

**Report for:** Staffing and Remuneration Committee

**Item number:**

**Title:** Gender Pay Gap Reporting

**Report**

**authorised by:** Mark Rudd - Assistant Director for Corporate Resources

**Lead Officer:** Ian Morgan - Reward Strategy Manager

**Ward(s) affected:** N/A

**Report for Key/**

**Non Key Decision:** N/A

**1. Describe the issue under consideration**

- 1.1 As a public authority which has 250 or more employees, the Council is required by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 to report publicly every year on the differences in aggregate pay and bonuses of men and women. This is known as Gender Pay Gap Reporting.
- 1.2 Gender Pay Gap is concerned with variances in the average earnings of men and women, regardless of role or seniority. It is a broader measure of capturing any pay inequalities from variances in the sorts of jobs performed by men and women and the gender composition of our workforce by seniority.
- 1.3 The attached Gender Pay Gap Data Analysis provides an update due for publication in March 2019.

**2. Cabinet Member Introduction**

- 2.1 Not required for the Staffing and Remuneration Committee.

**3. Recommendations**

- 3.1. To note the results of the Gender Pay Gap report before we report on the government portal and to be aware that following publication the Council may receive both external and internal interest in the data.

**4. Reason for decision**

- 4.1. The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 sets out that the gender pay gap report for public authorities, which have 250 or more employees on the 31<sup>st</sup> March 2018, is required to be published no later than 30<sup>th</sup> March 2019. The report must be based on data as at 31<sup>st</sup> March 2018.

**5. Alternative options considered**

- 5.1. Not Applicable

**6. Background information**

- 6.1. The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all public authorities with 250 or more employees to prepare and publish specific figures regarding their Gender Pay Gap.
- 6.2. Under this legislation, the Council is obliged to report publicly every year on the differences in aggregate pay and bonuses of men and women.
- 6.3. Gender Pay Gap is concerned with variances in the average earnings of men and women, regardless of role or seniority. This is different to equal pay which deals with the pay differences between men and women who carry out the same or similar jobs (paying men and women differently for the same job has been prohibited by equal pay legislation since 1975).
- 6.4. Gender pay gaps do not automatically mean there are equal pay issues and the absence of pay gaps does not rule out potential equal pay problems. In fact, the causes of the gender pay gap are varied and overlapping often originating outside of the workplace, such as stereotypical representations of men and women and standards in careers advice and guidance.
- 6.5. The Gender Pay Gap captures not only issues within organisations but also any pay inequalities resulting from variances in the sorts of jobs performed by both men and women and the gender composition of the workforce by seniority.
- 6.6. The Council are required to publish figures confirming the following:
  - 6.6.1. Gender pay gap in mean hourly pay
  - 6.6.2. Gender pay gap in median hourly pay
  - 6.6.3. Mean bonus pay gender pay gap
  - 6.6.4. Median bonus pay gender pay gap
  - 6.6.5. Proportion of males and females receiving bonus pay
  - 6.6.6. Proportion of males and females in each quartile pay band
- 6.7. From undertaking the relevant calculations we can confirm the following findings:
  - 6.7.1. There is a slight difference of 3.9% (£0.75p) in the mean hourly rate of pay of males and females. When comparing this to last year's return there has been a minor increase of 2.9%. As this is a variance of less than +/- 5% it is not considered statistically significant by the Equality and Human Rights Commission.
  - 6.7.2. The median hourly rate of pay for both men and women is the same, at £17.03 per hour. This hourly rate is equivalent to PO1 spinal point 34, which correlates with our median annual salary illustrated in our annual Pay Policy Statement.
  - 6.7.3. The Council does not operate a bonus payment scheme and therefore does not have a gender pay gap for this. A return of 0% has been recorded against this.
  - 6.7.4. There have been no significant changes to the profile of the organisation or changes in our approach to pay and grading during the period since the last gender pay gap analysis. The results are sensitive to the changes in personnel over that time and our staff turnover for the same period was approximately 13% which, together with attrition within the pay scales, accounts for the slight variation for March 2018

- 6.7.5. We do not foresee any major issues or risks arising from publishing our Gender Pay Gap data, as it appears that we do not have a high Gender Pay Gap.
- 6.7.6. Full details of the Council's Gender Pay Gap can be found in Appendix A.
- 6.7.7. Details of last year's analysis is shown in Appendix B.
- 6.8. To follow are possible risks and issues that could arise following on from the publication of the Council's Gender Pay Gap reporting:
  - 6.8.1 It is a legal requirement for all relevant employers to publish figures regarding their gender pay gap. Failing to report within one year of the snapshot date is unlawful. The Equality and Human Rights Commission has the authority to enforce any failure to comply with regulations. Moreover, not reporting or reporting a significant gap in pay figures may lead to reputational damage for the Council and issues attracting talent.
  - 6.8.2 If a significant gender pay gap is identified, the Council could be faced with a rise in claims stemming from perceived gender pay discrimination

## **7. Contribution to strategic outcomes**

- 7.1 Gender Pay Gap Reporting will need to be produced yearly in order to comply with the requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

## **8. Statutory Officers' comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

### **8.1 Assistant Director of Corporate Governance Comments**

The requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, as they relate to the Council, are set out in the body of the report.

### **8.2 Chief Finance Officer Comments**

There are no financial implications arising from this report.

### **8.3 Equalities Comments**

The Council has a public sector equality duty under the Equality Act 2010 to have due regard to the need to:

- 8.3.1 Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act.
- 8.3.2 Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it;
- 8.3.3 Foster good relations between people who share a relevant protected characteristic and people who do not share it;

8.3.4 The public sector equality duty covers those with 'relevant protected characteristics': age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation. The duty to have due regard to the need to eliminate discrimination also covers marriage and civil partnerships in relation to employment issues.

## **9 Use of Appendices**

9.1 Appendix A - Haringey Council's 2018 Gender Pay Gap Data Analysis

9.2 Appendix B – Haringey Council's 2017 Gender Pay Gap Data Analysis

## **10 Local Government (Access to Information) Act 1985**

Not Applicable