

SENIOR MANAGEMENT TEAM

PAPER

Title: Equality and diversity monitoring audit 2011

Purpose: For discussion

Date of meeting: 20th September 2011

Responsible officer: Graham Clark

Prepared by: Clare Roach/Lucy Martin

Attachments: Appendix 1: Diversity monitoring form
Appendix 2: The principles of equal pay

1. Overview

- 1.1 Our annual diversity audit was conducted during July and August 2011, whereby employees were requested to check and update the equality and diversity data held for them. This process was simplified with employees being able to check their HRPro self service and either confirm that the data held was correct or to provide an updated diversity monitoring form (appendix 1).
- 1.2 The public sector Equality Duty came into effect on 5 April 2011 (part of the Equality Act 2010) requiring 'public bodies to consider all individuals when carrying out their day to day work – in shaping policy, in delivery services and in relation to their own employees.' Public bodies must have due regard to the need to eliminate discrimination and advance the equality of opportunity. Furthermore The Equality Act 2010 (Specific Duties) Regulations 2011 came into force on 10 September 2011. This recent introduction requires public bodies to be transparent about how they are responding to the Equality Duty thorough publishing relevant and compliant information and setting equality objectives. Further guidance is to be released shortly, and will be reviewed by HR.
- 1.3 To date there has been an 80.9% response rate with employees either confirming the data held or providing updated information. This response rate exceeds the Single Equality Scheme target of an 80% response rate by 2012. 79% of employees confirmed that their data was in line with their HRPro self service. The remaining employees who responded to the audit either provided a new form or information pertaining to any change. The response rate was an improvement on last year (74%) which is likely to be due to employees being more familiar with the use of HRPro which makes it much easier to check data held.

- 1.4 The diversity monitoring form, designed for the 2010 diversity audit, was used again this year which allows for comparisons on a like by like basis. The form is based on best practice, ACAS and civil service guidelines.
- 1.5 The Single Equality Scheme was implemented early 2011, and the review of our equality and diversity data and outcomes of this report will support the joint organisational objectives.
- 1.6 The report gives an overview of the organisation, without providing specific employee details to ensure confidentiality and in line with the Data Protection Act (1998). Comparisons will be made against information provided in last years report, and a general current overview of the organisational trends. The report was considered by SMT at their meeting on 20 September 2011.

2 Action for the SMT

- 2.1 The SMT is asked to **note** the Equality and diversity monitoring audit 2011 paper.

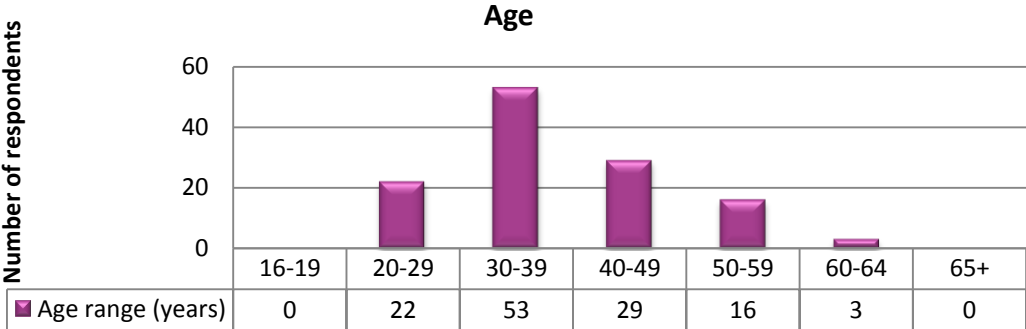
Equality and diversity audit 2011

1. The key issues

1.1. Age

1.1.1. The Office of National Statistics (ONS) reported in their report ‘Labour Market Statistics’ August 2011, that the largest proportion of individuals in employment, are between the age of 35-49. Similar findings are noted for Consumer Focus with the majority of employees aged 30-39 (43.1%). However, a key difference for Consumer Focus is that 61% of employees are below the age of 40. ONS statistics indicate that the second highest proportion of individuals employed are between 50-64, Consumer Focus has 15.4% of employees between 50-64 which is considerably lower

Table 1: Overview of the spread of ages within Consumer Focus



1.1.2. It is worth noting that overall, the demographics in the UK are changing toward an aging workforce (based on the ONS statistics), which may be in light of the abolishment of the default retirement age of 65 which came into force 06 April 2011 (governed by the Equality Act 2010). Although the UK is moving toward an older workforce, this is not prominent within Consumer Focus with few employees over the age of 50. If the organisation was to continue we may have seen a trend of moving toward an older workforce, although this is difficult to determine.

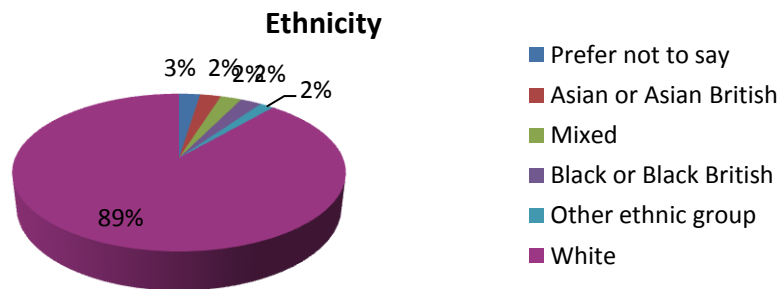
1.1.3. A consideration that should be taken on board, particularly with regard to the current recruitment activity that is underway, is the benefit of having a diverse age range of employees. This ensures that the organisation is represented across all levels, both within Consumer Focus and on behalf of consumers. Having a diverse age range

enables and encourages us to use different skills sets, ideas and perspectives. Our recruitment process is in line with best practice, welcoming applications from all ages and ensuring that candidates are not discriminated on the grounds of age. When an individual applies for a position, they are not required to disclose their age on their application form to prevent age discrimination. Our commitment to age equality and diversity is promoted further through the EDIA assessment that was carried out leading us to remove the requirement for applicants to give dates of education/qualifications (which can indicate the age of someone).

- 1.1.4. We are mindful of age equality and diversity throughout all practices not just at the point of entry into the organisation. Examples include the appraisal and redundancy process. Our appraisal process is based on performance and competencies rather than linked to age or length of service (which is inevitably age related). This coincides with our redundancy process and associated selection criteria, which has not been based on age or length of service.

1.2. Ethnicity

- 1.2.1. It is evident that the majority of employees classify themselves as being white, representing 89% of the organisation. This is in comparison to 11% who define themselves under an ethnic group other than white. Only 3% stated that they would 'prefer not to say' which is a slight decrease on 6% last year.

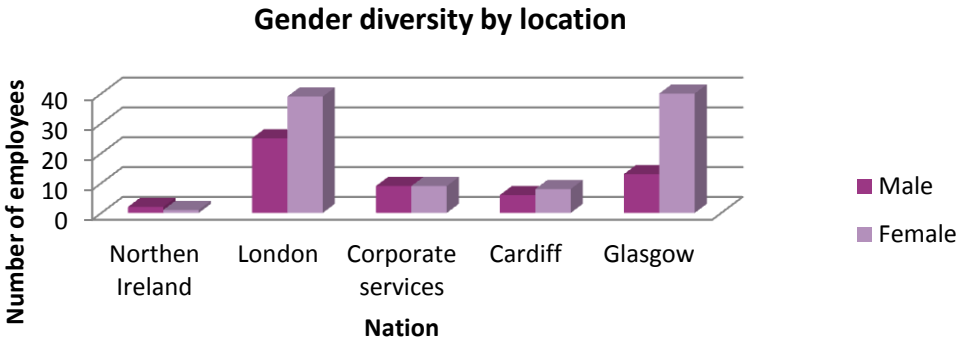


- 1.2.2. The Statistical Bulletin: Civil Service Statistics 2010 (ONS) details that as at 31 March 2010, 9% of employees were from minority ethnic backgrounds. This is a similar finding to Consumer Focus.
- 1.2.3. It was pleasing to find that Consumer Focus' diversity is in line with UK norms. The finding that 89% of employees within Consumer Focus are white, is supported by the 'Local area markets: Statistical indicators April 2011' (ONS), whereby estimates for the 12 months ending September 2010 indicates that 88.8% of the UK population are white, with the remaining 11.2% from other ethnic groups.

1.2.4. It is important to ensure that we are representative across ethnic groups in order to provide an effective service and meet the needs of our customer base. The UK employment rate for white persons aged 16-64, for the 12 months ending September 2010, is 71.9%, and for other ethnic groups it is 59%. This demonstrates that there are opportunities within the labour market to recruit from across ethnic groups, and we will continue to review this during our current recruitment activity, by reviewing the diversity monitoring forms received with applications.

1.3. Gender

1.3.1. It was evidential last year that females represented the best part of the workforce (62%). This remains the case with 63.8% females now employed, in comparison to 36.2% of males. It is evident that the majority of locations have a higher proportion of females, as detailed in the table below:



1.3.2. There is little difference from last year in terms of male: female split. The biggest difference between nations can be seen with Glasgow, with 75.5% being female: 24.5% male.

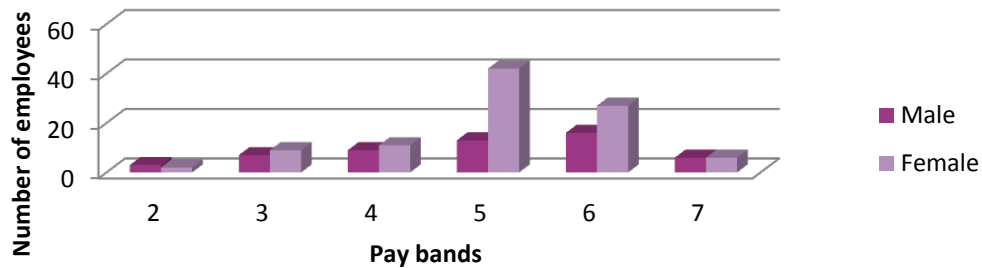
1.3.3. Also, it is worth noting that the gender difference has reduced in Cardiff from last year. There were significantly more females in Cardiff last year than this year, 2011 sees a reduction from 12 to 8 females, creating a balance between males and females.

1.4. Equal pay review 2011

1.4.1. An equal pay review was conducted in 2010, as part of the annual pay remit. This year, as we are still subject to the government pay freeze we weren't required to submit a full equal pay review, however we have decided to incorporate this element within this paper as it is a significant issue that should remain a focal point. The principles of equal pay have been included in appendix 2.

1.4.2. There is a relatively low gender imbalance between pay bands. The gender imbalance (in line with there being more females in the organisation) is represented across the majority of all pay grades as detailed in the table below:

Gender diversity by pay bands



1.4.3. The biggest differences between males and females are at band 5 and 6, as was the case last year with approximately twice as many females in these bands. This is likely to be due to the majority, 64.5%, of the organisation's positions being at these pay bands. The differences are appropriate when considering that there are a total of 70% of females compared to 30% males at band 5 & 6.

1.4.4. The key features of an equal pay review, as advised by the Equality and Human Rights Commission are:

- Comparing the pay of men and women doing equal work;
- Identifying any equal pay gaps (of 5% or more);
- Eliminating those pay gaps that cannot satisfactorily be explained on grounds other than sex.

1.4.5. A comparison of mean salaries of female and male employees by pay band and from the previous equal pay review (September 2010) is detailed below. This compares full-time equivalent salaries to ensure like-for-like comparisons.

Pay band	Gender	As at 01 September 2010				As at 01 September 2011			
		Number of employees (FTE)	Mean average salary	Total mean average salary	Pay gap (% difference)	Number of employees (FTE)	Mean average salary	Total mean average salary	Pay gap (% difference)
2	Female	2 (2.0)	£71,986	£74,167	4.55%	2 (2)	£71,986	£72,672	1.89%
	Male	4 (4.0)	£75,258			3 (3)	£73,358		
3	Female	10 (8.9)	£55,912	£55,752	-0.65%	9 (6.5)	£56,918	£56,783	-0.48%
	Male	8 (7.8)	£55,551			7 (6.1)	£56,647		
4	Female	13 (13.0)	£44,250	£44,566	1.64%	11 (10.4)	£44,631	£45,508	3.85%
	Male	10 (9.8)	£44,975			9 (8.2)	£46,385		
5	Female	43 (39.2)	£35,090	£34,585	-4.69%	42 (36.9)	£34,289	£34,320	0.18%
	Male	20 (19.5)	£33,518			13 (12.5)	£34,350		
6	Female	37 (35.0)	£25,696	£25,738	0.52%	27 (23.4)	£25,565	£25,405	-1.26%
	Male	18 (18)	£25,829			16 (16)	£25,245		
7	Female	11 (10)	£19,761	£19,489	-2.98%	6 (5)	£19,106	£19,444	3.47%
	Male	10 (8.9)	£19,190			6 (6)	£19,781		

- 1.4.6. It is evident from the salary comparison table that all our pay bands have a percentage pay gap difference of less than 5%, which is pleasing to note. Also there has been a reduction in the pay gap percentage across the board.
- 1.4.7. It is positive to report that there is a reduced difference at pay band 2 highlighting that the gender gap has reduced and that the organisation is not experiencing a 'glass ceiling' effect for females. There was concern in last years report that there was a 'glass ceiling' effect, however this has not been found this year, therefore it is very pleasing to note that females are being equally represented at this level. This is further supported by at pay band 3, demonstrating that female salaries are slightly higher. This demonstrates Consumer Focus' commitment to ensure that both males and females are represented at all levels, and importantly that equal opportunity is there for all.
- 1.4.8. Importantly, overall there has been a decrease with percentage pay gap difference, indicating that we are following best practice in terms of appointing at pay band minimums to any vacant positions. Recruiting males into the organisation at the pay band minimum will support the aim of further reducing the pay gap by creating a lower mean average salary for males (and resulting in reducing the number of employees at elevated points). We will continue to monitor gender pay differences on an annual basis.

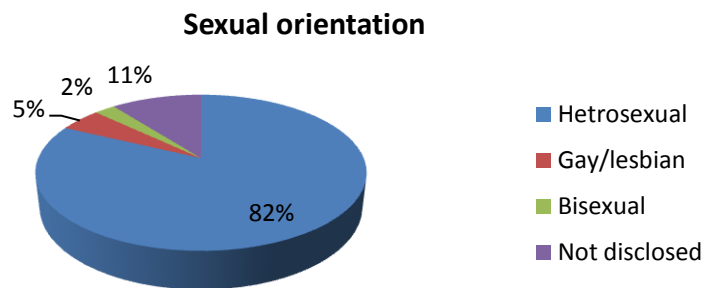
1.5. Gender reassignment

- 1.5.1. The Equality Act 2010, replacing the Sex Discrimination Act 1975, does not require an individual to be undergoing medical supervision/treatment in order to be protected. ACAS guidelines detail that employees are protected from discrimination in the following areas: direct discrimination; indirect discrimination; harassment; victimisation.
- 1.5.2. In terms of recruitment and employment, the gender identity of an individual is irrelevant (except in rare circumstances where an occupational requirement applies to the job). There are no questions about gender identity that form part of the Consumer Focus recruitment process and any information that is disclosed by an applicant/employees will be kept in confidence.
- 1.5.3. We collate diversity information relating to gender reassignment, to ensure that we act as a supportive employer and operate in line with the Equality Act 2010.

1.6. Sexual orientation

- 1.6.1. Unlawful sexual orientation discrimination happens when someone is treated less favourably due to their sexual orientation, their perceived sexual orientation, or the sexual orientation of those they associate with' (Equality and Human Rights Commission). Monitoring sexual orientation ensures that Consumer Focus has the policies in place to prevent discrimination i.e. bullying and harassment.

- 1.6.2. The Government Equalities Office have (June 2010) promoted the need to end discrimination in the workplace after finding that 1 in 5 lesbian, gay or bisexual people think they have been harassed at work because of their sexual orientation. The Government Equalities Office continue to review barriers employers face in developing a lesbian, gay, bisexual and transgender (LGB & T) friendly workplace, and will be publishing information to support employers. When this information is published Consumer Focus will endeavour to apply them to the workplace.
- 1.6.3. ONS (September 2010) found that 94.2% of individuals classify themselves as heterosexual. 0.9% define themselves as gay/lesbian, 0.5% bisexual, 0.5% other, 3.2% didn't know or refused to say.

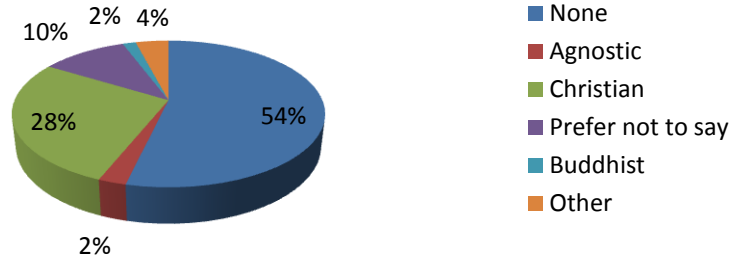


- 1.6.4. Consumer Focus findings are relatively similar to those of ONS, although a slight decrease in percentage defining themselves as heterosexual. There was a 9% improvement in terms of employees not wanting to disclose sexual orientation information (20% did not provide information last year, compared to 11% this year). This suggests that there has been an increase in trust and confidence and mutual respect. We have continued to build upon embedding the culture of Consumer Focus with the active support and help of SMT, trade unions and colleagues. There may have been concerns about potential harassment in the workplace, however the recent re-publishing of our 'Bullying and harassment' e-focus stresses the organisations zero tolerance approach to bullying and harassment in the workplace, which should eliminate fears of harassment.

1.7. Religion

- 1.7.1. The majority of employees within Consumer Focus do not associate themselves with a religion or belief (54%). 28% of employees are Christian, with a further 10% associating themselves as Buddhist or of another religion or belief.

Religion and belief



- 1.7.2. It has been noted by the British Humanist Association (BHA) that 'numerous surveys indicate that the proportion of individuals who do not hold religious beliefs is steadily increasing' (2011). This may be due to religion and belief not being a fixed measure, as individuals may be deciding what religion is appropriate for them or deciding they no longer want to associate with a particular religion.
- 1.7.3. In a poll conducted by YouGov (March 2011) commissioned by BHA, findings demonstrated that 61% of people ticked a religious box (53.48% ticking 'Christian', 7.22% ticking 'other', 39% ticking 'No religion'). This is in contrast to Consumer Focus findings whereby a total of 36% of employees associated themselves with a religion.
- 1.7.4. It is important to be aware of religion and beliefs differences, to ensure that all employees are treated with equality and fairness and differences taken into consideration. For example, different holiday times.

1.8. Disability

- 1.8.1. 3% of our current workforce declared themselves as disabled according to the legal definition given (the same level was seen following the 2010 equality and diversity audit). We request that employees provide supporting information, in line with their disability, in order for Consumer Focus to provide appropriate support and assistance.
- 1.8.2. Since 2001, the percentage of civil servants with disabilities has more than doubled, with the current level being 7.6% (<http://www.civilservice.gov.uk/>). It is evident that we are below Civil Service levels in relation to number of employees with a disability. It should be noted that although an employees could be defined as disabled under the definition, they may not consider themselves as disabled and therefore have responded as 'no'.
- 1.8.3. Although the equality and diversity is carried out yearly, disability information may come to light sooner, particular with regard to our strengthened sickness absence management, created more opportunities for employees to discuss absences reasons and any associated or underlying causes.

- 1.8.4. In light of the disability information that Consumer Focus receives, reasonable adjustments are put in place to support the employee. Additionally, it may be suggested that an Occupational Health referral is made to ensure that the condition is fully understood and any further suggested recommendations. This is in line with confidentiality and the needs of the employee.

2. Resources

- 2.1. HR team to monitor equality and diversity across the organisation and highlight any potential risks to the Senior Management Team for their attention, decisions or action.

3. Conclusion

- 3.1. Overall, the equality and diversity audit has demonstrated that Consumer Focus is in line with UK norms and is proactively working toward reducing differences within the organisation.
- 3.2. We have successfully reached the Single Equality Scheme target of an 80% response rate a year in advance, and can attribute this to a strong organisational culture and trust and confidence of our employees. This is also the case with the increase in sexual orientation responses.
- 3.3. Consumer Focus has eradicated any potential 'glass ceiling' effect, demonstrating that females are represented across all pay bands. We will continue to monitor pay differences at all levels.
- 3.4. It is promising to note that we have continued to see less than 5% pay gap differences across all levels. Therefore there is no concern with respect to equal pay. We will continue to monitor this information, and report on it yearly to close the gap even further i.e. through our recruitment activity.

4. Next steps

- 4.1. Review the equality and diversity data on a yearly basis for the whole organisation. To continue to assess whether the make up of the organisation is in line with UK trends.
- 4.2. Amend or align our policies and practices with best practice and legislation and any new developments in relation to equality and diversity.
- 4.3. Promote the opportunity for employees to update their equality and diversity data throughout the year, not just on a yearly basis. This will be supported through HRPro self service with employees being able to view their personnel data whenever required.

- 4.4. Update the diversity monitoring form in line with further best practice and feedback from Consumer Focus employees.
- 4.5. Encourage a diverse environment allowing employee's to freely express their differences and ensure that employees are not subject to discrimination or harassment.
- 4.6. Review Government Equalities Office recommendations and The Equality Act 2010 (Specific Duties) Regulations 2011 guidance when made available.
- 4.7. We will maintain our commitment to working jointly to achieve equality and diversity objectives, particularly with respect to the Single Equality Scheme.
- 4.8. We will continue to monitor the ethnic diversity within the organisation, and will maintain our commitment to reviewing our policies and practices in line with the Equality Act 2010, good practice, and by conducting Equality and Diversity Impact Assessments (EDIA) where appropriate.

Appendix 1

Diversity monitoring form

Consumer Focus are committed to equality of opportunity for all employees regardless of race, gender or gender reassignment, disability, age, ethnic or national origin, marital status, sexual orientation, political or religious belief, pregnancy or trade union membership.

We are fully committed to providing equal opportunities and for ensuring that every employee is treated with dignity and respect. The information you provide will be treated in the strictest confidence and protected from mis-use and used only for the purpose of monitoring our diversity and upholding our commitment to equality of opportunity.

These categories are based on the broad categories used in the 2001 census as recommended by the Equality and Human Rights Commission (EHRC).

Full name:

Age
DD/MM/YYYY

Date of birth: / / (e.g.

Ethnicity

Which ethnic group do you most identify with? Please choose one box to indicate your cultural background.

White	British	<input type="checkbox"/>
	Irish	<input type="checkbox"/>
	Any other White background (please specify):	<input type="checkbox"/>
Mixed	Black Caribbean and White	<input type="checkbox"/>
	Black African and White	<input type="checkbox"/>
	Asian and White	<input type="checkbox"/>
	Any other mixed background (Please specify):	<input type="checkbox"/>
Asian or Asian British	Indian	<input type="checkbox"/>
	Pakistani	<input type="checkbox"/>
	Bangladeshi	<input type="checkbox"/>
	Any other Asian background (please specify):	<input type="checkbox"/>
Black or Black British	African	<input type="checkbox"/>
	Caribbean	<input type="checkbox"/>
	Any other Black background (please specify):	<input type="checkbox"/>
Chinese		<input type="checkbox"/>
Any other ethnic background	(please specify):	<input type="checkbox"/>

Gender

How do you identify yourself?

Male	<input type="checkbox"/>	Female	<input type="checkbox"/>
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Gender reassignment

It is unlawful to discriminate on the grounds of transsexual identity, i.e. against someone who intends to undergo, is undergoing, or has already undergone gender reassignment.

Do you identify yourself as transsexual according to the definition above?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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Sexual orientation

Which of the following statements best describes your sexual orientation?

Heterosexual	<input type="checkbox"/>	Gay / Lesbian	<input type="checkbox"/>	Bisexual	<input type="checkbox"/>
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Marital status

Please choose one box to indicate your marital status.

Single	<input type="checkbox"/>	Divorced	<input type="checkbox"/>	Married/Civil partnership	<input type="checkbox"/>	Widowed	<input type="checkbox"/>	Co-habiting	<input type="checkbox"/>
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Number of dependents

Please choose one box to indicate whether you have responsibility for any dependents.

I have responsibility for one or more dependents	<input type="checkbox"/>
I do not have responsibility for any dependents	<input type="checkbox"/>

Religion and belief

What is your religion or belief?

Christian	<input type="checkbox"/>	Jewish	<input type="checkbox"/>	Hindu	<input type="checkbox"/>	Sikh	<input type="checkbox"/>	Buddhist	<input type="checkbox"/>	Muslim	<input type="checkbox"/>
None	<input type="checkbox"/>	Other belief or religion (please specify):									<input type="checkbox"/>

Disability

A disabled person is legally defined as someone with a physical or mental impairment that has a substantial and long term impact on their ability to carry out day to day activities.

Having read this do you consider yourself to be disabled?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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If yes, and if specific arrangements are required to assist you in carrying out your duties please outline these here, or if you wish, please state your disability:

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We will make reasonable adjustments, if required, to support to people with disabilities.

Declaration

I understand that the information I have provided above will be recorded and processed by HR manually and/or electronically in accordance with the Data Protection Act 1998 and the data protection principles contained therein.

Name:		Date:	
Signed:			

Thank you for your co-operation

Appendix 2

The principles of equal pay

- 1.1. The fundamental principles of equal pay ensure men and women are paid the same amount for 'like work', work 'rated as equivalent' (through job evaluation) or 'work of equal value' (where the roles may be different, but have equal value in terms of demands or skills necessary). Where men and women are paid at different rates for the same or similar work, the employer must prove that there is a defensible reason demonstrating it is not gender-related.
- 1.2. In order to bring an Equal Pay claim, an applicant must find a 'comparator'. This is someone of the opposite gender, working for the same employer, doing like work, who is paid more or has more beneficial terms and conditions, than the person bringing the claim. This comparator can be someone working for the employer at the same time or in the past, therefore comparisons may be made with predecessors in the same job.
- 1.3. However, a change in the Equality Act allows a claim of direct pay discrimination to be made, even if no real person comparator can be found. This means that a claimant who can show evidence that they would have received better remuneration from their employer if they were of a different sex may have a claim, even if there is no-one of the opposite sex doing equal work in the organisation. This would be a claim under sex discrimination.
- 1.4. To defend a claim an employer must show the difference in pay is due to a genuine material factor (GMF) for example:
 - the person bringing the claim and the comparator are not engaged in 'like work', or
 - a bona fide and non-discriminatory job evaluation scheme has been conducted and the work is not 'rated as equivalent', or
 - the work is not of 'equal value', or
 - any difference in pay is genuinely due to any other material factor or difference other than the difference of gender.
- 1.5. The consequences of an equal pay claim mean that an employment tribunal can order:
 - equalisation of their contractual terms for the future
 - arrears of pay for up to six years (five years in Scotland)
 - interest on any arrears payable.