Gender Pay Gap Update

To: Staffing and Appeals Committee

Meeting Date: 7th November 2023

From: Service Director: HR Services

Outcome: To provide Committee with a detailed analysis of the 2022 Gender

and Ethnicity Pay Gap data, as published in March 2023, and of actions taken and that are planned to continue to reduce our pay

gaps.

Recommendation: The Committee is asked to take note of the information contained in

the report.

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1. Background

- 1.1 Gender Pay Gap reporting is a statutory requirement set out in The Equality Act 2010 (Gender Pay Gap Information Regulations 2017). We have reported our gender pay gap annually since 2018.
- 1.2 The gender pay gap shows the difference in average hourly earnings between males and females. It is different to equal pay, which means males and females must be paid the same for equal or similar work. Employers with 250 or more employees on the 5th of April of a given year must publish the following figures: Mean gender pay gap, Median gender pay gap, Mean bonus gender pay gap, Median bonus gender pay gap, Proportion of males and females receiving a bonus payment and Proportion of males and females in each pay quartile.
- 1.3 This report follows on from the report that was presented to Members in March 2023 that outlined and explained our gender pay gap data from the period April 2021 to March 2022.
- 1.4 This report provides Members with a follow up detailed analysis into our 2022 pay gap and actions taken, as well as planned or ongoing actions to address the gap. The data that is published is based on data extracted as of 31st March the year prior to publication, therefore this report covers data extracted for the year ending 2022.

2. Summary of analysis

- 2.1 **Headcount:** As of 30th March 2022 (snapshot date), our headcount was 4643. For this data, 3965 employees were considered 'full time relevant employees' under the government gender pay gap reporting guidelines. Out of the 3965 employees, 834 are male and 3131 are female, meaning 79% of our workforce is female.
- 2.2 Gender pay gap: Cambridgeshire County Council reported a mean gender pay gap in March 2022 of 8.8%. Our mean gender pay gap is lower than the national public sector average of 14.9% as reported by the Office for National Statistics (ONS). It should be remembered that although reported in March each year, the data is in fact a snap-shot of the workforce in the previous March. The mean average can often fluctuate if there is a large distribution between the highest and lowest salary values. The median average is often seen as the preferable measure, identifying the middle value in a range of ordered values. The Council's median average gender pay gap in 2022 is 8.2% which is comparable to the national public sector median average (ONS).
- Quartiles: Breaking down the pay data into quartiles we are able to show the percentage of male and female full-pay relevant employees in four equal-sized groups based on hourly pay. The lower quartile range relates to hourly rates of up to £11.04. The lower middle quartile is hourly rates of £11.04-£14.63. The upper middle quartile is hourly rates of £14.63-£19.24. The upper quartile relates to hourly rates of £19.24 and above. Women occupy 73.6% of the highest paid jobs and 83.6% of the lowest paid jobs. There was an increase in the number of women in higher paid roles in March 2022 compared with March 2021. The upper middle quartile has increased by 1.5% and the upper quartile has increased by 2.5% across the two years.

- 2.4 **Year comparison:** Our mean gender pay gap has decreased to 8.8% (9.6% in 2021) and the median gender pay gap has decreased to 8.2% (8.6% in 2021). In financial terms this is an average difference between men and women of £1.56 per hour, compared with £1.60 last year.
- 2.5 Pay by grade: Through analysing our data we are aware that there are proportionately more males than females in P&M and in Leadership positions. This suggests that work still needs to be done to increase the opportunities and encourage females to progress into senior management and director positions within the Council to be truly representative of the wider employee population.
- 2.6 **Gender split by salary:** In depth analysis into starting salaries and gender has taken place to determine whether there is a difference in the negotiation of starting salaries between male and female employees. In the reporting period of April 2021– March 2022, 738 employees started new roles compared to 491 last year, incorporating both new starters and internal movers. Analysis shows that there is some difference between the starting point in the grade by gender, with 2 percentage points more females starting at the bottom of their grade, and 2 percentage points more males starting at the top of their grade. Compared to last year this is an improvement as there was a 4% difference of males starting at the top of their grades compared to females. There is now only a 2% difference between males and females starting at the bottom of their grades compared to 6% the previous year.
- 2.7 **Benchmarking**: In 2022, the ONS reported a national gender pay gap of 14.9%, a decrease from 15.4% in 2021. Locally, the mean and median average gender pay gaps of neighbouring local authorities demonstrates that averages differ considerably. The average mean gender pay gap for eight local authorities¹ (including Cambridgeshire) was 8.64% and the average median was 8.49%. This shows that whilst we do not have the highest figure, there is progress to be made and we will explore good practice actions being taken at other councils.
- 2.8 **Actions:** Actions taken in the lead up to the snapshot date (March 2022) have been detailed in the appendix, along with what action has been taken since then. Actions that will form part of the People Strategy and EDI Strategy Actions plans have been outlined as both strategies steer our workforce activity and should have an impact on closing these pay gaps.

3. Appendices

3.1 Appendix 1 – Cambridgeshire County Council Pay Gap Analysis

4. Source Documents

4.1 <u>Staffing and Appeals Committee meeting 24/03/2023</u>

¹ Buckinghamshire, Derbyshire, Essex, Lincolnshire, Norfolk, Staffordshire and Suffolk