

## **EMPLOYMENT MATTERS COMMITTEE**

**30 JANUARY 2019**

### **GENDER PAY GAP**

Report from: Carrie Mckenzie, Assistant Director - Transformation

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#### **Summary:**

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all employers with more than 250 employees to report annually on their Gender Pay Gap. This report provides to the Committee the Council's results for this reporting year ahead of sharing the detail with the Trade Unions, employee forums and the Equality and Access Group. The results will then be published on the Council's public website and on the Government dedicated Gender pay gap reporting website.

#### **1. Budget and Policy Framework**

- 1.1 Whilst there is no specific decision to be made based on this report, it is important that the Committee is aware of the Council's Gender Pay Gap results and to recognise that the Council has met its statutory reporting obligations.

#### **2. Background**

- 2.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 required all employers with more than 250 employees to report annually on their Gender Pay Gap.
- 2.2 The Regulations require Public Authorities to publish their data.

#### **3. Requirements of the new legislation**

- 3.1 Qualifying employers are required to take an annual "snap shot" of their total payroll (for the Public Sector that has been set by the Regulations as 31 March), and report on a number of key metrics, they are:

- the mean and median hourly gender pay gap;
- the mean and median gender bonus gap;
- the proportion of men and women receiving a bonus; and
- the proportion of men and women in each of four pay quartile bands (as determined by the results from the individual reporting employer).

3.2 The report must be accompanied by a written statement vouching for its accuracy and this statement must be signed by a director or someone of equivalent seniority.

3.3 The report and accompanying statement must be published on the employer's public web-site and the report must be available on that website for three years. In addition, the information must be provided to the Government via a designated web-site.

3.4 Public sector bodies must publish their report no later than 30 March 2019.

#### **4. Other detail**

4.1 The Regulations prescribe which elements of pay are included in the calculation of pay and bonus pay, and they determine the formulas that the employer should follow.

4.2 The Regulations prescribe who should be counted in the calculation, as that may include "workers" as well as "employees."

#### **5. Adherence to the statutory duty**

5.1 The Council's Corporate Management Team has agreed to the implementation of the following arrangements to meet its statutory responsibilities:

- The Gender Pay Gap report will be presented at the first Employment Matters Committee in 2019 prior to publication on the Council's external web-site; the report will be shared with Trade Unions, Employee Forums and the Equality and Access Group;
- The Assistant Director – Transformation will act at the Council's "senior person" in signing the report.

#### **6. Advice and analysis**

6.1 The detailed results are shown at Appendix 1.

6.2 An executive summary of the findings is shown below:

- Male colleagues show a 10.63% higher mean hourly rate (Data Set A1);
- Male colleagues show a 10.37% higher median hourly rate (Data Set A2);
- There is parity amongst male and female colleagues in the level of mean and median bonus pay (Data Set's B1 and B2);
- Of the total cohort of colleagues who received bonus pay (n16), female colleagues made up 62.5% of that population (Data Set C);

- Female colleagues form the greater proportion of all colleagues across all four of the pay quartiles (Data Set D).

6.3 The greater majority of posts within the Council have been assessed using the National Joint Council Job Evaluation Scheme and this is recognised as gender neutral; the results of each evaluation determines the respective MedPay pay range to which the post is assigned.

6.4 As this is the second year of reporting a comparison to the 2018 Report is shown at 6.4.1:

#### 6.4.1 Comparator Table

	<b>2018 Report</b>	<b>2019 Report</b>	<b>Variance/Comment</b>
Mean Hourly Rate Gap	8.33%	10.63%	The Gap has widened by 2.30%
Median Hourly Rate Gap	9.40%	10.37%	The Gap has widened by 0.97%
Mean Bonus Pay Gap	Nil	Nil	Nil
Median Bonus Pay Gap	Nil	Nil	Nil
Proportion of Male/Female colleagues who received bonus pay.	14.3% Male 85.7% Female	37.5% Male 62.5% Female	The proportion of females who receive bonus pay continues to exceed male colleagues.

## 7. Summary

7.1 Both the Mean and Median Hourly Rate gaps have widened from the 2018 Report outturn and the main reason for this can be attributed to the reduction in the workforce recorded on the day of each reporting year “snap shot”. This shows a reduction of 220 staff with 60% of this cohort being female, and with a higher proportion of female colleagues than male colleagues working in posts in the lower MedPay pay ranges this has contributed to the increase.

7.2 Due to the timing of this report a search of the Government website where all the reports from qualifying employers are listed shows that the greater proportion of local authorities have yet to publish their respective 2019 data sets and a meaningful comparison against other local authorities is not yet available.

## 8. Financial and legal implications

8.1 There are no direct financial or legal implications from this report.

## 9. Risk Management

9.1 The risk implications arising from this report are detailed below:

Risk	Description	Action to avoid or mitigate risk	Risk rating
<p>Failure to comply with the statutory requirement to publish an annual statement.</p> <p>Reputational damage.</p>	<p>There is no published sanction in the event that the Council's statutory duty is not met.</p> <p>The failure to publish a statement could lead the Council to be criticised for not taking this matter seriously.</p>	<p>The statement will sit within the Assistant Director – Transformation accountability and appropriate measures will be put into place to ensure compliance.</p>	<p>E4</p>

## 10. Recommendation

10.1 That the Committee notes the content of this report.

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### Appendices:

Appendix 1 – Detailed results  
 Appendix 2 – Diversity Impact Assessment

### Background Papers:

None