

**Report for:** Staffing & Remuneration Committee

**Item number:** 9

**Title:** Gender Pay Gap Reporting

**Report authorised by:** Richard Grice - Director Transformation & Resources

**Lead Officer:** Ian Morgan - Reward Strategy Manager, Human Resources

**Ward(s) affected:** All

**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 not only if any equal pay issues exist within the Council, but also any pay inequalities resulting from variances in the sorts of jobs performed by men and women and the gender composition of our workforce by seniority.
- 1.3 This is the first report being submitted to the Staffing and Remuneration Committee, which is based on preliminary results, in order to prepare and inform the Council on what Gender Pay Gap Reporting is and what we need to do as part of this exercise. We will be reporting back yearly on the Council's Gender Pay Gap.

## **2 Cabinet Member Introduction**

Not required for the Staffing and Remuneration Committee.

## **3 Recommendations**

- 3.1 To note the preliminary results of the Gender Pay Gap report and that the final report will be published as required by 30<sup>th</sup> March 2018.

#### 4 Reason for Decision

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

#### 5 Alternative Options Considered

N/A

#### 6 Background information

6.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 require all public authorities with 250 or more employees to prepare and publish data regarding their Gender Pay Gap.

6.2 Under this legislation the Council is obliged to ensure the following is completed:

- To report our data to the gov.uk website
- To publish our gender pay gap report on the Council's external website making it accessible to all its employees and to the public. The report must be available on the external website for at least three years beginning with the date of publication. The first report must be published no later than 30<sup>th</sup> March 2018

6.3 The Council will need to publish figures confirming the following:

- Gender pay gap in mean hourly pay
- Gender pay gap in median hourly pay
- Mean bonus pay gender pay gap
- Median bonus pay gender pay gap
- Proportion of males and females receiving bonus pay
- Proportion of males and females in each quartile pay band

6.4 The calculations for the above are worked out as follows:

| Calculation                                | Explanation   |
|--|---|
| <b>Gender Pay Gap in Mean Hourly Pay</b>   | Difference between the mean hourly rate of pay of male full-pay relevant employees and female full-pay relevant employees .           |
| <b>Gender Pay Gap in Median Hourly Pay</b> | Difference between the median hourly rate of pay of male full-pay relevant employees and female full -pay relevant employees.         |
| <b>Mean Bonus Pay Gender Pay Gap</b>       | Difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.                     |
| <b>Median Bonus Pay Gender Pay Gap</b>     | Difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.                   |
| <b>Bonus Pay</b>                           | The proportions of male and female relevant employees who were paid bonus pay during the relevant period.                             |
| <b>Quartile Pay Bands</b>                  | The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands. |

6.5 To prepare the Council for this publication we have carried out a preliminary Gender Pay Gap report to ensure that:

- We understand the data requirements and that the data is obtainable from our payroll system.
- To identify any shortfalls in our data set and how information might be obtained otherwise.
- To understand what the data is telling us and to prepare our response and communication accordingly.

6.6 The following is a list of risks and issues that could arise following on from Gender Pay Gap reporting:

- The new rules on reporting are compulsory. The Equality and Human Rights Commission will be responsible for monitoring how public bodies are complying with the gender pay gap reporting requirements, and can take enforcement action. This means it can issue a compliance notice to a public body that it believes is failing to comply with the requirements, and ultimately it can apply to the courts for a compliance order. Moreover, not reporting or reporting a significant gap in pay figures may lead to reputational damage for the Council and issues attracting talent.
- If the Council cannot demonstrate that it is paying men and women equally for doing the same/ comparable job, then it may find itself in breach of the equal pay provisions of the Equality Act 2010.
- If a gender pay gap is identified, the Council could be faced with a rise in claims stemming from perceived gender pay discrimination.

6.7 From the preliminary exercise we have undertaken we can confirm the following findings:

- The median hourly rate of pay for both men and women are the same.
- There is a slight difference of 3.1% in the mean hourly rate of pay of men and women. A variance of less than +/-5% is considered negligible. Full details can be found in Appendix A.

## **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

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

There are no financial implications arising from this report.

## 8.3 Equalities

- The Council has a public sector equality duty under the Equality Act 2010 to have due regard to the need to: eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act; advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it; foster good relations between people who share a relevant protected characteristic and people who do not share it.
- A “relevant protected characteristic” is age, disability, gender reassignment, pregnancy and maternity, race, marriage or civil partnership, religion or belief, sex (formerly gender), and sexual orientation.
- A preliminary Gender Pay Gap report has been produced as shown in Appendix A. Whilst the report illustrates that there is a slight disparity between the mean hourly rate of males and females of 3.1%, a % variance of +/- 5% would be considered negligible. Going forward the Council will monitor this variance and will publish up to date information annually as required under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

## 9 Use of appendices

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

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