



## **CABINET - 27TH MARCH 2019**

**SUBJECT: PUBLICATION OF GENDER PAY GAP DATA – 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.

### **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 2018.

#### **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. The snapshot data used for this exercise confirms that the vast majority of part time posts are held by females and that these are the posts that attract salaries in the lower quartiles. Our gender pay gap is reflective of the causes of gender pay gap at a societal level.

#### **6. ASSUMPTIONS**

- 6.1 There are no assumptions made within this report.

#### **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.

## **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 7.4% and the median gap is 11.7%. 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 Last year's figures were 8.9% and 8.6% respectively and the difference is due to an increased number of part time females in the lower quartile posts.

9.3 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.

9.4 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 2018 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.

Author: Lynne Donovan, Head of People Services  
Consultees: Cllr Colin Gordon, Cabinet Member for Corporate Services  
Christina HARRY, Interim Chief Executive  
Richard Edmunds, Corporate Director – Education and Corporate Services  
David Street, Corporate Director – Social Services and Housing  
Mark S. Williams, Corporate Director – Communities  
Nicole Scammell, Head of Corporate Finance and S15a1 Officer  
Robert Tranter, Head of Legal Services and Monitoring Officer  
Lisa Downey, Acting HR Service Manager  
Shaun Watkins, Acting HR Service Manager  
Anwen Cullinane, Senior Policy Officer, Equalities, Welsh Language and Consultation

Appendices:  
Appendix 1 Written Statement – Gender Pay Gap 2018

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## GENDER PAY GAP STATEMENT 2018

### 1 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 will 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 2018. The regulations also require employers to calculate and publish a separate gender bonus pay gap report. The Council however has no bonus schemes 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 deemed to be of equal value. The identification of a gender pay gap however provides a trigger for further investigation about the reasons why the 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.

### 2 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 2010. This is a broad definition which includes zero hours' workers, apprentices and self-employed people.

Whilst the Council does not employ workers on zero hour's contracts, it does employ people on casual/supply contracts and these are included in the data.

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 2018.

Total Number of Employees included in this data: 6848

Number of Females: 4820 (70.4%)

Number of Males: 2028 (29.6%)

	%
1. Mean gender pay gap - Ordinary pay	7.4%
2. Mean hourly Rate - Ordinary pay (Male/Female)	(£12.29 / £11.38)
3. Median gender pay gap - Ordinary pay	11.7%
4. Median hourly rate - Ordinary Pay (Male/Female)	(£11.38 / £10.05)
3. Mean gender pay gap - Bonus pay in the 12 months ending 31 March	0%
4. Median gender pay gap - Bonus pay in the 12 months ending 31 March	0%
5. The proportion of male and female employees paid a bonus in the 12 months ending 31 March:	Male 0 Female 0

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

Quartile	Female % (People)	Male % (People)
<b>First (lower) quartile</b> <b>(£7.83 - £8.75)</b>	82% (1403)	18% (309)
<b>Second quartile</b> <b>(£8.76 - £10.43)</b>	72.1% (1235)	27.9% (477)
<b>Third quartile</b> <b>(£10.44 - £12.71)</b>	62.8% (1075)	37.2% (637)
<b>Fourth (upper) quartile</b> <b>(£12.72 - £74.61)</b>	64.7% (1107)	35.3% (605)

### 3. 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 15.23% of the 2028 employed occupy posts in the lower quartile, 23.52% in the 2nd quartile, 31.41% in the 3rd quartile and 29.83% in the 4th quartile.

This compares to 29.1% of the 4820 pure female population of the workforce that occupy posts in the lower quartile, 25.62% in the 2nd quartile, 22.3% in the 3rd quartile and 23% in the fourth 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. It is a fact within this data that the vast majority of part time posts are held by females and that these are the posts that attract salaries in the lower quartiles.

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 <http://www.caerphilly.gov.uk/My-Council/Strategies,-plans-and-policies/Equalities/Strategic-Equality-Plan.aspx>. 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 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 employment. 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 became the first Welsh Local Authority to pay its workforce a living wage in October 2012, to support some of its lowest paid members of staff across all

directorates of the Council. It 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. All employees of the Council receive at the very least the current foundation Living Wage rate. As at 31 March 2018, this was £8.75 per hour. You will note in the data quoted that our lowest hourly rate is £7.83 per hour. This rate applies to the lowest paid apprenticeship position in the Council in March 2018.

Using the GLPC Job Evaluation Scheme to determine the relative size of all posts, the Council is confident that all employees are paid on an objective and consistent assessment of the key factors of their job. The Council's pay structure incorporating grades 1 to 12 was developed to eliminate bias and discrimination by showing that all jobs have been treated in the same way and to ensure that employees are paid fairly and equally for equal work. The Council uses the national HAY evaluation process to determine the pay grade of Chief Officer Posts.

The Council has over many years, ensured a gender balance on appointment panels, carried out name anonymous recruitment, supported apprenticeships and joint partnership 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. All new employees take an on the job induction within the first 6 months of starting in the post and an in-house Corporate Learning and Development Programme is available to all employees offering a wide selection of courses. An annual Performance Development Review (PDR) provides an opportunity for employees to discuss their job in depth with their manager and identify how their learning and development needs will be met.

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 childcare voucher scheme, job share, leave of absence, parental, shared parental and paternity leave, part-time working, shift/day swapping and term-time working opportunities.

The Council is working consistently to close its Gender Pay Gap and no employer can afford to be complacent. The Council is committed to ensuring equality of opportunity in all aspects of employment and service delivery as outlined in its Strategic Equality Plan.

#### **4. CLOSING THE GENDER PAY GAP**

The Council has committed to the following in its Strategic Equality Plan over the period 2016 - 2020:



- To exercise its community leadership role in order to promote equality and good relations within and between all communities in the area so that all residents of, workers in and visitors to the area feel confident they are in an environment that is free of any prejudice and discrimination;
- To ensure that the consequences of all new and updated policies and initiatives on specific groups are considered during the Council's consultation and decision-making processes in order to ensure that all policies, processes, assumptions and practices that may lead to discrimination have been eliminated;
- To carry out comprehensive Equality Assessments on all corporate policies that form part of the Council's policy framework. Further details regarding equalities can be found on the Council's website at [www.caerphilly.gov.uk/equalities](http://www.caerphilly.gov.uk/equalities)
- To ensure that for the Council to meet its legal duties, all service areas must develop and implement Equalities and Welsh Language Actions and targets in line with the agreed corporate objectives;
- To work in partnership with stakeholders and communities to ensure that all consultation exercises undertaken support the Council's equality objectives;
- To promote equality of opportunity and fair treatment in employment and training and to ensure equal pay for work of equal value;
- Have a workforce that reflects the diversity of its communities and to support staff members to be who they are in the workplace and provide them with working environment in which they can develop professionally;
- Help and support members of the public and staff who face harassment and to take appropriate action against perpetrators where possible;
- Publish a comprehensive annual report and supplementary information to allow the public, partner organisations and all stakeholders to be fully informed and updated on the Council's progress in terms of its Equalities Objectives and action plans.

## 5 CONCLUSION

The Council recognises that people have different needs, requirements and goals and we are working 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 time to read the progress that the Council has made across all aspects of our equalities work:

<https://www.caerphilly.gov.uk/CaerphillyDocs/Equalities/StrategicEqualityPlanAnnualReport20172018.aspx>

Signature(s)