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#### **INFORMATION NOTE: EQUAL PAY REVIEW 2015 – OUTCOMES**

INFORMATION NOTE OF THE CORPORATE HUMAN RESOURCES MANAGER

#### 1. SUMMARY

1.1 This is an overview of the outcomes of the recently undertaken Equal Pay Review.

#### 2. STEPS TO DATE

2.1 This note is one provided to the Joint Staff Consultation Forum to update the Committee on the recent equal pay review.

#### 3. INFORMATION TO NOTE

3.1 Overall we are satisfied that there are no significant inequalities. In a large number of examples the minority groups are earning the same or more than the comparison group. This is particularly the case in respect of female staff where this Report gives a positive picture in terms of the narrowing differentials between men and women's average pay since the 2012 Report.

The most significant change since the last Report in 2012 is the increase in the number of staff for whom we have no information on certain protected criteria. The facility for staff to input their own personal diversity data on to the SAP system using Employee Self Service is seen as a good opportunity to improve the amount of equalities data we have. We hope that effective communication of this facility will encourage staff to complete the missing pieces of information and an action plan for this will be developed.

3.2 A high number of female workers are a feature of Local Government ranging from just over half to 3 quarters of the workforce and North Herts District Council is no different with 65.5% of being women. Nationally over 48% of local Government female workers are part-time and this changed very little from the time of the last Review. Part-time working is an excellent means of balancing work and the responsibilities of childcare and can be regarded as flexible working. The trend still is that women tend to be the main child carer and this is the main contributor to the demand for part-time work. The recent introduction of statutory shared parental leave and other family friendly measures may alter this over time, but it is going to be a long term gradual change rather than a short term one. At the next Equal Pay Review, due in 2017/2018, it will be interesting to note if progress has been made.

- 3.3 Whilst the ethnic background of the Council is still overwhelmingly White, this has dropped since the last Review and is now less than that of the population of the North Herts District in general. Although the overall percentage of those of Asian backgrounds has fallen slightly since the last Review, there has been positive progress in comparing average salaries with all other groups.
- 3.4 The number of those with a disability at the Council has fallen in recent years and there is a trend for these staff to remain at the same grade for considerable periods of time. Determining the underlying cause of this will require some further investigation, but there is no doubt an increase in recording of the disability status of our staff will enable a more accurate picture to be obtained.
- 3.5 Although the numbers who declare they are Christians at the Council have fallen to just under 54%, there are still very few staff that come from the other religious groups. There is little evidence of discrimination against these groups but the small numbers can cause distortion.
- 3.6 The numbers of those who declare their sexuality to be other than heterosexual remains very small at the Council. The comparisons that can be made however show a positive picture for those from the bisexual, gay man and gay woman groups with differentials in their favour increasing in some cases.
- 3.7 The study of allowances and starting salaries at the Council did not indicate discrimination was occurring in the way these were being applied. The use of such allowances and starting salaries above the bottom of the scale has decreased or remained the same over the period, perhaps reflecting the difficult economic position experienced by the Council over this time.
- 3.8 As a final point to make in respect of carrying out an equal pay review, it is important to remember that not everyone wants senior, professional or managerial roles; there is a wide range of motivations in attending work including financial, social and personal aspects. Having said this, at North Herts District Council we are committed to developing all our staff and we have an excellent track record of supporting staff training in professional qualifications and in managerial qualifications through ILM3 and ILM5 and higher.

#### 4. NEXT STEPS

- 4.1 The Equal Pay Review 2015 Report will be published as appropriate.
- 4.2 A Message Board message has already been sent out via the intranet to encourage staff to complete their personal data using the employee self service function of the SAP payroll system. This will be followed by an article in Teamtalk in the next few weeks. Following this a report will be commissioned to identify whether significant gaps in data still exist and further action taken as required.
- 4.3 If the report indicates that the number of Council staff with a disability is still low, steps will be considered to ensure that those with this protected characteristic are attracted to the Council as a good place to work, retained and developed to their full potential.

#### 5. APPENDICES

5.1 Appendix 1 – Equal Pay Review 2015 - Report

#### 6. CONTACT OFFICERS

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### 7. BACKGROUND PAPERS

7.1 None.

## Equal Pay Review 2015 – Report February 2016

#### 1.0 Background

Following the implementation of the single status agreement, the Pay Review of 2004 and regular equal pay reviews since 2005, a further equal pay review has now been undertaken. Regular equal pay audits are an important element of ensuring that the pay and reward package is being applied fairly and all the reviews so far, including this most recent one, have demonstrated that the Hay job evaluation scheme is proven to be robust in relation to equalities.

To give a context to the Review, local government demographics, as detailed in the Local Government Earnings Survey 2013/2014, were considered along with the data from NHDC. A summary of this overview of the make up of local government as a whole, and the shire districts in particular, is given in Appendix 1.

#### 2.0 Equal Pay Audit at NHDC

The review covered the main areas where inequalities are likely to exist. The review of NHDC data has been undertaken using grade, gender, age, ethnic group, disability, religion and sexuality. Analysis has also been carried out for full time and part time employees for basic pay. We have also explored additional responsibility pay, market forces payments, disturbance allowance, protected pay, attendance at evening meeting allowances and starting pay. In order for comparisons to be made the average, (mean) salary was been calculated for each grade in the groups considered. Differences above 3% between the groups being compared were considered significant and analysis focussed mainly on the instances where these occurred.

#### 3.0 Conclusions

The main conclusions for each group analysed are summarised below by group heading. Further general information regarding equal pay, average salaries at NHDC and detail of the comparisons are given in the separate Equal Pay Review 2015 - Summary Data Report and Equal Pay Review 2015 - Full Data Report which are available from HR.

#### 3.1 Full Time/Part Time

Comparisons can be made between full time and part time staff at 12 grades and these are evenly split with 6 being in favour of full time staff and 6 being in favour of part time staff. The largest differential is at Grade 4 and is just over 4% in favour of part time staff. At Grades 5 and 8 the differentials are just over 3% in favour of full time staff, but it is worth noting that at both grades the average length of service for the part time members of staff is longer than that for the full time. At Grade 5 the average length of service for full time staff is just over 12 years and for part time staff it is just over 14 years and at Grade 8 it is 12 years and almost 17.5 years respectively. With the differences being so close to the threshold of significance there does not seem to be an issue to cause concern at this stage, but the figures should be kept under review to ensure there is no trend of indirect sex discrimination on pay developing here, as the majority of part time staff at Grade 5 and all the part time staff at Grade 8 are female.

In comparing full time men and full time women, the latter category earned more or the same at 10 out of the 14 grades where a comparison could be made. Where full time females earned more than full time males, at only one grade, Grade 10, was the differential above the threshold of significance and at 3.21%, only just so. Of the 4 grades where full time females earned less than full time males the differential was only above 3% at Grade 2. This differential is considerable at 10.5% but there are only 3 people at this grade who work full time and further analysis shows the male has at least 4 times the service of the females.

In a comparison of part time men with part time women, comparisons could be made in 7 grades and all the differences were of more than 3%. In 3 grades women earned more than men and in 4 grades men had a higher average salary. The greatest differences were at Grades 2 and 3 where the average salary for part time women was 5.87% and 13.76% higher respectively.

Full time women have higher average salaries at 3 grades when compared to part time men, and all of these differences are greater than 3%. Part time men have higher average salaries at 4 grades, but at only one of these, Grade 7, is the difference more than 3%.

At 7 grades part time women earn more than full time men and at 5 grades the differentials are above 3%. In 3 of these cases the differential is in favour of part time women, a position which has not changed since the last Report.

#### 3.2 Gender

66% of Council Staff are women and 34% are men. These figures have changed very little over the past 5 years, showing that the gender make up of the Council remains fairly constant. NHDC has a greater percentage of women in its workforce when compared to shire districts in general, where just over half the workforce is female (see Appendix 1 for an overview of the Local Government Earnings Survey 2013/2014).

91% of men at NHDC work full time, making up 48% of the full time workforce and 31% of the total workforce. 52% of women at NHDC work full time, making up 52% of the full time workforce and constituting 34% of the total workforce. These figures are very similar to those found in the last two Equal Pay Reports in 2010 and 2012. Part time workers make up 35% of the workforce which is slightly higher than in 2012 when the figure was 33%, but is in line with the figure for shire districts as a whole which is 36%.

Comparisons between men and women show higher average salaries for each group are spread across Grades 2-13 with 5 grades showing men earning more and 7 grades with women earning more. The differences are however small, with only one grade, Grade 3, having a difference of more than 3% and this is in favour of women. Compared to the last Report in 2012, this shows a narrowing of the differentials as at that time differentials of more than 3% were present at 4 grades. At the top and the bottom of the grading scale, in Grades 1 and 15, men and women earn the same and for Grade 15 this is at the top of the salary range.

In grades 2 to 8 there are more women than men, but above this there are more men than women in each grade apart from Grade 15 where the numbers are the same. The differences in numbers in these higher grades are however very small, with the greatest difference being in Grade 11 where there are 4 more men than women. 78% of women are at or below Grade 8 compared with 47% of men. In comparison with the last Report this shows virtually no change in the percentage of women but a 5% drop in the number of men at these grades.

#### 3.3 Age

The most striking figures with regard to the age profile of those who work at the Council are that almost 82% of staff are aged over 35 and 56% of staff are aged between 35 and 54. The figure for staff over age 35 has remained constant since the last Review, but the percentage of staff between 35 and 54 has decreased by 3%. As the percentage of staff in the age group 55 - 64 has increased by 3%, this shows that the staff have remained the same but moved to the next group by the passage of time since the last Report.

Nearly 6% of staff are aged under 26 which is a significant increase since the last review when the figure was only 2.7% and shows how the Council's apprentice scheme has been successful in attracting younger people to the Council. There are also now staff in the under 21 age group, even if this is only very small (1.2%), whereas there were no staff in this age group at all at the last Review in 2012. **JSCC (6.7.16)** 

Just under 3% of staff are aged over 65 which demonstrates a 0.3% reduction since the last Review. This compares favourably with the national figures for shire districts which is 2.5% but still shows that compared to the percentage of the population in this age group, (17.4%), very few are in work past the traditionally accepted retirement ages. Measures such as flexible working and the retirement policy have not yet been successful in increasing the numbers of workers over 65 and might be a reflection of the long standing generous nature of pensions' provision in local government which reduces the need for individuals to work past retirement age for economic reasons. This may not be the same going forward following the significant changes to the scheme in recent years and the opportunity to increase the use of this valuable and flexible resource may occur.

In 4 out of the 7 age groups the male/female split reflected that of the Council as a whole - 66% female and 34% male. In the Under 21 group there were three times as many females as males (although the numbers in total were very small - only 4), in the 21-25 age group the number of males and females were the same and in the 65 and over age group the ratio was 3:2 in favour of men.

Across all the grades and age bands, 42 comparisons could be made, with 17 being in favour of males, 11 in favour of females and 13 equal. Almost half (19) of these differences were above 3% and these were evenly split between male (10) and female (9). In the age ranges where comparisons could be made, at 5 grades males earned more on average, at 4 grades males and females earned the same in the majority of age bands and at 2 grades females earned more on average. The greatest number of equal average salaries was in the age 45 - 54 and 55 - 64 age bands with 4 occurrences of equal salaries occurring in each age band. All of these salaries were at the top of the grade range.

In the youngest age group, under 21, staff are 75% female, 25% male. A comparison in salary can only be made at Grade 1 as there are no males of this age group in Grade 2 and no staff at all of this age above Grade 2. At Grade 1 the salaries are the same and are at the lowest spinal point of the grade. These staff are Apprentices and as mentioned above, form part of the positive move to increase the number of younger people at the Council.

In the age group 21-25 comparisons can be made at four grades and in two of these males and females earn the same. In the other two groups males earn more than females by around 10.5% at Grade 3 and just over 6.6% at Grade 6. The total numbers at these grades in this age group are however very small, only 3 at Grade 3 and 2 at Grade 6 so this may cause distortion to the figures.

Females earned more than males in 4 out of the 7 grade groups where comparisons could be made in the age range 26-34 and all of these differences were more than 3%. The highest difference was at Grade 6 where the female average salary was almost 10.3% greater than the male average salary. There are however only two male employees at this grade in this age band. At Grade 11 the female average salary was almost 9.3% above that of the average male salary, at Grade 8 it was almost 6.4% and at Grade 5 almost 5.4%. In contrast in the three cases where the male average salary was higher, (Grades 7, 9 and 10), the difference was just under 3.2% in two cases.

In contrast to the age group below, in the age group 35-44 males earned more than females in 5 out of the 7 grades where comparisons could be made. However the highest difference was at Grade 10 where on average females earned over 9% more than males. At Grade 3 females earned almost 7.5% more than males and at Grades 2, 6 and 7 the differential in favour of male average salaries was 8.7%, 4.5% and 6.4%.

For those between 45-54 comparisons can be made in 11 of the 16 grades with males on average earning more than females in 5 grades, females earning more than males in one grade JSCC (6.7.16)

and in 4 grades the salaries are the same and are at the top of the grade band. Only one of these differences is more than 3% and is at Grade 5. This is in favour of males, but as the difference is 3.6%, it is only just over the threshold for significance and as there is only one male at this grade in this age group, care has to be taken that small numbers do not distort the figures.

Comparisons can be made at 10 grades in the age 55-64 age groups and of these females earned more than males in 4 grades, at 4 grades the salaries were equal and at the top of the grade and at 2 grades males earned more than females on average. At 4 grades the difference was more than 3% and this was in favour of females in 3 of these comparisons, at Grades 2, 7 and 10.

In the over 65 age group comparison at only 2 grades (Grade 5 and Grade 6) could be made and in both of these male and female salaries were the same and at the top of the grade range.

#### 3.4 Ethnic Group

87% of staff are White, 3% are Asian, 1.5% are Black, 1.8% are Mixed and 6.9% are Other (defined as information not yet obtained or information not disclosed). The number of White staff has dropped since the figures shown in previous Equal Pay Reports (90% in 2012, 89% in 2009), as have the number of Asian staff, from 3.6% in 2012 to 3% in this Report. The number of Black staff has risen slightly from 1.4% at the time of the last Report to 1.5% and the number of Mixed staff has also increased from 1.4% in 2012 to 1.8%. The number of staff where no information is available (Other) has increased significantly from 3.6% in 2012 to 6.9% in this Report. The total number of staff from ethnic minorities, 6.3%, is considerably in excess of that for the shire districts in general which is 3.2%, as shown by the Local Government Earnings Survey 2013/2014 (See Appendix 1).

When comparing the White group with the group comprising the other ethnic groups (Asian/Black/Mixed), 9 comparisons of average salary can be made. Of these at one grade, Grade 12, the salaries are the same and at 4 grades the differentials are above 3%. Of these 3 are in favour of the White group and the differentials are high, around 12% at 2 grades and almost 11.5% in the other case, but there are very few individuals in the non White group and all have significantly less service than those in the White group.

At 4 out of the 8 grades where comparisons can be made, the Asian group earned the same as or more than all other groups. This is a distinct change from 2012 when this group earned less than all other groups in 4 out of the 7 comparisons that could be made. At 4 grades the Asian group earned more than the White group and the White group earned more in the other 4. In both cases the difference was more than 3% at 3 grades. It should be noted that where the White group earned more the differentials were high, being 8.5% at Grade 4, almost 12% at Grade 8 and 11.4% at Grade 11. This might indicate a problem with the pay of these two groups but as there is only one Asian at each grade it is important not to let the small numbers distort the figures. In addition, when length of service is taken into consideration, those in the White group have significantly longer service than those in the Asian group at these grades. At 1 grade (Grade 4) the Asian group earned more than the Black group by over 7% and at the other 3 grades where comparisons could be made they earned the same.

At the 4 grades where comparisons can be made, the Black group earned the same as or more than all other groups at Grades 3 and 6 and less than all other groups at Grade 4. The picture at Grade 9 is varied with this group earning more than one other group, less than two other groups and the same as the fourth group. Where the Black group earned more than or the same as the other groups, the average salary was at the top of the grade range. At 2 grades the Black group earned more than the White group but neither of these differences was over 3%. At the other two grades where comparisons could be made, the White group earned more than the Black group and at Grade 4 this difference was considerably over the 3% threshold at 16.1%. There is however only 1 member of staff in the Black group at this grade and they have less than 1 year's JSCC (6.7.16)

service as compared with the White group where the average length of service is just over 12 years. At Grade 4 the Black group earned less than the Asian group by over 7% and at the other 3 grades where comparisons could be made they earned the same. There is however only one member of staff in each of these groups so care has to be taken that these small numbers do not distort the figures. In comparison with the Mixed group the Black group earned the same at Grade 6 and less by 4.5% at Grade 9. There are however only 3 staff in these two groups so again care has to be taken in drawing conclusions.

At all but one grade where comparisons can be made the Mixed group earned more than or the same as those in other groups at the same grade. These salaries were all at the top of the grade range. At the one grade (Grade 7) where the Mixed group earned less than all other groups the difference was only greater than 3% in one instance, the comparison with the Asian group where it was just over 5%. There is however only 1 member of staff in the Asian group at that grade and therefore care must be taken to ensure the small numbers do not distort the figures.

#### 3.5 Disability

73.7% of staff are not disabled, 4.2% are disabled, 20.6% have not disclosed their status and for 1.5% no information has yet been obtained. Since the last Review in 2012 there has been a small decrease in the number of disabled staff (2012 - 5%) but the most striking feature of this Review is the increase in the size of the group where information about this characteristic has not been disclosed. This is a cause for concern at almost 21% of the total staff, up by 6% since the last Equal Pay Review in 2012. The new payroll service and payroll system (SAP) present a real opportunity to improve this data with equality data being among the employee self service data that people can update themselves and promoting this option is one of the actions we will follow up from this survey.

In 6 out of the 9 grades where disabled people are represented the average salary is at the top of the grade. The number of disabled staff at the top of their grade represents 79% of all disabled staff. The corresponding figure for non disabled staff is 0.4%. The obvious conclusion is that the majority of disabled staff have long service but care should be taken that the reason for this figure is not lack of opportunity for disabled staff to progress to higher grades and this situation may warrant some further investigation.

Disabled staff earned more than or the same as all other groups of staff at 7 of the 9 grades where comparisons can be made. At one grade, Grade 7, they earned less than all other groups but this may be attributable to the very short service of the 2 members of staff at this grade who are disabled (less than 1 year in one case and 1 year in the other). At Grades 12 and 15 disabled and non disabled staff were paid the same and this is at the top of the grade.

In respect of comparisons between full time disabled staff and full time not disabled staff, these can be made in 7 grades and in two of these both groups were paid at the top of the grade band. In the other 5 comparisons, in 3 grades full time disabled staff received a higher average salary and in 2 grades full time not disabled staff received a higher average salary. At 2 grades the difference is more than 3%. In one of these, Grade 3, the full time disabled group receive the higher salary and the difference is almost 4.5%. The most significant difference is at grade 7 where the difference is almost 9.3% in favour of the full time not disabled group. Such a large difference required further investigation, but as has already been noted above, the considerable difference can be attributed to the very short service (less than 1 year and 1 year) of the disabled group compared to those in the non disabled group where the average length of service was almost 9.5 years. The small numbers and short service of the full time disabled group can also be seen to be the reason for a difference of more than 3% when full time disabled and part time not disabled staff at this grade were compared.

When comparing full time not disabled with part time disabled staff, comparisons can be made at 3 grades and in each case the part time disabled group earned more on average. At Grades 3 and 4 the differences were more than 3%. JSCC (6.7.16)

When looking at part time staff comparisons of those who are disabled and those who are not can be made at only 3 grades and all are in favour of part time disabled staff. At one grade, Grade 5, the difference is almost 4.4% in favour of part time disabled staff.

#### 3.6 Religion

53.7% of staff are Christian, 21.5% did not wish to disclose the information relating to this characteristic, 17% stated they had no religion, 6% stated they had a religion other than Christian and no information had yet been obtained for 1.8% of staff. As in previous Equal Pay Reports, the majority of NHDC staff who stated their religion remains Christian, but this has fallen by nearly 5% since 2012. At 6% the percentage of staff whose religion is other than Christian has remained the same as at the last Review. Again as with ethnic group and disability, the size of the group where information about this characteristic has not been disclosed is a cause for concern at 21.5% of the total staff. Again the SAP system self service diversity data will be promoted to try and address this.

When comparing the Christian group with a group comprising all the other religions and the No Religion group, comparisons can be made at all grades at which we have staff except for Grade 13. At 3 grades the average salaries were the same and there were 5 grades at which the differentials were above 3%. At 4 of these, the differentials were in favour of the Christian group and Grades 8 and 9 were over 6%. At Grade 9 the difference can be accounted for by the greater average length of service of the Christian group but at Grade 8 the average length of service for both groups is almost 10 years. In view of this it is worth keeping these figures under review to ensure there is no pattern of discrimination developing, although the small numbers, 18 in the Christian group has higher average pay than the Christian group, at Grade 2, the average length of service of the non Christian group (5.5 years) is more than twice that of the Christian group (2.4 years).

Comparisons can be made between Christians and those with other religions at 9 grades and at 8 of these the difference is more than 3% with 6 of these being in favour of the Christian group. At Grade 9 comparisons can be made between Christians and Sikhs and Christians and the Other Religions category. In both cases the Christian group earned more on average and the differences were significant, 9.5% in the case of comparisons against the Sikh group and nearly 6% in the comparison with the Other Religions group. On looking at length of service this shows on average that the Christian group has over 10.5 years service, the Sikh group 8 years and the Other Religions group 2 years. This may indicate an issue with the Sikh group at Grade 9, but further investigation shows the one member of staff in this group to be in a career graded position which has meant that only 18 months has been spent at Grade 9 following promotion from Grade 7 to Grade 8 only 9 months prior to this. A comparison between the Christian and the Sikh group can also be made at Grade 4 and here the difference is almost 7.7% in favour of the former group. In this case however, there is considerable disparity in length of service with the Christian group having 12.5 years service on average compared to 2 years service for the one member of the Sikh group at this grade.

In a comparison of the Christian group with the Muslim group, the difference in favour of the Christian group is over 3% at 2 grades but in both cases the length of service for the Christian group is considerably in excess of that of the Muslim group. Comparisons can also be made between the Muslim and the Buddhist group, the No Religion group, the Other Religions group and the not disclosed group. Of these comparisons, 7 have differentials of over 3% with 2 being favour of the Muslim group and 5 being in favour of the other groups. The largest differential is at Grade 10 and in comparison with the Other Religion group. Here the Muslim group has a differential of over 17.6% in its favour. There is however only one member of staff in each of these groups at this grade and there is a huge disparity in length of service, 10 years for the Muslim group and only 1 for the Other Religions group. The other significant differential at Grade 10 is also in favour of the Muslim group where the average earnings are 4.71% higher than JSCC (6.7.16)

those in the No Religion group. At Grade 11 3 comparisons can be made, with the Buddhist, the Not Disclosed and the No Religion groups. In all cases the differentials are in favour of the groups other than the Muslim group but there is only one member of staff in this group and they have very short service compared with the average length of service of those in the other groups.

Comparisons can only be made at 2 grades between the Christian and the Jewish groups and at only one of these is the difference more than 3%. This is at Grade 2 where the difference is over 10.3% in favour of the Jewish group, but the latter group only contains one individual who has 10 years service against an average length of service for those in the Christian group of just under 2.5 years. 8 comparisons can be made between the Jewish and the other groups; 5 of these have differentials over 3% and 4 of these are in favour of the Jewish group.

The largest differential in favour of Christians comes at Grade 10 and in comparing Christians with the Other Religions group. The Christian group at this grade does however have significantly longer service. Comparisons between the Christian and the Other Religions group can be made at 5 other grades but these differences are only greater than 3% in two of these. At Grade 5 there is a difference of over 10.6% in favour of the Other Religions group and at Grade 9 there is a difference of almost 6% in favour of the Christian group and again this latter figure can be explained by considerably longer service in the Christian group.

Comparisons of average salaries of Christians with those who have no religion can be made at 12 grades but at only 2 grades is the difference more than 3% and in both cases this is in favour of the Christian group. At Grade 6 the difference is just over 9% and at Grade 9 it is 3.5%. For Christians in Grade 6 and Grade 9 the average length of service is around 10 years but this is lower for the group with no religion - 6 and 7 years respectively.

Comparisons where the difference is more than 3% between Christians and those who did not disclose their religion occur at Grade 2 and Grade 9. At Grade 2 the difference is 6.6% in favour of the group who did not disclose their religion and their average length of service is 5 years which is twice that of the Christian group at the same grade. At Grade 9 the difference is just over the threshold of significance at around 3.5%.

When considering comparisons of Sikhs with groups other than Christian, (see comment above about comparisons between Christians and Sikhs), at Grade 6 the average salary is the same as for the Buddhist group and at the top of the range. When looking at the other 10 comparisons which have differences of more than 3%, 4 are in favour of the Sikh group. At Grades 4 and 9 significant differentials exist between the Sikh group, the other religion group, the not disclosed group and the no religion group. All 6 significant differentials are in favour of the groups who are not Sikhs and at Grade 4 the average length of service in these other groups is significantly longer than for the one member of the Sikh group at this grade. This is not the case with Grade 9 where the Sikh employee has longer service than both the other groups but this can be accounted for as the individual is in a career graded position with short service in the grade.

8 comparisons can be made between the Buddhist and the other groups analysed. Of these, 5 of the comparisons are in favour of the Buddhist group and one shows the average salary to be the same. The differentials in the two comparisons not in favour of the Buddhist group are less than 3%.

When comparing the other religion, no religion, the not disclosed and the information not yet obtained groups, comparisons can be made at 10 grades. The differentials of the comparisons are significant in 16 cases, with the highest differential being at Grade 10 where there is a differential of over 13.5% in favour of the not disclosed group over the other religion group. There is however only one employee in the other religion group at this grade and they have only 1 year's service so care must be taken that the small numbers do not distort the figures. The fact there is only one employee at Grade 10 in the other religion group and they have very short JSCC (6.7.16)

service, may also explain the large differential against the other religion group at Grade 10, which is in the comparison of this group with the no religion group. Here the differential is almost 11% in favour of the no religion group but the average length of service here is over 8 years. At Grade 6 the other religion group earns nearly 10% more than the no religion group on average but there is relatively little difference in their average length of service, 7 years for the other religion group and 6 years for the no religion group. This is worth keeping under review to ensure a pattern of discrimination is not emerging but care needs to be taken that the small numbers in each group, 3 in then other religion group and 5 in the no religion group, do not distort the figures.

#### 3.7 Sexuality

1.5% of staff are gay, lesbian or bisexual (1.7% in 2012 and less than 1% in 2009/2010), 72.8% of staff are heterosexual (73.3% in 2012, 62.7% 2009/2010) and 26% preferred not to answer this question. This latter percentage is high and further work is recommended to reassure employees that such information is useful to the Council, will be kept confidential and will not be used to discriminate against staff from certain sexual groups and this data can be added to the payroll system by the employee.

When comparing the heterosexual group with those who declared their sexuality to be other than heterosexual, 5 comparisons can be made. Only one comparison showed a differential of more than 3% and this was at Grade 7, where the difference was nearly 4.8% and was in favour of the group who declared their sexuality to be other than heterosexual. At Grade 1 the average salaries of the two groups were the same.

In looking at the gay man group direct comparisons can be made across only 3 grades. The differential is however only more than 3% at Grade 7 and this was in favour of the gay man group. Given that there was only one gay member of staff in each of the 3 grade groups that could be compared, it is difficult to determine a trend from these figures.

In respect of the gay woman/lesbian group a direct comparison with the heterosexual group can only be made at one grade, Grade 3 and here the gay woman/lesbian group had a higher average salary by over 3.5%. The same comparison in 2012 showed the gay woman/lesbian group had a higher average salary by 2.1% so the differential has increased.

#### 3.8 Starting Pay and Allowances

#### 3.8.1 Additional Responsibility Pay

Additional Responsibility Pay is given where an individual employee covers another role, usually at a higher level, in full or in part, for a temporary period when the usual incumbent of that role is absent from work on a long term basis or the post is vacant and this is commonly used to cover/part cover maternity leave.

Currently 13 staff receive Additional Responsibility Pay at the Council which constitutes 3.9% of NHDC staff – 2.8% in 2012 and 2.7% 2009/2010. This increase may be an indication of the methods being used to respond to the higher turnover rate in the Council in 2015 (12.3%) compared to 2012 (8.4%).

5 female staff receive ARP and 8 male. 38% Female – 62% male compared with 65% female and 35% male across NHDC. Female staff receiving ARP constitute 2.3% of female staff (2.5% in 2012 and 3.4% - 2010 Report) and male staff receiving ARP constitute 7% of male staff (3.2% - 2012 Report and 1.4% - 2010 Report).

85% of staff receiving ARP are not disabled and 15% have not disclosed whether they are disabled or not and 92% of ARP recipients are White and 8% are Other.

The staff receiving ARP are spread across the age groups with the most popular age group being that of age 45-54 with 38% of recipients. This is in line with the figure of 35% of staff across the Council being in this age group.

92% of staff receiving ARP are heterosexual and almost 8% preferred not to answer. Across NHDC the figures are 72% and 25% respectively.85% of staff receiving ARP are Christian and 15% have no religion. The former figure is high compared to the % across the Council (55%) but the number for the no religion group is in line with the Council as a whole. For both these characteristics the small numbers in the group should be remembered.

Those receiving ARP are spread across the grades, with ARP being received at Grades 3, 4, 5, 7, 11, 12 and 13.

#### 3.8.2 Market Forces Supplement

A Market Forces Supplement (MFS) may be deemed necessary to recruit or to retain existing staff in areas of national shortage or where authority pay scales are not competitive. It is only payable while there is a justifiable ongoing rationale. It is an exceptional measure and will be taken only when other measures have been exhausted. A market supplement is not a permanent addition to the salary; it is designed to address particular circumstances and when the market conditions change, a market supplement can be withdrawn; however the baseline salary is not affected by such action.

The same 2 members of staff who received MFS at the time of the last two Equal Pay Reports in 2010 and 2012 still receive the Supplement today. This constitutes 0.59% of NHDC staff.

1 female and 1 male member of staff receive MFS and both are at Grade 8. Female staff receiving MFS constitute 0.45% of female staff and male staff receiving MFS constitute 0.88% of male staff. 100% of staff receiving MFS are not disabled, which compares with almost 74% across the Council and 100% of MFS recipients are White, which compares with 87% White across NHDC. One member of staff receiving MFS is in the age 45 - 54 age group and the other is in the 55 - 64 age group. 100% of staff receiving MFS are heterosexual whilst across NHDC the figure is 72.8%. Staff receiving MFS are split between being Christian and having No Religion with 1 member of staff in each group.

#### 3.8.3 I.T. Disturbance Allowance

Currently 4 staff receive IT disturbance allowance which constitutes 1.2% of NHDC staff. All of those receiving IT disturbance allowance are male which constitutes 3.5% of the total male staff at NHDC and are spread across grade groups 5, 9 and 11 with the highest number of staff, (50%) being in Grade 9.

25% of the staff receiving IT disturbance allowance are not disabled, heterosexual and Christian. The rest did not disclose their status regarding these characteristics. 75% of recipients of IT disturbance allowance are White which compares with 87% White across NHDC and 25% are from the Other category (6.9% across NHDC). Those receiving the Allowance are spread across the 26 - 34, 35 - 44 and 45 - 54 age groups with 50% of recipients being in the 35 - 44 age group.

#### 3.8.4 Protected Pay

There are currently no staff with Protected Pay. This compares with 1.7% of NHDC staff who received protected pay at the time of the last Report in 2012 (0.98% of staff in 2010). This situation reflects the fact that there have been fewer restructures within the Council resulting in redeployments in the last few years.

#### 3.8.5 Committee Attendance Allowance

27 staff received Committee Attendance Allowance in the past year which is equivalent to 7.7% of staff. 13 female and 14 male members of staff received the Allowance in the past year, JSCC (6.7.16)

corresponding to 3.9% and 4.2% of the staff as a whole. Female staff receiving Committee Attendance Allowance constitute 5.9% of female staff and male staff receiving Committee Attendance Allowance constitute 12.2% of male staff - 3.4% and 14.5% respectively in 2012 and 4.9% and 17.5% respectively in the 2010 Report.

88.9% of staff receiving Committee Attendance Allowance are not disabled and White with 3.7% being disabled, Sikh, Asian, Black or Mixed. Staff receiving Committee Attendance Allowance pay are spread across the age groups with only those under 21 and over 65 not being represented. As in the last report in 2012, the group with the most recipients is the age range 45-54 with 37% of recipients in this age band, (53.8% in 2012). This compares with 33.7% of staff across the Council being in this age group.

92.6% of staff receiving Committee Attendance Allowance are heterosexual, across NHDC the figure is 72.8%. The rest preferred not to give information on this characteristic.

Staff receiving Committee Attendance Allowance are spread across the grades, with 9 of the grade groups being represented. This has not changed since the last Report, but the number of those receiving the Allowance at Grade 11 has fallen from 55% to 40.7% which represents 34% of all staff at this grade.

#### 3.8.6 Starting Salaries

In the year looked at there were 5 new starters above the bottom of the relevant scale which shows a significant decrease since the last Report in 2012 when the number was 20. This represents 17.9% of all new starters in this period and reflects the difficult economic period since the last Review and the decreased need to offer additional pay incentives to attract good quality applicants to join the Council. Despite the small number of these starters in the recent past, Managers should still however bear in mind the reminder regarding equal pay on the Starting Pay Justification Form when recruiting to ensure that unfairness does not occur.

Of those starting above the bottom of the scale 39% were male and 61% female, which compares with a split of 34% male and 66% female across the Council as a whole. 100% of those starting above the bottom of the scale were not disabled, compared to 73.7% across the Council. 80% are White (86.8% Councilwide) and 20% were Black (1.5% Councilwide). These starters were spread across the religions with 20% being Christian, 20% being Jewish, 40% having no religion and 20% not disclosing their religion.

100% of starters above the bottom of the grade are heterosexual compared with 73% across the Council as a whole and were concentrated in the 35-44 and 55-64 age ranges with 80% being in the former group and 20% in the latter.

Those starting above the bottom of the grade commenced employment in Grades 5, 6 and 9 with Grade 9 being the grade with the majority (80%) of these starters and the other two grades having 20% each. The range of grades in which employees commenced work at NHDC is much narrower in this period of review than in 2012 when there were starters above the bottom in every grade up to and including Grade 11 apart from in Grade 1.

#### 4.0 Summary of Outcomes

Overall we are satisfied that there are no significant inequalities. In a large number of examples the minority groups are earning the same or more than the comparison group. This is particularly the case in respect of female staff where this Report gives a positive picture in terms of the narrowing differentials between men and women's average pay since the 2012 Report.

The most significant change since the last Report in 2012 is the increase in the number of staff for whom we have no information on certain protected criteria. The facility for staff to input their own personal diversity data on to the SAP system using Employee Self Service is seen as a good opportunity to improve the amount of equalities data we have. We hope that effective JSCC (6.7.16)

communication of this facility will encourage staff to complete the missing pieces of information and an action plan for this will be developed.

A high number of female workers are a feature of Local Government ranging from just over half to 3 quarters of the workforce and North Herts District Council is no different with 65.5% of being women. Nationally over 48% of local Government female workers are part-time and this changed very little from the time of the last Review. Part-time working is an excellent means of balancing work and the responsibilities of childcare and can be regarded as flexible working. The trend still is that women tend to be the main child carer and this is the main contributor to the demand for part-time work. The recent introduction of statutory shared parental leave and other family friendly measures may alter this over time, but it is going to be a long term gradual change rather than a short term one. At the next Equal Pay Review, due in 2017/2018, it will be interesting to note if progress has been made.

Whilst the ethnic background of the Council is still overwhelmingly White, this has dropped since the last Review and is now less than that of the population of the North Herts District in general. Although the overall percentage of those of Asian backgrounds has fallen slightly since the last Review, there has been positive progress in comparing average salaries with all other groups.

The number of those with a disability at the Council has fallen in recent years and there is a trend for these staff to remain at the same grade for considerable periods of time. Determining the underlying cause of this will require some further investigation, but there is no doubt an increase in recording of the disability status of our staff will enable a more accurate picture to be obtained.

Although the numbers who declare themselves to be Christians at the Council have fallen to just under 54%, there are still very few staff that come from the other religious groups. There is little evidence of discrimination against these groups but the small numbers can cause distortion.

The numbers of those who declare their sexuality to be other than heterosexual remains very small at the Council. The comparisons that can be made however show a positive picture for those from the bisexual, gay man and gay woman groups with differentials in their favour increasing in some cases.

The study of allowances and starting salaries at the Council did not indicate discrimination was occurring in the way these were being applied. The use of such allowances and starting salaries above the bottom of the scale has decreased or remained the same over the period, perhaps reflecting the difficult economic position experienced by the Council over this time.

As a final point to make in respect of carrying out an equal pay review, it is important to remember that not everyone wants senior, professional or managerial roles; there is a wide range of motivations in attending work including financial, social and personal aspects. Having said this, at North Herts District Council we are committed to developing all our staff and we have an excellent track record of supporting staff training in professional qualifications and in managerial qualifications through ILM3 and ILM5 and higher.

February 2016