

EMPLOYMENT AND APPEALS COMMITTEE

16 February 2021

GENDER PAY GAP

Report of the Strategic Director for Resources

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr O Hemsley, Leader and Portfolio Holder for Rutland One Public Estate and Growth, Tourism and Economic Development, Communications, Resources (other than Finance) and Property	
Contact Officer(s):	Saverio Della Rocca, Strategic Director Resources	01572 758159 Sdrocca@rutland.gov.uk
	Carol Snell, Head of Human Resources	01572 720969 csnell@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

1. That the Committee notes the Council's Gender Pay Gap data for 31 March 2020 and the commentary/comparison to the previous reporting periods.

1 PURPOSE OF THE REPORT

- 1.1 The Employment and Appeals Committee have received previous reports highlighting the Council's reporting data for the Gender Pay Gap. It became a requirement in 2017 for organisations that employ 250 or more staff to publish and report on specific data. A report was not submitted in 2020 due to re-prioritisation of work towards COVID-19 response and support.
- 1.2 This report provides the Committee with our data for the period as at 31 March 2020 together with some comparator data and commentary.

2 GENDER PAY GAP REPORTING

- 2.1 For clarity, Members are reminded that:

- The Gender Pay gap is defined as the difference between the pay of men and women. For reporting purposes, there are two measures:

- a) Median hourly pay
- b) Mean (average) hourly pay

Each is represented as the percentage of the difference with men's pay. Therefore, where men are paid more than women, the pay gap will be 'positive'. Negative pay gaps are represented as minus percentages.

- 2.2 Gender pay gap is not about men and women being paid differently for the same job. In Rutland, we use a job evaluation scheme to evaluate a role based on a range of factors and this establishes a grade which is equally applied to male and female employees.
- 2.3 The data used to calculate our Gender Pay Gap covers all employees of Rutland Council except those based in Schools. Included are staff permanently and temporarily employed as at the effective reporting data ie. 31 March.
- 2.4 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 GENDER PAY GAP DATA

- 3.1 The chart below shows our comparator data for the four reporting periods:

As at 31 March	2017	2018	2019	2020
Median	12.3%	-1.54%	5.3%	-6%
Mean (average)	14.2%	5.7%	11.3%	9.41%

- 3.2 This also tells us:

As at 31.3.17	Women earned 88p for every £1 that men earned
As at 31.3.18	Women earned £1.02 for every £1 that men earned
As at 31.3.19	Women earned 95p for every £1 that men earned
As at 31.3.20	Women earned £1.06 for every £1 that men earned

- 3.3 The actual change in hourly rates have been as follows:
(arrows indicate an increase or decrease compared to the previous year)

<i>Median</i>	2017	2018		2019		2020	
<i>Female</i>	£11.62	£12.50	↑	£12.40	↓	£12.85	↑
<i>Male</i>	£13.25	£12.31	↓	£13.08	↑	£12.11	↓
<i>Mean (average)</i>	2017	2018		2019		2020	
<i>Female</i>	£12.75	£13.89	↑	£13.73	↓	£13.48	↓
<i>Male</i>	£14.86	£14.73	↓	£15.47	↑	£14.88	↓

Headlines:

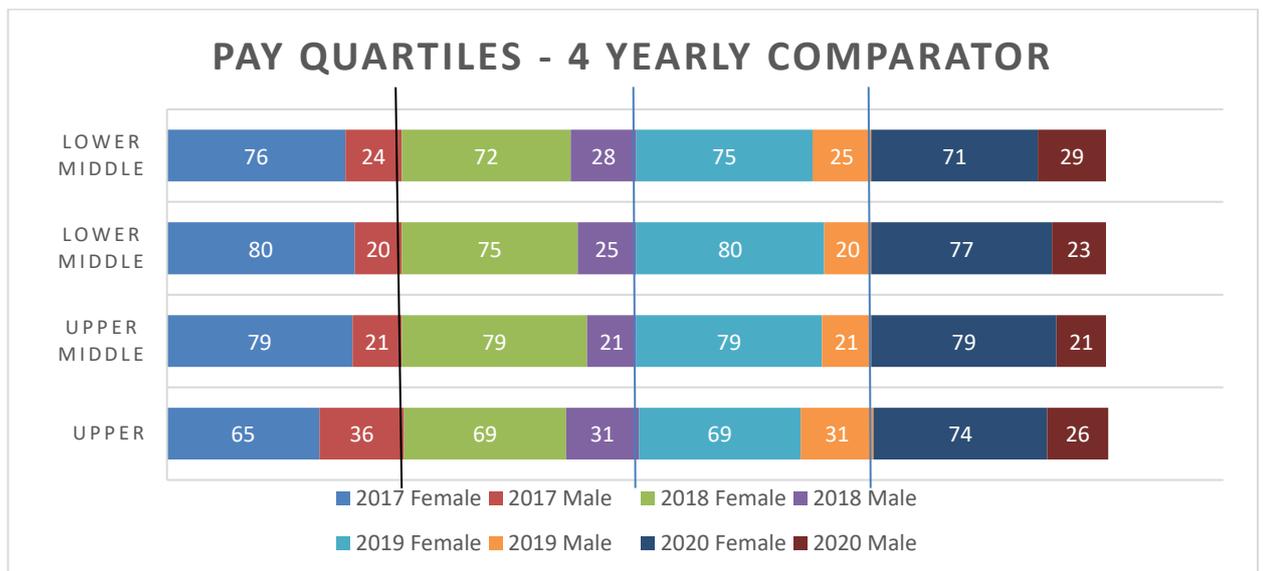
- There is a particularly large swing showing the Median hourly rate for women was higher than the Median hourly rate for men as at 31 March 2020.
- We can once again see a movement of percentages across all headings over the 4 reporting years.
- The average hourly rate for both Female and Male decreased between 1 March 2019 and 1 March 2020. It is only the median hourly rate for Females that increases in 2020 compared to 2019.
- As can be seen from the Quartiles in para 4.1.1(b), there is a lower percentage of men in the Upper Quartile compared to previous years and this has had an impact on reducing average hourly rate and median hourly rate for Men – hence the -6% Median.

4 EXPLAINING THE GAP

4.1 The fluctuation in our data continues to highlight the broader contributory factors on a statistical basis, in particular:

4.1.1 Workforce profile

- c) The gender profile of the organisation continues in the range of Female – 75% and Male at 25%.
- d) As expected, this is replicated in each of the pay quartiles as below but with some variation in the quartiles year on year.



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').

e) What does this tell us?

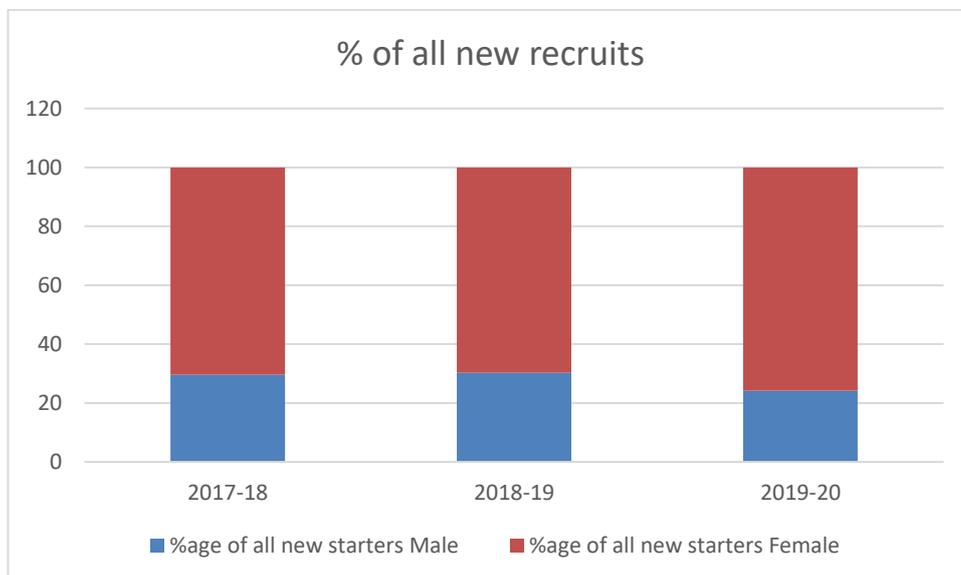
- i) The highest percentage of males (compared to females) is in the Lower pay quartile – 29% Male compared to 31 March 2019 where the highest percentage was in the Upper quartile. This is an interesting shift and again is sufficient to alter the comparator of average and mean hourly rates and result in a median hourly rate of females being higher than males.
- ii) In the lower pay quartiles, the percentage of females has decreased from 75% on 31 March 2019 to 71% on 31 March 2020
- iii) Between the Upper and Lower pay quartiles, the proportion changes by 3% - this is less of variance compared to 31 March 2019 when the variance was 6%.

4.1.2 'In year' workforce changes

4.1.3 Previous data reporting has demonstrated that natural changes through the year such as turnover and recruitment can affect the profile of staff against grades and pay points - for example:

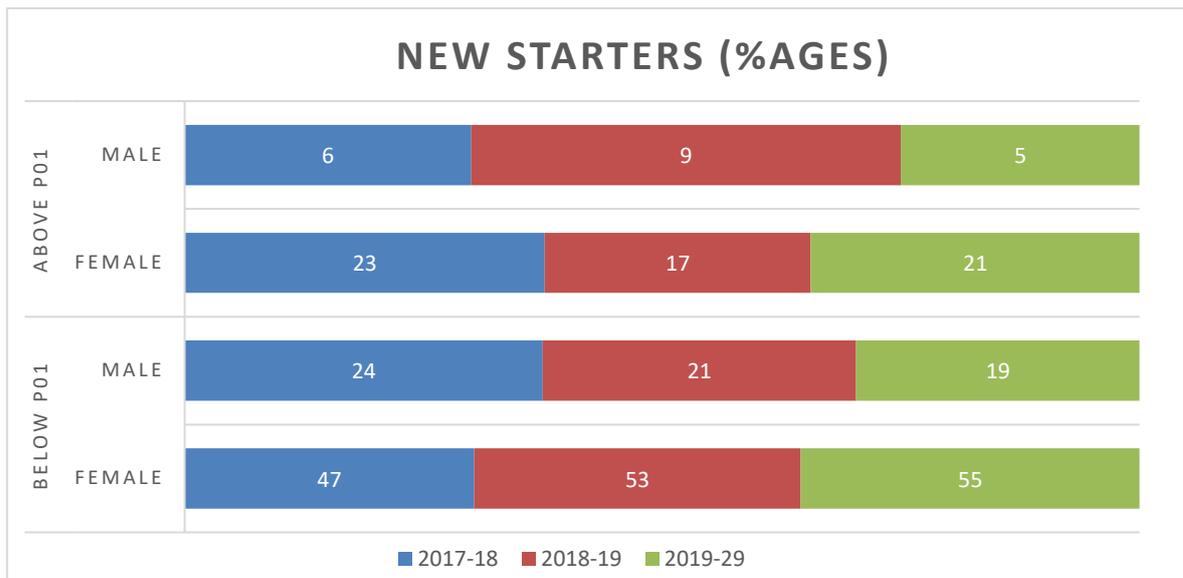
- New recruits join us on a lower pay point of the grade where the previous incumbent may have been on a higher point in the grade.
- A Female leaver may be replaced with a Male and vice versa.

4.1.4 This is illustrated by the following charts – so although our overall gender profile remains static, we can see the variances and movements



- As in previous years, the highest proportion of new starters in 2019-20 were Female at 75.8%.
- Typically around 26% of all starters are in management grades of P01 and above. However, this varies from year to year in terms of the Gender split as shown in the chart over the page.
- In particular, in 2019-20 the percentage of new starters in management posts of P01 and above and who were Female, increased to 81% from 65.2% in 2018-19.

- Year on year, the majority of new starters are Female and in Grades of P01 and below – this is replicated in our overall gender profile, quartile data and turnover.



- Below = posts management grades of P01
- Above = posts in management grades P01 and above

4.1.5 Similarly, the profile of leavers shows us:

	Male	Female
2017-18	27%	73%
2018-19	30%	70%
2019-20	20%	80%

So, in summary, for 2019-20

- 80% of all leavers were Female - a 10% increase on 2018-19. and
- 76% of all new starters were Female – a 6% increase on 2018-19.

4.2 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.

4.3 Whilst the mean and median figures for Rutland as at 31 March 2020 indicates a further variation on previous years, 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.

5 COMPARATOR DATA

5.1 The Government Equalities Office (GEO) and the Equality and Human Rights Commission (EHRC) took the decision in March 2020 to suspend enforcement of the Gender Pay Gap reporting deadline for the year 2019/20. We are therefore still limited at this stage by way of comparator data and commentary for 31 March 2019 and no comparator data as yet for 31 March 2020.

	As at 31.3.18		As at 31.3.19	
	Median	Mean (average)	Median	Mean (average)
Rutland Council	-1.54	5.7%	5.3%	11.3%
Whole Economy (ONS Annual survey)		17.8%		17.3%
Local Government	5%	6.8%	Not yet available	
Unitary Councils	7.4%	-		
Councils across the East Midlands	4.2%	-		
Nottinghamshire County Council	20.2%	11.5%	9.3%	18.4%
Derbyshire County Council	19.7%	12.5%	11.5%	20%
Leicestershire County Council	9%	12%	12%	7%
Lincolnshire County Council	2.1%	7.6%	5.8%	3.3%
Peterborough City Council	3.6%	7.2%	5.4%	2.1%
Nottingham City Council	0	3.1%	3.3%	0
Derby City Council	0.4%	0.8%	Not provided	
Leicester City Council	0	1%	Not provided	
Isle of Wight Council	10.1%	15.5%	8.3%	13.7%

Further commentary will be provided in subsequent reports as more data becomes available.

6 CONSULTATION

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

7 ALTERNATIVE OPTIONS

7.1 In normal circumstances, authorities are required to publish their data by 30 March for data relating to the previous year as at 31 March. Whilst reporting timelines were suspended for 2019/20, the Council proceeded to submit its data and will do so for the reporting period 31 March 2020.

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 cause 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. As noted earlier, the timeline for 2019/20 was suspended.

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 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 APPENDICES

- 16.1 There are no Appendices.

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