

## Audit, Risk & Assurance Committee

<b>Date</b>	14 July 2020
<b>Report title</b>	Equal Pay Audit & General Equalities Update
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<b>Report has been considered by</b>	Director of Productivity and Skills - Julie Nugent

**Recommendation(s) for action or decision:**

**The Audit & Risk Committee is recommended to:**

- (1) Consider and note the March 2020 WMCA Gender Pay Gap and workforce diversity data and the actions considered to bridge internal diversity gaps and promote inclusion.

## **1. Purpose**

- 1.1 This report provides Members with a breakdown of the latest workforce and Gender Pay Gap Statistics. It also outlines current initiatives and identifies key areas of future focus to help bridge diversity gaps and promote inclusion.

## **2. Background**

- 2.1 Promoting equality and inclusion is of paramount importance and a key internal and external WMCA driver. Narrowing diversity gaps is an organisational priority. We monitor our workforce and recruitment statistics on a regular basis to identify gaps and explore ways to address these gaps and challenges. Sections 3 and 4 of this report provide a summary of our workforce and gender pay gap statistics for March 2020. Section 5 briefly outlines current and proposed initiatives.

## **3. Gender Pay Gap**

- 3.1 From April 2018 organisations with 250+ employees are legally required to report their median and mean gender pay gap. The 'mean' gender pay gap shows the difference in mean pay between female and male employees (that is the average of the total of all employees' pay) while the 'median' pay gap shows the difference in median pay (that is putting all male/female employees in a line and identifying the pay of the person in the middle).
- 3.2 The UK has a median pay gap of 8.9% for full-time employees. The WMCA's median gender pay gap (March 2020) is 8.5% and the mean gender pay gap is 6.91%. This compares to 16.3% for median and 10.1% for mean in 2019. There has been significant progress in the past year in terms of lowering the gender pay gap to levels below the national average. This has been our lowest pay gap figure since we first started reporting in 2018.

## **4. Workforce Diversity Statistics**

- 4.1 The WMCA analyses its workforce statistics on an annual basis. The statistics are published as part of an annual inclusion review report on the WMCA website.
- 49.5% of our employees are female. The WMCA has never been as representative gender wise. Last year's figures were 46.1% and the figures were even lower the year before. The representation of women at the two highest salary level positions (43k-52k and 53k+) is lower at 38.5% but it is still higher than previous years.
  - The gender split by directorate shows that there are some differences within directorates – for example, TfWM is under-represented at higher salary levels, ICT is predominately make and the housing directorate also has a smaller percentage of female staff.
  - There has been an increase in the overall representation of ethnic minority employees in the organisation (28.7% in 2019/20 compared to 25.1% in 2018/19). The figures are higher than the national average of 19.5% (Census 2011) but lower than the figure of 34% in the 7 Metropolitan districts. However, the figures are going up on an annual basis. Ethnic minority employees are under-represented at senior levels.

- 13.5% of our workforce have declared that they have a disability, significantly higher than the previous year. The majority of disabled employees have got hidden disabilities.
- 9.3% of our workforce is under 25, an increase from 7.7% the previous year. The WMCA has seen an increase in representation of younger people over the past few years through programmes such as Building Our Future Workforce.

## **5. Equality Updates**

- 5.1 The WMCA featured on the 2019/20 Inclusive Top 50 UK Employers list (33<sup>rd</sup> in the list). This is a definitive list of UK based organisations that promote inclusion across all protected characteristics throughout each level of employment.
- 5.2 The WMCA featured at number 24 in the National Centre for Diversity Grand Awards Top 100 Index 2020.
- 5.3 We are Disability Confident employers and are currently working towards attaining Disability Leaders recognition through a number of internal disability friendly initiatives.
- 5.4 Our 'Building our Future Workforce' Strategy is designed to provide underrepresented groups with a range of skills and opportunities. Since the scheme was launched the proportion of employees who are apprentices has increased to 6.2%, well above the target for the public sector (2.3%) and exceeding best practice benchmarks (5%). All posts under SP26 are advertised as apprenticeships and we target under-represented groups (care leavers, NEETs etc.) in our recruitment to work experience and entry level jobs/apprenticeships.
- 5.5 We finalised our accreditation with the Living Wage Foundation and are now Living Wage Employers. This will also have an impact on third party suppliers who will be required to pay employees the real living wage by a set milestone dependent on the length of contract.
- 5.6 Online Equality training is mandatory at induction level for all employees and it was rolled out to all employees in June 2020 for mandatory completion to refresh their equalities awareness.
- 5.7 We delivered unconscious bias training for recruiting managers and will be rolling out unconscious bias training for all employees
- 5.8 We introduced regular HR business partner recruitment conversations with senior and recruiting managers to identify team diversity gaps and highlight the importance of diversity in recruitment
- 5.9 We are running equality and inclusion focus groups with WMCA employees to engage and understand more about what will help us further support workplace inclusivity (i.e. networking groups, mentoring schemes etc.).

## **6. Financial Implications**

- 6.1 N/A

**7. Legal Implications**

7.1 N/A

**8. Equalities Implications**

8.1 The initiatives are aimed at addressing diversity gaps and are therefore likely to have equality positive impact.

**9. Inclusive Growth Implications**

9.1 N/A

**10. Geographical Area of Report's Implications**

10.1 N/A

**11. Other Implications**

11.1 N/A

**12. Schedule of Background Papers**

12.1 N/A