

REPORT OF SERVICE DIRECTOR – CUSTOMERS, GOVERNANCE AND EMPLOYEES

GENDER PAY GAP – UPDATE

Purpose of the Report

1. The purpose of the report is to provide Personnel Committee with an update of Nottinghamshire County Council’s Gender Pay Gap (GPG) for publication as required by the public sector duty under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2016.

Information

2. An initial report was brought to Personnel Committee on 7 March 2018 which outlined the requirement for employers of over 250 employees to report their gender pay gap. As previously reported, schools’ information is not required in the Council’s reporting as this remains the responsibility of the governing body for eligible maintained schools or the proprietor for academies with 250 plus employees.
3. The 2018 report explained that there was a calculation required which shows the difference between the mean (average) and the median (mid-point) earnings between men and women expressed as a percentage of men’s earnings. The subsequent report considered by Members at Committee on 30 January 2019, provided a brief update on the progress made to date and agreed an action plan to develop a range of responses to further improve the Council’s performance in this area.
4. Although reporting requirements were relaxed due to the ongoing impact of the Covid-19 pandemic, a report was brought to this Committee in January 2021 providing a further update on the position as at March 2020. The table below reflects the year on year position since reporting began and highlights the steady improvement made:

| Gender Pay Gap | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| Mean | 12.3% | 11.5% | 9.3% | 8.4% | 8.4% |
| Median | 25.4% | 20.2% | 18.4% | 20.1% | 16.8% |

5. Members were previously advised of the difference between the gender pay gap information and equal pay which specifically relates to the pay differences between men and women undertaking work of equal value and for which the Council continues to use nationally recognised job evaluation processes and the Single Status Agreement to maintain an equality proofed pay system.

6. One of the main reasons for the Council's position is the nature of a number of the services we continue to provide and the gender split of our workforce which is approximately **70% female**, a significant number of whom work part time.
7. There continues to be stringent vacancy control to limit recruitment within the Council. However, the last 20 months have seen an need for increased recruitment in key areas, notably ASCH. This remains an area where the majority of recruits are female. Members will be aware of the reported recruitment challenges in a number of other areas and that the past quarter has seen the greatest ever number of job vacancies advertised nationally meaning many applicants can pick and choose where they work in hard to recruit to sectors. In addition, turnover is at its lowest rate for over ten years, and combined with the continuing effects of the pandemic, there are limited opportunities to significantly alter the gender pay gap for the reported period.
8. The Council continues to pay the Living Wage Foundation Living Wage as oppose to the National Living Wage. This is paid as an allowance and increased to £9.70 per hour from 1 November 2021 and has most benefited our frontline part time female workers since the Council implemented payment from 1 April 2014.
9. The Gender Pay Gap requirements define pay as "ordinary gross pay" which includes payments relating to basic pay, allowances and paid leave. Ordinary pay does not include pay related to overtime, redundancy or termination of employment and pay in lieu of annual leave.
10. The attached infographic at Appendix 1 provides information which reflects the organisational structure as at 31 March 2021. The summary information contained as part of the infographic includes the following:
 - Mean gender pay gap
 - Median gender pay gap
 - The proportion of gender in each pay quartile, that is, a breakdown into four equal sections lowest to highest, by their evaluated hourly rate and which shows the number and proportion of female to male employees in each quartile.
11. The overall GPG in Nottinghamshire County Council is a mean gap of **8.4%** and a median gap of **16.8%**,. The table below shows the incremental progress made since 2017 when we were first required to report this information:

| Gender Pay Gap | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| Mean | 12.3% | 11.5% | 9.3% | 8.4% | 8.4% |
| | | | | | |
| Median | 25.4% | 20.2% | 18.4% | 20.1% | 16.8% |

12. Work continues to deliver the identified actions to reduce the GPG which includes the maintenance of an equality proofed pay system. The action plan shows actions already completed, those currently in train and any newly identified actions to provide Members with the complete picture of activity ongoing in the Council to address this issue. The Council

continues to be committed to taking further appropriate action to reduce the GPG, to report annually as required and to monitor progress over time.

13. As mentioned earlier, the limited amount of recruitment does impact on the speed the Council is able to make significant progress to address the gender pay gap. However, the current recruitment to the vacant Service Director Transformation post is an example of how targeted work is being undertaken to improve particularly the gender diversity of the field of applicants although this is always on the understanding that appointment is on merit.
14. Recruitment remains a priority area identified as is flexible working and career development and progression. Successive reports to Personnel Committee have described the range of job fairs and career events across the county which had been attended, details of our Graduate Development Programme and Apprenticeship offer and information regarding the career development portal My Learning, My Career. Career development and progression continues to be supported across the Council through the coaching network. Work in all these areas will continue throughout 2022 including the renewed focus on leadership development, talent management and work based learning opportunities. This approach draws together a range of activities around work experience, apprenticeships and graduate training schemes to ensure the issue addressing the GPG underpins all our activities relating to attracting and retaining people with the right skills and knowledge, to enable us to deliver on key strategic priorities as outlined in the new Council Plan.
15. Our Hybrid Working Strategy will assist us to attract and develop the best talent through flexible working and we will continue to explore and maximise all the opportunities presented by flexible working. This is not only through creating flexible physical working environments and opportunities for more flexible working hours, but also to consider how jobs are designed and how work is undertaken where it is appropriate to do so.

Other Options Considered

16. The Council has a legal duty to publish its Gender Pay Gap information on the public website. The calculations are prescribed within the legislation and do not allow employers to develop a separate approach.

Reasons for Recommendations

17. As mentioned above, the Council has a legal duty to publish information on the gender pay gap annually on its public website. This report provides the detail of the information required and also identifies and seeks approval for the ongoing actions required to address the Gender Pay Gap.

Statutory and Policy Implications

18. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Equalities Implications

19. In seeking to meet our legal requirement for reporting and to maintain our position as an Employer of Choice, the ability to demonstrate actions to close the GPG to our current and future workforce indicates our commitment to inclusivity and equality as an employer where talent is recognised and promoted.

Data Protection Implications

20. There are no data protection implications arising from this report as all information is in relation to trends rather than named individuals' data.

Financial Implications

21. There are no direct financial implications arising from the content of this report.

Human Resources Implications

22. The Human Resource implications are set out in the body of the report.

Public Sector Equality Duty implications

23. The policies and procedures of the Council apply to all directly employed staff whatever their protected characteristic. However, given the content of the action plan, any activity around managing absence and supporting people to remain at work potentially has a greater impact on employees with a declared disability. An equality impact assessment will be completed once the detail of the refreshed action plan has been agreed in consultation with the recognised trade unions and the Disabled Employees Support Network.

RECOMMENDATIONS

It is recommended that Members:

- 1) Approve the publication of the required gender pay gap information on the public website.
- 2) Agree to the identified ongoing actions and to receive an annual update on their impact towards closing the Gender Pay Gap within the Council.

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For any enquiries about this report please contact:

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Constitutional Comments (KK 11/01/2022)

24. The proposals in this report are within the remit of the Personnel Committee.

Financial Comments (SES 07/01/2022)

25. There are no specific financial implications arising directly from this report.

HR Comments (JP 11/01/2022)

26. The Human Resources implications are explicit within the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All