

**Derbyshire County Council**

**Cabinet**

**15 March 2018**

**Report of the Strategic Director Commissioning, Communities and Policy  
(Council Services)**

**Gender Pay Gap Reporting Requirements**

**1. Purpose**

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

**2. Information and Analysis**

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 April 2018. 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
- 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 differs from equal pay which deals with pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman. The gender pay gap shows the difference in the mean and median pay of men and women.

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

Schools are not required to publish gender pay data unless they have 250 or more employees. For maintained schools, in such circumstances, the governing body is responsible for publishing their own gender pay reports. Maintained schools with 250 employees or more will be informed of the reporting requirement and assistance provided to schools that purchase the HR Advisory package, if requested.

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 2018.

## 2.1 The Council Data

Organisations are required to report the mean gender pay gap, median gender pay gap and pay quartile bands, as well as the same information for bonus payments.

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 13.7%.

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 25.3%.

Pay quartiles – proportion of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands. The number of men and women in each pay quartile is shown in the table below:

Pay Quartile	Men		Women		Total number
	Number	Percentage	Number	Percentage	
1 (high pay)	954	34%	1,855	66%	2,809
2	900	32%	1,909	68%	2,809
3	413	15%	2,396	85%	2,809
4 (low pay)	456	16%	2,352	84%	2,808
Total	2,723	24%	8,512	76%	11,235

As the Council does not make bonus payments it will not be necessary to report the mean bonus gap, median bonus gap and bonus proportions.

The gender pay differences do not mean that the Council is paying men more than women for undertaking work of equal value. The causes lie in the mix of roles undertaken and are commented on below.

## 2.2 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 who

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 choose 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 Fawcett Society gender pay gap report states that women continue to play a greater role in caring for children, as well as for sick or elderly relatives. As a result more women work part time, and these jobs are typically lower paid with fewer progression opportunities.

The report goes on to say that women are still more likely to be in low paid and low skilled jobs, affecting labour market segregation. 80% of those working in the low paid care and leisure sector are women, while only 10% of those in the better paid skilled trades are women.

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. The Council has retained care, catering and cleaning jobs in house, whereas in other local authorities similar roles have been outsourced. Whilst acknowledging the lower pay of these jobs terms and conditions of employment have been maintained.

The Office for National Statistics (ONS) have reported a national median gap of 18.1%. Comparison of the Gender Pay Gap with other county councils is not yet practicable as only a limited number of organisations have published their data on the Government Equalities Office website.

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 Cabinet note 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 2017 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 internally during March have had pay for both jobs added together
- New starters part way through March 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

**Workforce Statistics**

Workforce breakdown with employees shown as a percentage of the overall number of appointments

	<b>Female</b>	<b>Male</b>	<b>Total</b>
Part Time	6,095 (54%)	856 (8%)	6,951 (62%)
Full Time	2,417 (22%)	1,867 (16%)	4,284 (38%)
<b>Total</b>	<b>8,512 (76%)</b>	<b>2,723 (24%)</b>	<b>11,235 (100%)</b>

## 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, with a link to the additional information shown below.

## Gender Pay Gap Reporting

Gender pay 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](#).

You can download further information about this data and the Council's work towards tackling the gender pay gap here  [Derbyshire County Council Gender Pay Reporting Narrative - 2017 \[282kb\]](#)

The following will be published as a document linked to the above web page.

## Gender Pay Gap

Gender Pay Gap legislation (developed by the Government Equalities Office) introduced in April 2017 requires all employers of 250 or more employees to publish their gender pay gap as of 31 March 2017.

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 13.7% and the median gender pay gap is 25.3% in favour of men.

## Bonus Pay Gap

The Council does not pay any bonuses.

## Pay by quartiles: hourly pay quartiles

84% of employees in the lower pay quartile are women, as are 66% in the upper quartile.

## Work on eradicating the gender pay gap

The Council is committed to fair pay irrespective of gender. We will continue to build on actions and initiatives including:

- We have procedures in place to protect employees from any kind of harassment or bullying – these are taken very seriously
- 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
- A fair pay structure
- Many different types of flexible working arrangements
- Support for parents and carers
- Lots of 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