![Leicester City Council logo]

**CABINET**                                                    **1 October 2008**
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**Black Workers Group Report: Improving BME Workforce Representation**
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**Report of the Chief Executive**

**1.      Purpose of Report**

1.1    To identify workplace issues that have had a negative impact on the representation and career progression of Black Workers across the organisation (paragraphs 3.3-8 and 4.2-6).

1.2    To put forward a series of 'quick 'wins'' that begin to address and tackle these issues in order to improve workforce representation and career progression opportunities for Black Workers across the organisation (paragraphs 5.3-5).

1.3    To put forward a model for staff engagement across all groups of staff that enables the Council to learn from its staff groups about the issues that need to be tackled in order to improve workforce representation and career progression within the organisation and how best to tackle these from staff's perspective (paragraphs 6.1-2). This is in line with the recommendations of CPA and will allow the council to have a workforce more representative of the community.

**2.      Recommendations**

2.1    That Corporate Directors Board and Cabinet agree to the principles underlying the recommended approach to addressing BME representation across the Council's workforce (paragraph 5.2) and agree in principle to the proposed 'quick wins' and longer term actions presented in Appendices 1, 2, and 3. Further detailed consideration is required by Corporate Directors Board on the resource and implementation implications of these actions prior to a final decision on their adoption being taken.

2.2    That Corporate Directors Board and Cabinet receive joint six monthly monitoring reports from the Black Workers Groups and the Workforce Representation Working Group on the progress of these recommended initiatives to improve Black workforce representation and progression, and their outcomes, and that this fits within the workforce strategy as a whole.

2.3    That Corporate Directors Board and Cabinet agree to consider further reports from other staff groups on workforce representation and career progression issues and their recommended actions, in order to build up an inclusive approach to improving workforce
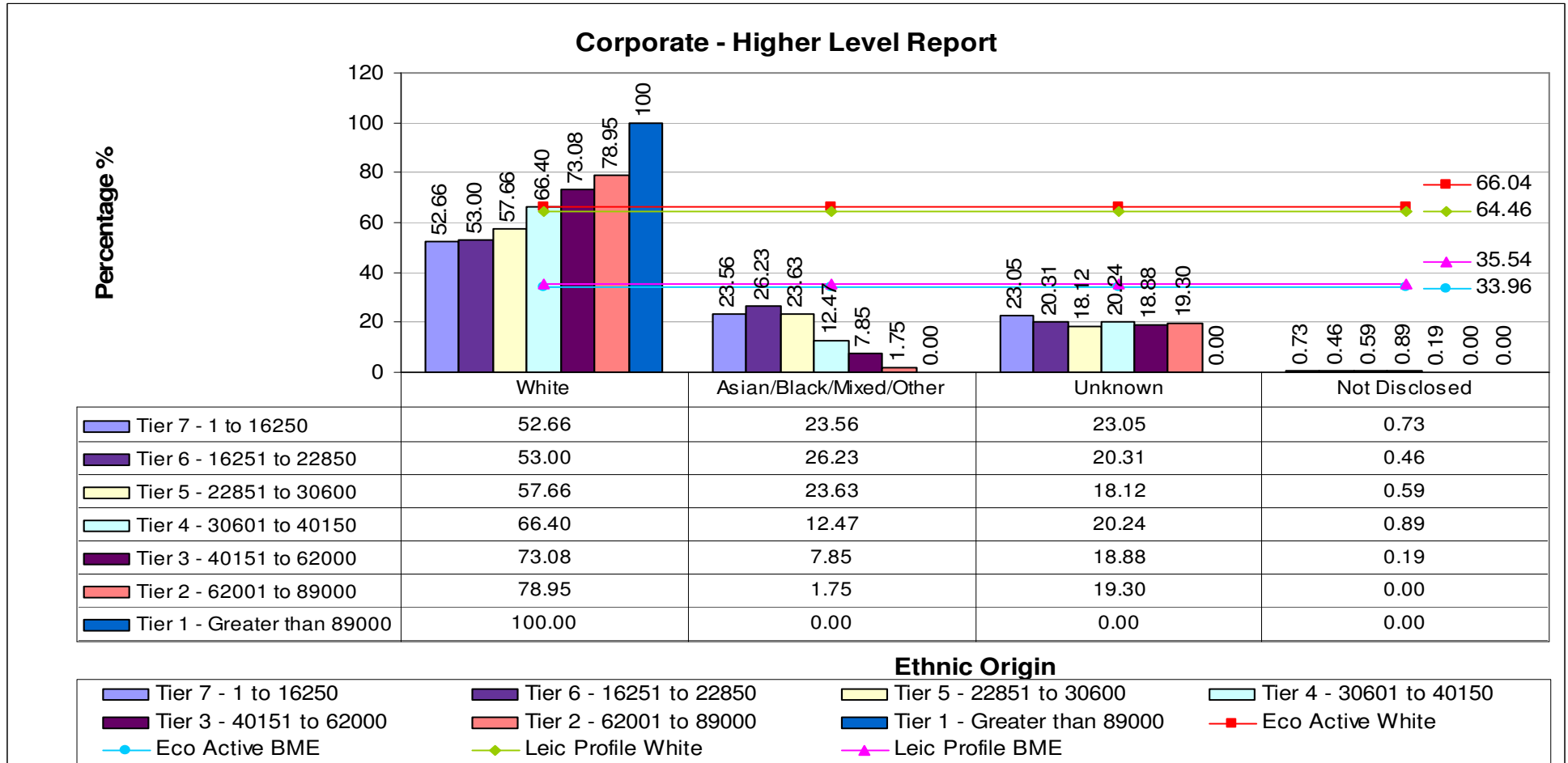
representation across the organisation across the range of staff equality groups (paragraphs 8.3-8).

2.3    That Corporate Directors Board and Cabinet nominate 'champions' for developing an 'inclusive workforce' in order to provide the leadership and corporate profile required for its successful implementation (paragraph 8.9).

## 3.    Context

3.1    Leicester is one of the most diverse cities in the country. Service users have told us that they want to be served by people they can identify with and who they are confident will understand their particular needs. It is therefore crucial that the organisation's workforce is representative of the community it serves at all levels.

3.2    From a social economic perspective, a majority of Leicester's population have relatively poor skill levels and with the reduction of the manufacturing sector in the city, have limited access to employment opportunities, especially suited to their skill levels. The Council along with its public sector partners, are now some of the largest employers in the City. The Council has a key role to play in employing and 'upskilling' local people, particularly those in disadvantaged communities who face significant employment barriers.

3.3    The Council's current workforce profile does not reflect the communities it serves. An overview of the workforce profile on the basis of ethnicity is presented in Chart 1 on the following page. The report 'The Diversity of Leicester: a Demographic Profile' indicates that Leicester's minority ethnic population is estimated to be around 40% of the total population. Leicester is forecast to be Britain's first 'majority minority ethnic' city by 2012.

**Chart 1: The corporate picture of ethnicity across the tiers of the Council's workforce**

## Corporate - Higher Level Report



| | White | Asian/Black/Mixed/Other | Unknown | Not Disclosed |
|---|---|---|---|---|
| Tier 7 - 1 to 16250 | 52.66 | 23.56 | 23.05 | 0.73 |
| Tier 6 - 16251 to 22850 | 53.00 | 26.23 | 20.31 | 0.46 |
| Tier 5 - 22851 to 30600 | 57.66 | 23.63 | 18.12 | 0.59 |
| Tier 4 - 30601 to 40150 | 66.40 | 12.47 | 20.24 | 0.89 |
| Tier 3 - 40151 to 62000 | 73.08 | 7.85 | 18.88 | 0.19 |
| Tier 2 - 62001 to 89000 | 78.95 | 1.75 | 19.30 | 0.00 |
| Tier 1 - Greater than 89000 | 100.00 | 0.00 | 0.00 | 0.00 |

**Ethnic Origin**

Legend:
- Tier 7 - 1 to 16250
- Tier 6 - 16251 to 22850
- Tier 5 - 22851 to 30600
- Tier 4 - 30601 to 40150
- Tier 3 - 40151 to 62000
- Tier 2 - 62001 to 89000
- Tier 1 - Greater than 89000
- Eco Active White
- Eco Active BME
- Leic Profile White
- Leic Profile BME

Reference lines: 66.04, 64.46, 35.54, 33.96

Leicester's BME population is under-represented at all levels within the Council's workforce.  The Council is most representative at the bottom 3 tiers of the workforce.  Representation at Tierl 6 is 26%, followed by 24% at Tiers 7 and 5.  BME staff are least  represented at the top 3 Tiers, with no representation at Tier 1, i.e. Chief Officer level, followed by 2% representation at Tier 2 and 8% at Tier 3.

3.4    A five year trend analysis of the proportion of BME staff employed by the Council in Chart 2 illustrates that representation has fallen over the past few years, from 24.6% in 2003/04 to a low of 17.7% in 2005/06, and is just now gradually picking up again. This trend is reflected in a similar analysis in Chart 3 of the proportion of the top 5% staff earners who are BME.

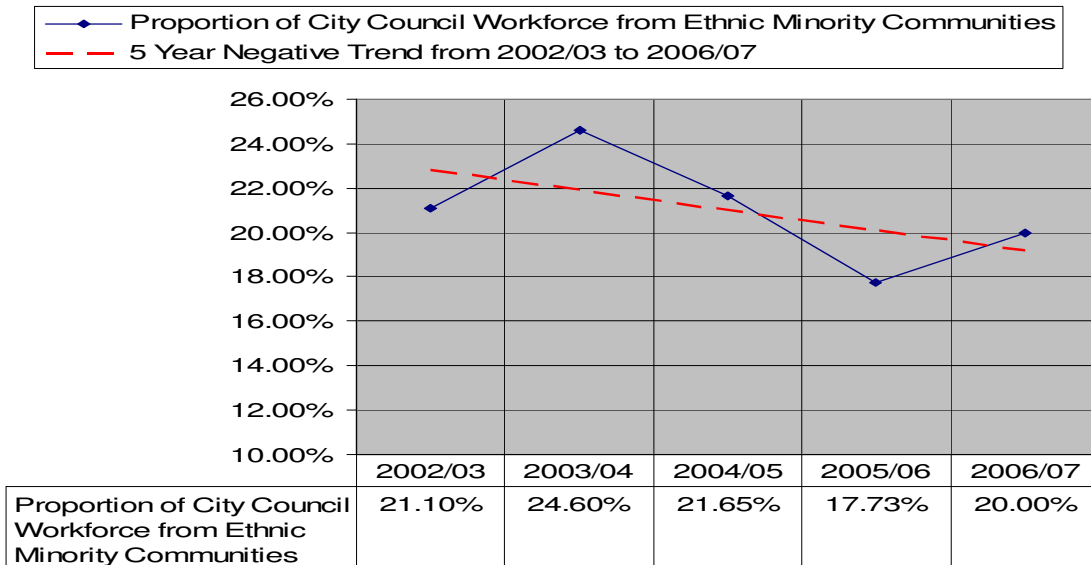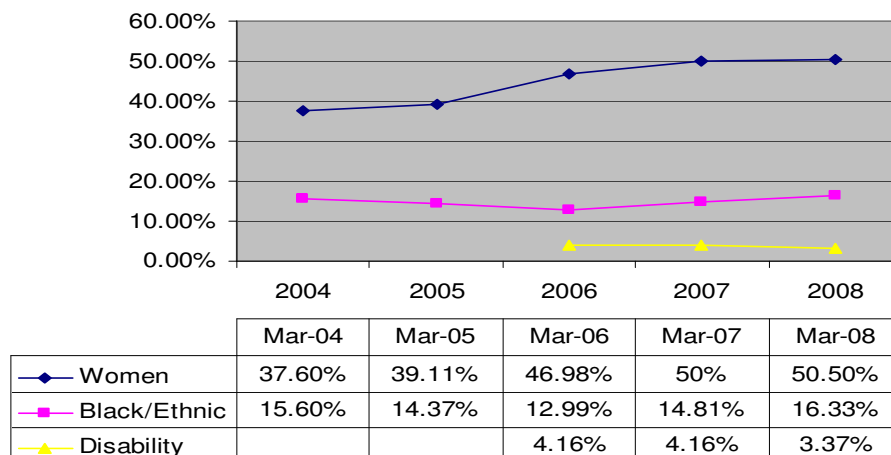**Chart 2: Proportion of BME Workforce from 2002 to 2007**

| | 2002/03 | 2003/04 | 2004/05 | 2005/06 | 2006/07 |
|---|---|---|---|---|---|
| Proportion of City Council Workforce from Ethnic Minority Communities | 21.10% | 24.60% | 21.65% | 17.73% | 20.00% |

**Chart 3: Profile of Top 5% Earners from 2004 to 2008**

**Top 5% earners**

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|
| | Mar-04 | Mar-05 | Mar-06 | Mar-07 | Mar-08 |
| Women | 37.60% | 39.11% | 46.98% | 50% | 50.50% |
| Black/Ethnic | 15.60% | 14.37% | 12.99% | 14.81% | 16.33% |
| Disability | | | 4.16% | 4.16% | 3.37% |

3.5    The two tables below show an extract from the HR BVPIs for 2006/2007 where there was a slightly higher proportion of Asian applicants (5,723) than White applicants (5,503). One would therefore expect similar numbers of those who were offered posts for both White and Asian. What Table 2 in fact shows is that there were twice as many White Applicants (5.80%) that were offered posts compared to Asian applicants (2.22%). These figures demonstrate an inequality that needs further investigation.

**Recruitment Applications**
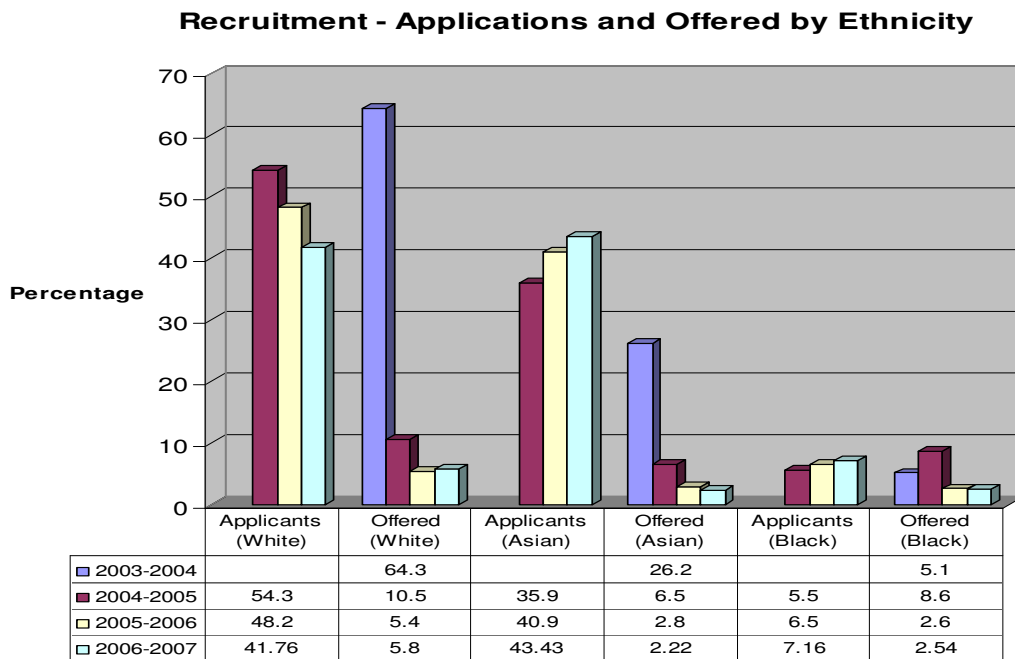
**Table 1: Applications Received by Ethnicity**

|  | White | Asian | Black | Mixed | Ch/Other | Unknown | Total |
|---|---|---|---|---|---|---|---|
| No. | 5,503 | 5,723 | 944 | 288 | 174 | 547 | 13,179 |
| % | 41.76 | 43.43 | 7.16 | 2.19 | 1.32 | 4.15 | 100% |

**Table 2: Success Rates by Ethnicity**

|  | White Applicants ↓ (Total number 5,503) | Asian Applicants ↓ (Total number 5,723) | Black Applicants (Total number 944) |
|---|---|---|---|
| Rejected | 59.29% | 67.90% | 63.45% |
| Withdrawn | 4.00% | 2.87% | 2.12% |
| Interviewed | 17.72% | 10.41% | 12.82% |
| Offered | 5.80% | 2.22% | 2.54% |

3.6    From the HR BVPIs for 2003-2004 to 2006-2007, Chart 3 below presents the trend over the past four years for Applications Received, and Successful Offers by Ethnic Group. This chart demonstrates that applications from Black and Asian applicants are on the increase, but that the numbers of those candidates being offered posts are decreasing. It also demonstrates that although applications from White applicants are decreasing, in 2006/2007 there has been an increase in them being offered posts. Again, these figures imply an inequality that needs further investigation.

**Chart 4: Applications and Successful Offers by Ethnicity**



Recruitment - Applications and Offered by Ethnicity

| | Applicants (White) | Offered (White) | Applicants (Asian) | Offered (Asian) | Applicants (Black) | Offered (Black) |
|---|---|---|---|---|---|---|
| 2003-2004 | | 64.3 | | 26.2 | | 5.1 |
| 2004-2005 | 54.3 | 10.5 | 35.9 | 6.5 | 5.5 | 8.6 |
| 2005-2006 | 48.2 | 5.4 | 40.9 | 2.8 | 6.5 | 2.6 |
| 2006-2007 | 41.76 | 5.8 | 43.43 | 2.22 | 7.16 | 2.54 |

3.7    Understanding how best to tackle the barriers affecting workforce representation requires a higher level of management accountability including the introduction of an additional set of indicators / targets. Currently, corporate performance management, including target commitments on BME workforce composition, is limited to annual reports of Best Value Performance Indicators:

- Top 5% earners: minority ethnic communities (BVPI 11b)
- Proportion of the workforce from ethnic minority communities (BVPI 17a).

3.8    The main issues to tackle based on the above analysis of workforce profiles and tends are:

- The lack of BME staff in senior management positions
- Poor recruitment outcomes for BME applicants
- Gaps in staff data and performance management information.

## 4.    BME staff views

4.1    An online survey and limited postal survey of Black staff was undertaken in order to determine their view of the 'wins' affecting workforce representation. In total, 250 staff across all departments responded. The main 'wins' of concern to them, in order of importance, were:

- career progression
- managerial culture
- staff attitude to black people.

4.2    Respondents were invited to give their reasons as to why they were concerned about these 'wins'. The main reasons given were:

**Career progression:**
- It is hard to progress within the organisation
- No evidence of black people in senior management
- No encouragement or support from managers to advance one's career
- Secondments and acting up opportunities are not offered to black staff.
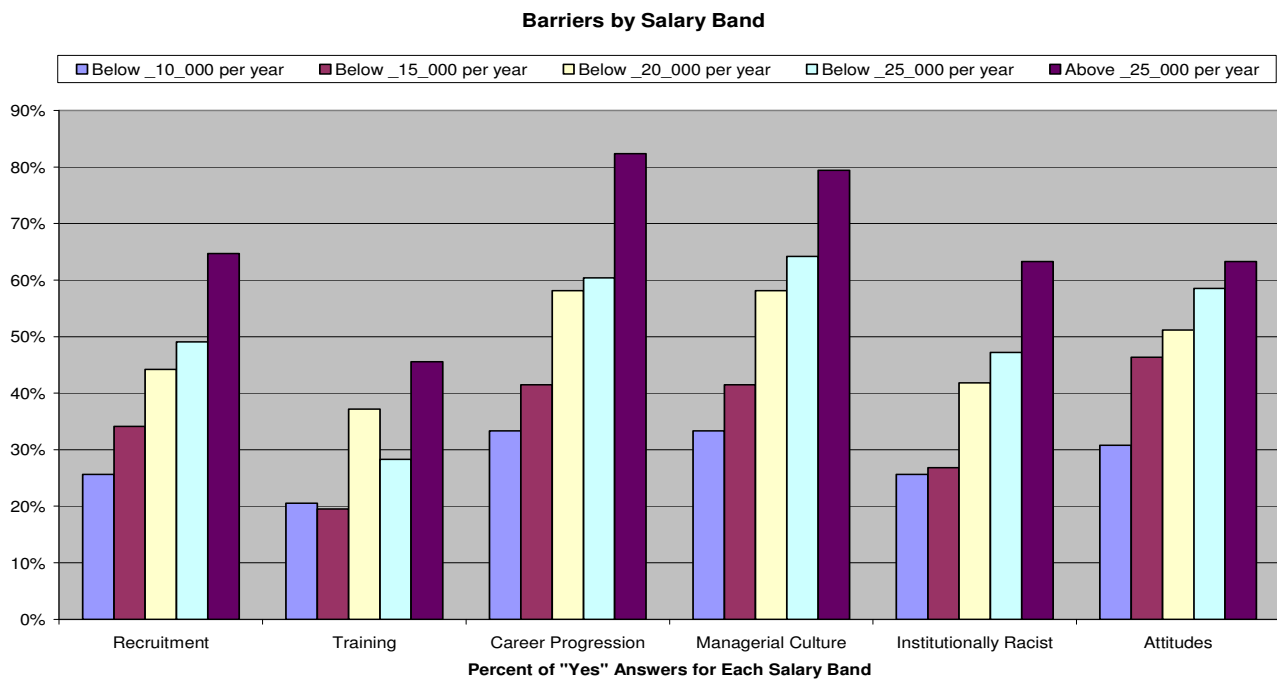
**Managerial culture:**
- There is a culture of cliques, nepotism and favouritism
- Management does not reflect the community that it provides services to
- No encouragement from management to progress.

**Attitude towards black people:**
- Some managers/services/departments have an attitude problem
- People use stereotypes in their treatment of black people
- There are cultural barriers between white and black staff.

4.3    A notable trend in the answers was that the higher paid the worker, the more issues that were identified, as illustrated by the following chart:

**Chart 5: Barriers by salary band**



Barriers by Salary Band

Legend: ■ Below _10_000 per year ■ Below _15_000 per year ■ Below _20_000 per year ■ Below _25_000 per year ■ Above _25_000 per year

Percent of "Yes" Answers for Each Salary Band

4.4    In terms of the comments made by Black staff, the most notable trends are:

- the importance of having Black staff in senior management positions
- the perceived bias towards white staff in regard to promotions and development opportunities
- negative attitudes and cultural barriers between black and white staff
- the lack of manager encouragement or support for career progression.

4.5    Respondents also provided a range of ideas on what they thought the Council could do to improve workforce representation. The range of areas for action covered the following:

- challenging attitudes and lack of cultural awareness of non-BME staff
- the need for leadership and transparency in promoting workforce representation
- the need to take visible action in promoting workforce representation
- the promotion of black staff progression throughout the organisation
- making the recruitment process more transparent
- ongoing discussion and debate with staff on workforce representation.

4.6    Therefore, the key areas identified for action arising from the findings of the black staff survey are:

- addressing the under-representation of black staff in the Council's management structure
- the need for fair and transparent recruitment, promotion and staff development processes

- challenging perceived recruitment/promotion biases towards white staff and perceived negative attitudes/low cultural awareness of black staff
- the lack of manager encouragement or support for career progression.

**5.** **'Quick 'wins'' – actions to take to begin to improve BME workforce representation**

5.1   The BWG have identified three distinct areas for action to improve BME workforce representation:

- Developing BME senior managers
- Helping BME staff to progress within their areas of work
- Getting more people from Leicester's BME communities to work for the Council.

5.2   Underpinning these actions are the following principles which Corporate Directors Board and Cabinet are asked to endorse:

- **Employees need to take responsibility for their career progression.**
  Involvement in the proposed activities should be based on self-selection, building on the individual employee's own commitment for ongoing development. However, the opportunity for attending these events requires giving back ongoing feedback (questionnaires and more qualitative feedback) in order to ensure that initiatives are 'fit for purpose' and are achieving their intended outcomes. Often, this invaluable feedback is difficult to obtain from busy staff.

- **A major barrier to address is enabling managers to free their staff to take part in these proposed activities.**
  In order to do so, managers must have ready access to replacement staff when needed. An available supply is other staff in the team or in other department teams who could be trained to take on parts of the responsibility of the post of the Black staff who will be attending BWG scheduled events, thus ensuring continuity of service provision. The benefits of such an approach are that other staff would have access to new areas of work experience, encouraging their ongoing development; staff would be encouraged to share their knowledge and provide support in the development of job skills to other colleagues – a 'mini' mentoring/coaching role; the organisation would benefit by building in a mechanism for enabling more flexible working by allowing staff movement where needed to provide skills/expertise needed for short term projects/pieces of work elsewhere. Managers will be able to be more proactive in the ongoing development and progression of their staff by having these flexible development opportunities available to staff. The engagement of staff in such activities should be considered as development opportunities, and these should be monitored as part of a new performance indicator for development opportunities for Black staff.

- **The recruitment process is the other key barrier, but one that will take longer to address.**

Ongoing access by Human Resources staff responsible for recruitment, to BWG members for 'user' feedback is vital if changes made by them are to be effective. Making the Council's recruitment process more accessible to the city's diverse communities, a key objective supporting One Leicester, is easier if staff from those communities play a part in promoting working for the Council.

- **The BWG is an effective delivery vehicle for some of the quick 'wins'.**
  The BWG should be considered as another internal provider for staff development opportunities: they have an established network of access to Black staff as well as an existing and ongoing programme of activities and meetings; their independence as an employee group, to challenge organisational practice, enables them to contribute a key internal stakeholder scrutiny role in the Council's staff development; the expertise of individual BWG members to work across service and departmental boundaries provides new opportunities for informal and flexible cross cutting working and new ways of problem solving.

- **Departmental Management Teams should have responsibility for promoting and monitoring the delivery of workforce representation initiatives within their departments.**
  This is an issue that needs to be 'owned' by departmental management and they should be held accountable for improving workforce representation in their areas. In order to assess their progress, departmental management teams should receive ongoing feedback from their BWG representatives on progress on initiatives such as those presented within this report, as well as outcomes from performance measures which need to be identified to measure improved workforce representation and progression. On this basis, all departments should have a BWG to support this work.

5.4  The two BWG have identified a range of 'quick wins' and longer term actions that, if implemented, will begin to address the issues identified in the above analysis of workforce trends and Black staff survey findings. The details of the proposed actions are presented in Appendices 1, 2 and 3 of this report. Further consideration of the resource and implementation requirements of these proposed actions is required prior to a request for their agreement. It is proposed that a final list of proposed actions for implementation is considered by Corporate Directors Board once more detailed discussion on resource and implementation requirements has taken place.

5.5  The section below presents an overview of the range of actions being proposed in order to:

- Develop BME senior managers
- Help BME staff progress within their area of work
- Get more people from Leicester's BME communities to work for the Council.

**Developing BME senior managers**

5.6    The profile of current Council staff by salary band and ethnicity presented in Section 3 above, clearly indicates that there is a significant issue of under-representation of BME staff across the organisation's management structures. The implication of this is that Leicester's BME communities are not being adequately reflected/represented in the Council's decision making structures, and by implication, their outcomes.

5.7    The 'quick wins' contained in Appendix 1a are proposed as a means of addressing the immediate and longer term problems associated with the under-representation of BME staff in the Council's management and policy-making structures:

- Rolling out the 'Voluntary Director' Scheme across departments and introducing a 'Voluntary Head Of Service' Scheme
- Quarterly meetings between BWG Coordinating Committees and Departmental DMTs
- 6 monthly meetings between BWG Coordinating Committees and Corporate Directors Board
- 6 monthly BWG Cabinet briefings
- Annual Survey and report on perceptions of Black staff co-ordinated by the BWG
- BWG participation in Corporate policy-making groups

5.8    Appendix 1b recognises that the Council needs to 'grow its own' BME senior management by developing existing BME staff who show potential as future managers. This approach is reliant upon management working to develop and deliver individual career plans with the beneficiaries of the 'Voluntary Director' and Voluntary Head Of Service' schemes in consultation with the Head of City Learning.  This encompasses the use of:

- 360 degree reviews
- Personal development packages
- Internal and external training and development
- Secondment and acting up opportunities
- Ongoing assessment of beneficiary progress

5.9    To ensure that the individual career plans proposed above have a better chance of succeeding, it is essential that managers take ownership of supporting BME staff career progression.  Appendix 1c proposes a development programme for managers to assist them in providing appropriate support to beneficiaries of the Voluntary Director / HOS schemes:

- Level of cultural awareness
- Active listening skills
- Coaching and mentoring skills

5.10   The data behind Chart 2 suggest that at present, BME staff make up only 9.26% of the staff in salary tiers 1 to 3.  The measures and targets proposed in Appendix 1d, if achieved, will enable Leicester to match comparative practice elsewhere in the UK (see paragraphs 7.1-3).  This would increase BME representation in the top 3 salary tiers of Leicester City Council by 10% over a five year period from January 2008 to December 2013.

**Helping BME staff progress within their area of work**

5.11     Appendix 2 contains a series of actions, both 'quick wins' and longer term actions, aimed at helping BME staff progress within their current, and potential, areas of work. Appendix 2a proposes various training and development opportunities that encourage BME staff to focus on their personal development and presents ways in which to 'climb the job ladder', such as by inviting speakers to monthly BWG meetings. To date these meetings have been held for A&H and CYPS staff, but the intention is to widen the audience to include all BME staff in other areas of the Council. It is proposed that sessions be held in the morning and be repeated in the afternoon to accommodate most people. Requests by BME staff to participate in ILM2 and ILM3 courses will also be monitored to determine where managers are blocking their attendance and the implications on staff development/progression. New performance indicators are proposed to measure the percentage of BME staff receiving development opportunities or being promoted enabling barriers to progression to be identified and addressed.

5.12     Appendix 2b is contains initiatives that focus on the role of managers in promoting staff development – a key barrier identified in the Black staff survey. This would be measured using performance indicators measuring staff who have received development opportunities or actual promotions. Initiatives include investigating current acting up/secondment opportunities and their availability to staff; and the use of the TSA/Standby Register and consideration as to whether permanent staff could be considered for alternative positions in the organisation, enabling staff to gain valuable experience in other job areas.

5.13     Appendix 2c presents proposals for communicating the promotion of workforce representation, and its links to One Leicester (described in the section below) featuring a roadshow and staff conferences that explain and publicise to employees the benefits and opportunities available through the various initiatives open to them.

5.14     The recruitment trend analysis indicated that there were problems in BME applicants being successful in being offered jobs. Appendix 2d focuses on improving the job application process. One issue is the job application form itself and the proposal is that forms be made more user friendly. Job applicants also need to be more aware of what information they are required to supply within such a form and another proposal is to guide applicants on how application forms should be completed by producing an A4 instruction sheet accompanying all forms that explains how they should be completed. Another issue raised in the staff survey was that Black interviewers were not always included in the recruitment process from the start – in keeping with current Council procedure. The proposal is aimed to ensure that their involvement in the recruitment process is not a 'token gesture'. The final proposal is looking into the gap in demographic data on job applicants (identified by a summer student research project) and also the significant gap in staff data on their ethnicity identified in the demographic profile of current Council staff in section 3. Additional proposals for future consideration are the increased use of aptitude tests and assessments to focus on skills and abilities rather than on the applicant's performance during interview.

5.15     In the first 7 months of 2008, the A&H and CYPS BWG have received calls from 20 black staff asking for support for various potential grievance type issues which are predominantly with their line manager. Appendix 2e proposes that a staff support/complaints officer post is created to support all staff at the beginning of their

complaint, and thereby avoiding form grievances or potential stress that could result in long term sickness. This post would act as a mediator and would also assist in career development issues, exit interviews and recruitment interviews for staff. Its relationship to current Human Resource provision would need to be explored in further detail.

5.16 The final proposal in Appendix 2f is that each Departmental Management Team produce a workforce representation action plan that enables them to monitor the progression of workforce representation in their department.

**Getting more people from Leicester's BME communities to work for the Council**

5.17 Appendix 3a outlines a joint initiative proposed between Employment Services and City Strategy to promote the employment of BME residents with the Council at community events. Building on their successful work in assisting the Highcross development recruit employees from the City's diverse communities, this initiative would provide information, advice and guidance and job ready support services, managed by City Strategy Caseworkers, to assist local people seeking to apply for jobs offered by LCC.

5.18 Appendix 3 outlines initiatives to promote the Council ('Talking up Leicester') at community events such as the Belgrave Mela, Caribbean Carnival, Abbey Park Show etc., and to use such events to show local people how they can complete job application forms for the jobs on offer. BWG members are well placed to engage Leicester's various BME communities with a view to promoting the Council as an employer of choice. Encouraging staff and staff groups to participate in such events will also assist in encouraging people from the community to see what is on offer. The Council's Muslim Support Group recently did this, with support from the HR Recruitment Team.

5.19 There is also a proposal that recommends resourcing City Strategy to coordinate a package of support targeted at Leicester's BME communities, building on their successful work in assisting the Highcross development recruit employees from the city's diverse communities.

5.20 It should be noted that full legal advice will be obtained for the initiatives recommended for approval by Corporate Directors Board to ensure their compliance with the Race Relations Act 1976.

**6.   Links to other corporate strategies and priorities**

**One Leicester**
6.1 The report's aim of improving workforce representation to better reflect the BME communities of Leicester sits firmly within the One Leicester vision, focusing on:

- Confident people – public service providers reflecting the community they serve assists in local people feeling at home
- New prosperity – the Council promoting its own employment opportunities within the city's communities contributes to local people reaching their potential and in the longer term, assisting in ensuring that nobody is trapped by poverty.

6.2 The values underpinning the proposals and recommendations of this report fit within One Leicester's values:

- Driving out inequalities – addressing barriers that prevent individuals from Leicester's BME communities from entering into and progressing through the Council based on their skills and abilities
- Having a customer focus – ensuring our ability to respond effectively to many different needs and concerns in every part of the city by having a representative workforce that understands the underlying social/cultural context.

6.3     The recommended actions also fit within the following One Leicester priorities for action:

- Talking up Leicester – championing Leicester by promoting the Council as an employer of choice; promoting people and success; generating more ideas for the future whereby everyone has a part to play in making the city great; enhancing the Council's local leadership role through its employment of a representative workforce.
- Investing in skills and enterprise – improving skills for employment for existing and potential staff.

**Pay and Workforce Strategy**

6.4     The Council's emerging Pay and Workforce Strategy supports the need for a representative workforce. The Head of Pay and Workforce Strategy has established a corporate Workforce Representation Working Group charged with developing the range of initiatives required to have a more representative workforce across all staff groups (the issues that need to be addressed in achieving an inclusive workforce are presented in section 8 below). Some of the authors of this report are members of the Working Group and the proposals contained within this report will be incorporated within the Working Group's overall recommendations. The Race Equality Centre is contributing to the work of the Working Group as well as providing an independent assessment of current Council practice affecting workforce representation by developing a demographic profile of the organisation, undertaking a critical analysis of current HR data and practice and providing equality advice to the Working Group at its meetings.

6.5     Further consideration is required for proposed actions in this report, with HR implications, and these will be discussed further with Human Resources Management Team prior to seeking formal approval from Corporate Directors Board of 'quick wins' and longer term actions for implementation. Therefore, it is proposed that Cabinet consider a follow up report of what has been decided and agreed for implementation in six months time.

**Community cohesion and community meetings**

6.6     The 2005 MORI residents survey findings indicated that people's place of work was the third most important location for 'regularly meeting and talking with people of different ethnic origins' and the second most significant location for 'regularly meeting and talking with people of a different social class'. These two measures of contact between communities are key indicators for measuring community cohesion in the city. Therefore, the Council as a workplace plays a significant role in the promotion of community cohesion within Leicester.

6.7     The August 2008 report of the Scrutiny Community Cohesion and Safety Task Group (Cohesion Strategies) reiterated the importance of the community cohesion strategy's focus on relationships  - 'building relationships across communities in the city and bringing different people and communities together to build a better future'. One of the

recommendations of the Task Group was that community cohesion becomes an integral part of ward committee meetings. Their report states that community cohesion is not well understood at a local level and that each community meeting needs to undertake its own learning about community cohesion. The promotion of the Council as an employer of a representative workforce directly supports this recommended community cohesion objective.

6.8     Further work will be undertaken with the HR Recruitment Team in liaison with the lead officer for Community Cohesion, Member Services and the BWG to develop a sustainable and effective approach for promoting the Council as an employer to local residents for implementation at community meetings across the city.

## 7.     Comparative practice elsewhere

### London Borough of Lewisham

7.1     Lewisham's population is 40% BME. As a whole their workforce is representative of the greater community, with 40% of staff being BME, but there is under-representation of senior managers (19%) and young employees (3% under 25). They do not target specific initiatives for attracting BME staff because they consider that their regular recruitment processes deliver satisfactory staff representation. The issue for them is representation above PO6 level. Their 3$^{rd}$ tier staff take part in a series of leadership development sessions to identify and support senior managers and there are plans to extend this to 4$^{th}$ tier staff. An executive search agency is used for tier 1 and 2 posts, and the agency has follow up initiatives for leadership development, priming officers on the expectations of 2$^{nd}$ tier posts. Their HR performance management system plays a crucial role in their long term trend analysis, enabling them to determine when and where new initiatives are required to address particular workforce issues. They have 30 HR performance indicators focusing on recruitment and representation, which are monitored monthly and reported to their Executive Management Team.

### London Borough of Tower Hamlets

7.2     Tower Hamlets' population is 58% BME (with local BME labour market of 32%) and 37% of their workforce is from BME communities (2005). They have managed to increase their overall BME representation by 5% over a five year period. Their 'A workforce to reflect the community' strategy introduced in 1998, focuses on senior management, young people and pockets of under-representation. Hamlets Youth Training provides work experience for 16-18 year olds, focusing on trainees from the local BME community; Hamlets Graduate Development Programme provides employment to local BME graduates; the Social Services Positive Action Scheme provides a range of entry routes for local Bangladeshi and Somali residents to becoming qualified social workers and occupational therapists. They also have a scheme for improving the representation of their teachers and teaching assistants by supporting local people and school staff on teacher training routes through bursaries and secondments (cost: £500,000 over a five year period to support 326 people). They also have a BME leadership programme aimed at accelerating the development of future senior managers, undertaken in partnership with the IDeA and two other London boroughs, as well as an in-house MBA programme. They have increased BME representation in their top two salary bands by 11% over a three year period (as of March 2006).

### Manchester City Council

7.3 Manchester City have a BME population of 23%. They introduced a series of workforce representation initiatives in 2000 and have increased BME staff representation by 7% in six years (from 7.9% to 15%). However, the initiatives introduced have had no effect on staff in grades higher than PO5. Their Global Equality Target Programme (which no longer appears to be active) introduced the following initiatives: the Black staff development programmes for grades PO 1-4, where staff were assessed as to their strengths, development needs and development potential; the Manchester scholarship scheme where summer placements leading to an 18 month internship were offered to local BME students in their last year of study; expanded recruitment material and advertisement of employment opportunities; and a corporate mentoring scheme.

**Within Leicester – City Strategy**

7.4 City Strategy actively worked with Hamerson's to recruit local people for the new Highcross development. City Strategy have 4957 clients, of which 2711 identify themselves as BME, who are either economically inactive or unemployed and eligible for their support. They engage with local communities in a number of ways: through a roadshow trailer which goes out to communities, and through commissioning community organisations to provide enhanced information and guidance services to those who are eligible clients. There are predominantly high levels of worklessness in the Pakistani, Bangladeshi and Somali communities.

7.5 The authorities cited above have developed costly programmes for improving the proportion of BME senior staff, but aside from Tower Hamlets, have had little effect. Based on their experience, improving the representation of senior management will require significant resources over a considerable length of time.

7.6 These authorities have also focused on attracting young BME people to work for them through targeted schemes. The Council needs to consider how it will refresh its employee base in keeping with the changing age profile of the city.

7.7 The main learning point gained from an officer visit to Lewisham was the importance of having an HR performance management system that is actively scrutinised by senior management to prioritise corporate initiatives where required and to inform recruitment, staff development and promotion at service and departmental level. This is a priority area of action for the Workforce Representation Working Group.

7.8 None of the above authorities' initiatives are based on staff engagement. The recommended staff based approach for beginning to identify and address the underlying issues that impact on workforce representation is a novel solution, and if successfully implemented with measurable outcomes, could be an innovative methodology that the Council could promote as national 'best practice'.

## 8. Towards an inclusive workforce

**Model for staff engagement in workforce issues**

8.1 The two Black Workers Groups were asked by the Chief Executive to present a report to Corporate Directors Board outlining their concerns regarding the level of representation of BME staff across the organisation and the 'wins' that required action. Corporate Directors Board considered their report on 24 June 2008 and asked them to return with a series of 'quick 'wins'' that would begin to address the issues they had raised.

8.2 This approach has been successful in introducing a 'bottom up' approach to workforce representation issues, focusing on staff experiences and aspirations. In May this year, a Council-wide survey of Black staff was conducted by the two Black Workers Groups. The survey findings show a significant degree of consensus on the 'wins' that need to be addressed to demonstrate to BME staff that the Council is taking this Win seriously and seeking to improve their workforce representation. The quick 'wins' above are realistic and achievable actions informed by the work already being undertaken by the two Black Workers Groups on workforce issues. It provides an achievable model for continuous improvement based on small incremental steps in the workplace. The engagement of BME staff in these initiatives is crucial if practice 'on the ground' is to change in the right direction. Ongoing work on building an inclusive workforce, discussed further in the section below, will reinforce the value of this incremental and engaging approach to change management, supplementing the broader, higher level approaches being implemented by the Council in its Delivering Excellence Programme.

**Building an inclusive workforce**

8.3 The Council cannot achieve an inclusive workforce quickly, particularly given capacity constraints of staff and of 'inclusive workforce facilitators'. The proposed methodology is to work with one staff group at a time to identify workplace issues and solutions, and build new organisation wide networks where they do not exist. The Workforce Representation Working Group and Corporate Equalities Team will co-ordinate and support the work required. The suggested priority order for action is based on the analysis below:

- Continuing to work with the two Black Workers Groups on BME staff issues, and thereby providing a revised infrastructure for addressing other staff needs
- Because of the significant level of nondisclosure, working with the Disabled Employees Group to identify issues impacting on disabled staff and those staff who have not/do not wish to disclose their disability (work to start in September 08)
- Because of the significant number of female staff working for the Council and their relative under-representation at senior levels, developing a council wide women's network/reference group to begin to explore workplace issues faced by women in the organisation (work to start in October 08)
- A single staff survey to scope the range of issues affecting disabled staff, female staff, lesbian, gay, bisexual and transgender staff, young and old staff, and staff with religious beliefs (online and paper survey to take place in November)
- The scoping of new staff groups based on survey results and expressions of interest (January 09)
- Supporting new staff groups in the identification of workplace issues (March 09 onwards).

8.4 We know from our BVPIs that there is an issue of under-representation of disclosed disabled staff. Also from the significant gaps in staff disclosure on disability status (approximately 60%) that there may be potentially major cultural issues within the organisation that contribute to distrust and nondisclosure. The Council cannot afford to be like the metaphorical ostrich with its head in the sand – it must begin to uncover and redress these issues.

8.5 From last year's gender equality staff survey, we know that a significant proportion of our female staff do not want to progress within the organisation, but that they also want

to make use of the skills that they have. This situation poses two challenges for an organisation needing to maximise its use of staff capability and potential: understanding why women do not want to progress and addressing any organisational barriers/attitudes that need to be reduced or changed; how best to tap into the currently underutilised staff resources available to the organisation. Further exploration is required with women representatives in order to dig deeper into these issues. However, there is no infrastructure for doing so in the Council. There is only one women's group, for craft workers, and that is not sufficient to address these organisation wide issues. Therefore, some capacity building in establishing a new women's group is required.

8.6 Workplace issues arising from being lesbian, gay, bisexual or transgender are not as visible as those regarding race, disability and gender. We do not currently ask staff for that data which means that LGBT staff are excluded from consideration in regard to reports on workforce profiles. The Council does have an established Lesbian, Gay, Bisexual and Transgender Group to work with in identifying workplace issues that have negative impacts as employees. Their absence from workforce monitoring is the first issue that needs to be addressed.

8.7 The Council has two small staff religious groups, the Christian Fellowship and the Muslim Workers Support Group (which has only been in existence for about a year). The Council does collect data on staff's religion or belief, but does not currently analyse the data for presentation. No research has been done on religion and belief issues affecting staff. Staff consultation/research on this topic would inform the shape/representation required for a staff group to contribute to this block of work informing how the Council is to achieve an inclusive workforce.

8.8 Most, if not all, local authorities are faced with an aging workforce, a significant proportion of which will retire in the next ten years. This places significant demands on succession planning and ensuring that the Council continues to have the body of skills and expertise required to continue its operation. The Council also has a low proportion of young people compared to the relatively young age of the city's population – where 45% of the population are under the age of 29. There are no staff groups or support mechanisms in place that focus on the needs/issues facing young or old workers, nor has research been done on the needs of these two groups of workers. As suggested above, staff consultation/research on this topic would inform the shape/representation required for a staff group to contribute to this block of work informing how the Council is to achieve an inclusive workforce.

8.9 In order to support this ongoing programme of work for the development of an inclusive workforce, it is recommended that Corporate Directors Board and Cabinet nominate 'champions' for the various staff initiatives required in order to provide the leadership and profile required for its successful implementation.

**9. Legal implications** (Kate James, Legal Services)

9.1 Race discrimination is unlawful in the majority of situations however there are some exceptions, such as positive action. Positive action is where an employer, in relation to particular work at an establishment, can encourage people of only a particular racial group to apply for jobs and offer training only to people of a particular racial group. This is permitted where the proportion of people of that group currently doing the work is

small in comparison with either the number of people employed by the employer or among the population in the area the employer normally recruits.

9.2 The City Council must only implement initiatives which are lawful, therefore Legal Services must be fully engaged in the detailing of the proposals in this report.


**10. Report Authors / Officer to contact:**

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| **Key Decision** | No |
|---|---|
| **Reason** | N/A |
| **Appeared in Forward Plan** | N/A |
| **Executive or Council Decision** | Executive (Cabinet) |