

## Appendix 2: Cambridgeshire County Council Pay Gap Analysis 2022

### 1. Summary

Our first Gender Pay Gap Report was published in March 2018 when gender pay gap reporting became a statutory requirement. Since this time, Committee have received detailed annual gender pay gap reports outlining not only the statutory requirements but also detailed analysis into our pay gap and actions taken and planned to address the gap.

The gender pay gap outlines the differences in average hourly earnings between Cambridgeshire County Councils' female and male employees. All public sector organisations must publish their gender pay gap data as set out in The Equality Act 2010.

All employers must publish the following,

- 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
- Proportion of males and females in each pay quartile

The data that is published is based on data extracted as of 31<sup>st</sup> March the year prior to publication.

As is the norm in local authority services, Cambridgeshire County Council has historically been made up of a female dominated workforce. Our workforce data tells us that the council is attracting and retaining women well and we have a fairly representative number of female employees across all four pay quartiles. The council has a fair and equitable pay policy in place and promotes flexible working practices. All jobs in the council are evaluated using the Hay methodology to ensure we have equal pay for male and female employees carrying out the same work.

2021 saw us calculate and publish our ethnicity pay gap for the first time. It is not mandatory for employees to declare their ethnicity, and therefore we do not have complete data to use. We are currently in the process of re-procuring a new e-recruitment system and are hoping that the diversity and ethnicity information fields can become mandatory, whilst still giving employees the option to 'prefer not to say'. This will also enable us to consider reporting on more protected characteristics in the future.

Analysis and research into our gender pay gap suggests that Cambridgeshire County Council does not have a specific issue with gender pay. The research outlines that there are no particular salary grades or professions which have a disproportionately high gender pay gap. Our current HR policies and practices do not seem to create any gender pay gap bias and our managers are appropriately complying with these policies.

Our research has reinforced our thoughts that we have a fair and equitable pay structure, and that it is possible to have equal pay across the organisation but still have a pay gap. Whilst in the long term we have seen our pay gap decrease, it is disappointing to report an increase in the mean gender pay gap this year, and unfortunately there is no quick win or simple solution to reduce a pay gap in the workforce. The best way to reduce a pay gap is to take a long-term view of resourcing, developing, and engaging our workforce. The pay gap action plan was developed, initially with gender pay

specific actions and now more widely to encompass our ethnicity pay gap, to outline the actions we are committed to undertaking to reduce our pay gaps. These actions are managed through the People Strategy Board and progress against these are reported to Staffing and Appeals Committee annually.

## 2. How the Pay Gap Averages Are Calculated

The gender pay gap is a measure of the difference between the average pay men receive and the average pay women receive. It is not 'equal pay'. A positive pay gap means that females on average earn less than males. A pay gap of zero means the average pay of men and women is the same. A negative pay gap means that the average pay of female employees is higher than that for males.

An organisation can have equal pay and still have a pay gap, and likewise a low pay gap does not always mean that an organisation has equality of pay.

**Mean:** Average set of numbers, add up all of the values in a data set then divide by the number of values.

**Median:** Line up all of the values in a dataset for males and females, or white and ethnic origin other than white, in order from highest to lowest value. The median is the value in the middle of the dataset (midpoint of the range).

**Pay quartiles:** Rank values from highest to lowest and evenly distribute employees in to all 4 quartiles

**Lower quartile:** lowest 25% of numbers

**Lower middle quartile:** second lowest 25% of numbers

**Upper middle quartile:** second highest 25% of numbers

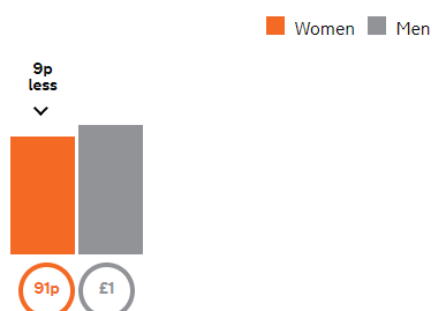
**Upper quartile:** highest 25% of numbers

Cambridgeshire County Council was proud to take the proactive step in first publishing an ethnicity pay gap figure in 2021. As this is not yet a statutory requirement, there is no agreed calculation or classification for the data. We therefore calculated our ethnicity pay gap in a similar format to the gender pay gap process, comparing the number of employees disclosing they are of an ethnic origin other than white, against the earnings of employees who are white and excluding those who have opted to 'prefer not to say' or who have not disclosed any information on their ethnicity. The method in which we report the ethnicity pay gap may differ in the future if legislative requirements and guidance are introduced.

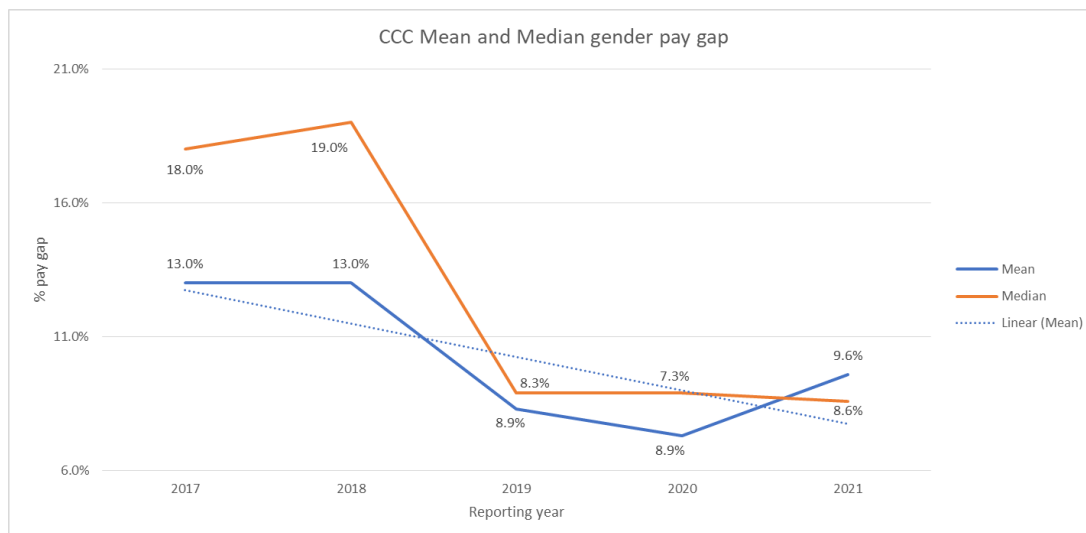
## 3. Our Gender Pay Gap – The Five-Year Picture

Our mean pay gap reported this year is 9.6% and the median 8.6%.

Our median pay gap reported this year has reduced slightly from 8.9% to 8.6%. In terms of pay per pound this equates to women earning 91p per every pound a man earns which is the same as the data reported in 2021.



While the median has decreased, we have seen an increase in the mean gender pay. The mean gender pay gap has increased from 7.3% as reported in 2021 to 9.6%. In financial terms this is an average difference between men and women of £1.60 per hour, compared with £1.23 last year. We can still a downward trend in the gender pay gap which is shown on the linear trend line on the graph below.



Whilst it is difficult, even with extensive analysis, to provide an exact reason why the mean pay gap may have seen an increase, the number of relief staff we were paying at the date the data was taken may well have had an adverse impact on our pay gap. The 2022 pay gap publication takes data from the establishment as of 31<sup>st</sup> March 2021. At this time, a number of our regular relief workers were being paid an average salary to compensate them for the loss of work in services that were closed due to the national lockdown e.g. outdoor centres, children's centres. Although we cannot identify the exact impact this has had to the gender pay gap figures, the relief staff who we paid salary to during at this time were 90% female and tended to be in roles paid at the lower end of our pay scales, so we have grounds to consider that this has skewed the figures to some extent.

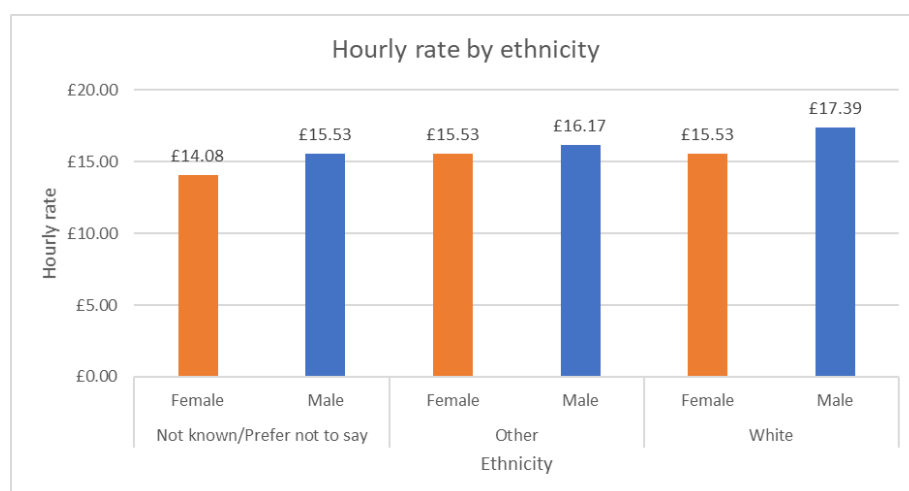
At Cambridgeshire County Council we take a long-term view of reducing our pay gap by regularly reviewing the actions we have committed to take. Whilst the increase in the mean gender pay gap is disappointing, it is pleasing to see a reduction in the median pay gap continuing for this year. We have reviewed the action plan and added in additional and robust actions to the plan for this year in the hope that we can continue to decrease our pay gaps.

## 4. Our Ethnicity Pay Gap – The Two-Year Picture

Our mean ethnicity pay gap is 2.5%. Our median ethnicity pay gap is -2.9%, both are the same as reported last year.

The chart below highlights a more apparent gender pay gap in the white ethnicity category with a 10.7% gender pay gap, which is higher than the not known/prefer not to say category at 9.3% and much higher than the other category with 3.9% gap. Within each ethnicity category the number of employees differs however the overall split of males and females is comparable with our overall workforce figures of 79% female and 21% male.

The information we hold for ethnicity is the same as last year, with minor changes for new starters. We are taking action this year to improve the level of data we hold for employees for ethnicity to reduce the number of employees falling in the unknown category and allow further analysis of this data in the future.



The mean hourly rate for white employees is £15.92, other is £15.71 and those who prefer not to say/not known is £14.43. Those in the not known/prefer not to say category are earning £1.49 less than those in the white ethnicity category. However, the not known does account for 23% of the organisation, nearly a quarter and therefore improving our data on ERP will help to understand if this is a true reflection of the pay gap.

## 5. The National Picture

### Gender Pay

Organisations do not need to submit their gender pay gap figures until the end of March each year, so a direct comparison with other Councils on this year's figures is not possible. However, for reference, the table below shows the figures for comparable County Councils for last year.

Council	Mean (%)	Median (%)
<i>Cambridgeshire County Council</i>		
2021/2022	9.6	8.6
2020/2021	7.3	8.9
2019/2020	8.3	8.9
2018/2019	13	19
2017/2018	13	18
Suffolk County Council	12.2	17.7
Staffordshire County Council	10.5	13.7
Derbyshire County Council	10.4	15.2
Norfolk County Council	10.3	8.2
Essex County Council	9.3	9.8
Buckinghamshire County Council	7.5	4.1
Lincolnshire County Council	5.9	3.6
Hertfordshire County Council	3.5	4.6

The national picture for the past three years, taken from the Office for National Statistics (ONS) [ONS Gender Pay Gap in the UK 2021 report](#), shows a slight increase in the national gender pay gap from 14.9% in 2020 to 15.4% in 2021, but overall still sees a decrease from the 2019 figure of 17.4%. Our figures are comparable with this trend.

The ONS reports a significant difference in the pay gap of those above and below 40 years old. We have therefore considered this in our data analysis below.

### **Ethnicity Pay**

As the current regulations only concern gender pay, comparator data for ethnicity is not readily available. However, the ONS provided some observations on ethnicity pay in 2019 at which time it was estimated that the national median hourly pay for those in the white ethnic group was £12.40 per hour compared with those in ethnic minority at £12.11 per hour – a pay gap of 2.3%. Our reported median for the past two years has remained at -2.9%.

The simple comparison between white and ethnic minority groups as used in both the ONS findings, and our data analysis, does however mask a wide variety of experiences among different ethnic minorities and until there is fuller data on the ethnic profile of our workforce and the national picture, it is difficult to provide further meaningful analysis.

Although there is greater focus below on the data concerning our gender pay gap, our action plan published as part of our pay gap data fully encompasses actions to reduce all pay gaps, not just those relating to gender.

## **6. The Analysis**

The analysis outlined below provides a summary of the data that has been considered to determine the actions needed to reduce the Council's pay gaps.

It is acknowledged that the mean gender pay gap has increased this year compared to the 2021 publication. As previously outlined to Committee, a reduction in a pay gap with a large organisation such as the Council takes time and targeted efforts and despite the slight increase in the mean gap, it is rewarding to see a downward trend from when we started.

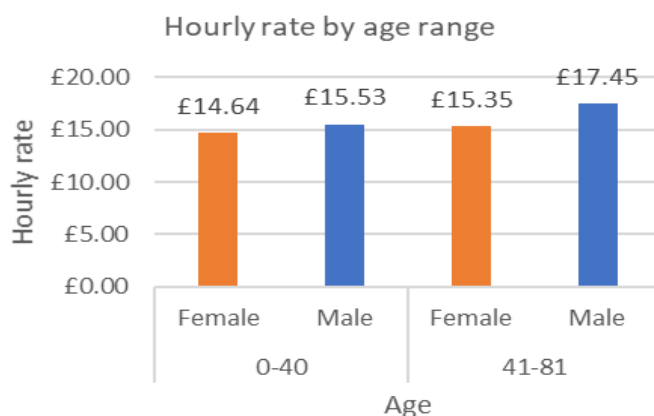
As will be seen from the update of progress against the action plan, there has been a considerable amount of work completed and this will continue to take place to reduce the pay gaps.

### **Gender split and pay gap by age**

Our workforce is populated by 79% of female employees; 4 in every 5 employees are female which is consistent with trend data on our gender profile. Of the relief cohort, female employees account for 87% of relief workers.

Office for National Statistics figures outline that there is a large difference in gender pay between employees aged 40 years and over and those below 40 years old. The report also identifies that women over 40 years old are less likely to work in higher paid managerial positions – with a higher proportion of women over the age of 40 working in lower-paid occupations, when compared with younger women.

The chart below illustrates our mean hourly rate by gender split by under and over 40.

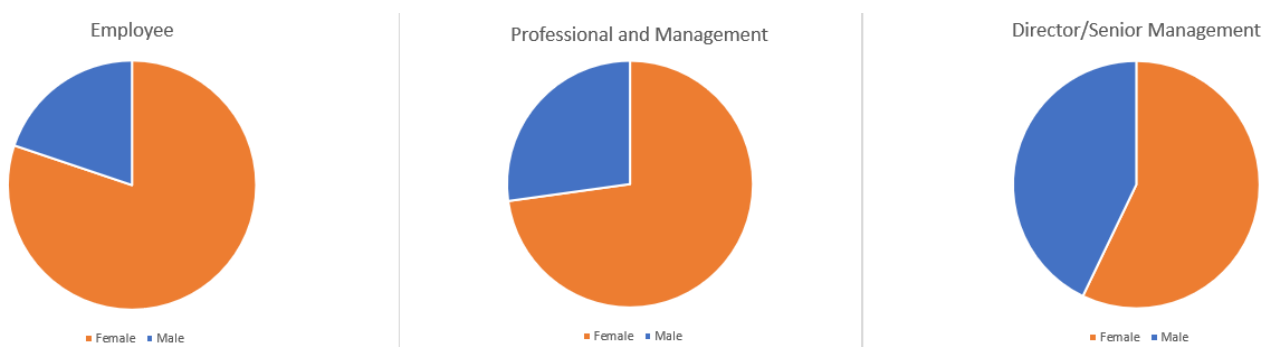


The chart demonstrates for those under 40 the gender pay gap is 5.7% which is significantly less than those over 40, which shows a 12.0% gender pay gap. These figures clearly show we are consistent with the national trend and need to focus on reducing the pay gap for those over 40 years old.

#### Gender split and pay gap by grade

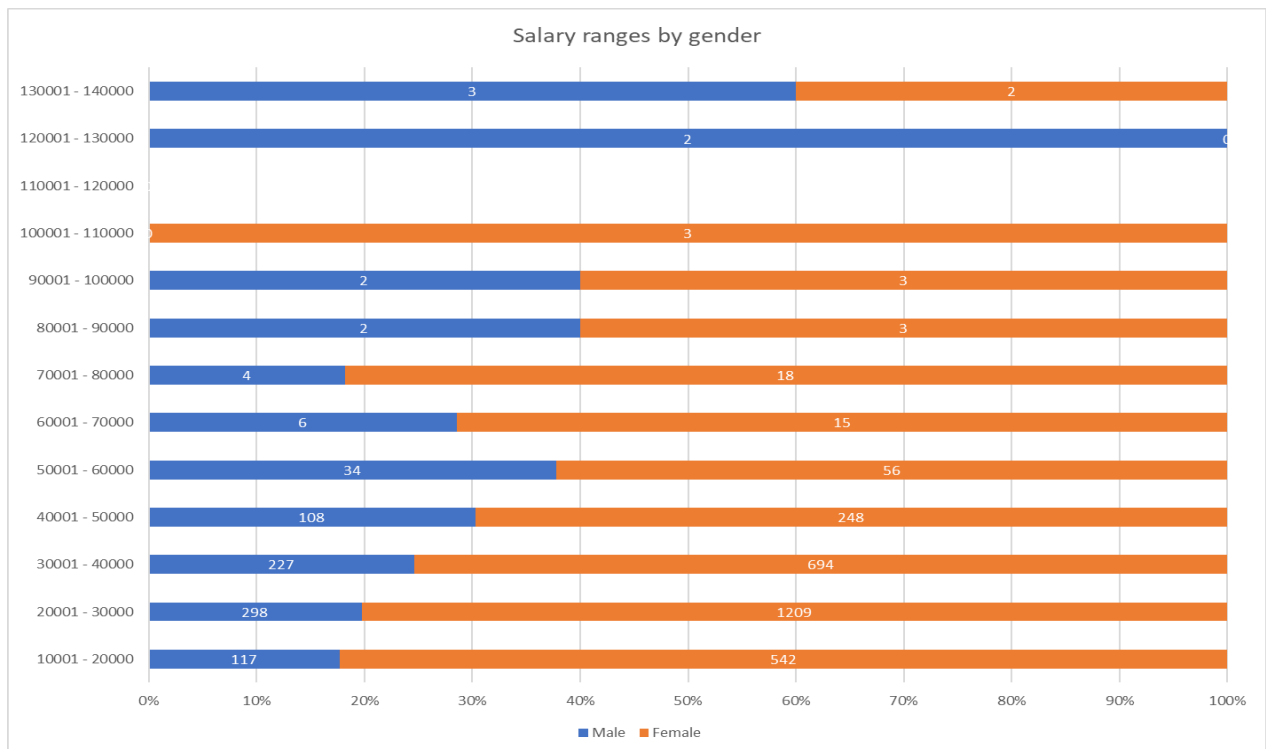
The pie charts below show the gender split by Employee, Professional and Management, and Director/Senior Management. To enable transparent reporting, and for the purpose of this analysis only, employees are classified as those with salaries of less than £32,000 per annum, professional and management employees are those on salaries of £33,000 - £75,000 and directors/senior managers are those paid at £76,000 per annum or more.

Overall, whilst still demonstrating a greater proportion of females in all categories, the charts below show a higher proportion of men in senior positions within the council.



Further analysis outlines that 86% of employees in our Professional and Management grade 6 (the highest grade before our Corporate Leadership pay spine) are female, which typically relates to Heads of Service roles. This suggests that work still needs to be taken, over the long term, to increase the opportunities and encourage women to progress into senior management and director positions within the Council.

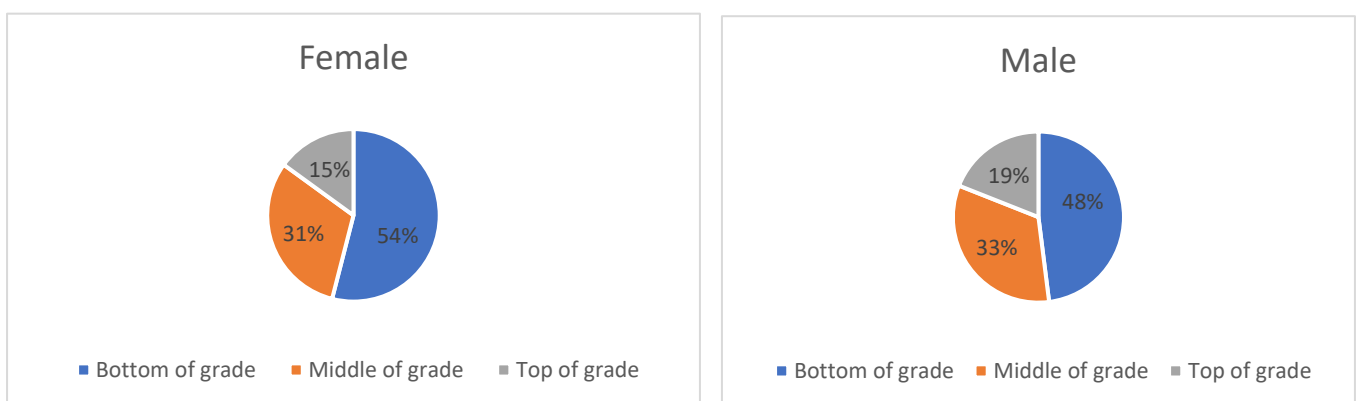
To review this by salary ranges, the chart below illustrates the split by gender in £10k bandings.



Our data corresponds with the national picture. The ONS states that the difference in pay between the sexes is largest among higher earners. This can be seen in the charts above and is reflected within Cambridgeshire County Council as an organisation.

### Starting Salaries and Gender

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 2020 – March 2021, 491 employees started new roles, incorporating both new starters and internal movers. 110 of these started on fixed salaries for example TUPE transferred in on protected salaries or appointed to a fixed ASYE social worker rate. Of the remaining 381 employees, the breakdown of starting point in the grade is shown as a percentage by male and female below.



It can be seen from the above that there is some difference between the starting point in the grade by gender, with 6% more women starting at the bottom of their grade, and 4% more males starting at the top of their grade. Further work can be done to ensure that our pay grades are transparent and we are not discouraging either gender negotiating a higher starting salary, and managers do not consciously or unconsciously bias towards any particular gender when agreeing starting salaries.

### **Performance appraisal analysis – analysis ethnicity and gender**

The appraisal process in place for last year's incremental progression increases outlines that eligibility for pay progression was dependent on employees receiving a rating of 'Highly Effective' or 'Exceptional'. If the employee received one of the top two performance ratings, they were able to move up to the next spinal column point, to the ceiling point of the grade.

Overall, 31% (1,170) of employees were rated as either '**Highly Effective**' or '**Exceptional**' in their 2020/2021 performance appraisal.

Of the 1,170 employees who received a rating of 'Highly Effective' or 'Exceptional', three quarters were females (893 people) which is broadly representative of the female to male workforce ratio (79:21).

It appears from the data, that males (28.27%) are more likely to be rated as higher performing and therefore attract an increment than females (23.83%).

Of those employed on a full-time contract, 32.27% received a rating of Highly Effective or Exceptional rating, compared with 21.17% of those on a part-time contract, this is 2.17% higher than last year but is still over 10% lower than those on a full-time contract.

Across the organisation, as the time of reporting, 59% of our employees identify as white (White English/ Welsh/ Scottish/ Northern Irish/ British). 30% of our workforce have not identified under any category. The remaining 11% identify across the remaining 17 categories. Of those 59% who identify as white, 28% were rated as Exceptional or Highly Effective.

Of the 11% who declare they are from an ethnic origin other than white, 21% were rated as Exceptional or Highly Effective.

Of those who have not stated their ethnicity, 18% were rated as Exceptional or Highly Effective.

The figures above demonstrate that increasing the inclusivity of our appraisal scheme and reducing the differentials between full and part time staff may help to reduce our pay gaps. This was a consideration when developing the new appraisal scheme – Our Conversations. The new scheme allows people to be rewarded based on their demonstration of achievement against our behaviours and values and not just performance against outcomes. This should increase the opportunity for those in lower graded roles and on part time contracts, who are proportionately more likely to be female, to demonstrate their achievements and be eligible for a performance increase. Data relating to this measure will be available and analysed after the first round of performance increases in April 2022.



## Action Plan Progress

This action plan was first presented to Staffing and Appeals Committee in September 2018, and is reviewed annually. Progress against actions are outlined below.

THEME	ACTIONS	MEASURES
<b>Improve development opportunities for female employees</b>	<ul style="list-style-type: none"> <li>• Clearer career pathways for female employees</li> <li>• Managers and leaders need to be trained in how to spot talent and encourage employees to develop</li> <li>• Employees will be encouraged to take sideways moves as well as promotional roles to broaden their knowledge</li> <li>• Analysis is required to identify hard to fill and traditionally male dominated roles to encourage greater diversity in these posts</li> <li>• Implement a suite of development initiatives to empower female employees. For example coaching, mentoring and skills development.</li> </ul>	<p>Employees PADP will outline objectives and training and development actions</p> <p>Workforce statistics will demonstrate more employees moving teams to take on opportunities at both their existing and promotional grades</p> <p>The workforce statistics will, over time, illustrate a shift in attracting and retaining female employees into posts typically occupied by men</p> <p>The take up of coaching and mentoring will increase within our female employees</p>

### **Progress update – January 2022:**

A new appraisal process has been developed and was launched in April 2021. This has much more of a focus on outcomes and personal development, helping managers to better manage talent and developing their employees. This new process encourages managers and employees to think about their development both for their current role, and their longer-term career.

The past 18 months has seen many employees temporarily move teams to assist with the Council's Covid response. This example of demand-led redeployment is a great example of how movement across the organisation can work, with the challenge now to consider how to learn from this to assist with personal development for individuals.

Work has started to develop a more comprehensive coaching and mentoring programme and this will be available for all employees and not just females. We have developed resources about mentoring arrangements that are accessible to all employees.

Additionally, an employee engagement survey, specifically focused on Learning and Development, was run earlier this year and completed by 633 employees from Cambridgeshire. This has led to a significant amount of feedback and actions that are linked and can be added to our pay gap action plan.

### **Development actions to carry forward to next action plan:**

A thorough review of the new appraisal and ratings process will take place in April 2022 with particular consideration of gender and ethnicity.

Our employee engagement survey indicated that our employees identifying as 'Black African, Caribbean or Black British' or 'mixed and multiple ethnic group' were least likely to know what opportunities or promotion and progression were available to them. We have committed to run some focus groups to better understand this and to address this, particularly within underrepresented groups.

We will better promote the coaching and mentoring offering and outlines the benefits of such arrangements.

<p><b>Engagement</b></p> <p>Our research identified that female employees are more likely to need to be encouraged to apply for new posts or development opportunities rather than apply for opportunities themselves</p>	<ul style="list-style-type: none"> <li>Increased communication from female senior leaders (for example blogs Q&amp;A sessions) to provide increased visibility of female leaders and role model career growth</li> <li>Create professional networking groups for all employees working full and part time</li> </ul>	<p>Communication and engagement plan agreed and implemented.</p> <p>Data from e-recruitment system and learning and development will illustrate an increase in females applying for new posts/development opportunities within the Council</p> <p>Networking groups established and being utilised – these will initially be established from cohorts of attendees from the learning and development initiatives outlined above</p>
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**Progress update – January 2022:**

Re-focused corporate communications have significantly helped to achieve this and more recently the COVID-19 pandemic has resulted in regular interactive sessions being led by our Senior Managers and Members, many of whom are female. Fortnightly Cambridgeshire Conversations take place hosted by a Member of our Corporate Leadership Team. More recently these have been moved to take place during school hours, resulting in over 300 employees attending these live sessions.

Networking groups have continued to be developed and the Council have recently launched a monthly equality, diversity and inclusion conversation, attracting over 200 employees to each session that has been run to date. These sessions, hosted by the Director of Customer and Digital Services promote various equality and diversity subjects, provide a forum for discussion and to provide feedback and have been very well received by employees.

**Engagement actions to carry forward to next action plan:**

Continue to promote networking opportunities and consider how these will continue to be as inclusive as possible once a widescale return to offices takes place.

Work with the recruitment project team to ensure that the new e-recruitment system is able to provide meaningful diversity data that can easily be downloaded and analysed.

<p><b>Recruitment and selection</b></p> <p>We need to improve how we attract and retain females into roles where they are less represented</p>	<ul style="list-style-type: none"> <li>Review of recruitment processes to ensure there is no gender bias post shortlisting. Considerations may include encouraging diverse shortlisting and interview panels.</li> <li>Review of sample job descriptions/adverts to ensure there is no subtle gender bias</li> </ul>	<p>Output of recruitment process review</p> <p>E-recruitment data will illustrate number of females who have applied, been shortlisted and appointed to advertised posts</p>
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**Progress update – January 2022:**

A wholesale review of the recruitment process is underway with a focus on:

- New creative ways of advertising
- A greater emphasis on social media
- A new recruitment policy has been developed in collaboration with the Equality and Diversity Network with the aim of ensuring that any unconscious bias is challenged at any potential point in the process

Our e-recruitment system will be replaced this year with a new solution that has greater functionality.

A new recruitment training course has been developed. This is now delivered virtually and jointly by the Recruitment and HR Advisory team in an interactive training event, ensuring that essential skills are developed in addition to the knowledge shared on the recruitment processes.

A dedicated recruitment page for social care roles has been set up with streamlined application routes.

**Recruitment actions to carry forward to next action plan**

Our current e-recruitment system is being replaced and re-procured. In advance of this time, a project team has been set up to develop the needs we have from this system so the new system can lead positive change in the whole recruitment process and experience.

**Working Practices**

Flexible working practices will improve retention of our staff and allow employees with non-work responsibilities (i.e. family commitments, studying) to continue to progress through the council without compromising their work/life balance

- Have an agreed, consistent, where possible, definition of flexible and agile working that is endorsed from the Chief Executive that is workable through all management tiers, subject to service needs
- As part of the Cambs2020 programme a programme of training will be rolled out across all teams to support improved flexible and agile working. Managers will need to understand how to flex individual working practices to manage the impact on the team.
- Managers to consider working practices and how they could be made more flexible. For example review purpose, duration and frequency of meetings and consider how the use of IT for example could facilitate flexible working for employees

Agreed definition developed and published through the Cambs2020 project

Attendance of training.  
Increase in flexible working practices

Agree and publish policy to encourage managers to review working practices across teams

**Progress update – January 2022:**

This was initially implemented through the Agile Working Policy that was launched at the end of 2019. This policy was subsequently reviewed to take into account and COVID-19 related learnings, and rebranded and relaunched as 'Our Ways of Working' in January 2021 and following this, training was developed and delivered to over 300 managers across the Council.

The new ways of working policy includes a new worker type of remote – giving more flexibility for employees to choose where they undertake their work and providing them with a mechanism to request remote working.

Team charter templates have been developed alongside Our Ways of Working guidance and these will be continually updated as more staff return to office locations.

Additional flexibility has also been offered through our employment policies in the form of 'flexible from first' – removing the 6-month service requirement from flexible working requests, and have recently introduced guidance and support for employees with caring responsibilities and for managers managing these employees.

**Working Practices actions to be carried forward to next action plan:**

Review the impact of the changes to the ways of working policy – considering who has become remote workers.

Review the cultural changes experiences when teams return to work in Council buildings.

Review take-up of the flexible from first approach.

Hold focus groups with those that have utilised the additional carers support and consider the success and impact that this has had.

<p><b>Ethnicity Gap</b> Increased data returns will enable an analysis of the data, and assist with identifying trends and patterns in the data leading to further actions to take</p>	<ul style="list-style-type: none"> <li>• Encourage employees to complete their ethnicity data, to enable us to report better on our pay gap.</li> <li>• Work with the Equality and Diversity network and review data from the Equality Diversity and Inclusion pulse survey to draw up an action plan to improve the ethnicity pay gap.</li> </ul>	<p>The unknown ethnicity category has the lowest average hourly rate, suggesting that some of our lowest paid workers are those that we do not have data for. This could be skewing the overall pay gap figures, so the priority for the next year is to increase the number of employees that we have ethnicity data for to enable us to determine more specific measures.</p>
<p><b>Progress update – January 2022:</b> We have encouraged employees to complete their equality and diversity information on ERP by reminding them how to do this, and also through a blog outlining why we request this information and why it is so important. Unfortunately returns are still below 80%. We are working to update the categories on ERP, especially in relation to gender to encompass more inclusive terms.</p> <p><b>Ethnicity gap actions to be carried forward to next action plan:</b> Continue to encourage employees to complete their diversity information on ERP. When the system has been updated, widespread communications need to outline these changes and reiterate the benefits and reasons why we ask for equality and diversity information.</p>		