

	<b>Safer Stronger Communities Select Committee</b>	<b>Item No</b>	6
<b>Title</b>	<b>A Briefing on the 2018/19 Employment Profile</b>		
<b>Wards</b>			
<b>Contributors</b>	Adam Bowles, Director of OD & HR		
<b>Class</b>	Part 1	<b>Date</b>	16 July 2019

## 1 Summary and Purpose

- 1.1 This report provides information on key trends within the Council's workforce and an update on activity to ensure that the Council is a fair employer. A detailed profile of the workforce is attached as Appendix 1 (separate document).

## 2 Recommendation

- 2.1 The Safer Stronger Select Committee are asked to note the contents of the report.

## 3 Policy Context

- 3.1 The Council's Employment Profile connects to all the priorities within the Councils Corporate Strategy 2018-2022 as it relates to the Council workforce who are the main resources that delivers services for the Council. The two Corporate Priority areas that the Employee Profile particularly connect, as we are one of the largest employers in the Borough with 51% our workforce being residents, are:-

- Open Lewisham – Lewisham will be a place where diversity and cultural heritage is recognised as a strength and is celebrated
- Building an inclusive local economy – Everyone can access high quality job opportunities, with decent pay and security in our thriving and inclusive local economy.

## 4 Background

- 4.1 An employment profile of the Council's workforce has been published annually since 2000. The report serves a number of functions:
- To look at the profile of the Council's workforce against the protected characteristics of gender, ethnic origin, age and disability
  - To provide data by themes such as sickness, absence and recruitment
  - To inform the people management priorities of the Council.

## 5 Employment Profile 2018/19 – Headline Figures and Trends

5.1 The Council employed as at 31<sup>st</sup> March 2019, a headcount of;

- 2363 non-schools employees
- 4446 schools employees
- 124 (excluding schools) casuals/claims employees and
- 652 agency based workers.

5.2 This is an increase of 68 employees from last year's total of 2295, which represents a 3% to the workforce. School based employee headcount decreased in the last year from 4617 to 4446; this is the second year numbers have decreased in Schools since 2011/12.

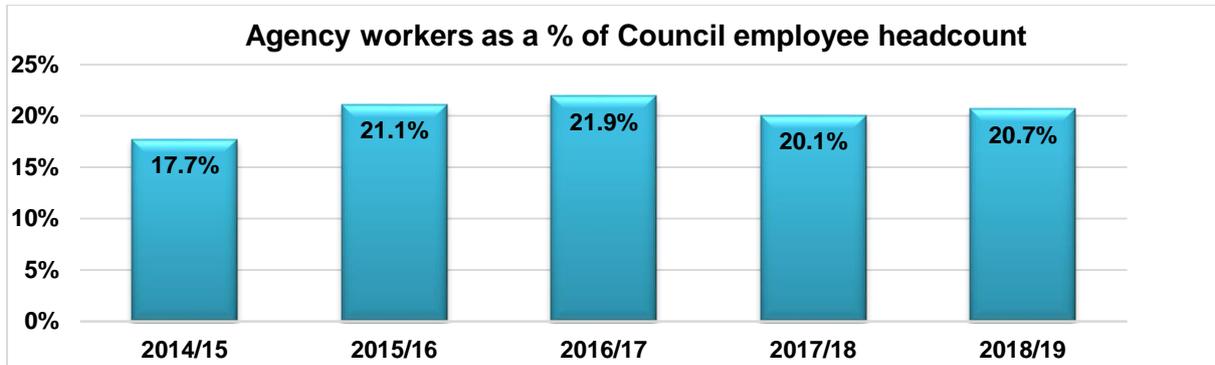
<b>Total Council Non Schools Workforce at 1.04.2018</b>	<b>2295</b>
No. of employees leaving on redundancy terms	16
<b>Less Total Leavers 18/19 (Inc. Redundancies)</b>	<b>223</b>
<b>Add New Starters 18/19</b>	<b>291</b>
<b>Total No of employees at 31.03.19</b>	<b>2363</b>

5.3 During 018/19, 188 voluntary leavers/others left the Council, representing an 8.2% turnover, compared to 8.4% turnover the previous year.

5.4 Analysis of the 188 voluntary leavers, identifies that Directorate turnover is highest in Children and Young People Directorate (12%). The grade band with the highest number of leavers (84) is the PO1 to PO5 band, which, coupled with the percentage of leavers (11.4%) in the length of service band '0 to 4.99 years' which shows the industry issue of ability to maintain longer term service in the areas against a competitive agency market place.

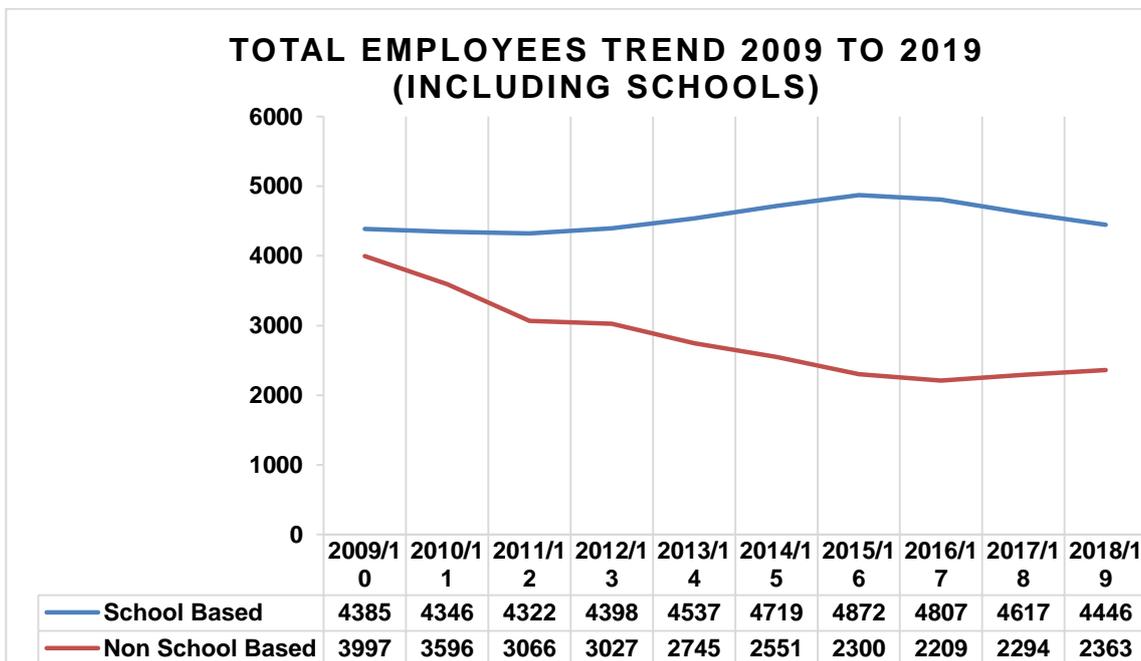
### *Agency Figures*

5.5 Agency employee numbers fluctuated throughout the year but the total number of agency personnel employed as at March 2019 was 652 (or 559 FTE) compared to 664 at March 2018. A trend of agency workers as a percentage of Council employee headcount can be seen below; showing that this rate has remained consistent over the last 4 years at between 20% to 21%. During 2018/19 over 50 workers moved from agency to permanent employment. Work continues in services to reduce the number of agency workers, and look at opportunities to move people into permanent positions.



### Employee Trends

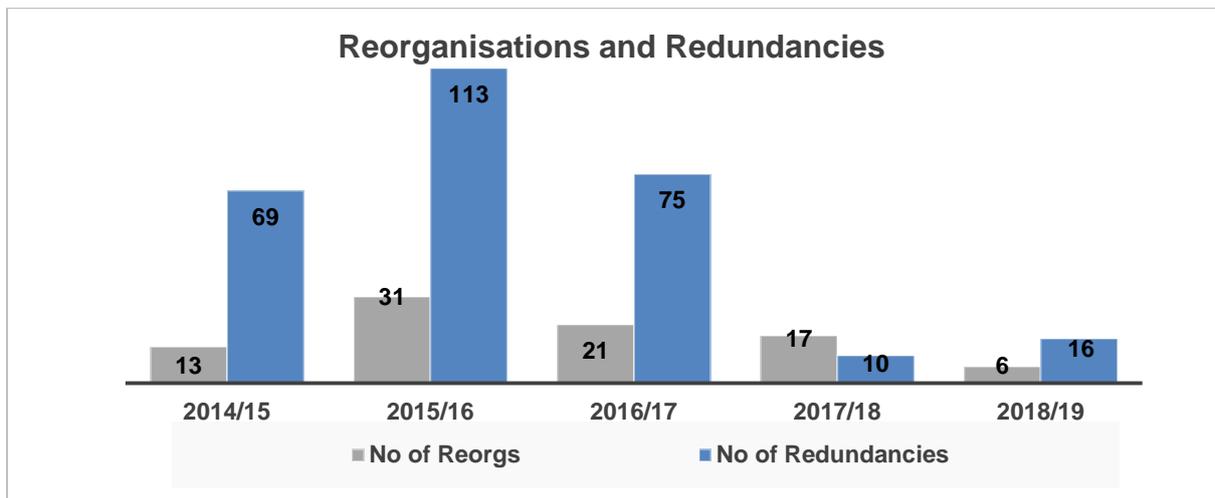
5.6 Outlined below is a trend of the total number of employees between 2009 to 2018/19 (these figures include schools)



## 6 Organisational Change

### Redundancies

6.1 The Council continues to assess the impact of redundancies using all the protected characteristics. There were 6 reorganisations in the last financial year which resulted in 16 employees being made redundant. The chart below outlines the number of reorganisations and redundancies over the last 5 years.



6.2 This table below outlines the numbers of redundancies by Directorate following the 6 reorganisations during 2018/19.

Directorate	Total redundancies	% Total Staff Redundant	Total number of Reorganisations /redundancies
Community Services	0	0.00%	0
Customer Services	10	62.50%	2
Children & Young People	4	25.00%	3
Resources & Regeneration	2	12.50%	1
<b>Total</b>	<b>16</b>	<b>100.00%</b>	<b>6</b>

6.3 The table below provides a breakdown of employees made redundant by gender and shows that the percentage of women made redundant in 2018/19 was 68.75% which is broadly similar to the female percentage of the workforce which is 61.2%.

Breakdown of Redundancies by Gender		
Gender	Total Redundancies	% Total Staff Redundant
<b>Male</b>	<b>5</b>	<b>31.25%</b>
<b>Female</b>	<b>11</b>	<b>68.75%</b>
<b>Total</b>	<b>16</b>	<b>100.00%</b>

6.4 The next table below provides a breakdown of redundancies by ethnicity which reflects the ethnicity of the workforce. BAME redundancy at 43.75% compares to a BAME workforce ethnicity of 42.9% and white redundancy percentage of 50% compares to a white workforce representation of 52.2%. The Council continues to monitor the impact of reorganisations on all staff and will take appropriate action as necessary.

<b>Breakdown of Redundancies by Ethnicity</b>		
<b>Ethnic Origin</b>	<b>Total Redundancies</b>	<b>% Total Staff Redundant</b>
BAME	7	43.75%
White	8	50.00%
Not disclosed	1	6.25%
<b>Total</b>	<b>16</b>	<b>100.00%</b>

6.5 The highest percentage of redundancies was in the age band '55+' which is not unexpected given the numbers of employees in that age band (658).

<b>Breakdown of Redundancies by Age</b>		
<b>Age</b>	<b>Total Redundancies</b>	<b>% of Total Staff Redundant</b>
2 1- 25	1	6.25%
31 - 35	1	6.25%
36 - 40	1	6.25%
46 - 50	1	6.25%
51-55	3	18.75%
55+	9	56.25%
<b>Total</b>	<b>16</b>	<b>100.00%</b>

## **7. Representation**

### *Ethnicity*

- 7.1 Of the non-schools employees who declared their ethnicity, 1014 are BAME, representing 42.9% of the Council's workforce, an increase of 1.2 percentage points on 2017/18. This is consistent with the median across London Councils of 42% of employees from a BAME background.
- 7.2 Of the 7.2% of the workforce who were promoted during 2018/19 (171 employees), 71 employees were from a BAME background representing 41.5% of all promoted employees, a similar figure to that in 2017/18 (43%) and the percentage of BAME employees in the workforce (42.9%).
- 7.3 The percentage of senior BAME employees (those in grades SMG1 –SMG3) is 18% - a slight increase on last year's reported 17%.
- 7.4 The BAME workforce in 2018/19 makes up 42.9% of all employees, a slight increase of 1.2% from the previous year. The percentage of the workforce classing their ethnicity as "unknown" is 5.9% although employees are asked to update their protected characteristics periodically. The move to the Employee Self Service Oracle HR system later this year 2019, is expected to reduce the percentage of "unknown" further as employees will be encouraged to provide this information.

- 7.5 The Council strives to ensure that its workforce reflects the community it serves. It is encouraging to note that the percentage of BAME appointments during 2018/19 rose to 53.3%, an increase of almost 15 percentage points on the 2017/18 figure. This figure compares to 42.9% of the non-schools workforce declaring they are from a BAME background which is similar to the median percentage rate of 42% BAME employees across all London Councils. By comparison, the percentage of 16 – 64 year olds in Lewisham that are from a BAME background is BAME is 34.5%.
- 7.6 BAME employees account for 16% of the top 5% of earners in Lewisham (those in the grade bands SMG1 – SMG3 and JNC). This compares to a median figure of 17% across all London Councils. However, further work needs to be taken, particularly in recruitment activities to ensure that there is more BAME representation at Director and above level to better reflect our community. With senior vacancies due to their higher salary, both attracting people from a wider geographic area and people who can afford to commute a further distance, against a BAME profile of only 10% in some areas of the south east.
- 7.7 The Council is to provide unconscious bias sessions across all protected characteristics, to managers and a range of further supporting activities is being considered in conjunction with the Mayor's adviser on BAME career development.

### *Gender*

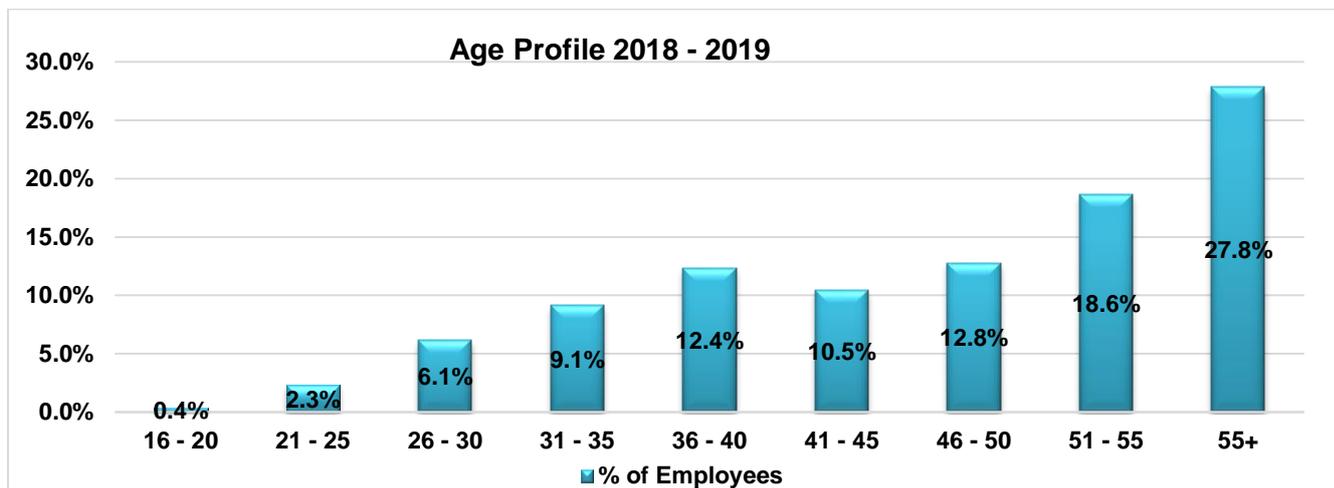
- 7.8 The Council's workforce continues to be broadly representative of the community in terms of both the ethnicity and gender makeup of the local population. The majority (61.2%) of the Council's employees are women who are well represented at all grades, and compares to the median figure of 63% for all London Boroughs. Lewisham was one of 9 London Boroughs who reported a negative mean (-10.6%) gender pay gap in 2018.
- 7.9 The Council's female staff has increased by 3.2 percentage points on last year's figure and compares to the median figure of 63% for all London Boroughs. Women are well represented at all grades including senior levels, with women making up 59.1% of senior grades (top 5% of earners) which is an increase of 4.1 %age points on the 2017/18 figure.
- 7.10 The Council reported its second Gender Pay Gap report for 2018/19. This showed a pay gap in favour of women at -10.6%, compared to a difference of -11.4% in 2017/18. This is due to having a predominantly high level of female employees (61.2% during 2018/19). A minus figures means that women have the highest level of pay compared to men in the workforce. This is the second highest negative gender pay gap of London Councils. The London mean gender pay gap is 3.5% in favour of men in 2018 and the whole economy GPG is 14.2%.
- 7.11 The table below outlines the Council's gender pay gap outlining both the mean and median salaries for both genders for 2018/19. Female employees are, on average, paid more than male employees at Lewisham Council and the percentage pay gap difference is -10.6% (mean) and -12.6% (median). This is the second largest pay gap towards women across Councils in London. The pay quartile information in the lower part of the table details the proportion of men &

women in each quartile of the pay structure to show the spread of male and female employees across the organisation.

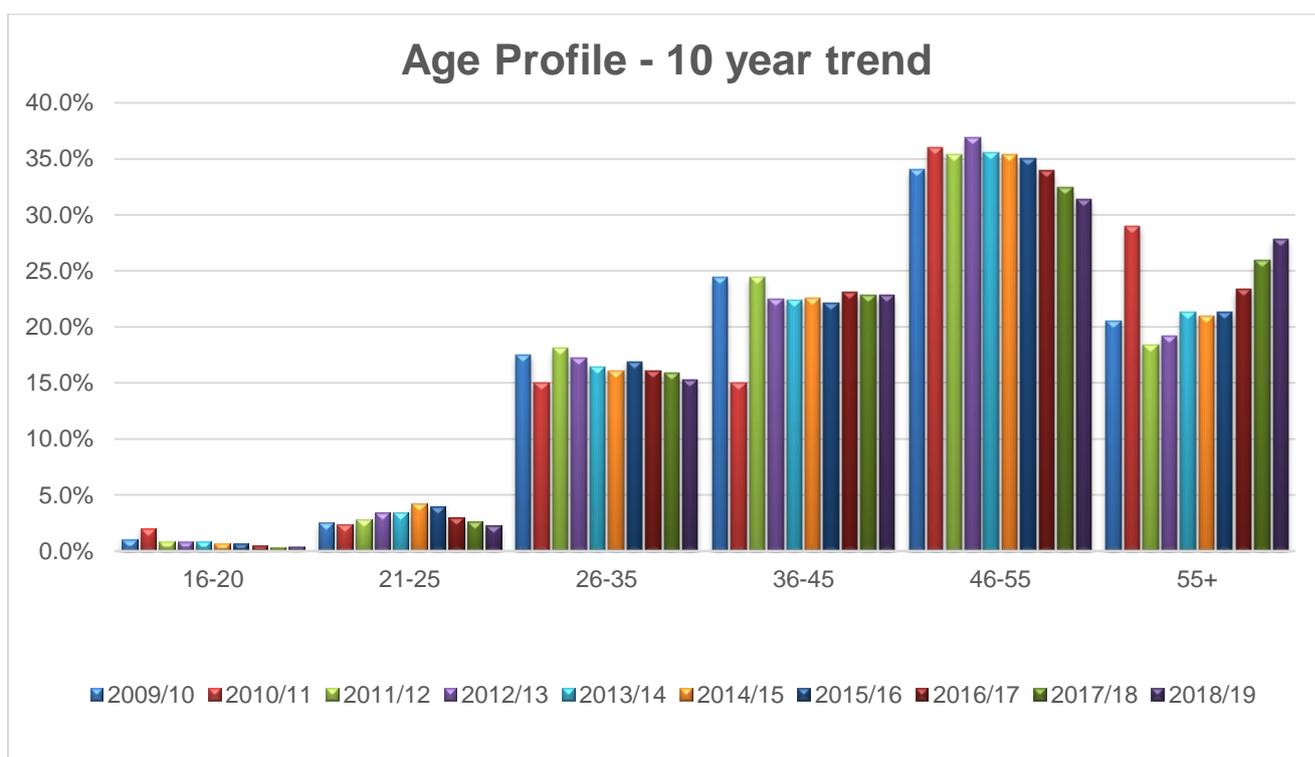
Statutory part of template (data that must be provided under the Equalities Act)				Possible extra data for local collection by London Councils for local benchmarking*			
Pay rates	Gender pay gap - the difference between women's pay and men's pay as a percentage of men's pay (minus % means women have higher pay, positive % means men have higher pay) 2018/19			Gender pay gap - women's pay as a percentage of men's pay	Hourly rate of women	Hourly rate of men	Difference £
Mean hourly rate (Male hrly rate - Female hrly rate) / Male hrly rate x 100	-10.6%			110.6%	£20.78	£18.78	£2.00
Gender pay gap comparison figure Median hourly rate (as above calc but for median hourly rates)	-12.6%			112.6%	£19.60	£17.40	£2.20
Pay quartiles information				Workforce composition			
Pay Quartiles	Women	Men	Total	Women headcount	Men headcount	Total headcount	
Proportion of women and men in the <b>upper quartile</b> (paid above the 75th percentile point)	66%	34%	100%	390	199	589	
Proportion of women and men in the <b>upper middle quartile</b> (paid above the median and at or below the 75th percentile point)	70%	30%	100%	420	183	603	
Proportion of women and men in the <b>lower middle quartile</b> (paid above the 25th percentile point and at or below the median)	68%	32%	100%	399	192	591	
Proportion of women and men in the <b>lower quartile</b> (paid below the 25th percentile point)	41%	59%	100%	236	344	580	

## Age

7.12 The age profile of the Council is outlined below, demonstrating that 46.4% of employees are aged over 50 which compares to a median of 43.7% across London Councils. The average age of the workforce in Lewisham is 44.7 years, compared to a pan London Councils figure of 46 years. The percentage of the workforce aged under 25 is 2.7% which has decreased from 3% in 2017/18. The median figure for employees aged under 25 across London Boroughs is 3.0%.

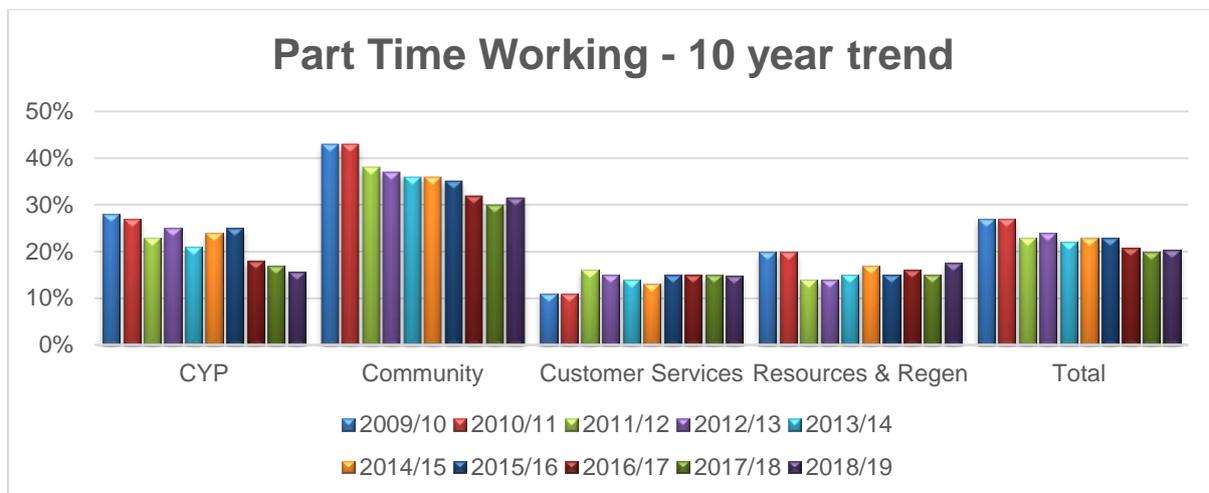


7.13 The chart below shows that over the past 10 years the percentage of staff in age band '21-25' rose from 2.5% to 4.2% during 2014/15 and has fallen during the preceding 4 years to 2.3% in 2018/19. The percentages of employees in the age group 55+ have steadily increased over the past 10 years from a low of 18.4% in 2011/12 to a high of 27.8% in 2018/19.

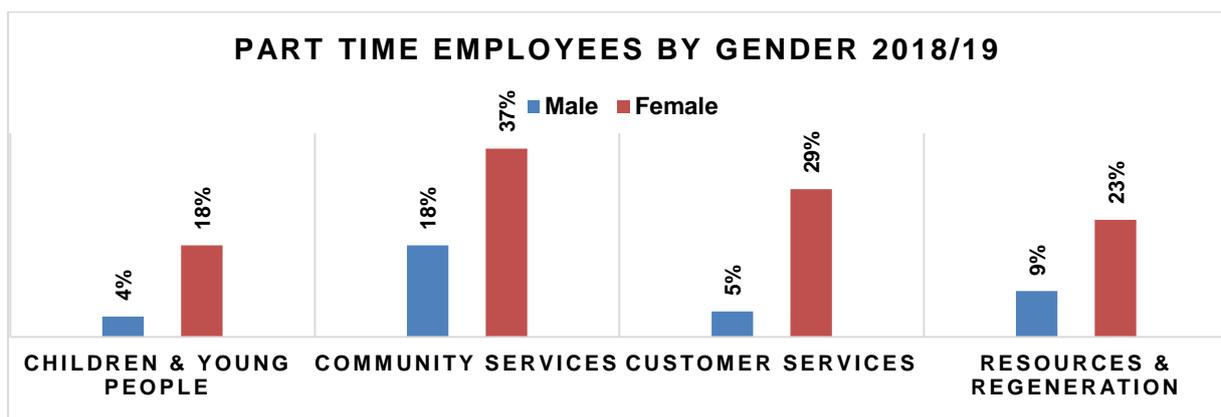


## Flexible Working

7.14 The Council continues to encourage the take up of flexible working. In 2018/10 part time employees represented 20% of the Council's workforce. Although the Council encourages part time working, as can be seen in the chart below, the percentage of part time workers across the Council has decreased from 27% to 20% over the past 10 years. The biggest decreases have been in Community (43% part time workers in 2009/10 down to 31% in 208/19) and CYP (28% in 2009/10 down to 16% in 2018/19). In the other two Directorates the percentage of part time workers has been broadly similar over the past 10 years. Despite this fall in numbers there are significant numbers of employees undertaking other flexible working options such as agile working, term time only patterns and flexi time.



7.15 The chart below outlines the percentage of part time workers as a percentage of all employees in each gender. For example of all women employees in the Children & Young People Directorate, 18% are part time employees.



## Sexual Orientation

7.16 The Council monitors the workforce by all "protected characteristics", employees are encouraged to record their protected characteristics each time they go into the HR System. Completion of this information is discretionary by employees and individuals have the option to record "prefer not to say". This information is collected at application stage and through periodic reviews.

Marital Status: 67% of employees responded to this question. Of those who responded, 27% declared they were married or in a civil partnership

Sexual Orientation: 62% of Council employees responded to this question, an increase of 2 percentage points on the response level last year. Of those who responded 2.2% identified as Gay/Lesbian/Bisexual/Transgender.

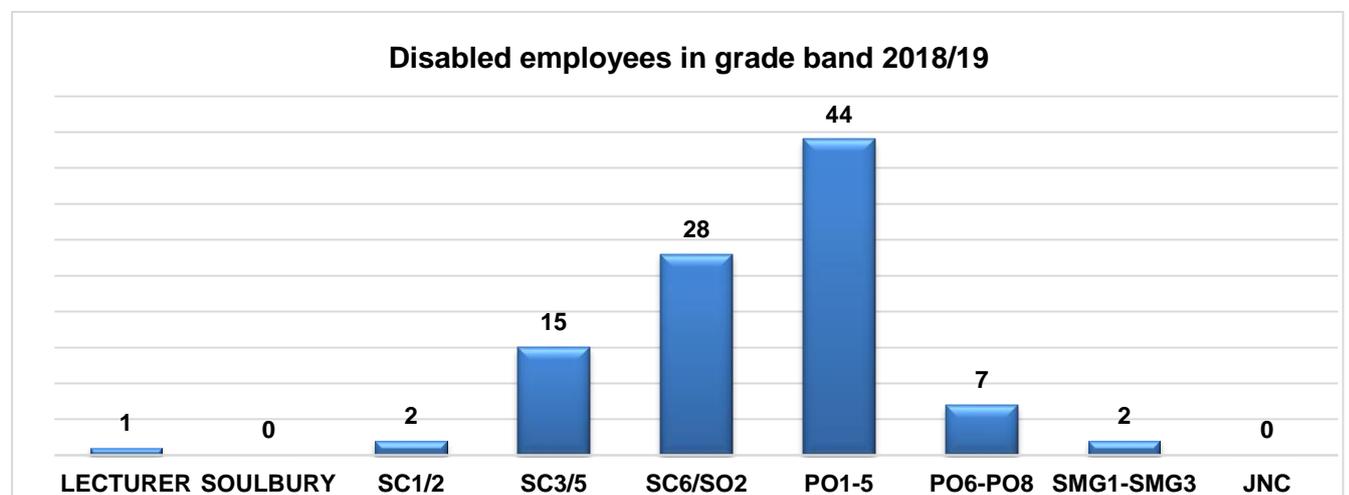
Religion/Belief: 67% of employees responded to this question, an increase of 7 percentage points on the response level last year. Of these responses, 33% identified as being Christian.

Pregnancy and Maternity: 41 employees took maternity leave, 13 employees took paternity leave.

7.17 The Council continues to work with the Trade Unions, Disabled Employees forum and LGBTQ+ forum. The Council is in the process of setting up a BAME forum. These employee forums provide a route through which our employees can meet with like-minded colleagues and help to inform the development and feedback of policies in a way that promotes access, choice and fairness.

### *Disability*

7.18 The chart demonstrates percentages of disabled staff within each of the grade bands. A total of 4.2% of non-schools employees have declared that they consider themselves to have a disability. This is based on a response rate of 58% of the employee workforce. The rate compares to a median of 4.75% disabled employees across all London Councils



## 8. Agency Workers

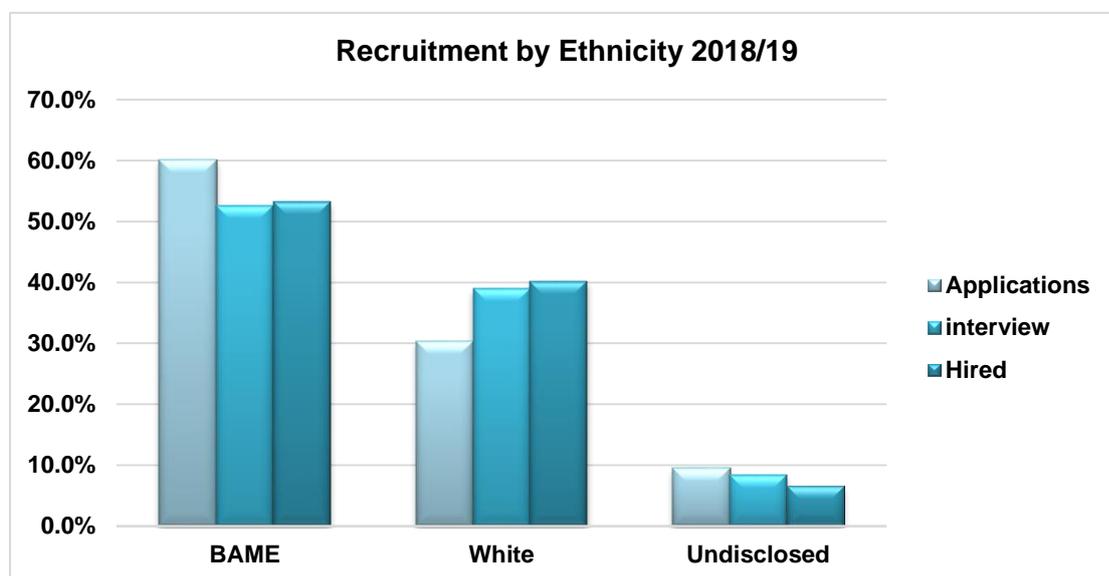
8.1 Agency employee numbers fluctuate throughout the year and the average headcount of agency personnel for the year 2018/19, using a snapshot as at 31 March 2018, was 652 agency workers (or 559 FTE) compared to 2017/18 of 664 FTE.

8.2 Agency workers are used for a variety of reasons, but the main reasons for agency usage over the last year has been for additional staffing/flexible resourcing.

## 9. Recruitment

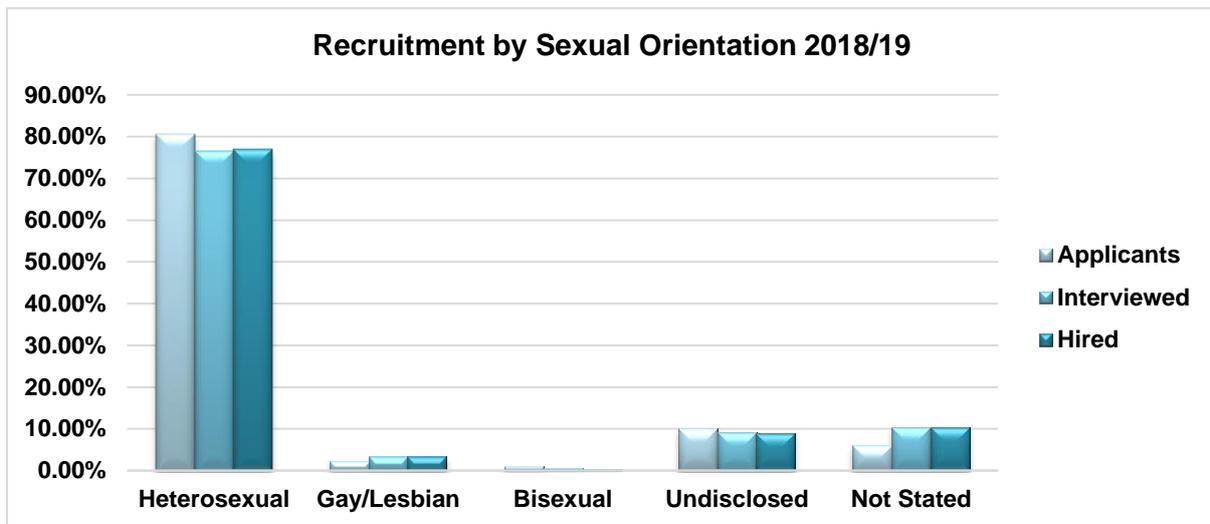
9.1 The Council received 4252 job applications and appointed to 291 posts during 2018/19. 58.8% of applications were from women, an increase of 5.9 percentage points on last year's figure. 68.7% of hires were women which is broadly comparable to the female workforce percentage. 7.7% of applicants did not disclose their gender at application stage although all those subsequently hired did disclose their gender as part of the clearance process.

9.2 During 2018/19, 60.01% of applications were made by applicants who identify as BAME, which was broadly similar to 2017/18 data. 53.3% of appointments made during 2018/19 were to BAME candidates which compares to 53.1% during 2017/18. There was a 6.8% drop off between BAME applicants and those that were interviewed, work will be carried out to investigate this and possibly trial anonymising applicant cvs.

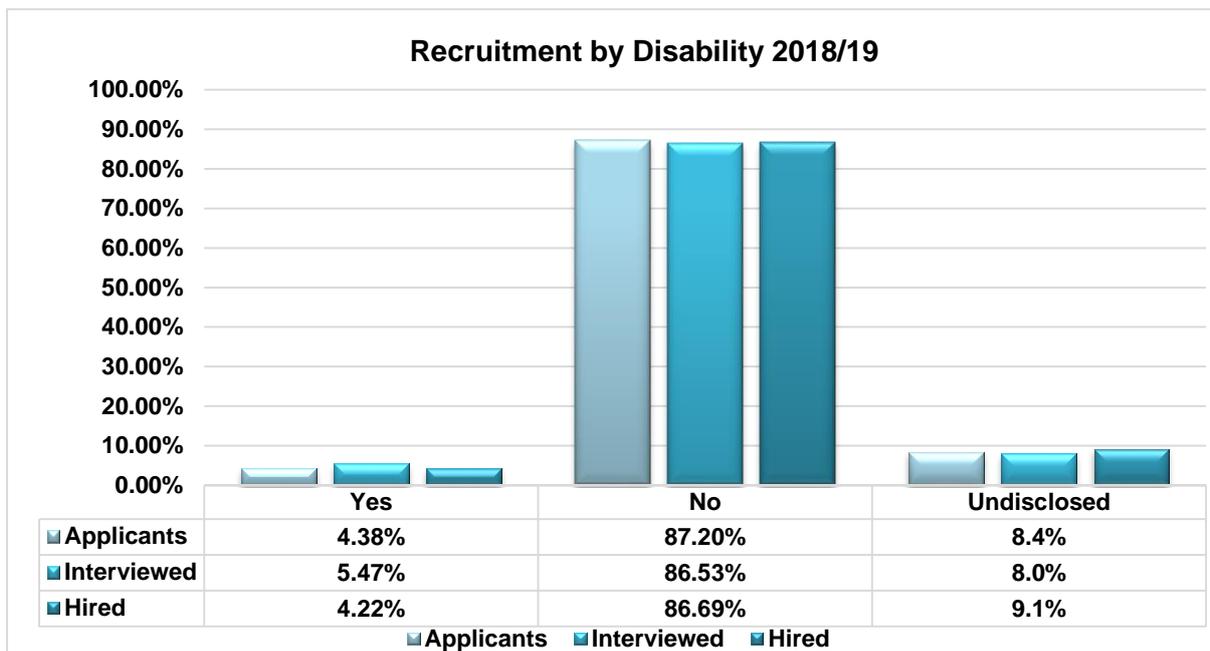


9.3 3.45% of all job applications made during 2018/19 were from applicants who identify as Lesbian Gay Bisexual or Transgender (LGBT) which is slightly higher than the rate of 2.92% during 2017/18. 3.74% of total appointments made during 2018/19 were candidates who identify as LGBT, which is consistent with last year's figure. Although new starters are more willing to provide data on other protected characteristics, they are less willing to provide this non-mandatory

information on sexual orientation. For this reason there is currently no comparator data from London Councils.



9.4 During 2018/19 4.38% of applications were made by candidates who considered themselves to have a disability. 4.22% of these candidates were subsequently hired which is similar to the percentage of the workforce who have declared themselves to have a disability (4.2%).

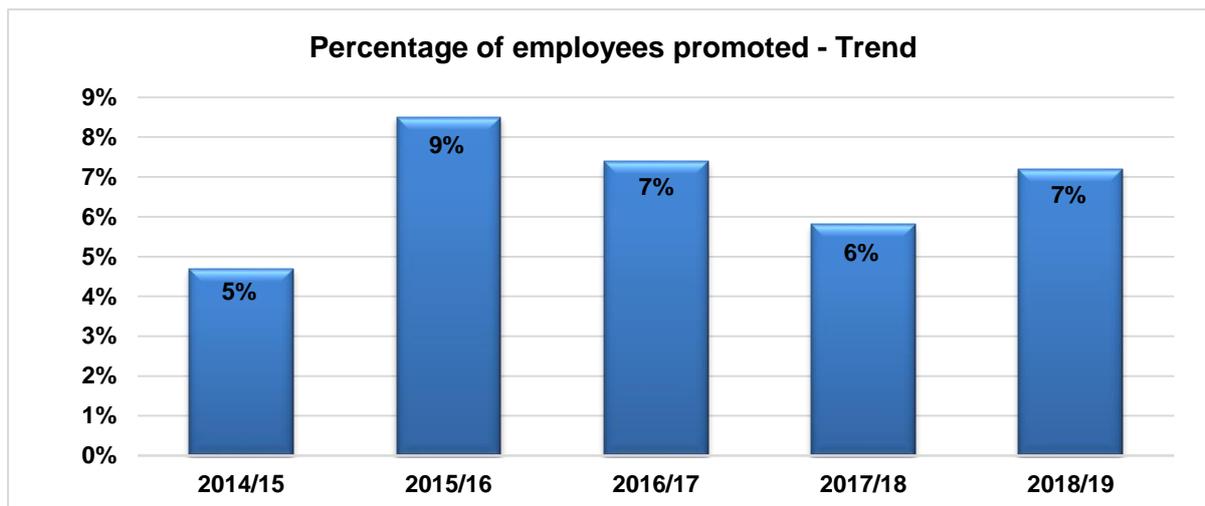


## 10. Promotions

10.1 The percentage of promoted non-schools employees during 2018/19 is 7.2% (171 employees) which is broadly similar to the rate for the past 3 years. Promotion is defined as those employees who have had their post re-graded or achieved promotion through appointment to a more senior position and it also includes employees appointed to higher grades as a result of the restructures.

## 10.2 Of those promoted;

- 123 (or 72% of those promoted) were women which is higher than the female percentage workforce rate of 61.2%.
- 57 of those promoted were from a BAME background. This represents 41.5% of promoted employees and is slightly lower than the wider BAME workforce (42.9%)
- 9 of those that applied for promotion and who declared that they had a disability, 100% of these were successful in being promoted. This represent 9.8% of promoted employees. 4.2% of the total number of employees in the workforce have declared they have a disability.



## 11. Leavers

11.1 During 2018/19, a total of 223 employees left Lewisham Council's employment of which:

- 16 left for reasons of redundancy
- 19 were 'other' non-voluntary leavers
- 188 were voluntary leavers

11.2 The 188 voluntary leavers represent a voluntary turnover of 8.2%, which is higher than the figure in 2017/18 (7.5%) but less than the average pan London Councils voluntary turnover rate for 2017/18 (8.7%). There were no significant differences of leavers when considering by gender or ethnicity.

## 12 Equality Implications

12.1 The Council has a public sector equality duty (the equality duty or the duty - The Equality Act 2010, or the Act). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. In summary, the Council must, in the exercise of its functions, have due regard to the need 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.
- Foster good relations between people who share a protected characteristic and those who do not.

12.2 The monitoring of the workforce as per employment profile enables the Council the opportunity to take any corrective action to address any negative characteristics. EMT are provided with updates and actions are also fed into the Corporate Equalities Group.

### 13 Legal Implications

13.1 As noted under the Equality Implications section of this report the Council has statutory equalities obligations.

13.1.1 The Equality Act 2010 (the Act) brings together all previous equality legislation in England, Scotland and Wales. The Act includes a public sector equality duty (the equality duty or the duty), replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6<sup>th</sup> April 2011. The duty covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

13.1.2 In summary, the Council must, in the exercise of its functions, have due regard to the need 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.
- foster good relations between people who share a protected characteristic and those who do not.

13.1.3 As was the case for the original separate duties, the duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

13.1.4 The Equality and Human Rights Commission issued guides in January 2011 providing an overview of the new equality duty, including the general equality duty, the specific duties and who they apply to. The guides cover what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guides were based on the then draft specific duties so are no longer fully up-to-date, although regard may still be had to them until the revised guides are produced. The guides do not have legal standing unlike the statutory Code of Practice on the public sector equality duty, the guides can be found at:

<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-duties/new-public-sector-equality-duty-guidance/>

## **13.2 Specific obligations on local authorities with regard to the provision of information**

13.2.1 Public authorities have an obligation under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (the 2017 Regulations) to publish not later than 30 March each year information to show they are complying with the public sector equality duty under section 149 of the Equality Act 2010. This must include information in relation to persons who share a relevant protected characteristic who are its employees and other persons affected by its policies and practices.

13.2.2 Information should also be published in accordance with the 2017 Regulations, no later than 30 March 2018 and then every four years, on specific and measurable equality objectives.

13.2.3 Obligations are also set out under the 2017 Regulations to report annually on any gender pay gap.

## **14 Financial Implications**

There are no direct financial implications from noting the contents of this report.

## **15 Conclusion**

The Council continues to ensure that its workforce represents the community it serves. It is encouraging to note that there has been a range of improvements in the workforce profile as set out in the report. Work and further action in addressing any imbalances will continue and be fed, where relevant to the work of the Mayoral adviser on BAME career development and the Executive Management Team.

## **Appendix 1**

**ATTACHED EMPLOYMENT PROFILE 2018- 2019;** Separate document