

**READING BOROUGH COUNCIL**  
**REPORT BY HEAD OF LEGAL & DEMOCRATIC SERVICES**

<b>TO:</b>	PERSONNEL COMMITTEE		
<b>DATE:</b>	15 MARCH 2018	<b>AGENDA ITEM:</b>	6
<b>TITLE:</b>	GENDER PAY GAP		
<b>LEAD COUNCILLOR:</b>	CLLR LOVELOCK	<b>PORTFOLIO:</b>	
<b>SERVICE:</b>	HR	<b>WARDS:</b>	BOROUGHWIDE
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## 1. PURPOSE AND SUMMARY OF REPORT

- 1.1. 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.
- 1.2. To make the calculations, specific data must be gathered from the Council's payroll from a specific date each year. This specific date is called the 'snapshot date', which is 31 March for public sector organisations.
- 1.3. The calculations must be published on our own website and a government website. This report sets out the figures that will need to be published with an analysis of the information by 30 March 2018.

### RECOMMENDED ACTION

That you note the report and agree to its recommendations and publication.

## 2. Introduction and Background

- 2.1. The information that is required for publication is:

<b>Mean gender pay gap</b>	The difference between the mean hourly rate of pay of male full-pay relevant employees (FPREs)
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	and that of female full-pay relevant employees.
<b>Median gender pay gap</b>	The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
<b>Mean Bonus Gap</b>	The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.
<b>Median gender pay gap</b>	The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.
<b>Bonus proportions</b>	The proportions of male and female relevant employees who were paid bonus pay during the relevant period.
<b>Quartile pay bands</b>	The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

- 2.2. For the purpose of this report, the workforce profile as at the “snapshot date”, 31 March 2017, were 2513 FPREs, which is made up by 1653 females and 860 males. Out of the 2513 FPREs, four are covered by TUPE regulations (three are females and one is male).
- 2.3. In accordance with [Government’s guidance](#), data of school staff is not included in this report.
- 2.4. The figures have been calculated for this report in accordance with [Government’s guidance](#) by the Data Team in Payroll. The highlighted figures in each table are those that will require publication.

	Male	Female	Female’s earnings are:
<b>Mean Hourly Rate</b>	14.49	14.17	2.21% lower
<b>Median Hourly Rate</b>	13.32	12.81	3.83% lower

*Table 1 - Mean and median gender pay gap*

	Male	Female	Female’s bonuses are:
<b>Mean amount of bonus</b>	626.38	798.30	27.45% higher
<b>Median amount of bonus</b>	573.00	1,000.00	74.52% higher

*Table 2 - Mean and Median gender pay gap in bonus payments*

	Male		Female	
<b>FPREs Total</b>	860		1653	
<b>Proportion of Receiving a bonus</b>	16	1.86%	30	1.81%

*Table 3 - Proportion of males and females who received a bonus*

### 3. Analysis

- 3.1. Table 1 shows that the Council's mean (2.21%) and median (3.83%) gender pay gap compares favourably with the national average gender pay gap figure, 18.1%<sup>1</sup>.
- 3.2. Tables 2 & 3 reflect a small group of employees who received their "bonuses" in the relevant period. The Council does not have provision for the payment of bonuses within its own terms and conditions. However, long service awards are in the form of money which meet the definition of "bonus" for this report.
- 3.3. Long service awards are recognition of achieving 20 years continuous service. The Council is currently running two long service award schemes with varying cash values:
  - A one-off money award of £1,000 for those achieving long service with either the Council or a combination of the Council and Berkshire County council, with the provision for employees to "trade in" all or part of the award for additional days leave, currently at the rate of £100 per day; and
  - £573 plus double leave for achieving long service employees appointed by the Council before 1 April 1998, i.e. only continuous service with the Council will count.
- 3.4. 14 of the 16 (87.5%) male employees received the lower cash value compared to 14 of 30 women (46.7%). This has, as a result, translated into a large pay gap.
- 3.5. It must be noted that the award with the provision of double leave will cease on 31 March 2018. Employees will still be able to "trade in" for additional days leave resulting in varying cash values being given.

<sup>1</sup> ONS, based on the *Annual Survey of Earnings and Hours, 2016*, <https://visual.ons.gov.uk/find-out-the-gender-pay-gap-for-your-job/>

However, if there was a small take-up of the “trade in” option, the pay gap in “bonuses” should be reduced significantly in the near future.

- 3.6. Based on how the gender pay gap is calculated, although the gap is small, it still exists within the Council as its workforce is predominately female (66%). There are more females than males at every level, yet over half of female employees are in the lower and lower middle pay quartiles (Figure 2).
- 3.7. Figure 3 illustrates the breakdown of males and females more clearly in each pay band. When looking at a particular pay band, RG3, which has the greatest proportion of female employees and significantly higher than the overall 66%, job roles that fall into this pay band are primarily library workers and care assistants. 60% of the female employees in this pay band are part-time.
- 3.8. CIPD<sup>2</sup> finds that there are a number of barriers that could hinder females achieving senior positions, e.g. caring responsibilities, full time working being the existing norm, career break etc.
- 3.9. Despite CIPD’s findings, the Council has a good balance of males and females at senior management level - 56% are females at RSM levels, i.e. earnings are above RG10 (£55k plus).

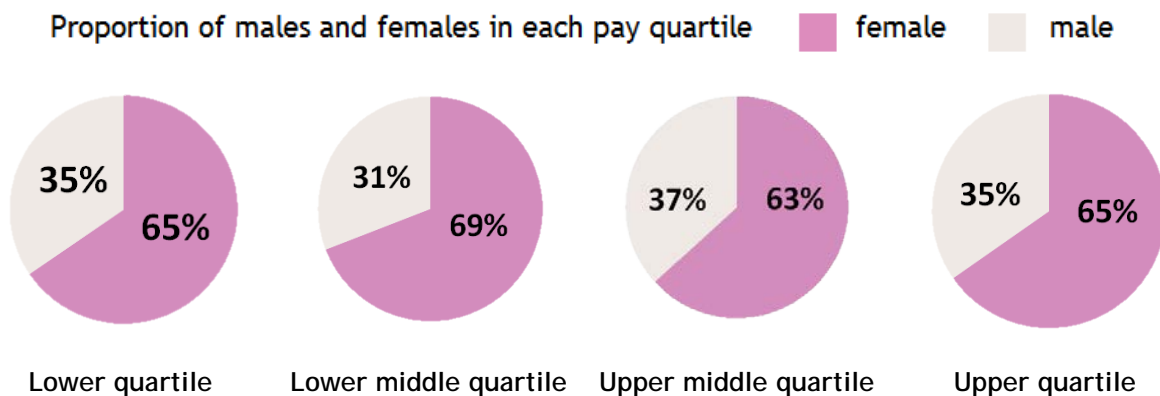


Figure 1 - Proportion of males and females in each pay quartile

Number of males and females in each pay quartile

<sup>2</sup> CIPD, *Why are there so few women at the top*, 2016, [https://www.cipd.co.uk/Images/why-are-there-so-many-women-at-the-top\\_2016-april\\_tcm18-14006.pdf](https://www.cipd.co.uk/Images/why-are-there-so-many-women-at-the-top_2016-april_tcm18-14006.pdf)

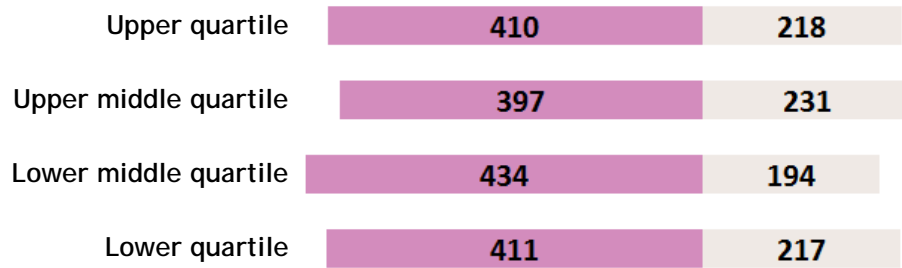


Figure 2 - Number of males and females in each pay quartile

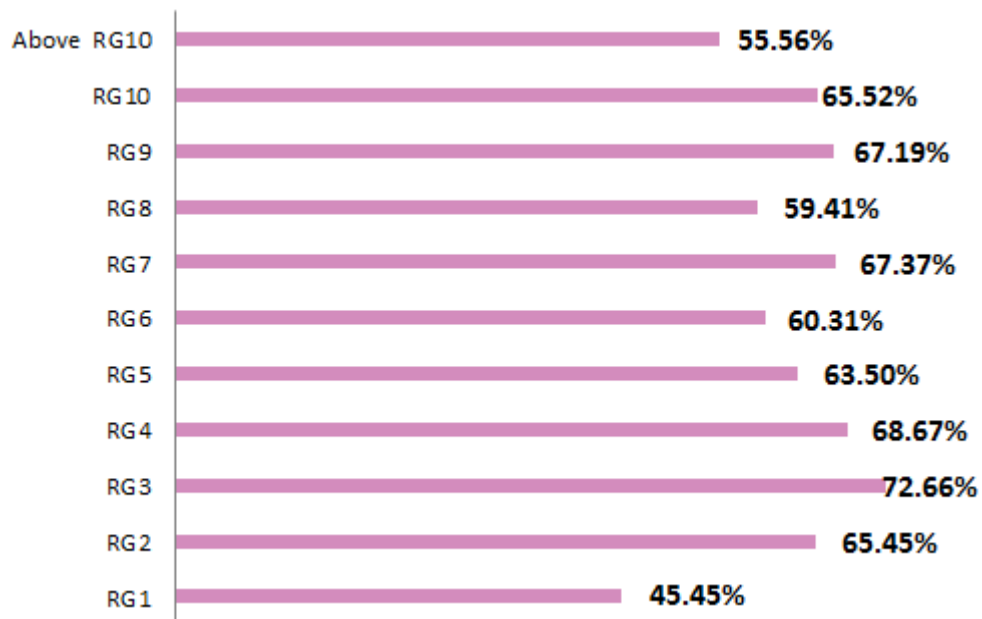


Figure 3 - Proportion of female in each pay band as at 31 March 2017

#### 4. Conclusions

- 4.1. The small gender pay gap which is much lower than the national average is likely to be the result of the long term effort that the Council has invested to ensure fair pay for all staff, including:
- Implemented a new pay structure in May 2011 as a result of a pay review exercise starting in 2009;
  - Having a clear policy of paying employees equally for the same or equivalent work, regardless of gender;
  - Having a job evaluation scheme (GAUGE) to ensure pay fairness;
  - Formal authorisation processes for the change in pay, including accelerated increments, market supplement and pay at starting appointments;
  - Extended the right to request flexible working to all staff in 2010, 4 years before the Government changed the law;
  - Promoting and supporting a number of flexible working policies for all employees within the Council, irrespective of gender, including job share, part time working and, term time working. In some areas there is also a flexibility to work from different locations.
  - Enhanced Shared Parental Pay to mirror contractual Maternity Pay;
  - Became an accredited "Living Wage Employer" in 2014 paying the Living Wage set by the Living Wage Foundation as a minimum to all employees at the lower level of the pay structure;
  - Exit interviews and Leaver Surveys to gain feedback on employment experiences.

#### 5. Action Plan/Recommendations

- 5.1. To increase Managers awareness of 'unconscious bias's during recruitment and interview processes.
- 5.2. Increase awareness around apprenticeship schemes to encourage more employees to improve their skills and experience giving them the opportunity to progress their career.
- 5.3. Promote the benefits of flexible working practices to employees and Managers. In addition the Council will monitor the take-up of flexible working arrangements by gender and level within the organisation.

- 5.4. Promote the benefits of working for the Council, such as Apprenticeship opportunities, flexible working arrangements, diversity commitments, etc.
- 5.5. Monitor exit interview data and identify any trends to understand if one gender is leaving for common reasons compared to the other.
- 5.6. Monitoring Acting Up positions and related honorarium payments for men and women to assess whether there are any differences.
- 5.7. Monitoring through the Equality Audit