

Section 75
Audit of Inequalities
March 2015

Northern Ireland Local Government Officers' Superannuation Committee

Audit of Inequalities – March 2015

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1 Introduction

- 1.1 This document presents the outcome of the Audit of Inequalities undertaken by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC). The Audit of Inequalities has been used to inform the Section 75 Equality Action Plan 2015-2018, which follows on from NILGOSC's Action Plan 2012-2015.
- 1.2 The Audit of Inequalities was conducted across all NILGOSC functions during the period November 2014 to March 2015. The purpose of the audit was to identify inequalities that exist for those affected by the functions and policies of the NILGOSC pension scheme. All nine of the Section 75 groups were considered as part of the audit.
- 1.3 As part of this consultation exercise, NILGOSC is seeking the views and comments of all interested parties on its revised Equality Action Plan 2015-2018. NILGOSC welcomes comments on any aspects of its Equality Action Plan by post, email, phone, fax or in person. Please forward any comments you wish to make on the document to:

Equality Team
NILGOSC
Templeton House
411 Hollywood Road
Belfast
BT4 2LP

Tel: 0845 308 7345
Fax: 0845 308 7344
Typetalk: 18001 0845 308 7345 (for
people using a textphone)
Email: equality@nilgosc.org.uk

- 1.4 This document is available on the NILGOSC website www.nilgosc.org.uk and also in paper format. The documentation is also available on request in alternative formats such as large print, Braille, audio, disc and other languages for those whose first language is not English.
- 1.5 If you require the document in an alternative format, please do not hesitate to contact us. Should you prefer to provide your comments in person, please let us know and we will be happy to meet with you.
- 1.6 Consultation on this document will run for 12 weeks until 31 July 2015. The final agreed action plan will be sent to the Equality Commission.

2 NILGOSC and its Functions

- 2.1 NILGOSC is the administering body for the Local Government Pension Scheme in Northern Ireland. NILGOSC was set up by the Government in April 1950 to operate a pension scheme for the local councils and other similar bodies in Northern Ireland. The pension scheme is known as the Local Government Pension Scheme (Northern Ireland) and is a defined benefit scheme. The pension scheme is funded by contributions paid by both employees and the scheme employers.
- 2.2 The pension scheme is managed by a Committee¹ (similar to a board of directors or trustees) which consists of a chairman, five members nominated by employers' organisations, five members nominated by employees' organisations and two

¹ The Committee is redesignated as the Pension Board from 1 April 2015.

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independent members. Committee members are appointed by the Department of the Environment via the public appointments process for a four year term. The day to day administration of the pension scheme is carried out by the Secretary, supported by over 60 staff members.

- 2.3 NILGOSC has two functions: to administer the scheme in accordance with regulations; and to manage and maintain a fund out of which benefits are met. As an administering body, NILGOSC's function is to comply with statutory regulations, which are made by the Department of the Environment. NILGOSC therefore has limited discretion over how it administers the pension scheme on a day to day basis.

3 Equality Scheme Commitments

- 3.1 Section 75 of the Northern Ireland Act 1998 requires public authorities in carrying out their functions to have due regard to the need to promote equality of opportunity between the nine equality categories of: persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation; men and women generally; persons with a disability and persons without; and persons with dependents and persons without. It also requires them to have regard to the desirability of promoting good relations between persons of different religious belief, political opinion and racial group.
- 3.2 NILGOSC's Equality Scheme is available on the NILGOSC website at <http://www.nilgosc.org.uk/equality-scheme>. The Equality Scheme includes NILGOSC's Action Plan 2012-2015 which sets out actions NILGOSC agreed to take to promote equality of opportunity and good relations.
- 3.3 The Action Plan 2012-2015 was reviewed by the Senior Management Team bi-annually and NILGOSC reported to the Equality Commission on an annual basis to confirm the actions it had undertaken in the previous financial year.
- 3.4 NILGOSC committed to update the action plan as necessary to ensure that it remained effective and relevant to NILGOSC's functions and work.
- 3.5 In alignment with NILGOSC's corporate planning process, the action plan required a review and update at the end of March 2015 to outline actions and priorities for the period 2015-2018. An Audit of Inequalities was carried out to inform the development of the revised action plan and, in line with the commitment in its Equality Scheme, NILGOSC is seeking comments from its stakeholders on the revised Action Plan 2015-2018 set out at Appendix A of this document.

4 The Audit of Inequalities

- 4.1 In reviewing its action plan, NILGOSC considered whether any actions from the Action Plan 2012-2015 had not been achieved. There were three actions that had not been fully implemented: research into scheme membership and under-represented groups; issuance of a staff survey on working environment and good relations; and formal identification of inequalities in the new pension regulations. All of these actions were still considered to be relevant and were carried over into the revised action plan.
- 4.2 The Senior Management Team confirmed that many of the potential inequalities identified at the time of the previous Audit of Inequalities in 2011 were still relevant as they were derived from areas that were not under NILGOSC's direct

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control, for example, the pension scheme regulations and Committee composition. Any relevant issues were carried forward into the Action Plan 2015-2018. A copy of the findings of the 2011 Audit of Inequalities is available on the website at <http://www.nilgosc.org.uk/equality-scheme> or can be requested (see section 1 for contact details).

- 4.3 In order to gather up-to-date data in respect of the pension scheme, NILGOSC carried out a specific survey of the local government workforce and the membership profile of the scheme. NILGOSC sought the help of the employing authorities in the scheme and sent a request in January 2015 asking for anonymised data on the eligible workforce of each employer, broken down by the nine equality groups. As a comparator dataset, a voluntary equality monitoring questionnaire was sent to a random sample of 1,500 scheme members, as a means of obtaining a representative sample of individuals who chose to remain in the NILGOSC scheme. While this sampling approach does have its limitations, it was considered to be the most effective method of obtaining monitoring datasets relevant to NILGOSC's functions.
- 4.4 NILGOSC also carried out a review of internal and external research and datasets regarding key inequalities within Northern Ireland to help inform the Action Plan 2015-2018. A list of the sources reviewed is set out at Appendix B.

5 Key Findings of the Audit of Inequalities

5.1 NILGOSC Survey data

- 5.1.1 The results of the employing authority and pension scheme member questionnaires referred to at 4.3 above were mixed with a response rate of 44% and 20% respectively.
- 5.1.2 A total of 90 employers responded to the request for monitoring data on the local government workforce, providing information on 23,494 employees². The majority of employers were able to provide data on gender, religion and age, with information on race and marital status available for approximately 65% and 75% of employees respectively. Limited information was available in respect of political opinion (5% response rate), sexual orientation (15% response rate) and persons with dependants (24% response rate). With regard to disability, 1.8% of those employees for whom monitoring data was provided have declared a disability to their employer.
- 5.1.3 The response to the member survey was disappointing with 307 responses received from the sample of 1,500 active members of the pension scheme³. The majority of those responding completed all sections of the monitoring form. Political opinion and sexual orientation were the most contentious areas with 18% and 12% of respondents choosing not to answer those particular questions.
- 5.1.4 The Section 75 profile of the pension members was compared to the profile of the local government workforce to help identify if any particular group is underrepresented in the scheme. It is acknowledged that the reliance on the survey responses as a proxy has its limitations, particularly for those Section 75 groups which are self declared and for which only limited information is available.

² This is used as a proxy for the local government workforce in Northern Ireland, being the population who are eligible to join the NILGOSC scheme.

³ This is used as a proxy of the membership profile of the NILGOSC scheme.

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The full results of the survey are included at Appendix C, however the main issue arising from the survey is outlined below:

Marital Status

The results indicate that single employees are less likely to join the pension scheme as 30.0% of the eligible workforce is single but only 12.2% of scheme members are single. Correspondingly, while 61.6% of the eligible workforce is married or civil partnered, 73.0% of scheme members fall into these categories. This distortion may be linked to the age profile of both the scheme and the local government workforce.

5.2 NILGOSC alternative communication data

5.2.1 NILGOSC records all requests for alternative communication formats on its pension administration database. A total of 49 alternative communication needs are recorded on the database and can be broken down as follows: large print (38); audio tapes (2); Braille (1); translation into another language (3); in person (3); minicom (2).

5.2.2 The responses to the survey of scheme members identified five individuals out of 307 respondents whose main language was not English. In those cases the main languages identified were Polish (2), Romanian (1), Irish (1) and Portuguese (1). Statistics from the 2011 census highlighted that English was not the main language for 3.1% of usual residents aged 3 years and over, almost one quarter of whom (24%) lived in the Belfast Local Government District. The most prevalent main language other than English was Polish (17,700 people, 1.0%). Whilst this does not directly equate to the language needs of the eligible workforce, the Joseph Rowntree Foundation Report on "The Economic and Social Mobility of Ethnic Minority Communities in Northern Ireland" suggests that "a key barrier to employment or progression within employment is often language". It has not been possible to identify the percentage of the eligible local government workforce for whom English is not a first language and therefore determine whether the pension scheme is less accessible to those who might require information in an alternative language. Given the potential complexity of pension scheme correspondence, however, it is reasonable to assume that there could be an additional barrier to joining the scheme for those employees not fluent in written English.

5.2.3 Also linked to communication needs, available data on the level of age-related disability in the UK suggests that the number of alternative communication indicators recorded by NILGOSC is much lower than would be expected. Out of a total of 29,375 pensioners, NILGOSC has received 46 requests for alternative formats suited to those with a hearing or sight disability. Publicly available statistics show that "one in five people aged 75 and one in two aged 90 and over are living with sight loss"⁴ and "more than 70% of over 70 year-olds have some form of hearing loss"⁵. The results of the Northern Ireland Survey of People with Activity Limitations and Disabilities (NISALD) which was conducted throughout 2006/07 showed that "there is a clear increase in disability with age, rising to 60% amongst those aged 75 and above. Indeed, amongst the very elderly, aged 85 and above, two-thirds are living with a disability or disabilities". It is therefore reasonable to assume that NILGOSC is not currently capturing the full extent of the alternative communication needs of its members and pensioners. There could

⁴ Royal National Institute of Blind People www.rnib.org.uk

⁵ Action on Hearing Loss <http://www.actiononhearingloss.org.uk/your-hearing/about-deafness-and-hearing-loss/statistics.aspx>

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potentially be a barrier to those with an age related disability availing of the services provided by NILGOSC.

5.3 Staff recruitment applicant and appointee data

5.3.1 The audit of inequalities included a review of staff recruitment applicant and appointee monitoring data as included in NILGOSC's Fair Employment Monitoring Return of 1 January 2014. It was noted that while the gender split of applicants was broadly similar to the Northern Ireland comparator⁶, there was underrepresentation (10%) of applications from the Roman Catholic Community.

5.4 Limitations

5.4.1 The lack of complete and reliable data on the more sensitive of the Section 75 groups makes it difficult to determine whether a potential inequality exists. In particular, the reluctance of individuals to provide information on political opinion and sexual orientation makes it difficult to identify whether scheme membership is reflective of the eligible local government workforce.

5.4.2 There are a number of publicly available sources which provide useful comparators for the wider Northern Ireland population. NILGOSC's function as an administering body is to provide a service to those local government employees who choose to join the pension scheme. The relevant comparator for NILGOSC is therefore the demographic of the local government workforce rather than the wider population. As this information is not readily available, NILGOSC has been reliant on the co-operation of the employing authorities in the pension scheme to provide a breakdown of each workforce. NILGOSC would like to acknowledge the time taken by the 90 employing authorities who responded to this request and would like to express its thanks for their help and support in undertaking this audit of inequalities.

6 Action Plan

6.1 The NILGOSC Action Plan 2015-2018 is set out at Appendix A. It has been developed using the findings set out at section 5 above. The inequalities identified in 2011 that are still relevant today have also been taken into consideration and the actions from the Action Plan 2012-2015 that were not fully completed have been carried forward into the current draft.

6.2 The actions have been prioritised according to resources and external constraints. Responsibility for the delivery of the action plan lies with the Senior Management Team.

7 Monitoring and Review Process

7.1 The Action Plan 2015-2018 will be monitored on a bi-annual basis by the Senior Management Team. The Senior Management Team will review the progress in implementing the agreed actions and will also consider any new developments in the intervening period.

⁶ ECNI Fair Employment Monitoring Report No 24 – An Overview of High Level Trends and Aggregated Monitoring Returns 2013

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- 7.2 The action plan has been aligned with NILGOSC's three year corporate planning cycle. NILGOSC's Corporate Plan includes a specific objective on equality; *To be committed to the need to promote equality of opportunity, the desirability of promoting good relations and the fulfilment of its Section 75 obligations.* NILGOSC reports quarterly on its progress in implementing its Corporate Plan.
- 7.3 In addition, NILGOSC will prepare an annual report on progress made over the previous year. This report will form part of the Annual Review of Progress on Section 75 implementation which is sent to the Equality Commission.
- 7.4 The collation of information on progress will allow for regular and ongoing review of the action plan to ensure that it remains effective and relevant to NILGOSC's functions. Any changes or amendments to the action plan will be reported to the Equality Commission.

Identified Inequality/Area	Objectives/Intended Impact	Action Required	Performance Indicator	Timescale	Owner
Staff Training (All 9 groups)	To improve staff awareness and skills	Introduce an Equality and Good Relations learning module to be completed by all NILGOSC staff	100% of staff completed module.	31 March 2016	CK
		Equality and Good Relations training to be delivered to all Committee Members	100% of Committee members to have received training	31 March 2017	CK
		Practical customer care training for staff on dealing with members with different disabilities or communication barriers	100% of staff to have received training	31 March 2017	JC
Statutory Obligations	To ensure appropriate policies and provisions relating to equality, good relations and disability are in place and that all new and revised policies have been equality screened (All 9 groups)	Update NILGOSC's Good Relations Policy	Policy updated and approved	31 March 2016	CK
		Review and update Disability Action Plan	Plan reviewed and updated	31 March 2016	JC
		Undertake accessibility audit of NILGOSC premises as part of the refurbishment of Templeton House and update Disability Action Plan	Accessibility audit completed and Disability Action Plan updated and approved	31 March 2017	JC
		Clearly signpost disabled car parking space in Templeton House car-park	Accessible parking space clearly marked	31 March 2016	JH
		Update Leave Policy to reflect shared parental leave arrangements from 5 April 2015	Policy updated and communicated to staff	30 September 2015	JC

Identified Inequality/Area	Objectives/Intended Impact	Action Required	Performance Indicator	Timescale	Owner
Barriers to joining the pension scheme, particularly for people with a disability and/or whose first language is not English	1. Continue to improve communication with all members and ensure information on the scheme and services is accessible to all 2. Increase in number of requests for alternative communications	Review publications/marketing material to ensure appropriate distribution/communication of relevant pension scheme and service information. Consider issuing specific publications for people with disabilities or whose first language is not English (e.g. Polish)	Access to information is improved for people with a disability or whose first language is not English	31 March 2018	ZK
		Investigate and consider obtaining the Internet Crystal Mark Logo (plain English campaign) to ensure NILGOSC's website is accessible to people with disabilities and whose first language is not English	Mark Logo is achieved	31 March 2018	NS
Underrepresentation of single members	To increase the number of members from underrepresented groups in the Scheme	Undertake research to identify and understand the reasons behind underrepresented groups in the Scheme	Outcome of research analysed and reported to SMT	30 June 2016	ZK
Underrepresentation of males (20%) and people with disabilities* in the workforce	To increase the number of staff employed from underrepresented groups	Positive targeting of underrepresented groups through job advertisements	% of applicants applying and employed from underrepresented groups	Ongoing	JC
Underrepresentation of applicants from the Roman Catholic community (10%)					

Identified Inequality/Area	Objectives/Intended Impact	Action Required	Performance Indicator	Timescale	Owner
Working environment	To promote a positive working environment in NILGOSC for all existing and future staff	Issue a survey on Equality and Good Relations to staff to invite comments and opinion on the working environment and workplace culture	Positive response from staff survey	31 March 2016	JC
		Equality duties to be included in all job descriptions, where appropriate	Job descriptions for all staff with equality duties updated	Ongoing	JC
Identified inequalities in the Scheme Regulations	To promote equality of treatment and access to the Scheme and Scheme benefits for all groups	Bring identified inequalities in the Scheme Regulations to the attention of the Department	Imbalances are acknowledged by the Department and considered in future Regulations	31 March 2018	ZK
Committee composition imbalanced with respect to gender, age and political opinion	To have a more balanced Committee composition with respect to gender, age and political opinion	Bring any imbalances in Committee composition to the attention of the Department for positive targeting of underrepresented groups through the public appointments process	A “balanced” Committee composition	31 December 2016	NT
Lack of monitoring data (all groups)	To have more comprehensive equality monitoring data available	Review of monitoring data available and gap analysis conducted – each manager to consider what data they need, what they hold and identify gaps in information	Improved monitoring datasets	31 March 2017	All (co-ordinated by I&G)

*Underrepresented by reference to the entire working population but not significantly different from local government and employer workforce statistics.

List of internal and external reports and datasets reviewed as part of Audit of Inequalities 2015

- NILGOSC Committee and Staff Equality Monitoring Data
- Statistical data from membership database
- NILGOSC opt-out statistics
- Northern Ireland Census 2011
- Equality Commission data on "Labour Availability – Economically Active and Unemployed"
- Joseph Rowntree Foundation Report on "The Economic and Social Mobility of Ethnic Minority Communities in Northern Ireland"
- DFP Northern Ireland Labour Force Survey: January – March 2014
- The DWP Workforce data table (30 September 2014)
- Northern Ireland Statistics & Research Agency: Census 2011 "Economic Activity by Religion, by Age, by Sex"
- Office for National Statistics "Integrated Household Survey April 2011 to March 2012: Experimental Statistics"
- ECNI – "A Short Guide to the Public Sector Equality and Disability Duties" – October 2014
- ECNI Fair Employment Monitoring Report No 24 – An Overview of High Level Trends and Aggregated Monitoring Returns 2013
- OFMDFM Public Bodies and Public Appointments Annual Report 2012/13
- The Commissioner for Public Appointments Northern Ireland – "Under-Representation and Lack of Diversity in Public Appointments in Northern Ireland" January 2014
- Action on Hearing Loss
- RNIB (Royal National Institute for Blind People)
- Disability Action
- NI Life & Times Survey 2012
- Continuous Household Survey – various
- Register General Northern Ireland Annual Report 2013
- ONS Measuring Sexual Identity: An Evaluation Report September 2010

The table below sets out the results of the NILGOSC survey by S75 category.

S75 Category	Inequality Identified
Gender	<p>The male/female ratio of members (taken from the pension software system) is broadly in line with the breakdown of the eligible local government workforce⁷. There is a marginally higher % of females joining the pension scheme (3.8%) when compared to the results of the employer survey.</p> <p>No gender inequality identified.</p>
Age	<p>The actual age profile of scheme members was taken from the NILGOSC database and compared to the eligible workforce. The age profile of the scheme members is broadly similar to the eligible workforce, with a slight over-representation in the scheme of those aged 45-59 (3.1%).</p> <p>The statistics monitored by NILGOSC in respect of those opting out of the scheme suggest that 47.0% of those choosing not to join the scheme are aged 40 or below (with 28% in the age category 22-30) whilst 20.0% are aged 51-60. The statistics in respect of those choosing to opt out cannot be viewed in isolation and when considering the profile of the scheme as a whole, no age inequality has been identified.</p>
Religion	<p>The community background of the members responding to the survey was compared to that of the eligible workforce taken from the employer survey.</p> <p>The results show that while those with a Protestant background make up 46.9% of the workforce, they account for 52.0% of scheme members. This overrepresentation is potentially linked to the age profile of the scheme as the community background demographic for Northern Ireland shows that approximately 51.0% of those within the age category 45-74 are Protestant.⁸</p> <p>It should be noted however, that when compared to the data within the ECNI Fair Employment Monitoring Report No. 24, the scheme membership data is broadly similar, i.e. per ECNI 52.4% of public sector workforce is Protestant and 47.6% is Roman Catholic; per scheme data 52.0% of members are Protestant and 46.1% are Roman Catholic.</p> <p>Overall, there is no significant inequality identified in respect of Religious Belief.</p>
Race	<p>The ethnicity profile of scheme members reflected that of the eligible workforce.</p> <p>No racial inequality identified.</p>

⁷ The male/female ratio for the member profile matches the figures regarding the public sector workforce within the ECNI Fair Employment Monitoring Report No.24. When comparing the member profile to the results of the employer survey, there is a marginally higher percentage of females joining the scheme (3.8% difference).

⁸ Northern Ireland Statistics & Research Agency: Census 2011 "Economic Activity by Religion, by Age, by Sex".

S75 Category	Inequality Identified
Disability	The number of scheme members declaring a disability (6.5%) is higher than that of the eligible workforce (1.8%). No inequality on the grounds of disability identified.
Political Opinion	Employers were unable to provide this information for 95% of the workforce. Insufficient data to conclude if inequality on the grounds of political opinion exists.
Marital Status	The marital status of the members responding to the survey was compared to that of the eligible workforce taken from the employer survey. The results indicate that single employees are less likely to join the pension scheme as 30.0% of the eligible workforce is single but only 12.2% of scheme members are single. Correspondingly, while 61.6% of the eligible workforce is married or civil partnered, 73.0% of scheme members fall into these categories. This distortion may be linked to the age profile of both the scheme and the local government workforce.
Sexual Orientation	Employers were unable to provide this information for 84.6% of the workforce. Insufficient data to conclude if inequality on the grounds of sexual orientation exists.
Dependants	Employers were unable to provide this information for 75.7% of the workforce. Insufficient data to conclude if inequality on the grounds of dependency exists.