

Derbyshire County Council

Cabinet Member for Corporate Services

11 February 2021

Report of the Managing 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 about 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 2020, along with that of all other public sector organisations, will have to be published by the end of March 2021.

2.1 The Council Data

The Council currently has a mean gender pay gap of 10.4% and a median pay gap of 15.2%, 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. In 2020 the overall percentages of females and males in the workforce remained static at 76% for females and 24% for males for the third consecutive year.

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 10.4% on 31 March 2020.

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 15.2% on 31 March 2020.

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)	902	33%	1861	67%	2,763
2	745	27%	2018	73%	2763
3	421	15%	2342	85%	2,763
4 (low pay)	531	19%	2,233	81%	2,764
Total	2599	24%	8454	76%	11,053

2.2 Comparison with 2019

The mean Gender Pay Gap has decreased by 1.1% from 11.5% reported in 2019 to 10.4% reported in 2020. The median also reduced by 4.8% from 20% in 2019 to 15.2% in 2020.

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%
2020	£12.76	£14.24	10.4%	£10.75	£12.68	15.2%
Difference from 2019	£0.61	£0.51	-1.1%	£0.05	£0.35	4.8%

The overall percentages of women and men in the workforce has remained static at 76% females and 24% males. The distribution of males and females across the quartiles has changed slightly; the percentage of females in quartile 1 has remained static when compared to 2019, however there are 3% more females in quartile 2 with the number of females in the bottom 2 quartiles reducing.

The most significant factor in the reduction of the mean and median pay gap is as a result of the changes to the 2019/2020 pay and grading structure. The 2019/20 pay award provided a bottom loaded agreement providing at least a 2% pay uplift for employees and increased the minimum wage from £8.50 per hour to £9.00 per hour. As part of the national agreement there was also a requirement to maintain a minimum 2% pay differential between each pay point. To achieve this, the pay and grading structure was reviewed, and the Council applied a bottom loaded pay award that significantly benefited lower paid workers on grades 1-6, reducing the number of pay points from 19 pay points to 7 within these grades. This pushed all employees on grades 1 to 4 automatically to the top of their grade, as these moved to single point pay grades.

Employees on grades 1 to 6 had an average pay increase of 5.7%, 3.7% higher than employees on grades 7 and above. In the snapshot data, employees within grade 1 to 6 made up 49% of the workforce, 41 % being female and 8% being male. These employees are predominantly identified within quartiles 3 and 4. The higher percentage pay rise benefited a higher proportion of female employees to male employees resulting in a reduction in the mean and median pay gap.

Other factors that affected the Council's gender pay gap included the introduction of market supplement payments of between £2k and £4k for Childrens Social Workers; 84% of job holders are female and 16% male.

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 and show the Council's workforce is predominantly female (76%) and female employees represent the majority of Council employees in all four pay quartiles.

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 which tend to attract female applicants.

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.

Public

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

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
Managing 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 2020 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 2020 have had pay for both jobs added together
- New starters part way through March 2020 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 2020 - Workforce Statistics

Quartile breakdown

Pay Quartile	Men		Women		Total
	No. of appointments	Percent	No. of appointments	Percent	
1 (high pay)	902	33%	1861	67%	2,763
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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 2020 on the GOV.UK website](#).

The Council's (mean) pay gap stands at 10.4%. The mean can be defined as the average of employee hourly rate, in other words females mean hourly rate is 10.4% lower than male employees.

The Council's (median) pay gap stands at 15.2%. The median can be defined as the middle number in a ranked list of hourly rates, in other words females median hourly rate is 15.2% lower than male employees.

Pay quartiles

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

Quartile	count female	count male	TOTAL	% female	% male
quartile 1 (high)	1861	902	2763	67%	33%
quartile 2	2018	745	2763	73%	27%
quartile 3	2342	421	2763	85%	15%
quartile 4 (low)	2233	531	2764	81%	19%
TOTAL	8454	2599	11053	76%	24%

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.

Pay grades vary according to the level of responsibility of the job which is underpinned by the Council's job evaluation scheme ensuring employees within the Council receive equal pay for work of equal value in line with requirements of the Equality Act 2010.

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 through management one to ones and employee myPlan reviews 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, 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.