



**HM Revenue
& Customs**

Race Equality

Employment Duty Monitoring Report 2008 to 2009

Contents

| | |
|--|----|
| List of Appendices..... | 4 |
| Content of appendices | 4 |
| Abbreviations | 7 |
| 1. Context..... | 8 |
| 2. Ethnicity declaration data | 8 |
| 3. BAME representation in HMRC..... | 11 |
| 3.1 Staff in post | 11 |
| 3.2 People leaving HMRC | 12 |
| 3.3 New entrants to HMRC | 14 |
| 4. Applicants for employment..... | 17 |
| 4.1 Generalist external recruitment..... | 17 |
| 4.2 Specialist external recruitment | 19 |
| 4.3 Graduate recruitment programme | 20 |
| 5. Applicants and recipients of promotion | 23 |
| 5.1 Permanent promotions..... | 23 |
| 5.2 HOAP internal recruitment programme | 25 |
| 6. Filling vacancies in Senior Management grades..... | 26 |
| 6.1 The Grade 7 Gateway | 26 |
| 6.2 Internal promotion to Grade 6 and Grade 7 | 28 |
| 6.3 Solicitors Office internal recruitment..... | 30 |
| 7. External recruitment and internal promotion to SCS | 31 |
| 7.1 Cabinet Office Fast Stream..... | 31 |
| 7.2 SCS Leadership Gateway..... | 32 |
| 7.3 Talent management | 33 |

| | | |
|-----|--|----|
| 8. | Appraisal | 34 |
| 9. | Grievance and disciplinary procedures | 36 |
| 9.1 | Grievance procedures | 36 |
| 9.2 | Disciplinary procedures | 37 |
| 10. | Training | 39 |
| 11. | Location..... | 43 |
| 12. | Business Streams..... | 44 |
| 13. | Age and Length of service..... | 47 |
| 14. | Action Plan for the Race Employment Duty report 2008-2009..... | 53 |
| 15. | Contact point for further enquiries | 55 |
| | Appendices | 56 |

List of Appendices

| | | |
|------------|--------------|--|
| Appendix 1 | Tables 1-10 | Staff in post |
| Appendix 2 | Tables 11-15 | Leavers |
| Appendix 3 | Tables 16-19 | New entrants |
| Appendix 4 | Tables 20-21 | Applicants for employment |
| Appendix 5 | Tables 22-28 | Applicants and recipients of promotion |
| Appendix 6 | Tables 29-31 | Appraisal results |
| Appendix 7 | Table 32 | Grievance procedures |
| Appendix 8 | Tables 33-34 | Disciplinary procedures |
| Appendix 9 | Table 35 | Training |

Content of Appendices

Appendix 1 - Staff in Post

| | |
|---------------|--|
| Table 1: | Breakdown of staff by all ethnic groups |
| Table 2(a/b): | Staff in Post yearly comparisons – 2007-2008 and 2008-2009 |
| Table 3: | Breakdown of Black and Ethnic Minority groups at 31 March 2009 |
| Table 4: | Breakdown by main ethnic groups, by grade |
| Table 5: | Breakdown by all ethnic groups, by grade |
| Table 6: | Breakdown of White and BAME staff in each grade |
| Table 7: | Breakdown by main ethnic groups, by Business Unit |
| Table 8: | Breakdown by all ethnic groups, by Business Unit |
| Table 9: | Breakdown by Government Office Region |
| Table 10: | 'Have the percentage of BAME staff increased between 31 March 2008 and 31 March 2009?' |

Appendix 2 – Leavers

| | |
|-----------|---|
| Table 11: | 'Were BAME staff more likely to leave HMRC than White staff?' |
| Table 12: | Breakdown by all ethnic groups |
| Table 13: | Breakdown by grade |
| Table 14: | Analysis of leavers by grade |
| Table 15: | Breakdown by reason for leaving |

Appendix 3 – New Entrants to HMRC

| | |
|-----------|---|
| Table 16: | Breakdown by all ethnic groups |
| Table 17: | Breakdown by grade |
| Table 18: | Breakdown by Government Office Region |
| Table 19: | Breakdown by all ethnic groups, by Government Office Region |

Appendix 4 - Applicants for employment

| | |
|-----------|--|
| Table 20: | External applicants for generalist (Grade AA to O) posts – Percentage of each ethnic group |
| Table 21: | External applicants for specialist (Grade 6 and 7) posts – Percentage of each ethnic group |

Appendix 5 – Applicants and recipients of promotion

| | |
|-----------|--|
| Table 22: | Permanent promotions – breakdown by all ethnic groups and by grade |
| Table 23: | 'How successful were BAME staff at the Grade 7 Gateway?' |
| Table 24: | Internal applications for Grade 6 and 7 posts – breakdown by main ethnic groups and by Business Unit (excludes Fast Stream and specialist recruitment programmes) |
| Table 25: | Applications resulting in successful promotions to Grade 6 & 7 - breakdown by main ethnic groups and by Business Unit (excludes Fast Stream and specialist recruitment programmes) |
| Table 26: | All promotions to Grade 6 & 7 - breakdown by all ethnic groups and by Business Unit |
| Table 27: | SCS Leadership Gateway applicants– breakdown by main ethnic groups and by Business Unit |
| Table 28: | SCS Leadership Gateway successful applicants– breakdown by main ethnic groups and by Business Unit |

Appendix 6 – Appraisal

| | |
|------------|--|
| Table 29: | Appraisal marking (2007-08) – analysis of results |
| Table 30: | Breakdown by all ethnic groups |
| Table 31a: | Breakdown by all ethnic groups, by grade (AA) |
| Table 31b: | Breakdown by all ethnic groups, by grade (AO) |
| Table 31c: | Breakdown by all ethnic groups, by grade (O) |
| Table 31d: | Breakdown by all ethnic groups, by grade (HO) |
| Table 31e: | Breakdown by all ethnic groups, by grade (SO) |
| Table 31f: | Breakdown by all ethnic groups, by grade (Fast Stream) |
| Table 31g: | Breakdown by all ethnic groups, by grade (Grade 7) |
| Table 31h: | Breakdown by all ethnic groups, by grade (Grade 6) |

Appendix 7 – Grievance procedures

Table 32: Grievance appeals - breakdown by main ethnic group and grade

Appendix 8 – Disciplinary procedures

Table 33: Disciplinary referrals - breakdown by main ethnic groups and by grade

Table 34: Disciplinary referrals - breakdown by main ethnic groups and by Business Unit

Appendix 9 – Training

Table 35: Training nominations satisfied – breakdown by all ethnic groups

Abbreviations

| | |
|-------|--------------------------------------|
| BAME | Black, Asian and Minority Ethnic |
| EQIA | Equality Impact Assessment |
| ExCom | Executive Committee |
| HRD | Human Resources Director |
| KAI | Knowledge, Analysis and Intelligence |
| WCN | World Careers Network |
| AA | Administrative Assistant |
| AO | Administrative officer |
| O | Officer |
| HO | Higher Officer |
| SO | Senior Officer |
| FS | Fast Stream |
| G7 | Grade 7 |
| G6 | Grade 6 |
| SCS | Senior Civil Servant |
| TMP | Top Management Post |

1. Context

This report covers the period 01 April 2008 to 31 March 2009.

This report presents ethnicity data relating to HMRC's:

- Staff in post
- Staff who left our employment
- Applicants for employment
- Applicants and recipients of promotion
- Appraisal results
- Staff involved in grievance or disciplinary procedures
- Applicants and recipients of training.

We are required under Article 5 of the Race Relations Act 1976 to keep and monitor statistics, analysed by racial group. Results are given throughout the report as numbers and percentages *where ethnicity is known*. Section 2 below reports our actions to increase ethnicity declaration rates.

In the body of the report, tables and charts generally display results for 'White' and 'Total BAME' staff. The appendices contain more detailed breakdowns by ethnicity, grade, and Business Unit. Where our statistics specialists have carried out an analysis of key data, the results are included either in the main report or within the Appendices. Where the number of staff represented in the data is fewer than 5, we have used percentages to maintain confidentiality and anonymity.

We have used the same ethnicity categories as last year; these are the ethnicity categories for the 2001 Census for England and Wales except for the 'White' category for which we use (as in previous years) one 'White' category rather than the 3 White options shown in the England and Wales census. HMRC uses only one 'White' category (any White background) for ethnicity monitoring purposes as we are a Government Department with staff **throughout the United Kingdom**.

2. Ethnicity declarations

HMRC is fully committed to collecting ethnicity data from all members of staff, not only to meet its legal obligations but also to understand and respond to the diversity of its workforce. All members of staff are encouraged to record their ethnicity status on a voluntary basis using our online HR system. For those members of staff who do not wish to disclose this information there is an option for them to 'choose not to declare'.

The HMRC ethnicity declaration rate increased during 2008-2009 from 66.25% at 1 April 2008 to 68.89% at 31 March 2009, (an increase of 2.64%). This figure includes those people who have 'chosen not to declare'.

The number of staff whose ethnicity is known (excluding those people who have 'chosen not to declare') has increased from 62.07% to 64.57%.

Whilst this is encouraging, further work is needed to increase these declaration rates to meet the HMRC internal target of 89% by 31 March 2010 and the Cabinet Office target of 90% by 2013.

The Corporate Responsibility and Diversity Team has continued to look at ways of increasing these declaration rates further over the last twelve months and has been involved in a number of initiatives such as:

- Reminding staff of the need to update all of their diversity information when sexual orientation monitoring was introduced in September 2008.
- Updating the guidance on how to do this on HMRC's internal Intranet site.
- Attending local Senior Management meetings to explain the reasons why we need this information and how managers can support and encourage their staff to provide ethnicity information.
- Discussing this issue at 'Town Hall' events, which are attended by Senior ExCom members.
- Responding to 'Hotseat' questions (a facility where staff are able to ask questions to senior managers).
- Working closely with individual Business Units to provide them with statistical information for their business area and helping them to develop local action plans to increase declaration rates. This has included tailored messages to managers, encouraging them to discuss why we need staff to input ethnicity data, talking about this at team meetings and allowing staff time out to access the system and record this information.
- Working with Call Centre managers to offer a more targeted approach to staff who don't regularly access the Intranet. Staff were allowed an allocated amount of time to update this information and the declaration rate increased for this directorate as a result of this exercise.

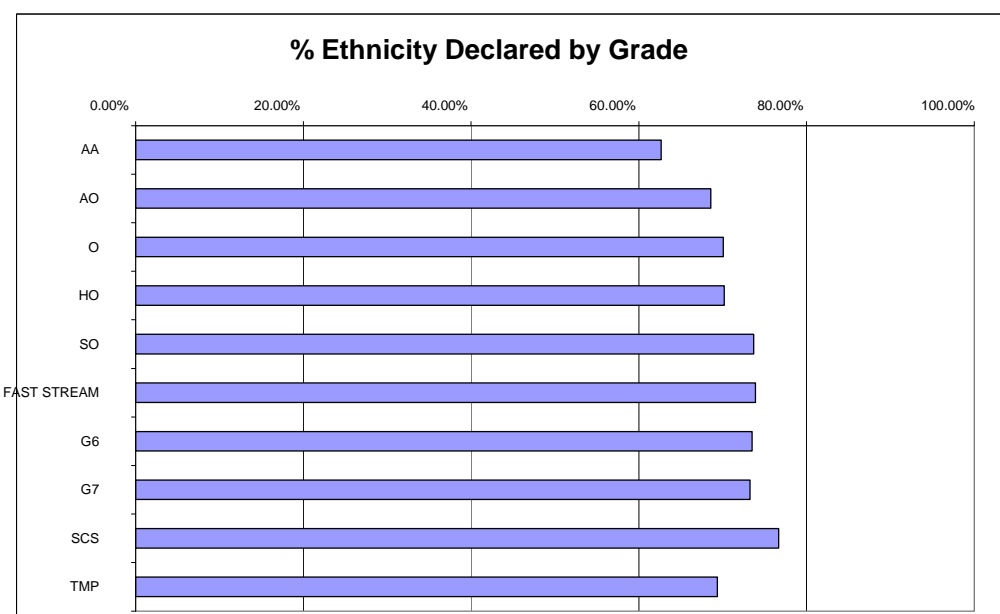
Despite these initiatives, the rate of increase in the level of declarations has been slow. We will therefore continue to give this work high priority over the next 12 months. In July 2009 we issued the first 'information packs' to HR Directors, detailing the current declaration rates and ethnic make-up of their staff, together with a comparison for other Business Units and HMRC overall. This information is being used to inform local diversity action plans and to support HR Directors in driving up their declaration rates. Senior and local managers are encouraged to discuss the reasons why we need this information with staff and offer guidance and support on how this should be updated. Further 'information packs' will be issued on a six monthly basis.

We will also continue to explore the possibility of transferring the data for new recruits directly onto our online HR system.

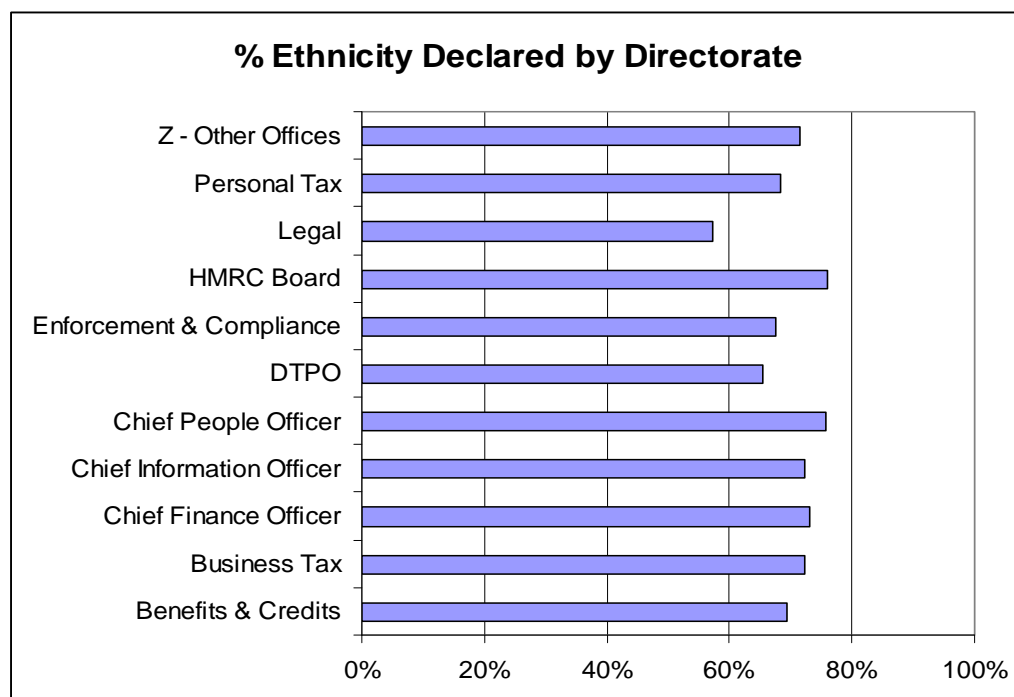
The total number of HMRC staff has decreased by 2.47% from 92,948 in 2007-08 to 90,650 in 2008-09. If these leavers are from the pool of staff that has updated its ethnicity then this could have a negative impact on the declaration rates overall.

Ethnicity Declarations at 31 March 2009

| Total Staff | Ethnicity Known | Choose not to declare | Ethnicity Not Known |
|--------------|-----------------|-----------------------|---------------------|
| 90650 | 58531 | 3914 | 28205 |
| % | 64.57% | 4.32% | 31.11% |



Note: Fast Stream grade includes Graduate Recruitment and Cabinet Office Fast Stream 'Trainees'.



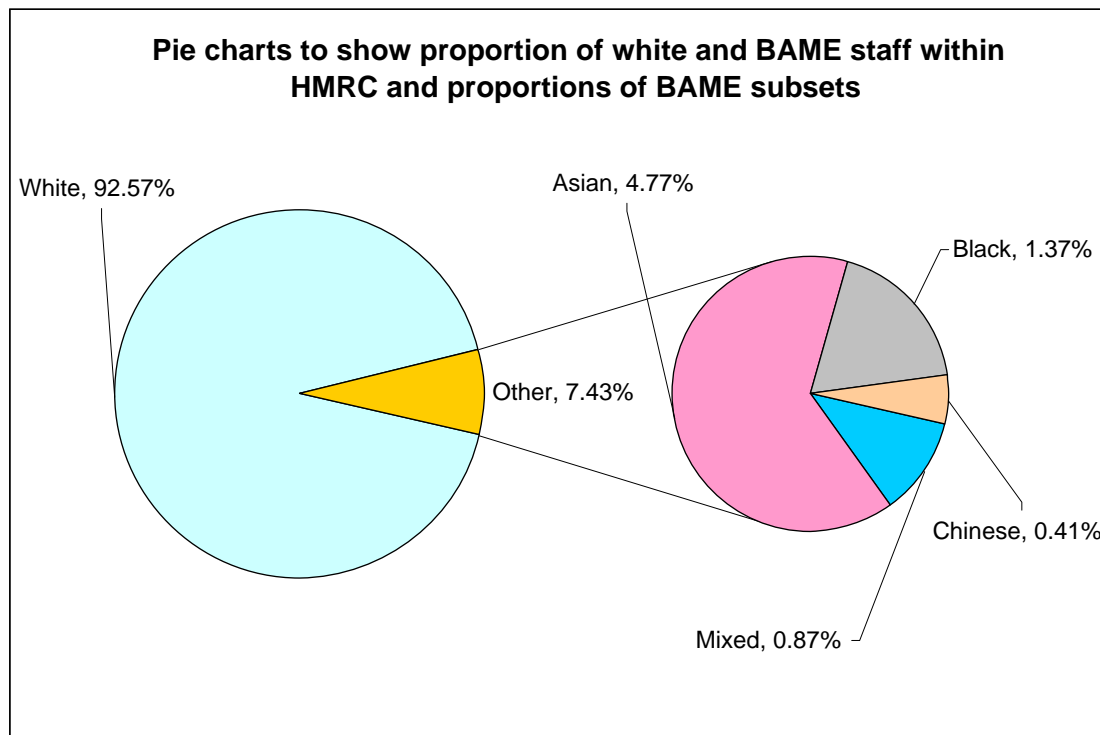
3. BAME representation in HMRC

3.1 Staff in Post (includes all staff employed by HMRC, whether paid or unpaid)

See Appendix 1: Tables 1-10

All HMRC Staff - Known Ethnicity at 31 March 2009

| White | Mixed | Asian | Black | Chinese | Total BAME |
|--------|-------|-------|-------|---------|------------|
| 54,181 | 512 | 2,792 | 804 | 242 | 4,350 |
| 92.57% | 0.87% | 4.77% | 1.37% | 0.41% | 7.43% |



Overall, the number of staff in post in HMRC fell by 2.47% in the period 1 April 2008 – 31 March 2009 (from 92,948 to 90,650). Despite this decrease in staff in post, the percentage of BAME staff employed in HMRC has increased from 7.12% to 7.43%. The percentage of all 4 main BAME groups increased in 2008-2009 with Chinese and Asian staff representation increasing the most and both showing a 5% increase from the previous year - see tables 2 (a) and (b) in appendix 1.

As for last year, 'Asian or British Asian-Indian' is the largest minority ethnic group in HMRC at 3.26% (3.12% in 2007-2008) and the smallest is 'Any other black background' at 0.02 % (0.03% in 2007-2008) – see table 3 in Appendix 1.

Table 10 in Appendix 1 shows that in the period March 2008 to March 2009 the proportion of BAME staff increased in every grade, apart from the SCS which remained constant at 3.6%. The largest increase can be seen at Grade 6, where there was an increase of over 10% in the proportion of BAME staff. For the AA and FS grades, the actual number of BAME staff fell but less so than for White staff, meaning that proportionally the representation of BAME staff increased. Overall, since the 2007-2008 report, the number of BAME staff has risen from 4,109 to 4,350, which as a proportion of all staff shows a rise from 7.1% to 7.4% of staff whose ethnicity is known.

For the period 2008-2009, the trend as in previous years is for higher grades to have a lower proportion of BAME staff, with the proportion increasing through to the lowest grade (see table 4 in appendix1). However, the obvious exception to this is for the Senior Officer (SO) grade where only 3.88% of staff who have declared their ethnicity are BAME. This is the second lowest proportion after the SCS grade. We had already identified this as an issue requiring further action earlier in the year and work has been done to provide the relevant data for Directorates in the form of 'information packs' which is being used by business areas to assist in addressing adverse trends. The Diversity team will also be working with Knowledge, Analysis and Intelligence (KAI) later in 2009-2010 to analyse the movement of BAME staff through the grades and to conduct a more detailed analysis to identify barriers to BAME progression.

We believe that we can also remove barriers by making staff, and in particular managers, more aware of race issues. We recognise that managers have a key role to play in assisting BAME staff progression as they are in a position to help develop the skills and confidence of their staff. An additional awareness of race issues by managers is therefore highly beneficial and for this reason CR and Diversity, in conjunction with Learning, have developed a new set of diversity training modules for managers, which forms part of the 'Developing Confident Managers' programme. These include a module on Race Diversity Awareness, launched in September 2009, which was developed in close consultation with the Race Network. This awareness training model is aimed at all staff and is specifically recommended for new managers as well as more experienced management grades returning to a people management role.

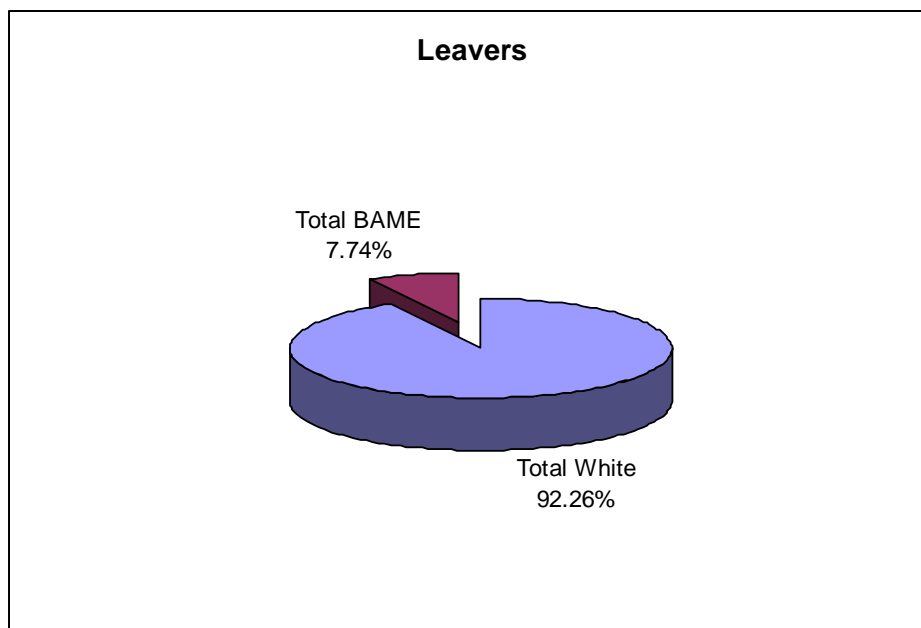
3.2 People leaving HMRC

See Appendix 2: Tables 11-15

For 2008-2009, data is broken down by ethnic group, grade, business area, and reason for leaving.

Ethnicity of staff who left HMRC from 1 April 2008 to 31 March 2009

| White | Mixed | Asian | Black | Chinese or other | Total BAME |
|---------------|-------|-------|-------|------------------|-------------------|
| 3,814 | 45 | 195 | 67 | 13 | 320 |
| 92.26% | 1.09% | 4.72% | 1.62% | 0.31% | 7.74% |



The percentage of leavers who are BAME was 7.74% for 2008-2009, which is a reduction of over 1% from the 2007-2008 figure of 9 %.

Overall, BAME staff are no more likely to leave HMRC than White staff. This is supported by the fact that the percentage of White and BAME leavers, when compared to total White and BAME staff groups, is very similar - 7.04% for White staff and 7.36% for BAME staff (see Table 11, Appendix 2).

When leavers are broken down by **all** ethnic groups (Table 12, Appendix 2), analysis shows that almost all ethnic groups account for approximately the same proportion of leavers as they do actual staff in post. Proportionally, the groups with the largest discrepancy between leavers and overall staff are the White and Black Caribbean group who account for 0.34% of leavers but only 0.16% of all staff and the Bangladeshi group who have 0.39% of leavers but only 0.19% of all staff, so both of these groups account for over twice as many leavers as we would naturally expect.

The general trend is that BAME staff account for more leavers (than the overall BAME leavers total of 7.7%) at the lower grades and conversely White staff account for more leavers (than the overall White leavers total of 92.3%) at the higher grades (Table 13 in Appendix 2).

As for last year, the percentage of BAME leavers (7.74%) was slightly higher than BAME representation in HMRC (7.43%), but not within all grades. The only grade where a noticeably larger proportion of BAME staff account for leavers is the Fast Stream, with 11.1% BAME leavers compared to the 7.7% of overall staff leaving. However, it should be noted that the numbers of BAME Fast Stream leavers were low (less than 5). Tables 13 and 14 in Appendix 2 show which grades had the most and least BAME leavers.

HMRC's online exit questionnaire is a useful tool in assisting us in gathering information to identify what makes people decide to leave the department. Leavers can specify their main reasons for leaving on the questionnaire. This is completed on an anonymous basis and provides HMRC with an overall indication of people's reasons for leaving, highlighting any trends which we need to take note of and act

upon. The questionnaire also asks people whether they have suffered bullying or discrimination and looks into more positive aspects about working for HMRC. The questionnaire is not mandatory but managers encourage staff to complete it. Since its introduction, we have been reviewing the user-friendliness of the exit questionnaire and have made some further changes to it during 2008-2009 which will improve its monitoring capability.

The department has just obtained its first full year's data from the completed questionnaires (see Table 15 of Appendix 2) and we will be analysing this further where any areas of concern have been identified. The figures indicate that of the 143 BAME staff who completed the questionnaire, only 2 cited discrimination (on any grounds) as their reason for leaving. In only one case was the discrimination said to be racially based. The exit questionnaire data is available to all HR Business Partners, who can see if bullying or discrimination are identified in the exit questionnaire as issues for their Business Area. Appropriate action can then be taken, such as raising staff diversity awareness or improving management capability.

Overall, during 2008-2009, the percentage of BAME staff joining HMRC (12.75% - see New entrants below) exceeded the percentage of BAME staff leaving the department (7.74%).

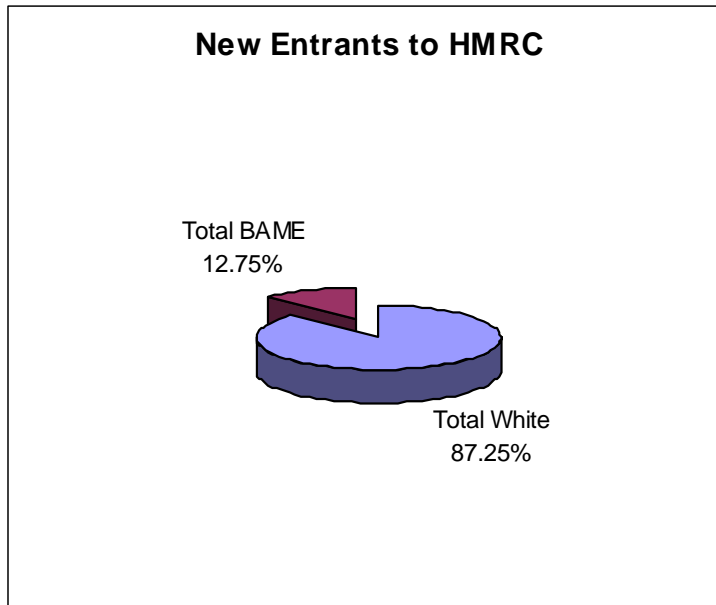
3.3 New entrants to HMRC

Appendix 3: Tables 16-19

The percentage of BAME new entrants was 12.75% for 2008-2009, which is an **increase of over 1% from last year's figure (11.58%).**

Ethnicity of staff who joined HMRC from 1 April 2008 to 31 March 2009

| Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------|-------|-------|-------|------------------|-------------------|
| 2,100 | 29 | 221 | 46 | 11 | 307 |
| 87.25% | 1.20% | 9.18% | 1.91% | 0.46% | 12.75% |



The overall picture for BAME new entrants is positive (Table 16 in Appendix 3) with almost all BAME groups accounting for a larger proportion of new entrants when compared to the total staff in post figure for their group.

Analysis by grade (Table 17 in Appendix 3) also shows positive results overall, indicating that the proportion of BAME staff entering at each grade is higher than the current proportion of BAME staff within HMRC. The proportions of BAME new entrants for the following grades are of particular note: SCS (16.67% of new entrants, compared with 3.59% of current staff), Higher Officer (23.53% new entrants, compared with 6.12% current staff) and Grade 7 (14.29% new entrants, compared with 4.92% current staff). The only exception to this is at Grade 6, where no new entrants were from a BAME subset, compared with the current staff in post figure at Grade 6 of 4.05%.

A breakdown of new entrants by regional office (Table 18 of Appendix 3) indicates large variations throughout the country. Particularly noticeable is the East Midlands region where 77.86% of new staff were from a BAME subset (actual figure of 102 BAME new entrants where ethnicity is known). In contrast, there were no BAME staff recruited in the East region but the actual numbers of staff recruited there (where ethnicity was known) was fewer than 5, so not significant.

For new entrants (grades AA-O) we are able to produce data from 2 online sources:

The **first source of ethnicity data** is HMRC's online HR system, on which 64.57% staff have currently declared their ethnicity.

New entrant grades AA-O on HMRC online system -2008-2009

| Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------|-------|-------|-------|------------------|-------------------|
| 2,025 | 28 | 213 | 45 | 9 | 295 |
| 87.28% | 1.21% | 9.18% | 1.94% | 0.39% | 12.72% |

It should be noted that overall for new entrants declaration rates are particularly low (only 40%). New entrants, who are also temporary staff, contribute further to the low ethnicity declaration rate by having the lowest of all declaration rates, at under 30%. Staff on fixed-term appointments may not see the need to make a declaration as they are with HMRC only temporarily.

The **second source of ethnicity data** is the World Careers Network (WCN) system, which is operated by external consultants for our generalist external recruitment campaigns (grades AA-O). A declaration on ethnicity is mandatory for all applicants using this system. The declaration options include "choose not to declare" but this option is selected by only 3% of applicants. Therefore for external recruitment using this system we can establish the ethnicity of 97% **of those who take up duty with HMRC.**

New entrant grades AA-O on WCN system -2008-2009

| Total White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|--------------------|-------|--------|-------|------------------|-------------------|
| 4,417 | 84 | 545 | 120 | 94 | 843 |
| 83.97% | 1.60% | 10.36% | 2.28% | 1.79% | 16.03% |

The WCN system, which has a 97% declaration rate, shows that 16.03 % of new entrant grades AA-O are BAME (compared with the less accurate figure of 12.72% from HMRC's online HR system).

This clearly demonstrates the need to encourage staff to make an ethnicity declaration.

4. Applicants for employment

See Appendix 4: Tables 20-21

4.1 Generalist External Recruitment

We recruit staff on three types of contract: Permanent, Fixed-Term Appointment (FTA) and Temporary Fixed-Term Appointment (TFTA). FTAs are recruited under the Civil Service full, fair and open competition rules and can be recruited for any length of time up to two years. TFTA appointments cannot last (or extend) more than 11 months and candidates do not have to be recruited under full, open competition.

It is mandatory for all HMRC staff to complete a diversity awareness session as part of their interview training before sitting on external recruitment interview panels. The diversity awareness session specifically covers race discrimination and the requirements of the Race Relations Act. Further, the interview training itself covers the requirement to treat all applicants fairly and to select solely on the basis of merit.

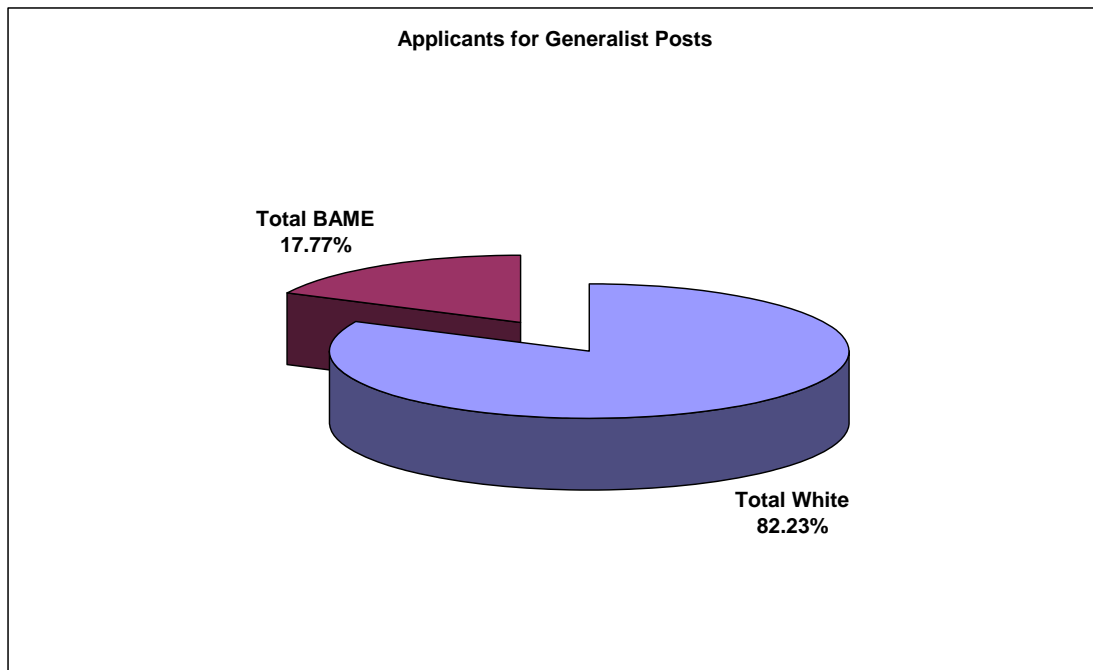
We collect comprehensive data on applicants for employment and our results and analysis covers all external recruitment campaigns started after 1 April 2008 and completed before 31 March 2009. The data is broken down into the different stages of the recruitment process, by main ethnic group and by grade -see Table 20, Appendix 4.

Grades AA – O are recruited using the online World Careers Network system on which BAME data fields are compulsory. The data for the recruitment of these grades is therefore comprehensive.

In 2008-2009 BAME applicants accounted for 17.77% of all applications for Administrative Assistant to Officer grade posts, where ethnicity is known.

Total external applicants for generalist posts (AA to O grade) where ethnicity is known 2008-2009

| Criteria | Total | Total White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|------------------|--------|-------------|-------|--------|-------|------------------|------------|
| Total applicants | 49,211 | 40,466 | 964 | 5,580 | 1,235 | 966 | 8,745 |
| | 100% | 82.23% | 1.96% | 11.34% | 2.51% | 1.96% | 17.77% |



In 2008-2009, 16.03% of successful applicants were BAME. The proportions of total BAME applicants compared with total successful BAME applicants are therefore fairly similar (17.77% to 16.03%).

Total successful external applicants for generalist posts (AA to O grade) where ethnicity is known 2008-2009

| Criteria | Total known ethnicity | White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|-----------------------|-----------------------|--------|-------|--------|-------|------------------|------------|
| Successful applicants | 5,260 | 4,417 | 84 | 545 | 120 | 94 | 843 |
| | 100% | 83.97% | 1.60% | 10.36% | 2.28% | 1.79% | 16.03% |

Data which reports the progress of BAME applicants through the application process is shown as a percentage of each main ethnic group in Table 20 of Appendix 4. Overall there appears to be fairness in the generalist external recruitment system, which is demonstrated by the fact that the proportions of White staff and BAME staff who were successful are similar (10.92% White staff and 9.64% BAME staff). However, it is noted that almost twice as large a proportion of BAME staff were rejected after the online situational sift stage compared with White staff (25.90% BAME staff and 13.19% of White staff). This requires further investigation and will be included in the EQIA on external recruitment planned for 2009-10.

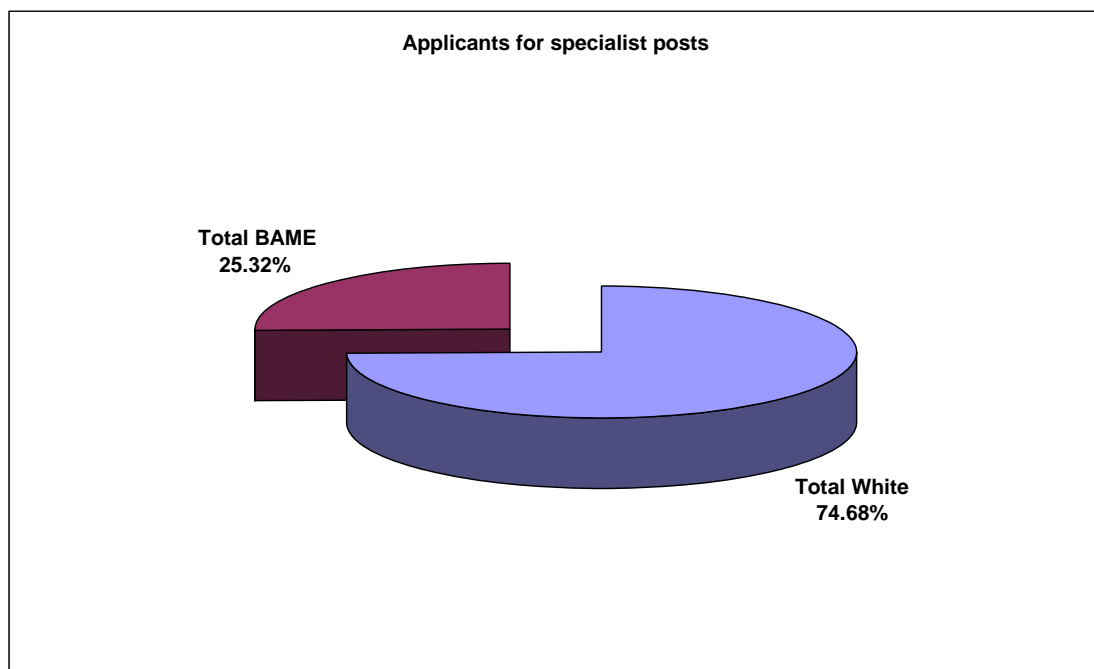
4.2 Specialist External Recruitment

For specialist vacancies (more senior grades) such as Accountancy, IT and Estates specialists we use a paper-based process and the provision of BAME data is subsequently less reliable. Ethnicity declarations are lower (62.2% for applicants and 73.56% for successful applicants) than for the generalist external recruitment data. Furthermore, we believe that there are issues over the completeness of the specialist data. Specialist external recruitment has not been included in the report in previous years and although we are aware that it does not have the reliability of the generalist data, it has been included this year in order to provide a fuller picture of external recruitment in HMRC (See Table 21 of Appendix 4).

In 2008-2009, BAME applicants accounted for 25.32% of all applications for specialist posts where ethnicity is known.

Total external applicants for specialist posts where ethnicity is known 2008-2009

| Criteria | Total White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|------------------|-------------|-------|--------|-------|------------------|------------|
| Total applicants | 74.68% | 1.17% | 13.77% | 9.87% | 0.52% | 25.32% |



Total successful external applicants for specialist posts where ethnicity is known
2008-2009

| Criteria | Total White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|------------------------------|--------------------|-------|-------|-------|------------------|-------------------|
| Successful applicants | 95.31% | - | 4.69% | - | - | 4.69% |

In 2008-2009, there were approximately 200 specialist posts advertised through the specialist external recruitment process; however a significant number of these posts remained unfilled. This was due to issues such as a shortage of suitably qualified applicants or an inability to match private sector salary levels. For the reasons explained we are not able to fully report the diversity of all successful applicants.

The analysed data shows that 4.69% of successful applicants were BAME and there is clearly a large difference between the percentage of BAME applicants and successful applicants.

We are addressing the issues over reliability of this data and next year we expect that it will be significantly improved as the majority of external specialist applicants will be making their applications through the online (WCN) system, currently used for the generalist external recruitment for which an ethnicity declaration is compulsory. This will provide robust data on which to draw conclusions and make recommendations on external specialist recruitment in HMRC.

Furthermore, the Equality Impact Assessment (EQIA) on external recruitment planned for 2009-10 will include in its considerations the issues raised on external recruitment in this report.

4.3 Graduate Recruitment Programme 2008-2009

This programme recruits for specialist and management posts in HMRC and is open to external applicants with a degree and internal applicants with or without a degree. All applicants, whether internal or external, go through the same application process. In the 2008-2009 programme, 36.04% of applicants who declared their ethnicity were BAME.

Ethnicity declarations are provided through the World Careers Network (WCN) online external recruitment system and 97.68% of applicants made an ethnicity declaration. In the 2008-2009 programme, 7.53% of successful applicants were BAME and successful applicants to the graduate recruitment programme are fairly close to overall proportions of BAME staff within HMRC. Of the BAME staff, those of Asian or British Asian ethnicity account for the largest amount of applicants and successful applicants. Black/Black British applicants seem least likely to be successful; after

making up 9.09% of all applicants, they account for just 0.68% of successful applicants.

Applicants for Graduate Recruitment Programme 2008-2009

| Total White | Mixed | Asian or British Asian | Black or Black British | Chinese or other | Total BAME |
|--------------------|--------------|------------------------|------------------------|------------------|-------------------|
| 63.96% | 2.13% | 21.85% | 9.09% | 2.97% | 36.04% |

Graduate Recruitment - successful applicants 2008-09

| | Total White | Mixed | Asian or British Asian | Black or Black British | Chinese or other | Total BAME |
|------------------------------|--------------------|--------------|------------------------|------------------------|------------------|-------------------|
| Shortlisted for posts | 92.47% | 1.37% | 3.42% | 0.68% | 2.05% | 7.53% |

We are carefully reviewing the data from each stage of the Graduate Recruitment campaign to determine whether there are indications of a significant adverse impact on BAME applicants at any stage of the process. The table below indicates where there may be a possible adverse impact.

Adverse Impact table 2008-2009

| | White Successful | BAME Successful | % of BAME to White |
|-------------------------------------|-------------------------|------------------------|---------------------------|
| Application/Sift | 70.2% | 66.2% | 94% |
| Numeric Testing | 68.0% | 53.3% | 78% |
| Verbal Testing | 76.8% | 60.9% | 79% |
| Logical Reasoning | 65.5% | 52.4% | 80% |
| Work Style Questionnaire | 53.6% | 41.3% | 77% |
| Telephone Interview | 96.4% | 95.5% | 99% |
| Invited to Assessment Centre | 40.8% | 21.3% | 52% |

It is expected that a BAME success rate in recruitment processes needs to be 80% (four fifths) or higher than the comparative White success rate (see the final column of the above table). If it is lower than 80% this is considered a concern in 'adverse impact' terminology and needs to be reviewed and analysed to see if there may be

underlying reasons for this. So for example for the Application/Sift stage, no adverse impact for BAME staff was identified as the BAME success rate is over 80%:

$$\frac{66.2\%}{70.2\%} = 94\%$$

On-Line Ability Tests

The data indicates that the selection ratios of the BAME applicants compared to White applicants are slightly below the 80% (or four fifths rule) for the Numeric Reasoning (78%), Verbal Reasoning (79%) and the Workstyle Questionnaire (77%), indicating a slight adverse impact. The data shows no adverse impact for the Application/sift (94%) or the Logical reasoning (80%).

Last year we identified an overall adverse impact on the online ability tests for BAME applicants. This was found to be a result of the combined effect of all the online tests, although the individual tests themselves indicated little or no adverse impact. The recommendation on further analysis has been that we must establish that each individual online test is relevant and valid in the recruitment process. We will therefore be liaising with Business Areas who take applicants from this programme and will use their feedback to inform on the use of online tests in future campaigns

Telephone Interviews:

The data shows no adverse impact (99%) in the Telephone Interview.

Assessment Centres:

The data indicates that the selection ratio of BAME applicants as compared with White applicants is significantly below the 80% (four fifths) rule at 52% compared to 2007-08 figure of 77%. This year there were 5 assessment centre exercises (as opposed to 4 in 2007-08). In order to determine whether this year's exercises adversely impact on any BAME group, we will be looking at all the declared BAME candidate scores for each of the exercises and then breaking these scores down to the individual competence scores. From follow-up work on the exercises last year there were no obvious areas of concern identified but this year we will be doing further testing and we will be drilling down to the individual competence scores for each exercise. We hope that this more detailed analysis will allow us to identify more accurately adverse impact, which will enable us to make changes to the exercises if necessary.

Progress monitoring of trainees on the Graduate Programme

We also monitor the progress of trainees on the Graduate Programme by ethnicity. In 2008-2009 there were 56 unsuccessful trainees who left the programme (having joined a programme between 2004 and 2008). None of the unsuccessful leavers was from a BAME group.

5. Applicants and Recipients of promotion

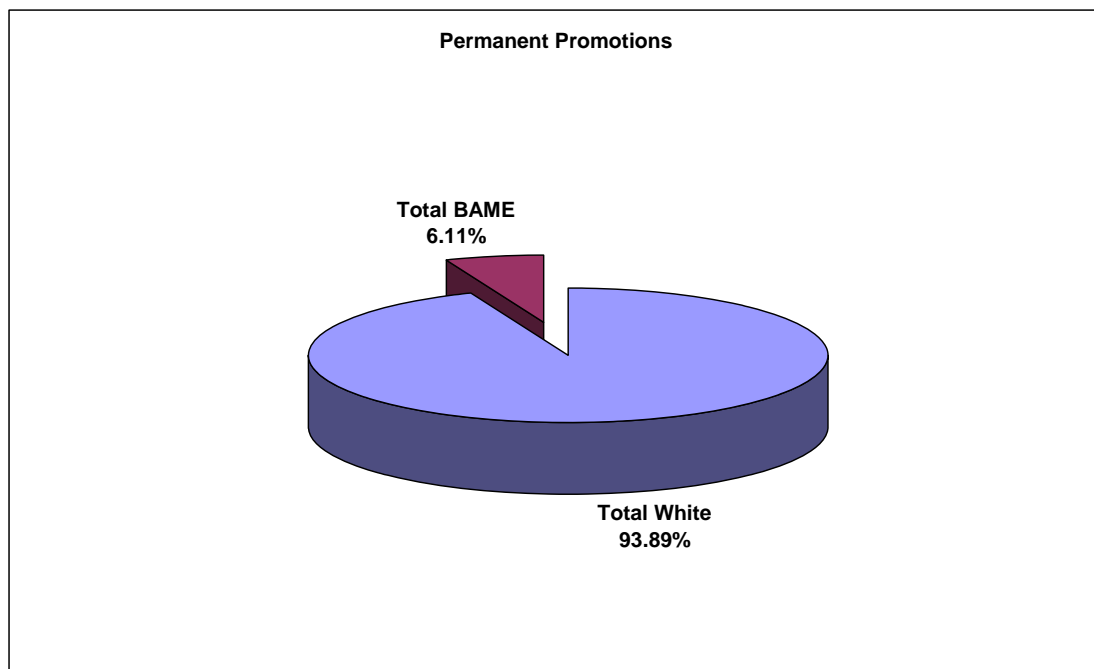
See Appendix 5: Table 22

5.1 Permanent Promotions

Following the review of our policies and processes relating to internal vacancy filling, we published the revised guidance for all staff in June 2009. There are a number of changes to the guidance which simplify the process, making it easier to fill vacant posts within a shorter timescale. All vacancy holders and selectors must have completed the HMRC online Diversity & Equality learning module which includes race awareness before taking part in any selection process. We are agreeing our Terms of Reference with Internal Audit to review our filling vacancy process.

We have developed a robust data gathering process for 2009-2010 onwards to capture promotion statistics, which can be analysed according to ethnicity and broken down by business unit, location and grade. This will enable us to identify whether there are inconsistencies within the process and take any necessary action.

We have started our EQIA work on the internal vacancy filling process (for grades AA-G7) and will continue to consult with the DTUS and other key stakeholders.



Ethnicity of Permanent Promotions 2008-2009 grade AA to grade 6

| Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------|-------|-------|-------|------------------|-------------------|
| 93.89% | 1.02% | 3.95% | 0.74% | 0.39% | 6.11% |

In 2008-2009, BAME staff overall accounted for 6.11% of all promotions. Although this is lower than the overall BAME figure for staff in HMRC (7.43%), it is higher than the percentage of BAME staff promoted in 2007-2008 (5.73%) so although we need to make further progress, this is moving in the right direction.

Permanent promotions broken down by grade and main ethnic group

| Promoted to Grade | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------------|--------------------|--------------|--------------|--------------|------------------|-------------------|
| Grade 6 | 94.19% | 4.65% | 1.16% | - | - | 5.81% |
| Grade 7 | 93.56% | - | 2.97% | 1.49% | 1.98% | 6.44% |
| Fast Stream | 96.15% | - | 3.85% | - | - | 3.85% |
| Senior Officer | 94.33% | 1.19% | 2.69% | 0.90% | 0.90% | 5.67% |
| Higher Officer | 93.15% | 1.23% | 4.75% | 0.88% | - | 6.85% |
| Officer | 95.20% | 0.84% | 3.12% | 0.48% | 0.36% | 4.80% |
| Assistant Officer | 92.23% | 0.80% | 6.18% | 0.80% | - | 7.77% |
| Total | 93.89% | 1.02% | 3.95% | 0.74% | 0.39% | 6.11% |

The table above shows the proportion of staff promoted within each main BAME group and these figures are close to the overall proportion of staff within that group in HMRC. The most noticeable difference is for Black staff, who account for 1.37% of total staff, but only 0.74% of promotions. Within the different grades, Fast Stream (internal applicants) had a seemingly disproportionate amount of White staff accounting for promotions. However, it should be pointed out that these percentages involve small numbers of staff. More positively, staff shown in the mixed ethnicity category account for only 0.52% of Grade 7 staff, yet 4.65% of all staff promoted to Grade 6.

Table 22 of Appendix 5 breaks the data down further into all ethnic groups by grade.

5.2 Head of Accountancy Profession (HOAP) internal recruitment programme

The HOAP Office usually advertises for new trainees on an annual basis with an advert appearing on the HMRC Job-site, as well as being advertised on the People Function site and Accountants site. Training opportunities are open to staff in AA to HO grades, including those on career breaks. The minimum training grade is Officer. Staff in substantive grades of Officer or above will remain at their current grade whilst successful applicants in AO and AA grades will be temporarily promoted to O grade in recognition of the duties they will be expected to undertake as a trainee accountant.

We have not reported on this programme in previous years so we are providing data for 2007-2008 and 2008-2009 in this report. In 2007-2008, 29% of staff who were offered a place were BAME, compared with the BAME total staff in post figure of 6.67%.

In 2008-2009, 22% of successful applicants were BAME compared with the BAME total staff in post figure of 7.43 %.

| Applicants and successful applicants for Accountancy training 2007-08 and 2008-09 | | | |
|---|------------------------------|--------------------|-------------------|
| | | Total White | Total BAME |
| 2008-09 | All applicants | 71.31% | 28.69% |
| | Successful applicants | 77.78% | 22.22% |
| 2007-08 | All applicants | 76.40% | 23.60% |
| | Successful applicants | 70.59% | 29.41% |

The actual number of successful BAME applicants for both years is quite low (7 BAME staff out of 26 total successful applicants over the 2 years) so it is difficult to draw firm conclusions from the data.

It should be noted that HOAP trainees work in many areas of HMRC, rather than being confined to just one business stream so they are visible to staff across the department. Successful BAME trainees are therefore positive role models and a source of encouragement to other BAME staff throughout HMRC.

6. Filling Vacancies in senior management grades (6&7)

See Appendix 5: Tables 23 to 26

6.1 The Grade 7 Gateway

The Grade 7 Gateway assesses the readiness of Higher (HO) and Senior (SO) Officers for promotion to Grade 7. For 2008-2009, each Business Unit was allocated a set number of places proportional to the size of the Unit and provided nominees to fill those places. The Department also ran two trial specialist Gateways for people with accountancy and project management qualifications.

Successful nominees at the Assessment Centre are awarded a 'Grade 7 ticket'. Being a ticket holder enables the HO/SO to apply for or be assigned to Grade 7 posts but is not in itself a guarantee of promotion to Grade 7. As well as nominees, the Gateway assesses people already temporarily promoted to Grade 7 jobs on the condition they pass the Gateway and Fast Programme trainees. In total there were 227 candidates, of whom 114 have been successful so far with results for a further 20 near miss candidates pending.

| Grade 7 Gateway candidates and successes 2008-2009 | | | | | | |
|--|--------------------|-------|-------|-------|------------------|-------------------|
| | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
| All applicants | 93.71% | 1.26% | 2.52% | 1.26% | 1.26% | 6.29% |
| Successful applicants | 93.98% | 1.20% | 2.41% | - | 2.41% | 6.02% |

In 2008-2009, the ethnicity declaration rate for applicants to the G7 Gateway was 70%.

The percentage of candidates who attended the Gateway in 2008-09 who were BAME was 6.3%, which is higher than the level of Senior Officers (the feeder grade to the Gateway) in HMRC who are BAME (3.9%). Overall, the ratio in each BAME group (shown in the above table) between all applicants and successful applicants has stayed relatively similar but it should be noted that the numbers involved are small (also see Table 23 in Appendix 5).

Compared to 2007-2008, the percentage of BAME candidates at the Gateway in 2008-2009 increased from 4.2% to 6.3%. The percentage of candidates who successfully passed the Gateway who were BAME also rose from 5.3% in 2007-2008 to 6.0% in 2008-2009.

| Grade 7 Gateway applicants 2008-2009 | | | | | | |
|--------------------------------------|---------------|--------------|--------------|--------------|------------------|--------------|
| Line of Business | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
| Benefits & Credits | 100.00% | - | - | - | - | - |
| Business Tax | 100.00% | - | - | - | - | - |
| Corporate Services | 94.00% | 2.00% | 4.00% | - | - | 6.00% |
| Enforcement & Compliance | 92.31% | 2.56% | 2.56% | - | 2.56% | 7.69% |
| Personal Tax | 100.00% | - | - | - | - | - |
| Other Offices | 69.23% | - | 7.69% | 15.38% | 7.69% | 30.77% |
| Total | 93.71% | 1.26% | 2.52% | 1.26% | 1.26% | 6.29% |

| Successful Grade 7 Gateway applicants 2008-2009 | | | | | | |
|---|---------------|--------------|--------------|----------|------------------|--------------|
| Line of Business | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
| Benefits & Credits | 100.00% | - | - | - | - | - |
| Business Tax | 100.00% | - | - | - | - | - |
| Corporate Services | 92.59% | 3.70% | 3.70% | - | - | 7.41% |
| Enforcement & Compliance | 90.48% | - | 4.76% | - | 4.76% | 9.52% |
| Personal Tax | 100.00% | - | - | - | - | - |
| Other Offices | 83.33% | - | - | - | 16.67% | 16.67% |
| Total | 93.98% | 1.20% | 2.41% | - | 2.41% | 6.02% |

In 2007-2008 the only Business Unit to put forward BAME candidates was Enforcement and Compliance; this year however two other Business Units (Corporate Services and Other Offices) also had BAME candidates. The area with the most prevalent BAME applicants was Other Offices, where almost a third of applicants were from BAME groups, (in contrast to the 3 business areas with no BAME applicants).

There were successful BAME applicants from all 3 business areas where BAME staff applied and further analysis has established that there was a 50% success rate for BAME staff. For White staff the success rate was very similar at 52%.

Distribution of Senior Officers (SO) by Business Unit at 31.3.2009

| Line of Business | Total SIP | All SO | All White SO | All BAME SO |
|--------------------------|------------------|----------------|---------------------|--------------------|
| Benefits & Credits | 8.25% | 2.89% | 3.37% | 0.91% |
| Business Tax | 4.62% | 9.60% | 9.42% | 11.82% |
| Personal Tax | 39.12% | 14.99% | 16.13% | 10.00% |
| Enforcement & Compliance | 39.00% | 45.91% | 44.19% | 33.64% |
| Corporate Services | 7.69% | 21.46% | 22.15% | 23.64% |
| Other Offices | 1.32% | 5.14% | 4.73% | 20.00% |
| Total | 100.00% | 100.00% | 100.00% | 100.00% |

The absence of G7 Gateway BAME candidates from 3 of the Business Units (Benefits & Credits, Business Tax and Personal Tax) can partly be explained by the fact that those Business Units combined have only 23% of the BAME SO population. In contrast, Enforcement and Compliance alone has 33.64% of the total BAME SOs in HMRC.

Although this goes some way to explaining the absence of applicants from some Business Areas, it does not address why they have so few BAME SOs in the first place. We hope that the 'Information Pack' referred to in Section 3.1 will assist Business Areas by providing them with the information which they need to address any adverse diversity trends. Benefits and Credits have already taken positive action to improve the BAME representation at more senior grades by implementing their 'Cultivating Potential' Programme, which has a stream specifically aimed at staff from BAME backgrounds. This was launched in October 2008 and its aims are to provide varied development opportunities for BAME staff through shadowing, mentoring and secondment, along with a measurable developmental plan.

6.2 Internal Promotion to Grade 6 and Grade 7

Organisational change within HMRC has led to a significant reduction in the number of advertised vacancies at grade 6/7 compared with previous years. During 2008-2009 there were 297 grade 6/7 vacancies advertised (compared with 462 in 2007-08) with 227 being filled by an applicant on promotion.

In January 2009, we introduced an 'Assignment to Post' process which allows for the placement of grade 7 ticket holders into substantive posts as an alternative to advertising more widely within HMRC. During the period January to March, 36 grade 7 ticket holders were assigned to a substantive grade 7 post using this process.

Applicants and successful applicants to grade 6 and 7 posts in 2008-2009

| | Total White | Mixed | Asian or British Asian | Black or Black British | Chinese or other | Total BAME |
|--|--------------------|-------|------------------------|------------------------|------------------|-------------------|
| Percentage of applicants | 97.78% | - | 1.74% | - | 0.48% | 2.22% |
| Percentage of successful applicants in promotion | 97.53% | - | 1.85% | - | 0.62% | 2.47% |

The BAME staff who applied for grade 6 and 7 posts accounted for a slightly greater proportion of successful staff than the BAME applicants.

The above data includes only those promotions dealt with and monitored by the Grade 6&7 Internal Recruitment Team. However, there are other routes through which staff can be promoted to grade 6 and 7, which are reported on separately in this report. These include promotions to G6 and 7 as a result of success in the Fast Stream Programmes, Graduate Programmes and Solicitors internal recruitment.

Once these staff are added in to the data pool (see table below), the total percentage of successful BAME applicants rises to 6.25%, which is an improvement on 2007-2008 when 4.75% of BAME applicants were successful. BAME applicants therefore make up 6.25% of total promotions to grade 6 & 7, which is higher than the percentage of BAME staff in post at those grades (4.05% and 4.92% respectively).

Percentage of successful applicants in promotion to grade 6 and 7 (including Fast Stream and specialist recruitment programmes)

| Line of Business | Total White | Mixed | Asian or British Asian | Black or Black British | Chinese or other | Total BAME |
|--------------------------|--------------------|--------------|------------------------|------------------------|------------------|-------------------|
| Benefits & Credits | 100.00% | - | - | - | - | - |
| Business Tax | 94.74% | 1.75% | 1.75% | - | 1.75% | 5.26% |
| Corporate Services | 93.75% | 2.08% | 4.17% | - | - | 6.25% |
| Enforcement & Compliance | 90.60% | 1.71% | 3.42% | 2.56% | 1.71% | 9.40% |
| Personal Tax | 100.00% | - | - | - | - | - |
| Other Offices | 96.67% | - | - | - | 3.33% | 3.33% |
| Total | 93.75% | 1.39% | 2.43% | 1.04% | 1.39% | 6.25% |

If this is broken down into Business Units, Enforcement & Compliance show the largest proportion of successful BAME applicants, at 9.40% but there were no successful BAME applicants in Benefits & Credits or Personal Tax.

Tables 24 and 25 in Appendix 5 show the results of analysis of data on applicants and successful applicants who are promoted to grade 6 and 7 (excluding Fast Stream and other specialist programmes). Benefits and Credits is the Business Unit which had no BAME applicants. This is partly explained by the fact that Benefits and Credits is a relatively small Business Unit with 119 SOs and has only 0.91% of HMRC's total BAME SO grade (the feeder grade to grade 7). This Business Unit is aware of the need to increase the ethnic diversity of applicants for posts at all grades and as explained at section 6.1 has already taken positive action in the form of the developmental 'Cultivating Potential' Programme, which has a stream specifically aimed at staff from BAME backgrounds.

'Information Packs' being sent to Directors (explained earlier in the report) showing the ethnicity of staff at all grades will enable Business Areas to identify adverse trends and inform their diversity action plans.

6.3 Solicitor's Office Internal Recruitment

During the summer of 2008-2009, Solicitor's Office held an internal grade 7 to grade 6 recruitment campaign for staff with the appropriate professional legal qualification.

The table below shows the percentage of applicants and successful applicants for BAME and White staff.

Solicitors' Summer 08 recruitment

| | Total White | Total BAME |
|-----------------------|--------------------|-------------------|
| Total applicants | 71.43% | 28.57% |
| Successful applicants | 83.33% | 16.67% |

This was a small campaign and with such small numbers involved it is hard to establish any firm trends, as just one additional successful BAME applicant would have raised the proportion of successful BAME applicants to the same level as total BAME applicants in the process.

The successful BAME applicant figure of 16.67% is much higher than the current BAME grade 6 staff in post figure of 4.05%.

7. External recruitment and internal promotion to the SCS

See Appendix 5: Tables 27 to 28

General - Appointments to the SCS are made through internal promotion (following success through the SCS Gateway), from other Civil Service Departments and by direct external recruitment.

The current percentage of BAME staff in the SCS based on known ethnicity is 3.6%, which remains the same as the 2007-2008 figure.

7.1 Cabinet Office Fast Stream – Applicants joining in 2008-2009

The data covers both the Cabinet Office Fast Stream who are recruited by the Cabinet Office and assigned to HMRC and the Management Fast Track who are recruited via the department's own graduate recruitment campaign. Both follow the same 4-year programme, which aims to develop the trainees to success at grade 7 within 4 to 5 years with the potential for a continued career with the Senior Civil Service (SCS). The tables below refer to the small pool of trainees joining the Programme in 2008-2009. It is important to note that out of 23 applicants only 11 declared an ethnicity which means it is difficult to show the true picture with regard to the number of BAME trainees.

| Percentage of appointees to the Fast Programmes 2008-2009 | | | | | |
|---|-------|-------|-------|------------------|------------|
| Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
| 100.0% | - | - | - | - | 0.0% |

From the data available, of the applicants whose ethnicity was known, no BAME candidates were successful but this is based on just under 48% declared ethnicity and may not therefore be truly reflective of the actual position.

Of those Trainees actively participating in a programme in 2008-2009 (for year intakes 2002 to 2008) 10.67% are BAME. The data for the earlier years (2002 to 2004) is affected by the fact that the number of Trainees left from these intakes is now very low.

Success on one of the Fast Programmes is defined by the number of trainees successfully reaching grade 7 when they leave the programme. Unsuccessful trainees are those who have either failed at the Grade 7 Gateway or have been exited off the programme. For 2008-2009, we know the overall declaration rates of only 48% of the 27 Fast streamers who left the programme (both successful and unsuccessful candidates). For those in the successful group, 20% were BAME and in the unsuccessful group 33.33% were BAME. It is difficult to draw any firm conclusions due to the small numbers involved and the low declaration rates, particularly in the unsuccessful group.

7.2 SCS Leadership Gateway

In last year's report we commented only on the largest of the SCS Gateway programmes - the SCS Leadership Gateway. In 2008-2009 we have run 3 SCS Gateway programmes. Entry into the SCS is governed by two main types of Gateway process; the SCS Leadership Gateway and the SCS Tax Professional Gateway and there is also a third smaller Gateway called the SCS KAI Gateway. All the SCS Gateways follow a similar process and aim to identify those with the ability to perform at SCS level **now**. Successful candidates who are not appointed to SCS posts immediately remain eligible for any that may arise in the next 18 months. If they do not obtain a post within that time, they reapply. Candidates who score just below the pass mark are offered a development plan.

Gateway candidates are asked to submit an ethnicity declaration with their application and this method of collecting data has so far provided a higher declaration rate than on-line declarations. There were 120 applicants across all 3 Gateway programmes delivered in 2008-09, of which we know the ethnicity of 93.33%. Tables 27 and 28 of Appendix 5 show the combined data for applicants and successful applicants to the SCS Leadership Gateway, SCS Tax Professional Gateway and SCS KAI Gateway recruitment programmes. This shows that BAME staff accounted for 0.89% of those who applied to the SCS Gateway programme and 1.69% of successful applicants. The numbers involved are low but this is an improvement on the 2007-2008 year where none of the applicants were from a BAME group. HMRC recognises that there is still room for improvement.

Ethnic minorities are underrepresented in total applicants to the SCS Gateway. When promoting the 2008-09 Gateway, Directors were told:

"When making your decisions it is important that you take full account of the Department's equality commitments and ensure that everyone who is suitable is given full consideration regardless of their circumstances. You should particularly encourage applications from staff in those groups that are under represented at SCS – women, people from ethnic minority backgrounds, part time workers and people with disabilities. This is not about preferential treatment but about equality of opportunity."

General messages to raise awareness do not appear to have had a significant impact so clearly we need to do more to encourage applications from BAME candidates and increase awareness with Directors and managers. The number of BAME staff within the SCS has remained at 3.6% over the last 2 years.

The process that governs entry to the SCS is currently under review and any new programme will need to incorporate strategies that aim to improve the level of applications from BAME candidates and secure an increase in the current level BAME staff within the SCS cadre.

7.3 Talent Management ~ Future SCS Programme

Grade 6/7s with exceptional potential to succeed to SCS level in the future are invited to nominate, after discussions with their manager, for HMRC's National Talent Pool (NTP). These nominations are filtered by HR Directors and Business Directors to establish those people with the greatest potential to progress quickly and those who are likely to need a little longer. Those who would benefit most from a significant period of development with the support and help of the centre, to turn their potential into capability and competence, are accepted onto the NTP. Those whose development is expected to take longer are accepted onto Local Talent Pools but may progress into the NTP in due course.

Those people on the NTP are provided with opportunities to support their development: starting with a two part Career Development Centre (CDC).

- The first part of the CDC uses psychometric tools (Potentia and MBTI) to look at long-term potential and self awareness, essentially looking at the sort of operational environment in which they would be best suited in the long-term and what their preferred operational style is. The intention is that by the end of this first part they will have a better idea about what makes them tick and be much more self aware.
- The second part of the CDC builds on this but looks closely at competence and behaviours expected at SCS level and, through peer assessment, compares how they are operating now with how they would need to operate in order to be effective in the SCS. The aim is for them to identify the development gap between the two and to start planning to bridge it.

At the CDC we divide the group into Action Learning Sets (ALS) which we expect to meet five times over the coming year. These meetings are facilitated by a Set Adviser, who can be an internal or external consultant, and seek to address the work each set member has done and needs to do to bridge the gap to SCS. Each individual normally has a "stretch assignment" linked to bridging the gap and work on that is the focus at these ALS meetings.

In addition we provide other Learning interventions which vary from year to year depending on need but are likely to include:

- Coaching
- Mentoring
- Strategic Dexterity
- Communications skills
- Personal Impact and Presence, and
- Other individual learning interventions

We also run an annual conference for all members of NTP aimed at addressing current issues within HMRC as well as having regular meetings with pool members and their managers to monitor progress and provide support. Formal progress reports are made by managers to the National Talent Forum at least once a year.

The data for 2008-2009 shows that 6.12% of successful nominations were for BAME staff which is higher than the proportion of grade 6 & 7 BAME staff in HMRC (4.64%)

Successful Nominations to the National Talent Pool

| | White | BAME |
|----------------------|--------------|-------------|
| National Talent Pool | 93.88% | 6.12% |
| All G6 & 7 | 95.36% | 4.64% |

In the past we have not gathered diversity information in a structured way and the work on putting together the EQIA report (published at the end of June 2009 for consultation) made it clear that we could do this much better in the future. For example, we are not aware of the details of people who are nominated but either rejected or placed in Local Pools, as the only forms we receive are for the National Talent pool nominations. One of the changes being considered is to ask for diversity information as part of the nominations process and for this to be monitored centrally by the Talent Team for both Local and National Pools. The Talent team will be working in partnership with the Diversity Team to exchange ideas to record and improve diversity methodology for this programme.

HMRC's guidance for Talent Management includes a section to advise on the importance of our diversity strategy.

8. Appraisal 2007-2008

See Appendix 6: Tables 29-31

As for last year, we are reporting on data for a year earlier than applies to other sections of this report. This is due to the appraisal reporting and appeals processes which mean that final appraisal markings are not available until several months after the data for other employment processes.

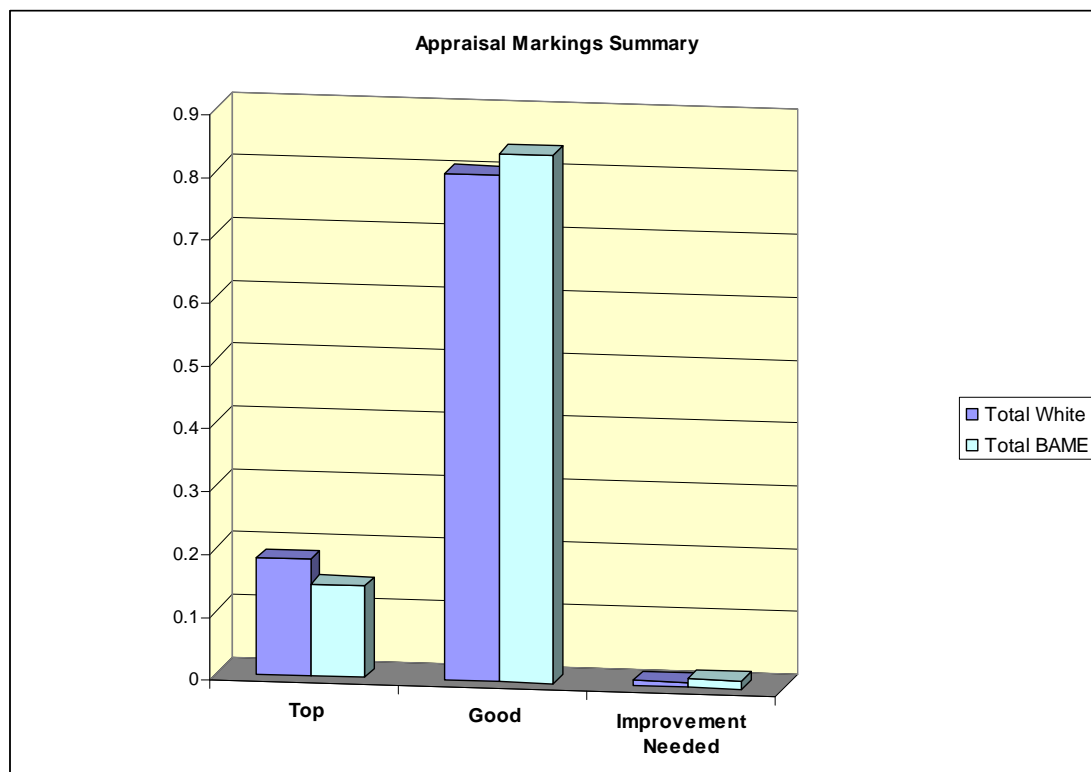
The complete 2008-2009 appraisal and promotion markings are currently being collated and the results will be reported in next year's report and to staff via the Intranet when they are known.

| Percentage of Appraisal markings for AA to Grade 6 | | | | | | |
|--|--------|--------|------------------------|------------------------|------------------|------------|
| Marking | White | Mixed | Asian or British Asian | Black or Black British | Chinese or other | Total BAME |
| Top | 18.11% | 15.03% | 14.70% | 11.23% | 15.84% | 14.14% |
| Good | 78.78% | 81.00% | 81.03% | 82.84% | 81.00% | 81.37% |
| Improvement Needed | 0.84% | 0.84% | 1.35% | 1.68% | 0.90% | 1.33% |
| Appraisal is Not Applicable | 0.09% | 0.21% | 0.12% | 0.52% | - | 0.20% |
| Deemed Good | 0.01% | - | - | - | - | - |
| No Appraisal Completed | 2.17% | 2.92% | 2.81% | 3.74% | 2.26% | 2.97% |
| Poor Performance Marking | 0.28% | 0.63% | 0.35% | 0.52% | 0.45% | 0.42% |
| Promotion Marking | 31.42% | 28.81% | 30.09% | 29.94% | 29.86% | 29.90% |

The percentage of both BAME and White staff receiving a Top mark shows an improving trend over the last three years. For BAME staff, the Top mark percentage in 2007-2008 of 14.14 % is an increase from the 2006-07 figure of 12.61% which was an increase on the 2005-2006 figure of 10%.

The table above shows that in 2007-08, 14.14% of BAME staff received a 'Top' marking compared with 18.11% of White staff, although BAME staff received a higher proportion of Good marks (81.37%) than White staff (78.78%). The 2007-2008 results also show that promotion markings were very similar for BAME and White staff (29.9% and 31.4% respectively) – see table 29 in Appendix 6 also.

Table 30 in Appendix 6 shows appraisal results for **all** ethnic groups



Tables 31 (a-h) in Appendix 6 show analysis by grade (AA-Grade 6). The highest number of staff was at the AO grade and every BAME group had Top performers at this level.

We are carrying out a full EQIA of the appraisal process which will be published for formal consultation by December 2009. The results of the EQIA will be used to help inform future changes to ensure our appraisal system operates fairly for all staff.

The number of people choosing to declare their ethnicity increased in 2007-2008 with a 63% ethnicity declaration rate for the appraisal process. We need to continue to improve the quality of the appraisal data by further improving the declaration rate and continuing to monitor results closely each year.

HMRC wants to ensure that its employment policies and processes promote equality of opportunity for BAME staff and intends to use the staff appraisal process to help embed equality values and raise diversity awareness throughout HMRC. For the next appraisal year (2009-10) it will be mandatory for managers to discuss with each jobholder how they are able to promote and reflect diversity principles in their day to day work. Specifically, all managers and jobholders will be expected to agree a separate diversity objective or ensure that diversity is clearly embedded within their performance objectives for 2009-2010, which are set out in the 'Performance and Development Evaluation' template.

9. Grievance & Discipline

See Appendices 7 and 8: Tables 32-34

9.1 Grievance Procedures

An internal review of HMRC's grievance procedures was conducted during 2008-09. The outcome was the launch of our new procedures on 30 January 2009. The new procedures take into account the changes in the ACAS Code of Practice introduced on 6 April 2009. All stages of the grievance procedure are now handled by local managers with expert advice and support given on the most complex cases. The introduction of the new procedure has been supported by a full training programme for local managers, staff and HR experts. Grievances are now recorded locally and central statistics collated and maintained centrally. We trialled the new procedures from November 2008 but only hold two months of full grievance data under the new procedures for 2008-2009. For that reason, we have not detailed them in this year's RED Report as the numbers are too small to identify any meaningful trends. We will be able to provide analysed data for the new grievance procedures in next year's report.

The procedures that were in place for the majority of staff until 30 January comprised a local informal stage (dealt with by local managers where no central records were kept) and a central appeals stage with an independent panel for complex cases. Grievances that did not reach the central appeals stage were not formally recorded. Therefore the statistics reported in this year's report only relate to grievance appeals.

There is no indication from the statistics below that our grievance appeal procedures are discriminatory, however little can be concluded as the numbers reported are still small (for example, in 2008-09 only 15 appeals were submitted from BAME staff where the ethnicity is known). The data we do hold shows that the percentage of grievance appeals upheld for BAME staff (24%) exceeds the percentage of grievance appeals made by BAME staff (10.71%). Further analysis shows that the overall percentage of grievance appeals upheld in the department is 17.9% which is also less than the percentage of appeals upheld for BAME staff. This could indicate that the grievance procedure itself has flaws; however, the introduction of our new procedures and the fact that statistics maintained at the grievance stage will be enhanced will improve both the system and our ability to identify any trends and take the necessary appropriate action.

Grievance appeals outcomes 2008-2009– breakdown by White and BAME staff

| Ethnicity | Staff inPost as at 1 April 2009 | Grievance Appeals | Appeals Not Upheld | Appeals Partially Upheld | Appeals Upheld | Appeals Withdrawn | Appeals Returned to Business | Appeals Still Open |
|-------------|---------------------------------|-------------------|--------------------|--------------------------|----------------|-------------------|------------------------------|--------------------|
| Total White | 92.57% | 89.29% | 92.31% | 91.67% | 76.00% | 92.86% | 100.00% | 90.91% |
| Total BAME | 7.43% | 10.71% | 7.69% | 8.33% | 24.00% | 7.14% | - | 9.09% |
| Totals | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

Table 32 in appendix 7 shows grievance outcomes broken down by main ethnic group and grade but the numbers of grievance appeals are reduced to such small figures that it is impossible to confidently report any trends or patterns.

9.2 Disciplinary Procedures

In 2008-2009 there were 1,651 disciplinary referrals; however the ethnicity of only 55% (917) is known: 823 were for White staff and 94 for BAME staff. A review of Discipline and Conduct which encompasses a full EQIA is still ongoing. On completion of the EQIA, which is due by the end of this year, the results will be considered to establish if there is any adverse impact on BAME groups.

The table below shows that overall, the ethnicity of 55.54% of staff involved in a disciplinary referral was known but this varies widely between the different outcome categories.

Declaration rates 2008-2009

| Outcome | Ethnicity Known | Ethnicity Not Known |
|-----------------------------|-----------------|---------------------|
| No Further Action | 55.17% | 44.83% |
| Oral warning | - | 100.00% |
| 0 to 3 year written warning | 57.52% | 42.48% |
| 5 year written warning | 73.68% | 26.32% |

| | | |
|------------------------------------|---------------|---------------|
| Dismissed | 59.62% | 40.38% |
| Resigned | 49.07% | 50.93% |
| Awaiting local or panel action | 53.15% | 46.85% |
| Internal Governance Action ongoing | 54.79% | 45.21% |
| Total | 55.54% | 44.46% |

The statistics for 2008-09 show that of the cases where we know the ethnicity, 10.25% of referrals relate to BAME staff as opposed to 7.43% of BAME staff within the Department as a whole.

Disciplinary referrals 2008-2009

| Level | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------|--------------------|--------------|--------------|--------------|------------------|-------------------|
| Level 0 | 90.98% | 1.00% | 6.52% | 1.25% | 0.25% | 9.02% |
| Level 1 | 91.69% | 2.46% | 3.08% | 2.15% | 0.62% | 8.31% |
| Level 2 | 83.19% | 3.54% | 9.73% | 3.54% | - | 16.81% |
| ND | 85.00% | 1.25% | 10.00% | 2.50% | 1.25% | 15.00% |
| Total | 89.75% | 1.85% | 6.00% | 1.96% | 0.44% | 10.25% |

Level 0 = No case or no further formal action by Internal Governance or management

Level 1 - Potential Misconduct or awaiting local action

Level 2 - Potential Gross Misconduct

ND - Ongoing and not yet defined

Disciplinary referrals – outcomes 2008-2009

| Outcome | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|------------------------------------|--------------------|--------------|--------------|--------------|------------------|-------------------|
| No Further Action | 90.78% | 1.15% | 6.05% | 1.73% | 0.29% | 9.22% |
| 0 to 3 year written warning | 90.77% | 2.56% | 4.10% | 1.54% | 1.03% | 9.23% |
| 5 year written warning | 100.00% | - | - | - | - | - |
| Dismissed | 82.26% | 6.45% | 4.84% | 6.45% | - | 17.74% |
| Resigned | 90.57% | - | 9.43% | - | - | 9.43% |
| Awaiting local or panel action | 89.47% | 1.97% | 6.58% | 1.97% | - | 10.53% |
| Internal Governance Action ongoing | 85.00% | 1.25% | 10.00% | 2.50% | 1.25% | 15.00% |
| Total | 89.75% | 1.85% | 6.00% | 1.96% | 0.44% | 10.25% |

The number of BAME staff dismissed shows a higher percentage than would be expected; however this percentage only relates to 11 cases and the numbers are therefore too small to draw any real conclusions. Likewise the number of White staff

receiving a 5-year written and final warning is seemingly greater than you would expect but this only relates to 28 cases (where ethnicity was declared) out of a total of 38 who received the 5-year written and final warning.

Further analysis by grade and Business Area is shown in appendix 8 (Tables 33 and 34 respectively). The small numbers make it hard to identify any trends with certainty.

10. Training

See Appendix 9: Table 35

Our Learning programme operates largely on a self-service basis which enables individuals to take responsibility for obtaining their own learning, once a development need has been identified and agreed between themselves and their manager. The amount and type of learning is largely determined by the training requirements of the individual's particular job.

We deliver:

- **Face-to-Face learning** which includes:
Trainer-led classroom based sessions, One-to-one training, Seminars, Conferences, Virtual classroom training, Practical skills training, and
- **Non-Face to face (self-paced) learning** which includes:
E-learning, Self-instruction workbooks and videos.

Face-to-Face courses

Individuals use our Online Learning system to select an event that is convenient for them in time and, where possible, location. They obtain a place on a course by booking directly onto an event. If there is no suitable event they can book themselves onto a waitlist and are notified electronically when additional courses are available. If delegates have specific needs whilst they are attending the training events then these are accommodated by providing suitable dietary considerations, private rooms, prayer rooms, specific equipment etc.

Non-Face to Face learning

This is almost entirely managed by the individual. The individual can book and undertake the learning immediately in the case of e-learning, or wait for a short time for self-study material to be sent to them.

Data Analysis 2008-2009

For 2008-2009, the ethnicity of 64.43% of staff whose training nominations were satisfied has been established. The proportions of satisfied nominations for each ethnic group match the overall proportion of staff by ethnicity in HMRC very closely. In 2009, 7.43% of all staff were known to be BAME, which is almost identical to the 7.42% of satisfied nominations from BAME staff.

For all groups there has been little change since last year in the percentages of training nominations satisfied within each ethnic group. The largest change from 2007-2008 to 2008-2009 comes from Asian staff who show a reduction of 0.15% in nominations satisfied (and also a reduction of 0.21% in the proportion of staff they

actually account for). However, it should be noted that they are still by far the best represented of the BAME groups for nominations satisfied.

Percentage of training Nominations Satisfied

| | White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|---|---------------|-------|--------|-------|------------------|-------------------|
| Nominations satisfied in 2007-08 | 92.55% | 0.90% | 4.71% | 1.38% | 0.46% | 7.45% |
| Nominations satisfied in 2008-09 | 92.58% | 0.96% | 4.56% | 1.47% | 0.42% | 7.42% |
| Change in % of nominations satisfied between 2007-8 and 2008-9 | 0.03% | 0.06% | -0.15% | 0.09% | -0.04% | -0.03% |

Table 35 in Appendix 9 shows training nominations broken down by **all** ethnic groups. Analysis of this data has indicated that even when BAME staff are split into further subsets, the proportion of nominations satisfied when compared to actual staff in post numbers for each group remain very close. This demonstrates fairness in the nomination process. Learning undertaken for all groups has increased with the exception of: Indian, Pakistani and Other ethnic group. However further analysis has indicated that these differences mostly appear to be a reflection of changes in the amount of actual staff within each BAME subset which has had the effect of bringing the percentage of satisfied nominations for each subset closer to the percentage of actual staff in post.

Activities within the HMRC Learning Team

Design and Production of HMRC Learning Material

Consideration has always been given to ensuring that diversity and equality for all groups is maintained when writing and delivering learning material. To further ensure this we have taken the following steps in the last year:

- A request for feedback was sent out to each of the co-ordinators in the following Staff Diversity Networks
 - Race
 - Disability
 - Lesbian, Gay, Bisexual
 - Transgender
 - Gender
 - Alternative Working Patterns
 - Age
 - Religion or Belief.

- A new process for production of learning material has been produced and diversity issues, which have always been included, are now more accountable
- More information is being added into the HMRC Learning Team Designers' Handbook to give advice on Diversity issues
- Changed images in our material to ensure we meet corporate standards on diversity.

The feedback received often related to a specific product or training method and did not show any major issues that affected across the board learning. This indicated that our current policy of writing learning material is working correctly. Our current feedback system has shown that we have been effective in dealing with areas such as the need for material in different formats or additional equipment required when on a training course.

We are now bringing in a new process for creating and checking all learning material. We have brought together what already works and expanded this to cover more accessibility issues than have previously been covered. The guidance given in the HMRC Learning team Designer Handbook is being expanded to ensure that all areas of diversity are covered and to ensure accessibility requirements are considered and met for accommodation in which events are held and learning media type, for the face-to-face workshops.

Work on refreshing the HMRC Diversity, Equality and Inclusion learning products for HMRC staff is being carried out in partnership with members of HMRC Diversity Staff Networks. There are new learning packs on Race and Cultural Awareness and Religion or Belief Awareness.

The work was scoped and drafted in close consultation with the members of the HMRC Diversity Networks and we have continued to work closely with members of both the Race and Religion or Belief Networks to ensure their comments and experience are reflected throughout the material. To gain a perspective external to HMRC the work has also involved consultation with a diversity and equality specialist from Oxford Development Partnership to help draft and further enhance the material being produced.

A new HMRC management programme has been developed for new and returning HMRC managers. Diversity and Equality have been two key themes that have been embedded throughout the newly designed material. Diversity, equality and inclusion strands have been embedded into the material in the form of questions, exercises and case studies.

As part of the day to day design work, internal checklists are being updated to include the need for further checks on diversity and equality.

Diversity and Equality Adviser

The Diversity and Equality adviser for the Learning team has been involved with various activities. A Guide for Staff in the Learning Team has been produced and

approved by the Corporate Responsibility and Diversity team and has been published on the internal HMRC intranet. The guide is relevant for all of those in HMRC who work in a learning environment. The guidance focuses on parts of the learning process including design and production of learning and delivery of learning. The ethnicity and race guidance covers discrimination, language, stereotyping and the writing and organisation of role plays and use of examples.

Equality Impact Assessments (EQIAs)

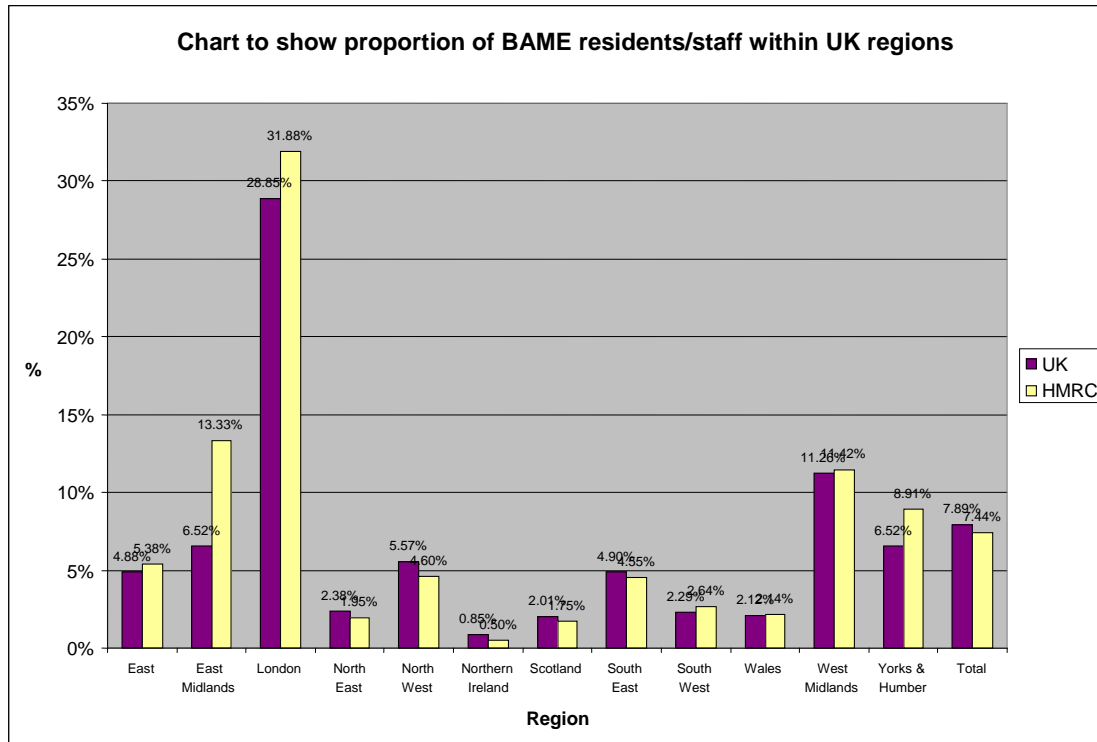
Learning policies and processes are subject to EQIA which is a thorough and systematic process to help us:

- Improve service delivery by improving the understanding of staff of the needs, circumstances and experience of those who are affected by HMRC's activities;
- Avoid costs - financial and otherwise of discrimination complaints by identifying actual and potential inequalities including unlawful discrimination and taking action to remove or mitigate against them;
- Engage people in the development and assessment of activities and policies;
- Develop good practice which can be used to meet the needs of the customers and employees alike
- Meet legislative requirements and recognise our commitment to promoting equality
- EQIAs have been put in place by the Learning Team for some areas of learning activity with others to follow.

Initial EQIAs were completed in March 2007 for: accessibility of face to face Learning, E-Learning, Learning Evaluation, Pre-Course Learning, Learning QA/QC and Trainer Preparation Time. These initial EQIAs showed that full EQIAs were not required for these areas. Reviews of each of these EQIAs started in 2008-09 as part of the ongoing monitoring process.

Work on the completion of Initial EQIAs for Online Learning, Learning Delivery, Out of Hours Learning Delivery, Planning and Administration of courses, Design and Production of material and Learning interface with other HMRC business areas began in 2008-09 and is expected to be completed during 2009-10, when the requirement for full EQIAs will be ascertained.

11. Location

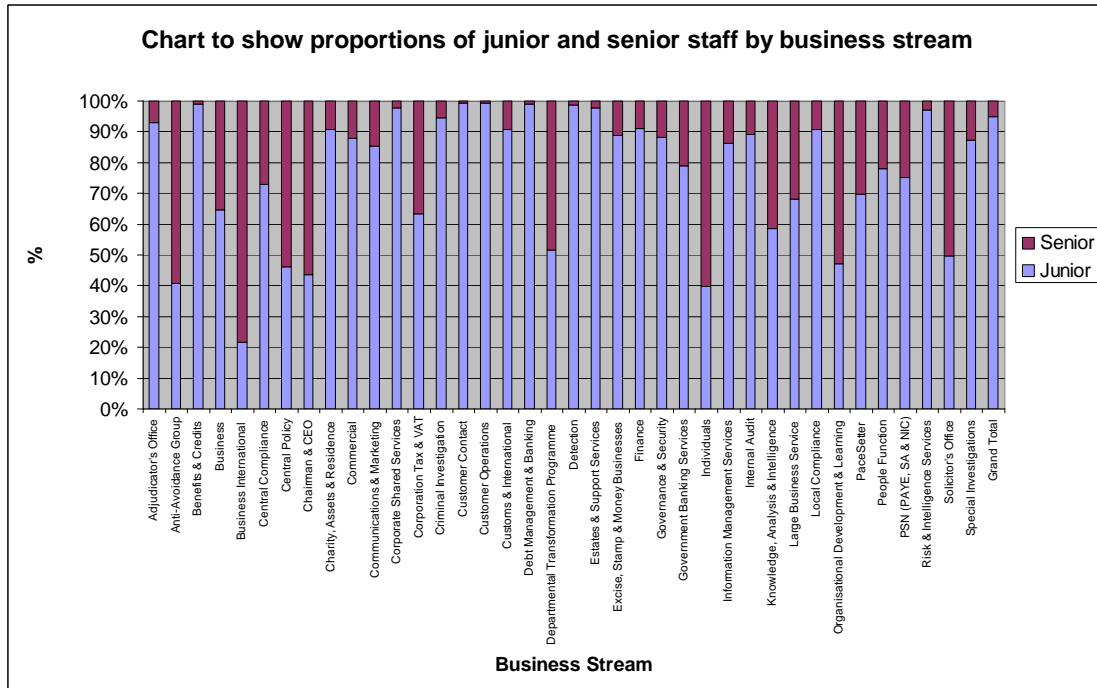


The above compares the proportions of BAME staff and residents within locations of the UK. The resident's data is taken from the 2001 UK Census. The total BAME figure for the UK is 7.89%, just above HMRC's 7.43%. Chi-square testing revealed significant evidence at the 99% level for the hypothesis that the proportion of BAME residents is greater than the proportion of BAME staff within HMRC.

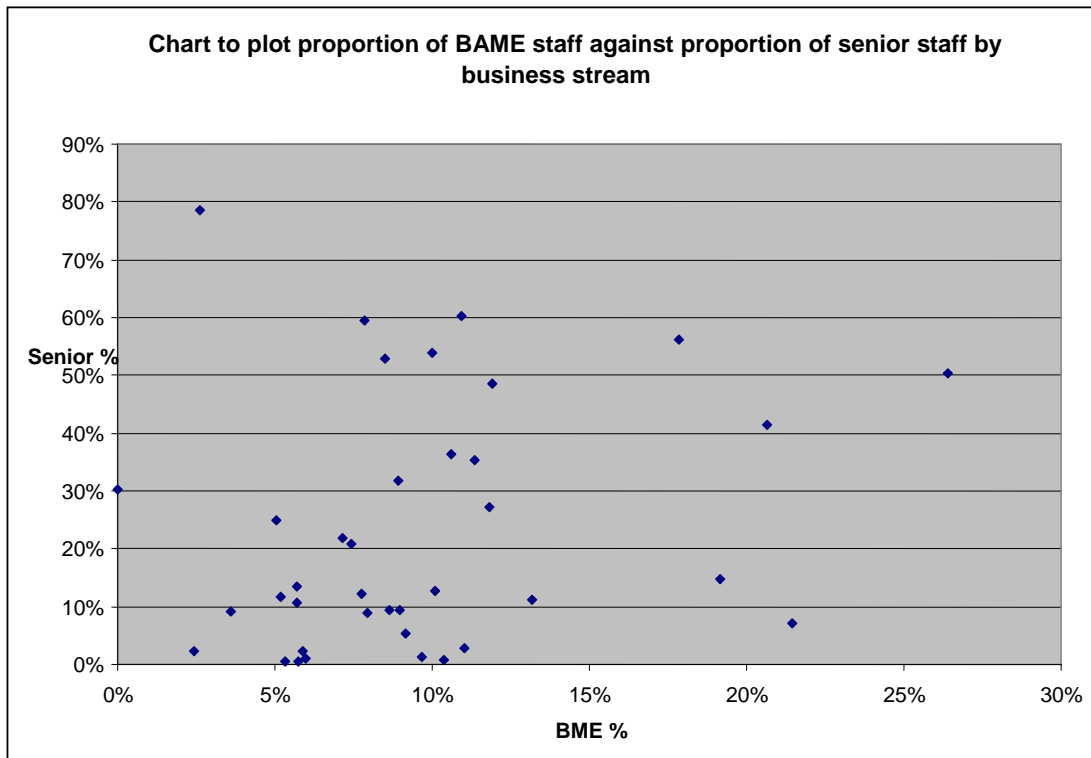
HMRC actually has a greater proportion of BAME staff than residents in seven of the twelve regions. In East Midlands there are 13.33% BAME staff to 6.52% BAME residents, over twice as large a proportion. Unfortunately, the three regions in which the greatest number of HMRC staff are situated have lower proportions of BAME staff than residents, hence the overall total result.

Five of the regions reveal significant evidence at the 99% level for a difference in proportion of BAME staff compared to residents. East Midlands, London and Yorks & Humber support the hypothesis there's greater proportion of BAME staff within HMRC than expected. Conversely, North East and North West (the two largest groups of HMRC staff) support the hypothesis there's a smaller proportion of BAME staff within HMRC than expected given the proportion of BAME residents in the region.

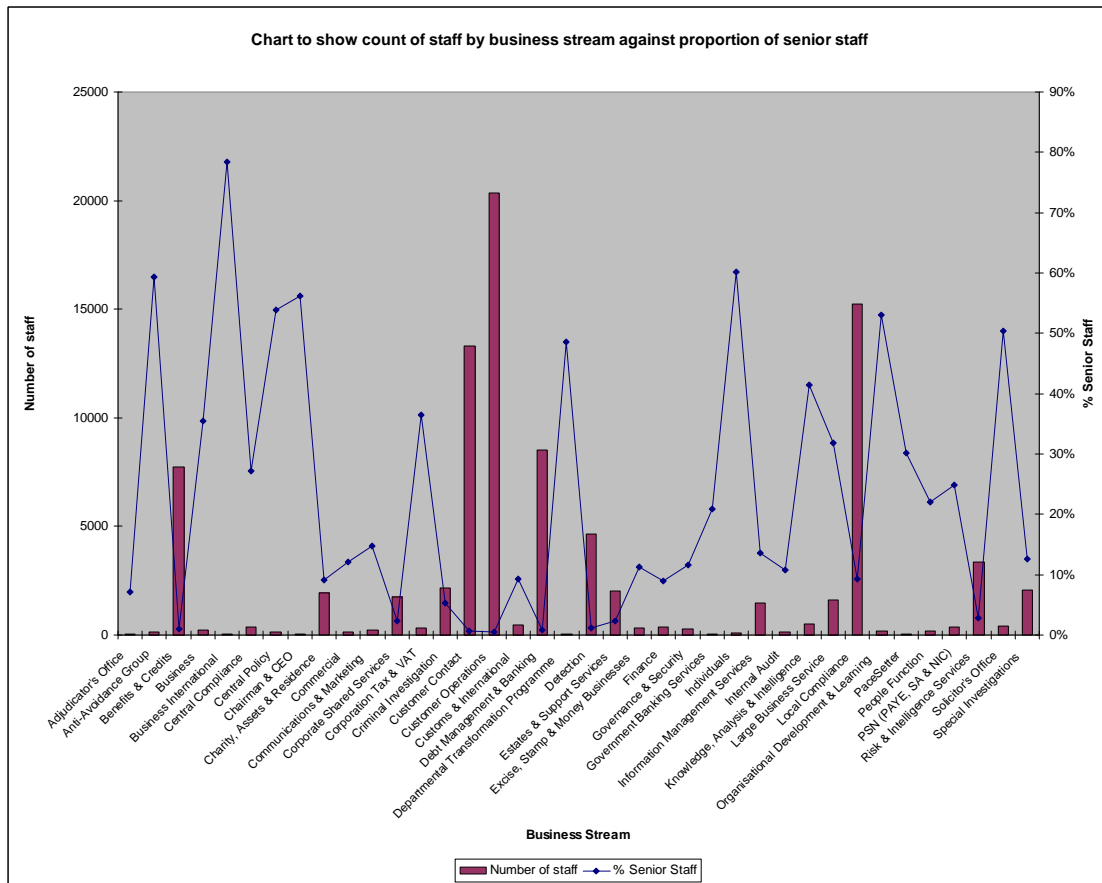
12. Business Stream



The chart above, illustrates the variety in the positioning of senior figures within HMRC. Taking those within the Fast Track, Grades 7, 6 and SCS to be Senior and all others to be a junior position it reflects the proportions of these two groups each business stream is divided into. Business International has the greatest proportion of senior staff with 78.46%, whilst Customer Operations is the converse, with just 0.51% of staff holding senior positions.



A potential factor in BAME staff not rising to senior positions could be the way they are dispersed throughout HMRC, i.e. if the majority of BAME staff are employed in 'flat' business streams with few senior positions to aspire to it will be harder for them to rise through the grades. If this was the case, it is likely we would see a negative correlation between the proportion of senior figures and proportion of BAME staff between business streams (the higher the proportion of senior figures, the lower the proportion of BAME staff). If this was the case the figure above, would show a pattern sloping from the top left of the graph to the bottom right. This is fairly evidently not the case, with a seemingly random spread. Indeed, testing with spearman's rank reveals a correlation of 0.26, a very mild positive correlation in fact, implying that BAME staff are spread fairly generally throughout the business streams and roughly in line with the overall proportion of senior positions.

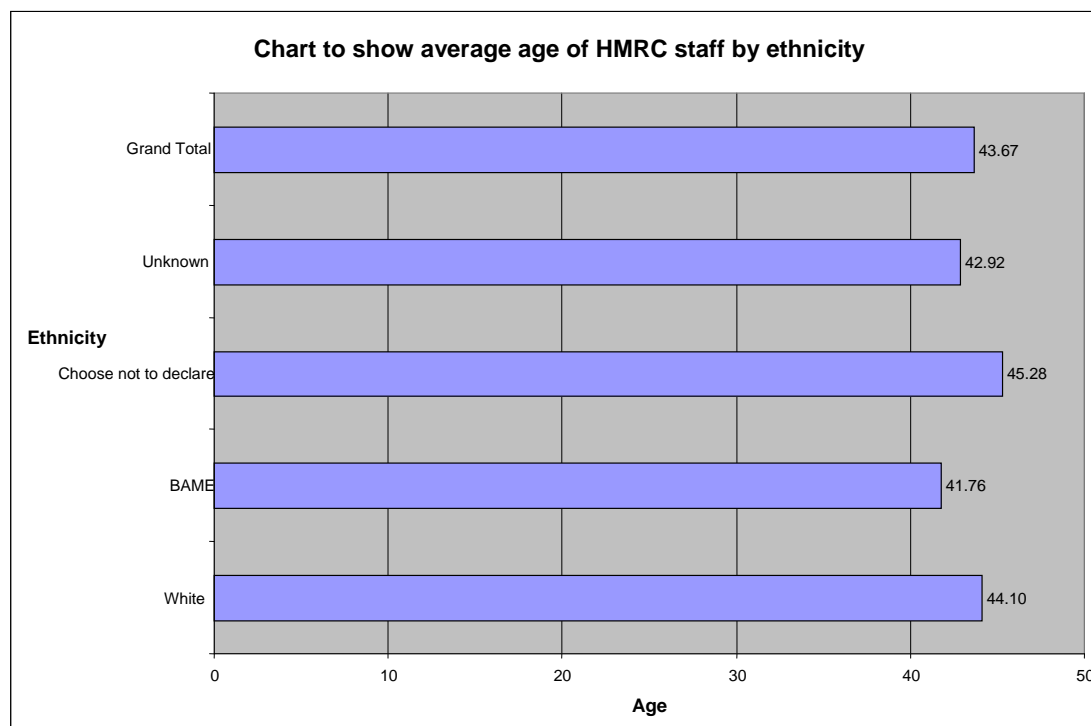


The above, shows both the business streams size in terms of numbers and the proportion of senior staff within them. It's clear that the majority of staff come from a small number of the thirty- eight business streams. It's also interesting to note that of those visibly larger streams, they also seem to tend towards having lower proportions of senior figures. The correlation evidence provided above is certainly useful, but doesn't take into account the actual size of the groups and its possible these few larger streams with relatively few senior figures could encompass the majority of BAME staff.

| | Senior | % | Total Staff | BAME | % | Total Staff (known ethnicity) |
|------------------------------|--------------|-------------|--------------|--------------|-------------|-------------------------------|
| Benefits & Credits | 80 | 1.0% | 7737 | 300 | 6.0% | 5033 |
| Customer Contact | 83 | 0.6% | 13327 | 496 | 5.3% | 9344 |
| Customer Operations | 103 | 0.5% | 20362 | 723 | 5.7% | 12612 |
| Debt Management & Banking | 74 | 0.9% | 8532 | 660 | 10.4% | 6376 |
| Detection | 55 | 1.2% | 4665 | 217 | 9.7% | 2238 |
| Local Compliance | 1424 | 9.3% | 15258 | 855 | 8.6% | 9895 |
| Risk & Intelligence Services | 97 | 2.9% | 3348 | 205 | 11.0% | 1856 |
| Total | 1819 | 2.5% | 73229 | 3456 | 7.3% | 47354 |
| % All staff | 38.0% | | 80.0% | 78.7% | | 80.2% |
| All staff | 4783 | 5.2% | 91480 | 4392 | 7.4% | 59063 |

The above, shows the numbers of staff within the seven largest business streams, as well as how many of them are BAME or senior staff. The key figures are the four that are emboldened. Despite only being seven of thirty-eight in total, these streams account for 80% of staff overall. Despite this, they only contain 38% of senior staff within HMRC. Therefore, if there were a noticeably higher proportion of BAME staff contained within these streams we could reasonably say they are likely to be fighting for fewer senior positions than white staff. However, of the staff with known ethnicity, these streams contain 80.2% of all staff but 78.7% of BAME staff. This means, as with the scatter plot above, if this points to anything it's that BAME staff are slightly more likely to work in streams that have more senior positions.

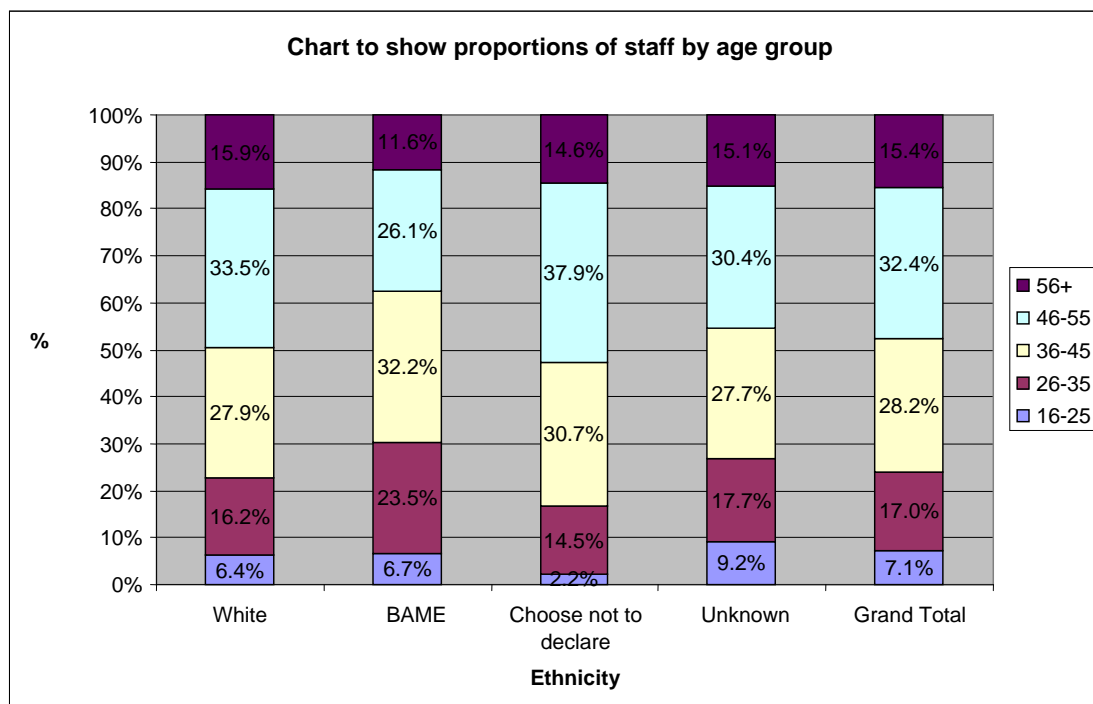
13. Age and Length of Service



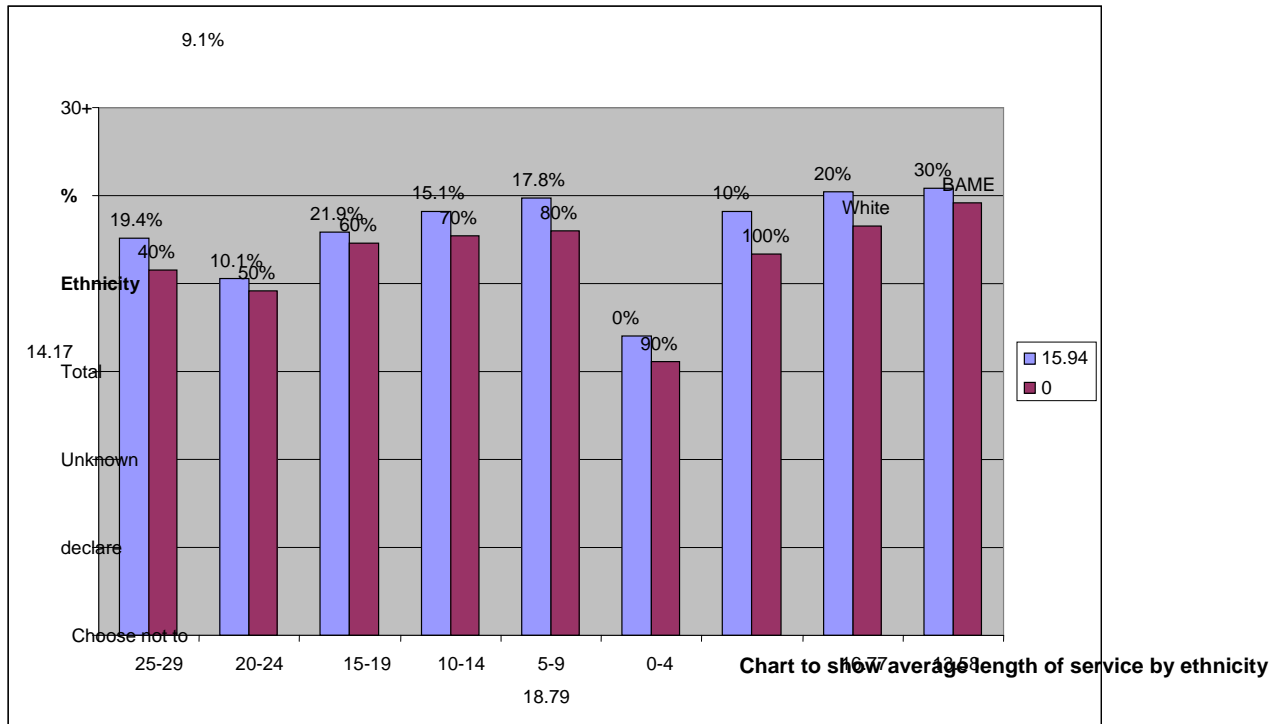
As the above illustrates, the average age of HMRC staff, as of March 31st 2009, is approximately 43 years and 8 months. Of the staff whose ethnicities are presently known, the average age of white staff members is 44 years and 1 month, whilst the

average for BAME staff is 41 years and 9 months. Therefore on average staff from ethnic minorities are 2 years and 4 months younger than their white counterparts. Performing an F-test reveals significant evidence at the 99.9% level that this represents a difference in average age.

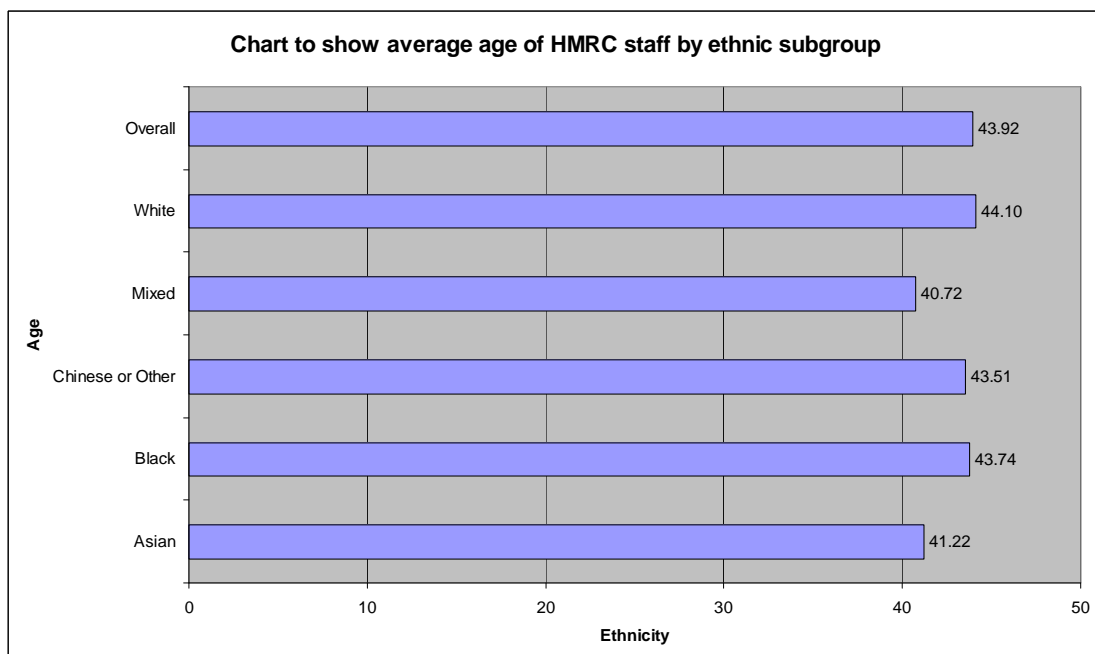
Whilst this may not appear a hugely substantial amount, the difference is highlighted to greater effect in the figure below. When staff are grouped by age, we can see that 62.4% of BAME staff are aged 45 and under, compared to 50.5% of white staff. It will naturally take staff longer to progress to more senior positions so it's possible that at present, generally more white staff have gained the necessary experience to move up to the next grade.



The figure below, shows this trend of white staff having a slightly higher age than their BAME counterparts persists across all grades to a varying degree. The smallest difference comes at O level where white staff average 45 years and 10 months, to BAME staff's 44 years and 7 months, a gap of 1 year and 3 months. This means that if we assume older staff are likely to have more experience, the trend proposed above, with more white staff in advantageous positions to receive promotions, will be prevalent across all grades.

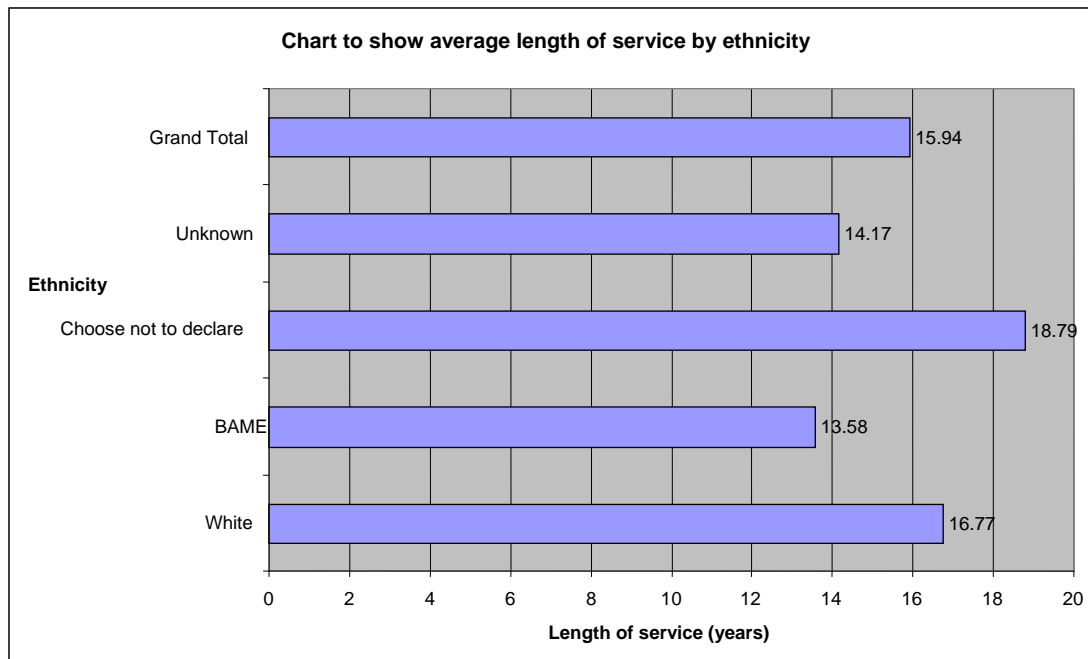


It is worth noting that, grade AA and SCS apart, the gaps in age seem to be slightly smaller at the lower levels, hopefully meaning BAME staff are catching up with white staff and this will develop gradually up grades over time.

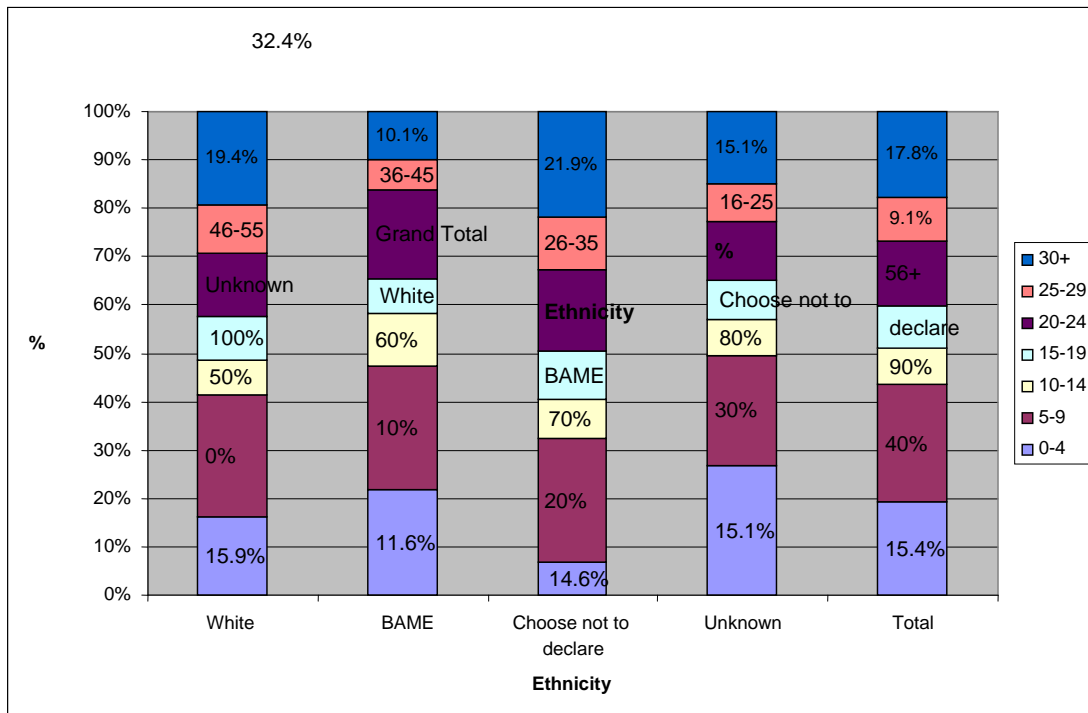


Returning to the average age of staff by ethnicity, some interesting results present themselves if we split BAME staff into some subgroups. Whilst none of Mixed, Black, Asian or Chinese or Other staff have an average age higher than white staff it's apparent that Black and Chinese or Other staff's average age is much closer than Asian and Mixed staff (see the figure above). Black staff are, on average, only 4

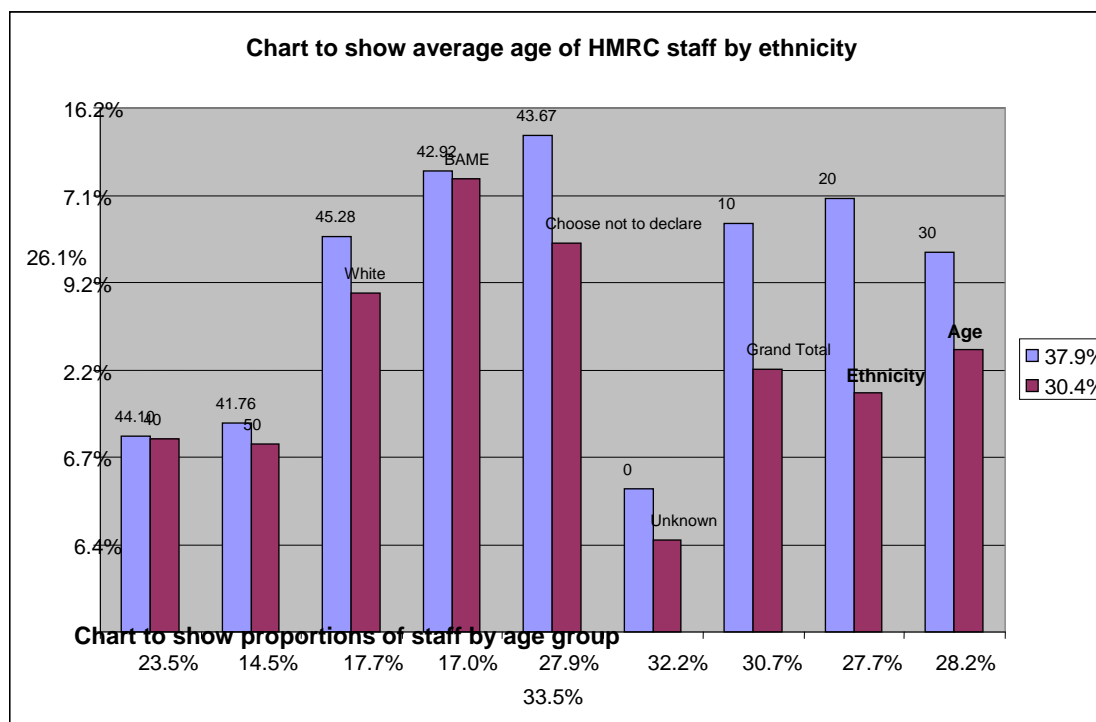
months younger than White staff whilst Mixed staff are 3 years and 4 months younger on average. Performing F-tests in the same fashion as for white compared to BAME staff the results show no significant evidence for a difference in the average ages of white staff compared to Chinese or Other, or white staff compared to Black at the 95% level. Meanwhile, at the higher level of 99.9% there is significant evidence for a difference in ages of white staff compared to Mixed, or white staff compared to Asian.



Whilst age might be a reasonable indicator of staffs' experience, their length of service is probably a better measure. As the figure above illustrates, that gap between white and BAME staffs' time with HMRC is more pronounced than the difference in ages. White staff have served an average of 16 years and 9 months, to BAME staff's 13 years and 7 months, a difference of 3 years and 2 months. Relatively, this means white staff have been with HMRC 23% longer (whereas by age the relative difference was only 6%). This presents stronger evidence for white staff likely having accrued more experience in their current post and being in better positions to receive promotions. Obviously they'll then be effectively starting again in their new grade but by the time (or indeed, if) their BAME colleagues in the previous grade receive a promotion they'll once again already be ahead in terms of experience.



Again, splitting the staff into distinct groups helps to show the gradual discrepancies in the time staff have served. 58.3% of BAME staff have less than 15 years service, compared to 48.6% of white staff. The most obvious differences show at the top end of the scale though, with almost twice as great a proportion of white staff (19.4%) having over 30 years service compared to BAME staff (10.1%).



As with average age, the difference in average length of service is more apparent at the higher grades. The smallest difference is at AA, where white and BAME staff are only one month apart at 11 years and 2 months and 11 years and 1 month respectively. From Grade 7 onwards the gap is at least 5 years and 6 months; whilst at Grade 6 white staff have over 11 years more experience, on average, than BAME staff.

The lengths of service do not continue to rise as the grades do, actually peaking at HO and SO. This implies that the majority of staff for these grades are recruited externally. With greater proportions of BAME staff currently joining rather than leaving, it is to be hoped that over time, as more senior staff retire in areas currently dominated by white staff eventually this imbalance will begin to be redressed. This is a process that will obviously occur over a prolonged period of time. The closer lengths of service hopefully indicate that this is something that has already begun at lower levels of HMRC.

14. Action Plan for the Race Employment Duty Report 2008-2009

In last year's report, key actions were identified to maintain progress and these have been reported on in the appropriate sections within this report.

Below are the key actions which have been identified from the findings of this year's report and on which we will be taking action throughout 2009-2010.

| Aspect of Report | Section | Action | Timetable |
|------------------------------------|---------|--|---|
| Diversity declaration rates | 2 | Increase declaration rates to 89% | Complete by 31 March 2010 |
| Diversity declaration rates | 2 | Diversity Team to work with Business Units with lowest declaration rates to improve them. | Continue work started and review by 31 March 2010 |
| Diversity declaration rates | 2 | Involve the Race Champion in a campaign to boost declaration rates | Continue work started and review by 31 March 2010 |
| BAME progression | 3.1 | Diversity team to work with KAI to analyse the movement of BAME staff through the grades and conduct more detailed analysis to identify barriers to BAME progression | Review by 31 March 2010 |
| External Recruitment | 4.1/4.2 | Carry out an EQIA of the External Recruitment processes for generalist and specialist posts | Completion expected by 31 March 2010 |

| Aspect of Report | Section | Action | Timetable |
|---|----------------|--|---|
| External Recruitment | 4.2 | Significantly improve collection of data on the specialist recruitment process (using the WCN system) which can be analysed to determine any adverse impact for BAME groups | Complete by 31 March 2010 |
| Graduate Recruitment Programme – assessment centre | 4.3 | Analyse candidate scores of each assessment centre exercise and break these down to individual competence scores to identify any adverse impact on BAME groups and take appropriate action | Complete by 31 March 2010 |
| Internal Vacancy Filling | 5.1 | Completion and publication of EQIA consultation document | By June 2010 |
| Permanent promotions | 5.1 | Take action on the recommendations of the Internal Audit review | Complete by 31 March 2010 |
| Filling vacancies in senior management | 6.1 | The Diversity Team to work with Business Areas with low numbers of BAME staff at the feeder (SO) grade to identify ways to improve BAME representation | Continue work started and review by 31 March 2010 |
| SCS | 7 | Target of 5.1% BAME staff in SCS by March 2011(see Actions at 6.1, 7.2 and 7.3) | Work from now to achieve by 31 March 2011 |
| SCS Leadership Gateway | 7.2 | Undertake a review of the SCS Gateway process | To commence later in 2009-2010 |
| Talent Management | 7.3 | Completion of the consultation on the National Talent Pool EQIA; and findings to be considered | Final report to be published by 11 December 2009 |

| Aspect of Report | Section | Action | Timetable |
|--------------------------------|----------------|---|--------------------------------|
| Talent Management | 7.3 | Talent Management Team to work with the Diversity Team to improve data collection processes for this programme | Complete by 31 March 2010 |
| Appraisal | 8 | Completion and publication of EQIA consultation document | by December 2009 |
| Appraisal | 8 | Use findings of the EQIA to review guidance and strengthen equality messages to managers and staff | Review by 31 March 2010 |
| Grievance | 9.1 | Full analysis of the data collected under the new grievance process to establish any adverse impact on BAME staff | Complete by 31 March 2010 |
| Disciplinary procedures | 9.2 | Complete EQIA and consider results to establish any adverse impact on BAME groups | Complete EQIA by 31 March 2010 |

15. Contact point for further enquiries:

Frances Raimo
HMRC, Diversity Team
Mowbray House
Castle Meadow
Nottingham
NG2 1BE

Tel: 0115 974 0662
Email: frances.raimo@hmrc.gsi.gov.uk

Appendix 1: Staff in Post

Table 1: - Breakdown of staff by all ethnic groups

| White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| 54181 | 91 | 64 | 147 | 210 | 1911 | 552 | 113 | 216 | 442 | 348 | 14 | 119 | 123 |
| 92.57% | 0.16% | 0.11% | 0.25% | 0.36% | 3.26% | 0.94% | 0.19% | 0.37% | 0.76% | 0.59% | 0.02% | 0.20% | 0.21% |

Tables 2 (a) and (b): Staff in Post yearly comparisons – 2007-2008 and 2008-2009

(a) Ethnicity declaration rates for HMRC staff

| | | | | |
|---------|--------------------|-----------------|-----------------------|---------------------|
| 2007-08 | Total Staff | Ethnicity Known | Choose not to declare | Ethnicity Not Known |
| | 92,948 | 57,689 | 3,885 | 31,374 |
| | % | 62.07% | 4.18% | 33.75% |
| 2008-09 | Total Staff | Ethnicity Known | Choose not to declare | Ethnicity Not Known |
| | 90,650 | 58,531 | 3,914 | 28,205 |
| | % | 64.57% | 4.32% | 31.11% |

(b) HMRC staff – known ethnicity

| | | | | | | |
|---------|---------------|-------|-------|-------|---------|-------------------|
| 2007-08 | White | Mixed | Asian | Black | Chinese | Total BAME |
| | 53,580 | 488 | 2,614 | 781 | 226 | 4,109 |
| | 92.88% | 0.85% | 4.53% | 1.35% | 0.39% | 7.12% |
| 2008-09 | White | Mixed | Asian | Black | Chinese | Total BAME |
| | 54,181 | 512 | 2,792 | 804 | 242 | 4,350 |
| | 92.57% | 0.87% | 4.77% | 1.37% | 0.41% | 7.43% |

Notes:

1. Total number of staff has decreased by 2.47% from 92,948 in 2007-08 to 90,650 in 2008-09
2. The number of staff whose ethnicity is known has increased from 62.07% to 64.57% of all staff in HMRC
3. The percentage of White staff compared to all staff who declared their ethnicity decreased from 92.88% in 2007-08 to 92.57% in 2008-09 whereas the total number of staff who have declared themselves White has increased from 53,580 in 2007-08 to 54,181 in 2008-09. This could be attributed to slightly improved declaration rates in 2008-09
4. The percentage of total BAME staff has increased from 7.12% of all staff who declared their ethnicity to 7.43% in 2008-09
5. The percentage of all 4 main BAME groups increased
6. Chinese and Asian staff saw the largest proportional increase from 0.39% to 0.41% and from 4.53% to 4.77% respectively. This means that both of these groups increased in size by over 5% from the year before.

Table 3: Staff in Post - breakdown of Black and Ethnic Minority groups at 31 March 2009

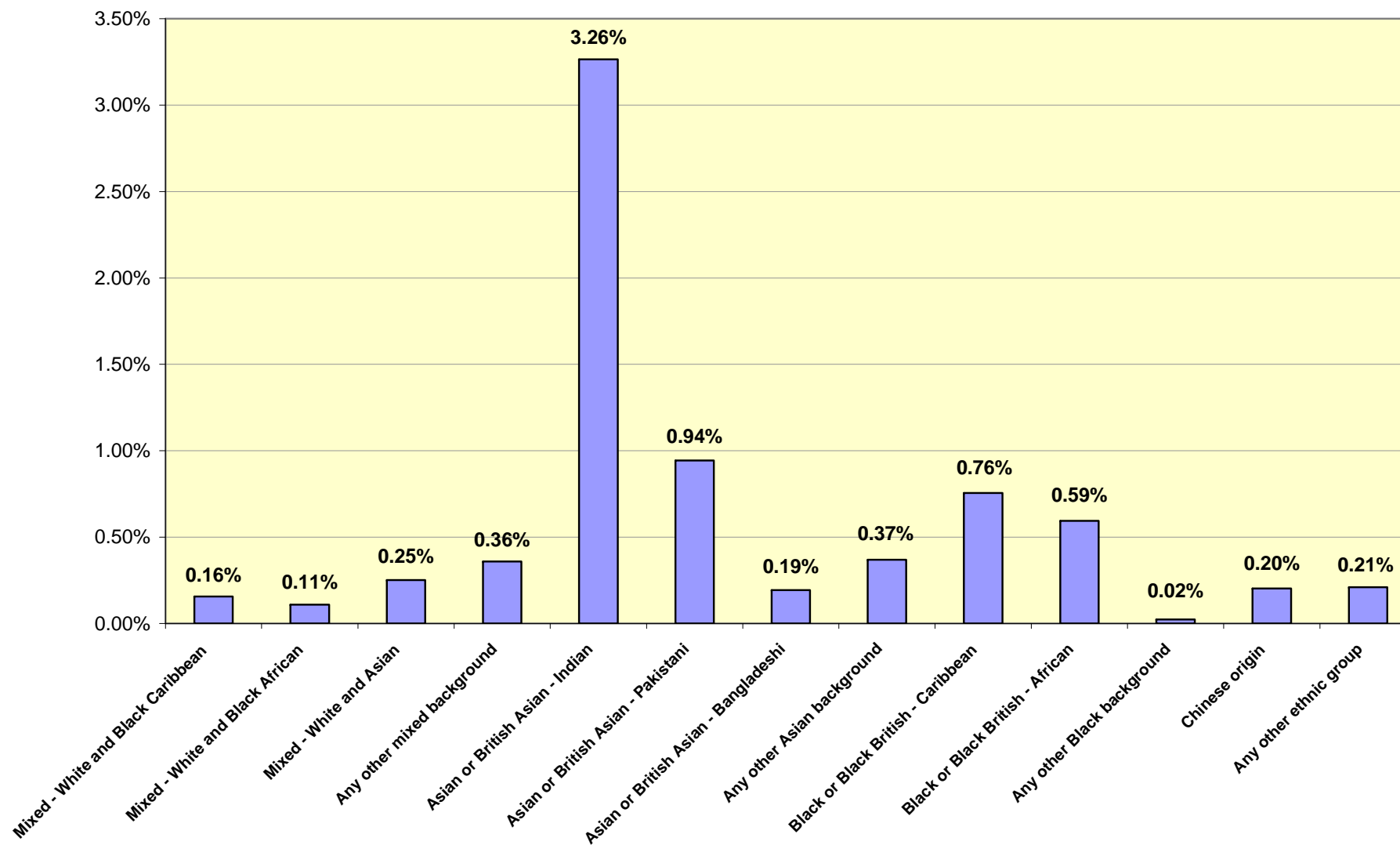


Table 4: Staff in post - breakdown by main ethnic groups, by grade

| Grade | White | Mixed | Asian | Black | Chinese or other | Total BAME |
|-------------------|---------------|--------------|--------------|--------------|------------------|--------------|
| SCS | 96.41% | 1.31% | 1.31% | - | 0.98% | 3.59% |
| Grade 6 | 95.95% | 1.60% | 1.35% | 0.86% | 0.25% | 4.05% |
| Grade 7 | 95.08% | 0.52% | 2.72% | 0.81% | 0.87% | 4.92% |
| Fast Stream | 93.31% | 1.22% | 4.26% | 0.61% | 0.61% | 6.69% |
| Senior Officer | 96.12% | 0.78% | 1.69% | 0.70% | 0.70% | 3.88% |
| Higher Officer | 93.88% | 0.91% | 3.59% | 1.32% | 0.29% | 6.12% |
| Officer | 92.48% | 0.84% | 4.64% | 1.73% | 0.31% | 7.52% |
| Assistant Officer | 92.18% | 0.87% | 5.29% | 1.27% | 0.39% | 7.82% |
| Admin Assistant | 90.09% | 0.93% | 6.75% | 1.65% | 0.58% | 9.91% |
| Total | 92.57% | 0.87% | 4.77% | 1.37% | 0.41% | 7.43% |

Table 5: Staff in post - breakdown by all ethnic groups, by grade

| Grade | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|-------------------|----------------------|---------------------------|-------------------------|-----------------|--------------|------------------------|--------------|--------------|--------------|------------------------|--------------|--------------|-------------------------------|--------------------|
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| SCS | 96.41% | 0.65% | 0.33% | 0.33% | - | 1.31% | - | - | - | - | - | - | - | 0.98% |
| Grade 6 | 95.95% | 0.25% | - | 0.25% | 1.11% | 1.11% | 0.25% | - | - | 0.25% | 0.61% | - | 0.12% | 0.12% |
| Grade 7 | 95.08% | 0.06% | - | 0.23% | 0.23% | 2.02% | 0.23% | - | 0.46% | 0.52% | 0.29% | - | 0.52% | 0.35% |
| Fast Stream | 93.31% | - | 0.30% | 0.91% | - | 2.13% | 0.61% | 0.30% | 1.22% | 0.61% | - | - | - | 0.61% |
| Senior Officer | 96.12% | 0.07% | 0.11% | 0.28% | 0.32% | 1.37% | 0.07% | 0.04% | 0.21% | 0.35% | 0.32% | 0.04% | 0.28% | 0.42% |
| Higher Officer | 93.88% | 0.12% | 0.10% | 0.24% | 0.46% | 2.80% | 0.29% | 0.12% | 0.38% | 0.69% | 0.60% | 0.03% | 0.09% | 0.21% |
| Officer | 92.48% | 0.12% | 0.08% | 0.23% | 0.41% | 3.48% | 0.64% | 0.12% | 0.40% | 1.08% | 0.64% | 0.01% | 0.14% | 0.17% |
| Assistant Officer | 92.18% | 0.18% | 0.13% | 0.27% | 0.30% | 3.38% | 1.40% | 0.19% | 0.32% | 0.63% | 0.61% | 0.02% | 0.23% | 0.16% |
| Admin Assistant | 90.09% | 0.22% | 0.15% | 0.19% | 0.37% | 4.39% | 1.26% | 0.58% | 0.52% | 0.92% | 0.68% | 0.04% | 0.25% | 0.33% |
| Total | 92.57% | 0.16% | 0.11% | 0.25% | 0.36% | 3.26% | 0.94% | 0.19% | 0.37% | 0.76% | 0.59% | 0.02% | 0.20% | 0.21% |

Appendix 1: Staff in Post

Table 6: Staff in post - breakdown of White and BAME staff in each grade



Table 7: Staff in post - breakdown by main ethnic groups, by Business Unit

| Business Unit | White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------------|---------------|--------------|--------------|--------------|------------------|--------------|
| Benefits & Credits | 94.07% | 0.71% | 4.36% | 0.53% | 0.33% | 5.93% |
| Business Tax | 89.59% | 1.25% | 6.45% | 2.13% | 0.59% | 10.41% |
| Personal Tax | 94.78% | 0.76% | 3.45% | 0.70% | 0.32% | 5.22% |
| Enforcement & Compliance | 90.35% | 0.92% | 6.23% | 2.04% | 0.46% | 9.65% |
| Corporate Services | 93.90% | 0.93% | 3.31% | 1.52% | 0.34% | 6.10% |
| Other Offices | 83.69% | 2.26% | 7.86% | 4.05% | 2.14% | 16.31% |
| Total | 92.57% | 0.87% | 4.77% | 1.37% | 0.41% | 7.43% |

Table 8: Staff in post - breakdown by all ethnic groups, by Business Unit

| Business Unit | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|--------------------------|----------------------|---------------------------|-------------------------|-----------------|--------------|------------------------|--------------|--------------|--------------|------------------------|--------------|--------------|-------------------------------|--------------------|
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Benefits & Credits | 94.07% | 0.20% | 0.10% | 0.20% | 0.20% | 3.43% | 0.75% | 0.08% | 0.10% | 0.20% | 0.31% | 0.02% | 0.14% | 0.18% |
| Business Tax | 89.59% | 0.18% | 0.15% | 0.40% | 0.51% | 5.02% | 0.88% | 0.18% | 0.37% | 1.32% | 0.77% | 0.04% | 0.26% | 0.33% |
| Personal Tax | 94.78% | 0.15% | 0.12% | 0.19% | 0.30% | 2.11% | 1.00% | 0.16% | 0.17% | 0.33% | 0.35% | 0.02% | 0.21% | 0.12% |
| Enforcement & Compliance | 90.35% | 0.14% | 0.09% | 0.27% | 0.43% | 4.31% | 1.07% | 0.24% | 0.60% | 1.16% | 0.87% | 0.01% | 0.19% | 0.27% |
| Corporate Services | 93.90% | 0.15% | 0.15% | 0.36% | 0.27% | 2.30% | 0.38% | 0.19% | 0.44% | 1.03% | 0.42% | 0.06% | 0.15% | 0.19% |
| Other Offices | 83.69% | 0.36% | 0.12% | 0.71% | 1.07% | 6.19% | 0.48% | 0.36% | 0.83% | 1.55% | 2.26% | 0.24% | 0.95% | 1.19% |
| Total | 92.57% | 0.16% | 0.11% | 0.25% | 0.36% | 3.26% | 0.94% | 0.19% | 0.37% | 0.76% | 0.59% | 0.02% | 0.20% | 0.21% |

Appendix 1: Staff in Post

Table 9: Staff in post - breakdown by Government Office Region

| Government Office Region | Total | White | Total BAME |
|--------------------------|--------------|---------------|--------------|
| East | 3400 | 3217 | 183 |
| | | 94.62% | 5.38% |
| East Midlands | 2865 | 2483 | 382 |
| | | 86.67% | 13.33% |
| London | 5903 | 4021 | 1882 |
| | | 68.12% | 31.88% |
| North East | 8939 | 8765 | 174 |
| | | 98.05% | 1.95% |
| North West | 9956 | 9498 | 458 |
| | | 95.40% | 4.60% |
| Northern Ireland | 1614 | 1606 | 8 |
| | | 99.50% | 0.50% |
| Scotland | 7888 | 7750 | 138 |
| | | 98.25% | 1.75% |
| South East | 4464 | 4261 | 203 |
| | | 95.45% | 4.55% |
| South West | 2539 | 2472 | 67 |
| | | 97.36% | 2.64% |
| Wales | 3032 | 2967 | 65 |
| | | 97.86% | 2.14% |
| West Midlands | 3574 | 3166 | 408 |
| | | 88.58% | 11.42% |
| Yorks & Humber | 4263 | 3883 | 380 |
| | | 91.09% | 8.91% |
| Home/Unknown | 16 | 14 | 2 |
| | | 87.50% | 12.50% |
| Overseas | 78 | 78 | 0 |
| | | 100.00% | 0.00% |
| Total | 58531 | 54181 | 4350 |
| | | 92.57% | 7.43% |

Table 10: 'Has the percentage of BAME staff increased between 31 March 2008 and 31 March 2009?'

| Grade | Figures | | | | Percentages | | | |
|-------------------|---------------|--------------|---------------|--------------|--------------|-------------|--------------|-------------|
| | 31-Mar-08 | | 31-Mar-09 | | 31-Mar-08 | | 31-Mar-09 | |
| | White | Total BAME | White | Total BAME | White | Total BAME | White | Total BAME |
| SCS | 292 | 11 | 295 | 11 | 96.4% | 3.6% | 96.4% | 3.6% |
| Grade 6 | 732 | 27 | 781 | 33 | 96.4% | 3.6% | 95.9% | 4.1% |
| Grade 7 | 1,539 | 76 | 1,644 | 85 | 95.3% | 4.7% | 95.1% | 4.9% |
| Fast Stream | 374 | 26 | 307 | 22 | 93.5% | 6.5% | 93.3% | 6.7% |
| Senior Officer | 2,533 | 97 | 2,727 | 110 | 96.3% | 3.7% | 96.1% | 3.9% |
| Higher Officer | 6,245 | 383 | 6,378 | 416 | 94.2% | 5.8% | 93.9% | 6.1% |
| Officer | 13,052 | 1,046 | 13,194 | 1,073 | 92.6% | 7.4% | 92.5% | 7.5% |
| Assistant Officer | 21,830 | 1,733 | 22,779 | 1,932 | 92.6% | 7.4% | 92.2% | 7.8% |
| Admin Assistant | 6,983 | 710 | 6,076 | 668 | 90.8% | 9.2% | 90.1% | 9.9% |
| Total | 53,580 | 4,109 | 54,181 | 4,350 | 92.9% | 7.1% | 92.6% | 7.4% |

Notes:

1. There has been an increase in the proportion of BAME staff at almost every grade between Mar 2008 and Mar 2009.
2. Proportionally the largest increase came at Grade 6 level, from 3.6% of staff to 4.1%, which represents 27 of 759 staff in 2008 to 33 of 814 in 2009. This represents an actual increase of over 10% in the proportion of BAME staff at Grade 6.
3. The only grade to not see an increase in the proportion of BAME staff was SCS, which remained constant at 3.6%.
4. At AA and FS grades the actual number of BAME staff fell, but less so than for white staff meaning proportionally the amount of BAME staff still rose.
5. Overall, numbers of BAME staff rose from 4,109 to 4,350, which as a proportion of all staff shows a rise from 7.1% to 7.4% of staff with known ethnicities.

Table 11: 'Were BAME staff more likely to leave HMRC than White staff?'

| Grade | % staff leaving | |
|-------------------|-----------------|--------------|
| | White | BAME |
| SCS | 11.19% | 9.09% |
| Grade 6 | 5.25% | 3.03% |
| Grade 7 | 4.32% | 4.71% |
| Fast Stream | 7.82% | 13.64% |
| Senior Officer | 4.73% | 6.36% |
| Higher Officer | 5.33% | 3.85% |
| Officer | 4.76% | 3.63% |
| Assistant Officer | 7.79% | 8.49% |
| Admin Assistant | 12.72% | 12.72% |
| Total | 7.04% | 7.36% |

Notes:

1. The percentages of White and BAME staff leaving at each grade over the course of the year were similar. These % are calculated as a proportion of the BAME and White group for each grade.
2. The largest discrepancy is at Fast Stream level, with nearly twice as many BAME staff leaving compared to White staff (13.64% to 7.82%) but note actual numbers for BAME fast stream leavers were less than 5
3. Conversely, at Grade 6 only 3.03% of BAME staff left compared to 5.25% of White staff.
4. These figures would seem to indicate that generally BAME staff are no more likely to leave than White staff. This is backed up by the total overall percentage of staff that left, 7.04% of White staff to 7.36% of BAME staff

Table 12: Staff who left HMRC – breakdown by all ethnic groups

| White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| 92.26% | 0.34% | 0.12% | 0.34% | 0.29% | 2.76% | 1.33% | 0.39% | 0.24% | 0.94% | 0.60% | 0.07% | 0.22% | 0.10% |

Table 13: Staff who left HMRC - breakdown by grade

| Grade | White | BAME |
|-----------------------|--------------|-------------|
| Admin Assistant | 92.4% | 7.6% |
| Admin Assistant FTA | 84.5% | 15.5% |
| Assistant Officer | 91.9% | 8.1% |
| Assistant Officer FTA | 87.9% | 12.1% |
| Officer | 94.1% | 5.9% |
| Officer FTA | 100.0% | 0.0% |
| Higher Officer | 95.5% | 4.5% |
| Senior Officer | 94.9% | 5.1% |
| Fast Stream | 88.9% | 11.1% |
| Grade 7 | 94.7% | 5.3% |
| Grade 6 | 97.6% | 2.4% |
| SCS | 97.1% | 2.9% |
| Total | 92.3% | 7.7% |

Table 14: Analysis of Leavers by Grade

| Grade | Percentage of Staff in post as at 31 March 2009 with Known Ethnicity | | | Percentage of Leavers in 2008/09 with Known Ethnicity | | | Resignation | | Retirement | | AER | | OGD Perm Transfer | | FES/PSRS | | Voluntary CER | | Dismissal | | Other | | |
|--------------------------|--|------------|--------|---|------------|--------|-------------|------------|------------|------------|--------|------------|-------------------|------------|----------|------------|---------------|------------|-----------|------------|--------|------------|-------|
| | White | Total BAME | Total | White | Total BAME | Total | White | Total BAME | White | Total BAME | White | Total BAME | White | Total BAME | White | Total BAME | White | Total BAME | White | Total BAME | White | Total BAME | |
| SCS | 0.54% | 0.25% | 0.46% | 0.87% | 0.31% | 0.82% | 0.08% | 0.00% | 1.04% | 3.13% | 2.40% | 0.00% | 1.38% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.78% | 0.00% |
| Grade 6 | 1.44% | 0.76% | 1.35% | 1.08% | 0.31% | 1.02% | 0.40% | 0.87% | 3.11% | 0.00% | 0.60% | 0.00% | 1.83% | 0.00% | 0.00% | 0.00% | 100% | 0.00% | 0.00% | 0.00% | 1.36% | 0.00% | |
| Grade 7 | 3.03% | 1.95% | 2.85% | 1.86% | 1.25% | 1.81% | 1.03% | 1.74% | 4.44% | 3.13% | 1.40% | 0.00% | 2.29% | 6.25% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.12% | 0.00% | |
| Fast Stream | 0.57% | 0.51% | 0.55% | 0.63% | 0.94% | 0.65% | 0.71% | 0.87% | 0.00% | 0.00% | 0.00% | 0.00% | 1.83% | 6.25% | 0.00% | 0.00% | 0.00% | 0.00% | 0.81% | 0.00% | 1.95% | 1.67% | |
| Senior Officer | 5.03% | 2.53% | 4.55% | 3.38% | 2.19% | 3.29% | 1.19% | 0.87% | 6.22% | 6.25% | 8.20% | 8.33% | 4.59% | 12.50% | 0.39% | 0.00% | 0.00% | 0.00% | 0.81% | 0.00% | 3.51% | 1.67% | |
| Higher Officer | 11.77% | 9.56% | 11.62% | 8.92% | 5.00% | 8.61% | 3.48% | 1.74% | 13.78% | 18.75% | 25.00% | 33.33% | 5.50% | 6.25% | 5.85% | 2.78% | 0.00% | 0.00% | 4.88% | 0.00% | 5.85% | 1.67% | |
| Officer | 24.35% | 24.67% | 24.25% | 16.47% | 12.19% | 16.14% | 8.00% | 5.22% | 19.26% | 18.75% | 33.60% | 8.33% | 10.55% | 12.50% | 28.65% | 26.39% | 0.00% | 0.00% | 5.69% | 7.69% | 10.14% | 6.67% | |
| Assistant Officer | 42.04% | 44.41% | 41.92% | 46.53% | 51.25% | 46.89% | 66.59% | 66.96% | 28.89% | 31.25% | 21.00% | 33.33% | 50.92% | 37.50% | 46.20% | 50.00% | 0.00% | 0.00% | 67.48% | 61.54% | 39.38% | 38.33% | |
| Admin Assistant | 11.21% | 15.36% | 12.45% | 20.27% | 26.56% | 20.76% | 18.53% | 21.74% | 23.26% | 18.75% | 7.80% | 16.67% | 21.10% | 18.75% | 18.91% | 20.83% | 0.00% | 0.00% | 20.33% | 30.77% | 33.92% | 50.00% | |
| Total | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 0% | 100% | 100% | 100% | 100% | |

Appendix 2: Leavers

Table 15: Staff who left HMRC - breakdown by reason for leaving

| Reason for leaving | White | Total BAME |
|--|---------------|--------------|
| Bullied at work | 80.00% | 20.00% |
| Can no longer see a place for myself with HMRC because of changes and future direction | 97.10% | 2.90% |
| Desired working pattern not available | 93.33% | 6.67% |
| Discrimination | 80.00% | 20.00% |
| Domestic e.g. care responsibilities | 94.44% | 5.56% |
| Early release scheme e.g. AER, FES | 91.13% | 8.87% |
| End of contract | 80.58% | 19.42% |
| Excessive Workload | 71.43% | 28.57% |
| Going to a better job | 94.22% | 5.78% |
| Going to a better paid job | 86.81% | 13.19% |
| Insufficient pay | 94.74% | 5.26% |
| Job did not meet your expectations | 91.43% | 8.57% |
| Lack of career prospects | 87.88% | 12.12% |
| Lack of job satisfaction | 93.75% | 6.25% |
| Lack of recognition/felt undervalued | 93.62% | 6.38% |
| Lack of satisfaction | 96.23% | 3.77% |
| Lack of special needs equipment | 0.00% | 100.00% |
| Lack of technical equipment | 50.00% | 50.00% |
| Lack of work related training | 90.48% | 9.52% |
| Long hours culture | 75.00% | 25.00% |
| Not a caring employer | 94.12% | 5.88% |
| Nothing Selected | 100.00% | 0.00% |
| Office closure | 95.65% | 4.35% |
| Other | 88.89% | 11.11% |
| Poor management/lack of management support | 97.83% | 2.17% |
| Poor work / life balance | 89.66% | 10.34% |
| Returning to education | 83.64% | 16.36% |
| Spouse/partner moving | 75.00% | 25.00% |
| Standard retirement at 60 or over | 92.86% | 7.14% |
| Travel time/costs | 77.78% | 22.22% |
| Unsociable hours | 76.92% | 23.08% |
| Unwelcome change of duties | 95.24% | 4.76% |
| Unwelcome change of office/location | 92.42% | 7.58% |
| Total | 90.22% | 9.78% |

| | | |
|-------------------------------|---------------|---------------|
| Actual number who left | 89.26% | 10.74% |
|-------------------------------|---------------|---------------|

Table 16: Staff who joined HMRC - breakdown by all ethnic groups

| White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| 87.25% | 0.29% | 0.29% | 0.33% | 0.29% | 5.57% | 2.53% | 0.66% | 0.42% | 0.29% | 1.58% | 0.04% | 0.37% | 0.08% |

Table 17: Staff who joined HMRC - breakdown by grade

| Grade | White | Total BAME |
|-------------------------|---------------|---------------|
| Admin. Assistant | 80.14% | 19.86% |
| Admin. Assistant (FTA) | 77.78% | 22.22% |
| Assistant Officer | 90.78% | 9.22% |
| Assistant Officer (FTA) | 77.08% | 22.92% |
| Officer | 81.25% | 18.75% |
| Officer (FTA) | 75.00% | 25.00% |
| Higher Officer | 76.47% | 23.53% |
| Senior Officer | 90.00% | 10.00% |
| Fast Stream | 88.24% | 11.76% |
| Grade 7 | 85.71% | 14.29% |
| Grade 6 | 100.00% | - |
| SCS | 83.33% | 16.67% |
| Total | 87.25% | 12.75% |

Table 18: Staff who joined HMRC - breakdown by Government Office Region

| Government Office Region | White | Total BAME |
|--------------------------|---------------|---------------|
| East | 100.00% | - |
| East Midlands | 22.14% | 77.86% |
| London | 83.10% | 16.90% |
| North East | 92.05% | 7.95% |
| North West | 92.44% | 7.56% |
| Northern Ireland | 94.29% | 5.71% |
| Scotland | 94.78% | 5.22% |
| South East | 83.78% | 16.22% |
| South West | 95.00% | 5.00% |
| Wales | 86.61% | 13.39% |
| West Midlands | 80.65% | 19.35% |
| Yorks & Humber | 59.49% | 40.51% |
| Home/Unknown | 87.80% | 12.20% |
| Total | 87.25% | 12.75% |

Table 19: Staff who joined HMRC by all ethnic groups, by Government Office Region

| Government Office Region | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|--------------------------|----------------------|---------------------------|-------------------------|-----------------|--------------|------------------------|--------------|--------------|--------------|------------------------|--------------|--------------|-------------------------------|--------------------|
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| East | 100.00% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| East Midlands | 22.14% | 0.76% | - | 0.76% | 0.76% | 61.83% | 2.29% | 1.53% | 1.53% | 1.53% | 5.34% | - | 1.53% | - |
| London | 83.10% | - | - | - | 1.41% | 8.45% | 1.41% | - | 1.41% | 1.41% | 1.41% | - | 1.41% | - |
| North East | 92.05% | 0.38% | 0.19% | 0.38% | - | 0.95% | 1.52% | 1.70% | 0.57% | 0.19% | 1.89% | - | 0.19% | - |
| North West | 92.44% | 0.22% | 0.65% | - | 0.43% | 2.38% | 0.86% | 0.43% | - | - | 2.16% | - | 0.22% | 0.22% |
| Northern Ireland | 94.29% | - | - | - | - | 2.86% | - | - | - | 2.86% | - | - | - | - |
| Scotland | 94.78% | 0.38% | 0.25% | 0.38% | 0.13% | 1.53% | 1.78% | - | 0.13% | - | 0.25% | - | 0.38% | - |
| South East | 83.78% | - | - | - | - | 2.70% | - | 5.41% | 2.70% | - | 2.70% | - | - | 2.70% |
| South West | 95.00% | - | 1.67% | - | - | 1.67% | - | - | - | - | - | - | 1.67% | - |
| Wales | 86.61% | - | - | - | 0.89% | 2.68% | 3.57% | - | 0.89% | - | 4.46% | 0.89% | - | - |
| West Midlands | 80.65% | - | - | 1.61% | 1.61% | 9.68% | 4.84% | - | - | 1.61% | - | - | - | - |
| Yorks & Humber | 59.49% | - | - | - | - | 7.59% | 27.85% | 1.27% | - | 1.27% | 2.53% | - | - | - |
| Home/Unknown | 87.80% | - | - | 2.44% | - | 2.44% | 4.88% | - | 2.44% | - | - | - | - | - |
| Total | 87.25% | 0.29% | 0.29% | 0.33% | 0.29% | 5.57% | 2.53% | 0.66% | 0.42% | 0.29% | 1.58% | 0.04% | 0.37% | 0.08% |

Table 20: External applicants for generalist (Grade AA to O) posts – Percentage of each ethnic group

| Criteria | Total | Total White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|--|---------------|--------------------|--------------|--------------|--------------|-------------------------|-------------------|
| Total applicants | 49211 | 40466 | 964 | 5580 | 1235 | 966 | 8745 |
| | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Rejected after min Criteria e.g educational qualifications, right to work in the UK. | 0.56% | 0.27% | 1.35% | 1.90% | 2.51% | 1.86% | 1.92% |
| Reject after situational sift (e-mail sent) | 15.45% | 13.19% | 17.74% | 29.05% | 23.56% | 18.84% | 25.90% |
| Rejected after Tests | 16.01% | 16.55% | 16.08% | 11.85% | 15.55% | 17.60% | 13.47% |
| Rejected after Tests not completed | 9.46% | 9.83% | 10.27% | 7.11% | 6.96% | 9.83% | 7.74% |
| Rejected at test – Not Banked | 6.32% | 6.60% | 6.02% | 4.89% | 3.81% | 6.63% | 5.05% |
| Reject after Interview - Not Banked | 5.73% | 5.79% | 5.08% | 5.57% | 6.48% | 3.93% | 5.47% |
| Rejected after pre-appointment checks | 0.70% | 0.63% | 0.83% | 1.16% | 0.97% | 0.72% | 1.05% |
| Successful at Interview (Merit List) | 7.14% | 7.43% | 6.95% | 5.13% | 8.10% | 5.59% | 5.80% |
| Offer rejected | 0.22% | 0.24% | - | 0.16% | 0.16% | 0.10% | 0.14% |
| Withdrawn | 27.55% | 28.40% | 26.87% | 23.15% | 22.11% | 25.16% | 23.64% |
| Rejected after Merit List Expired | 0.16% | 0.15% | 0.10% | 0.25% | - | - | 0.17% |
| Rejected after merit list – failed quals (Banking removed) | 0.02% | 0.02% | - | - | 0.08% | - | 0.01% |
| Take up duty | 5260 | 4417 | 84 | 545 | 120 | 94 | 843 |
| | 10.69% | 10.92% | 8.71% | 9.77% | 9.72% | 9.73% | 9.64% |

Table 21: External applicants for specialist (Grade 6 and 7) posts – Percentage of each ethnic group

| Criteria | Total | Total White | Mixed | Asian | Black | Chinese or Other | Total BAME |
|--|--------|-------------|---------|--------|--------|------------------|------------|
| Total applicants | 770 | 575 | * | * | * | * | 195 |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Rejected after minimum criteria | - | - | - | - | - | - | - |
| Rejected after sift | 66.49% | 59.30% | 100.00% | 82.08% | 93.42% | 100.00% | 87.69% |
| Rejected after work sample tests (numeracy/ literacy/data entry reading) | 0.13% | 0.17% | - | - | - | - | - |
| Rejected after assessment centre (work sample tests and interviews) | 21.69% | 26.96% | - | 6.60% | 6.58% | - | 6.15% |
| Rejected after pre-appointment checks | - | - | - | - | - | - | - |
| Withdrawn/not complete | 2.99% | 2.43% | - | 8.49% | - | - | 4.62% |
| Successful put on reserve list | 0.13% | 0.17% | - | - | - | - | - |
| Offer rejected | 0.26% | 0.35% | - | - | - | - | - |
| Offer accepted | 8.31% | 10.61% | - | 2.83% | - | - | 1.54% |

*numbers excluded from main BAME ethnic groups as some categories contain low numbers

Table 22: Permanent Promotions - breakdown by all ethnic groups and by grade

| | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|----------------------------|----------------------|---------------------------|-------------------------|-----------------|----------------------------|------------------------|--------------|--------------|----------------------------|------------------------|--------------|----------------------------|-------------------------------|------------------------|
| Promotion to Grade: | Any white background | White and Black Caribbean | White and Black African | White and Asian | Any other mixed background | Indian | Pakistani | Bangladeshi | Any other Asian background | Caribbean | African | Any other black background | Chinese | Any other ethnic group |
| Assistant Officer | 92.23% | 0.40% | - | 0.20% | 0.20% | 4.58% | 1.59% | - | - | 0.40% | 0.40% | - | - | - |
| Officer | 95.20% | 0.24% | 0.12% | 0.12% | 0.36% | 1.92% | 0.84% | - | 0.36% | 0.36% | 0.12% | - | 0.36% | - |
| Higher Officer | 93.15% | - | 0.35% | 0.18% | 0.70% | 3.51% | 0.53% | 0.35% | 0.35% | 0.53% | 0.18% | 0.18% | - | - |
| Senior Officer | 94.33% | 0.30% | - | 0.30% | 0.60% | 2.39% | - | 0.30% | - | 0.30% | 0.60% | - | 0.30% | 0.60% |
| Fast Stream | 96.15% | - | - | - | - | 3.85% | - | - | - | - | - | - | - | - |
| Grade 7 | 93.56% | - | - | - | - | 1.98% | 0.50% | - | 0.50% | 1.49% | - | - | 0.99% | 0.99% |
| Grade 6 | 94.19% | - | - | - | 4.65% | 1.16% | - | - | - | - | - | - | - | - |
| Total | 93.89% | 0.20% | 0.12% | 0.16% | 0.55% | 2.86% | 0.74% | 0.12% | 0.23% | 0.47% | 0.23% | 0.04% | 0.23% | 0.16% |

Table 23: How successful were BAME staff at the Grade 7 Gateway?

| Ethnicity | Percentage of Applicants | Percentage of Successful Applicants |
|-------------------|--------------------------|-------------------------------------|
| White | 93.7% | 94.0% |
| Mixed | 1.26% | 1.20% |
| Asian | 2.5% | 2.4% |
| Black | 1.3% | 0.0% |
| Chinese and other | 1.3% | 2.4% |

Notes: The last column shows where the % of successful candidates was **lower** or *higher* than the % of candidates.

1. Of BAME subsets Chinese and Other is the only one with a higher proportion of successful candidates than applicants.
2. Asian, Black and Mixed both had lower proportions of successful candidates, with Black staff having no successful applicants. However, the number of BAME staff this involves is very small so slight changes in numbers would have a large impact on percentages.

Table 24: Internal Applications for Grade 6 and 7 posts – breakdown by main ethnic groups and by Business Unit (excludes Fast Stream and specialist recruitment programmes)

| Line of Business | Total White | Mixed | Asian or British Asian | Black or Black British | Chinese or other | Total BAME |
|--------------------------|---------------|----------|------------------------|------------------------|------------------|--------------|
| Benefits & Credits | 100.00% | - | - | - | - | - |
| Business Tax | 97.94% | - | 2.06% | - | - | 2.06% |
| Corporate Services | 97.89% | - | 2.11% | - | - | 2.11% |
| Enforcement & Compliance | 97.77% | - | 1.79% | - | 0.45% | 2.23% |
| Personal Tax | 98.92% | - | 1.08% | - | - | 1.08% |
| Other Offices | 95.31% | - | 1.56% | - | 3.13% | 4.69% |
| Total | 97.78% | - | 1.74% | - | 0.48% | 2.22% |

Table 25: Applications resulting in successful Promotions to Grade 6 & 7 - breakdown by main ethnic groups and by Business Unit (excludes Fast Stream and specialist recruitment programmes)

| Line of Business | Total White | Mixed | Asian or British Asian | Black or Black British | Chinese or other | Total BAME |
|--------------------------|---------------|----------|------------------------|------------------------|------------------|--------------|
| Benefits & Credits | 100.00% | - | - | - | - | - |
| Business Tax | 100.00% | - | - | - | - | - |
| Corporate Services | 97.83% | - | 2.17% | - | - | 2.17% |
| Enforcement & Compliance | 97.62% | - | 2.38% | - | - | 2.38% |
| Personal Tax | 100.00% | - | - | - | - | - |
| Other Offices | 90.91% | - | 4.55% | - | 4.55% | 9.09% |
| Total | 97.53% | - | 1.85% | - | 0.62% | 2.47% |

Table 26: All promotions to Grade 6 & 7 - breakdown by all ethnic groups and by Business Unit

| Line of Business | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other | | Total BAME |
|--------------------------|----------------------|---------------------------|-------------------------|-----------------|--------------|------------------------|--------------|-------------|--------------|------------------------|---------|-------------|------------------|--------------------|--------------|
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group | |
| Benefits & Credits | 100.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Business Tax | 94.74% | - | - | - | 1.75% | 1.75% | - | - | - | - | - | - | 1.75% | - | 5.26% |
| Corporate Services | 93.75% | - | - | - | 2.08% | 2.08% | 2.08% | - | - | - | - | - | - | - | 6.25% |
| Enforcement & Compliance | 90.60% | - | - | - | 1.71% | 2.56% | - | - | 0.85% | 2.56% | - | - | 0.85% | 0.85% | 9.40% |
| Personal Tax | 100.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Offices | 96.67% | - | - | - | - | - | - | - | - | - | - | - | - | 3.33% | 3.33% |
| Total | 93.75% | - | - | - | 1.39% | 1.74% | 0.35% | - | 0.35% | 1.04% | - | - | 0.69% | 0.69% | 6.25% |

Table 27: SCS Leadership Gateway applicants – breakdown by main ethnic groups and by Business Unit

| Line of Business | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------------|--------------------|-------|--------------|-------|------------------|-------------------|
| Benefits & Credits | 100.00% | - | - | - | - | - |
| Business Tax | 100.00% | - | - | - | - | - |
| Corporate Services | 100.00% | - | - | - | - | - |
| Enforcement & Compliance | 100.00% | - | - | - | - | - |
| Personal Tax | 100.00% | - | - | - | - | - |
| Other Offices | 95.65% | - | 4.35% | - | - | 4.35% |
| Total | 99.11% | - | 0.89% | - | - | 0.89% |

Table 28: SCS Leadership Gateway successful applicants – breakdown by main ethnic groups and by Business Unit

| Line of Business | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------------|--------------------|-------|--------------|-------|------------------|-------------------|
| Benefits & Credits | 100.00% | - | - | - | - | - |
| Business Tax | 100.00% | - | - | - | - | - |
| Corporate Services | 100.00% | - | - | - | - | - |
| Enforcement & Compliance | 100.00% | - | - | - | - | - |
| Personal Tax | 100.00% | - | - | - | - | - |
| Other Offices | 92.86% | - | 7.14% | - | - | 7.14% |
| Total | 98.31% | - | 1.69% | - | - | 1.69% |

Table 29: appraisal marking (2007-08) – analysis of results

| Marking | Total BAME | White | Total |
|-----------------------------|------------|-------|-------|
| Top | 14% | 18% | 16% |
| Good | 81% | 79% | 79% |
| Improvement Needed | 1% | 1% | 1% |
| Appraisal is Not Applicable | 0% | 0% | 0% |
| Deemed Good | 0% | 0% | 0% |
| No Appraisal Completed | 3% | 2% | 3% |
| Total | 100% | 100% | 100% |
| Poor Performance Marking | 0% | 0% | 0% |
| Promotion Marking | 30% | 31% | 31% |

Notes

1. Overall, the dispersion of top markings between White and BAME staff was similar.
2. The most noticeable difference is in top markings, with 18% of White staff gaining the top marking, compared to 14% of BAME staff, although BAME staff received a higher proportion of good markings at 81% compared to 79% good markings for White staff.
3. Promotion markings are similar across White and BAME staff with 31% of White staff gaining a promotion marking compared to 30% for BAME staff.
4. Other than this, the results were identical, with the exception of 3% of BAME appraisals going uncompleted to 2% of White staff.

Table 30: Appraisal markings (2007-08) – breakdown by all ethnic groups

| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|-----------------------------|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 18.11% | 15.22% | 13.46% | 16.67% | 14.21% | 15.03% | 10.96% | 17.31% | 19.70% | 13.08% | 7.79% | 25.00% | 12.50% | 18.80% |
| Good | 78.78% | 78.26% | 84.62% | 78.26% | 83.25% | 81.12% | 83.47% | 75.96% | 76.85% | 81.82% | 85.06% | 68.75% | 83.65% | 78.63% |
| Improvement Needed | 0.84% | 1.09% | - | 0.72% | 1.02% | 1.06% | 1.79% | 4.81% | 0.99% | 0.89% | 2.92% | - | 0.96% | 0.85% |
| Appraisal is Not Applicable | 0.09% | 1.09% | - | - | - | 0.17% | - | - | - | 0.89% | - | - | - | - |
| Deemed Good | 0.01% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 2.17% | 4.35% | 1.92% | 4.35% | 1.52% | 2.63% | 3.78% | 1.92% | 2.46% | 3.33% | 4.22% | 6.25% | 2.88% | 1.71% |
| Poor Performance Marking | 0.28% | 1.09% | 1.92% | - | 0.51% | 0.22% | 0.80% | 0.96% | 0.00% | 0.67% | 0.32% | - | 0.96% | - |
| Promotion Marking | 31.42% | 31.52% | 26.92% | 23.91% | 31.47% | 31.84% | 23.31% | 26.92% | 33.00% | 31.93% | 26.62% | 37.50% | 30.77% | 29.06% |

Table 31(a): Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (AA)

| Percentages of Appraisal Markings - Admin Assistant | | | | | | | | | | | | | | |
|---|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 14.80% | 11.11% | - | - | 4.17% | 14.33% | 11.01% | 15.63% | 25.71% | 16.42% | 7.14% | - | 10.53% | 21.74% |
| Good | 81.94% | 88.89% | 100.00% | 78.57% | 91.67% | 81.21% | 86.24% | 75.00% | 71.43% | 77.61% | 90.48% | 100.00% | 89.47% | 73.91% |
| Improvement Needed | 1.00% | - | - | 7.14% | 4.17% | 0.32% | 0.92% | 6.25% | - | - | - | - | - | 4.35% |
| Appraisal is Not Applicable | 0.06% | - | - | - | - | - | - | - | - | 1.49% | - | - | - | - |
| Deemed Good | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 2.19% | - | - | 14.29% | - | 4.14% | 1.83% | 3.13% | 2.86% | 4.48% | 2.38% | - | - | - |
| Poor Performance Marking | 0.30% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Promotion Marking | 33.29% | 22.22% | 28.57% | 14.29% | 8.33% | 35.35% | 30.28% | 28.13% | 40.00% | 40.30% | 30.95% | 50.00% | 26.32% | 39.13% |

Table 31(b): Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (AO)

| Percentages of Appraisal Markings - Assistant Officer | | | | | | | | | | | | | | |
|---|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 13.95% | 11.11% | 8.70% | 20.63% | 11.76% | 12.06% | 9.25% | 17.78% | 21.05% | 12.88% | 7.50% | 28.57% | 10.00% | 13.16% |
| Good | 82.51% | 80.00% | 91.30% | 73.02% | 82.35% | 83.60% | 83.27% | 73.33% | 76.32% | 80.98% | 85.00% | 57.14% | 86.00% | 84.21% |
| Improvement Needed | 1.11% | - | - | - | 1.47% | 1.63% | 2.49% | 6.67% | 1.32% | 1.84% | 1.67% | - | 2.00% | - |
| Appraisal is Not Applicable | 0.13% | 2.22% | - | - | - | 0.14% | - | - | - | 0.61% | - | - | - | - |
| Deemed Good | 0.01% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 2.29% | 6.67% | - | 6.35% | 4.41% | 2.57% | 4.98% | 2.22% | 1.32% | 3.68% | 5.83% | 14.29% | 2.00% | 2.63% |
| Poor Performance Marking | 0.43% | - | - | 2.22% | 1.47% | 2.22% | 1.42% | 0.41% | - | - | 1.23% | - | 2.00% | - |
| Promotion Marking | 22.59% | 20.63% | 17.39% | 31.11% | 19.12% | 20.00% | 14.23% | 25.07% | 34.21% | 26.67% | 26.99% | 14.29% | 22.00% | 18.42% |

Table 31(c) Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (O)

| Percentages of Appraisal Markings - Officer | | | | | | | | | | | | | | |
|---|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 20.56% | 23.53% | 18.18% | 15.63% | 12.50% | 18.60% | 14.29% | 23.53% | 16.67% | 8.44% | 7.61% | 25.00% | 28.57% | 15.38% |
| Good | 76.89% | 64.71% | 72.73% | 84.38% | 87.50% | 77.69% | 82.14% | 76.47% | 81.48% | 87.01% | 85.87% | 75.00% | 64.29% | 84.62% |
| Improvement Needed | 0.61% | 5.88% | - | - | - | 1.24% | 1.19% | - | - | - | 3.26% | - | - | - |
| Appraisal is Not Applicable | 0.07% | - | - | - | - | 0.41% | - | - | - | 0.65% | - | - | - | - |
| Deemed Good | 0.01% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 1.86% | 5.88% | 9.09% | - | - | 2.07% | 2.38% | 0.00% | 1.85% | 3.90% | 3.26% | - | 7.14% | - |
| Poor Performance Marking | 0.17% | - | 9.09% | - | - | 0.21% | - | - | - | 0.65% | - | - | - | - |
| Promotion Marking | 37.01% | 35.29% | 27.27% | 28.13% | 46.43% | 38.02% | 36.90% | 41.18% | 35.19% | 31.17% | 31.52% | 75.00% | 64.29% | 19.23% |

Table 31(d): Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (HO)

| Percentages of Appraisal Markings - Higher Officer | | | | | | | | | | | | | | |
|--|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 23.59% | 28.57% | 40.00% | 12.50% | 11.11% | 16.57% | 16.67% | - | 8.70% | 15.91% | 5.26% | - | 14.29% | 30.77% |
| Good | 73.75% | 71.43% | 60.00% | 87.50% | 88.89% | 81.14% | 77.78% | 100.00% | 82.61% | 79.55% | 86.84% | 100.00% | 85.71% | 69.23% |
| Improvement Needed | 0.56% | - | - | - | - | - | - | - | 4.35% | 2.27% | 2.63% | - | - | - |
| Appraisal is Not Applicable | 0.06% | - | - | - | - | - | - | - | - | 2.27% | - | - | - | - |
| Deemed Good | 0.02% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 2.02% | - | - | - | - | 2.29% | 5.56% | - | 4.35% | - | 5.26% | - | - | - |
| Poor Performance Marking | 0.14% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Promotion Marking | 46.05% | 57.14% | 80.00% | 37.50% | 44.44% | 36.57% | 50.00% | 28.57% | 26.09% | 36.36% | 18.42% | 0.00% | 28.57% | 46.15% |

Table 31(e): Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (SO)

| Percentages of Appraisal Markings - Senior Officer | | | | | | | | | | | | | | |
|--|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 27.27% | - | 33.33% | 50.00% | 33.33% | 20.59% | - | - | 16.67% | 40.00% | 12.50% | 100.00% | 16.67% | 30.00% |
| Good | 69.41% | 100.00% | 66.67% | 50.00% | 66.67% | 76.47% | 100.00% | 100.00% | 83.33% | 60.00% | 50.00% | - | 83.33% | 60.00% |
| Improvement Needed | 0.40% | - | - | - | - | - | - | - | - | - | 37.50% | - | - | - |
| Appraisal is Not Applicable | 0.08% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deemed Good | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 2.85% | - | - | - | - | 2.94% | - | - | - | - | - | - | - | 10.00% |
| Poor Performance Marking | 0.12% | - | - | - | - | - | - | - | - | - | 12.50% | - | - | - |
| Promotion Marking | 34.19% | - | - | 33.33% | 33.33% | 35.29% | - | 100.00% | 16.67% | 50.00% | - | 100.00% | 33.33% | 50.00% |

Table 31(f): Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (Fast Stream)

| Percentages of Appraisal Markings - Fast Stream | | | | | | | | | | | | | | |
|---|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 11.23% | - | - | - | - | 16.67% | 33.33% | - | - | - | - | - | - | - |
| Good | 86.10% | 100.00% | - | 100.00% | | 83.33% | 66.67% | 100.00% | 66.67% | 100.00% | - | - | 100.00% | 100.00% |
| Improvement Needed | 0.80% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Appraisal is Not Applicable | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deemed Good | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 1.87% | - | - | - | - | - | - | - | 33.33% | - | - | - | - | - |
| Poor Performance Marking | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Promotion Marking | 15.51% | 33.33% | - | - | - | 66.67% | 33.33% | - | - | 40.00% | - | - | 50.00% | - |

Table 31(g): Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (Grade 7)

| Percentages of Appraisal Markings - Grade 7 | | | | | | | | | | | | | | |
|---|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 26.82% | 50.00% | - | - | 55.56% | 19.35% | - | - | 50.00% | 42.86% | 33.33% | - | - | 25.00% |
| Good | 70.57% | 50.00% | - | 100.00% | 44.44% | 80.65% | 100.00% | - | 50.00% | 57.14% | 66.67% | - | 80.00% | 75.00% |
| Improvement Needed | 0.33% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Appraisal is Not Applicable | 0.07% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deemed Good | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 2.21% | - | - | - | - | - | - | - | - | - | - | - | 20.00% | - |
| Poor Performance Marking | 0.07% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Promotion Marking | 39.71% | - | - | 25.00% | 55.56% | 25.81% | 33.33% | - | 16.67% | 28.57% | 33.33% | - | 40.00% | 50.00% |

Table 31(h): Appraisal markings (2007-08) – breakdown by all ethnic groups, by grade (Grade 6)

| Percentages of Appraisal Markings - Grade 6 | | | | | | | | | | | | | | |
|---|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| Marking | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Top | 35.85% | - | - | - | 25.00% | 25.00% | 50.00% | 100.00% | - | - | 20.00% | - | - | - |
| Good | 60.71% | 100.00% | 100.00% | - | 75.00% | 75.00% | 50.00% | - | - | 100.00% | 80.00% | - | 100.00% | 100.00% |
| Improvement Needed | 0.27% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Appraisal is Not Applicable | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deemed Good | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No Appraisal Completed | 3.16% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Poor Performance Marking | 0.14% | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Promotion Marking | 31.04% | 50.00% | - | - | 25.00% | 25.00% | 100.00% | - | - | - | - | - | - | - |

Table 32: Grievance appeals - breakdown by main ethnic group and grade

| Grade | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|-------------------|--------------------|--------------|--------------|--------------|------------------|-------------------|
| Fast Stream | 100.00% | - | - | - | - | - |
| Senior Officer | 83.33% | 16.67% | - | - | - | 16.67% |
| Higher Officer | 100.00% | - | - | - | - | - |
| Officer | 84.00% | - | 8.00% | 8.00% | - | 16.00% |
| Assistant Officer | 89.53% | 2.33% | 4.65% | 1.16% | 2.33% | 10.47% |
| Admin Assistant | 92.31% | - | 7.69% | - | - | 7.69% |
| Total | 89.29% | 2.14% | 5.00% | 2.14% | 1.43% | 10.71% |

Note: There were no recorded grievance appeals for Grade 7 or above where ethnicity is known.

Table 33: Disciplinary referrals - breakdown by main ethnic groups and by grade

| Grade | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|-------------------|---------------|--------------|--------------|--------------|------------------|---------------|
| SCS | 100.00% | - | - | - | - | - |
| Grade 6 | 100.00% | - | - | - | - | - |
| Grade 7 | 100.00% | - | - | - | - | - |
| Fast Stream | 75.00% | - | 25.00% | - | - | 25.00% |
| Senior Officer | 85.71% | 7.14% | - | 7.14% | - | 14.29% |
| Higher Officer | 89.29% | 1.79% | 7.14% | 1.79% | - | 10.71% |
| Officer | 92.81% | 0.72% | 5.04% | 1.44% | - | 7.19% |
| Assistant Officer | 90.19% | 2.26% | 5.47% | 1.32% | 0.75% | 9.81% |
| Admin Assistant | 86.00% | 1.33% | 8.67% | 4.00% | - | 14.00% |
| Unknown | 75.00% | - | - | 25.00% | - | 25.00% |
| Total | 89.75% | 1.85% | 6.00% | 1.96% | 0.44% | 10.25% |

Table 34: Disciplinary referrals - breakdown by main ethnic groups and by business Unit

| Line of Business | Total White | Mixed | Asian | Black | Chinese or other | Total BAME |
|--------------------------|---------------|--------------|--------------|--------------|------------------|---------------|
| Benefits & Credits | 91.18% | 0.98% | 6.86% | - | 0.98% | 8.82% |
| Business Tax | 93.75% | - | - | 6.25% | - | 6.25% |
| Corporate Services | 91.11% | - | 2.22% | 6.67% | - | 8.89% |
| Enforcement & Compliance | 87.89% | 0.62% | 9.63% | 1.86% | - | 12.11% |
| Personal Tax | 90.54% | 3.31% | 3.55% | 1.89% | 0.71% | 9.46% |
| Other Offices | 88.89% | - | 11.11% | - | - | 11.11% |
| Total | 89.75% | 1.85% | 6.00% | 1.96% | 0.44% | 10.25% |

Table 35: Training nominations satisfied – breakdown by all ethnic groups

| | White | Mixed | | | | Asian or British Asian | | | | Black or Black British | | | Chinese or other ethnic group | |
|---|----------------------|---------------------------|-------------------------|-----------------|-------------|------------------------|-----------|-------------|-------------|------------------------|---------|-------------|-------------------------------|--------------------|
| | Any white background | White and Black Caribbean | White and Black African | White and Asian | Other Mixed | Indian | Pakistani | Bangladeshi | Other Asian | Caribbean | African | Other Black | Chinese | Other ethnic group |
| Nominations satisfied in 2007-08 | 92.55% | 0.16% | 0.10% | 0.29% | 0.36% | 3.33% | 0.88% | 0.19% | 0.31% | 0.76% | 0.61% | 0.02% | 0.19% | 0.28% |
| Nominations satisfied in 2008-09 | 92.58% | 0.16% | 0.10% | 0.30% | 0.40% | 3.13% | 0.87% | 0.20% | 0.36% | 0.80% | 0.64% | 0.03% | 0.22% | 0.20% |
| Change in % of nominations satisfied between 2007-8 and 2008-9 | 0.03% | 0.00% | 0.00% | 0.01% | 0.04% | -0.20% | -0.01% | 0.01% | 0.05% | 0.04% | 0.03% | 0.01% | 0.03% | -0.08% |