

PAY POLICY STATEMENT 2019-20 AND GENDER PAY GAP REPORTING

To: **Staffing and Appeals Committee**

Date: **5th March 2019**

From: **Martin Cox, HR Director**

Purpose: **The purpose of this report is to review the data due to be published on senior employee remuneration and the gender pay gap to ensure compliance with:**

- **The Local Government Transparency Code 2015**
- **Chapter 8 of the Localism Act 2011**
- **Equality Act 2010 (Gender Pay Gap Information) Regulations 2017**

Recommendations: **Staffing and Appeals Committee is asked to approve the Chief Officer Pay Policy Statement 2019/20 (Appendix 1) including the pay multiple and the Gender Pay Gap Report 2019 (Appendix 3).**

<i>Officer contact:</i>		<i>Member contact</i>	
Name:	Martin Cox	Name:	Councillor Joshua Schumann
Post:	HR Director (LGSS)	Portfolio:	Chairman of the Staffing and Appeals Committee
e-mail:	MCox@northamptonshire.gov.uk	e-mail:	Joshua.Schumann@cambridgeshire.gov.uk
Tel:	07921 092743		01223 706398

1.0 BACKGROUND

- 1.1 In February 2015, the Secretary of State for Communities and Local Government issued The Local Government Transparency Code 2015. The code sets out the key principles in making local authorities more transparent and accountable to local people. The Council has been proactive in its compliance with this code.
- 1.2 In addition, under the Localism Act 2011, Local Authorities are required to prepare a Chief Officer Pay Policy Statement for each financial year. This policy statement must be approved by a resolution of the authority, i.e. full Council, and is required to be published by 31 March.
- 1.3 The Equality Act 2010 was recently updated to include new regulations on the reporting of gender pay gap. The new legislation means we are required by law to publish a number of calculations that show the difference between the average earnings of men and women in our Council; it does not involve publishing individual employees' data. The data used for the calculations is the Council's pay data as of 31st March 2018.

2.0 CURRENT POSITION

- 2.1 In accordance with the Local Government Transparency Code 2015, we publish on the Council's website:
 - The names of employees paid £150,000 and above.
 - The post title, team, grade, salary range, (in £5000 brackets) and salary ceiling point for the top 3 tiers of the organisation, along with details of whether the appointments are permanent or temporary.
 - The post title, grade and salary range of employees earning £50,000 and above.
 - The 'pay multiple' – the ratio between the highest paid salary and the median salary of the authority's workforce.
 - Details of vacancies via the jobs portal.
- 2.2 This year is the second year that we are required to publish Gender Pay Gap data on the Government portal. In addition to this, we propose to publish a summary of the data on the Council's website.

3.0 SENIOR OFFICER PAY DATA

- 3.1 The senior manager pay data is provided in **Appendix 2**. In previous years transparency data has been based on an employee's full time equivalent salary. The introduction of ERP Gold has enabled us to identify an employee's remuneration taking into account their total earnings including additional payments i.e. market factor supplements and acting up allowances.
- 3.2 There are currently two posts in the organisation that are paid more than £150,000. These are:
 - Chief Executive Gillian Beasley with a salary for 2019/2020 of £173,596. This post is shared with Peterborough City Council on a 50/50 basis therefore Cambridgeshire pay 50% of this salary although Gillian is not directly employed by Cambridgeshire County Council.

- Rachel Stoppard the Chief Executive Greater Cambridge Partnership with a salary for 2019/2020 of £166,412 (this is made up of basic salary and a market factor payment). The Greater Cambridgeshire Partnership is an independently operated entity and the cost of this post is shared with the partner organisations.
- 3.3 There are 30 posts in Tier 1 to 3 of the organisation (excluding posts paid below £50,000). This compares to 24 in 2018/2019. In addition to the Chief Executive 14 posts in Tiers 1 to 3 are shared with Peterborough City Council with salary costs shared on a 50/50 basis.
- 3.4 There are currently 118 officers earning £50,000 or above. This compares to 106 officers that were earning £50,000 or above in 2018/2019. It should be noted that due the more sophisticated reporting ability of the newly implemented ERP Gold System, the data now reflects total remuneration and includes pay elements such as honoraria payments and acting allowances that were not considered last year. Of these 118 officers, 11 are shared with Peterborough City Council on a 50/50 basis, and 17 posts are part of LGSS Shared Services with costs being shared between the partner Councils.
- 3.5 The current mean salary for the organisation is £29,288 this compares to a mean salary of £26,762 in 2018/2019. The increase in the mean salary for this year is in part accounted for by the NJC national pay increase. This figure is also influenced by the closure of the Cambridgeshire Catering and Cleaning service which resulted in the loss of approximately 700 employees, many of which were on the lower grades.
- 3.6 The ratio of the Chief Executive's salary to the median salary in the organisation is 1:7 based on a median salary of £26,470. The ratio in the previous year was also 1:7. The Fair Pay Review recommended that the pay ratio should be not more than 1:20. The Council falls well within this range.

4.0 CHIEF OFFICER PAY POLICY STATEMENT

- 4.1 A copy of the Chief Officer Pay Policy Statement is provided in **Appendix 1**. This has been updated to reflect changes in job titles and responsibilities.

5.0 GENDER PAY GAP REPORT

- 5.1 Gender pay reporting is used to assess the levels of gender equality in the workplace and the balance of male and female employees at different levels of the Council. A copy of the Gender Pay Gap Report is provided in **Appendix 3**.
- 5.2 The data shows the Council's mean gender pay gap is 13% against a national public sector picture of 17.5%. Last year our mean gender pay gap was also 13%.
- 5.3 The Council's median gender pay gap is 19% against a national public sector median pay gap of 19%. Last year our median gender pay gap was 18%.
- 5.4 It should be noted that although the Cambridgeshire Catering and Cleaning Service is no longer operated by Cambridgeshire County Council, due to the date of the data being used, these employees are included in the calculations and 90% of the roles in this service were front line roles being undertaken by

females. The evaluated pay rate for these roles tend to be in the lower quartiles and this has a big influence on our overall figures. It is estimated that the mean gender pay gap would be around 10% if we excluded these employees from the data.

- 5.5 Following the presentation of last year's data, a full review into the gender pay gap was carried out. Consideration was paid to the gender pay gap within different grades and professions of the workforce, the performance appraisal process, recruitment and selection practices and also within apprenticeships. In addition, the gender breakdown of the workforce was analysed to determine whether working hours and patterns, as well as length of service, may have an impact on the gender pay gap.
- 5.6 To supplement the review, a sample of senior women from across the organisation were interviewed to determine how their experiences of moving towards senior positions, both internally and externally, may have been shaped by being female, and how this has an effect on gender pay.
- 5.7 Although this review will not have an impact on this year's figures, as this year's publication is based on pay data as of 31st March 2018, the review evidenced:
- There is no gender imbalance within the performance appraisal process.
 - The current cohort of apprentices are very female heavy. In light of the gender pay gap, this is a positive move towards encouraging personal and professional development within the Council's female workforce.
 - The average length of service for a CCC employee does not change significantly. This demonstrates that the gender pay gap is not being created through a difference in length of service between male and female employees.
 - Higher earners within Cambridgeshire County Council are less likely to work a part time arrangement.
 - Employee's length of service and take up of flexible working patterns suggest that retention by gender is not a problem and therefore not worsening the gender pay gap.
- 5.8 The action plan created from this review, with an update on progress with actions can be found in **Appendix 4**.

Source Documents	Location
The Local Government Transparency Code 2015 Chief Officer Pay Policy Statement Gender Pay Gap Report	Martin Cox HR Director, LGSS Cambridgeshire County Council Box No: OCT 1106 Shire Hall Cambridge CB3 0AP MCox@Northamptonshire.gov.uk