

1Committee(s) Corporate Equality and Inclusion Board Establishment Committee	Dated: 8 March 2021 26 March 2021
Subject: Equality Annual Performance Summary	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	2a, 3, 4, 5, 8d
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
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Summary

The Equality Act 2010 requires those organisations subject to it to publish, every year, an Equalities Annual Performance Summary. This should demonstrate how the organisation is complying with the various obligations contained within the Public Sector Equality Duty (PSED). After the 2018-19 City of London Corporation EAPS was published, it was agreed with Establishment Committee (12 March 2020) that the report should be streamlined in future years.

As such, the draft 2020 Equality Annual Performance Summary (covering the period October 2019 – December 2020) contains a number of changes from the previous version. It is believed that these will make it a more effective tool in helping the City Corporation understand its equalities performance and identify areas where further improvement is required, as well as make it easier to read and digest. These changes are: better alignment to the statutory reporting requirements; increased prominence given to workforce information; reduced duplication with the separate annual reports published by three of our institutions (Barbican, Guildhall School for Music and Drama and Bridge House Estates) and, finally, improved visual appeal and linkages with other relevant documents

Recommendations

Members are asked discuss the 2020 Equalities Annual Performance Summary ahead of publication at the end of March 2021.

Background

1. The Equality Act 2010 requires those organisations subject to it to publish, every year, an Equalities Annual Performance Summary (EAPS). This report should demonstrate how the organisation is complying with the various obligations contained within the Public Sector Equality Duty (PSED), specifically the need to have due regard to:
 - a. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - b. Advance equality of opportunity between people who share a protected characteristic and those who do not; and
 - c. Foster good relations between people who share a protected characteristic and those who do not.
2. A number of purposes are envisaged for this annual reporting requirement: to help organisations understand their equalities performance and identify areas where improvement is needed; as a tool for engaging with stakeholders about the organisations equality objectives; to enable organisations to learn from each other to accelerate improvements and to demonstrate commitment to good equalities practice.
3. The last EAPS was published on 31 December 2019 and covered all of the City Corporation's service and corporate departments, plus three institutions: the Barbican Centre, Guildhall School of Music & Drama and City Bridge Trust. Of our other institutions, the City of London Police publish their own Equality Report and the three independent schools are not formally subject to the PSED. However, as the employer for staff in the independent schools the City Corporation included these staff in its EDI workforce profile.
4. After the 2018-19 City Corporation EAPS was published, it was agreed with the Corporate Equality and Inclusion Board and the Establishment Committee that the report should be streamlined in future years. As such, a light touch review was undertaken, with results reported back to the Equality and Inclusion Board.

Review of approach and content

5. The review found that content for the 2018-19 EAPS, provided by individual Chief Officers, was variable in terms of detail and quality. In general, the information provided was self-selected, largely qualitative and tended to focus on small-scale 'good news stories'.
6. The report was structured department by department, with lots of the same equality activities being referred to in multiple places. This approach to

presenting information meant it was hard to 'see the wood for the trees' and to identify areas of strengths and weaknesses at an organisational level, as well as exacerbating silo working. At the end of the report, in an appendix, data provided by the HR team was provided, which gave a breakdown of the workforce by the protected characteristics, where the data was robust enough, and updated via charts on progress against reducing the gender, disability and ethnicity pay gaps.

7. In parallel, the Barbican Centre, Guildhall School of Music and City Bridge Trust also included equality performance information, for the same period, in their standalone individual Annual Reports. Little cross-referencing happened between these different reports, meaning that similar, but not always aligned, information was being published in two places at once.
8. The review found that the content of the 2018-19 EAPS did not report on all of the City Corporation's performance under all of the areas of the PSED. In particular:
 - a. the report did not systematically include information about how departments were ensuring that the potential impacts on those with protected characteristics were taken into account throughout the decision-making process (e.g. through the use of Tests of Relevance and Equality Impact Assessments).
 - b. workforce diversity information, which was plentiful and detailed and which provided both a snapshot of workforce diversity as well as information on starters and leavers, was presented as a factual appendix, with EDI information shown year on year with one previous year comparator data but not as trends over time. This was largely due to a lack of data points allowing effective time series analysis to be undertaken, making it difficult to understand whether the various initiatives had actually 'advanced equality of opportunity between people who share a protected characteristic and those who do not'.
9. The review also found that there was limited evidence of a link between the content of the 2018-19 EAPS and action to improve equalities practice across the organisation: the Equality and Inclusion Action Plan 2020-22 was published on the 27 September 2019, whilst the EAPS was not published until the 31 December 2019. Most of the issues which the Equality and Inclusion Action Plan focusses on relate to improving compliance with the PSED, whilst, with the exception of the employment related actions, the EAPS focusses on a succession of positive, albeit mainly small scale, achievements and does not mention areas of weakness.
10. It was also felt that: a) there was more scope to use trend and benchmark data to put the City Corporation's performance into context, as is commonly seen in performance reports and b) there were opportunities to make the report more

visually appealing, easier to read and digest and to link its content better to other published output from the City Corporation. Finally, the duplication between the EAPS and the annual reports published by City Corporation institutions was noted and felt to be an inefficient use of resources, as well as risking publishing disconnected information.

Changes in the 2020 Equality Annual Performance Summary

11. The Corporate Equality and Inclusion Board agreed the following changes would be made to the 2020 report:

- a) **Move to an approach that better aligns to the PSED:** change to a layout based on cross-cutting themes, to allow an organisational focus on areas of activity that encompass the breadth of the requirements of the PSED. These are: i) monitoring and use of data; ii) tackling discrimination and barriers to inclusion; iii) mainstreaming equalities; iv) using procurement and commissioning to achieve equality aims and vi) effective engagement & partnership.

These themes underpin the equality self-assessments that Chief Officers completed over the past 12 months. Using these self-assessments as a basis for the EAPS enables a consistent approach and tone to be taken and reduces some of the self-selection bias. The self-assessments also included 'scoring' for each theme, meaning that both qualitative and quantitative data, related to performance, is available. Longer-term, when the self-assessments are repeated (possibly only with service departments in the current format, with a more bespoke version developed for corporate departments, following feedback received on the process) it will be possible to track whether and how much progress has been made in each area.

- b) **Workforce information should be given more prominence:** employment trend information is a valuable and important aspect of telling and celebrating the City Corporation equality and diversity improvement story, as well as demonstrating legal compliance with the PSED and should be given higher prominence. The City Corporation has been publishing workforce diversity data for 8 years, extending the range of information it collects over this period, meaning it now has multiple plenty data points to enable to start identifying trends over time. There is also a significant amount of publicly available benchmarking information that can be used to understand how well the diversity of the City Corporation workforce reflects the various communities that it serves. This information is lost if it is confined to an appendix and should be brought into the main report.

A detailed analysis of workforce trends has been undertaken and the main findings have all been included, at a headline level, in the 2020 Equality Annual Performance Summary.

- c) **Remove duplication with institutions annual reports:** the workforce equality analysis in the EAPS covers all City Corporation employees, including those who work in institutions. The current HR system does not allow for this information to be de-coupled in order to look at individual departments over time, so for now the workforce analysis across the whole organisation will remain in the City Corporation EAPS. However, it was agreed that information about how the institutions comply with the PSED in the development, provision and evaluations of their services and activities should remain in their annual reports and be sign-posted and linked to in the EAPS. As well as avoiding duplication and removing the risk of contradictory information being published, this also aligns with the direction of travel for more autonomy for institutions in the Target Operating Model.
- d) **Refresh the format to make the report more visually appealing:** lengthy Microsoft Word documents can be very difficult for the reader to engage with, especially if they are reading on-screen. As more and more content is moved online, and as people adopt paper-free approaches to work, the City Corporation is increasingly moving to performance reporting that is much more visually appealing in terms of breaking up lengthy pieces of text with photos, diagrams and charts. The organisation is also seeking to improve how its various reporting outputs are linked, so the reader is referred to the original source rather than being presented with a precis of it which may not be up to date. On this basis, it was agreed that the annual City Cash Report be used as a model for the EAPS, as this is a similarly data driven corporate performance report.

Main findings of the 2020 Equality Annual Performance Summary

14. The report summarises the range of equalities, diversity and inclusion (EDI) activity underway across the City Corporation in the last 12 months, explaining that the volume of activity shows that continuously improving and advancing equality practice is a key priority across the organisation. It states that all of these initiatives encourage **excellent employment practice**, one tenet of which is to continuously review and challenge the effectiveness of existing policies and processes, and outlines which ones were reviewed and updated in 2020. The report also outlines how equalities issues were at the heart of the City Corporation's response to the **COVID-19 pandemic**, as well as detailing some of the other achievements on the service delivery side.

15. The workforce diversity analysis in the report shows that **the proportion of all City Corporation staff who identify as female, BAME, LGBT and who practice a religion or belief has increased steadily during the last 8 years**. In particular, the

proportion of staff identifying as LGBT has doubled; there has been an increase in the number of staff in BAME groups in middle management (grades E-H) and the numbers of staff who self-identify as having a disability have remained constant over this period.

16. The proportion of staff who self-identify as members of a protected group generally reflects the resident population of the City of London, with the exception of disabled staff. However, it falls considerably short of the more diverse Civil Service and the London Council benchmarks. While these are not direct comparisons, they nevertheless provide a useful context.

17. With the exception of persons aged 55+ and those who self-identify as disabled, there has been a statistically significant increase in the levels of representation of protected groups amongst leavers. This is particularly the case for staff self-identifying within BAME groups, where the percentage of staff represented in leavers has grown from 11% in 2015 to 20% in 2020. There is a similar pattern for staff self-identifying as LGBT, where the percentage of those leaving has doubled between 2017 (3%) and 2020 (6%), albeit from a low base. One reason for this may be the decision to shift to employing all new joiners on fixed-term contracts made at the start of 2019, which could mean that the positive changes in attracting a more diverse workforce are also being reflected in higher numbers of staff in certain protected groups leaving. Or people could be leaving to pursue new, better opportunities. Whilst out turnover is not particularly high, further investigation is planned to understand these findings.

18. The report also identified other **areas for improvement or where continuing work may be necessary, especially within service delivery departments.**

These include:

- ensuring that good EDI practice is mainstreamed and happens consistently within departments, especially in terms of gathering and using EDI data as part of effective service monitoring;
- seize the opportunities presented by the new Responsible Procurement Policy to use procurement to achieve equality aims; and
- pushing for more consistent and stretching EDI KPIs, particularly in relation to service delivery and corporate departments, and ensuring these are regularly monitored and reviewed.

Next Steps

19. Once the 2020 Equality Annual Performance Report has received approval, the next steps will be to:

- Ensure it meets website accessibility guideline and publish it on the City Corporation website;

- Use the report as part of the evidence base for the upcoming refresh of the Corporate Equality Objectives/strategy, due to happen in 2021. The new strategy will be accompanied by a refreshed Equality and Inclusion Action Plan, which sets out the actions and initiatives that need to be put in place to address any disproportionality identified and to deliver on the outcomes of the strategy. Both the new Strategy and the corresponding Action Plan will be owned and monitored by the City Corporation's Equality and Inclusion Board and endorsed by the Establishment Committee who has oversight of the City of London Corporations' policies and practices in respect of equality and inclusion.
- Liaise with the Target Operating Model team to encourage them to consider what a diverse workforce in the future looks like for the City Corporation in terms of the communities it serves, and how this could be achieved and maintained, in part, through the Target Operating Model work; and
- Consider with Members and Chief Officers whether other, related, annual reports the City Corporation produces (such as the Digital Skills Strategy report, the Social Mobility Report and the Responsible Business report) can also be wrapped into the EAPS in future years. It has been noted that reporting on all of these strategic activities separately contributes towards 'silo-working' and leads to duplication of work as many of the same issues are covered in multiple reports, so this could be a way to improve both the efficiency and the efficacy of the process.

Conclusion

19. After a review of the previous Equality Annual Performance Summary, which was felt to be an insufficiently focussed document which did not clearly drive improvement in equality practice, a number of changes have been made to the 2020 report. These have resulted in a report that: better aligns with the entirety of the City Corporation's PSED obligations; increases the prominence given to workforce diversity information, enabling the City Corporation to identify the changes in this over time; eliminates duplication with annual reports produced by three of our institutions and, finally, makes the EAPS more visually appealing and easier to read and digest.

Corporate and Strategic Implications

20. Ensuring year-on-year compliance with the PSED makes a concrete contribution to delivering outcomes under the Corporate Plan, 2018-23, as expressed in outcome 3. 'People have equal opportunities to enrich their lives and reach their full potential', outcome 4: '*Communities are cohesive and have the facilities they need*' and outcome 5: '*Businesses are trusted and socially and environmentally responsible*'. Equality is also represented within two more outcomes, as expressed by the following high-level actions: 2a: '*Promote equality and inclusion in health through outreach to our working,*

*learning and residential communities and better service design and delivery’,
and 8d: ‘Champion investment in relevant skills and diverse talent pools’.*

Security Implications

21. None.

Financial implications

22. None

Public Sector Equality Duty

23. The production of the EAPS allows the City Corporation to take stock and identify areas of equalities policy and practice that require improvement. The changes to the format and content of the EAPS makes it a far more effective and valuable document in those respects.

Resourcing implications

24. None.

Climate Implications

25. None.

Appendices

Appendix 1: 2020 Equality Annual Performance Summary

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