

Pay Gap Reporting

To: Staffing and Appeals Committee

Meeting Date: 23rd February 2023

From: Janet Atkin, Assistant Director HR Services

Purpose: The purpose of this report is to report the gender pay gap publication to ensure compliance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Recommendations: Staffing and Appeals Committee is asked to consider the report and recommend the Pay Gap Report 2023 (Appendix 1) to Council on 21 March 2023 for approval.

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1.0 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 2022.
- 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 It is pleasing to report a decrease in the gender pay gap this year. The data shows the Council's mean gender pay gap is 8.8%. Last year our mean gender pay gap was 9.6%.
- 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 is 8.2%. Last year our median gender pay gap 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.

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 3.1%, an increase from 2.5% last year.

- 3.4 The Council's median ethnicity pay gap has increased from -2.9% last year to 6.2% this year.
- 3.5 Whilst there has been an increase in the overall ethnicity pay gap, the publication demonstrates that the number of colleagues declaring they are from an ethnicity other than white has almost doubled from last year. This suggests that although our pay gap looks to have increased, we are getting more data being completed, providing a more accurate picture. We will continue to analyse this data to determine reasons and inform actions to reduce the gaps. We will also continue to encourage our workforce to complete their diversity data on our ERP system.

4.0 Progress Against Actions

- 4.1 The actions developed to reduce our pay gap are managed by the Council's People Strategy Board. This board has been paused whilst the new people strategy is being developed and will be reinstated in May of this year. The new People Strategy Action plan will include references to pay gaps throughout each people strategy theme, acknowledging that actions to reduce the pay gap are not always purely pay focused.
- 4.2 Whilst the People Strategy Board has been paused, the actions relating to reducing the pay gaps have continued to be progressed. The action plan in appendix one has been updated to include progress against the previous actions set and has been refreshed with new and updated actions for the year ahead.
- 4.3 Members will continue to be updated on progress against these actions through an annual review at Staffing and Appeals Committee.

5.0 Source documents

- 5.1 Pay Gap Report – Appendix 1.