



Gender Pay Gap Report 2019

1. Summary

This report provides gender pay data on the gap between salaries and bonuses for North Herts District Council's male and female employees. It also provides narrative to put the gender pay gap into context.

2. Background

2.1 Requirements

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. Accordingly, NHDC are required to calculate and publish the following gender pay data:

- Gender pay gap (mean and median averages)
- Gender bonus gap (mean and median averages)
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the Council's pay structure

2.2 Data

The data must be a snapshot of salary data on 31 March 2017 and on the 31st March each year thereafter and the bonus pay gap must be calculated from all bonus payments made in the 12 months up to and including the snapshot date of 31st March 2017 and up to the 31st March each year thereafter. This data must be published on the NHDC website and a government website by 30 March 2018 and by the 30th March each year thereafter.

2.3 Gender Pay Gap and Equal Pay

The gender pay gap and equal pay are not the same and do not have the same purpose. The Equality and Human Rights Commission defines the difference as follows:

- Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.
- The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.

The broad purpose of the equal pay provisions of the Equality Act 2010 is to require equality of treatment in employment as between men and women in respect of pay and other contractual terms. The stated aim of the gender pay gap reporting legislation is to introduce greater levels of pay transparency.

Salaries at NHDC are determined through a grading system which evaluates the job and not the post holder. It makes no reference to gender or any other personal characteristics of existing or potential job holders. Therefore, we are confident that NHDC is paying the same salary to roles of equal value and this is checked with regular equal pay reviews. The gender pay gap results from the roles which men and women undertake within the Council and the salaries that these roles attract. The Council outsources most frontline services such as grounds maintenance, refuse, recycling, street cleaning and housing; all areas of work which traditionally attract male employees to jobs on the lower quartiles.

3. Results

3.1 Gender Pay Gap Report

The gender pay reporting figures have been calculated by our outsourced pay service provider Serco using the standard methodologies outlined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The highlighted figures are those that have been published.

Table 1 Gender Pay Gap – Hourly Pay

	Mean Hourly Rate	Median Hourly Rate
Female	£14.47	£13.01
Male	£19.13	£18.33
Gender Pay Gap	24%	29%

Table 2 Gender Bonus* Gap

	Mean Bonus rate	Median Bonus rate
Female	£50.00	£50.00
Male	£50.00	£50.00
Gender Bonus Gap	0%	0%

*Long service cash awards are the only payments made by the Council falling under the gender pay gap definition of bonus pay.

Table 3 Quartile Pay Bands

	Males	Females
Lower Quartile	28.40%	71.60%
Lower Middle Quartile	15.85%	84.46%
Upper Middle Quartile	27.16%	72.84%
Upper Quartile	58.64%	41.46%

3.2 Analysis

Table 1 The Council has a total of 16 grades, however as the top 5 managerial grades, (Grades 11-16), are predominately filled by males, the overall average hourly rate in the Council is positively influenced in favour of males. This result arises because of the number of males and females in the senior roles, rather than males being paid more for doing similar roles to females.

The opportunity to increase the number of females in senior roles is dependant on relevant vacancies arising. During the period April 2018 to March 2019 3 roles were appointed at grade 11 and above, with 2 of these roles being filled by men and 1 by women.

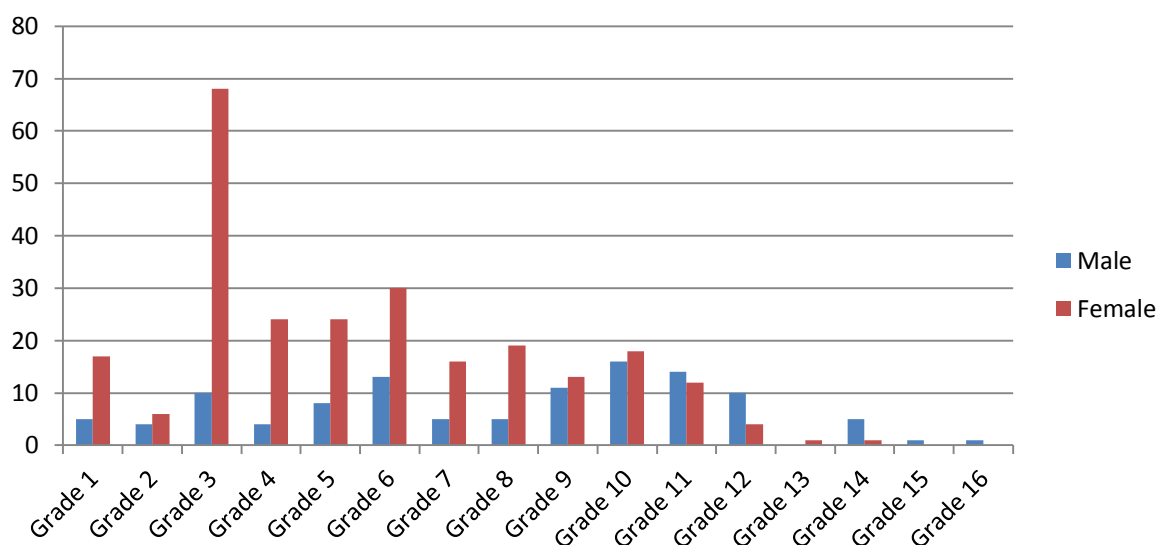
Car allowances at the Council are paid to those in Grades 11-16 and enhance the pay of staff at this level. These allowances have not increased since 2004. As 66% of those in these grades are men, this increases the hourly rate for men in these grades and the overall male average hourly rate in the Council.

Table 2 The definition of bonus pay under the Regulations means the Council's long service cash awards are included for the purpose of reporting our gender pay gap. The bonuses set

out in Table 2 reflect the gender bonus pay gap of the long service awards given to 18 members of staff, (8 males and 10 female), in the relevant reporting period.

Table 3 The gender split across all employees is 69% female 31% male. This profile has increased slightly in favour of women in 2019 after having been static for a number of years. Table 3 illustrates that the breakdown of males and females is not consistent in all pay grades and this is illustrated more clearly in the chart below. All quartiles showed an increase in the proportion of females from 2018, but this was largest in the upper middle quartile where the increase was over 10.6% which is a very positive sign.

Breakdown of Males / Females in Pay grade



3.3 Commentary

The Council has a large number of customer facing administrative roles in the grades below Grade 8. Many of these jobs are part-time and/or are suitable for flexible working which makes them attractive to women with caring responsibilities. The pattern of roles in the lower quartiles being predominantly held by females is further exacerbated by the fact that the Council outsources many of its operational functions such as grounds maintenance, refuse, recycling, street cleaning and housing; all areas of work which traditionally attract male employees. If these roles were filled directly by NHDC employees then there would be an increased number of men within the lower two quartiles and it is likely that the gender pay gap would be significantly reduced.

With respect to career progression, a number of factors are likely to adversely affect more women than men. These include taking breaks from work for caring responsibilities, the reduction of turnover in senior roles and the flattening of management structures and hierarchies in the recent years of austerity which has restricted the available opportunities.

3.4 Action Plan

The Council's current Gender Pay Gap Action Plan is attached as Appendix 1. The major developments since the previous version are:



- The career development survey has been completed and the outline results circulated to all staff. 177 employees (approx. 47% staff) responded. Following this survey, career development discussions have occurred, and individual plans have been created for those who want to progress. Further work with the Management Support Unit (MSU) as a pilot is planned as this department has a significant number of women working in administrative and clerical roles.
- Tools for ensuring the use of gender-neutral language in recruitment advertisements, job descriptions, person specifications and interview questions and for deeper analysis of the Council's gender pay gap, and in time the ethnic pay gap, data have been introduced. The Council has commenced using the Gapsquare software to identify where there are particular pay disparities so actions can be developed to address these.
- The Council's Recruitment and Selection workshop has been reviewed to include additional content relevant to addressing the Gender Pay Gap. The training is focused on clear and objective selection criteria and contains an enhanced session covering unconscious bias. This element allows recruiters to discuss the impact of culture, conditioning and language.
- Recruitment selection methods are being reviewed to move away from the emphasis on an interview and instead use a broader range of selection activities to allow more opportunity for those shortlisted to demonstrate their attributes.
- Eliminating unconscious bias training is being rolled out across the organisation.
- Specific training workshops are being developed on job design (job descriptions and person specifications).
- Work on the introduction of a Staff Network with focus on having an inclusive remit, but within which there is a study of specific narrower issues e.g. women, minority ethnic staff numbers, younger staff, and generally staff getting to know other work areas etc.

4. Workforce Monitoring

The Council regularly monitors its workforce statistics which includes information on pay, staff turnover and exit information, recruitment, employee relations matters and the equalities profile. This monitoring ensures that trends can be identified and appropriate action taken if there are areas of concern.

5. Policies

The Council has a number of policies and procedures that ensure transparency, fairness and equity. These include:

- Job evaluation (HAY) for all roles
- A well-designed pay scale with a restricted number of incremental points
- Formal authorisation processes for changes in pay
- A fair and equitable Market Supplement Policy based on external benchmarking
- A fair and equitable Additional Responsibility Pay Policy
- An on line recruitment system in which gender is not known until interview stage
- A competency based interview process with a clear scoring method
- Family friendly policies such as flexible working, including part-time working and job sharing, flexi-time, home-working, special leave, time off for dependants and parental leave.
- Exit questionnaires and interviews to gain feedback on employment experiences.



6. Equal Pay Review 2018

Following the implementation of the single status agreement and the 2004 Pay Review, the Council has undertaken regular equal pay reviews. The most recent equal pay review was undertaken in 2017 and the results of this published in 2018. A further equal pay review will take place during 2020.

The 2017 review covered the main areas where inequalities are likely to exist. The review of NHDC data has been undertaken using grade, gender, age, ethnic group, disability, religion, sexuality and hours worked. The areas of additional responsibility pay, market forces payments, disturbance/standby allowance, protected pay, attendance at evening meeting allowances and starting pay were also explored. In order for comparisons to be made the average, (mean) salary was calculated for each grade in the groups considered. Differences above 3% between the groups being compared were considered significant and analysis focussed mainly on the instances where these occurred.

In the context of the Council's gender pay gap the following findings are relevant.

6.1 Gender

A high number of female workers is a feature of Local Government and North Herts District Council is no different, with 66% of the workforce being women. Nationally over 48% of local Government female workers are part-time and these figures have changed very little for a number of years. Part-time working is an excellent means of balancing work and the responsibilities of childcare and can be regarded as flexible working. Despite the introduction of statutory shared parental leave and other family friendly measures, the trend is still for women to be the principal carers and this is the main contributor to the demand for part-time work. Looking at the average pay for part time staff at the Council, there has been a move towards part time staff earning more than their full time colleagues since the last Report with over 80% of comparisons now being in favour of part time staff. Women working full time at the Council earn more than their male counterparts in 75% of the comparisons that can be made. When looking at all female and all male Council employees almost 70% of the comparisons are in favour of women. This reinforces that whilst the workforce profile, where the majority of women, 80%, are concentrated in the grades up to Grade 9, has a significant effect on the gender pay gap figures, there are no underlying gender based equal pay issues at the Council.

6.2 Starting Salaries and Allowances

The study of allowances and starting salaries at the Council did not indicate discrimination was occurring in the way these were being applied. It is noted however, that the revision of the circumstances in which Additional Responsibility Payments can be made at the Council has led to a 100% increase in the number of such payments being made since the previous Equal Pay Report and reflects the need for pay mechanisms to ensure appropriate reward for those taking on additional responsibility in difficult economic times for the Council. There has been a significant increase in ARP made to female staff and the proportion receiving these now better reflects the overall female/male split at NHDC.

North Herts District Council 2019 Gender Pay Gap Action Plan

Appendix 1

- The Council pays females equal pay for work of equal value and checks this with regular equal pay reviews.
- Acting on the acting on the 2018 results, the Council has increased the number of females in the Upper Middle Quartile from 58.23% in 2017 to 72.84% in 2019.
- The Council has a well established culture of flexible working including part time, job share, flexi time and home working.
- The Council has enhanced Shared Parental Leave payments granted by the Council to equal those for maternity leave.
- The Council collects monthly data on the highest earners by gender.
- Front line services including Housing, Grounds Maintenance, Refuse and Recycling and Leisure centres are contracted out. These services attract lower paid male workers and this contributes to our Gender Pay Gap.

Gender Pay Gap Principle Target

The Council plans to narrow a 10% differential of 55% male to 45% female distribution in Grades 9 and above.

Action Rationale	Proposed action	Target outcome	Timescale and measures
<p>76% of our workforce up to Grade 8 is female.</p> <p>This large percentage of females in our organisation is seen as a significant opportunity to increase the number of female staff into management and professional grades.</p> <p>Our 2018 action was to survey our staff on career aspirations. This survey was carried out and 177 staff responded.</p>	<p>Act on the Career Development survey results with career development meetings and individual plans for those who want to progress.</p> <p>Pilot further work with the Council's Management Support Unit that has a high number of female staff in administrative and clerical roles</p>	<p>Reduce a 10% differential in male female gender at grades 9 upwards.</p>	<p>2019 to 2021 and review bi annually.</p> <p>Measures Survey results and numbers of career plans produced and delivered against.</p>
<p>All recruitment is undertaken blind of equality data until the interviewing stage and then the use of standard questions and training regarding unconscious bias is used to ensure a fair process</p>	<p>Work has started to review recruitment selection methods to move away from the emphasis on an interview and instead use a</p>	<p>An increased number of female applications shortlisted and</p>	<p>2019 onwards</p> <p>Numbers training and training feedback analysis</p>

North Herts District Council 2019 Gender Pay Gap Action Plan

Appendix 1

<p>for selection and appointment.</p> <p>The Councils Recruitment and Selection workshop has been reviewed and now includes additional content relevant to addressing the Gender Pay Gap.</p> <p>The training is focussed on clear and objective selection criteria and now includes an enhanced session covering unconscious bias. This element allows recruiters to discuss the impact of culture, conditioning and language.</p> <p>In addition further specific training workshops are being designed focussed on job design (job descriptions and person specifications).</p>	<p>broader range of selection activities to allow more opportunity for those shortlisted to demonstrate their attributes.</p> <p>Eliminating unconscious bias training is also being rolled out across the organisation and is included in recruitment training</p>	<p>appointments at Grade 8 and above</p>	
<p>Consider language used in adverts including posts advertised internally to ensure language is not used that may deter female applicants.</p> <p>Consider purchasing a tool that searches for alternative language that should not deter female applicants.</p>	<p>The Council is now using software to check job adverts, job descriptions and person specifications and interview questions to ensure that the language used does not deter female applicants.</p>	<p>Numbers of female applicants as a proportion to male both internal and external applications. Number of female v male appointments</p>	<p>2019 – 2021 with bi annual review</p>
<p>Use of software that allows better analysis of data to drill down and identify where GPG issues are occurring.</p>	<p>The Council is now using software that drills down to the gender pay gap figures in greater depth to provide the evidence of the root causes which will influence the determination of actions to reduce the gap</p>	<p>Actions to reduce the gap are effectively focussed</p>	<p>2020/2021 with quarterly updates on the profile of the Council's and pay of Council staff</p>

North Herts District Council 2019 Gender Pay Gap Action Plan

Appendix 1

<p>Introduce a Staff Network with focus on having an inclusive remit, but within that we can also focus on specific narrower issues e.g. women, minority ethnic staff numbers, younger staff, and generally staff getting to know other work areas etc</p>	<p>Research has been carried out and ideas explored and a draft of the proposals will be considered by the Council's Gender Pay Gap working group.</p>	<p>Group developed and number of staff getting involved</p>	<p>2020/2021 with progress updates at the Gender Pay Gap working group meetings.</p>
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