

## Equality impact assessment



**Name of policy, service or decision: The reduction in non-school staff as a result of the budget saving process for financial year 2013/14.**

**Lead directorate: Corporate Resources**

<p>1. Description – what is being assessed? The impact of budget cuts during 2013/14 staffing levels in the Council. The inclusion of savings required as a result of funding cessations or reductions refers only to those that the council is sufficiently aware of to enable them to be taken into account. Further Equality Impact Assessments will be produced if and when additional savings due to funding cessations are required.</p>
<p>2. Lead officer on assessment: Margot Worton, Head of HR – Change &amp; Strategy</p>
<p>3. Head of service: Philip Tart, Director of Corporate Resources</p>
<p>4. Members of assessment team: Sabeena Khanna, Principal HR Officer, Corporate Resources Directorate Simon Manson, Principal Policy &amp; Performance Management Officer, Chief Executive's Directorate Menna Flavell, Principal Officer Corporate Management, Corporate Resources Directorate Emma Wright, Principal HR Officer, Corporate Resources Directorate Amanda Hubble, Assistant HR Officer, Corporate Resources Directorate Helen Mallen, Principal HR Officer, Corporate Resources Directorate Theresa Andrews, Information Analyst &amp; Systems Officer, Corporate Resources Directorate</p>
<p>5. Date assessment began: 21 February 2013</p>
<p><b>Background</b></p>
<p>6. What are the aims and objectives or purposes of the policy or function/service? The Council continues to be required to identify significant levels of savings. A Cabinet Report was approved on 12<sup>th</sup> February 2013 detailing the proposals to be put to the Council on 4<sup>th</sup> March for budget savings to be made in 2013/14. Service EIAs for budget savings where equality is assessed to be relevant were considered at the meeting and were taken into account by Members in making decisions. Initial budget proposals had previously been presented at Cabinet in October 2012 prior to undertaking scrutiny and consultation with relevant protected groups as a</p>

result of which some proposals have been deferred to the following year's savings to allow for further consultation and to further mitigate the impact of savings on protected characteristics.

This EIA details the impact of savings on the staffing levels if the budget proposals are approved, addressing the impact at a corporate level. The current compulsory redundancy situation, and posts identified as at risk of redundancy are yet to be confirmed due to ongoing redeployment and redundancy bumping efforts so the EIA refers only to the Voluntary Redundancy statistics. However compulsory redundancies due to this process will be no higher than 4 employees ( 4.0 FTE).

The EIA addressing the final impact of 2011/12 budget savings on staffing was presented to the October 2011 Cabinet. That EIA concluded that there was no significant adverse impact on the basis of protected characteristics apparent from the available data and analysis. A higher proportion of disabled employees applied for voluntary redundancy in 2011/12 (4.5%) compared to the proportion in the workforce (3.3%). Of those that applied for voluntary redundancy 35.9% were given voluntary redundancy. Similarly at the end of 2012 the EIA presented to the October 2012 Cabinet for the 2012/13 budget savings indicated that there was no adverse impact on the basis of protected characteristics apparent from the available data and analysis. The statistics for the third quarter of 2012/13 indicate that the proportion of disabled employees amongst non-school staff has decreased marginally from 3.3% to 3.2%.

It was also agreed at the end of both the 2011/12 and 2012/13 budget savings process that the Managing Employees at Risk of Redundancy (MEARR) Policy and Procedure would be reviewed and learning points from the previous year would feed into this review. As a consequence the Policy and Procedure has been updated twice with a view to addressing issues that arose in each year e.g. feedback from some Trade Union representatives was that the redundancy bumping process could be more open and transparent. There is now an enhanced detailed section on redundancy bumping in the policy and HR teams have co-ordinated a list of posts available for redundancy bumping from voluntary redundancy requests that have either had a maybe or no decision or been informed that their post is excluded from making a voluntary redundancy request. Managers and employees have also commented that the policy is a long and complex document. Therefore this has been split into a Managers Guide, Policy document and employee's guide to assist those using the policy. The Redeployment and Retraining Policy and Procedure was also revised at the beginning of the 2012/13 savings, taking into consideration learning points from 2011/12. A further review will take place this year.

At the end of 2011/12 404 voluntary redundancy requests had been approved which considerably reduced the need for compulsory redundancies to be made. As a result of this, and by using redeployment and redundancy bumping 56 compulsory redundancies were made. At the end of 2012/13, there were 550 voluntary redundancy requests. 83 voluntary redundancy requests were accepted. As a result of this, and by using redeployment and redundancy bumping 18 compulsory redundancies were made.

Cabinet approved a further expression of interest process for voluntary redundancies in 2013/14 again the aim being to minimise the need for compulsory redundancies across the Council. 359 requests for voluntary redundancy were received and an additional 8 individuals were added to the process to mitigate against compulsory redundancies. Of the 367 VR applications 56 have been progressed. Provided in the assessment below is an analysis of the data from voluntary redundancy requests from 2013/14, demonstrating whether there has been any impact on protected groups from the responses to voluntary redundancy requests. Workforce information and statistical analysis is attached to this report. There has been no analysis of the compulsory redundancy statistics because the numbers are too low to be able to assess impact on the workforce. At the point of requiring cabinet authorisation there were 9 people at risk of compulsory redundancy, to use data with such low numbers would be misleading and of little benefit.

7. Who is it intended to affect or benefit (the target population)?

The Council's budget reduction process and its consequential impact will have an effect on:

1. Service users of the Council including potential users and carers
2. Members of non-school staff across the Council

8. What are the main issues relating to each protected characteristic?

Consider all three parts of the public sector equality duty:

- eliminating discrimination, harassment and victimisation,
- advancing equality of opportunity, and
- fostering good relations

All protected characteristics	
Age	The right to express interest in voluntary redundancy is open to all employees if the service can accommodate the request. Due to the nature of severance payments and the pension provision, those volunteering to be made redundant are expected to be mostly from the over 55 age range although not exclusively.

	<p>Those below the age of 55 do not have access to their pension thus usually making volunteering a less attractive option.</p> <p>In terms of compulsory redundancies older employees being made redundant who look for alternative work outside the Council may find it more difficult than a younger person, to find another job, despite age discrimination legislation. However, this is not reflected in unemployment statistics for the Dudley Borough (Source: Jobseekers Allowance, January 2013) which show that the 16-24 age group has the highest level of unemployment at 9.1% and the lowest levels are in the 55-64 age group at 2.4%. Employment amongst older age groups may be explained by a number of companies (especially in retail) promoting their employment of experienced older employees. Also it is more likely that fewer 55-64 year olds are actively seeking work as they have 'retired'.</p> <p>Where there is a selection pool in a compulsory redundancy situation the selection criteria provides an opportunity to reward employee loyalty whilst not discriminating against younger workers by including length of service as an element but limited to 5 years maximum. The competency based interview structure focuses on the skills and competencies held by the employee rather than length of time served to gain the necessary experience.</p>
Disability	<p>To mitigate any potential impact on disabled employees, the selection criteria used for any selection pool requirements omits any absence relating to disability. All employees and their representatives have an opportunity to discuss and challenge in a meeting the selection criteria therefore if any absence attributable to a disability has inadvertently been included this can be investigated as appropriate and rectified. Employees are encouraged to declare any disability on an annual basis to ensure records are up-to-date and necessary support, advice and guidance is provided to both employee and manager.</p> <p>Reasonable adjustments will be considered for individuals in the selection interview and in any redeployment/redundancy bumping opportunities considered. Employees may also bring a representative with them to consultation and communication meetings.</p>

Gender reassignment	There is no data available in this area to collate this.
Pregnancy or maternity	<p>Women on maternity leave and men on additional paternity leave have enhanced protected status and this is recognised when considering selection pools for redundancy and when considering vacancies. This right also applies to those on adoption leave. Employees on maternity/additional paternity/adoption leave are kept informed of the consultation process throughout. To mitigate any potential impact on this group, the selection criteria used for any selection pool requirements omits any absence relating to pregnancy.</p>
Race	<p>Employees from some BME groups being made redundant may find it more difficult to find another job (e.g. due to employer discrimination) than employees from white groups. Unemployment statistics for the Dudley Borough show that compared to 5.1% of White British being out of a job there are 6.6% of BME people out of employment currently (Source: Job Seekers Allowance, January 2013).</p>
Religion or belief	The data in this area is limited by the number of employees who do not declare their religion to draw any conclusions.
Sex	<p>64.6% of the Council's workforce (excluding schools) is female and therefore it is probable that more women than men will be at risk of redundancy or request voluntary redundancy. Due regard will be made to this area as some service areas may be more affected by the budget savings process for example back office functions, where the proportion of women may be even higher, and monitoring will be ongoing to ascertain if this affects a higher ratio of women to men than in the workforce profile of the council.</p> <p>Part-time employees tend to be predominantly female and as it can be simpler to lose one full-time post rather than many part-time posts, this may be an issue in terms of gender. Also where a full-time employee has shown an interest in VR it may not be possible for part-time employees to bump them as they sometimes cannot cover the hours and a job-share may not be found. To mitigate this where a part-time employee is matched</p>

	to a full-time bump all directorates are checked for suitable job share to be found, unless the employee wishes to increase their hours to full-time. Similarly where a part-time employee has requested VR, full-time employees have only been considered an unsuitable redundancy bumping match when it has been confirmed by the manager that the post must remain full-time to meet business requirements.
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Sexual Orientation	There is no usable data available on sexual orientation for conclusions to be drawn in this area, although the council has started to monitor against this protected characteristic.
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**Stage 1 – evidence gathering**

Provide details of all information about the policy, service or decision which will help with the assessment. Use the headings below as reminders of what may be useful, although this not an exhaustive list.

**Equality monitoring data:**

What systems are in place to monitor current and future impact for each protected characteristic? What monitoring data is collected for each of the protected characteristics? Set out details of this data.

The PSE system contains employee’s personal details and reports can be produced from the system with equality information. Many employees have been trained on using Yourself and ensuring the system is up-to-date. At the start of each financial year there is now a requirement for all employees with access to PSE to check and update their information before they are able to proceed with using the system. With an improved data capture in place the council will be more informed of the workforce profile.

**Engagement and customer feedback:**

The MEARR Policy was reviewed and updated following feedback from affected employees in 2012/13 and feedback from Trade Unions. HR Officers involved in the process were also consulted before more detailed processes for ensuring consistency in redundancy bumping and assimilation were outlined. See page 2 above for details. Selection criteria for Voluntary Redundancy were also amended following feedback from employees and Trade Union representatives. Consultation regarding the budget saving process for 2013/14 savings commenced with trade unions on 25<sup>th</sup> October 2012 via a corporate meeting followed by directorate meetings.

**Barriers to access:**

All employees at risk of compulsory redundancy are offered the same provisions: access to 12 weeks on the redeployment register, 4 week trials where a placement is found (this may increase to 3 months if the employee has disabilities); access to the redundancy bumping information so possible posts can be identified; shadowing period if a bump is found; and severance payment if an employee with 2 years or more continuous service is made redundant. There are no identifiable barriers of access apart from the requirement to be aged 55 or over to access pension when made redundant.

**Information about the borough e.g. Census data:**

N/A

**Background or comparative information:**

The equality profile of those employees affected was compared to the workforce statistics for the third quarter 2012/13.

**What evidence is missing? What will be done to collect it?**

The data missing is that on religion/belief, transgender and sexual orientation. Although religion/belief and sexual orientation data is being collated for employees it is not widely completed. Transgender is not recorded.

**Stage 2 – data analysis**

Provide details of the analysis completed on the information presented at stage 1 above, identify patterns or trends and compare with other authorities, national research, census data, etc.

The data analysis provided below is on the strands from which data can be retrieved.

**Age**

The age profile of those applying for voluntary redundancy in the 2013/14 budget savings shows that there is a higher proportion of applications from 55-64 year olds than in the workforce. This was demonstrated in the 2013-14 budget savings process where 73.2% of the voluntary redundancy requests approved were for over 55 year olds. This may largely be due to the access to the pension

commencing when employees are over the age of 55. The distribution of responses for the age groups appears to show no impact on any particular age group.

### **Disability**

There is a slightly higher proportion of disabled employees applying for voluntary redundancy in the 2013/14 budget savings across the Council at 5.2% compared to the proportion in the workforce at 3.2%, although a higher rate for declining VR requests for disabled applicants. The higher proportion of disabled applicants may be explained by the age profile of the applicants as 63.1% of the disabled applicants were aged over 55, which is the age at which early access to pension is given. The overall impact on the proportional profile of the workforce by disability is likely to be minimal as both the 'yes' and 'no' responses are comparable for disabled and non-disabled applicants.

### **Race**

The proportion of BME employees applying for VR in the 2013/14 budget savings was substantially lower at 1.9% compared to that in the workforce at 8.0%. This may be due to a lower age profile of BME applicants where only 14.3% were aged 55 or over. The proportion of yes responses given to BME employees was comparable at 14.3% for employees from a BME group compared to that for white employees at 11.7% so there appears to be little impact on the BME profile from voluntary redundancies.

### **Religion**

It is difficult to draw any conclusions on the data relating to religion as 35.2% of those at risk of redundancy have not disclosed their religion/belief. Similarly across the Council 47.9% of those making a voluntary redundancy request have not declared their religion.

### **Sex**

There was a slightly lower proportion of Voluntary Redundancy requests from females at 61.7% compared to that in the workforce at 64.6%. However, a greater proportion of males were declined their request compared to females which appears to be due to the service areas from which the requests were being made being areas where requests could not be accepted. For example, in DUE there were four times the number of male applications in Environmental Management compared to female applications, where a large proportion of the DUE requests



were declined. The number of yes responses to females and males in this area is similar but the low numbers have had an impact on the figures. Looking at the grade breakdown it is similarly clear that the low numbers have impacted on the results. There was a higher proportion of males receiving a 'no' response at SCP 34 or below compared to females. The responses appear to be due to the areas from which the male applications were received, as these were areas where requests could not be accepted. There is a similar occurrence for the distribution of responses for males and females above SCP 34.

To ensure that females are not indirectly discriminated against redundancy bumping the Council actively look to find various options for part-time employees to redundancy bump a full-time employee. For example, to mitigate redundancies two part-time female employees at risk of redundancy were able to redundancy bump an employee on voluntary redundancy.

### **Stage 3 - assess the impact**

Does the policy or function/service have any potential adverse impacts on particular protected groups? If so explain what they are.

Where a small difference has been found between the proportion of voluntary redundancies within protected groups and their representation in the workforce it is so slight that there is no evidence of adverse impact that can be drawn from this. An adverse impact is more noticeable in some Councils in London where for example 23% of redundancies are from a BME group and only 5% of the workforce is BME (as per figures provided by UNISON, February 2012).

### **Stage 4 - reasons for adverse impacts**

Outline the reasons identified for adverse impacts

No adverse impact has been identified.

### **Stage 5 - consider alternatives/mitigating actions**

How will any adverse impacts identified be reduced or removed? Explain if it is decided that an adverse impact is unavoidable.

1. In anticipation of the need to make significant savings the council through effective workforce planning have continued the vacancy management process commenced prior to the 2011/12 budget savings including the non filling of some vacant posts and member authorisation required where vacancies are to be filled, this includes acceptance of requests for voluntary reduction in hours or flexible retirements where the vacant hours have not been replaced.
2. The council offered the opportunity of expressing an interest in voluntary redundancy to staff (excluding schools) in order that any at risk staff may consider VR and that other posts may also be considered in order to identify any redundancy bumping opportunities for staff in at risk posts. The current DMBC redundancy scheme is an enhancement on the statutory redundancy scheme.
3. Additionally the Council asked for expressions of interest in voluntary reduction in hours and flexible working.
4. The Council has developed comprehensive resources to support employees at risk of redundancy through its "Facing the Future" programme. This includes face to face advice and training and online information on topics such as life planning, career and finance and emotional support.
5. The Council offers redeployment support to staff at risk of compulsory redundancy. This includes staff being placed on the redeployment list with uncompetitive opportunities for vacancies (although competition with other redeployees). There is also support with regards to advice on the development of CV's, assistance with identifying job opportunities and preparation for interviews. Reasonable adjustments will be made for disabled employees during this process. Employees on maternity leave, adoption leave and long term sickness absence are kept fully informed.
6. The Council has extended the time allowed on the redeployment register for employees to be given access to the register before their post is declared redundant but whilst they are identified as in an 'at risk of redundancy' situation. Therefore employees will in some cases have more than 12 weeks to find alternative employment through redundancy bumping or redeployment.
7. The Council has a counselling service available and promote this service.

8. Reasonable time off work will be given for employees at risk of compulsory redundancy to look for work or arrange appropriate training.
9. The Council will apply relevant policies in relation to employees covered by maternity and paternity provisions when considering redundancy and redeployment.
10. Some managers have been trained to effectively implement the managing employees at risk of redundancy policy including managing selection pools and criteria. To ensure consistency HR staff support managers through the process and feed back to a corporate group to ensure that any issues that have arisen are addressed consistently across the Council. Directors have been required to ensure managers involved in redundancies would receive relevant training.

#### **Stage 6 - test the changes**

Detail how the mitigating actions to reduce or remove the adverse impacts were tested, piloted or consulted on and the results of this.

Most of the mitigating actions were in place for the first two years of budget savings with the result that the numbers of compulsory redundancies were reduced to 74 in total and the possibility of any significant adverse impact on particular groups in the work force minimised. In the 2011/12 budget savings process 36 employees at risk of compulsory redundancy were redeployed and 16 were bumped. In the 2012/13 budget savings process 20 employees at risk of compulsory redundancy were redeployed and 2 were bumped. As indicated above some improvements to the mitigating actions have been put in place as a result of learning from 2011/12 and 2012/13. This is helping again to minimise the numbers of compulsory redundancies that are likely and the possibility of any adverse impact on particular groups of employees considerably reduced.

#### **Stage 7 – decision making**

Did the test, pilot or further consultation illustrate that the mitigating actions will be effective? What decision is recommended about the policy or service and why? How will the decision maker be briefed on the EIA?

During 2011/12 there were 404 voluntary redundancies resulting in minimising the need of compulsory redundancies to 56 In 2012/13 there were 83 voluntary

redundancies minimising the need of compulsory redundancies to 18. The equality statistics at the beginning of the process highlighted possible concerns of impact on BME employees and disabled employees, these concerns were alleviated by the end of the process due to the number of employees bumped/redeployed.

**Stage 8 - monitoring arrangements**

How will the equality impact of the policy or service be monitored in the future?

Next year it is important that the impact of the savings for that year is analysed and the cumulative effect of what will be four years of budget savings.

**Stage 9 – action planning**

Provide details of actions or improvements identified during the EIA.

Date completed:

Signed by assessment leader officer:

Signed by assistant director/ head of service:

Date: