<b>Executive Director Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Alison McManamon</b>	<b>Tel:</b> 01273 290511
	<b>Email:</b>	<b>Alison.Mcmanamon@brighton-hove.go.uk</b>	
<b>Ward(s) affected:</b>	<b>All wards</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 Brighton & Hove City Council is working towards being a fair and inclusive employer with a workforce that knows and understands the city's population and is representative of the people it serves. Our People Promise states that we will be a fair and inclusive place to work and the council has recently pledged to become an anti-racist council and city.
- 1.2 The council's annual workforce equalities report (see **Appendix 1**) provides comprehensive data relating to our workforce profile and outcomes for staff with protected characteristics and this data is used to inform interventions to address inequalities. Our co-created Fair & Inclusive Action Plan (see **Appendix 2**) includes actions agreed with our Black and Minority Ethnic Workers' Forum (BMEWF) to improve recruitment, retention and progression outcomes for current and potential BAME staff. Progress towards improved outcomes is monitored through the council's performance management framework and the Fair & Inclusive benefits table (see **Appendix 3**)
- 1.3 The purpose of this report is to update Members on actions within the Fair & Inclusive Action Plan to address factors likely to contribute to any pay disparity for BAME staff and to provide the rationale for using the current data to drive action and undertaking ethnicity pay gap reporting when it is mandated by government.

**2. RECOMMENDATIONS:**

That the Policy & Resources Committee (P&R):

- 2.1 Notes the existing workforce profile data and other reporting measures in place to monitor progress of employment outcomes for BAME staff.
- 2.2 Commits to supporting and championing the actions within the Fair & Inclusive Action Plan to diversify our workforce and increase representation of BAME staff across all grades, with regular updates on actions to the TECC and P&R committees, the latter having oversight of employment outcomes.

- 2.3 Instructs officers to review ethnicity pay gap reporting in response to any future government mandate.

### **3. CONTEXT/ BACKGROUND INFORMATION**

#### *What our workforce data tells us*

- 3.1 In their 2018 review external consultants, Global HPO, reported that the council had “attained a very sophisticated level of competence in relation to equalities data collection and analysis”. However, they cautioned against becoming so over-burdened with data that we do not see ‘the trends that the data reveals and that any energy to action is stifled.’
- 3.2 The implementation of our Fair & Inclusive Action Plan means that we are now using the council’s workforce profile and other data sets effectively to target our actions on addressing the issues we know exist in the organisation.
- 3.3 Progress against these actions is clearly measured and monitored through a series of performance indicators within our existing performance management framework.
- 3.4 Some recent data-driven interventions have had successful results, for example we have increased the percentage of BAME applicants for council roles from 14.8% (2017/18) to 18.1% (2019/20) through community engagement and targeted advertising. Additionally, the proportion of BAME staff who attain promotion has increased from 4.82% (2017/18) to 10.73% (2019/20) and acting up opportunities from 6.52% (2017/18) to 7.58% (2019/20).
- 3.5 Despite success in some areas, our data still tells us that there is under-representation of BAME staff across all grades, a disproportionate number of BAME staff in lower graded roles when compared to higher graded roles and that the experience of BAME applicants as they progress through the council’s recruitment processes is less positive than white British applicants.
- 3.6 Our resources need to be focused on actions to address these issues, rather than on the production of more data.

#### *Actions to increase representation of BAME staff across all grades*

- 3.7 Our People Data shows that the percentage of BAME staff employed by the council is increasing steadily. However, BAME staff are more likely to be employed in lower graded roles and to avoid pay disparity we need to ensure proportionate representation across all grades. Therefore, we must provide opportunities for career progression for our internal BAME workforce as well as attract and hire external BAME candidates into middle and higher graded roles. We are working collaboratively with our BME Workers Forum to identify and implement positive action initiatives that increase opportunities for career advancement and improve recruitment outcomes.
- 3.8 Activity within the Fair & Inclusive Action Plan to increase opportunities for career progression is being led by our Learning & Development Team and options being explored include:

- Mentoring / sponsorship
- Secondments
- Job shadowing
- Coaching
- Career breaks / sabbaticals
- Participation in the LGA Challenge
- Facet 5 personality assessment to identify individual differences in workplace behaviours, motivation and attitudes

3.9 Planned activity within the Fair & Inclusive Action Plan to improve recruitment outcomes for BAME applicants includes:

- Targeted job application and interview skills workshops
- Ensuring diverse panels for senior roles
- Continuing to develop relationships with BAME community groups to identify and remove barriers for particular groups, including refugees and migrants
- Supporting and developing our recruiting managers with regard to inclusive recruitment as well as the broader fair and inclusive agenda
- Online information sessions hosted by recruiting managers/HR
- Appointment to a new post, dedicated to delivering and supporting the above positive actions.

#### Pay gap reporting

3.10 An ethnicity pay gap is the average pay gap between White British and BAME staff in hourly pay.

3.11 Our workforce data is reported on a quarterly basis (see **Appendix 5**) and shows that currently BAME staff are under-represented in middle and higher-graded posts, and therefore we know that we will have an ethnicity pay gap. Our focus is on taking action to address this under-representation. The council is currently working to increase representation of BAME staff across all pay bands and there are performance indicators in place (See **Appendix 6**) relating to whole workforce and for roles graded at SO1/2 and above.

## **4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

4.1 If the council commits to producing a biannual ethnicity pay gap report it will draw resource away from other areas at a time of significant demand and financial pressure for the council. It is unlikely to provide any additional evidence to inform current and planned actions to address employment outcomes for BAME staff.

4.2 Ethnicity pay gap percentage (by median measures) could be included in the council's annual workforce equalities report but there are no current reporting criteria set by the government. This would be imperative as a base for first year reporting for meaningful future year comparisons.

## 5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The council's Corporate Equality Delivery Group, includes representation from our Trade Unions, workers forums, the equality team and other stakeholders from across the organisation and is chaired by the Chief Executive. The group (see **Appendix 7**) considered ethnicity pay gap reporting at a meeting on 21 September 2020 and agreed to delay publishing data until further criteria and guidance is provided by central government.
- 5.2 In addition, the BAME standing invitee on P&R was consulted on this report. They advised that ethnicity pay gap reporting would be good practice and valued, suggesting annual or biennial reporting may be more manageable. They noted it is important that any baseline figure can be measured now and in the future in a meaningful way, and emphasised the need for clearly defined targets with robust monitoring and evaluation of actions.

## 6. CONCLUSION

- 6.1 The council's existing workforce profile data reporting provides evidence of representation of BAME staff across pay bands and we can infer from this that there is an ethnicity pay gap. Given this, it is a preferred option to use the resource we have, to focus on actions, rather than to produce more data.
- 6.2 The council has a co-created Fair & Inclusive Action Plan which includes actions to directly target inequalities for BAME staff as well as other protected groups, including recruiting and promoting BAME staff into middle and higher-graded posts. These are the same actions that would be included in the recommendations of an ethnicity pay gap report, where a pay gap is identified.
- 6.2 We remain committed to working with our BME Workers' Forum, our communities and other key stakeholders to achieve representation of BAME staff across all pay bands.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 There are no direct financial implications resulting from the recommendations of this report. Current and planned actions to address employment outcomes for BAME staff can be accommodated within approved budgets. Any actions that resulted in changes with consequent financial implications for the council would be brought to Policy & Resources Committee for approval.

*Finance Officer Consulted: Nigel Manvell*

*Date: 10/11/2020*

### Legal Implications:

- 7.2 The Council as a public authority is under a legal duty to ensure compliance with the Public Sector Equality Duty which is covered below. However, the Council is under no statutory duty to publish an ethnicity pay gap report, therefore there is no risk of non-compliance.

Equalities Implications:

- 7.3 As part of the Public Sector Equality Duty under the Equality Act 2010, the council must seek to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
  - advance equality of opportunity between people who share a protected characteristic and those who do not; and
  - foster good relations between people who share a protected characteristic and those who do not.
- 7.4 The purpose of ethnicity pay gap reporting is to identify whether any pay inequalities exist so that action can be taken to address them. The council has identified that BAME staff within the organisation are more likely to be employed in lower graded roles. To address this inequality it has defined actions within its Fair & Inclusive Action Plan to remove barriers and create opportunities for career development and progression to increase representation of BAME staff across all grades.

*Officer Consulted: Sarah Tighe-ford*

*Date: 10/112020*

Sustainability Implications:

- 7.5 None identified

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

- 1 Annual workforce equalities report (2018/19)
- 2 Fair and Inclusive Action Plan
- 3 Fair and Inclusive benefits table
- 4 Gender pay gap report
- 5 Workforce equality profile (OPD September 2020)
- 6 Performance management report
- 7 Corporate Equality Delivery Group membership

### **Background Documents**

1. [Equal Pay \(Information and Claims\) Bill 2020](#)

