

REQUEST FOR DIRECTOR DECISION – DD2356

Title: Talent Management Consultancy Support

Executive Summary

This decision seeks approval to commission Deloitte to provide consultancy support to accelerate our development of a rigorous and systematic approach to talent management at the GLA, with an initial focus on developing a positive action pilot to deliver the Mayor's commitment to close the GLA's ethnicity pay gap and develop a workforce that reflects London's population at all levels.

We already have an existing positive action programme, Our Time, in train which supports women into leadership roles. This commission aims to develop a complementary programme to provide the GLA with an organisation-wide approach to talent management and succession planning, tested first with a pilot that will focus on Black Asian Minority Ethnic (BAME) progression and retention.

Once we have evaluated this programme, we will consider if we need to design other programmes to support other under-represented groups. We will do this if we judge that additional programmes are required to meet particular needs.

Decision:

That the Chief Officer approves:

1. Expenditure of £95,000 to commission Deloitte to provide the GLA with a talent management approach. Through piloting and interventions, Deloitte will identify lawful positive action strategies which will help ensure the GLA's workforce reflects London's diversity at all levels, including senior leadership.
2. An exemption from the requirement of the GLA Contracts and Funding Code to procure competitively and commission Deloitte using a single source procurement process. This is based on the requirement to ensure that the programme we develop will be complementary to and comparable with the existing Our Time programme which Deloitte have previously been procured to develop.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

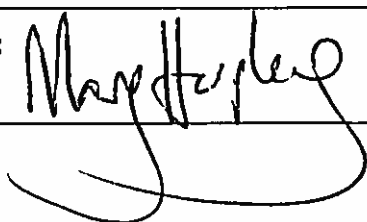
Name:

Mary Harpley

Position:

Chief Officer

Signature:



Date:

21 May 2019

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The GLA is a very different organisation to the one envisaged when the GLA started life in 2000. The growth in staffing over time is perhaps the most tangible sign of change. This growth has partially been driven by a significant broadening of the GLA's responsibilities over time. The focus of the organisation has shifted from entirely strategic to a mixture of strategic and delivery roles – the responsibilities for housing delivery added in 2012 and those that are coming with the devolution of adult skills this year are two examples of moves into delivery. The range of professional skills needed in the GLA's workforce has also broadened significantly over time.
- 1.2. The Mayor aspires for the GLA to be an exemplar employer, leading by example, and maximising the opportunities across the GLA Group for efficiencies by sharing additional services where there is value in doing so. Delivering the aspiration for the GLA to be an exemplar employer needs greater focus from senior officers and an acceleration of pace now, specifically to:
 - Recruit and retain a workforce that better reflects London's diversity, including at senior levels based on a targeted talent management approach;
 - Reduce pay gaps between different groups further so that they are not statistically significant; and
 - Create an open and inclusive culture and make sure that the GLA remains a great place to work.
- 1.3. Deloitte will be required to develop for us a proactive succession management approach through the piloting of a programme to consider how we plan for the development of our BAME staff. This development work and pilot will provide the GLA with a detailed and robust approach to identifying, tracking and supporting candidates into critical roles. Leadership potential is one of the obstacles organisations face, when current capability is confused with current potential. Based on research of 22,000 leaders conducted by Deloitte, leadership potential is definable and can be measured. Rather than use performance data to assess capability which can be developed ("what you can do"), the GLA would like to pilot looking at potential ("how quickly you grow"). This will enable the GLA to review its internal population to identify potential successors who might currently slip through the net by purely looking at past performance.
- 1.4. Deloitte will be required to provide the GLA with a detailed and systematic talent management approach for the internal talent pool and external candidate pipeline that will identify potential barriers within the organisation. The piloting of the talent management strategy will start with the identification of the critical roles that are required in the GLA. The identification will help the GLA to understand what the key roles are in the organisation and identify those that are likely to turn over in the short to medium term.
- 1.5. Deloitte will also work with the GLA to identify succession plans for these critical roles. This will be based on understanding what the key roles, capabilities and other skills required for the successful delivery of each critical role. Upon the identification of the critical roles, an internal talent pool will be assessed to identify whether they have the potential to fit into a succession pipeline. This will enable the GLA to understand where success may come from within the GLA and where external talent may be needed.
- 1.6. The GLA will then require Deloitte to develop the succession plan into a lawful positive action strategy. The approach will need to support equal opportunities both within the internal pipeline and for external candidates. A range of talent support interventions will be provided e.g. one to one coaching and leadership development. This will be evaluated, and recommendations will be provided for future talent management and succession planning.

- 1.7. Deloitte will then roll this out as a pilot and the first group that will be targeted will be the internal Black Asian Minority Ethnic (BAME) talent pool and external candidates. There is evidence that while BAME candidates are applying for roles, this is not translating into the number of appointments that we should expect. This pilot will therefore need to provide the GLA with a lawful positive action or differentiated approach to address systematic barriers that exist and support BAME candidates. The pilot programme will be evaluated and if this pilot is successful, then the model will be rolled out to other targeted groups or will be used for all staff to provide the GLA with succession planning for critical roles.
- 1.8. An exemption is sought from the requirement of the GLA Contracts and Funding Code to procure competitively to enable Deloitte to be commissioned using a single source procurement process. This is based on the requirement to ensure that the programme we develop will be complementary to and comparable with the existing Our Time programme which Deloitte have previously been procured to develop.

2. Objectives and expected outcomes

- 2.1. The work described in this decision will lead to the identification of future leadership potential and positive actions strategies will support the GLA's aim to have a workforce that reflects London's diversity at all levels. It will provide support for an internal BAME talent pool and retain BAME talent. The following will be delivered:
- An identified list of the GLA's critical roles;
 - Succession plans developed for these critical roles which includes a diverse set of candidates;
 - The rollout of a series of pilots and interventions to support an internal BAME talent pool and attract and retain BAME talent; and
 - An evaluation of the pilot setting out recommendations for future talent management and succession planning for critical roles with clear next steps and best practice examples to roll out to other targeted groups and or all staff.
- 2.2. This work will help support the GLA to:
- Recruit and retain a workforce that better reflects London's diversity, including at senior levels based on a targeted talent management approach;
 - Reduce pay gaps between different groups further so that they are not statistically significant; and
 - Create an open and inclusive culture and make sure that the GLA remains a great place to work.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, as public authorities, the Mayor and GLA are subject to a public-sector equality duty and must have 'due regard' to the need to (i) eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and (iii) foster good relations between people who share a relevant protected characteristic and those who do not. Protected characteristics under section 149 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (all except the last being "relevant" protected characteristics).
- 3.2. Addressing race equality and inclusion at senior leadership levels across the GLA Group are the drivers behind this scoping exercise, ensuring that the GLA Group workforce reflects the diversity of London. The GLA Ethnicity Pay Gap Action Plan set out the commitment to work with the BAME network and

external specialists to understand the latest research and evidence in relation to positive action programmes for BAME staff. This work will ensure that a programme is developed which meets the needs and aspirations of this target group.

- 3.3. The consultancy support will result in recommendations for the design and delivery of a programme to support BAME staff into leadership positions. There is scope to consider further how we design a programme to support other under-represented groups and those with other protected characteristics, and we will be seeking to identify appropriate positive action programmes for other groups in the near future. Impact assessments will be carried to ensure that this work does not negatively impact on other groups with other characteristics.
- 3.4. This work will directly contribute to our Public Sector Equality Duty (PSED) to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people. It is anticipated that the results from this work will be embedded into future talent management policies and approaches which all staff will benefit from.
- 3.5. This work will help to address and close the GLA's ethnicity pay gap which is currently 17.36% and supports the GLA's ethnicity pay gap action plan to ensure our workforce reflects London's diversity at all levels.

4. Other considerations

a) Risks and issues

- 4.1. Legality of the initiatives to ensure they remain positive action and do not become positive discrimination - legal advice will be sought to ensure that the proposed positive action and delivery of the initiative remains within legal boundaries.
- 4.2. Timescales are tight to secure - This will be factored into the commissioning of Deloitte and they will be advised that this project is time critical as it is part of the Transformation Programme.
- 4.3. Recommendations of the Deloitte are unfeasible (prohibitively expensive or too resource intensive to deliver internally) - Deloitte will be managed by the Project Manager; Transformation Programme and the work will be managed by a steering group to ensure that recommendations are feasible.

b) Links to Mayoral strategies and priorities

- 4.4. This work supports the Mayor in delivering his vision of a 'fair and equal city'.
 - This programme is a Mayoral priority. In December 2017, the Mayor pledged to lead by example on London's ethnicity pay gap as part of his drive to tackle inequality across the capital. He announced he would publish data on the pay gap affecting BAME employees in City Hall and across the GLA group. The Mayor first published ethnicity pay gap analysis in March 2018 – ahead of any legal duty for organisations to publish this data.
 - The Mayor has led by example in publishing this data and is committed, not only to recognise pay inequality and seek to address it at the GLA and its functional bodies, but to encourage businesses in the capital to follow this lead.
 - The Mayor has demonstrated his commitment to supporting the development of underrepresented groups. The Our Time Programme was implemented to support the progression of women in the workplace. This new piece of work supports the aspiration to develop a positive action programme (either Our Time or similar) for BAME staff in the first instance.

- 4.5. The Talent Management approach will support the GLA Group Diversity and Inclusion Action Standard to ensure the GLA family can: achieve a truly diverse workforce reflective of London; and, develop inclusive cultures in which all groups can flourish.
- c) Consultations and impact assessments, including data protection (as per the GLA's requirements under GDPR), health and safeguarding where relevant.*
- 4.6. Data protection and new GDPR guidelines will be complied with by the provider when sharing data.
- 4.7. Deloitte will be asked to align and consider existing work in this area, such as the GLA's Group Diversity and Inclusion Action Standard and other key internal documents. They will also be made aware of staff networks who we could want to involve in this piece of work to support the implementation of the pilot scheme.

5. Financial comments

- 5.1 Approval is sought for expenditure of £95,000 to commission Deloitte to undertake talent management consultancy support. The expenditure will be funded from the 2019-20 Transformation budget held in the Chief Officer's directorate.

6. Legal comments

- 6.1 The foregoing sections of this report indicate that:
- The decisions requested of the director concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and
 - In formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:
 - Pay due regard to the principle that there should be equality of opportunity for all people;
 - Consider how the proposals will contribute towards the achievement of sustainable development in the United Kingdom; and
 - Consult with appropriate bodies.
- 6.2 In taking the decisions requested, the director must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion) and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the director should have particular regard to section 3 (above) of this report.
- 6.3 The director must also have due regard to sections 158 and 159 of the Equality Act 2010 (EqA) to ensure that any proposed positive action is lawful and in compliance with the EqA.
- 6.4 Section 9.1 of the Contracts and Funding Code (the '**Code**') requires the GLA to seek a call-off from a suitable framework, where possible, or if not, undertake a formal tender process managed by TfL Commercial. However, the director may approve an exemption from this requirement under section 10 of the Code upon certain specified grounds. The officers have set out at paragraph 1.8 of this report the reasons why they believe this meets the exemption. On this basis the director may approve the proposed exemption if satisfied with the content of this report.

- 6.5 Officers must ensure that appropriate contract documentation is put in place and executed by the Deloitte and the GLA before the commencement of the services.

7. Planned delivery approach and next steps

Activity	Timeline
Enter contract with Deloitte	27 May 2019
Delivery Start Date	4 June 2019
Main milestones – Identification of Critical roles	21 June 2019
Main milestones – Identification of internal and external BAME talent pool	19 July 2019
Project Closure:	24 August 2019

Appendices and supporting papers:

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Michelle Barrett has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director:

Charmaine de Souza has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 20 May 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. ALG

Date 23.5.19

