

**REPORT OF THE SERVICE DIRECTOR – CUSTOMERS AND HUMAN
RESOURCES****NCC WORKFORCE PROFILE INFORMATION 2016****Purpose of the Report**

1. The purpose of this report is to provide Personnel Committee with an updated summary of the profile of the direct workforce of Nottinghamshire County Council, as part of a regular annual reporting regime.

Information and Advice**Background**

2. Treating People Fairly is one of Nottinghamshire County Councils three strategic values and this extends to the Council's role as a major employer in the County.
3. The County Council values diversity across its workforce and recognises the positive impact this has on its ability to provide services which are representative of the community we serve and our core value of treating people fairly extends to the way in which we recruit, develop, reward, deploy and manage our own direct workforce and the expectation that those organisations who provide services on our behalf will share and model this commitment.
4. The Equality Act 2010 legally protects people from discrimination in the workplace and in wider society. All public sector employers with 150 or more employees, including local authorities, have a specific statutory duty, set out in Regulations which came into force on 10 September 2011, to collect and publish annually relevant, proportionate, information about the profile of their direct workforce defined by their "protected characteristics", that is age, gender (including gender reassignment), race/ethnicity, disability, religion/belief and sexual orientation.
5. The intention is to provide the public with the information they need to hold public bodies to account for their performance on equality in employment and to enable employers to set themselves specific, measurable equality objectives.
6. Collecting this information has facilitated the Council to undertake a year on year trend analysis, using comparable data which provides an evidence base to inform how it assesses its equality performance as an employer and to benchmark its performance against other comparable local authorities.

7. The workforce profile information is used to help ensure that the Council's employment practices and services are free from discrimination and prejudice and to identify any necessary remedial action.
8. It will also be used to inform the development of actions to support the delivery of the Council's wider workforce planning priorities, including succession planning and talent management, to ensure that it has a flexible and diverse workforce which will enable it to deliver its service priorities as set out in its Strategic Plan throughout the organisational transformation arising from its Redesigning Your Council Programme.
9. The Council has a well-established network of employee support groups for its Black and Minority Ethnic; Lesbian, Gay and Bisexual, Transgender and Disabled employees which are involved in the Council's decision making processes and work with managers, particularly when service teams are carrying out Equality Impact Assessments and need to consult. These groups report into the Council's Corporate Equalities Group (CEG) and have been involved in discussion through CEG about the content of this report.

Basis of reporting

10. Since 2012 the data in this report has been generated through the Council's Business Management System (BMS), and is based on the Full Time Equivalent (FTE) occupancy of posts, rather than headcount. The historical data contained in this report therefore reflects the date of this systems change to enable meaningful year on year comparison.
11. The latest annual workforce information for Nottinghamshire County Council (NCC) is **as at April 2016** when the overall workforce headcount of centrally employed permanent and temporary staff, many of whom are part time employees, stood at **6,010.88** full time equivalent.
12. This provides a standard measure to enable the Council to compare our performance with other benchmark local government employers, for example through the CIPFA Value for Money report, and is a better measure of the relative impact of multiple employments which are consolidated, reflecting the complexity of working arrangements across the Council.
13. This authority has previously opted to include data relating to employees of NCC controlled schools in this data set, although there is no statutory obligation on a local authority to do so. The inclusion of data about individuals employed in schools demonstrated a significant variance in the percentage representation of employees by all protected characteristics when compared with the direct County Council workforce.
14. Given the changed nature of the authority's relationship with schools and its inability to directly influence their recruitment, promotion and retention practices its action plans for improvement cannot extend to individual schools this will be excluded from the published data from this year onward. This also provides a consistent basis for comparison with other County Councils which now in the main also exclude school based employees from the scope of their own direct reporting.

15. Comparison with previous years enables trends to be identified and reflects the degree to which the County Council's workforce has changed over the previous 5 years (a period over which organisational change and associated service redesign and restructuring have been a constant), in relation to their protected characteristics.
16. The information from the previous report helped inform the development of the Council's new Workforce Strategy for 2016-8. Areas for ongoing improvement identified in this current report will form part of the detailed action plans which will be developed to support the delivery of the strategy. The trade unions and employee support groups will be involved in this work.

Key trends

17. The relevant data is set out in the attached **Appendix** to this report.
18. Underpinning the data in the report is the ongoing impact on the Council's workforce numbers of service review and redesign in response to organisational transformation and budget pressures, including headcount reduction transfers out to other employers and natural turnover, all of which have led to an incremental reduction in the Full Time Equivalent (FTE) number of people employed by the Council overall.
19. In the 12 month period between April 2015 and April 2016 the reduction in the Council's directly employed workforce equated to **439.55 fte**, including the transfer out of staff to the Inspire Community Benefits Society from 1st April 2016.
20. The report illustrates that this ongoing trend of reduction has not in itself had a direct or negative impact on the overall profile of the remaining workforce and the key points regarding the Council's workforce profile that are evident from the data published in the report are highlighted in the following paragraphs.
21. **Age:**
 - In common with the wider local government sector, the County Council has an ageing workforce, as at April 2016 the average age of a NCC employee was 47.
 - As at 1st April 2016, over 60% of all NCC employees were within the 46-55 and 56-65 age groups, compared to just over 54% in 2012. This is indicative of a trend which would be expected given the ageing demograph of the wider community and the effect of this on the Local Labour Market (LLM).
 - The proportion of all employees aged over 55 has increased by 0.96 percentage points since 2015, reflecting the relative upward shift in the age profile of the remaining workforce over time.
 - The proportion of NCC employees under 25 years of age also remains low and has decreased by 0.20 percentage points compared to 2.84% in 2015. This continues to be under representative of the 20.75% of the Nottinghamshire population who are aged 16-25. It cannot however be assumed that this cohort of young people will all be active in the local labour market as a significant

proportion will be in continuing or further education or engaged in work based learning activity such as apprenticeships.

- The most recent Office of National Statistics (ONS) regional data (31.3.16) indicates that in the East Midlands overall only 12% of this age range are not in education or training. Nottinghamshire County Council has its own Apprenticeship Programme for young people aged 16-24 offering up to 60 placements a year, however the young people undertaking these apprenticeships are employees of the Council's partner Training Agency, Futures, and cannot therefore be included in the Council's workforce report.

22. **Disability:**

- The proportion of all NCC employees who declare themselves disabled is 4.97% having risen from 4.83% in 2015 an overall trend of improvement on 4.69% in 2012.
- No comparable data is available for the community as data collected for the Census is not based on the definition of disability adopted by the Council which is that provided by the Equality Act 2010.
- Current Office of National Statistics (ONS) Local Labour Market (LLM) data indicates that 22.30% of the local adult population have a declared disability, however only a proportion of these will be in or actively seeking work.

23. **Ethnicity:**

- The proportion of all employees declaring themselves as not being White British i.e. they are in the black and minority ethnic groups (BaME), has incrementally increased since 2012 from 7.56% to 8.04% as at April 2016.
- BaME employees account for 0.28 percentage points more of the workforce than in April 2015, comparing favourably to 7.36% in the wider Nottinghamshire Community but remaining below the 9.50% in the latest LLM data.
- Among the Council's centrally employed BaME workforce (**see table 2 part 4b of the appendix**), there is a predominance of Black/Black British employees at 2.24%, followed by employees of Other White origin at 2.10%.

24. **Gender:**

- Women are disproportionately over-represented in the NCC workforce, the gender split of the overall Council workforce is 68.14% female and 31.86% male compared with a split in both the Community and LLM comparators which are now both 50.80% female to 49.20% men.
- This reflects the nature of some of the roles with the Council which traditionally have a female bias, also the fact that, as at April 2016, the authority still provided most of its frontline services in-house. Because of the nature of these services the Council has historically attracted a high number of women into the lowest

paid part-time job roles which predominate in areas such as catering and cleaning, 73.55% of the NCC workforce on the lowest grades are female.

- In addition, the wide range of flexible, family friendly employment provisions available to the NCC workforce attracts job seekers with caring responsibilities to its workforce, many of whom have traditionally been women.
 - This gender balance pattern will shift further as Highways and Property services which are both predominantly male move into alternative service delivery models during 2016/17.
 - At 60.54% women are least proportionately represented in the most senior posts at Group Manager level and above.
 - Representation is the most balanced at the level equating to Team Manager at 68.54% which is almost equivalent to the gender split across the whole workforce.
25. Across the UK women are currently paid on average 19.2% less than men (*source House of Commons Women and Equalities Committee March 2016*). The “Gender Pay Gap” measures the difference in the average hourly earnings received by men and women and is influenced by a range of factors including part time working reflective of caring responsibilities, promotion prospects and the traditional clustering of women in low paid, low skilled occupations.
26. The Government published the draft Equality Act 2010 (Gender Pay Gap Information) Regulations 2016 in February 2016. Still subject to parliamentary approval, these would introduce a mandatory gender pay gap reporting duty for employers of 250 or more employees which is expected to come into force from October 2016.
27. The pay information must be based on data from a specific pay period every April beginning with the month ending 30th April 2017 and employers will have 12 months to calculate and publish their overall mean and median pay gap information on an annual basis meaning that the first publication will be required before April 2018.
28. Requirements for employers to publish information relating to the gender bonus over the preceding 12 months do not apply to this authority given that its Single Status agreement removed any such payments from all employees.
29. It is therefore proposed that from 2018 onward the Council’s annual Pay Policy Statement, which reflects the situation at the first of February each year will be used to comply with the new requirement to publish this information on a regular annual basis.
30. The legislative time scale will enable the Council to do the necessary work to calculate and understand the size of its gender pay gap and develop an action plan to address it as necessary in advance of this.

31. **Sexual Orientation:**

- The overall disclosure rate of sexual orientation for direct NCC employees continues to be low and has increased by 0.74 percentage points since April 2015.
- Refreshed measures are being taken to address this, see **paragraph 43** below.
- There is no comprehensive comparative national, community or LLM data, the 2011 Census did not collect population information on sexual orientation.
- Of those employees who have disclosed their sexual orientation the majority, 96.75%, have declared themselves to be Heterosexual.
- 16 employees in the direct workforce have declared that as at April 2016 they are Transgender that is a different gender than that assigned at birth.
- **Table 3 in section 4b of the appendix** further breaks down declared sexual orientation by category.

32. **Religion and Belief:**

- The disclosure rate of religion and belief for direct NCC employees has improved by 0.66 percentage points since April 2015.
- Refreshed measures are being taken to address this, see **paragraph 43** below.
- Community data is available through the 2011 census; however there is no available LLM comparator data.
- As at 1st April 2016 of those direct NCC employees who declared that they have a religion or belief, 53.57% are Christian, compared to 65.94% in the Community and 39.94% have declared they have no religion or belief which is considerably higher than the community comparator of 31.48%.
- **Table 4 in section 4b of the appendix** further breaks down declared religion or belief by category.

33. **Grade:**

- The information set out in **section 4c of the appended Workforce Information Report** indicates the following:
 - i. Employees aged 46 to 55 are more likely to be in the most senior posts which would be expected given the career progression and age are intrinsically linked. This falls off at age 55 which is currently the age at which employees can access their LGPS pension if redundant
 - ii. The highest percentage of older workers aged 56 plus are in the lowest paid frontline posts

- iii. Men are most highly represented in the most senior posts at and above Group Manager level
- iv. The highest representation of BaME employees is in mid-graded posts at professional and first line management level
- v. Disabled employees are also most highly represented in mid-level professional line management posts and front line posts
- vi. LGB employees are also most highly represented in the mid-graded posts
- vii. The highest percentage of employees declaring no religion or belief are in the lowest paid frontline posts.

Disclosure rate:

- 34. New employees have been requested to declare their protected characteristics on their application forms. Data in respect of the successful candidate is then entered into the Council's Business Management System (BMS) at the point of recruitment.
- 35. The introduction of the BMS at the end of 2012 enabled those individuals with direct access to the system to provide or update their own data direct through the Employee Self Service (ESS) facility on their computer dashboard or through their manager if they do not have day to day access to the ESS facility.
- 36. Other protected characteristics, including an employee's disability status, may change during the course of their employment and can be updated direct by the employee on the Employee Self Service facility of the BMS system or through their manager for those employees without access to a work based PC.
- 37. In principle this system development should have increased the accuracy and rate of disclosure of all protected characteristics for both centrally employed staff and those in schools.
- 38. There continues to be a 100% overall disclosure rate for gender and also for age; the BMS is able to update and report on data relating to age on an automatic basis. However despite these system improvements whilst some disclosure rates characteristics have improved on last year, others have fallen.
- 39. As at April 2016 the disclosure rate for disability stood at 85.80% a fall of 0.75 percentage points since April 2015.
- 40. Disclosure rates for ethnicity amongst NCC employees also fell between 2015 and 2016 by 1.33 percentage points to 86.85%.
- 41. The situation in respect of sexual orientation and religion and belief is set out in paragraphs 28 and 29 above.
- 42. Current performance is set out in detail in **chart 1, part 3a** of the **appendix**.
- 43. To seek to address the impact of under reporting, frequent reminders are issued to improve engagement. These encourage individual employees to complete and update their personal information, promote the positive business reasons for this, give reassurance that the information will be treated with utmost confidentiality and specify

that any data produced will not be identifiable to an individual in any way but will be used to improve the Council's employment practices by making sure all employees are treated fairly at the point of recruitment and during their careers with NCC. The most recent reminder was issued in June 2016.

Areas for action:

44. The Council's new Workforce Strategy for 2016-18, which was approved by Personnel Committee on 25th May 2016, sets out its strategic workforce planning priorities in response to the challenges it faces over the coming years and the workforce transformation needed to deliver these priorities.
45. This strategy supports the delivery of the Council's overarching strategic priorities including its core value to Treat People Fairly. This extends to the way in which the Council recruits, develops, rewards, deploys and manages its workforce.
46. One of the four themes of the Workforce Strategy reflects the Council's strategic aspiration to be an **Employer of Choice**, this includes adopting good employment practice that is fair and equitable and acting as a role model to other employers who contribute to the economy of Nottinghamshire in this respect.
47. Treating people fairly is a key priority under the **Healthy Organisation** theme of the Workforce Strategy which acknowledges that a healthy organisation is a diverse organisation committed to inclusivity which provides fair and equal access to employment and opportunity to ensure that the Council maximises its people potential.
48. Key areas for action under this theme include:
 - Ensuring that the Council maximises its workforce capacity by creating a workforce drawn from across the wider labour market which is properly representative of all the communities in Nottinghamshire
 - Evaluating barriers to under-represented groups joining the council's workforce
 - Evaluating barriers to under-represented groups being in leadership positions, maximising potential and reflecting this in the identification of future leaders and senior managers
 - Promoting diversity across the Council's workforce and ensuring it is reflective of the community served using national standards to improve practice and ensuring the council models good practice
 - Reviewing reporting mechanisms to ensure the Council publishes and acts on information on its Gender Pay Gap in line with legal requirements from 2017 onward
 - Encouraging and supporting all NCC employees to respect and value others, treat others with fairness and honesty and challenge bad behaviour.

Priorities for 2016/17:

49. Working as appropriate in conjunction with managers, employees, self-managed employee groups and trades union colleagues we will:

- Progress the review of the Council’s people policies and procedures which will include ensuring that they are inclusive, are fully compliant with the statutory requirements of the Equality Act 2010 and are “equality proofed”.

This work commenced with a workshop involving managers, trades unions and HR colleagues on 16th May 2016 to initiate a review of the Council’s Recruitment policy.

- Assess the level of diversity of background, experience and perspective across the leadership and management cohort to identify and eliminate the barriers to under-represented groups being in leadership positions and reflects this in the identification and development of its leaders for the future.
- Define the characteristics of “high potential” to develop rapid career progression to professional and line management positions.
- The majority, nearly 70%, of participants on the Council’s ongoing Leadership Development Programme are women; this should contribute to beginning to address the under representation of women in the most senior posts in the Council by equipping them for more senior leadership roles.
- In order to begin to develop further this aspiration a corporate Management Development Programme will be developed during 2016 which will offer learning and development opportunities to support existing line managers to progress into the leadership cohort as well as enabling aspiring managers to develop the skills to take on their first management post.
- Continue to review our workforce profile to ensure that under-represented groups are encouraged to consider employment with the Council and are not disadvantaged in doing so.
- Encourage and support all under-represented groups to remain in the Council’s employment.
- The Council’s existing recruitment, redeployment and redundancy selection policies and procedures take into account the duty of an employer to make reasonable adjustments in relation to disabled employees. Managers will continue to be actively encouraged to make full and creative use of any reasonable adjustments, including redeployment, to support disabled people in work and retain them in employment wherever possible.
- The Council recognises that disability relating to mental health issues is a significant issue and to support an improved and appropriate managerial response additional information and management guidance, developed in conjunction with the trade unions, with an associated eLearning package was launched in early 2016.
- New guidance for managers on supporting transgender employees was issued in May 2016 and a related eLearning package is currently under development.

- Increase the representation of young people in the Council’s workforce linked to structured succession planning.
- This ambition is already supported by an increased commitment to providing related learning opportunities for young people aged 16-24 within NCC (as separately reported to this Committee), including apprenticeships, work experience placements, graduate and specialist traineeships.
- The County Council’s apprenticeship scheme for young people aged 16-24 which supports up to 60 individual placements in each rolling 12 month period. Whilst apprentices are employees of the Council’s training agency, Futures, rather than NCC and are not therefore included in the data set out in the **appendix**, to date 33% of these have gone on to secure jobs within this Council boosting the representation of young people in our workforce.
- There are plans to extend and further develop these provisions for young people as part of a wider response to the requirements of the national Apprentice Levy and Public Sector Duty which comes into force in April 2017.
- Encourage existing employees to declare and update as necessary their personal data relating to their protected characteristics to provide a more robust baseline for the analysis of workforce profile data.
- In order to improve disclosure rates in future, the facility for employees to update their personal information through the ESS facility in the BMS continues to be promoted to employees who are positively encouraged to disclose and update all of their own protected characteristics.
- For those front line employees without direct access to BMS managers will be requested to liaise with individuals with due sensitivity to ensure that their personal information is up to date and complete. The latest campaign is described in **paragraph 40 above**.

Performance Benchmarking

50. The Council is performing well against the most recently published relevant indicators compared with the other County Councils in its Chartered Institute of Public Finance (CIPFA), benchmarking group:

Indicator	Nottinghamshire County Council (April 2016)	CIPFA average (31.3.15)
% of women in leadership posts (*CIPFA definition spinal column point 47 and above on NCC pay scale)	46%	45%
% of employees who consider themselves to have a disability (*declared)	4.97%	2.7%
% of employees aged 50 or over	37%	37%
% BaME employees (*declared)	8.04%	5.6%

51. The Local Government Association does not currently include equality indicators for benchmarking in its annual Workforce Survey.

52. The County Council subscribes to the annual national Stonewall Workplace Equality Index which is a national standard which measures the efforts of a wide range of public and private sector organisations in tackling discrimination and creating an inclusive workplace for lesbian, gay and bisexual employees.
53. Using Stonewall's criteria as a model for good practice, feedback from the 2015 survey was used to identify actions to improve the Council's engagement with its LGB workforce resulting in the Council's ranking improving to 64th in the 2016 Stonewall top 100 employers listing, 8th out of 44 public sector submissions, a rise of 30 places on the previous year's rating. Further actions are in the process of being identified with the aim of further improving this ranking for 2017.

Other Options Considered

54. The County Council regularly reviews the way it presents this type of statistical information with the aim to make it as clear and as concise as possible.

Reason for Recommendation

55. The County Council has a statutory duty to publish workforce information on an annual basis. It is important that elected members are aware of this information when determining the strategic direction of the County Council and other related policies.

Statutory and Policy Implications

56. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

57. This information is available to Service Users and the general public via the County Council's public website.

Equalities Implications

58. The publication of this Workforce Information Report ensures that the County Council complies with its statutory duty under the Equality Act 2010. Actions undertaken by the Council to address any potential inequalities identified from the data as set in the report would further support compliance with this duty.
59. The equality impact is directly highlighted throughout the report.

Human Resources Implications

60. The human resource implications are implicit within the body of the report. The Corporate Equalities Group considered and commented on the initial draft at a meeting on 8th July 2016. Trades Union colleagues have also been consulted on the information contained within the report at the Central Joint Consultative and Negotiating Panel meeting on 5 July 2016.

RECOMMENDATIONS

It is recommended that Members:

1. Note the information contained within this report
2. Note the actions for improvement
3. Approve the publication of the Workforce Information Report 2016 on the Council's public website.

Marjorie Toward

**Service Director Customers and Human Resources
Resources department**

For any enquiries about this report please contact:

Claire Gollin, Group Manager (HR) on email: claire.gollin@nottsc.gov.uk or 0115 9773837

Constitutional Comments (KK 22/06/16)

61. The proposals in this report are within the remit of the Personnel Committee.

Financial Comments (RWK 22/06/16)

62. There are no direct financial implications arising from the proposals in the report.

Background Papers

None

Electoral Division(s) and Member(s) Affected

All