

APPENDIX 1: Workforce Savings 2015/16 Equality Assessment

Section 1: General Information

1a) Area savings required from

Workforce savings were delivered across all Directorates. The outcome of up to 90% of the savings programme is known so an equality assessment has been undertaken to identify any issues that need to be considered for 2016/17.

1b) Service area

All Services.

1c) Service Head

Simon Kilbey, lead Service Head.

1d) Name and role of the officer/s completing the EQIA

Mark Keeble, Senior HR&WD Business Partner, Project Lead
Syeed Uddin, Data Support Officer, Workforce Savings Project

Section 2: Information about changes

2a) In brief please explain the purposes of the changes implemented

The Medium Term Financial Plan (MTFP) required £28 million of savings to be delivered in order to achieve a balanced budget for 2015/16. £11 million of these savings required changes in the Council's workforce to reduce the establishment by 300 posts. This was in response to the Government's deficit reduction policies (austerity) which are set to continue during the course of the current Parliament. In July 2015, the Council's Cabinet was informed that the MTFP required a further £63 million between 2016/17 and 2018/19.

Approximately £7.5 million of the savings required from the workforce were the result of the Service Challenge process through which services identified savings. The savings implemented were approved by Cabinet in December 2014 following a period of public consultation on these proposals where it was required.

The remaining £3.5 million of workforce savings were identified through the Employment Options (EO) Savings Programme. This programme was launched by the Head of Paid Service in July 2014 to support the delivery of workforce savings by providing staff an opportunity to inform the Council if there were interested in voluntary redundancy, early retirement, flexible working and flexible retirement to minimise the risk of compulsory redundancies in 2015/16 and inform future workforce planning.

2b) How were the changes equality assessed?

Each individual savings proposal was equality assessed as part of the Service Challenge process. In addition, all savings that required restructures were required to have an equality assessment of the staffing implications provided to employees and Trade Unions as part of the formal consultation process. These identified the implications within each individual restructure in line with the guidance issued to managers.

An initial equalities assessment was undertaken at the start of the EO programme which included an analysis of the council's workforce against which decisions and future changes could be benchmarked. A second assessment analysed requests from staff and the impact of People Board decisions on the workforce.

This third and final assessment provides a corporate analysis of the impact of the changes with regards to:

- The composition of the workforce before the first redundancies took place in December 2014 compared to the end of September 2015;
- The profile of those staff leaving due to VR/ER; and,
- An analysis of the equalities impact of job matching in restructures based on the assimilation criteria set out in the council's guidance for managers on organisational change.

It should be noted that employees aged 55 and over were more likely to request voluntary redundancy in order to access their pension benefits under early retirement provisions of the LGPS. Employees in this age group are more likely to be White, Christian or Disabled because of the increased representation of these groups above this age. This has a significant impact on the outcomes for staff with these protected characteristics.

2c) What are the main findings?

i) Overall Change in the Council's Workforce

There has been no significant change to the workforce between November 2014 and September 2015 with regards to age, gender or sexuality of employees. There have been small increases in the proportion of employees who are disabled, Muslim or Bangladeshi whilst the proportion of the workforce that is White or Christian has reduced slightly. With the exception of the increase in the percentage of disabled staff, these changes are mostly accounted for by marked change in the composition of the workforce above age 55 years which is referred to in 2b) above.

The cumulative impact of decisions to date on Workforce to Reflect the Community Indicators is detailed in Table 1 below. The predicted impact listed for October 2014 attempted to indicate what the outcome of the EO decisions would be if everyone in scope of a restructure was allowed to leave on VR/ER. In reality this is not going to happen but it provided a means to try and identify a direction of travel. With the exception of disability, the predicted direction of travel was correct although cannot be wholly attributed to the workforce savings programme.

Table 1: Workforce to Reflect the Community Performance Indicators November 2014 and October 2015

Workforce to Reflect the Community Performance Indicator*	Performance November 2014 (%)	Performance September 2015 (%)	Change Predicted Oct 2014 (%)	Actual Change
% of senior managers grade LPO7 and above that are BME	25.6	26.5	↑	↑
% of senior managers grade LPO7 and above that are Disabled	5.3	8.4	↑	↑
% of senior managers grade LPO7 and above that are Female	49.2	50.7	↑	↑
% of all employees that are Bangladeshi*	22.8	25.4	↑	↑
% of all employees that are BME	53.1	53.9	↑	↑
% of all employees that are Disabled*	5.2	6.2	↓	↑

**Notes - the Council's workforce diversity indicators are calculated based on guidance published by the Audit Commission for Best Value Performance Indicators. Therefore, employees with multiple posts (jobs) are only counted once and excludes some temporary employees e.g. those with short contracts. Other figures quoting the size of the workforce in other documents will be higher as they are based on the number of posts. The data used to analyse the equalities impact of Employment Options in Section 3 provides a breakdown of all employees equalities monitoring responses. For disability this includes those employees who have failed to respond to the question on whether they are disabled.*

The above shows the overall impact on workforce to reflect the community indicators would be positive in 5 out of 6 areas. The reduction in the % of the workforce that is disabled is a result of 23 employees who declared a disability that could leave the Council. The reasons for this and the impact on other aspects of the council's workforce are explored in Section 3 below.

It should be noted that between the period November 2014 to September 2015 there were total of 409 leavers including resignations and other dismissals as well VR/ER. Therefore the 157 employees that left on VR/ER are not the only changes to have taken place during this period but account for approximately 40% of those employees leaving in the Council's workforce. In addition, there were 276 new starters during this period which would have had an impact on the overall composition of the workforce.

ii) Profile of Staff Leaving on VR/ER

The proportion of staff that left on VR/ER who are aged over 55 was 70% compared to this group of staff making up 21.2% of the workforce in November 2014. This was a much greater proportion than expected, particularly when compared to the 39% of employees who were made redundant between 2010 and 2012 that were aged over 55 compared to 24% of the workforce at that time.

There were also a high proportion of Christian, White and Black employees who left on VR/ER. The numbers of Christian and White employees leaving on VR/ER is due to their composition in the workforce aged over 55 being much higher than amongst younger age groups. This is detailed in Sections 3.2 and 3.3 below.

The higher proportion of Black employees that left on VR/ER is due to the ethnicity of employees in the In-house Home Care service which was closed. This service also contained a large number of Women and was the biggest individual saving (£2 million) that impacted on the workforce. To mitigate against the potential for compulsory redundancy, a number of measures were taken to support the employees in this service.

The measures taken to support staff were employed regardless of whether they wished to remain in employment or not. A very successful Jobs Fair day was organised for Homecarers with stalls for different directorates to showcase job opportunities, as well

as HR being in attendance to set out what options were available for them and what support the Council could provide them. For those wanting to leave TH and work elsewhere, a wide range of training opportunities was offered, including CV writing, job application and interview training, as well as NVQs at Level 1 and 2 for Maths, English and ICT. More practical skills training was also offered to improve their prospects in the external jobs market and HR worked alongside Skills Match and the DWP to establish how they could support these workers.

For staff wanting to remain working for Tower Hamlets, measures were put in place straight away to find alternative work ahead of them receiving their statutory notice of redundancy. This was arranged specially for Homecarers initially and was outside of the agreed Redeployment Procedure and was so successful that it has been adopted for other staff who might be at risk of compulsory redundancy in other restructures. A range of job opportunities within two grades up or down of the Homecarers grade were identified across all Council Directorates and staff were asked to express their preferences for the roles. Job Shadowing opportunities were offered so that staff could try the jobs before putting themselves forward for them. Interview training was given to support staff applying for internal roles too. Additionally, 12 new roles of Service User Liaison Officers were created specifically to monitor the external homecare providers some of whom had service users transferred to them during the service closure. These opportunities were ringfenced to the displaced Homecarers initially and a number were redeployed into these roles.

iii) Analysis of Job Matching/Assimilation Outcomes

The closure of the In-house Home Care Service also impacted on the Job Matching and Assimilation Outcomes that took place in line with the Council's Handling Organisational Change Procedure. This resulted in Black employees and Women being overrepresented in the group of employees that had No Claim on a job in a new structure. This is because the service closed so additional efforts were made to support these employees to find work as set out in 2c) ii) above. The analysis of data in Sections 3.2 and 3.5 details how this impacted on this aspect of the assessment.

There were also a higher proportion of disabled employees that had an outcome of Competitive Assimilation. This has been attributed to three of the larger restructures, which included a total of 324 employees between them that has large numbers of employees who had declared a disability. There has been not adverse outcome for this group. Analysis of the relevant data is in Section 3.4 below.

Section 3: Data and evidence

3.1 Age – what was the effect of the workforce changes on different age groups using the prompts above?

Age Banding	20 & Under	21 - 24	25 - 34	35 - 44	45 - 49	50 - 54	55 - 59	60 & Over	Grand Total
Composition of Workforce									
Workforce as at Nov 2014	13	94	987	1170	643	742	609	374	4632
%	0.3	2	21.3	25.3	13.9	16	13.1	8.1	
Workforce as at Sept 2015	9	92	942	1135	598	721	542	340	4379
%	0.2	2.1	21.5	25.9	13.6	16.5	12.4	7.8	
Analysis of Employees Leaving on VR/ER									
VRER exits agreed			5	12	14	16	55	55	157
%			3.2	7.7	8.9	10.2	35	35	
Job Matching/Assimilation Outcomes Under Handling Organisational Change Procedure									
All Staff in scope of restructure	3	34	286	266	161	193	178	110	1231
%	0.2	2.8	23.2	21.6	13.1	15.7	14.5	8.9	
Competitive		5	60	62	29	40	39	21	256
%		2	23.4	24.2	11.3	15.6	15.2	8.2	
Direct	3	21	159	115	66	65	62	31	522
%	0.6	4	30.5	22	12.6	12.5	11.9	5.9	
No Claim		1	8	14	14	20	30	24	111
%		0.9	7.2	12.6	12.6	18	27	21.6	
No Change		7	59	75	52	68	47	34	342
%		2	17.3	21.9	15.2	19.9	13.7	9.9	
Profile of EO Requests			30	100	72	118	247	223	790
%			3.8	12.7	9.1	14.9	31.3	28.2	

Did the changes have an adverse impact on specific age groups?

There has been no significant change to the composition of the workforce in terms of age. There have been small changes in every age band since November 2014.

A disproportionate number of employees leaving on VR/ER are aged 55 and over. 110 out of 157 (70%) were aged over 55 years. Of these staff, 97 were members of the Local Government Pension Scheme so requesting voluntary redundancy was a more attractive option because they were also able to access the accrued pension benefits without an actuarial reduction.

The 70% of leavers in this age group is three and a half times their representation in the workforce in November 2014. For comparison, between 2010 and 2012 when 329 staff left due to redundancy during the LEAN programme, 39% were aged 55 or over compared to 24% of the workforce at that time. Whilst this will have been a clear benefit to the employees in question, the high proportion of leavers that are entitled to early payment of pension benefits will have financial cost for the Council.

There is a strong correlation between age and other protected characteristics which details in other parts of Section 3 below.

3.2 Ethnicity – what was the effect of the workforce savings on different racial groups?

Ethnicity	Declined								Grand Total
	Asian	Bangladeshi	Black	to state	Mixed	Other	Somali	White	
Composition of Workforce									
Workforce as at Nov 2014	293	1070	975	123	112	42	51	1966	4632
%	6.3	23.1	21.1	2.7	2.4	0.9	1.1	42.4	
Workforce as at Sept 2015	280	1052	896	130	114	41	53	1813	4379
%	6.4	24	20.5	3	2.6	0.9	1.2	41.4	
Analysis of Employees Leaving on VR/ER									
VRER exits agreed	4	9	51	2	2		1	88	157
%	2.5	5.7	32.5	1.3	1.3		0.6	56.1	
Job Matching/Assimilation Outcomes Under Handling Organisational Change Procedure									
All Staff in scope of restructure	77	282	259	13	30	11	8	551	1231
%	6.3	22.9	21	1.1	2.4	0.9	0.6	44.8	
Competitive	14	61	64	5	6	2		104	256
%	5.5	23.8	25	2	2.3	0.8		40.6	
Direct	40	138	66	5	16	6	1	250	522
%	7.7	26.4	12.6	1	3.1	1.1	0.2	47.9	
No Claim	2	14	46	1	2		1	45	111
%	1.8	12.6	41.4	0.9	1.8		0.9	40.5	
No Change	21	69	83	2	6	3	6	152	342
%	6.1	20.2	24.3	0.6	1.8	0.9	1.8	44.4	
Profile of EO Requests	35	74	175	21	13	4	6	462	790
%	4.4	9.4	22.2	2.7	1.5	0.5	0.8	58.5	

Did the changes have an adverse impact on specific ethnic groups?

The largest changes in the ethnicity of the workforce since November 2014 have been a reduction of White employees (1%) and Black employees (0.6%) whilst there has been an increase in Bangladeshi employees (1%). This is consistent with the representation of these ethnic groups amongst the employees leaving on VR/ER.

A disproportionate number of employees leaving on VR/ER were White (56.1% compared to 42.4% of the workforce) and Black (32.5% compared to 21.1% of the workforce). The number of White employees leaving on VR/ER is understandable considering the composition of the workforce that is aged over 55 which has 65% of employees that are White compared to 36% under the age of 55. However, the percentage of the workforce aged over 55 that is Black is 22% compared to 21% under age 55.

Further analysis of the data shows that 30 out of the 51 Black employees that left on VR/ER were previously employed in the In-house Home Care service which was closed to deliver a saving of £2 million. 20 of these employees were aged over 55. The disproportionate representation of Black employees amongst this group is therefore attributed to the large number of employees displaced from the closure of this service in which 55% of employees in the service were Black. This also accounts for why 41% of employees that had No Claim in the Job Matching were Black. Actions taken to mitigate the impact on employees displaced by the closure of the In-house Home Care Service are set out in Section 2 above.

Only 5.7% of employees taking VR/ER were Bangladeshi compared to 23.1% of the workforce in November 2014. This is because Bangladeshi employees form a larger part of younger age groups in the workforce (28% of the workforce aged under 55 years compared to 4% over age 55) so redundancy is a less attractive option.

3.3 Religion and Belief – what was the effect of the workforce changes on different religious and faith groups

Religion	Declined			No			Other	Sikh	Grand Total	
	Buddhist	Christian	to State	Hindu	Jewish	Muslim				religion
Composition of Workforce										
Workforce as at Nov 2014	22	1626	909	80	25	1141	607	186	36	4632
%	0.5	35.1	19.6	1.7	0.5	24.6	13.1	4.1	0.8	
Workforce as at Sept 2015	22	1521	824	76	22	1120	599	164	31	4379
%	0.5	34.7	18.8	1.7	0.5	25.6	13.7	3.8	0.7	
Analysis of Employees Leaving on VR/ER										
VRER exits agreed	1	70	45		1	14	19	7		157
%	0.6	44.6	28.7		0.6	8.9	12.1	4.5		
Job Matching/Assimilation Outcomes Under Handling Organisational Change Procedure										
All Staff in scope of restructure	4	453	228	18	10	301	151	53	13	1231
%	0.3	36.8	18.5	1.5	0.8	24.5	12.3	4.3	1.1	
Competitive	1	94	47	1	1	69	26	15	2	256
%	0.4	36.7	18.4	0.4	0.4	27	10.2	5.9	0.8	
Direct	3	179	88	12	6	133	74	22	5	522
%	0.6	34.3	16.9	2.3	1.1	25.5	14.2	4.2	1	
No Claim		50	26		1	16	11	6	1	111
%		45	23.4		0.9	14.4	9.9	5.4	0.9	
No Change		130	67	5	2	83	40	10	5	342
%		38	19.6	1.5	0.6	24.3	11.7	2.9	1.5	
Profile of EO Requests	6	346	191	9	4	80	107	40	7	790
%	0.8	43.8	24.2	1.1	0.5	10.1	13.5	5.1	0.9	

Did the changes in your policy/service have an adverse impact on people who practice a religion or belief?

The greatest changes in the religion/belief of the workforce since November 2014 have been a reduction of Christian employees (0.4%) and an increase in Muslim employees (1%). This is consistent with the representation of these groups amongst the employees leaving on VR/ER.

A disproportionate number of employees leaving on VR/ER were Christian (44.6% compared to 35.1% of the workforce). The number of Christian employees leaving on VR/ER is attributed to the composition of the workforce that is aged over 55 which has 48% of employees that are Christian compared to 32% under the age of 55. However, the percentage of the workforce aged over 55 that is Muslim is 5% compared to 30% under age 55.

3.4 Disability – what was the effect of the workforce savings on different *disability* groups?

Disability	Declined to State			Grand Total
	No	Yes		
Composition of Workforce				
Workforce as at Nov 2014	737	3670	225	4632
%	15.9	79.2	4.9	
Workforce as at Sept 2015	670	3468	241	4379
%	15.3	79.2	5.5	
Analysis of Employees Leaving on VR/ER				
VRER exits agreed	27	123	7	157
%	17.2	78.3	4.5	
Job Matching/Assimilation Outcomes Under Handling Organisational Change Procedure				
All Staff in scope of restructure	172	999	60	1231
%	14	81.2	4.9	
Competitive	38	202	16	256
%	14.8	78.9	6.3	
Direct	59	438	25	522
%	11.3	83.9	4.8	
No Claim	17	90	4	111
%	15.3	81.1	3.6	
No Change	58	269	15	342
%	17	78.7	4.4	
Profile of EO Requests	126	600	64	790
%	16	75.9	8.1	

Did the change the change have an adverse impact on disabled people?

Since November 2014 there has been an increase in the proportion of the workforce that is disabled from 4.9% to 5.5%.

It had been expected that the impact of employees leaving on VR/ER would lead to a small reduction on the number of disabled employees. This is because 6.8% of the workforce aged over 55 years is disabled compared to 4.3% below the age of 55 years. This is because of the higher incidence of disability that occurs as employees get older. New starters since this date and capturing data from staff equalities audits would also have had an impact.

The proportion of Disabled employees leaving on VR/ER was 4.5% which is below the 4.9% of the workforce in November 2014 that was disabled.

An area of concern is the disproportionate number of Disabled employees in Competitive Assimilation pools (6.3% compared to 4.9% of the workforce). Details analysis shows that 14 out of the 16 employees in this group were from just three reviews which were amongst the largest undertaken to deliver 2015/16 savings. Assimilation is based on the outcome of a matching exercise based on the content of job descriptions. All employees with the same job descriptions were given the same assimilation outcome. However, no compulsory redundancies have taken place amongst this group of employees and in most situations VR/ER requests that were accepted which enable employees to be slotted directly into new jobs.

3.5 Gender – what was the effect of the workforce savings on different gender groups (inc Trans) groups?

Gender	Female	Male	Grand Total
Composition of Workforce			
Workforce as at Nov 2014	2962	1670	4632
%	63.9	36.1	
Workforce as at Sept 2015	2812	1567	4379
%	64.2	35.8	
Analysis of Employees Leaving on VR/ER			
VRER exits agreed	105	52	157
%	66.9	33.1	
Job Matching/Assimilation Outcomes Under Handling Organisational Change Procedure			
All Staff in scope of restructure	674	557	1231
%	54.8	45.2	
Competitive	158	98	256
%	61.7	38.3	
Direct	294	228	522
%	56.3	43.7	
No Claim	84	27	111
%	75.7	24.3	
No Change	138	204	342
%	40.4	59.6	
Profile of EO Requests	507	283	790
%	64.2	35.8	

Did the changes have an adverse impact on men or women?

There has been not significant change to number of Men and Women in the workforce since November 2014.

The only area of concern is the disproportionate number of Women 75.7% (84 out of 111) who had an assimilation outcome of No Claim compared to 63.9% of the workforce who are Women. Further analysis of the data shows that 54 out of the 84 Women who had this outcome were previously employed in the In-house Home Care service which was closed to deliver a saving of £2 million. Of this group, 42 requested VR/ER and have now left the Council. Actions taken to mitigate the impact on employees displaced by the closure of the In-house Home Care Service are set out in Section 2 above.

3.6 Sexual Orientation – what was the effect of workforce savings on members of the LGB community?

Sexuality	Decline to					Grand Total
	Bisexual	State	Gay	Heterosexual	Lesbian	
Composition of Workforce						
Workforce as at Nov 2014	49	1155	67	3316	45	4632
%	1.1	24.9	1.4	71.6	1	
Workforce as at Sept 2015	50	1031	67	3193	38	4379
%	1.1	23.6	1.5	72.9	0.9	
Analysis of Employees Leaving on VR/ER						
VRER exits agreed	1	55	3	97	1	157
%	0.6	35.1	1.9	61.8	0.6	
Job Matching/Assimilation Outcomes Under Handling Organisational Change Procedure						
All Staff in scope of restructure	13	283	14	914	7	1231
%	1.1	23	1.1	74.2	0.6	
Competitive	2	48	7	199		256
%	0.8	18.8	2.7	77.7		
Direct	4	105	4	405	4	522
%	0.8	20.1	0.8	77.6	0.8	
No Claim	2	35		74		111
%	1.8	31.5		66.7		
No Change	5	95	3	236	3	342
%	1.5	27.8	0.9	69	0.9	
Profile of EO Requests	2	247	17	519	5	790
%	0.2	31.3	2.2	65.7	0.6	

Did the changes have an adverse impact on lesbian, gay or bisexual people?

No adverse impacts have been identified.

Section 4: Equality Impact Assessment Action Plan

The table below list actions to address any future potential for adverse impacts to occur and ensure lessons learned are implemented.

Actions	Please how the actions will improve practice and reduce the potential for adverse impact in the future
Review assessment to identify any changes required to the Handling Organisational Change Procedure	The assessment will be shared with the Employee Relations Manager, Senior HR Business Partners and Trade Unions to identify if any changes are required to the Council's procedures and management guidance.
Continue to monitor change in composition of the Council's workforce.	This action will take place as part of the on-going HR&WD service and performance reporting process. Future changes to the Council's workforce required to deliver the MTFP will also be assessed and monitored.
Publish case study of In-house Home Care to provide an example of best practice	This will provide an opportunity to demonstrate how the impact of a service closure on employees can be minimised. Producing a case study could also help identify improvements to how similar situations should be managed in the future.
Internal review and challenge of EQIA's produced for individual restructures with existing guidance updated as appropriate.	Each formal consultation process with employees and Trade Unions has an EQIA produced. The quality of these assessments is an important part of the consultation process
Share findings of EQIA	Provide copy to Trade Unions to inform on-going consultation process. Provide copy with Staff Equality Forums for discussion.

Section 5: Future Review and Monitoring

Please explain how and when the equality impact of further changes to the workforce will be reviewed and monitored as part of the savings programme.

Equalities assessments are undertaken at different stages through the savings and budget setting process. This includes:

- initial screening of the impact on employees
- an equalities assessment undertaken for each formal consultation process with employees and Trade Unions
- a follow up assessment to confirm the actual impact as each new structure is implemented
- a strategic assessment of the all the changes to the workforce

In addition, there is on-going monitoring against targets and regular reports monitoring the composition of the workforce including new starters and leavers.

There will continue to be discussions and consultation with employees affected by the Council's need to deliver future savings in line with the MTFP and also with the Trade Unions.