

Committee Corporate Services Committee EDI Sub-Committee	Date: 12/07/2023 04/09/2023
Subject: Annual Employee Profile Report 2021 - 2022	Public
Report of: Director of Human Resources and Chief People Officer	For Information
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Summary

This report sets out the employee profile information for the year 2021-2022. It also includes the Gender, Ethnicity and Disability Pay Gaps previously reported for the snapshot date March 2021. It provides a breakdown of the workforce by six protected characteristics identified in the Equality Act 2010. These are sex, age, ethnicity, disability, religion and belief and sexual orientation. The report provides a summary of the wider initiatives undertaken during the reporting period. The Appendix 1 to the report is included in our Annual Equality and Inclusion Performance report which is published on the internet. Additional information is included on leavers, casework, family friendly policies, and a summary of our Equality and Inclusion initiatives during the year. This annual report is provided to Committee in Q2 of the year. However, the 2021/22 report was not provided last year due to changes within Corporate Human Resources and EDI. Since then, the Director of Equality, Diversity and Inclusion has joined the organisation in the newly established Directorate and Corporate Human Resources has recruited to key positions within its senior leadership team. Both the 2021/22 report and the latest report for 2022/23 are being provided to bring us up to date.

Recommendation

Members are asked to note the report and the Employee Profile data 2021/22 at Appendix 1.

Main Report

Background

1. Equality, Diversity, and Inclusion fall under the remit of the Corporate Services Committee which receives a number of update reports throughout the year. The Equality, Diversity and Inclusion Board chaired by the Town Clerk and Chief Executive oversees the Equality, Diversity, and Inclusion Action Plan in relation to employment and service delivery. The Equality, Diversity and Inclusion Action Plan is reported to the Committee periodically and has been updated to include the employment related recommendations made by the Tackling Racism Taskforce.

This report is the annual update presenting data on the employee profile broken down by 7 protected characteristics as defined by the Equality Act 2010. These are sex, age, disability, ethnicity, sexual orientation, maternity and religion or belief. The analysis includes salary and grade; the top 5% of earners; Gender, Ethnicity and Disability Pay Gaps; turnover, recruitment and new starter and leaver information during the year.

2. The employee profile data is used to inform the Public Sector Equality Duty under the Equality Act 2010 in relation to employment. This data along with the HR dashboards and workforce planning data helps to inform the Human Resources priorities and the Equality, Diversity, and Inclusion (EDI) Board Action Plan.

Current Position

3. Attached as Appendix 1 is an analysis of the workforce as at the end of March 2022. Data has been collated in this format for 9 years.
4. The below table provides a breakdown of the new starters, leavers, and turnover rates over the last five reporting periods.

Year	Starters	Leavers	Turnover
2017/18	692	488	13.9%
2018/19	575	535	14.7%
2019/2020	484	479	13.1%
2020/2021	318	344	9.4%
2021/2022	489	704	17.2%

Leavers

5. The Committee asked for a more detailed analysis of the leavers to identify any concerns, including analysis of exit interviews. There were 704 leavers in the reporting period of which 65 or 9.23% were end of fixed term contracts (FTC). Of the remaining 639 leavers, the reason for leaving is broken down as follows:

- 550 Resignations
- 41 Retirements
- 17 Redundancies
- 11 Dismissals (ill health, misconduct, or capability)
- 4 Death in Service
- 16 Other

6. The number of leavers in the period increased significantly from 344 in 2020/21 to 704 in 2021/22. 78% of leavers were voluntary resignations compared to 59.9% in 2020/21.

7. The table below gives a comparison of voluntary resignations and end of fixed term contracts, compared to all new starters and the overall workforce profile by, sexual orientation and ethnicity which were highlighted as areas of concern to explore together with sex as a comparator. Whilst these figures are small, they indicate that if you are female or LGBT you are more likely to resign, than if you were male or heterosexual. In the previous reporting period, it was identified that you were also more likely to resign or have a fixed term contract end if you were from a Black, Asian, or Minority Ethnic background. This is no longer supported by the data for 2021/22.
8. All leavers are provided with a link to complete an exit questionnaire and/ or have an exit interview with the line manager or HR. In this reporting period only 44 leavers completed the exit questionnaire. In the main most people had a positive experience of working for the City Corporation. Although very few responses, the most common themes cited from the questionnaires are outlined below.

Positives about working for the City Corporation:

- Working with great people
- History of the organisation
- Good training and opportunities to learn and develop e.g., apprenticeships.
- Good benefits
- Caring employers

Areas for improvement:

- Career progression
- Workload and resource
- Pay and pay practices
- Technology/ IT
- Bureaucracy and inefficiency
- Perceived unfairness in decisions/ transparency
- Employee voice/ feeling heard
- Unhappy with the TOM
- Leadership and management/ poor performance management
- Behaviour of members and senior leaders
- Resistance to change/ innovation

9. Whilst the exit questionnaire does provide some useful qualitative analysis, engagement with the exit questionnaire is low and the existing format of the questionnaire makes it difficult to identify quantitative trends. Plans are being scoped to ensure that we develop a more robust arrangement for capturing leaver reason information and exit survey analysis as the HR management information system is developed.

Leaver Type	Resignation % (550 leavers)	End of FTC % (65 leavers)	New Appointments %	All workforce profile %
Female	50.9%	66.2%	61.3%	49.9%
Male	49.1%	33.8%	38.7%	50.1%

LGBTQIA+	6.4%	4.6%	10.2%	5.3%
Not stated/ not known	32%	36%	37.4%	35.1%
Heterosexual	61.6%	40%	52.4%	59.5%
Black, Asian & Minority Ethnic	16.9%	16.9%	18%	17.3%
Not stated/ not known	14.7%	49.2%	32.7%	17.4%
White	68.4%	33.8%	49.3%	65.3%

New Starters

10. Recruitment activity over the last year has increased steadily back to levels reported pre-pandemic in 2019/2020, with 489 new appointments between 2021/2022. This trend is not surprising and is in line with what has been experienced across the external labour market within the UK with general increases in both new starter and leaver activity post-pandemic.
11. The City of London Corporation has seen an increase in the recruitment of females by 1.87% since 2020/2021 with 61.3% of new appointments being female, compared to an overall workforce profile of 49.9% female. A gradual increase over the last two years is reflected in the overall workforce profile increase of females. The workforce profile has increased by 2.1% from 47.8% in 2020/2021 to 49.9% in 2021/2022.

Whilst the percentage of Black, Asian and Minority Ethnic employees is slightly higher at 18% when compared to a workforce profile of 17.3%, the overall rate of increase has slightly fallen since 2020/2021. In 2021/2022 26.4% of new recruits were from a Black, Asian, and Minority Ethnic background, compared to a workforce profile of 17.7%. However, the percentage of new recruits with a background as not stated or not known has increased significantly within this area by 26.1% from 6.6% in 2020/2021 to 32.7%. Caution should be exercised in drawing any conclusions from the slight decrease of the rate of recruitment of Black, Asian, and Minority Ethnic employees when compared to the previous year. The City Corporation are committed to understanding the reasons behind the non-declaration rate rising significantly over this period. Plans are being scoped to further increase our declaration rates across the board.

Turnover

12. Turnover has increased from 9.4% in 2020/2021 to 17.2% in 2021/2022. The increase is due to there being more leavers in 2021/2022 as described above.
13. The top 5% of earners has been analysed over several years and was formerly a key performance indicator for local authorities. We now include data on the gender, ethnicity and disability pay gaps and these have previously been reported in detail to the Committee along with the measures being taken to address the imbalances identified. As noted previously, the differences are due to under-representation in senior grades.

Casework

14. There were less than 5 formal grievances raised in the reporting period, down from 7 in the previous reporting period. Clearly these are very low numbers and care should be taken to attach statistical significance to them or identify individuals. However, the cases related to:

- 3 sex discrimination
- 2 management Issues

Of the complainants:

- 1 was female and 2 were male.
- 2 did not have a disability and 1 was unknown.
- 2 were white; 1 was unknown.

15. There were 14 formal disciplinary cases in the reporting period. No cases resulted in a dismissal.

Of those disciplined:

- 13 were male, 1 was female
- 10 did not have a disability; 1 had a disability; and 4 were unknown
- 6 were white; 5 were BAME; 3 were unknown

16. It should be noted that our Managing People Policy statement of intent requires Managers to deal with issues (both complaint and conduct matters) swiftly and informally wherever possible, mediating between parties, notwithstanding the employee's right to progress such matters through the formal process where necessary. This means that most issues can and are dealt with informally and successfully at the informal level or by informal resolution.

Family Friendly Policies

17. In this reporting period:

- 63 employees began their maternity leave.
- No employees began adoption leave.
- 40 employees began paternity leave.
- 8 employees began their shared parental leave.

Maternity and post maternity leavers

18. The Committee will be aware that significant improvements have been made to our maternity pay and leave provisions. Together with our wider family friendly policies we aim to retain and support maternity returners so that we retain their skills and at the same time facilitate a good work life balance supported by our family friendly provisions that have been introduced. An indication that our maternity and family friendly initiatives are having a positive affect can be gleaned from the maternity returners. Of the 62 women who had returned from maternity during the reporting period, only 14 have subsequently left.

Covid related absence

19. In 2021/22 15.39% (621 employees) were sick with an absence reason of Covid-19 symptoms or 'Covid confirmed'. There were 679 occurrences.

Women in Finance Charter and Gender, Ethnicity and Disability Pay Gaps

20. In November 2017, the City Corporation signed up to the Women in Finance Charter. As part of this commitment, we have set a target of 45% of senior officers (at grade G and above) to be filled by women by 2025. In 2017 there were 20% of women in senior positions. In 2020/21 this increased to 35%. We are confident that given our equality, diversity, and inclusion (EDI) initiatives, we will be able to meet the 2025 target. Although we have yet to set aspirational targets for disability and ethnicity following the initial analysis of these pay gaps in March 2019, our general approach is to set aspirational targets and to monitor our progress.

21. We have published for the third year our pay gap analysis which can be found at page 16 of Appendix 1.

Summary of Equalities Inclusion Activities 2021/22

22. We have reported throughout the year on various equality and inclusion initiatives including the employment strands of the work of the Tackling Racism Taskforce. Set out below is a summary of the work of the City of London Corporation over the period 2021/2022 to create a more equitable, diverse, and inclusive organisation for our workforce despite the pandemic.

Departmental progress

23. All departments have completed their individual business plans and have included Equality considerations.

Steady progress has been made to remove the barriers that may be preventing those from underrepresented groups from progressing at the City Corporation. For example, a new application form has been approved and has been built into the HR system. The sensitive data fields have been revised to include gender identity and social mobility.

For many senior appointments we use executive search and select. There is now new and updated wording used for search and select agency proposals that better captures how they conduct their searches to capture a diverse pool of candidates particularly at the higher grades.

Tackling Racism Taskforce Update – March 2022

24. The final report of the taskforce was completed in January 2021 and continues to be monitored for progress by this same group. Staffing recommendations approved by the Establishment Committee and the Policy & Resources

Committee which have been implemented or are in progress are summarised as follows and progress is reported periodically to this Committee:

- a. Anonymised recruitment across all grades (not just at senior levels) be introduced.
- b. Mentoring and reverse mentoring schemes be developed.
- c. Investigate a mechanism that can enable all local training budgets to be amalgamated to Corporate Human Resources or remain in a centralised account, for allocation via a transparent process to staff, who would like to be or have the potential to be developed within their job role linked to their appraisals.
- d. A scheme be developed that provides and defines a “safe space” that is separate to the Staff Diversity Networks; This is a space for support, but not for staff to share their experiences if the individuals are or can potentially be identified.
- e. Current and possible schemes that support work experience programmes with schools and young adults be explored and enhanced.
- f. The City Corporation’s Bullying and Harassment Procedure is revised in consultation with the Comptroller and City Solicitor.
- g. Consideration be given as to how the City Corporation could better utilise the collected, published data and information on diversity of its workforce at all levels.

Socio-Economic Diversity

25. We have added four questions recommended by the Social Mobility Commission to capture Socio-Economic background data. We will be asking all staff to update their personal information to also capture this information in the coming months. This will ensure that we engage and attract a diverse pool of talent regardless of their background. Further work is being done to refine these questions and ensure that the language used as part of recruitment or for self-declaration during employment is consistent.

Accreditations and Programmes

26. Work continues with the following:

Business in the Community) Race at Work Charter, to show our commitment to prioritise action on race. We implemented the 5 calls to action, then in April 2020, we became members of BITC Race Campaign to further express our commitment to truly creating an inclusive culture.

Stonewall Diversity Champions

Stonewall did not open the Workplace Equality Index for submissions this year, but we are preparing to make an entry in September 2021 as endorsed by the Equality and Inclusion Board. The focus is on networking, leadership, procurement, and service delivery. Resources and positive programmes developed by Stonewall are shared with City Pride our staff network.

Disability Confident – Employers

We aspire to becoming Disability Confident - Leaders in the future, but we realise that we have more work to do, and this is an ongoing process.

Corporate & Strategic Implications

27. Monitoring our workforce by protected characteristics provides us with key data that informs the equality and inclusion agenda and progress being made to address areas of concern. ED&I initiatives link to the Corporate Plan aim of 'contributing to a flourishing society.'

Implications

28. There are no specific costs arising from this report, but the data helps us to identify where there is a disproportionate impact in relation to protected characteristics.

Conclusion

29. This report sets out the 2021 to 2022 annual employee workforce profile data by six of the protected characteristics. The data enables us to better understand our workforce and manage talent across different stages of the employee life cycle. In addition, it enables comparison and benchmarking with industry and monitors progress being made to reduce inequalities identified in our workforce. The report notes that the significant increase in recruitment, starters and leavers during this reporting period is likely a result of post-pandemic and an impact of the Target Operating Model process. This level of change that the organisation experienced over this period, including within the HR team and ED&I impacted on our ability to progress our EDI ambitions. However, a number of initiatives have since been developed to attract and retain talent.

Appendices

Appendix 1 - City of London Corporation - Employee Profile March 2022

Background

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