


East Herts Council - Gender Pay Gap Report


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Essential Reference Paper "B"



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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 2018.

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 first gender pay report published in March 2018 we prioritised three areas for action to reduce our gender pay gap. Here we report our progress for each area.

Recruitment

We said:

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.

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 we are developing a guidance document about avoiding unconscious bias in all shortlisting packs.
- We are exploring introducing 'name-blind' recruitment (where names and genders are removed during the shortlisting process to avoid gender bias) in 2019.

Flexible working

We said:

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.

Our progress:

- 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 anticipate that this will be complete by mid-2019.

Breaking down gender stereotypes

We said:

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.

Our progress:

- 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.

Gender Pay Gap Analysis

Mean and Median Gender Pay Gap Figures

Table 1.0 shows that the council's mean gender pay gap is 9% and the median gender pay gap is 12%. 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 2017	Gender pay gap 2018	+/- percentage points
Mean (Average)	8%	9%	+1%
Median (Middle)	17%	12%	-5%

Table 2.0 Gender bonus gap

	Gender bonus gap 2017	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 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) 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.

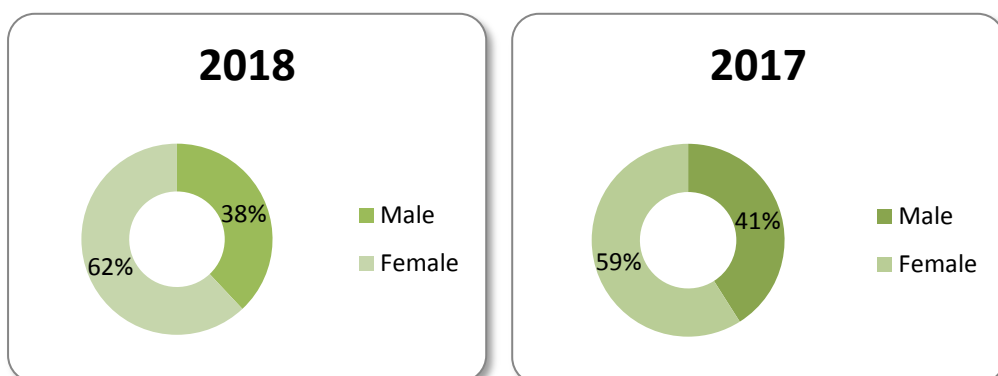
The mean gender gap has increased by less than 1% from the 2017 figure but the figures have been rounded due to the gender pay gap reporting requirements. This change is not statistically significant.

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.

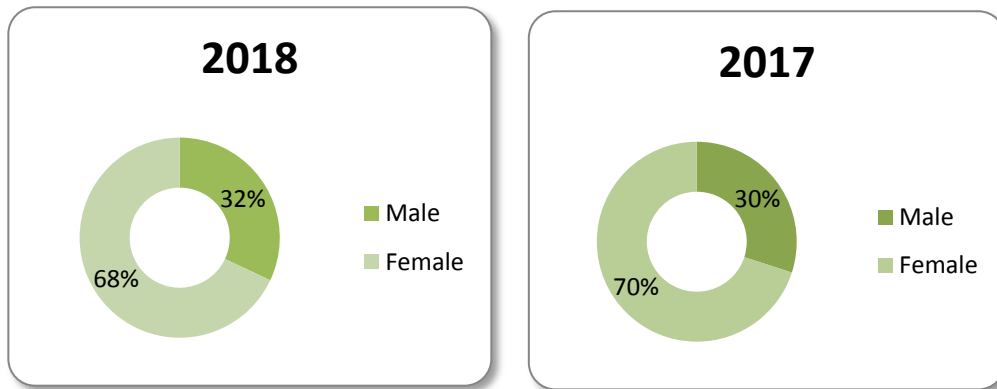
The council is committed to the principle of equal opportunities and equal treatment for all employees. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other protected characteristic). As such, we have a pay and grading structure agreed 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

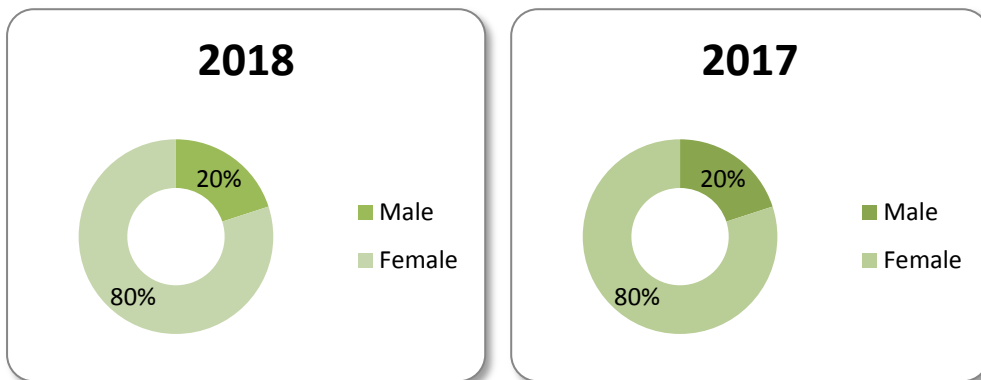
Quartile 1 (upper quartile)



Quartile 2 (upper middle quartile)



Quartile 3 (lower middle quartile)



Quartile 4 (lower quartile)

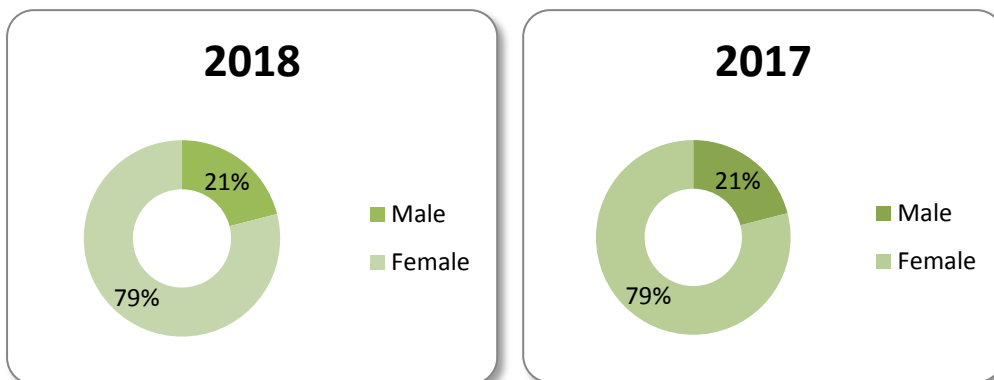


Figure 1.0 Pay quartiles by gender

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 72% of the council's workforce is female, women outnumber men at every quartile. This year's data shows small increases in the percentage of men in the upper middle quartile and the percentage of women in the upper quartile. The lower and lower middle quartiles have remained the same.

In order to reduce the gender pay gap there would need to be an increase in the proportion of men in the lower and lower middle quartiles. 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 by women. 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 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

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.

We have already taken forward several actions since the 2017 report and will continue to build on these as follows.

Recruitment

- 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.
- Finalise the guidance document on avoiding unconscious bias to be included in all shortlisting packs in early 2019.
- Conduct an audit of how gender diverse our interview panels are in early 2019 and take action if issues are identified.

Flexible working

- Complete the refurbishment of our building by mid-2019 to create a more agile and collaborative work environment enabling further flexible working across the council.

Breaking down gender stereotypes

- 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.

Statement

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

Signed
[]

Date
? 2019

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>