EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE - 9 JANUARY 2019

REPORT BY INTERIM HEAD OF HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT

GENDER PAY GAP REPORT 2018

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

 Members are invited to consider the council's gender pay gap report

RECOMMENDATION FOR HUMAN RESOURCES COMMITTEE: That:

(A) The council's gender pay gap report 2018 be noted

1.0 <u>Background</u>

- 1.1 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.
- 1.2 East Herts Council published its first gender pay gap report in March 2018 for the snapshot date of 31 March 2017. This is the council's second gender pay gap report for the date of 31 March 2018.
- 1.3 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.

- 1.4 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.
- 1.5 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.

2.0 Report

Review of action plan

- 2.1 In our first gender pay report published in March 2018 we prioritised areas for action to reduce our gender pay gap. Here we report our progress.
 - We have reviewed our job adverts to ensure that language is gender neutral and reinforces our commitment to diversity and inclusion.
 - We have introduced awareness of stereotyping and unconscious gender bias into our recruitment training and are developing a guidance document on avoiding unconscious bias in all shortlisting packs to be rolled out in early 2019.
 - We are exploring introducing 'name-blind' recruitment (where names and genders are removed during the shortlisting process to avoid gender bias) in 2019.
 - We have reviewed and updated the council's Flexible Working Policy.
 - The job advert template has been amended to highlight flexible working as a benefit for jobs at all levels and we state that part-time working and job-share arrangements are considered for all full-time roles.

- We are in the process of creating a more agile and collaborative work environment through the refurbishment of our offices and use of technology which should further enable flexible working across the council.
- We have arranged for male employees to represent the council at careers fairs as it has traditionally only been members of HR who attend (all female).
- We are working with communications to promote flexible working for men and to encourage the uptake of shared parental leave, including the use of positive case studies.

2018 figures

- 2.2 As can be seen in the report (**Essential Reference Paper 'B'**), the council's mean gender pay gap has increased from 8% to 9% and the median gender pay gap has reduced from 17% to 12%. There is no bonus pay gap as the council does not make bonus payments.
- 2.3 We are confident that the gender pay gap does not stem from paying men and women differently for the same or equivalent work. All jobs are evaluated using the HAY job evaluation method and the council has a pay and grading structure agreed with Unison.
- 2.4 The council's mean gender pay gap is smaller than median gender pay gap because there are more women than men employed in senior roles and the mean is more skewed by the extremes. The median figure represents the 'typical' man or woman (i.e. the man/woman in the middle of the male/female pay range) the 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. This is partly due to our organisational structure. The council has outsourced services such as refuse and grounds maintenance which are predominately male dominated areas of work. If these services remained in-house the proportion of male and female

employees in the lower pay quartiles would be much more even. The types of roles typically found in the council in the lower quartiles tend to be customer facing or administrative in nature and currently are occupied by women.

- 2.5 The mean gender gap has increased by less than 1% from the 2017 figure but the figures have been rounded due to the gender pay gap reporting requirements. This change is not statistically significant.
- 2.6 The median gender pay gap has gone down by 5% from the 2017 figure. The median pay figure for women has increased slightly and the median pay figure for men has gone down which has reduced the gap. The distribution of men across all of the grades is more balanced this year when compared to last year and there is an increase in men at some of the mid-lower grades which has caused the mid-point for men to shift down slightly. 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 (96) the numbers have only changed marginally but this has affected the median due to the small sample size.

Action plan

- Explore introducing 'name-blind' recruitment (where names and genders are removed during the shortlisting process to avoid gender bias) in 2019. If introduced, impact will be measured in the 19/20 Annual Equalities Report where shortlisting data is analysed by sex and other protected characteristics.
- Conduct an audit of how gender diverse our interview panels are in early 2019 and take action if issues are identified.
- Complete the refurbishment of our building to create a more agile and collaborative work environment enabling further flexible working across the council.

• Continue to review and update our commitment to promote flexible working for men and to encourage the uptake of shared parental leave by working collaboratively with our Communications team.

3.0 <u>Implications/Consultations</u>

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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