

## POLICY & FINANCE COMMITTEE

28 JUNE 2018

### EQUALITIES UPDATE

#### **1.0 Purpose of Report**

- 1.1 To provide Members with an update on the progress made over the last year towards the Council's corporate equalities objectives and gender pay gap information.

#### **2.0 Background Information**

- 2.1 In 2016 the Council adopted its latest Equality and Diversity Strategy which sets out the Council's commitment on how it plans to meet the duties placed upon it by equality legislation. The Equality Act 2010 defines nine protected characteristics and specific duties for public authorities as outlined below. The Council's corporate equality objectives for 2016 – 2020 are:

Equality Objective 1: In delivering the Council's priorities and themes, we will have due regard to equalities implications through leadership, partnership and organisational commitment.

Equality Objective 2: To improve our services by better understanding our communities through the collection and analysis of information, and engaging with partners to share as appropriate.

Equality Objective 3: To ensure our services are accessible to meet the needs of our citizens.

Equality Objective 4: As an employer, promote an inclusive working environment to maintain and develop a modern and diverse workforce.

- 2.2 Equality and diversity forms an integral part of the Council's strategic aims and objectives. Our key priorities of Prosperity, People, Place and Public Service have equalities issues cutting through all of them. The Council's priorities include a range of activities that will help address inequalities and support vulnerable groups. By implementing our key priorities and equality objectives we endeavour to embed equalities in how we allocate resources, comply with our public duties, undertake service planning, engage with our communities and plan and monitor our services.

#### **3.0 The Equalities Act 2010**

- 3.1 As a public authority, the Council is required to have due regard to the need to:

**Eliminate unlawful discrimination**, harassment and victimisation;

**Advance equality of opportunity** between persons who share a relevant protected characteristic and persons who do not share it; and

**Foster good relations** between persons who share a relevant protected characteristic and persons who do not share it.

- 3.2 The Public Sector Equality Duty covers the following protected characteristics:

- Age;
- Disability;

- Gender re-assignment;
- Pregnancy and maternity;
- Race – this includes ethnic or national origins, colour or nationality;
- Religion or belief – this includes lack of belief;
- Sex;
- Sexual orientation.

It also applies to marriage and civil partnership, but only in respect of the requirement to have due regard to the need to eliminate discrimination.

3.3 Having ***due regard*** means consciously thinking about the three aims of the Equality Duty as part of the process of decision-making. This means that consideration of equality issues must influence the decisions reached in terms of:

- how we act as an employer;
- how we develop, evaluate and review policy;
- how we design, deliver and evaluate services; and
- how we commission and procure from others.

3.4 Having due regard to the need to ***advance equality of opportunity*** involves considering the need to:

- remove or minimise disadvantages suffered by people due to their protected characteristics;
- meet the needs of people with protected characteristics; and
- encourage people with protected characteristics to participate in public life or in other activities where their participation is low.

***Fostering good relations*** involves tackling prejudice and promoting understanding between people who share a protected characteristic and others.

3.5 As a local authority we also have a duty to collect and publish information on service users and our communities with regards to the protected characteristics and consider the impact of the decisions that we make on people with protected characteristics.

#### **4.0 What the Council is Doing and Summary of Work Planned Over the Next 12 Months:**

4.1 The Council has a number of projects, initiatives and work streams that contribute to the Equality and Diversity Strategy, which are managed through an officer corporate equalities working group.

4.2 One of the key pieces of work over the last 12 months has been to:

- deliver equalities based briefing sessions tailored to the needs of all staff including reference to, and improved understanding of, the Council's Equality and Diversity Strategy and Objectives as well as an understanding of the Council's and employees obligations under the Equality Act. This programme is ongoing with further sessions planned for this year. 71% of Castle House staff has now completed the sessions and these will be extended to include all staff.

4.3 To ensure our ongoing compliance with the Equalities Act and an understanding of how our services meet the Act, equalities work will continue to be actioned and reviewed. Along with a review of the current documentation a summary of the actions to be completed over the forthcoming year are included below:

- delivering ongoing equalities based briefing sessions tailored to the needs of all staff including reference to, and improved understanding of, the Council's Equality and Diversity Strategy and Objectives
- continuing to integrate Corporate Equality Objectives into Business Unit Action Plans
- providing equality and diversity training through e-learning 'PageTiger' linked to an online Equality and Diversity Certificate [ACAS];
- develop Gypsy Roma Traveller awareness training
- identify and support staff to act as equality champions;
- promotion of specific equality based days e.g. Holocaust Memorial Day;
- Supporting Member and Business Manager awareness of equality and diversity related issues with particular reference to equality implications relating to policy decisions contained within committee reports to demonstrate that the Council is paying 'due regard' to equality issues.

## **5.0 Measuring the Gender Pay Gap**

5.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all employers with more than 250 employees to report the following information on an annual basis:

- the difference between the mean and median average hourly rate of pay for male and female employees;
- the proportion of men and women in each quartile of the pay bands;
- the gender pay gap for any bonuses paid out during the year.

(Council does not pay bonuses and therefore there are no figures to report in this regard).

This report provides to the Committee the Council's first published results at the 'snapshot' date of 31 March 2017. The results have been published on the Council's public website and on the Government dedicated Gender pay gap reporting website.

## **5.2 Workforce Profile**

On the 'snapshot' date of 31 March 2017 there were 391 employees; 203 females, representing 52.5% of the workforce, and 188 males representing 47.5 % of the workforce.

## **5.3 Our Gender Pay Gap**

The data set out in this report has been calculated using the standard methodologies referenced in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This includes calculating an hourly rate for all staff paid on the snapshot date (31 March 2017) using ordinary pay.

Ordinary pay includes: basic pay; allowances such as market supplements; shift pay, on-call and stand-by allowances. Payments that are excluded are: payments for overtime; redundancy payments and sums relating to termination of employment. Also excluded are employees on reduced pay due to family or sick leave.

- 5.4 The **gender pay gap** is based on the difference between the average hourly pay received by men and women across the Council. We are required to report two measures for this purpose the **mean** and the **median** gender pay gap.

**MEAN** – The mean is calculated by adding up the total salary for each gender (e.g. females) and then dividing the result by the number of female employees. We have calculated the mean average for both men’s and women’s hourly pay and have included the percentage difference below.

**MEDIAN** - The median is calculated by producing a list of salaries in numerical order for each gender. The median is determined by identifying the middle number for each gender. We calculate the median for both men’s and women’s hourly pay and report the percentage difference. The median gender pay gap removes any influences of very high and very low pay.

Hourly Rate	Men	Women	% Difference
Mean	£13.23	£12.25	7.4%
Median	£10.33	£10.33	0%

5.5. Our Quartile Pay

The quartile data shows the Council’s workforce divided into four equal sized groups based on calculated hourly rates of pay. Each quartile is made up of 25% of the workforce. The lower quartile includes employees in receipt of the lowest pay. The upper quartile represents those in receipt of the highest pay. Our pay quartiles by gender are listed below:

QUARTILE	Men	Women	Number of Men	Number of Women	Total
Lower Quartile	46%	54%	45	53	98
Lower Middle Quartile	52%	48%	51	47	98
Upper Middle Quartile	37%	63%	36	62	98
Upper Quartile	58%	42%	56	41	97

5.6 Analysis

Following completion of the review it is noted that the Gender Pay Gap for the Council is relatively small at 7.4% which means that on average men are paid 98p more per hour than women. The median is the same for both men and women at £10.33 per hour.

The lower two quartiles have broadly similar numbers in terms of men and women although women occupy more posts that fall within the lower quartile. Many of the jobs included in the lower pay scales are lower skilled and occupied by part time employees.

The upper middle quartile shows a greater disparity with a higher percentage of women than men.

There are a higher proportion of men who fall within the top quartile and are in receipt of the highest levels of pay.

The Equality Act 2010 requires that men and women must receive equal pay for the same or broadly similar work or work of equal value. In line with this we have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex, or any other characteristic. We do this through the use of a job evaluation scheme which robustly evaluates job roles and pay grades to ensure a fair and transparent pay structure.

The Council is therefore confident that the 7.4% Gender Pay Gap does not stem from paying men and women differently for the same, broadly similar or equivalent work/work of equal value; it is as a result of the type of roles in which men and women work within the Council and the salaries that these roles, having been evaluated, attract.

#### 5.7 Actions to Further Reduce the Gender Pay Gap

Although the Council's gender pay gap is relatively small, over the coming months we will be taking a more detailed look at the gender pay gap data to determine what actions could be taken to have a positive impact and help further reduce the gap.

The following are areas for consideration:

- Our Recruitment processes
- Succession planning/career development

Due consideration will also need to be given to any possible impact on the gender pay gap as a result of any new grading structure introduced as a result of the 2019 NJC pay award.

#### 6.0 Equalities Implications

6.1 This report is predominantly for information purposes and details the progress made in achieving the Council's Corporate Equality Objectives. A full Equality Impact Assessment was undertaken prior to the Corporate Equality Strategy 2016 – 2020 being agreed. Equalities Actions identified in this report support agreed Corporate Equality Objectives and aim to ensure Equality and Diversity issues are integral to the Council's performance and strategic aims as well as ensuring that there is a strong vision and public commitment to equality across services. The Gender Pay Gap Report should have positive impact on equality and diversity in terms of putting in place developing actions with the aim of reducing the gender pay gap.

#### 7.0 Impact on Budget/Policy Framework

7.1 Funding for the actions identified in this report can be found from within existing budgets.

**8.0 RECOMMENDATIONS that:**

- a) the report and the progress made against the Council's equality and diversity objectives be noted; and
- b) the Committee note the outcomes and findings of the Gender Equality Pay Gap report.

**Reason for Recommendations**

**To keep Members informed of progress made against the objectives included within the Council's adopted Equality and Diversity Strategy and the Gender Pay Gap Report.**

**Background Papers**

Newark and Sherwood District Council Equality and Diversity Strategy 2016-2020

For further information, please contact Ben Adams on Ext 5232 /Tracey Mellors on Ext 5219/John Bullock on Ext 5817.

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