

EMPLOYMENT AND APPEALS COMMITTEE

16 July 2019

GENDER PAY GAP

Report of the Strategic Director for Resources

Strategic Aim:	Sound Financial and Workforce Planning	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr O Hemsley, Leader and Portfolio Holder for Rutland One Public Estate & Growth, Tourism & Economic Development, Communications, Resources (other than Finance)	
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Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That the Committee:

1. Notes the Council's Gender Pay Gap data for 31 March 2019 and the commentary/comparison to our previous year report.

1 PURPOSE OF THE REPORT

- 1.1 The Committee reviewed the Council's Gender Pay Gap data for 31 March 2018 at its meeting on 27 March 2019. They requested that the Head of HR produce the data as at 31 March 2019 (ahead of the March 2020 publishing date) to enable an earlier assessment of trend/movement to the previous two reporting periods.
- 1.2 This report informs Members of our 31 March 2019 data, highlighting the changes to 2017 and 2018 and also comparator data with other authorities for 31 March 2018.

2 GENDER PAY GAP REPORTING

- 2.1 The Committee is reminded that Gender Pay Gap is defined as the difference between the pay of men and women. For reporting purposes, there are two measures:
 - Median hourly pay
 - Mean (average) hourly pay.

Each is represented as the percentage of the difference with men's pay. Negative percentages reflect women's pay higher than men.

- 2.2 For reporting purposes, 'pay' includes – basic pay, paid leave (including annual leave, sick leave, maternity, paternity, adoption and parental leave), allowances, shift premium pay. Employees at Rutland do not receive bonus payments. 'Pay' does not include – overtime pay, expenses, redundancy payments and tax credits.

3 COMPARATOR DATA WITH OTHER AUTHORITIES FOR 31 MARCH 2018

- 3.1 At the time of the March meeting, comparator data for 31 March 2018 was not available. However we can now report as follows:

	Median	Mean (average)
As at 31.3.18 our data was	-1.54	5.7%
Whole Economy (ONS Annual survey)	9.7%	12%
Local Government	5%	6.8%
Unitary Councils	7.4%	-
Councils across the East Midlands	4.2%	-
Nottinghamshire County Council	20.2%	11.5%
Derbyshire County Council	19.7%	12.5%
Leicestershire County Council	9%	12%
Lincolnshire County Council	2.1%	7.6%
Peterborough City Council	3.6%	7.2%
Leicester City Council	0	1%
Nottingham City Council	0	3.1%
Derby City Council	0.4%	0.8%

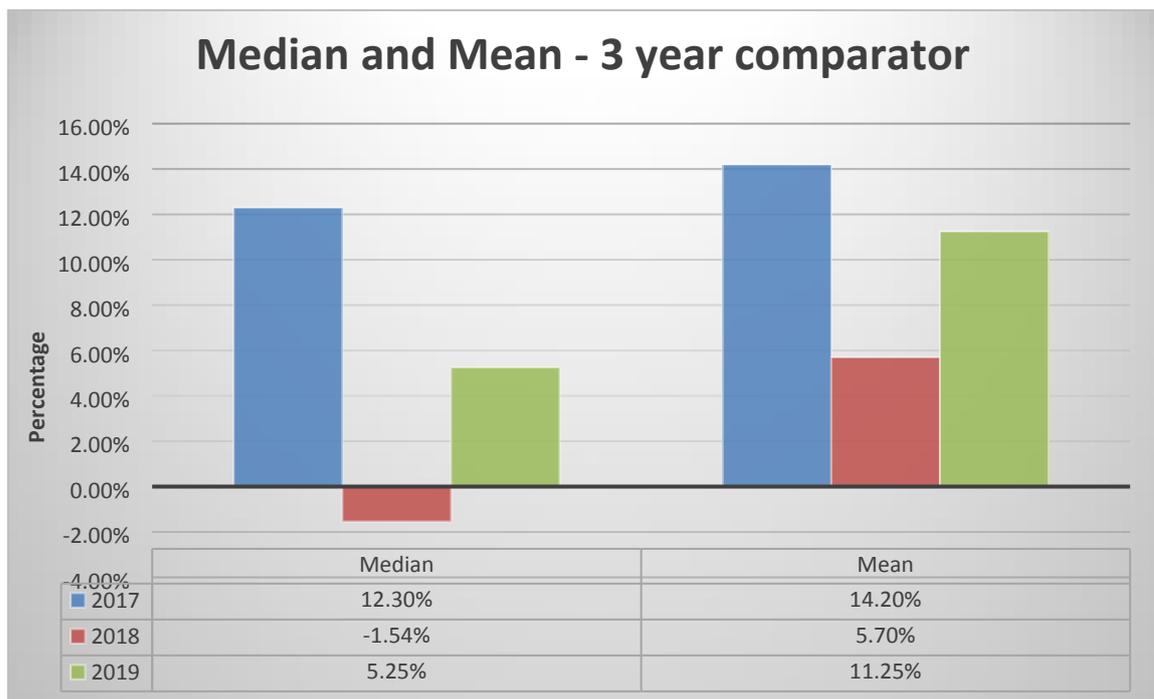
- 3.2 There was a reducing gap between 2017 and 2018 across all sectors and amongst other authorities in the East Midlands region.
- 3.3 Within the Local Government sector, values for mean gender pay gap varied between -14.1% and 31.7%. Women were paid less than men in 264 authorities. Men were paid less than women in 55 authorities.
- 3.4 And for median gender pay gap, the variance was between -50.3% and 34%. Women were, on average, paid less than men in 211 authorities, in 25 the pay gap was zero, and in 83 authorities women were paid more than men.

4 OUR DATA FOR 31 MARCH 2019

- 4.1 Our data for 31 March 2019 and the actual hourly rates is as follows:

	Median hourly rate	Mean hourly rate
Female Staff	£12.40	£13.73
Male Staff	£13.08	£15.47
	5.25%	11.25%

4.2 Reflecting on the change in the median and mean gap over the 3 reporting periods we can see the following variations:



4.3 As we have produced our data ahead of the reporting period, we are not able to draw any comparisons nor make any further observations of variations year on year across the whole economy or local government. We can though see that for Rutland, we have a greater gap as at 31 March 2019, compared to 31 March 2018.

5 WHAT DOES THE DATA INDICATE?

5.1 As previously reported, the causes of Gender Pay Gap are complex and overlapping but we know that contributory factors are the nature of roles and services e.g. services that have not been outsourced but tend to be supported by a predominantly female or male workforce; workforce profiles and natural changes throughout the year. For the 31 March 2018 data we carried out some further detailed analysis to identify if there were any pockets of un-balance across certain services or roles – this did not identify any issues.

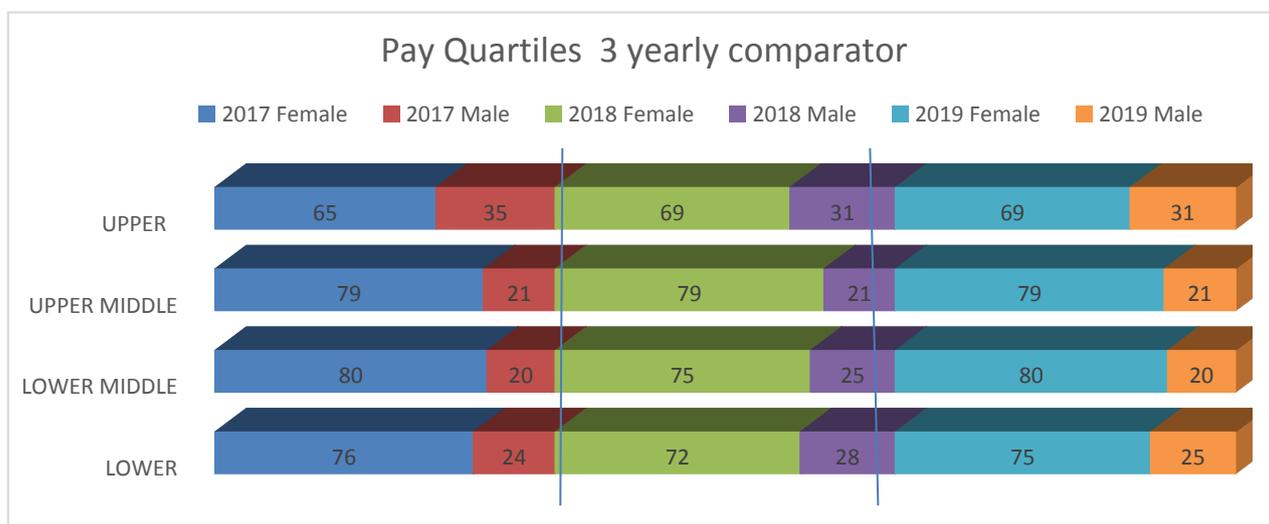
5.2 Workforce Profile

5.2.1 The proportion of women to men across the organisation is as follows and shows very little variation to the previous year:

31 March 2018		31 March 2019	
Male	Female	Male	Female
25%	75%	24.5%	75.5%

5.2.2 In each of the pay quartiles, there remains a higher percentage of females - see below. However, the factors that have an impact on the median and mean hourly rates are due to:

- The highest percentage of males (compared to females) is in the higher pay quartile – 31% Male, compared to the lower pay quartile where 25% of employees in that group at Male.
- In the lower pay quartiles, the percentage of females has increased from 72% on 31 March 2018 to 75% on 31 March 2019
- Between the Upper and Lower pay quartiles, the proportion changes by 6%



Definition of Pay Quartiles = the proportion of male and female relevant employees in four quartile bands. To do this we rank all relevant employees from highest to lower and then divide into four equal parts ('quartiles').

5.3 Workforce changes within the year

5.3.1 Natural changes through the year such as turnover and recruitment can affect the profile of staff against grades and pay points. There is therefore an impact on the calculation of mean and median salaries ie. a new employee may join at the bottom of the pay scale and replace an employee who was perhaps higher up the grade; a Female leaver may be replaced with a Male and vice versa. In particular:

- There was a proportionately higher intake of new starters who are Male in 2018-19 at the higher pay levels – 27% of all new starters, compared to 20% of all new starters in 2017-18.

5.4 We know from undertaking an equal pay audit as part of the new April 2019 pay scales that we pay men and women in a consistent way for work of equal value. This is underpinned by a grading structure and job evaluation system which takes into account roles rather than gender differences.

5.5 Whilst the mean and median figures for Rutland as at 31 March 2019, indicates a widening gap (compared to 31 March 2018), these can be explained by natural work force changes through the year. Our recruitment, selection and promotion processes are free from bias and we remain committed to promoting equality and fairness in the workplace.

6 CONSULTATION

6.1 There are no further consultation requirements arising from this report.

7 ALTERNATIVE OPTIONS

7.1 The Council is required to publish its Gender Pay Gap data by 30 March for data as at 31 March the preceding year – there are no alternative options.

8 FINANCIAL IMPLICATIONS

8.1 There are no financial implications arising from this report. The Council ensures it complies with Equal Pay legislation – any challenge could be costly in an Employment Tribunal and reputational damage.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

9.1 As an employer of 250+ employees, we are required to publish our annual Gender Pay Gap Data as specified in The Equality Act 2010 (*Gender Pay Gap Information Regulations 2017*).

10 DATA PROTECTION IMPLICATIONS

10.1 A Data Protection Impact Assessments (DPIA) has not been completed as there are no risks/issues identified to the rights of individuals or personal data.

11 EQUALITY IMPACT ASSESSMENT

11.1 An Equality Impact Assessment (EqIA) was completed as part of the new April 2019 pay scale. No adverse or significant issues were found. A copy of the EqIA can be obtained from the Head of Human Resources.

12 COMMUNITY SAFETY IMPLICATIONS

12.1 There are no Community Safety implications arising from this report.

13 HEALTH AND WELLBEING IMPLICATIONS

13.1 There are no Health and Wellbeing implications.

14 ORGANISATIONAL IMPLICATIONS

14.1 Human Resource implications – Gender Pay Gaps do not reflect gaps in Equal Pay. The Council, as part of its equality and workforce strategies will continue to monitor pay across its staff groups.

15 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 This report is provided to Employment and Appeals Committee for their information.

16 BACKGROUND PAPERS

16.1 There are no additional background papers to the report.

17 APPENDICES

17.1 There are no appendices.

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.