

Meeting of the Cabinet – 20th March 2019

Report of the Chief Officer Transformation and Performance

Gender Pay Gap 2018 – Snap shot date 31st March 2017

Purpose

1. To consider and approve the proposed Gender Pay Gap report 2018 for public disclosure by 30th March 2019 in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Recommendations

2. It is recommended that Cabinet consider and approve the proposed Gender Pay Gap report 2018 for public disclosure, in accordance with the deadline date of 30th March 2019 to ensure compliance with the requirements of the 2017 Regulations. The Gender Pay Gap 2018 document can be viewed on the Council's Website ([Committee Management Information System](#)).

Background

3. With effect from 2017, any organisation employing 250 or more employees must publish and report specific figures about their gender pay gap. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings.
4. To comply with the Regulations, employers must both:
 - Publish their gender pay gap data and a written statement on their public facing website
 - Report their data to government online using the gender pay gap reporting service.
5. The figures must be calculated using a specific reference date known as the 'snapshot date' which for public sector organisations is 31st March and must be published within a year of the snapshot date i.e. 30th March each year.
6. Dudley first published its Gender Pay Gap report for 2017 in March of last year which identified that its gender pay gap was 11% (mean) and 18% (median) both above the average of 7.8% (mean) and 7.5% (median) for all West Midlands local authorities. This comparator group included a wide range of Councils that differed in size and workforce composition.
7. In order to comply with the Regulations, the first challenge was the calculation itself. Having promoted equality, diversity and inclusion within our workforce, Dudley has employees on differing terms and conditions of employment

including part-time workers, casual workers, term-time only workers and employees on annualised hours. Therefore doing the calculation was, and continues to be, a difficult and complex process.

8. The second challenge was telling the actual story as we wanted to ensure that Dudley's story reflected our workforce which operates across a lot of different sectors. Unlike a lot of industries who will only be comparing one group of employees, Dudley will be comparing across lots of diverse groups of employees.
9. The third challenge, which has been recognised since its implementation in 2017, is the challenge of avoiding comparing one Council's data with another Council. It is recognised that services provided by Councils do differ in that some have chosen to contract out some services whilst others, such as Dudley, have opted to retain their services in-house.
10. Benchmarking with our neighbouring authorities has proved this to be the case. Using 2017 figures, Birmingham, Sandwell, Coventry and Wolverhampton all published figures below that of Dudley (a table detailing the West Midlands ADASS Region Councils for 2017 is attached as an Appendix to this report). However, Birmingham do not provide Refuse, Highways or Catering Services; Sandwell have no Direct Services or Leisure Services and Coventry provide no Catering Services. All of these services are indicative of predominately male or female dominated roles which impact on and distort the pay gap % age.
11. To demonstrate this, and using Catering Services as an example, Dudley currently provides this service in-house employing approximately 300 female catering assistants compared to 10 male. If this service had been contracted out, the 'mean' pay gap would be reduced to 7% bringing us below all of our neighbouring authorities with the exception of Coventry at 2.8%.
12. As highlighted in point 9 above, Dudley has taken the decision to retain its services in-house and continues to provide its diverse range of services. On this basis, its gender pay gap for 2018 remains relatively unchanged at 11% (mean) and 20% (median). The Gender Pay Gap Snapshot report details this.
13. Dudley as an Authority has a shared responsibility to create a more gender balanced workforce and prides itself on the numerous women who have already forged successful careers with the Authority, many in the areas that are often male dominated such as horticulture, construction, planning and environment. Whilst Dudley already employs many successful women in both senior and typically male dominated roles, it is recognised the important role that apprenticeships and the Apprenticeship Levy will play in providing opportunities for those who are in lower paid jobs to work and train.
14. It should be recognised that with effect from 1st April 2019 the Council becomes a Real living wage employer which will impact predominantly on the lower paid employees who are mainly female. This will ensure that, with effect from 1st April 2019, they receive a minimum rate of £9.00 per hour as calculated by the Living Wage Foundation.

15. In addition events such as International Women's Day (IWD) are celebrated across the Borough. The Chief Executive and Deputy Leader of the Council have recently celebrated achievements of women and girls across the Borough for the 2019 IWD themed #BalanceforBetter.

Finance

16. There are no direct financial implications arising from this report.

Law

17. The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 impose obligations on employers with 250 or more employees to publish information relating to the gender pay gap in their organisation. In particular, employers are required to publish the difference between the average hourly rate of pay paid to male and female employees; the difference between the average bonus paid to male and female employees; the proportions of male and female employees who receive bonuses; and the relative proportions of male and female employees in each quartile pay band of the workforce.

Equality Impact

18. The Council is committed to the promotion of equality of opportunity and choice for all of its employees and considers its transparency, reporting and monitoring as being an important step in tackling any issues of inequality

Human Resources/Transformation

19. The Council is committed to seeking to reduce the current gender pay gap and, to date, has taken the following steps:
- The introduction of new pay structures and revised terms and conditions of service to eliminate inequalities in the pay and grading structures;
 - The provision of Family Friendly Policies to support work life balance including agile working, flexible working arrangements, shared parental leave, childcare vouchers and an authorised leave scheme;
 - Allowing people to work flexibly where possible;
 - The provision of recruitment and selection training to ensure interviewers have the relevant knowledge and understanding of equality and diversity matters;
 - The provision of the TORCh programme to develop management and leadership skills.

20. In the coming year, the Council will:

- Review its recruitment practices to ensure that all job advertisements include literature that is equally attractive to both male and female candidates and ensure that the Council's commitment to flexible working is highlighted;
- Continue to develop new ways of working that offers flexibility and enables employees to develop their career whilst enabling them to maintain a healthy work life balance;
- Undertake further work to fully understand the disparity between men and women across all grades;
- Ensure ongoing compliance with equalities legislation.

Commercial Implications

21. There is no direct commercial impact.



.....
Adrian McCormick
Chief Officer Transformation and Performance

Contact Officer: Karen Jesson, OD Strategic Business Partner
Telephone: 01384 815773
Email: karen.jesson@dudley.gov.uk

List of Background Papers

Gender Pay Gap 2018
Gender Pay Gap Benchmarking Analysis based on 2017 results