

Derbyshire County Council

Cabinet Member for Corporate Services

5 March 2020

Report of the Executive 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 and supporting narrative on their website as well as reporting 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 (none paid within Derbyshire County Council)
- 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, therefore, directly employed school employees are not included in the gender pay gap calculations.

The reporting requirements, set out in Appendix 1, provide detailed instructions on the data to be included or excluded 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 at 31 March 2019, along with that of all other public sector organisations, will have to be published by the end of March 2020.

2.1 The Council Data

The Council currently has a gender pay gap of 11.5%, however, this is not due to female employees being paid less than male employees for undertaking equivalent work. The main factor is due to the types of jobs available, particularly lower paid part time roles that attract predominantly female applicants, such as cleaners, catering, library assistants and care workers.

The Council is committed to building on actions and initiatives to reduce the gender pay gap and promote greater diversity within its employment sectors. This has seen a 2% increase in female workers in roles within the Council highest pay quartile, contributing to a 1% reduction in the mean gender pay gap across the Council in 2019.

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 was 11.5% at 31 March 2019.

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 was 20% at 31 March 2019.

Pay quartiles: the proportion of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands are shown in the table below:

Pay Quartile	Men		Women		Total
	No. of appointments	Percent	No. of appointments	Percent	
1 (high pay)	879	33%	1,799	67%	2,678
2	805	30%	1,873	70%	2,678
3	372	14%	2,306	86%	2,678
4 (low pay)	493	18%	2,183	82%	2,678
Total	2,549	24%	8,161	76%	10,710

2.2 Comparison with 2018

The mean Gender Pay Gap has decreased by 1% from 12.5% reported in 2018 to 11.5% reported in 2019. The median has remained fairly static increasing by 0.3% from 19.7% reported in 2018 to 20% reported in 2019.

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%
2019	£12.15	£13.73	11.5%	£9.95	£12.43	20%
Difference from 2018	£0.28	£0.15	-1.0%	£0.17	£0.25	0.3%

The overall percentages of women and men in the workforce has remained static at 76% females and 24% males. There were changes in the female to male percentages across the quartiles (+2% females in quartile 1, -2% females in quartile 2 and +1% females in quartile 3).

In 2018 employees received a 2% bottom loaded pay offer increasing the minimum hourly rate from £7.85 to £8.50. In 2017, employees on the bottom pay point of Grade 5 and below received an additional Living Wage allowance that equated to a basic minimum hourly rate of £8.45. The Living Wage allowance was removed in 2018 and therefore employees in the lower quartile who had benefited from the bottom loaded pay offer in 2018 did not receive the same net increase in their actual hourly rate as those on Grade 4 and above. This affected employees in the lower quartile, 84% of which are female. The removal of the Living Wage allowance has therefore caused an increase in the median pay gap of 0.3% as higher numbers of lower paid female employees are in the lower quartile.

The mean gender pay gap has reduced by 1%, due to a 2% increase in female employees in the higher quartile who benefited by the 2% pay award which has brought the overall pay gap down. The total number of female employees in the higher quartile has reduced by 5 appointments, whereas the number of men in the higher quartile has reduced by 90 appointments reflecting a 2% swing in male to female ratio.

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 in relation to gender are set out in Appendix 2. The Council's workforce is predominantly female (76%) and female employees represent the majority of Council employees in all four pay quartiles. A large proportion

Public

of female employees are part time, (53% in comparison to only 7% of male employees) which is likely to be due to family and caring commitments which are still mostly carried out by women. The gender pay gap should therefore be considered in the overall context of this distribution as the predominance of females to males and the types of roles carried out 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 due, in the main to caring responsibilities, 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 a significant number of jobs vital to the community and service provision, are lower graded and predominantly part time roles which tend to attract female applicants. The data shows that 93% of the part time Grade 5 jobs are occupied by females and include roles such as Care Working and Library Assistants.

In order to address the gender pay gap the Council is committed to a gender balance across our lower and higher graded jobs. The Council will continue to promote/champion equality and diversity by developing and implementing resourcing strategies, identifying good practice in employment, service delivery and how it engages with local people.

The Council's Equality and Diversity Strategy sets out the Council's commitment to advancing equality, eradicating unfair treatment and promoting good relations across, and between, all our communities. All employees are made aware of their responsibilities in relation to advancing equality and diversity and promoting equality of opportunity.

The Gender Pay Gap Reporting Narrative, set out at Appendix 3, gives further information about the data and the Council's long-term action plan to reduce the gender pay gap.

3 Financial Considerations

There are no additional financial considerations arising from the report although the council will continue to incur costs in delivering its aim to reduce the gender pay gap as part of its ongoing activities.

4 HR and Legal Considerations

Public

As described within the report.

5 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.

6 Key Decision

No

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

No

8 Officer Recommendation

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

Emma Alexander
Executive Director Commissioning, Communities and Policy

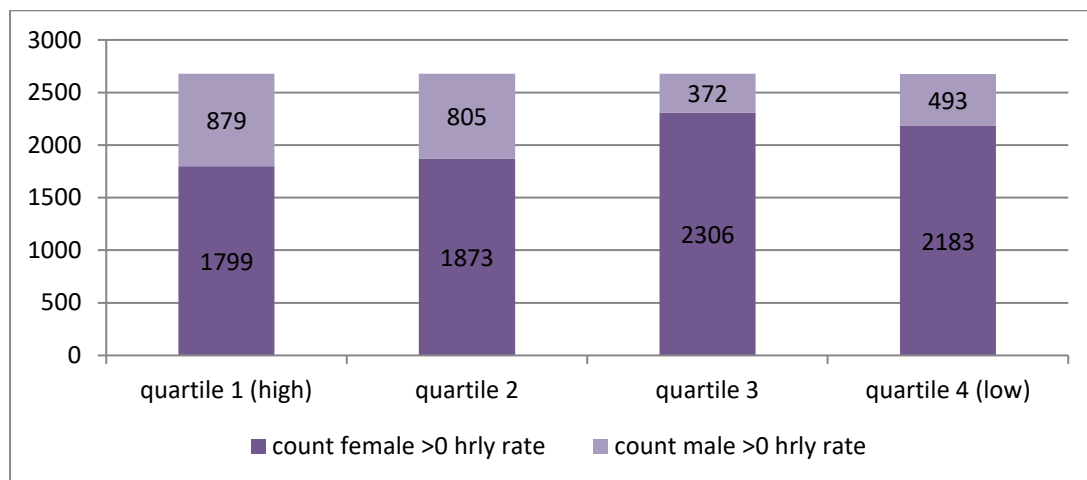
Gender Pay Gap Reporting Requirements

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
 - standby
- 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)

Gender Pay Gap 2019 - Workforce Statistics

Appointment Distribution by Quartile at 31.03.19



Workforce Breakdown at 31.03.19

	Women	Men	Total
Part time (less than 37 hours per week)	5,678 (53%)	785 (7.5%)	6,463 (60%)
Full time (37 hours per week)	2,482 (23%)	1,764 (16.5%)	4,246 (40%)
Total	8,160 (76%)	2,549 (24%)	10,709 (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

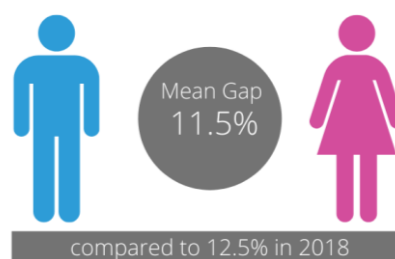
Gender pay gap reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

Derbyshire County Council has published its [gender pay gap data as at 31 March 2019 on the GOV.UK website](#).

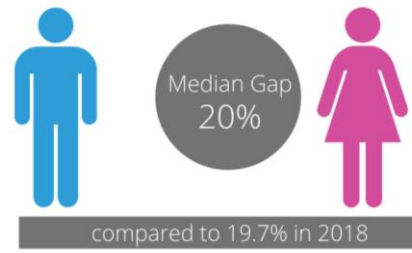
The Council's job evaluation scheme ensures that all jobs are evaluated and graded consistently to ensure equal pay for work of equal value, regardless of gender. The Council currently has a gender pay gap of 11.5%, however, this is not due to female employees being paid less than male employees for undertaking equivalent work. The main factor is due to the types of jobs available, particularly lower paid part time roles that attract predominantly female applicants, such as cleaners, catering, library assistants and care workers.

The Council is committed to building on actions and initiatives to reduce the gender pay gap and promote greater diversity within its employment sectors. This has seen a 2% increase in female workers in roles within the Council highest pay quartile, contributing to a 1% reduction in the mean gender pay gap across the Council in 2019.

The Council's (mean) pay gap stands at 11.5%. The mean can be defined as the average of employee hourly rate, in other words females mean hourly rate is 11.5% lower than male employees.

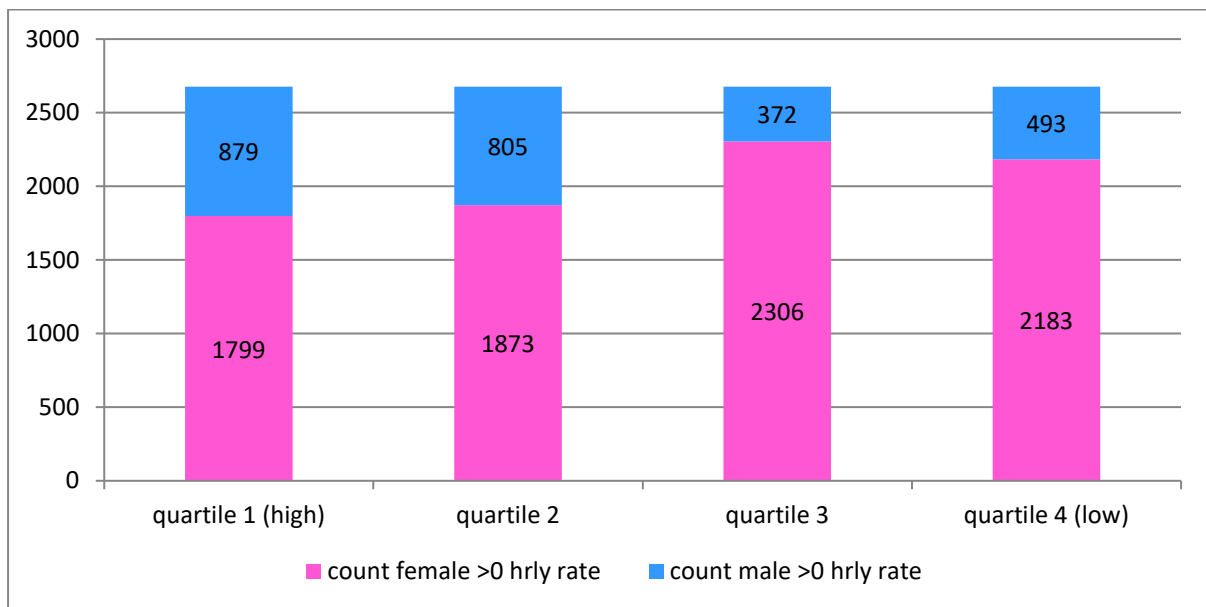


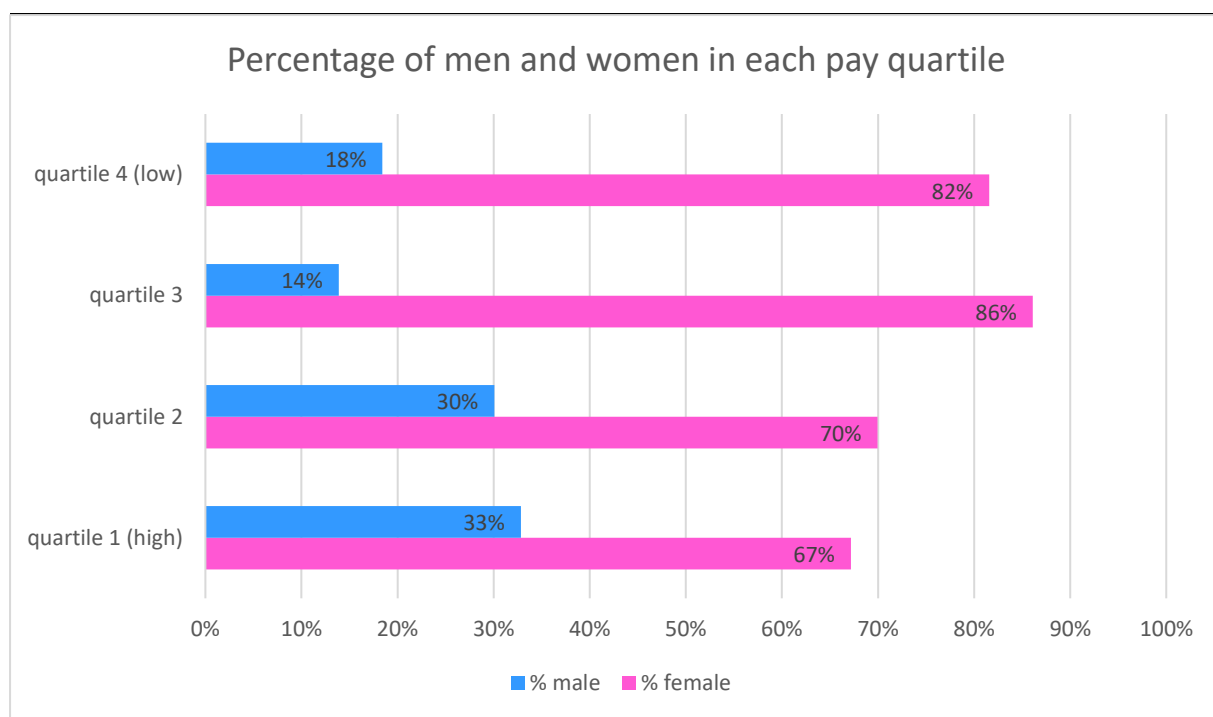
The Council's (median) pay gap stands at 20%. The median can be defined as the middle number in a ranked list of hourly rates, in other words females median hourly rate is 20% lower than male employees.



Pay quartiles by hourly pay rates

The Council's workforce is predominantly female and the tables below show the numbers and percentages of male and female employees in each of the pay quartiles





Bonus Pay Gap

The Council does not pay any bonuses.

Reducing the Gender Pay Gap

The Council is committed to equality of opportunity and supports the fair treatment and reward of all employees irrespective of gender.

Work on reducing the gender pay gap

The Council is committed to reducing the gender pay gap and will continue to build on actions and initiatives including:

- A fair pay structure underpinned by a robust job evaluation methodology to ensure jobs of equal value receive equal pay
- Transparent recruitment and selection processes that reinforce the Council's commitment to equality and diversity within the workforce
- Many different types of flexible working arrangements
- Support for parents and carers through a range of family friendly employment policies
- Regular reviews of employee progress and the provision of training to help our people grow and develop
- 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
- Providing opportunities for our employees to make their views known
- Procedures to protect employees from any kind of harassment or bullying

- Employees 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 teams to improve working conditions within the Council and to promote equality and diversity