

East Herts Council - Gender Pay Gap Report 2020

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Introduction

In 2017 the government introduced legislation that made it statutory for organisations with 250 or more employees to report on their gender pay gap by 30 March 2018 and annually thereafter. East Herts Council published its first gender pay gap report in March 2018.

The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation. It is expressed as a percentage of men's earnings.

The data the council is required to provide includes mean and median pay gaps; mean and median bonus gaps; the proportion of male and female employees who received bonuses; and the proportion of male and female employees in each pay quartile.

The gender pay gap is different from equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

This is East Herts Council's report for the required snapshot date of 31 March 2020.

The figures set out in this report have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Review of action plan

In our last gender pay report published in January 2020 we set several actions to reduce our gender pay gap. Here we report our progress for each area.

We said we would:

Explore using a range of case studies on the jobs and careers page on our website to encourage diversity. These will include men in roles in the lower quartiles (especially in Customer Services and Administration) and higher graded female employees.

Our progress:

- Due to the reprioritisation of work in the HR and Communications teams as a result of the COVID-19 pandemic this action was not progressed in 2020 but will be progressed in 2021 with our Communications team Work with the aim of building a set of varied staff case studies that demonstrate diversity in our workforce and use them as part of our recruitment literature.

We said we would:

Explore making it a requirement that selection panels always have both genders but it would be difficult to include BAME and Disabled in every panel based on current numbers. Managers who have been recruitment trained will put on a shared Recruitment Panel List available in the intranet to allow more flexible support across services and to provide greater balance on panels. The list will also allow any gaps to be identified and actioned.

Our progress:

- The Leadership Team decided not to make it a requirement that selection panels always have both genders as this would be challenging but each interview panel chair is expected to give consideration to the diversity of the interview panel and where possible try to ensure the panel is diverse. Where this is not possible we ask managers to try to ensure that other elements of the panel show staff diversity, for example 'meet the team' sessions to demonstrate the diversity at East Herts and to appear as welcoming as possible to applicants of all backgrounds. HR are prompting managers to consider the diversity of the panel and involvement of the wider team in the process to present a more welcoming message to diverse applicants. The recruitment policy will be revised in May 2021 and will set out these requirements. In 2021/22 all managers will be trained in recruitment and selection as part of a new management training programme. There is also a section in our recruitment literature welcoming diversity which states:

However you identify yourself, whatever community you come from, we want the skills and commitment you have to bring. We want to work with you as an individual to help plan and support your career growth at East Herts. We're determined to break down barriers. We want East Herts to be a great place to work, learn and be able to contribute for everybody.

We said we would:

Continue to issue the unconscious bias guidance from HR will continue to be issued to each recruitment panel. HR Officers will also provide briefings to recruiting staff who are new to recruitment at East Herts to ensure they are clear on EHC processes and sufficiently trained to be part of a panel. This will be in addition to recruitment training which will only run when there are sufficient numbers to ensure all panel members are suitable before being on a panel and to allow training elsewhere to be recognised and built upon.

Our progress:

- We have continued to issue the unconscious bias guidance with all shortlisting packs and HR Officers have provided briefing sessions to new managers as outlined. In November 2020 unconscious bias training was embedded into the general equality and diversity training e-learning that all staff are required to complete on an annual basis.

We said we would:

Make improvements to the shortlisting form and selection decision form to make it more user friendly and increase timely completions. This will help increase the data available for analysis.

Our progress:

- We have made improvements to the shortlisting form and selection decision form and made it mandatory for all shortlisting forms to be returned before a conditional offer letter is sent out. This has had a very positive impact on the data available for analysis.

We said we would:

Explore an increased range of apprentices from different service areas to try and attract males into the organisation at the lower pay grades and create progression routes/career paths for these apprentice roles where possible to retain the investment and skills within the organisation.

Our progress:

- We have continued to focus on hard to recruit areas for apprentices and during this period this has focused on Planning. We have taken on two further apprentices but progress has been slowed by the pandemic, budget constraints, and the Planning framework no longer being available. East Herts Council is currently focusing on apprentices in Customer Services which will allow apprentices to have exposure to a wide range of areas in the council in which to progress to. We will always choose apprentices on merit but the Customer Services route should be attractive to both female and male candidates, in part due to the wide range of progression options available.

Gender Pay Gap Analysis

Mean and Median Gender Pay Gap Figures

Table 1.0 shows that the council's mean gender pay gap is 15% and the median gender pay gap is 19%. Table 2.0 shows that there is no bonus pay gap as the council does not make bonus payments.

Table 1.0 Gender pay gap

	Gender pay gap 2020	Gender pay gap 2019	+/- percentage points
Mean (Average)	15%	15%	-
Median (Middle)	17%	19%	-2%

Table 2.0 Gender bonus gap

	Gender bonus gap 2019	Gender bonus gap 2018
Mean (Average)	0%	0%
Median (Middle)	0%	0%

Table 3.0 Proportion of employees receiving a bonus

Proportion of employees receiving a bonus	
Men	0%
Women	0%

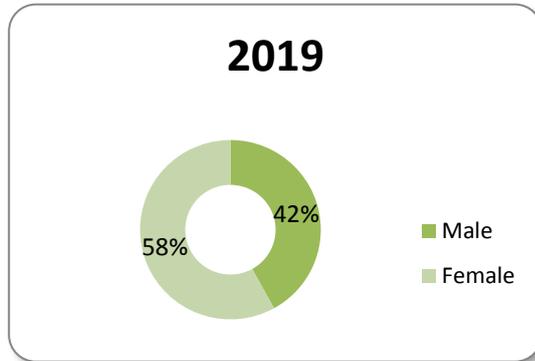
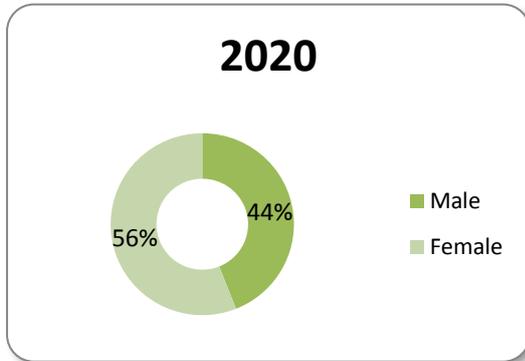
The council's mean gender pay gap is slightly less than median gender pay gap because there are more women than men employed in senior roles and the mean is more skewed by these extremes. The median figure represents the 'typical' man or woman (i.e. the man/woman in the middle of the male/female pay range) and is higher because of the greater proportion of men in the upper pay quartiles compared with lower pay quartiles, and a greater proportion of women in the lower pay quartiles compared with the upper pay quartiles.

The mean gender gap has remained the same as 2019 and the median gender pay gap has decreased by 2 percentage points from the 2019 figures. The median pay figure for women has increased slightly more than the median pay figure for men, which has reduced the gap. There has been an increase in men at the council since last year's report; an increase of 12 from 90 to 102 whereas the number of women has remained the same at 246. There is an increase in men at some of the lower grades which has caused the mid-point to come close to the mid-point for women. This is good news and reflects some of the changes we have implemented to increase the number of men across the lower grades. However, as the number of men employed by the council overall is low, the numbers have only changed marginally but this has affected the median due to the small sample size.

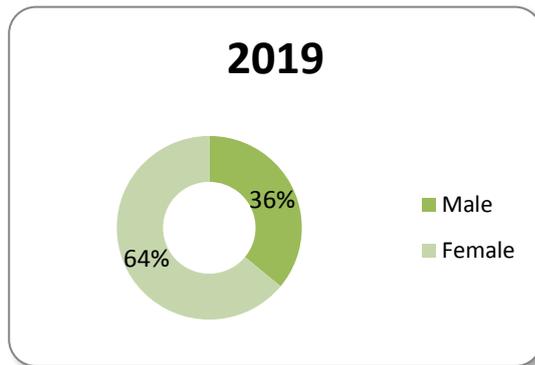
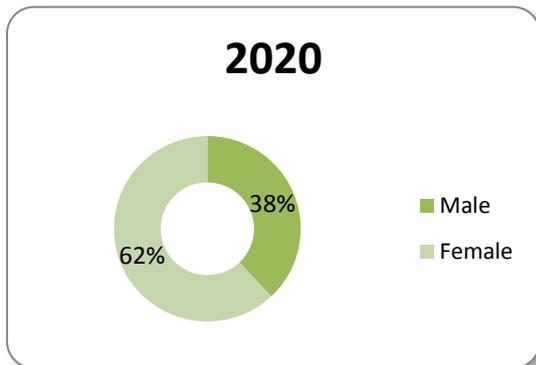
The council is committed to the principle of equal opportunities and equal treatment for all employees. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other protected characteristic). As such, we have a pay and grading structure agreed with Unison; have a published pay policy statement and evaluate all jobs using the HAY job evaluation method. The council is confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work.

Pay quartiles

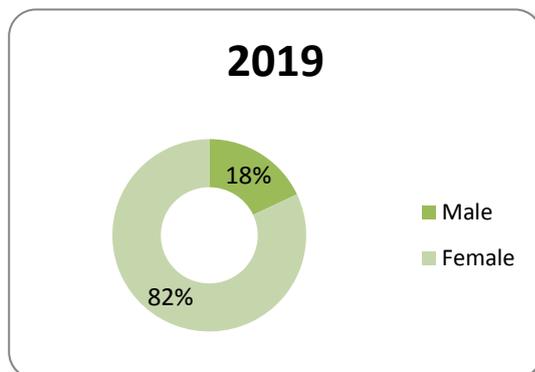
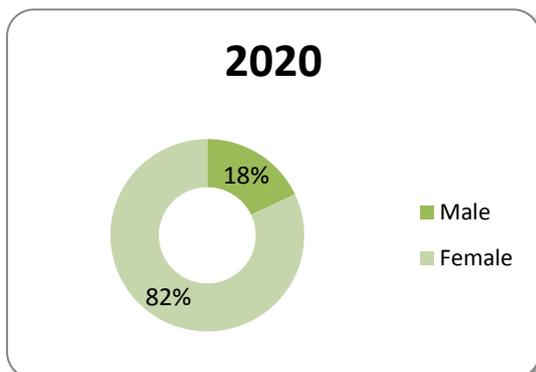
Quartile 1 (upper quartile)



Quartile 2 (upper middle quartile)



Quartile 3 (lower middle quartile)



Quartile 4 (lower quartile)

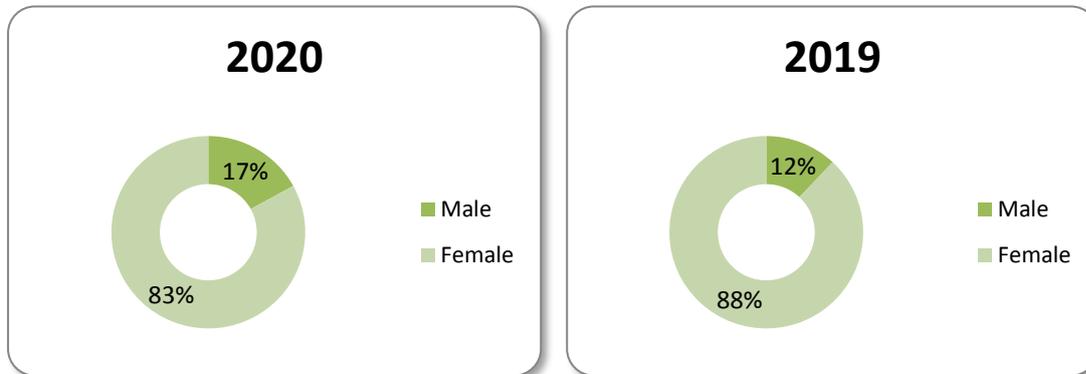


Figure 1.0 Pay quartiles by gender

Figure 1.0 above depicts pay quartiles by gender. This shows the council's workforce divided into four equal-sized groups based on hourly pay rates, with Q1 including the highest-paid 25% of employees (the upper quartile) and Q4 covering the lowest-paid 25% (the lower quartile). In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each quartile.

Given that 71% of the council's workforce is female, women outnumber men at every quartile. However, this year there has been an increase in men from 90 to 102, whereas the number of women remains the same at 246. The data shows increases in the percentage of men in Q1, Q2 and Q4 and the percentage remains the same in Q3. The most notable increase is in Q4 where the percentage of men has increased by 5 percentage points. This is positive as it has been an ongoing action for the council to try and increase the number of males in our lower graded posts.

In order to reduce the gender pay gap further there would need to be further increases in the proportion of men in Q3 and Q4. The types of roles typically found in the council in these quartiles tend to be customer facing or administrative in nature and currently are occupied predominately by women. The council has outsourced services such as IT, Waste and Grounds Maintenance which are predominately male dominated areas of work but also more likely to be paid in Q3 and Q4. If these services remained in-house the proportion of male and female employees in the lower pay quartiles would be much more even.

The gender segregation in some occupation groups that we experience at the council is typical for many organisations. In the UK men have a high employment share in skilled trade and high-skill occupation groups (chief executives and senior officials, and managers and directors). In contrast, women have the highest employment share in caring, leisure and other service occupations. Women are also more likely than men to have had breaks from work that have affected their career progression, for example to bring up children (ONS, 2018).

Closing the gap (actions for 21-22)

The council is in an unusual position in that the gender pay gap is not due to fewer women working in more senior roles than men but because at the lower grades there is a much higher percentage of women than men. The council remains committed to trying to reduce the gap but this is an ongoing challenge due to the gender dominance in certain occupation groups, as mentioned previously.

A new Equalities Officer started with the Council in November 2020. They will be supporting HR with the actions set in this report as well as the Council's general annual equalities report.

We have already taken forward several actions since the 2019 report and will continue to build on these as follows. Rather than create new actions, the actions below have been taken from the general equalities action plan (published in November 2020) which already considered gender based equality actions for the Council:

- Embed unconscious bias training into the general equality and diversity training e-learning that all staff are required to complete on an annual basis. Unconscious bias will also feature in more depth in the recruitment training for managers. The unconscious bias guidance will continue to be sent to each panel and this has been well received by both the HR Committee and managers as a useful guide.
 - Each interview panel chair to give consideration to the diversity of the interview panel and where possible try to ensure the panel is diverse. Where this is not possible try to ensure that other elements of the panel show staff diversity, for example 'meet the team' sessions to demonstrate the diversity at East Herts and to appear as welcoming as possible to applicants of all backgrounds (as covered above HR will prompt this for each recruitment process).
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- Work with Communications to build a set of varied staff case studies that demonstrate diversity in our workforce and use them as part of our recruitment literature. These will include men in roles in the lower quartiles (especially in Customer Services and Administration) and higher graded female employees. Willing employees would need to be identified to become case studies but we need role models to try to break down more traditional stereotypes and career norms.
- HR have secured a refund for the recruitment module of the main HR system and will invest this money into an Applicant Tracking System (ATS) that will include an electronic application form and enable name blind recruitment, further reducing the opportunity for bias at the shortlisting stage.

Statement

I, Richard Cassidy, Chief Executive of East Herts Council, confirm that the information in this statement is accurate.

Signed

Date

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(To be signed and dated once reviewed by HRC)

References

Office for National Statistics (ONS), 2018. *Understanding the pay gap in the UK* [online] Available at:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/understandingthegenderpaygapintheuk/2018-01-17>
