


Essential Reference Paper


East Herts Council - Gender Pay Gap Report

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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.

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 shows the difference in average pay between all men and women in the workforce. 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 2017.

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.

Gender Pay Gap Analysis

Tables 1.0 and 2.0 below show that the council's mean gender pay gap is 8.46% and the median gender pay gap is 16.96%. There is no bonus pay gap as the council does not make bonus payments.

Table 1.0 Gender pay and bonus gap

Difference between men and women	Mean (Average)	Median (Middle)
Gender Pay Gap	8.46%	16.96%
Gender Bonus Gap	0%	0%

Table 2.0 Proportion of employees receiving a bonus

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

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; evaluate all jobs using the HAY job evaluation method; and carry out equal pay audits at regular intervals.

The council is confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

The council's gender pay gap compares favourably with that of the UK as a whole as well as within the public sector. The gender pay gap for all employees (full and part-time) in the UK in 2017 was 17.4% (mean) or 18.4% (median) while in the public sector it is 17.7% (mean) or 19.4% (median) (Office for National Statistics (ONS), 2017). At 8.46% (mean) and 16.96% (median), the council's gender pay gap is therefore lower than the UK as a whole and the public sector.

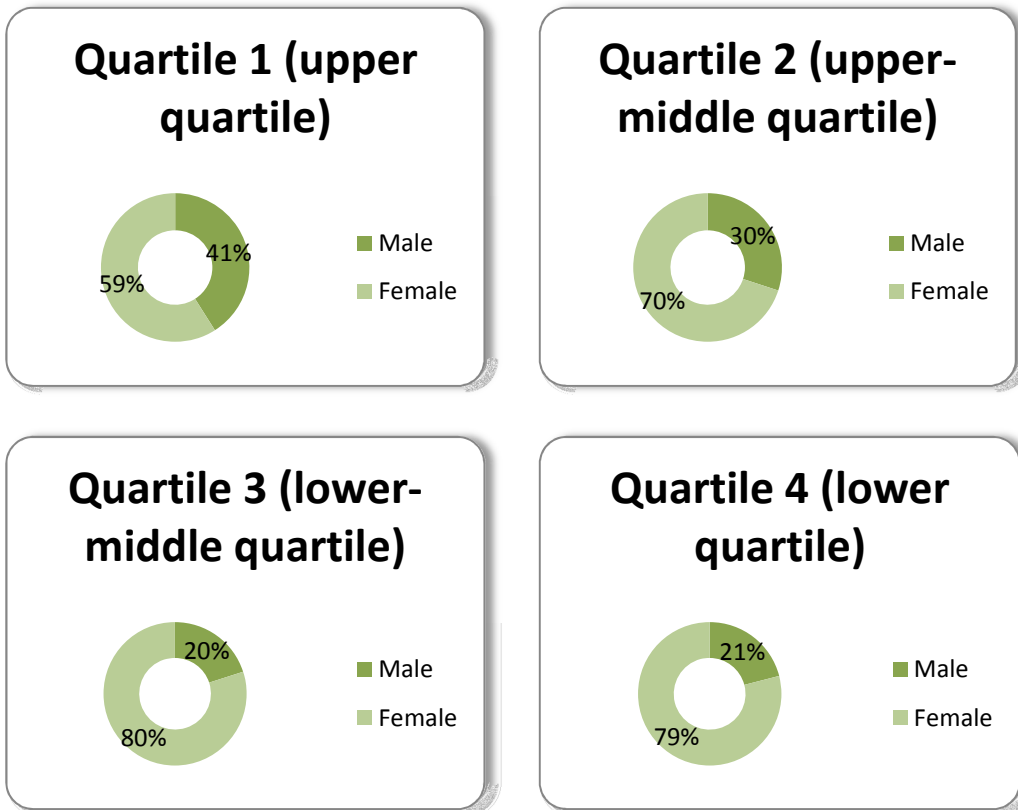


Figure 1.0 Pay quartiles by gender

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, the fact that there are a 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, this has an impact on our gender pay gap. Over half of women (140) were in roles in the lower and lower-middle pay quartiles and 114 women were in the upper-middle and upper pay quartiles. This compares with 37 men in the lower and lower-middle pay quartiles, and 63 men in the upper middle and upper pay quartiles.

It is positive news that there is a higher percentage of women than men in the upper quartiles and this is echoed by the council’s leadership team, which is 75% female. However, males at the council are underrepresented at the lower grades whereas

women are fairly evenly spread across all of the grades (Figure 2.0 below shows the breakdown of men and women at each grade). If the council were to employ more men in the lower pay quartiles, while keeping the overall number of staff constant, this would act to reduce the gender pay gap.

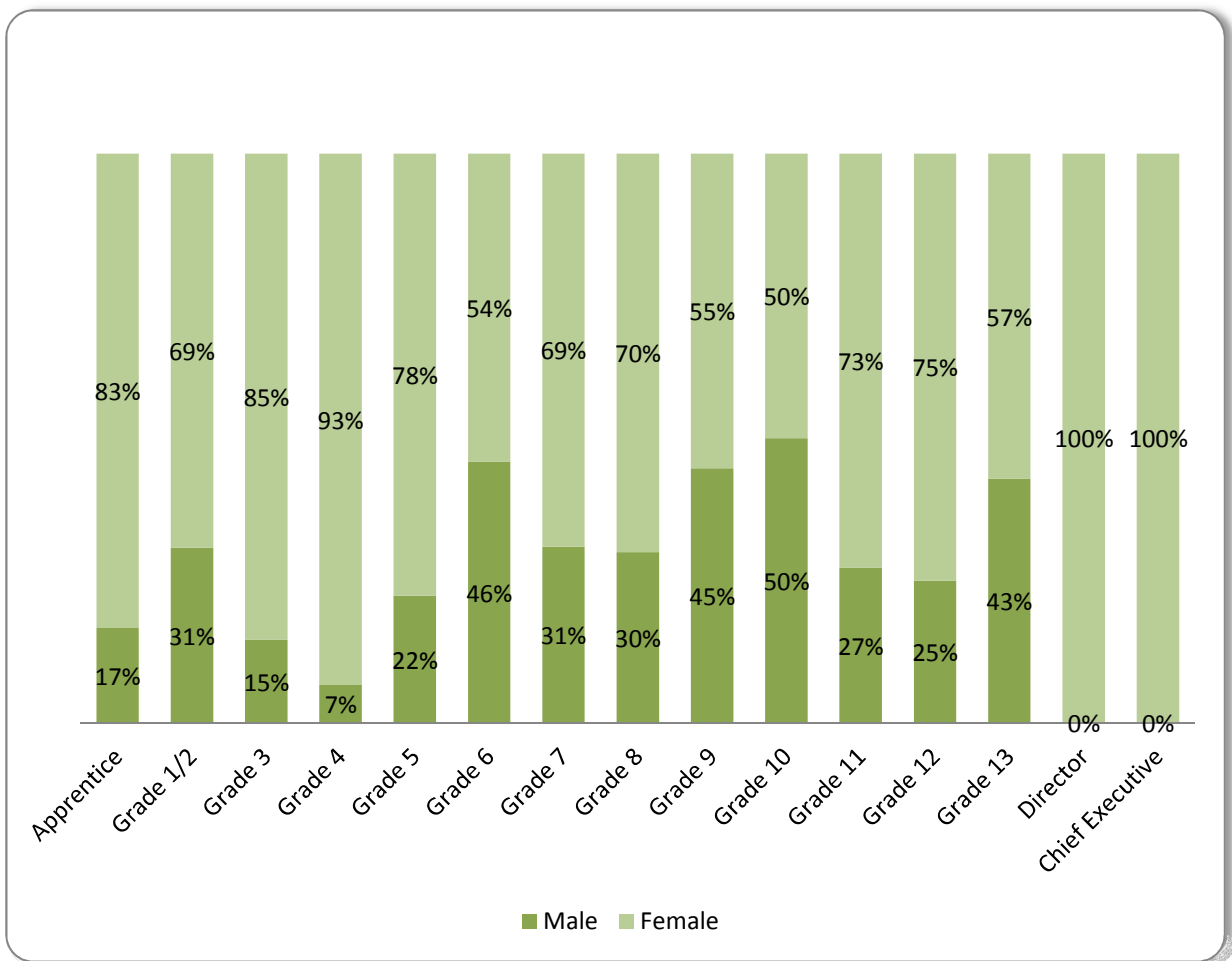


Figure 2.0 Percentage of male and female employees at each grade

Across the UK as a whole, men are more likely than women to be in senior roles, while women are more likely than men to be in front-line roles at the lower end of the organisation. In addition, men are more likely to be in technical and IT-related roles, which attract higher rates of pay. 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.

The high proportion of women and low proportion of men in the lower and lower-middle quartiles is reflective of the type of roles typically found in these quartiles. The lower and lower-middle quartiles are made up of employees in jobs at Grade 1/2 up to Grade 5. Roles at these grades tend to be more administrative in nature and

examples include Business Support Officers, Customer Service Advisors and Revenues/Benefits Officers. ONS (2018) report that women have the highest employment share (75%) in caring, leisure and other service occupations.

Women are more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid. ONS (2018) report that between the ages of 30 to 49 more than 90% of men's jobs are full-time whereas women are less likely to work full-time, with only 61.1% and 57.6% of women's jobs being full-time between the ages of 30 – 39 and 40 to 49 respectively. This is linked to the average age of first-time mothers being 28.8 years and women having a preference for part-time employment when re-joining the labour market, with 65.5% of mothers seeking part-time work (ONS, 2018).

Table 3.0 below shows that 44% of women at the council are working part-time compared to just 14% of men. Table 4.0 below shows that women are working part-time across grades 1/2 to 11 but that for the very senior roles (grade 12 upwards) they are all full-time. As can be seen from Table 4.0, there are more women working part-time in the lower grades than the higher grades. The high proportion of women working part-time at the council reflects the council's Flexible Working and Family Friendly policies which support employees who have caring responsibilities to work flexibly. The lower number of men working part-time across all grades compared to women is likely to be due to women being more likely to be primary carers than men.

Table 3.0 Percentage of men and women part-time overall

Percentage of men and women part-time overall	
Men	14%
Women	44%

Table 4.0 Number and percentage of men and women part-time at each grade

Grade	No. of women who are part-time in this grade	Total no. of women in this grade	% of women who are part-time in this grade	No. of men who are part-time in this grade	Total no. of men in this grade	% of men who are part-time in this grade
Apprentice	0	5	0%	0	1	0%
Grade 1/2	1	9	11%	1	4	25%
Grade 3	23	41	56%	4	7	57%
Grade 4	8	14	57%	1	1	100%
Grade 5	41	80	51%	3	23	13%
Grade 6	1	13	8%	1	11	9%
Grade 7	13	29	45%	2	13	15%
Grade 8	7	14	50%	0	6	0%
Grade 9	10	21	48%	0	17	0%
Grade 10	4	10	40%	1	10	10%
Grade 11	4	8	50%	1	3	33%
Grade 12	0	3	0%	0	1	0%
Grade 13	0	4	0%	0	3	0%
Director	0	2	0%	0	0	N/A
Chief Executive	0	1	0%	0	0	N/A

Closing the gap

While the council's gender pay gap compares favourably with that of organisations both across the whole UK economy and within the public sector, the council is not complacent and it is committed to trying to reduce the gap. The council is in an unusual position in that the gender pay gap is not due to less 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 has prioritised the following areas for action:

Recruitment

We will explore how we can attract more men into the council to create a more even gender balance, given that we have more women than men at every level of our organisation, including the leadership team.

Flexible working

We will continue to actively encourage flexible working across the council, in every role, at every level, to ensure that employees have the opportunity to balance their career aspirations with caring responsibilities.

Breaking down gender stereotypes

We will try to dispel gender stereotypes about traditionally "male" or "female" areas of work within the council, for example by promoting positive case studies within the council and through working with local secondary schools regarding career opportunities.

Statement

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

Signed

Date

14 March 2018

References

Office for National Statistics (ONS), 2017. *Annual Survey of Hours and Earnings: 2017 provisional and 2016 revised results* [online] Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2017provisionaland2016revisedresults>

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>