

Appendix 2

Equality Impact Assessment

Equality, diversity, cohesion and integration impact assessment - organisational change impacting on the workforce

As a public authority we need to ensure that all organisational change arrangements impacting on the workforce have given proper consideration to equality, diversity, cohesion and integration. In all appropriate instances we will need to carry out an equality, diversity, cohesion and integration impact assessment.

This form:

- can be used to prompt discussion when carrying out your impact assessment
- should be completed either during the assessment process or following completion of the assessment
- should include a brief explanation where a section is not applicable

Directorate: Resources & Housing	Service area: Financial Services
Lead person: Victoria Bradshaw	Contact number: September 2020
Date of the equality, diversity, cohesion and integration impact assessment: September 2020	

2. Members of the assessment team:		
Name	Organisation	Role on assessment team For example, service user, manager of service, specialist
Victoria Bradshaw	Resources & Housing	Chief Officer, Financial Services
Richard Ellis	Resources & Housing	Head of Finance – Financial Management
John Bywater	Resources & Housing	Head of Finance – Business Change
Bhupinder Chana	Resources & Housing	Head of Finance - Technical
Bodor Ahmad	Resources & Housing	Senior HR Advisor

3. Summary of the organisational change arrangements to be assessed:
<p>The current operating model and staffing structure for financial management is being reviewed in order to develop a sustainable financial management service that is well equipped to support delivery of the Council's Finance Strategy 2020 – 2025 and the outcomes of the Best Council Plan.</p> <p>The review outlines plans to deliver successful business change involving a number of work-packages that are intended to automate, standardise and streamline core finance business processes, re-design the financial services 'Delivery Offer' and reconfigure the</p>

financial management service and associated roles and responsibilities.

The proposal primarily impacts upon financial management staff and service users and is part of the proposal to achieve £1.0m savings within the service for the 2021/22 budget and beyond. Significant and initially rapid business change will be required to deliver the target savings in 2021/22 during a period when Covid-19 is already having a significant impact on ways of working and potentially staff morale. Ultimately, employees and service users should benefit from more efficient and effective processes and use of technology.

4. Scope of the equality, diversity, cohesion and integration impact assessment

Organisational change

(please tick all appropriate boxes that apply below)

Restructuring and assimilation	<input checked="" type="checkbox"/>
Reorganisation and job redesign	<input checked="" type="checkbox"/>
Flexible deployment	<input checked="" type="checkbox"/>
Early leavers initiative	<input checked="" type="checkbox"/>
Cessation of a service	<input type="checkbox"/>
Downsizing of a service	<input checked="" type="checkbox"/>
Switching	<input type="checkbox"/>
Recruitment	<input checked="" type="checkbox"/>
Equal pay considerations	<input checked="" type="checkbox"/>
Job evaluation	<input checked="" type="checkbox"/>
Any other organisational change arrangements	<input type="checkbox"/>

Please provide detail:

All staff employed in the Financial Management function within the Financial

Services are included in the proposals.
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4a. Do your proposals relate to: please tick the appropriate box below	
The whole service	<input type="checkbox"/>
A specific part of the service	<input checked="" type="checkbox"/>
More than one service	<input type="checkbox"/>
Please provide detail: The proposed changes will impact on all employees within the Financial Management function and will also affect the interaction of the 'customer' of other council services in how they interact with the service in particular optimisation of the use of technology.	

4b. Do your proposals relate to: please tick the appropriate box below	
Employment considerations only	<input type="checkbox"/>
Employment considerations and impact on service delivery	<input checked="" type="checkbox"/>
Please provide detail: Financial Services Leadership Team have identified a programme of work that will fundamentally transform the financial management service and ensure the service is sustainable and fit for purpose in the future. The main aims of the transformation programme are: <ul style="list-style-type: none"> • To deliver savings in financial management staffing of £1.00M in 2021/22 (equivalent to circa 21.5 FTE's for a full financial year). • To shift financial management capacity from routine budget monitoring to more value-added tasks, supporting improved service performance/value for money and enabling council-wide transformation. • To improve workforce flexibility/ agility, enabling the financial management service to better manage peaks in workloads. • To ensure the financial management service is as prepared as possible for the implementation of new ERP technology. • To ensure that the financial management service remains fit for purpose and complies with the principles and standards of good financial management as set out in Cipfa's Financial Management Code. <p>For the majority of staff there will be changes to job roles, responsibilities or grade. Revisions to the JNC posts will result in the net reduction of 3 posts.</p>	

To ensure the structure is in line with the Council's Organisational Design Principles, all linked grades (B1/B3, C1/C3, SO2/PO2, PO3/PO4 and PO5/6) within the financial management function are to be removed and instead will be fixed at the higher grade i.e. B3, C3, PO2, PO4, and PO6.

The proposals are set out below.

Grade	HEADCOUNT			Comment	In Post (FTE)	Diff
	In Post	Proposed	Diff.			
Dir 90%	1	1	0	Chief Officer - Financial Services (No Change)	1.00	0.00
Dir 65%	1	1	0	Deputy Chief Officer - Financial Services (No Change)	1.00	0.00
Dir 60%	1	2	1	1 x Dir 60% Senior HoF Financial Services 'People-based' services & 1 x Dir 60% Senior HoF Financial Services 'Place-based' services	1.00	1.00
Dir 52.5%	6	8	2	2 additional Dir 52.5% posts (HoF Technical & HoF Strategic)	6.00	2.00
Dir 45%	8	2	(6)	De-layering of JNC structure - retain 2 x Dir45% posts to lead on transformation work packages	8.00	(6.00)
PO6	20	21	1	Increase 1 x PO6 post	18.47	2.53
PO4	44	40	(4)	Reduction in 4 x PO4 post	42.18	(2.18)
PO2	22	9	(13)	Reduction in PO2 posts as routine budget monitoring tasks are streamlined/automated using Power BI	19.86	(10.86)
C3	20	13	(7)	Delayering of Finance Officer/Finance Admin roles	18.26	(5.26)
B3	6	3	(3)		5.73	(2.73)
TOTAL	129	100	(29)	Includes 2 x secondments (1 x C3 & 1 x PO4); Excludes 6 x Trainee Professional Accountant	121.50	(21.50)

The service will follow the Council's agreed processes in implementing this change and any reductions will be managed through a range of agreed policies available including the Managing Staff Reductions Policy, Recruitment and Selection and Flexibility Protocols. It is also worth noting that the approach to implement the proposed changes will form part of the consultation process with the Trade Unions, with a view to reaching agreement amongst all parties, the most appropriate procedures to implement the change.

5. Fact finding – what do we already know

Make a note here of all information you'll be using to carry out this assessment. This could include previous consultation, involvement, research, results from perception surveys, equality monitoring and customer or staff feedback.

(priority should be given to equality, diversity, cohesion and integration related information)

Feedback from quarterly staff workshops (pre-COVID19) suggests that staff from the service are becoming increasingly frustrated by labour intensive processes and inflexible, non-user friendly technology. Successful delivery of the proposed new structure will rely upon significant business change involving standardising and streamlining processes and moving to a new delivery model and service delivery offer. Ultimately, employees and service users should benefit from more efficient and effective processes and use of technology.

Comprehensive data in relation to the current workforce profile has been extracted from the HR system (SAP) and analysed across the full range of protected characteristics including, age, disability, gender, ethnicity, religion and sexual orientation.

Female and male staff are equally represented across the service (68 male and 67 female) but have historically been under-represented at Head of Service level (Dir 52.5% and above). For example, there was a period of time circa 3 years ago, when all posts at Dir 52.5% and above in financial Management were occupied by male members of staff and out of a total of 15 JNC roles only 4 (27% were occupied by females).

The service continues to move to a more even male to female gender balance and 7 out of 17 JNC posts (41%) are now occupied by females, including the Dir 90% post of Chief Officer – Financial Services.

Analysis of the data shows that 19% of staff (25/133) are from BAME backgrounds (2 x unspecified) and that 18% of JNC posts (3 out of 17) are occupied by staff from BAME backgrounds.

6 out of 129 staff have registered a disability with the Council which equates to circa 5% (6 records unspecified)

The new structure includes proposals to reduce the number of JNC posts within the service from 17 to 14 (a reduction of 3 or 18%). Whilst the position is still uncertain, for example in relation to the potential number and take-up of ELI and other voluntary measures, the reduction in JNC posts is unlikely to have an adverse impact on the male to female gender balance, number/proportion of BAME members of staff and number/proportion of disabled staff.

The transformation work packages described within the restructure proposals have the most significant impact on **B1/C3 and SO2/PO2** roles. Analysis of the workforce profile data indicates that:

- 11 of the 48 staff in post at these grades (B1 to PO2) are from a BAME background. This equates to 23% - slightly higher than the total representation of BAME staff across the function (19%).
- 28 of the 48 staff at these grades are females. This equates to 58% - again slightly more than the total representation of female staff across the function (50%)

Are there any gaps in equality and diversity information
Please provide detail:

Action required:

To mitigate and/or reduce the risk of redundancy, suitable alternative employment opportunities, through the use of flexibility protocol will be considered across the wider Financial Services.

6. Wider involvement – have you involved groups of people who are most likely to be affected or interested	
<input checked="checked" type="checkbox"/> Yes	<input type="checkbox"/> No
Please provide detail: Staff Trade unions	
Action required: None.	

7. Who may be affected by this activity?		
please tick all relevant and significant equality characteristics, stakeholders and barriers that apply to your strategy, policy, service or function		
Equality characteristics		
<input checked="checked" type="checkbox"/> Age	<input checked="checked" type="checkbox"/> Carers	<input checked="checked" type="checkbox"/> Disability
<input type="checkbox"/> Gender reassignment	<input checked="checked" type="checkbox"/> Race	<input checked="checked" type="checkbox"/> Religion or belief
<input checked="checked" type="checkbox"/> Sex (male or female)	<input checked="checked" type="checkbox"/> Sexual orientation	
<input type="checkbox"/> Other		
(for example – marriage and civil partnership, pregnancy and maternity, social class, income, unemployment, residential location or family background, education or skills level)		
Please specify: These are based on the equality profile of those within the Financial Management.		
Stakeholders		
<input type="checkbox"/> Services users	<input checked="checked" type="checkbox"/> Employees	<input checked="checked" type="checkbox"/> Trade Unions
<input type="checkbox"/> Partners	<input checked="checked" type="checkbox"/> Members	<input type="checkbox"/> Suppliers

☒

Other please specify: Other Council Directorates

Potential barriers

☐

Built environment

☐

Location of premises and services

☐

Information and communication

☐

Customer care

☐

Timing

☐

Stereotypes and assumptions

☐

Cost

☐

Consultation and involvement

☒

Specific barriers to the organisational change proposals

Please specify

It is possible that during the formal staff consultation period objections may be raised by individuals.

8. Positive and negative impact

Think about what you are assessing (scope), the fact finding information, the potential positive and negative impact on equality characteristics, stakeholders and the effect of the barriers

8a. Positive impact:

No significant impact anticipated in relation to staff with protected characteristics

Action required:

Time to be built into the formal staff consultation period that allows detailed feedback as needed.

8b. Negative impact:

No significant impact anticipated in relation to staff with protected characteristics

Action required:
Time to be built into the formal staff consultation period that allows detailed feedback as needed.

9. Will this activity promote strong and positive relationships between the groups or communities identified?
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Please provide detail:
Action required:

10. Does this activity bring groups or communities into increased contact with each other (for example in schools, neighbourhood or the workplace)?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Please provide detail:
Action required:

11. Could this activity be perceived as benefiting one group at the expense of another?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Please provide detail:
Action required:

12. Equality, diversity, cohesion and integration action plan

(insert all your actions from your assessment here, set timescales, measures and identify a lead person for each action)

Action	Timescale	Measure	Lead person
Taking in to account of the current issues/concerns raised by staff around the proposals of the new structure	Throughout the consultation period and until implementation of the new structure	Regular 1-1 meeting; regular feedback to TUs; HELP; and where appropriate undertaking stress risk assessments.	CO, FS supported by Leadership Team

13. Governance, ownership and approval

State here who has approved the actions and outcomes from the equality, diversity, cohesion and integration impact assessment

Name	Job title	Date
Victoria Bradshaw	Chief Officer, Financial Service	September 2020

14. Monitoring progress for equality, diversity, cohesion and integration actions
(please tick)
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As part of service planning performance monitoring

☐

As part of project monitoring

☐

Update report will be agreed and provided to the appropriate board
Please specify which board

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Other (please specify)

15. Publishing

If this equality, diversity, cohesion and integration impact assessment relates to a **key delegated decision, executive board, full council** or a **significant operational decision** a copy should be emailed to corporate governance and will be published along with the relevant report.

A copy of **all other** equality and diversity, cohesion and integration impact assessment's should be sent to equalityteam@leeds.gov.uk. For record keeping purposes it will be kept on file (but not published).

Date impact assessment completed	September 2020
If relates to a key decision –	
Any other decision –	