

Derbyshire County Council**Cabinet Member for Council Services****14 March 2019****Report of the Strategic Director Commissioning, Communities and Policy****Gender Pay Gap Reporting Requirements****1. Purpose**

To inform the Cabinet Member of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 with regard to Gender Pay Gap reporting requirements.

2. Information

The Regulations require that all public, private and voluntary sector organisations with over 250 employees publish and report specific data, as detailed below, on their gender pay gap by 31 March each year. Organisations are required to publish the following gender pay gap data, together with a supporting narrative on their website and report the data on the Government Equalities Office website:

- Mean and median gender pay gaps, based on gross hourly rates of pay
- The same information for bonus payments, if they are made
- Percentage of men and women in each salary quartile of the pay range

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings, for example, 'men earn 15% more than women per hour'. The gender pay gap shows the difference in the mean and median pay of men and women.

The Council's job evaluation scheme ensures that all jobs are evaluated and graded consistently to ensure equal pay for work of equal value regardless of gender.

Schools are not required to publish gender pay data unless they have 250 or more employees.

The reporting requirements, set out in Appendix 1, provide detailed instructions on data to be included and not included in the pay gap calculations as well as specifying the calculations to be carried out. The calculations are undertaken using data from a specific reference date, called the 'snapshot date'. For public sector organisations, the snapshot date each year is 31 March and the required data must be published within a year of the snapshot date. Therefore, the Council's data, along with that of all other public sector organisations, will have to be published by the end of March 2019.

2.1 The Council Data

Details of the Council's mean gender pay gap, median gender pay gap and pay quartile bands are set out below. As the Council does not make bonus payments there is no corresponding report

Mean gender pay gap - difference between the mean (average) hourly rate of pay of male full pay relevant employees and that of female full pay relevant employees. The Council's mean gender pay gap is 12.5%.

Median gender pay gap - difference between the median (middle point) hourly rate of pay of male full pay relevant employees and that of female full pay relevant employees. The Council's median gender pay gap is 19.7%.

Pay quartiles – proportion of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands. This is shown in the table below.

| Pay Quartile | Men | | Women | | Total |
|--------------|---------------------|---------|---------------------|---------|--------|
| | No. of appointments | Percent | No. of appointments | Percent | |
| 1 (high pay) | 969 | 35% | 1,804 | 65% | 2,773 |
| 2 | 788 | 28% | 1,985 | 72% | 2,773 |
| 3 | 407 | 15% | 2,366 | 85% | 2,773 |
| 4 (low pay) | 496 | 18% | 2,278 | 82% | 2,774 |
| Total | 2,660 | 24% | 8,433 | 76% | 11,093 |

2.2 Comparison with 2017

The mean Gender Pay Gap has fallen by 1.2% from 13.7% in 2017 to 12.5% in 2018. Similarly, the median has fallen by 5.7% from 25.4% in 2017 to 19.7% in 2018.

| Year | Mean hourly rate female | Mean hourly rate male | Mean gap | Median hourly rate female | Median hourly rate male | Median gap |
|------------|-------------------------|-----------------------|----------|---------------------------|-------------------------|------------|
| 2017 | £11.54 | £13.36 | 13.7% | £9.00 | £12.06 | 25.4% |
| 2018 | £11.87 | £13.58 | 12.5% | £9.78 | £12.18 | 19.7% |
| Difference | £0.33 | £0.22 | -1.2% | £0.78 | £0.12 | -5.7% |

This reduction in the mean and median Gender Pay Gap is a result of the 2017-18 pay agreement, which included higher percentages for lower grades, and changes to the distribution of women and men in the workforce.

Detailed analysis of the figures shows that the range of pay rates has contracted with a lower maximum and a higher minimum rate in 2018 than 2017, due to the post of Chief Executive being removed and the 2017-18 pay agreement implementation.

There has been an overall increase in women in the top 50% of the workforce, which is reflected within the quartile spread, the proportion of women in the second quartile has increased by 4% and the proportion of men in the bottom quartile has increased by 2%.

2.3 Organisational Context

The Council is committed to advancing equality of opportunity and providing fair access and treatment in employment enabling our workforce to deliver high quality services to everyone. Full details of the commitment to equality and diversity in employment are set out on the Council's website.

Details of the composition of the workforce are set out in Appendix 2. The analysis shows that the Council's workforce is predominantly female, a large proportion of whom are part time. The quartile table above shows that women represent the majority of Council employees in all four pay quartiles. The gender pay gap should be considered in the overall context of this distribution as the predominance of females to males has a significant influence on the Council's overall gender pay gap.

The Government Equalities Office reports that the causes of the gender pay gap are complex and overlapping, and may include:

- A higher proportion of women choosing occupations that offer less financial reward (e.g. administration).
- Many high paying sectors are disproportionately made up of male workers (e.g. information and communications technology).
- A much higher proportion of women work part-time, and part-time workers earn less than their full-time counterparts on average.
- Women are still less likely to progress up the career ladder into high paying senior roles.

The gender pay gap reflects jobs and employment opportunities available within the Council. The figures reflect the fact that the majority of jobs, vital to the community and service provision, are lower graded. The majority of Council jobs are also part time which tend to attract female applicants. The range of lower graded jobs includes those such as care, catering and cleaning roles.

In order to address the gender pay gap the Council is committed to a gender balance across our lower graded jobs, and will continue to increase the number of women in higher graded jobs. The Council will continue to develop our approach to equality and diversity by identifying good practice in employment, service delivery and how we engage with local people. We will also continue to ensure that everyone associated

with the Council is made aware of our Equality and Diversity Policy and understands their responsibilities for implementing it. The Gender Pay Gap Reporting Narrative, set out at Appendix 3, gives further information about data and the Council's work towards tackling the pay gap.

3 HR and Legal Considerations

As described within the report.

4 Other Considerations

In preparing this report the relevance of the following factors has been considered: financial, equality and diversity, health, environmental, transport, property, social value and the prevention of crime and disorder considerations.

5 Key Decision

No

6 Is it necessary to waive the Call-In Period?

No

7 Officer Recommendation

That the Cabinet Member notes the report and the proposed data to be published.

Emma Alexander
Strategic Director Commissioning, Communities and Policy

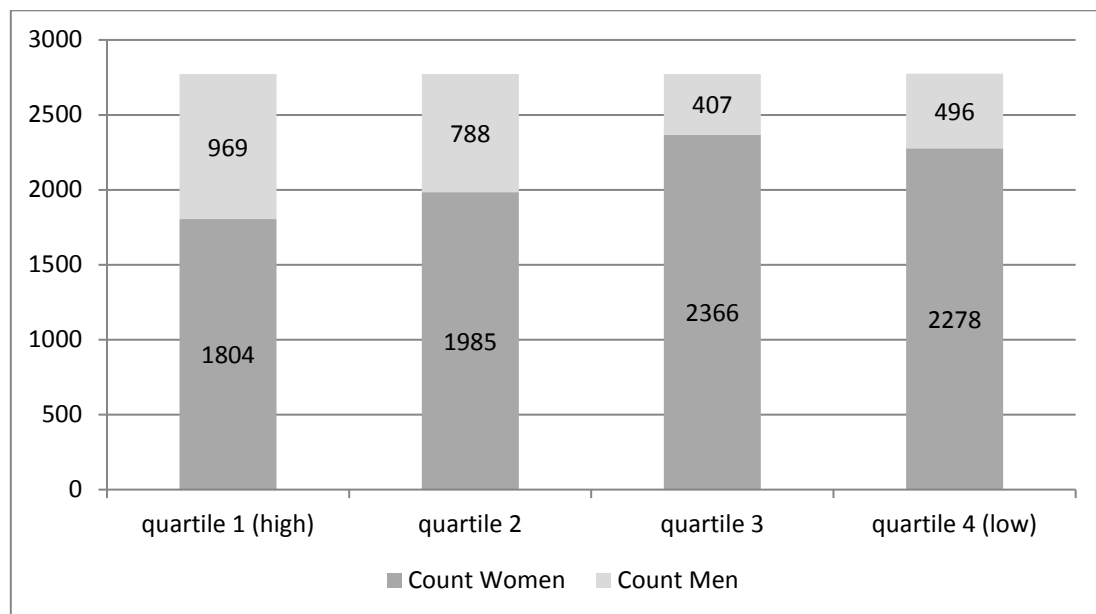
Gender Pay Gap Reporting Requirements

In accordance with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 reporting requirements the data captured as at 31 March 2018 consists of the following:

- Only Council employees are reported (not maintained schools or agency staff)
- Included in the calculations are payments for:
 - additional hours
 - sleep in
- Employees that moved jobs within the Council during March 2018 have had pay for both jobs added together
- New starters part way through March 2018 are calculated on a pro-rata basis
- Excluded from the calculations are all employees:
 - on maternity leave
 - receiving half or no pay
 - on unpaid leave
 - relief employees if they have no pay and/or no hours
 - leavers (part way through March)
- Excluded are payments for:
 - standby

Gender Pay Gap 2018 - Workforce Statistics

Appointment Distribution by Quartile



Workforce Breakdown

| | Women | Men | Total |
|------------------|--------------------|--------------------|----------------------|
| Part time | 6,080 (55%) | 927 (8%) | 7,007 (63%) |
| Full time | 2,353 (21%) | 1,733 (16%) | 4,086 (37%) |
| Total | 8,433 (76%) | 2,660 (24%) | 11,093 (100%) |

Information to be published

The legislation requires that in addition to reporting gender pay gap data a written statement must be published within one year of the snapshot date and remain online for at least 3 years.

It is proposed that the following be published on the website

Gender Pay Gap Reporting

Gender pay gap reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

Derbyshire County Council has published its [gender pay gap data on GOV.UK](#).

The Council's approach to pay supports the fair treatment and reward of all employees irrespective of gender.

Derbyshire County Council Gender Pay Gap

Grades vary according to the level of responsibility that jobs have. Each grade has a set pay range and employees enjoy incremental progression through the pay points for their grade. The longer period of time that an individual has been in a grade the more they earn irrespective of their gender.

The Council's mean gender pay gap in favour of men is 12.5% and the median gender pay gap is 19.7% in favour of men.

Bonus Pay Gap

The Council does not pay any bonuses.

Pay by quartiles: hourly pay quartiles

82% of employees in the lower pay quartile are women and 65% of employees in the upper quartile are women.

Work on eradicating the gender pay gap

In order to address the gender balance of the Council's we will continue to build on actions and initiatives including:

- A fair pay structure
- Procedures to protect employees from any kind of harassment or bullying
- A range of services to support our employees when they need adjustments where they work, or if they become unwell – to help them to return to work feeling supported and valued
- Many different types of flexible working arrangements
- Support for parents and carers
- Increasing opportunities for our employees to make their views known
- Regular reviews of employee progress and the provision of training to help our people grow and develop

- You can join a trade union or one of our four staff networks – networks have been set up for BME, disabled, female and LGBT staff – these networks and the Trade Unions regularly work with our management team to improve things in the council and to promote equality and diversity