

## Regulatory and Other Committee

### Open Report on behalf of Debbie Barnes

Report to:	<b>Pay Policy Sub Committee</b>
Date:	<b>06 February 2018</b>
Subject:	<b>Gender Pay Gap Reporting</b>

#### Summary:

From April 2017, under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, employers with 250 or more employees are required to publish statutory gender pay gap information on an annual basis.

The Sub-Committee is requested to note the Gender Pay Gap information as at 31st March 2017 contained in this report.

#### Recommendation(s):

To note the contents of the report and the wider information in it.

#### Background

From April 2017, under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, employers with 250 or more employees are required to publish statutory gender pay gap information on an annual basis. The Regulations mandate how a standard set of key metrics on gender pay and gender bonus gaps should be calculated and the format and medium in which they must be reported. The methodology is intended to mirror as closely as possible that used by the Office of National Statistics (ONS) in its Annual Survey of Hours and Earnings, to enable meaningful comparison of the data.

The Council is required to publish the following information:

<b>Mean gender pay gap</b>	The difference between the mean hourly rate of pay of male employees and that of female employees as a percentage.
<b>Median gender pay gap</b>	The difference between the median hourly rate of pay of male employees and that of female employees as a percentage.
<b>Mean bonus gap</b>	The difference between the mean bonus pay paid to male employees and that paid to female employees as a percentage.

<b>Median bonus gap</b>	The difference between the median bonus pay paid to male employees and that paid to female employees as a percentage.
<b>Bonus proportions</b>	The proportions of male and female relevant employees who were paid a bonus during the relevant period
<b>Quartile Pay Bands</b>	The proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands.

The data has to be published on the Council's website and a government website ([Gender pay gap - GOV.UK](#)):

- The deadline for March 2017 data publication is 30<sup>th</sup> March 2018.
- 2017 salary data will be based on the snapshot date of 31<sup>st</sup> March 2017.
- 2017 bonus data will include all bonus payments made in the 12 months up to and including the snapshot date of 31<sup>st</sup> March 2017.

Once the data has been published it needs to be maintained on the website for at least three years from the date of publication.

The Gender Pay Gap is different to equal pay. Equal pay relates to men and women receiving equal pay for equal work. The Gender Pay Gap is a measure of the difference between men's and women's average earnings across an organisation. It is expressed as a percentage of men's earnings.

Salaries are determined through a grading system which evaluates the job and not the postholder. It makes no reference to gender or any other personal characteristics of existing or potential job holders. As such the Council can be confident that it is paying the same grade to roles of equal value so does not have equal pay issues.

### **Gender Pay Gap information at 31<sup>st</sup> March 2017**

There are a total of 4465 employees in scope for this exercise. 36% of these are men and 64% are women.

The mean gender pay gap is 11.1% and the median gender pay gap is 13.3%.

### **Bonus payments**

Bonus pay is defined in the legislation as pay relating to profit sharing, productivity, performance, incentive or commission.

The mean bonus gap is 15.5% and the median bonus gap is 19.8%.

The proportion of male employees who received bonus pay is 0.7% of all male employees and the proportion of female employees who received bonus pay is 0.5% of all female employees.

## Quartile Pay Bands

This calculation requires that the workforce is split into four equal parts and that the proportions of male and female employees in each quartile are shown.

Quartile	Males	Females
Lower quartile	23%	77%
Lower middle quartile	35%	65%
Upper middle quartile	43%	57%
Upper quartile	45%	55%

The gender pay gap data does not highlight any specific issues at Lincolnshire County Council but is reflective of gender pay differences generally in society. This relates to women often being in lower paid roles, specifically part time roles, which tend to be the lower paid roles. This is often because they are the person mainly responsible for childcare.

In 2015, the Office for National Statistics reported that mothers were still providing 74% of total childcare time (*Source: ONS (2016) Changes in the value and division of unpaid care work in the UK: 2000 to 2015*). Also where women have breaks to have children this can impact on their career progression.

The Council already has good practice policies and practices in place which seek to achieve gender equality and there are arrangements in place for monitoring recruitment and wider employment practices:

- The Council monitors recruitment processes in terms of gender at the point of shortlisting and appointment through the annual workforce report that is produced as required by the Equality Act 2010.
- The annual workforce report also analyses leavers by gender to understand if there are any particular reasons why female employees may be leaving.
- All employment policies comply with the Council's equality and diversity policy.
- There are specific employment policies to support those in the workplace who may have caring responsibilities such as Flexible Working policies, the option to buy extra annual leave, childcare voucher scheme. In respect of flexible working policy, flexible working practices are not an obstacle to career development for certain roles, including senior roles.
- The staff survey carried out at the end of 2017 asked employees what the best thing was about working at the council and flexible working was the 2nd highest with 23% of those who responded stating this as a factor with more alluding to the favourable flexible working opportunities in the free text.
- The council is also supportive of development opportunities for women to enable them to progress into the higher paid roles. For example the

Leadership Development Programmes are available to all new and middle managers.

The Corporate Management Board considered the Gender Pay Gap information and determined that:

- in accordance with the legislation, the information should be published on the government website ([Gender pay gap - GOV.UK](#))
- the information for Lincolnshire County Council be compared with other Shire Council's information once they have published on the government website and reported to Corporate Management Board and decision to include more detailed narrative will be reviewed
- when the Lincolnshire County Council Gender Pay Gap information is available for 31<sup>st</sup> March 2018, a comparison is made with the data from 31<sup>st</sup> March 2017 and reported to CMB

## **Conclusion**

There are no specific issues at Lincolnshire County Council in respect of gender pay. The outcomes of the gender pay gap reporting are reflective of gender pay gap differences generally in society.

## **Consultation**

### **a) Policy Proofing Actions Required**

N/A

## **Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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