



## **CABINET– 11TH MARCH 2020**

**SUBJECT: PUBLICATION OF GENDER PAY GAP DATA 2019 – EQUALITY ACT 2010 (SPECIFIC DUTIES AND PUBLIC AUTHORITIES) REGULATIONS 2017**

**REPORT BY: HEAD OF PEOPLE SERVICES**

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### **1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is to seek approval from Cabinet for the publication of the Authority's gender pay gap written statement 2019.

### **2. SUMMARY**

- 2.1 Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all organisations listed at Schedule 2 to the regulations that employ over 250 employees are required to report annually on their gender pay gap from 2017.
- 2.2 The provisions under these Regulations only apply to employees directly appointed and managed by the Council. Employees who are appointed and managed by school head teachers/Governing Bodies are, therefore, not required to be included within the scope of the Council's Gender Pay Gap Data. This reflects the unique employment legislation position whereby all schools employees are employed by the local authority, but decisions about the appointment and management of such employees are mostly discharged by head teachers/governing bodies, as appropriate. Caerphilly Schools will not be required to publish and report their own specific figures as no School employs more than 250 staff.
- 2.3 The Council's gender pay gap data is required to be published on our own website and a government website by 30 March each year. The data must include the hourly pay, as both a mean figure, (identifying the difference between the average of men's and women's pay) and the median figure, (identifying the difference between the midpoints in the ranges of men's and women's pay). Employers are encouraged to produce a written statement explaining the data.
- 2.4 The Regulations further require the Council to publish the mean and median gender pay gap relating to bonus pay. Cabinet will be aware that the Council does not offer piecework or bonus incentive schemes.

### **3. RECOMMENDATIONS**

- 3.1 Cabinet are asked to agree the attached written statement detailing gender pay gap data for publication on the Council's website and the Government website on line using the gender

pay gap reporting service.

#### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 To comply with the legislative requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

#### **5. THE REPORT**

- 5.1 The Council's gender pay gap data is required to be published on an annual basis, once accepted. There is a requirement under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations for this to be undertaken no later than the 30th March each year.
- 5.2 There are six calculations to carry out, and the results must be published on the employer's website and a government website within 12 months. Where applicable, they must be confirmed by an appropriate person, such as a chief executive.
- 5.3 Gender pay reporting is a different requirement to carrying out an equal pay audit.
- 5.4 Employers have the option to provide a narrative with their calculations. This should generally explain the reasons for the results and give details about actions that are being taken to reduce or eliminate the gender pay gap.
- 5.5 The written statement that is attached to this report contains the full details of the Council's gender pay gap position that the Council is required to publish under legislation.
- 5.6 With Cabinet's agreement, the statement will be published on the Council's Website and to the government on line using the gender pay gap reporting service (<https://www.gov.uk/report-gender-pay-gap-data>), and will be available for access by members of the public, press and interested pressure groups.
- 5.7 The Council's gender pay gap data and written statement is based on a high level snapshot of pay within the Council that shows the difference in the average pay between all men and women in our workforce. In accordance with the Specific Duties and Public Authorities Regulations, the data includes all employees of the Council who were paid on 31 March 2019.

#### **5.8 Conclusion**

The Council's gender pay gap does not stem from paying male and female employees differently for the same or equivalent work but is the result of roles in which male and females currently work and the salaries that these roles attract. Our gender pay gap is reflective of the causes of gender pay gap at a societal level. The vast majority of posts in the lower quartile of data are part time posts. These are the posts that continue to predominantly attract female applicants.

#### **6. ASSUMPTIONS**

- 6.1 It is assumed within this report that whilst the Council continues to deliver diverse services with a very high concentration of part time posts in the lower earnings quartile, the opportunity to close this gap based on the number of females currently occupying said posts will be limited.

#### **7. LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The remuneration of employees is an integral feature of our People Management Strategy

and frameworks and is a fundamental feature of the employment relationship.

## 7.2 **Corporate Plan 2018-2023.**

The Gender Pay Gap statement contributes towards the Corporate Well-being Objectives, as detailed below:

Objective 2 - Enabling employment

## 7.3 Strategic Equality Plan 2016-2020

Addressing the Gender Pay Gap is also an objective in the council's current Strategic Equality Plan.

## 8. **WELL-BEING OF FUTURE GENERATIONS**

8.1 Having considered the five ways of working, the Gender Pay Gap statement contributes to the following Well-being Goals:

- A more equal Wales
- A more prosperous Wales.

## 9. **EQUALITIES IMPLICATIONS**

9.1 The data highlights a gender pay gap in favour of males. In this data snapshot the mean gender pay gap difference is 8.3% and the median gap is 10.3%. This does not mean that the Council is paying males and females differently for work deemed to be of equal value. The identification of a gender pay gap provides a trigger for further investigation about the reasons why the gap exists.

9.2 The Council has committed to Equal Pay which is a more specific legal concept that deals with the pay differences between men and women carrying out comparable jobs. Equal Pay requires the scrutiny of information at the level of the individual employee to satisfy that there is equal pay for equal work. The Council continues to use the GLPC job evaluation scheme and the HAY job evaluation scheme to satisfy this specific purpose.

9.3 Last year's figures were 7.4% and 11.7% respectively, representing a 0.9% increase in the mean gender pay gap difference and a reduction of 1.4% in the median. The Council is not paying males and females differently for work deemed to be deemed of equal value. The Council continues to pay employees in line with its evaluated pay structures.

9.4 The Council recognises the importance of equality not only in the Well-being of Future Generations Act but explicitly through its Strategic Equality Plan 2016-2020; its introduction of Equal Pay through Single Status and withdrawal of piecework and bonus incentive Schemes in 2009 and its introduction of the Living Wage Foundation minimum hourly rate in 2012.

9.5 The gender pay written statement attached confirms the pay received by employees in March 2019 and reports on the facts of the current pay arrangements in place; therefore no specific Equalities Impact Assessment has been undertaken. Any previous changes to pay, terms and conditions that have led to this data have been assessed for equalities issues, as have other reports relating to CCBC employee pay issues such as the Living Wage report.

9.6 In determining the pay and remuneration of all of its employees, the Council has complied with all relevant employment legislation, including:

- The Equality Act 2010, including the requirements specifically in relation to Equal Pay

- Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000
- The Agency Workers Regulations 2010
- The Transfer of Undertakings (Protection of Employment) Regulations 2006, where relevant;
- The National Minimum Wage Act 1998.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 There are no financial implications arising from the requirement to publish the Council's gender pay gap position.

## **11. PERSONNEL IMPLICATIONS**

- 11.1 The personnel implications arising from the gender pay gap data and the measures taken and proposed to close the Council's gender pay gap further are outlined in the written statement attached to this report.

## **12. CONSULTATIONS**

- 12.1 All consultation responses have been reflected in this report.

## **13. STATUTORY POWER**

- 13.1 Local Government Act 1972  
 Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017  
 Localism Act 2011  
 Local Government (Wales) Measure 2011  
 Local Government (Wales) Act 2015

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Appendices:

Appendix 1 Written Statement – Gender Pay Gap 2019

## CAERPHILLY CBC

### GENDER PAY GAP STATEMENT 2019

#### BACKGROUND

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all organisations listed at Schedule 2 to the regulations that employ over 250 employees are required to report annually on their gender pay gap. Other organisations in the private and voluntary sectors with 250 or more employees need to comply with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

This data is required to be published on the Council's website and a government website by 30 March each year. The salary data within this statement is based on the snapshot date of 31 March 2019. The regulations also require employers to calculate and publish a separate gender bonus pay gap report. The Council however has no bonus scheme in place.

The gender pay gap is a high-level snap-shot of pay within an organisation and shows the difference in the average pay between all men and women in a workforce. This requires the examination of aggregate workforce data. Where the data highlights a gender pay gap, this does not mean that the Council is paying males and females differently for work to be deemed of equal value. The identification of a gender pay gap however provides a trigger for further investigation about the reasons why the pay gap exists.

In contrast 'equal pay' is a more specific legal concept that deals with the pay differences between men and women carrying out comparable jobs. It requires the scrutiny of information at the level of the individual employee to satisfy that there is equal pay for equal work.

#### GENDER PAY GAP DATA

The employees included in this snapshot data are predetermined by the Specific Duties and Public Authorities Regulations. The Regulations apply the same definition of employee as the Equality Act 2019. This is a broad definition which includes zero hours' workers, apprentices and self-employed people.

In the table below 'Ordinary pay' means basic pay; allowances; pay for leave; and shift premium pay. It does not include overtime pay; redundancy pay; pay in lieu of leave, or non-monetary remuneration. The Council does not offer piecework or bonus incentive schemes.

The data is based on a snapshot date of 31 March 2019.

Total Number of Employees included in this data: 6666  
 Number of Females: 4684  
 Number of Males: 1982

1. Mean Gender Pay Gap – Ordinary Pay	8.3%
2. Mean Hourly Rate – Ordinary Pay (Male/Female)	(£12.65 / £11.60)
3. Median Gender Pay Gap – Ordinary Pay	10.3%
4. Median Hourly Rate – Ordinary Pay (Male/Female)	(£11.24 / £10.08)
5. Mean Gender Pay Gap – Bonus pay in the 12 months ending 31 March 2019	0
6. Median Gender Pay Gap – Bonus pay in the 12 months ending 31 March 2019	0
7. The proportion of male and female employees paid a bonus in the 12 month period ending 31 March 2019	Male 0 Female 0

### Proportion of male and female employees in each quartile

Quartile	Female % (People)	Male % (People)
First Lower Quartile (£8.50 - £9.01)	87.5 (1458)	12.5 (208)
Second Quartile (£9.02 - £10.65)	66.3 (1105)	33.7 (562)
Third Quartile (£10.66 - £13.17)	64.4 (1072)	35.6 (594)
Fourth Quartile (£13.18 - £74.61)	62.9 (1049)	37.1 (618)

### ORGANISATIONAL CONTEXT

The data identifies that there are significantly more women than men occupying posts in every quartile of the data due to the predominantly female population of the Council.

Proportionately however, the data shows against the pure male population of the workforce that 10.49% of the 1982 employed occupy posts in the lower quartile, 28.36% in the 2<sup>nd</sup> quartile, 29.97% in the 3<sup>rd</sup> quartile and 31.18% in the 4<sup>th</sup> quartile. This compares to 31.13% of the 4684 pure female population of the workforce that occupy posts in the lower quartile, 23.59% in the 2<sup>nd</sup> quartile, 22.89% in the 3<sup>rd</sup> quartile and 22.39% in the 4<sup>th</sup> quartile.

The Council is confident that its gender pay gap does not stem from paying male and female employees differently for the same or equivalent work. The gender pay gap is the result of roles in which male and females currently work and the salaries that these roles attract.

Our gender pay gap is reflective of the causes of gender pay gap at a societal level. For example research has identified that, although parents are increasingly flexible, the responsibility of childcare still falls disproportionately upon women.

For example, it is a fact within this snapshot of data that the vast majority of posts in the lower quartile are part time posts. 1244 of these posts are Grade One in the Council's evaluated pay structure and held by females in the areas of cleaning, catering and breakfast club. Part time opportunities continue to attract female applicants in the vast majority of cases.

The Council's services are diverse and include cleaning, catering, refuse and recycling, housing, social services/care services, leisure, youth, libraries, education services including adult education, technical services, planning and highways.

### **In seeking to address the pay differential:**

The Council is transparently opposed to discrimination in any form and our Elected Members and employees work to ensure that everyone in the communities we serve have access to and benefit from the full range of services, regardless of their individual circumstances or backgrounds. The Council is committed to doing all that it can to respect the diverse nature of those who live in, work in and visit the County Borough.

The different areas covered by the Council's legal requirements, called "protected characteristics" which include gender and other, wider equalities, human rights and language strands are covered in detail in the Council's Strategic Equality Plan [Strategic Equality Plan 2016 - 2020](#)

This link will take you to the Council's third Strategic Equality Plan (2016 – 2020). This plan followed a pilot version in 2011-2012 and four years of implementing a full plan from April 2012 to March 2016. The Council's fourth Strategic Equality Plan (2020 – 2024) is currently out for consultation and will be submitted to Council for ratification in April 2020.

The Council has developed and will continue to develop policies, procedures and programmes of action to meet its legal and moral obligations in the area of equal opportunities and is committed to equal opportunities in all aspects of employments. The Council takes positive steps to reduce any disadvantage experienced by all individuals and groups. It recognises that equalities contribute to the most effective utilisation of employee skills and abilities.

The Council pays its workforce the living wage foundation minimum hourly rate of pay, to support some of its lowest paid members of staff across all directorates of the Council, i.e. £9.00 per hour as at 31<sup>st</sup> March 2019.

The Council has invested heavily in creating a non-discriminatory, transparent pay and grading structure and conditions of service that fully comply with the Equal Pay Act and any other anti-discriminatory legislation.

The Council has over many years, ensured a gender balance on appointment panels, carried out name anonymous recruitment, supported apprenticeships and joint partnerships working in the provision of its services including Inspire 2 work and the Nurture, Equip, Thrive Scheme.

The Council is committed to ensuring that employees have the right skills, knowledge and experience to carry out their roles and develop to fulfil their potential. The Council is committed to developing its current and future leaders through its ambitious and collaborative transformation agenda. This an inclusive agenda but not gender specific as females significantly outnumber males in all grades of the Council's pay and grading structures, which include:

- NJC for Local Government Services Staff (Grades 1 through to 12),
- HAY (Chief Officers),
- Soulbury (Education Advisers/Education Psychologists) and,
- Teachers

Both men and women want to find a balance between work, leisure, family and caring responsibilities. Flexible working and agile working methodologies are intrinsic in supporting the reduction of the gender pay gap. The Council offers numerous benefits aimed at making it easier for employees to balance home and work life commitments including agile working opportunities, flexible working, home working, career breaks, adoption leave, carers leave, a flexible working hours scheme, salary sacrifice and childcare voucher schemes, job share, leave of absence, parental, shared parental and paternity leave, part time working, shift/day swapping and term time only working opportunities.

The Council is working consistently to close its Gender Pay Gap and no employer can afford to be complacent. Whilst the Council continues to deliver diverse services with a very high concentration of part time posts in the lower earnings quartile however, the opportunity to close this gap based on the number of females currently occupying said posts, will be limited.

The Council is committed to ensuring equality of opportunity in all aspects of employment and service delivery as outlined in its Strategic Equality Plan and recognises that people have different needs, requirements and goals. The Council works actively against all forms of discrimination by promoting good relations and mutual respect within and between our communities, residents, elected members, job applicants and workforce.

Please take the time to read the progress that the Council has made across all aspects of our equalities work.

