

## READING BOROUGH COUNCIL

### REPORT BY ASSISTANT DIRECTOR OF HR AND ORGANISATIONAL DEVELOPMENT

TO:	PERSONNEL COMMITTEE		
DATE:	18 MARCH 2020	AGENDA ITEM:	4
TITLE:	GENDER PAY GAP REPORT 2019		
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#### 1. EXECUTIVE SUMMARY

- 1.1 The gender pay gap is calculated as the difference between average hourly earnings (excluding overtime) of men and women as a proportion of average hourly earnings (excluding overtime) of men's earnings. For example, a 4.0% gender pay gap denotes that women earn 4.0% less per hour, on average, than men. It is a measure across all jobs in the UK, not of the difference in pay between men and women for doing the same job.
- 1.2 An employer must comply with the gender pay gap regulations for any year where they have a 'headcount' of 250 or more employees on the 'snapshot date'. For local authorities the snapshot date is 31 March each year. There are six calculations to carry out, and the results must be published on the employer's website and the Government Equalities Office website within 12 months.
- 1.3 The Council's Gender Pay Gap report is attached at Appendix 1. It is based on data at the snapshot date of 31 March 2019. The mean gender pay gap for 2019 is 4.99% and the median is 5.05%.
- 1.4 Nationally, the gender pay gap has been declining slowly in recent years. Among full-time employees only it now stands at 8.9%, little changed from 2018 when it was 8.6%. Among all employees the gap fell from 17.8% in 2018 to 17.3% in 2019. The gender pay gap is higher for all employees because women fill more part-time jobs, which have lower hourly median pay than full-time jobs, and are more likely to be in lower-paid occupations.

- 1.5 This Council's gender pay gap has increased from 2018 when the mean was 2.99% and the median was 4.99%. This is largely because the Council's data now excludes the children's services workforce which transferred to Brighter Futures for Children (BFfC) on 1 December 2018 (i.e. before the snapshot date of 31 March 2019). BFfC's workforce is predominantly (86%) female, which also accounts for the lower proportion of women in the Council's workforce on 31 March 2019 (60.7%) compared to 31 March 2018 (65.9%).
- 1.6 Despite this small increase, the Council is still in a good position with a mean of 4.99% compared to the mean for the whole economy of 17.3%. This reflects the Council's aspiration to be a fair and inclusive employer, making best use of its talent regardless of gender.

- 1.7 Appendices:

Appendix 1: Reading Borough Council Gender Pay Gap Report 2019

<b>2. RECOMMENDED ACTION</b>
<b>2.1 That Personnel Committee notes the Council's Gender Pay Gap report in Appendix 1.</b>

<b>3. POLICY CONTEXT</b>
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- 3.1 The gender pay gap is calculated as the difference between average hourly earnings (excluding overtime) of men and women as a proportion of average hourly earnings (excluding overtime) of men's earnings. For example, a 4.0% gender pay gap denotes that women earn 4.0% less per hour, on average, than men. Conversely, a negative 4.0% gender pay gap denotes that women earn 4.0% more, on average, than men.
- 3.2 Nationally, the gender pay gap has been declining slowly in recent years. Among full-time employees only it now stands at 8.9%, little changed from 2018 when it was 8.6% (not a statistically significant increase). Among all employees the gap fell from 17.8% in 2018 to 17.3% in 2019. The gender pay gap is higher for all employees because women fill more part-time jobs, which have lower hourly median pay than full-time jobs, and are more likely to be in lower-paid occupations.
- 3.3 An employer must comply with the regulations for any year where they have a 'headcount' of 250 or more employees on the 'snapshot date'. For local authorities the snapshot date is 31 March each year.
- 3.4 Organisations must publish the following information:
  - Their mean gender pay gap
  - Their median gender pay gap
  - Their mean bonus gender pay gap

- Their median bonus gender pay gap
  - Their proportion of males and females receiving a bonus payment
  - Their proportion of males and females in each quartile pay band
- 3.5 The information must be published on both the employer’s website and on the Government Equalities Office website. An employer should then use that information to help understand any underlying causes for their gender pay gap and take suitable steps to minimise it. Benefits will differ between employers but can include developing a reputation for being a fair and progressive employer, attracting a wider pool of potential recruits for vacancies and the enhanced productivity that can come from a workforce that feels valued and engaged in a culture committed to tackling inequality.
- #### 4. THE COUNCIL’S GENDER PAY GAP
- 4.1 Appendix 1 shows the Council’s gender pay gap information for 2019; the mean gender pay gap is 4.99% and the median is 5.05%. This is based on data at the snapshot date of 31 March 2019.
- 4.2 The averages used are mean and median. A mean average is calculated by totalling all the values in a dataset; this total is then divided by the number of values that make up the dataset. The median of a group of numbers is the number in the middle, when the numbers are in order of magnitude.
- 4.3 The Council is in a good position. The vast majority of organisations have a much larger gender pay gap, with a mean for the whole economy of 17.3% for 2019. This reflects the Council’s aspiration to be a fair and inclusive employer, making best use of its talent regardless of gender.
- 4.4 The Local Government Association published a comparison of gender pay data for local authorities based on 2018 figures (the data for 2019 does not have to be published until 30 March 2020 so this is the latest data available). For the mean gender pay gap, on average, women were paid 6.1% less than men. The values varied between -18.0% (women were paid more than men) and 23.9%. For the median data, on average, women were paid 4.0 per cent less than men. The median gender pay gap for unitary authorities was 6.5%. This shows that Reading Borough Council’s data compares relatively well to other local authorities.

#### 5. COMMUNICATION AND CONSULTATION

- 5.1 The following steps will be taken to publish the Council’s gender pay gap information:
- Published on the Council’s website
  - Published on the Government Equalities Office website
  - An item will be included in the Chief Executive’s Friday email to highlight the gender pay gap information in a proactive way to staff
  - The report will be presented to Personnel Committee on 18 March 2020 for members to note

- A press statement will be issued to seek to bring the report to the attention of local media, residents and businesses.

## **6. CONTRIBUTION TO STRATEGIC AIMS**

6.1 This report contributes to the strategic aim of ensuring Council is fit for the future.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

7.1 The Council's gender pay gap report will be published as detailed in section 5 of this report.

## **8. EQUALITY IMPACT ASSESSMENT**

8.1 There is no equalities impact assessment required for this report.

## **9. LEGAL IMPLICATIONS**

9.1 Publication of the report in Appendix 1 fulfils the Council's duty under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 for all organisations with a headcount of 250 or more employees on the relevant 'snapshot date' to publish their gender pay gap information.