## **Brighton & Hove City Council**

# Policy & Resource Committee

Agenda Item 84

Subject: Fair & Inclusive update including ethnicity and disability

pay gap reports

Date of meeting: 1 December 2022

Report of: Abraham Ghebre-Ghiorghis, Executive Director,

**Governance, People and Resources** 

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Ward(s) affected: All

For general release

## 1. Purpose of the report and policy context

- 1.1 The co-created Fair & Inclusive Action Plan (FIAP) is in place to address disproportionate outcomes for diverse staff groups and communities across the council and city. This includes workforce actions to achieve proportionate representation at all levels and to tackle inequality and discrimination in all its forms to improve the experience of staff.
- 1.2 At 24 March 2022 meeting, P&R committee received a progress report on the Fair & Inclusive Action Plan and agreed that annual ethnicity and disability pay gap reports would be produced in Autumn 2022, to support the focus in continuing to drive forward the council's fair and inclusive plans.
- 1.3 This report provides an update on fair and inclusive progress and outlines our priorities and future actions. It includes the annual workforce equalities report 2021-22 (**Appendix 1**) and ethnicity and disability pay gap reports 2021 (**Appendix 2** and **3** respectively).

#### 2. Recommendations

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

- 2.1 Notes the report and recommendations.
- 2.2 Continues to support and champion actions within the Fair & Inclusive Action Plan.

#### 3. Context and background information

3.1 The percentage of BME and White Other staff within the workforce continues to increase (data as at 30<sup>th</sup> September 2022). Compared with 31 December 2021, we have seen 0.6% and 0.4% increases in their workforce profiles respectively. This means 0.2% of the workforce are from BME

backgrounds, compared with a target of 9.1%. For White Other staff the figure is 8.4%, compared with a target of 8.8%. It is important to note that whilst this is encouraging, both groups remain under-represented in the middle and upper pay bands (grades SO1/2 and above) and, are more likely to be employed in the lower pay band (grades 1-6).

- 3.2 Although disabled staff are proportionately represented in the workforce (8.3% compared with a target of 7.5%), our data shows they are not proportionately represented in the upper pay band (grades M8 and above). However, since 31 December 2021 we have seen a 1.7% increase of disabled staff in the upper pay band to 6.2%, bringing us closer to proportionate representation at this level.
- 3.3 Men remain under-represented within the council's workforce. Female staff and LGBTQ+ staff are proportionately represented at all levels.
- 3.4 The council plans to adjust its workforce profile target figures following release of Census 2021 data for the local economically active population.
  - Fair & Inclusive actions and progress
- 3.5 The annual workforce equalities report 2021-22 (see **Appendix I**) provides data on fair and inclusive progress and work carried out within that period, including 2021 staff survey.
- 3.6 Actions and progress from April 2022 include:
  - A range of targeted interventions by the HR Diversity Recruitment Consultant, including:
    - Supporting more than 40 recruitment exercises across all directorates
    - Delivering fortnightly inclusive recruitment surgeries to offer timely advice to recruiting managers
    - o Monitoring ethnically diverse panels for senior recruitment
    - o Launching new bitesize inclusive recruitment training (Sept 22)
    - Attendance at 11 jobs fairs
  - Delivery of a Diverse Talent Programme for BME staff, including dedicated sponsors from the council's Leadership Network. Four of the 15 delegates have been promoted within the council
  - Providing development opportunities to our Leadership and Managers Networks to support the fair and inclusive agenda, including an event on International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT) to increase bisexuality awareness
  - Progressing the IT&D accessibility workstream focusing on digital inclusion and accessibility, including launch of a pilot with Microlink
  - Renewing the council's membership of the Business Disability Forum to access a range of benefits that improve the experience of disabled colleagues in the workplace
  - Hosting four funded internship placements through the Sussex University Careers Lab scheme.

#### 2022 Pay gap reporting

- 3.7 The ethnicity pay gap measures the difference between White and BME employee average ordinary earnings (excluding overtime) across the workforce. It is expressed as a percentage of White employee earnings. Both the mean (average) and median hourly rates are reported. The council has a positive pay gap for both the mean 7%, and median 5% gross hourly pay. This means the average earnings of White employees is more than BME employees, because we have more White employees in higher graded job roles.
- 3.8 There is no government framework for ethnicity pay gap reporting. This year, following discussion with stakeholders, the ethnic binary categories for the council's headline pay gap reporting have been updated in line with ONS convention. This means the headline figures cannot be directly compared with last year's headline figure. Detailed ethnicity pay gap analysis can be found in the full report for 2022, attached at **Appendix 2**.
- 3.9 The disability pay gap measures the difference in average ordinary earnings (excluding overtime) between employees with no disabilities and employees with a disability across the workforce. It is expressed as a percentage of the earnings of employees with no disabilities. Both the mean (average) and median hourly rates are reported. The council has a positive pay gap for both the mean 4.6% and median 3.4% gross hourly earnings. This means on average the earnings of disabled employees are less than employees with no disability. We have a positive disability pay gap because we have fewer disabled employees holding higher paid management and senior positions within the council than employees with no disability.
- 3.10 It is important to note that not all employees chose to share their disability status. This report is based on 80.2% of the workforce on the snapshot date who have told us their status and excludes employees who have declined to share details. The full report is attached at **Appendix 3**.
- 3.11 Pay gap reporting is different to equal pay. Equal pay means that people in the same employment performing equal work must receive the same salary and have equal contractual terms, as set out in the Equality Act 2010. An employer can be equal pay compliant and still have an ethnicity or disability pay gap due to more White or Non-disabled staff being employed at a higher grade. Actions to address these inequalities have been identified in the workforce equalities report 2021-22 report and are being monitored through the FIAP.
- 3.12 The current FIAP is being reviewed and updated for 2023-27, to ensure that we have a programme of actions focused on identified priority areas. This review will be based on our workforce profile and recruitment data as well as information about the lived experience of staff to identify disproportionate impacts. This is done in collaboration with our staff networks and other stakeholders to inform and target future actions in the right place.

## 4. Community engagement and consultation

4.1 The council's Corporate Equality Delivery Group meets every six weeks and oversees progress of the FIAP. Membership of this group includes our staff networks, trade unions and other stakeholders. Representatives from the staff networks are also involved in working groups for the various activities within the FIAP, for example the IT&D Accessibility workstream. We also continue to work with the P&R BME standing invitee.

#### 5. Conclusion

- 5.1 The council is maintaining steady progress in diversifying its workforce but more focus is needed to address under-representation of BME, disabled and White Other staff in the upper pay band.
- 5.2 The council must continue to evaluate the impact of our actions to ensure we become an increasingly fair and inclusive place to work and to enable our workforce to deliver inclusive and accessible services.
- 5.3 The council remains committed to collaborating with our trade unions, staff networks, communities and other key stakeholders to achieve our commitment to being a fair and inclusive place to work. This approach should minimise risks to the successful delivery of the fair and inclusive programme.

#### 6. Financial implications

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

Finance officer consulted: Nigel Manvell Date consulted: (19/10/22):

#### 7. Legal implications

7.1 The Council as a public authority is under a legal duty to ensure compliance with the Public Sector Equality Duty which is covered below. In accordance with section 78 of the Equality Act 2010, the Council is only required to publish gender pay gap reports. However, the Council is under no statutory duty to publish ethnicity or disability pay gap reports. Therefore, there is no risk of non-compliance in relation to these additional pay gap reports which have been produced.

Name of lawyer consulted: Carol Haynes Date consulted (18/10/2022):

## 8. Equalities implications

- 8.1 A 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.
- 8.2 The co-created Fair & Inclusive Action Plan has clearly defined actions delivered in collaboration with key stakeholders. It will support all these aims and bring benefits to council employees as well as to the reputation of, and trust and confidence in the council across the city.

Name of equalities officer consulted: Emma McDermott Date consulted (XX/XX/2022):

- 9. Sustainability implications
- 9.1 None identified.

#### **Supporting Documentation**

- 1. Appendices
- 1. Workforce Equalities Report 2021-22
- 2. Ethnicity Pay Gap Report 2021
- 3. Disability Pay Gap Report 2021