

## Pay Gap Reporting

To: Staffing and Appeals Committee

Meeting Date: 5th March 2024

From: Sue Grace, Executive Director Strategy & Partnerships

Outcome: To review the Pay Gap Publication to ensure compliance with Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

To note the analysis of both gender and ethnicity pay gaps, including actions taken to date and actions proposed in relation to both our Equality, Diversity and Inclusion (EDI) and People Strategies.

Recommendation: Staffing and Appeals Committee is asked to recommend the:

- a.) Pay Gap Full Analysis Report to Full Council in March for approval; and
- b.) Pay Gap Publication to Full Council in March for approval and publication.

Officer contact:  
Name: Anna Syson  
Post: Head of Workforce Policy and Wellbeing  
Email: [anna.syson@cambridgeshire.gov.uk](mailto:anna.syson@cambridgeshire.gov.uk)

# 1. Background

- 1.1 The Equality Act 2010 provides the legislation by which we are required 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. In line with requirements, the information used for the calculations is the Council's pay data as of 31st March 2023.
- 1.2 At the Full Council meeting in July 2021, our Councillors gave their full backing to tackling racial inequality and racism within the Council and unanimously agreed a motion that racism in all forms, both structural and in individuals, is a serious problem and set out a number of specific actions to address this. One of these actions was to report annually on the Council's ethnicity pay gap, and this has been included in the pay gap report outlined in Appendix 1.

## 2.0 Gender Pay Gap

- 2.1 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.
- 2.2 The data shows the Council's mean gender pay gap is 10.09% which is a slight increase from the 8.8% which was reported last year.
- 2.3 The mean gender pay gap is the difference between the average hourly earnings of men and women.
- 2.4 The Council's median gender pay gap has also experienced a slight increase and is reported at 8.38% compared to last year's figure of 8.2%. This remains below the 2022 median gender pay gap which was 8.6%.
- 2.5 The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle salary.
- 2.6 While it is important to understand the changing demography of the Leadership pay scale, due to the impact of these higher pay salaries on the mean pay gap, it is noted that new appointments to the senior leadership team, following a period of change, were subject to full and open competition, made on merit, and through the relevant organisational procedures, involving elected members where constitutionally appropriate. Actions relating to this will focus on ensuring that our existing female cohort of managers are supported with future career progression and feel well positioned to enter and succeed in future leadership appointments.

## 3.0 Ethnicity Pay Gap

- 3.1 It is likely that reporting an ethnicity pay gap will be a mandatory requirement in the future but when and how this will work, with organisations using different classifications, and that disclosing ethnic origin is voluntary for employees, remains to be defined by Central Government. As such, the method in which we report the ethnicity pay gap may differ in

future from how we have approached it in this report if reporting becomes legislative with defined criteria.

- 3.2 Our ethnicity pay gap is calculated in a similar format to the gender pay gap process, comparing the number of employees disclosing their ethnicity against the earnings of those who are white, and excluding those who have opted to 'prefer not to say' or who have not disclosed any information on their ethnicity.
- 3.3 The data shows the Council's mean ethnicity pay gap is 5.6%, an increase from 3.1% last year.
- 3.4 The Council's median ethnicity pay gap has decreased from 6.2% last year to 5.8% this year.
- 3.5 Whilst there has been an increase in the overall ethnicity pay gap, the publication demonstrates that there is still a number of colleagues whose ethnicity remains as 'Unknown' (32.4%), suggesting that we have more work to do in encouraging our workforce to complete their diversity data on ERP to aid in our reporting accuracy. We will continue to monitor and analyse this data to determine the reasons behind our ethnicity gaps and use these to help inform actions to reduce these gaps as well as raise awareness.

## 4.0 Progress Against Actions

- 4.1 The actions developed to reduce our pay gap are included in either the EDI Strategy Action Plan or will be included in the new People Strategy Action plan, which is in development and considering feedback from the IPSOS Employee Survey. Rooting these actions in one of these two strategies acknowledges that actions to reduce the pay gap are not always purely pay focused.
- 4.2 Updates on action already taken to date are included.
- 4.3 Members will continue to be updated on progress against these specific actions through an annual review at Staffing and Appeals Committee in relation to the pay gaps reporting.

## 5.0 Source documents

- 5.1 Pay Gap Full Analysis – Appendix 1.
- 5.2 Pay Gap Publication – Appendix 2