
Meeting of the Cabinet – 24th March 2022

Report of the Chief Executive

Gender Pay Gap report 2021 – Snap shot date 31st March 2021

Purpose

1. To consider and approve the Gender Pay Gap report 2021 which is due for publication by 30th March 2022 in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Recommendations

2. It is recommended:-
 - that Cabinet approve the Gender Pay Gap report 2021 attached at Appendix 1 for public disclosure,
 - that thereafter the report is published and data reported to the government before the 30th March 2022 to ensure compliance with the requirements of the 2017 Regulations.

Background

3. Any organisation employing 250 or more employees is required to publish an annual report on the difference between the average earnings of men and women, expressed as relative to men's earnings. This is known as the Gender Pay Gap report. The gender pay gap differs from equal pay in that equal pay relates to pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. The gender pay gap is a measure of any disparity in pay between the average earnings of male and female employees.
4. Figures contained within the report must be calculated using a specific reference date known as the 'snapshot date', which for public sector organisations is 31st March. Employers are required to publish the report within a year of the snapshot date. Thus, the report compiled for Dudley Council is based on a snapshot date of 31st March 2021 and must be published by 30th March 2022.

5. 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.

6. Publication of this report enables the council to make comparisons with other employers, including other authorities. However, this does prove challenging for a number of reasons. For example many employers will be analysing their pay in a single sector whereas Dudley's pay structure covers a range of diverse service areas with grades varying according to the level of responsibility. The challenge also extends when making comparisons with other local authorities, an example being where a number of authorities have outsourced services such as refuse and catering which are predominantly comprised of mainly male or female employees. This can impact on, and distort, the pay gap percentage and therefore could be seen as not comparing like with like. The benchmarking analysis for 2020 reflects this and is found at Appendix 2.

Dudley's Current Position and Action taken to date

7. The full Gender Pay Gap report for 2021 is attached as Appendix 1 to this report. The analysis is based on the overall pay difference between Dudley's male and female workforce and is provided in accordance with the six mandatory calculations that are required to be reported on to meet the Regulations. These are:

Mean gender pay gap – the difference in the mean hourly pay of male and female employees expressed as a proportion of the male figure

Median gender pay gap – the difference in the median hourly pay between male and female employees, expressed as a proportion of the male figure

Mean Bonus gender pay gap – the difference in the mean bonus pay between male and female employees, expressed as a proportion of the male figure

Median Bonus gender pay gap – the difference in the median bonus pay between male and female employees, expressed as a proportion of the male figure

Hourly pay quartiles – the number of male and female employees in each quartile of the overall pay range

Bonus pay proportion – the proportion of male and female employees who received a bonus in the year.

8. Having analysed Dudley's position in accordance with the above mandatory calculations, it confirms that Dudley's gender pay gap as at 31st March 2021 is 10% (mean) and 20% (median) which equates to the same mean percentage as last year but an increase in the median from 16% to 20%. The 'mean' calculation being the difference between the average of basic annual earnings of men and women and is expressed as a percentage of the basic annual earnings of men. The 'median' calculation being the actual mid-point between the highest and lowest paid. For the purposes of clarification, the specific elements of pay are included i.e. basic pay, allowances, paid leave and shift pay – excluding overtime. An average hourly pay rate is calculated for every employee based on these payments and working hours. Dudley

Council does not operate a bonus scheme and therefore bonus calculations are not relevant.

9. The increase in the median calculation can be attributed to a reduction in male employees in the lower pay groups. Due to the pandemic and the closure of a number of services such as leisure centres, there was less reliance on casual workers compared to the previous year. Casual workers tend to be in the lower paid groups and for the period covered by this report, there was 51 male casual workers compared to 107 the previous year. The reduction in lower paid male workers has contributed to the increase in the median value for male employees.
10. As like other local authorities, the lower paid roles within the Council such as cleaner, catering assistant, administration are predominantly female with, for example, a significantly higher number of female catering assistants compared to male. The majority of these roles are also part-time with female employees making up 89% of part time workers. As a result, the gender pay gap within Dudley is, in part, due to the high concentration of female employees in part-time and lower paid job roles when compared to the average (mean) hourly rate of all employees across the Council.
11. The table on page 5 of the Gender Pay Gap report provides the gender pay gap for each Directorate and indicates that in some areas the gap is somewhat above the Council's 'mean' average of 10%. In the case of Public Realm, the gender pay gap in this service area is 21% due to the high concentration of male full-time employees (69% of the workforce). This affects the gender pay gap because of women being under-represented in this service area. In terms of the Directorate of Regeneration and Enterprise, the gender pay gap is at 22% due to a wide range of diverse job roles ranging from catering assistants and casual leisure centre employees to managerial positions. The gender pay gap in this service area reflects the high volume of female part-time workers at the lower end of the pay scale in catering assistant roles and the higher proportion of male employees in managerial level positions.
12. The Pupil Referrals Unit is the highest at 37% above Dudley's gender pay gap. This analysis refers to only one remaining with the Council and is made up of significantly female employees (25 in total) occupying support staff roles such as teaching assistants which are at the lower end of the payscale and only 5 male employees with 4 being in senior roles at the higher end of the payscale.
13. There is a recognition that we need to do more to tackle the gender pay gap at Dudley and to build on our long-standing commitment to encourage more women into careers that are traditionally male dominated. The steps taken to date to address this are outlined on page 10 of the Gender Pay gap snapshot report. Further work planned in the year ahead is outlined on page 10 and 11 of the Gender Pay Gap snapshot report.

Finance

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



Law

15. 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 following:
- 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;
 - the relative proportions of male and female employees in each quartile pay band of the workforce.

Risk Management

16. The Gender Pay Gap report 2021 mitigates the risk of the Council failing to meet its obligations under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to publish information relating to its gender pay gap.

Equality Impact

17. 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/Organisational Development

18. The Council is committed to seeking to further reduce the current gender pay gap and will continue to review and take necessary action, where appropriate, to close the gap in accordance with its commitment to promote equality in employment.

Commercial/Procurement

19. There are no direct commercial or procurement implications associated with this report.

Council Priorities

20. Dudley's commitment to reducing its gender pay gap supports the Council's Plan of Building a Dynamic and Sustainable Organisation through developing its workforce. The report embeds and underpins its people strategy looking to ensure that Dudley employs an inclusive and diverse workforce who are paid fairly and equitably and stops any differences in pay that is caused by occupational segregation.



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Appendices

Gender Pay Gap Report 2021
Gender Pay Gap Benchmarking Analysis based on 2020 results