

JOINT STAFF CONSULTATIVE COMMITTEE

28 MARCH 2018

*PART 1 – PUBLIC DOCUMENT

AGENDA ITEM No.

7

TITLE OF INFORMATION NOTE: EQUALITIES UPDATE

INFORMATION NOTE OF THE SENIOR HR AND CONTRACTS MANAGER

1. SUMMARY

This is an update regarding equalities at the Council and reviews the current situation in respect of three aspects of these:

- Gender Pay Gap
- Equalities Data
- Equal Pay Report

2. STEPS TO DATE

This note is one provided to the Joint Staff Consultation Forum to update the Committee on the Council's current equalities profile.

3. INFORMATION TO NOTE

3.1 Gender Pay Gap 2017

3.1.1. Background

From April 2017 under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 employers with 250 or more employees are required to publish statutory gender pay gap calculations every year. Accordingly, NHDC are required to calculate and publish the following gender pay data:

- Gender pay gap (mean and median averages)
- Gender bonus gap (mean and median averages)*
- Proportion of men and women receiving bonuses*
- Proportion of men and women in each quartile of the Council's pay structure

*The Council does not operate any bonus schemes but the definition of bonus under the Regulations on gender pay gap reporting includes long service awards and for this reason the Council has had to produce bonus figures for publication.

The data must be a snapshot of salary data on 31 March 2017 and on the 31st March each year thereafter and the bonus pay gap must be calculated from all bonus payments made in the 12 months up to and including the snapshot date of 31st March 2017 and up to the 31st March each year thereafter. This data must be published on the NHDC website and a government website by 30 March 2018 and by the 30th March each year thereafter.

The gender pay reporting figures have been calculated by our outsourced pay service provider Serco, using the standard methodologies outlined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The figures have been carefully checked and validated by HR and Finance.

The gender pay gap and equal pay are not the same and do not have the same purpose. The Equality and Human Rights Commission defines the difference as follows:

- Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.
- The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.

The broad purpose of the equal pay provisions of the Equality Act 2010 is to require equality of treatment in employment as between men and women in respect of pay and other contractual terms. The stated aim of the gender pay gap reporting legislation is to introduce greater levels of pay transparency.

Salaries at NHDC are determined through a grading system which evaluates the job and not the post holder. It makes no reference to gender or any other personal characteristics of existing or potential job holders. Therefore, we are confident that NHDC is paying the same salary to roles of equal value and that its gender pay gap may be as a result of the roles which men and women undertake within the Council and the salaries that these roles attract.

3.1.2 Results

The highlighted figures are those that require publication.

Table 1 Gender Pay Gap – Hourly Pay

	Mean Hourly Rate	Median Hourly Rate
Female	£13.94	£12.05
Male	£18.57	£18.17
Gender Pay Gap	25%	34%

Table 2 Gender Bonus Gap*

	Mean Bonus rate	Median Bonus rate
Female	£5.84	£50.00
Male	£3.51	£50.00
Gender Bonus Gap	-10.29%	0%

*See note in 3.2.1 above about bonus calculations

Table 3 Quartile Pay Bands

	Males	Females
Lower Quartile	22.78%	77.22%
Lower Middle Quartile	16.25%	83.75%
Upper Middle Quartile	41.78%	58.23%
Upper Quartile	58.23%	41.77%

3.1.3 Analysis

Table 1

The Council has a total of 16 grades, however as the top 5 managerial grades, (Grades 11-16), are predominately filled by males, 61%, the overall average hourly rate in the Council is positively influenced in favour of males. This result arises because of the number of males and females in the senior roles, rather than males being paid more for doing similar roles to females.

The opportunity to increase the number of females in senior roles is dependant on relevant vacancies arising. In the period April 2016 – March 2017 3 roles at Grade 11 and above were recruited to. These were filled by 2 females and 1 male.

Car allowances at the Council are paid to those in Grades 11-16 and enhance the pay of staff at this level. As the majority of those in these grades are men, 61%, this increases the hourly rate for men in these grades and the overall male average hourly rate in the Council.

Additional responsibility payments enhance the pay of Council staff. These were paid to 6% of NHDC staff on 31st March 2017 and those receiving them were 53% men and 47% women.

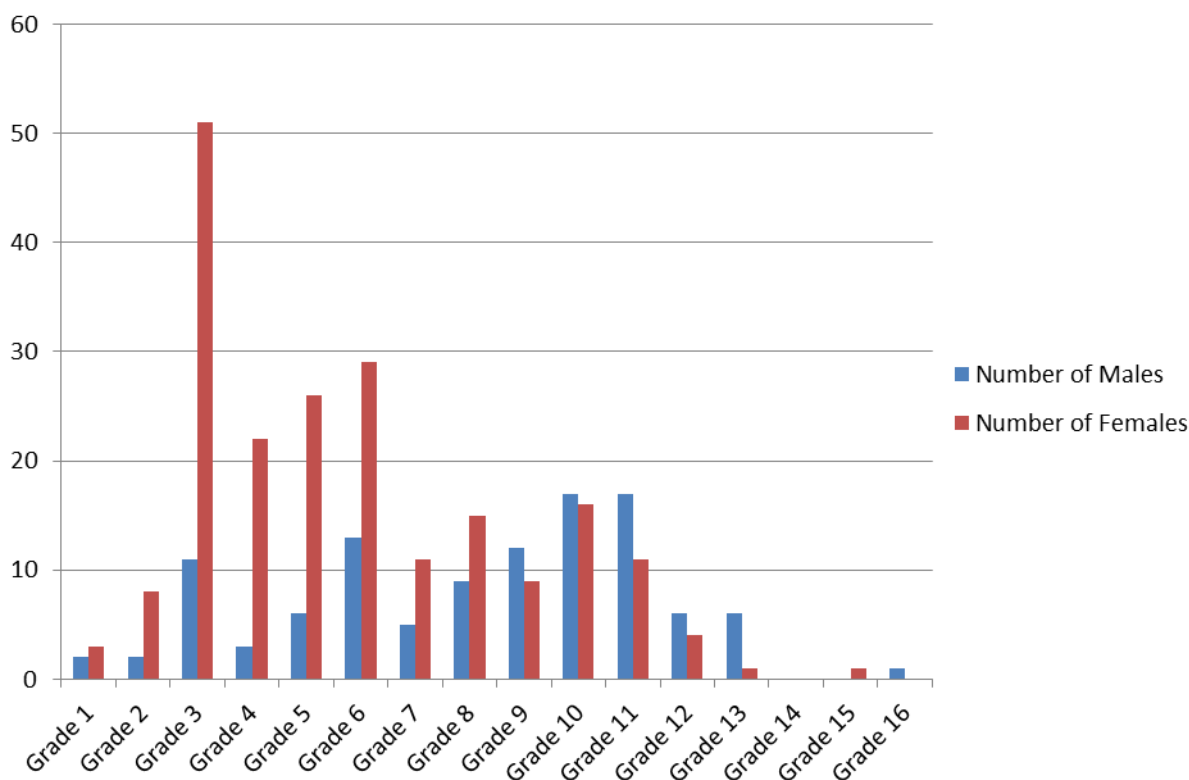
Table 2

The definition of bonus pay under the Regulations mean long service awards are included for the purpose of reporting our gender pay gap and therefore the bonuses set out in Table 2 reflect the gender breakdown of the long service awards given to 23 members of staff in the relevant reporting period. Nearly three times as many women as men received the bonus, indicating that they are more likely to stay with the Council.

Table 3

The gender split across all employees is 65% female 35% male and this profile has been static for a number of years. Table 3 illustrates that the breakdown of males and females is not consistent in all pay grades and this is illustrated more clearly in the chart below.

Breakdown of Males / Females by Pay Grade



3.1.4 Commentary

Females overwhelmingly predominate at Grades 1 – 8 (76%) and above these grades there are more males than females in the organisation, 57% male to 43% female. Grades 9 – 16 are the higher level supervisory, professional and managerial grades at the Council and therefore the higher salary bands. The greater number of men than women in these higher grades increases the average hourly rate for men in the Council.

The Council has a large number of customer facing administrative roles in the grades below Grade 8. Many of these jobs are part-time and/or are suitable for flexible working which makes them attractive to women with caring responsibilities. The pattern of roles in the lower quartiles being predominantly held by females is further exacerbated by the fact that the Council outsources many of its operational functions such as grounds maintenance, refuse, recycling, street cleaning and housing; all areas of work which traditionally attract male employees. If these roles were filled directly by NHDC employees then there would be an increased number of men within the lower two quartiles and it is likely that the gender pay gap would be significantly reduced.

With respect to career progression, a number of factors are likely to adversely affect more women than men. These include taking breaks from work for caring responsibilities, the reduction of turnover in senior roles and the flattening of management structures and hierarchies in the recent years of austerity which has restricted the available opportunities.

3.1.5. Workforce Monitoring

The Council regularly monitors its workforce statistics which includes information on pay, staff turnover and exit information, recruitment, employee relations matters and the equalities profile. This monitoring ensures that trends can be identified and appropriate action taken if there are areas of concern.

3.1.6 Policies

The Council has a number of policies and procedures that ensure transparency, fairness and equity. These include:

- Job evaluation (HAY) for all roles
- A well-designed pay scale with a restricted number of incremental points
- Formal authorisation processes for changes in pay
- A fair and equitable Market Supplement Policy based on external benchmarking
- A fair and equitable Additional Responsibility Pay Policy
- An on line recruitment system in which gender is not known until interview stage
- A competency based interview process with a clear scoring method
- Family friendly policies such as flexible working, including part-time working and job sharing, flexi-time, home-working, special leave, time off for dependants and parental leave.
- Exit questionnaires and interviews to gain feedback on employment experiences.

3.1.7 Action Plan

The following measures will be implemented as part of the Council's action plan to address the imbalance currently shown by the gender pay gap figures:

- As one of the factors that influences the gender pay gap is the distribution of males and females within the grades, we will ensure that recruitment processes continue to be monitored for all equality implications at the point of interviewing and appointment to ensure that there is no indication of bias. This data is analysed annually on a monitoring basis.
- The practice of making exceptions to the stated policy of appointment at the first point of the grade will be strictly monitored to ensure there is no gender bias in decisions regarding the offering of salaries above the bottom of the pay scale for each grade.

- Family friendly policies will be reviewed to ensure equity and as wide an application as possible. Efforts will be made to increase awareness of these policies across all staff, highlighting their endorsement by senior management. These policies are important to a large number of female staff and to the Council. Reducing the flexibility available would no doubt reduce our gender pay gap, but would run contrary to the objectives we are trying to achieve.
- Training will be provided for managers to ensure that they are able to write job descriptions and person specifications that are fit for purpose. This will allow managers to carefully consider the true requirements of the role and challenge statements that may result in deterring females with caring responsibilities applying.

Other measures will also be considered further to evaluate whether they will contribute to the Council's equalities objectives. These include but are not limited to:

- Increase the awareness of Managers in respect of the possibility and benefit of Apprenticeships at more senior levels, which may be attractive to women returning following career breaks.
- The introduction of a women only leadership training programme
- The development of mentoring, shadowing and coaching programmes specifically aimed at women.

3.2 Equalities Data 2017

3.2.1 Data

Appendix 1 to this Report shows a summary of the equalities data for the Council for the period 1st January 2017 – 31st December 2017 which was published in full on the Council's website in January 2018 in accordance with The Public Sector Equality Duty (section 149 of the Equality Act 2010). The Equality Duty applies to public bodies and others carrying out public functions. The Equality Duty is supported by specific duties which require public bodies to publish relevant, proportionate information demonstrating their compliance with the Equality Duty; and to set themselves specific, measurable equality objectives.

The data provided covers recruitment, current staff, application of HR policies, refusal of applications for learning and development, analysis of those taking and returning from maternity leave, analysis of leavers from NHDC employment and a summary of the most recent Equal Pay Review Report.

The first few pages of the full Equalities Data Report give an overview of the equalities picture in respect of those joining the Council, current staff and those leaving the Council in 2017. This is followed by data showing more detailed analysis by protected characteristic. In the provision of the data, percentages have been used instead of raw numbers in order to protect confidentiality and analysis has not been undertaken where overall numbers are less than 10.

Those joining the Council during 2017 had the following profile. Previous years' figures are shown in brackets.

- 2017 - 41% female – 59% male (2016 - 64% female – 36% male, 2015 - 60% female – 40% male)
- 2017 - 97% not disabled – 0% disabled (2016 - 86% not disabled – 12% disabled, 2015 - 93% not disabled – 5% disabled)
- 2017 - 76% White – 8% other ethnic origin (2016 - 88% White – 7% other ethnic origin, 2015 - 88% White – 7% other ethnic origin)

- 2017 - 84% heterosexual – 3% gay, lesbian or bisexual (2016 - 90% heterosexual – 2% gay, lesbian or bisexual, 2015 - 82% heterosexual – 5% gay, lesbian or bisexual)
- 2017 - 41% Christian, 3% other religions, (2016 - 45% Christian, 4% other religions, 2015 - 47% Christian, 22% other religions)
- 2017 - 5% under 21, 14% aged 21-25, 27% aged 26-34, 24% aged 35-44, 30% aged 45-54, 0% aged 55-64, 0% aged 65 and over, (2016 - 10% under 21, 21% aged 21-25, 21% aged 26-34, 17% aged 35-44, 24% aged 45-54, 5% aged 55-64, 2% aged 65 and over, 2015 – 20% aged 16-20, 28% aged 21-30, 34% aged 31-40, 7% aged 41-50, 10% aged 51-60).

Current Council Staff in 2017 had the following profile. Previous years' figures are shown in brackets.

- 2017 - 66% female – 34% male (2016 - 66% female – 34% male, 2015 -66% female – 34% male).
- 2017 - 78% not disabled – 4% disabled (2016 - 78% not disabled – 5% disabled, 2015 - 75% not disabled – 4% disabled).
- 2017 - 87% White – 7% other ethnic origin (2016 - 88% White – 5% other ethnic origin, 2015 - 88% White – 6% other ethnic origin).
- 2017 - 77% heterosexual – 1% gay, lesbian or bisexual (2016 - 76% heterosexual – 1% gay, lesbian or bisexual, 2015 - 74% heterosexual – 1% gay, lesbian or bisexual).
- 2017 - 54% Christian, 18% no religion, 4% other religions (2016 - 53% Christian, 18% no religion, 5% other religions, 2015 - 53% Christian, 18% no religion, 5% other religions).
- 2017 - 2% under 21, 5% aged 21-25, 11% aged 26-34, 25% aged 35-44, 32% aged 45-54, 22% aged 55-64, 4% aged 65 and over, (2016 - 2% under 21, 6% aged 21-25, 10% aged 26-34, 24% aged 35-44, 34% aged 45-54, 22% aged 55-64, 3% aged 65 and over, 2015 – 2% under 21, 5% aged 21-25, 8% aged 26-34, 24% aged 35-44, 33% aged 45-54, 24% aged 55-64, 3% aged 65 and over).
- 2017 - 60% married, 27% single, 3% divorced, 1% civil partnership, 1% widowed (2016 - 59% married, 29% single, 3% divorced, 1% civil partnership, 2015 - 58% married, 27% single, 4% divorced, 1% civil partnership).
- 2017 - 65% full time, 35% part time, (2016 - 67% full time, 33% part time, 2015 - 65% full time, 35% part time).

Leavers from the Council in 2017 had the following profile. Last year's figures are shown in brackets.

- 2017 - 59% female – 41% male, (2016 - 62% female – 38% male, 2015 - 64% female – 36% male).
- 2017 - 85% not disabled – 7% disabled (2016 - 82% not disabled – 8% disabled, 2015 - 73% not disabled – 3% disabled).
- 2017 - 83% White – 15% other ethnic origin, (2016 - 87% White – 7% other ethnic origin, 2015 - 80% White – 7% other ethnic origin).
- 2017 - 80% heterosexual – 4% c, (2016 - 85% heterosexual – 3% gay, lesbian or bisexual, 2015 - 68% heterosexual – 8% gay, lesbian or bisexual).
- 2017 - 37% Christian, 35% no religion, 10% other religions (2016 - 48% Christian, 28% no religion, 4% other religions, 2015 - 51% Christian, 19% no religion, 2% other religions).

- 2017 - 11% under 21, 7% aged 21-25, 17% aged 26-34, 20% aged 35-44, 28% aged 45-54, 13% aged 55-64, 4% aged 65 and over, (2016 - 2% under 21, 13% aged 21-25, 8% aged 26-34, 25% aged 35-44, 17% aged 45-54, 23% aged 55-64, 12% aged 65 and over, 2015 – 11% under 21, 16% aged 21-25, 14% aged 26-34, 19% aged 35-44, 14% aged 45-54, 23% aged 55-64, 4% aged 65 and over).
- 2017 - 33% married, 54% single, 7% divorced, 2016 - 52% married, 33% single, 7% divorced, 2015 - 36% married, 41% single, 1% divorced, 1% widowed).
- 2017 - 61% resigned, 22% came to the end of a fixed term contract, 7% retired, 2% early severance, 2% died in service and 7% were dismissed, (2016 - 52% resigned, 13% came to the end of a fixed term contract, 7% were made redundant, 12% retired, 5% transferred under the TUPE regulations and 5% were dismissed, 2015 - 53% resigned, 31% came to the end of a fixed term contract, 7% were made redundant, 3% transferred under the TUPE regulations, 3% retired and 1% died in service).

3.2.2 Analysis

These figures show that the make up of the Council's workforce by protected characteristic is very stable with few changes between 2016 and 2017. There are however some points to note especially in regard to joiners and leavers:

Gender

- Big increase in the % of male recruits to the Council, up 23% on 2016
- Small change in the gender balance of leavers with slightly more males and slightly less females leaving in 2017 compared with 2016
- The gender make up of current staff however remains completely unchanged from 2016 and 2015.

Disability

- % of new recruits, staff and leavers with a disability has declined in 2017
- % of staff not disclosing whether they have a disability decreased in 2017

Ethnic Origin

- % of White new recruits, staff and leavers decreased in 2017
- Biggest % fall was in the recruitment from the White ethnic group
- Drop in recruitment from Asian and Black ethnic groups and increase in other ethnic groups
- 11% jump in Asian leavers in 2017 and a drop in those from White or other ethnic backgrounds

Sexual Orientation

- Doubling of % of joiners preferring not to give their sexual orientation during recruitment
- Drop in % heterosexual recruits to the Council
- Drop in % heterosexual and an increase in gay, lesbian or bisexual leavers from the Council
- Increase in leavers preferring not to give their sexual orientation

Religion

- Slight drop on % of Christians joining NHDC and slight increases in those with no religion or who prefer not to say
- Significant drop in Christians, no religion and those who prefer not say leaving NHDC
- Increase in those with no religion leaving the Council

Age

- % younger recruits fell substantially as only a few apprentices were recruited in 2017 due to the scheme changes transition.
- Highest % of recruits remain aged 45-54
- No recruits aged 55 or over
- Significant increase (13%) in the % of leavers under age 34 and those aged 45-54.
- Drop in those leaving the Council over age 55
- Mixed picture regarding the age groups of those joining and leaving
- Despite the above changes the overall age profile of current employees remains largely the same

Marital Status

- There has been no change in the marital status make up of current employees
- There's been a swing towards those that are single leaving the Council
- Marital status of those joining the Council is not requested during recruitment

Full time/Part time

- Little change in the % regarding the male/female splits in full time and part time working
- Small % reduction in full time disabled employees
- Reduction in % of part-time employees aged 45-54
- Reduction in % of White part-time employees

Long Term Sick

- Number of cases rose from 19 cases in 2016 to 26 cases in 2017
- Increase in cases for those under 21 from 0% to 8%
- Significant increase in cases in certain age bands and in male staff
- Significant decrease in cases in 35-44 age group

NB There are small numbers of staff under this procedure so there is a larger percentage distortion

Attendance Procedure

- Same number of cases in 2016 as 2017 – 13
- Increase in % of 55 – 65 age group and decrease in the younger groups in this Procedure
- Sizable increase in % of women under this procedure
- Decrease in White staff under the procedure and increase in Other Ethnic groups

NB There are small numbers of staff under this procedure so there is a larger percentage distortion

Leavers

- Big drop in leavers in 2017 – 46 leavers in 2017, 60 leavers in 2016
- Drop in numbers going on maternity leave – 2 in 2017, 7 in 2016
- The picture for reasons for leaving is mixed with the numbers leaving by reason of resignation, retirement and dismissal increasing and those leaving by reason of early severance, redundancy and end of contract decreasing.

3.3 Equal Pay Review 2017

Regular equal pay reviews are an important element of ensuring that the pay and reward package is being applied fairly by examining the main areas where inequalities are likely to exist. We have equal pay data going back to 2007 and, over the years, we are satisfied that there have been no significant inequalities. This is underlined by the large number of examples showing the minority groups earning the same or more than the comparison group which exist in the reviews undertaken.

NHDC data is reviewed using grade, gender, age, ethnic group, disability, religion and sexuality. Analysis of basic pay for full time and part time employees, market forces payments, additional responsibility pay, starting pay, protected pay, Committee attendance allowances and IT disturbance allowance also occurs. In order for comparisons to be made the average, (mean) salary is calculated for each grade in the groups considered. Differences above 3% between the groups being compared are considered significant and analysis focusses mainly on the instances where these occur.

Data from 2017 has been extracted from the payroll system and is currently being analysed. This will lead to a report being produced in the coming months. An update as to progress and initial findings will be given to this Committee in June with a presentation of the Report at the September meeting.

4. NEXT STEPS

- 4.1 There will be a further update on equalities prepared for the September JSCC.

5. APPENDICES

- 5.1 Appendix 1 – Summary of Equalities Data 2017

6. CONTACT OFFICERS

- 6.1 Maggie Williams – Senior HR & Contracts Manager 01462 474506
Maggie.williams@north-herts.gov.uk
- 6.2 Kerry Shorrocks – Corporate Human Resources Manager 01462 474224
Kerry.shorrocks@north-herts.gov.uk

7. BACKGROUND PAPERS

Equalities data for the Council for the period 1st January 2017 – 31st January 2017 published in January 2018 in accordance with The Public Sector Equality Duty (section 149 of the Equality Act 2010). Available on the Councils Website

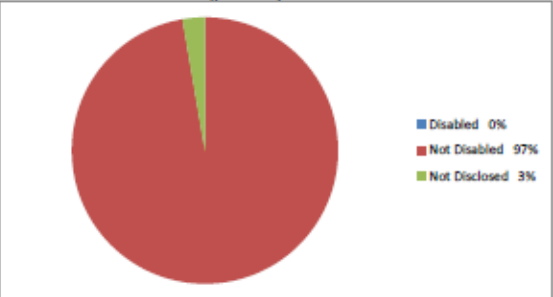
Appendix 1

Summary of 2017 Equalities Data for Joiners, Current Staff and Leavers

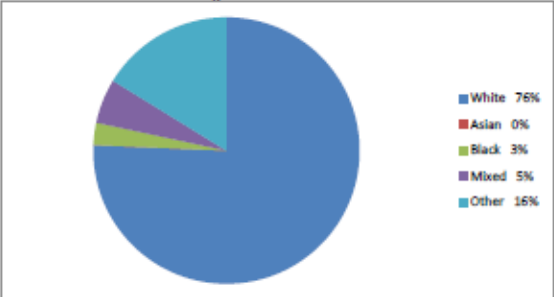
Overview of Equalities Data for 2017

Full data can be viewed from Page 4
 Figures may not add up to exactly 100% due to rounding

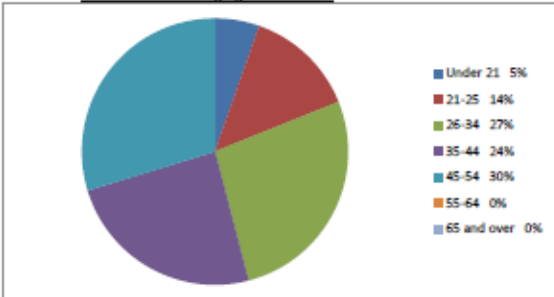
Joiners Data showing Disability Information



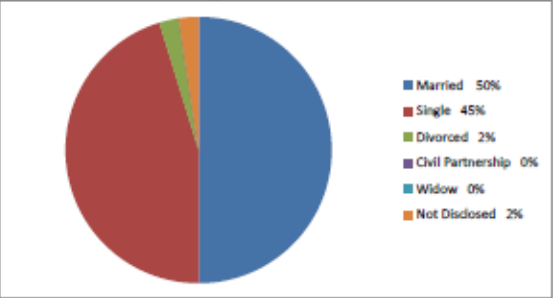
Joiners Data showing Race Information



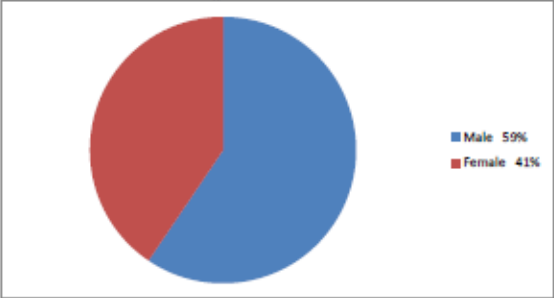
Joiners Data showing Age Information



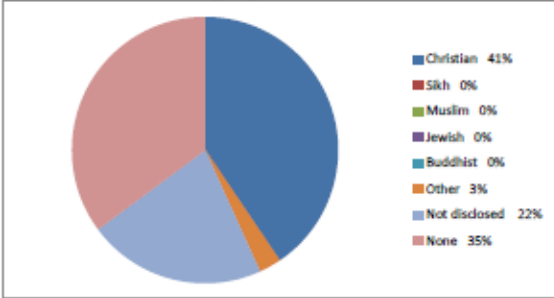
Joiners Data showing Marital Status Information



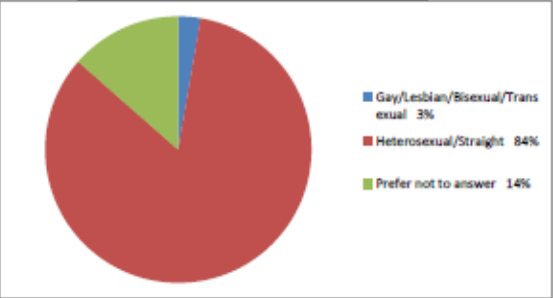
Joiners Data showing Gender Information



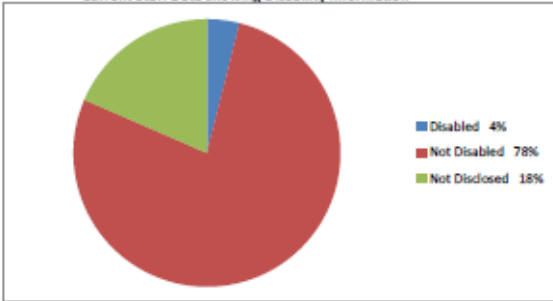
Joiners Data showing Religion Information



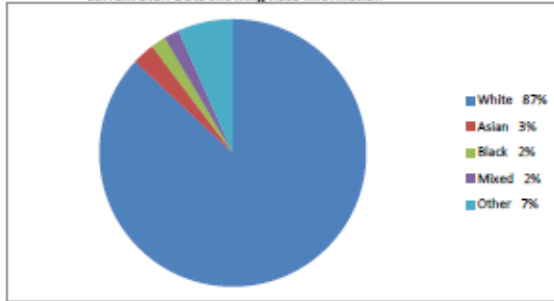
Joiners Data showing Sexual Orientation Information



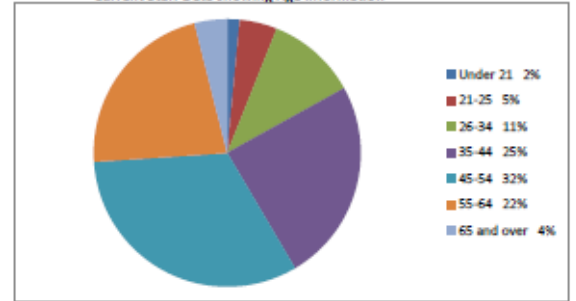
Current Staff Data showing Disability Information



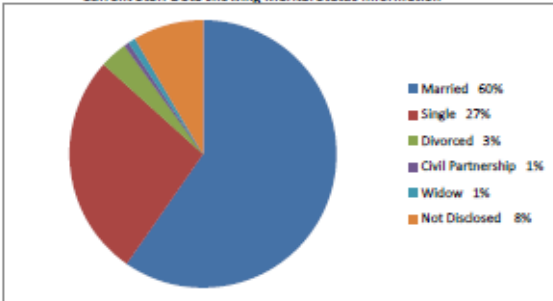
Current Staff Data showing Race Information



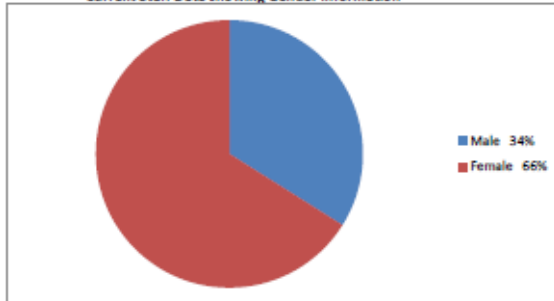
Current Staff Data showing Age Information



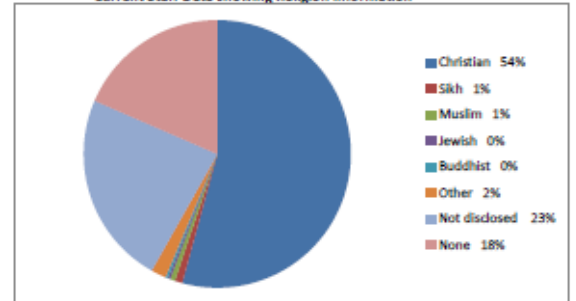
Current Staff Data showing Marital Status Information



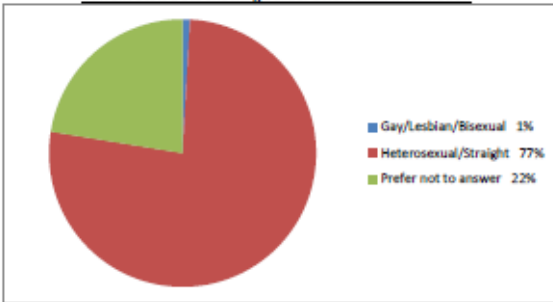
Current Staff Data showing Gender Information



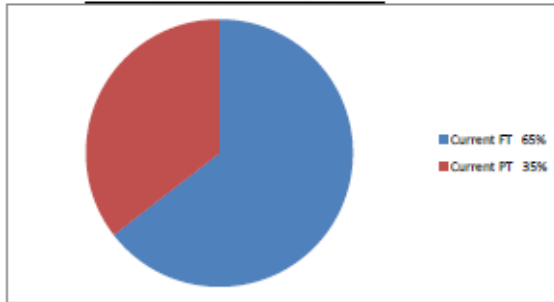
Current Staff Data showing Religion Information



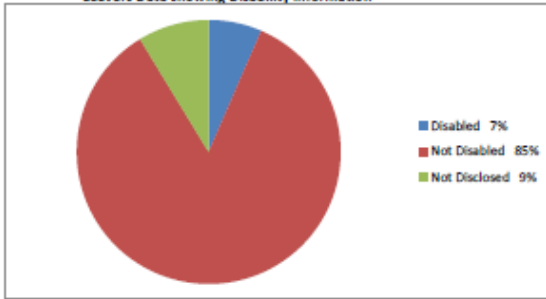
Current Staff Data showing Sexual Orientation Information



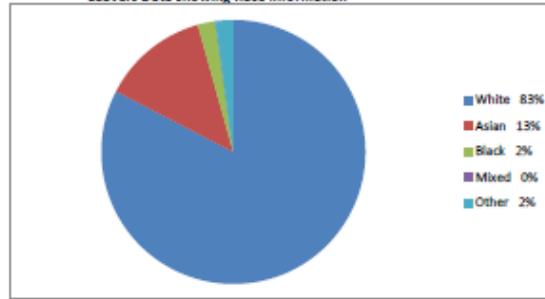
Current Staff Data Full Time versus Part Time



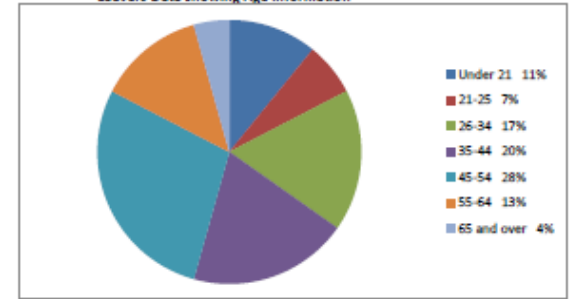
Leavers Data showing Disability Information



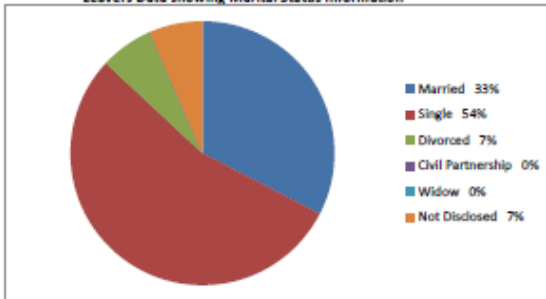
Leavers Data showing Race Information



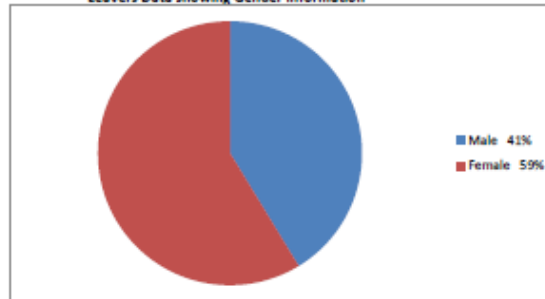
Leavers Data showing Age Information



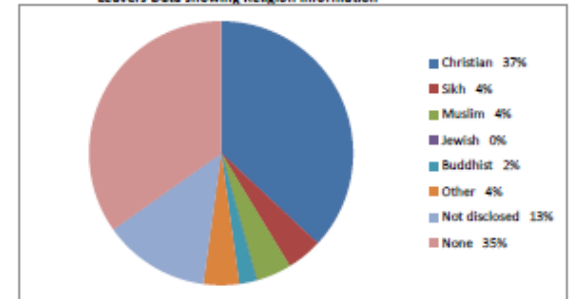
Leavers Data showing Marital Status Information



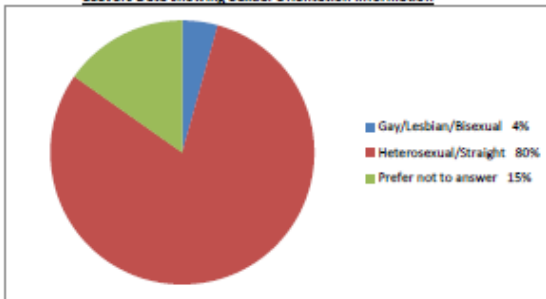
Leavers Data showing Gender Information



Leavers Data showing Religion Information



Leavers Data showing Sexual Orientation Information



Leavers Data showing Reason for Leaving Information

