

The Highland Council
Communities and Partnerships Committee
9 February 2017

Agenda Item	6
Report No	CP 04/17

Equal Pay Statement and Gender Pay Gap

Report by Depute Chief Executive/Director of Corporate Development

Summary

This report sets out an Equal Pay Statement for the Highland Council and provides key information on the gender pay gap.

1. Background

- 1.1 Under duties set out in The Equality Act 2010, the Council is required to publish a revised equal pay statement by 31 March 2017.
- 1.2 The Council has already made a strong commitment to the principle of equal pay and the elimination any gender bias in its pay systems. The first Equal Pay Statement was agreed by Resources Committee on 22 August 2007. From 2017 the Council is required to make a similar commitment to eliminate any bias relating to disability or ethnicity.
- 1.3 Since 2013 the Council has been required to publish information on its gender pay gap. This includes the percentage difference, among its employees, between men's average hourly pay and women's average hourly pay.
- 1.4 Since 2013 the Council has been required to publish information on occupational segregation, which is the concentration in particular grades and in particular occupations of women and men. From 2017 the Council is also required to publish this information relating to disability and ethnicity. Information on occupational segregation is included in the Equalities Mainstreaming Report.

2. Equal Pay Statement

- 2.1 It is proposed to adopt and publish the revised Equal Pay Statement as set out in **Appendix 1**.

3. Gender Pay Gap

- 3.1 An organisation's gender pay gap is the difference between the average male and female pay rates. It is calculated by dividing the average female hourly pay rate by the average male hourly pay rate. The full time gender pay gap is

the gap between the average hourly pay rate of female employees who work full time and male employees who work full time. The part time gender pay gap is the gap between the average hourly pay rate of female employees who work part time and male employees who work full time.

- 3.2 Guidance on meeting the requirements of the various duties is provided by the Equalities and Human Rights Commission (EHRC) and supported by *Close the Gap*. *Close the Gap* is an organisation, funded by the Scottish Government, working in partnership with the EHRC and the Scottish Trades Union Congress to guide and assist employers. All pay gap calculations are based on their guidance.
- 3.3 The Council is required to publish the gender pay gap between male and female employees. It is also required to publish this data separately on employees in Education (Teaching employees) The EHRC and *Close the Gap* also strongly advise publishing separate full time and part time gender pay gaps. It is considered that any pay gap of 5% or more is considered significant and in need on further analysis.
- 3.4 The 2017 Equal Pay Audit identified the following equal Pay Gaps:

2017	Combined Gap	Full Time Gap	Part Time Gap
All employees	+7.2%	-13.9%	+23.8%
Non-Teaching employees	+12.8%	-8.8%	+23.2%
Teaching employees	+4.8%	+4.3%	+8.6%
SJC employees	+13.6%	-8.2%	+23.6%

(A positive figure denotes a gap to the advantage of male employees. A negative figure denotes a gap to the advantage of female employees.)

- 3.5 The Council's pay gaps are interesting in that the full time pay gaps are generally to the benefit of women. The part time pay gaps for all employees are more in line with what would be expected given the make-up of our workforce. This marked difference between the full time and part time gaps suggests that one of the underlying reasons for the combined gap is the greater availability of part time and term time work in the lower pay grades. Analysis of the data suggests that:
- both Scottish Joint Council (SJC) and Teacher pay and grading structures are robust and support equal pay.
 - the greater availability of part time and term time work in the lower grades impacts on the higher part time pay gap.
 - significant degrees of gender occupational segregation, where men and women work in traditionally gender specific roles, impacts on the higher part time pay gap.

3.6 A number of actions have been taken to address gender segregation and the availability of part time work in senior grades. For example:

- a) Female role models in male dominated job groups have been identified and achievements publicised in corporate communications.
- b) Where service delivery allows vacancies will be advertised as "*suitable for flexible working hours up to 35 per week*" to encourage applications from candidates who wish to work on a part time basis part time applications.
- c) Job Descriptions and Person Specifications have been reviewed to ensure that they contain no gender bias.
- d) Services have reviewed workplace facilities to ensure that both genders are adequately catered for
- e) Significant areas of gender segregation have been reviewed to identify and address any barriers to employment.
- f) Flexible working arrangements have been developed to support women to progress their careers.

3.8 These actions coincide with a significant general improvement in the Highland Council's gender equal pay gaps in the 2 years since the last audit. In 2015 the gaps were as follows:

2015	Combined Gap	Full Time Gap	Part Time Gap
All employees	+8.6%	-12.9%	+25.8%
Non-Teaching employees	+15.2%	-5.3%	+25.7%
Teaching employees	+5.1%	+4.5%	+10.9%
SJC employees	+16.5%	-3.6%	+26.6%

(A positive figure denotes a gap to the advantage of male employees. A negative figure denotes a gap to the advantage of female employees.)

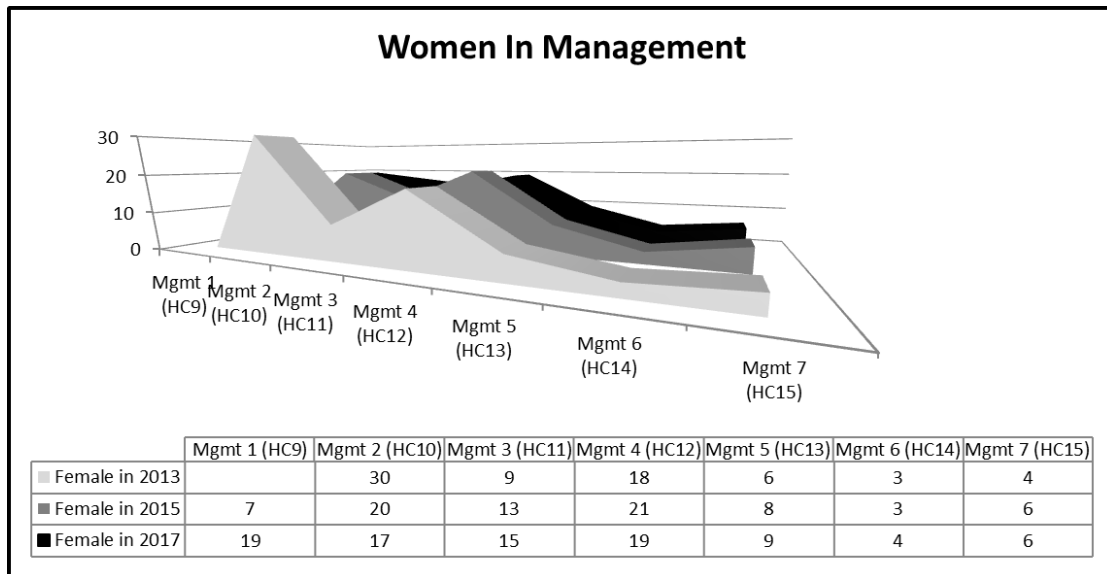
3.9 Improvements in these pay gaps over the period 2015-2017 are as follows.

Improvements 2015 - 2017	Combined Gap	Full Time Gap	Part Time Gap
All employees	1.4%	1.0%	2.0%
Non-Teaching employees	2.4%	3.5%	2.5%
Teaching employees	0.3%	0.2%	2.3%
SJC employees	2.9%	4.6%	3.0%

Trends in the Council's gender pay gaps, since these were first recorded in 2013 are set out at **Appendix 2**.

4. Women in Management

- 4.1 In addition to the actions set out in above the Council has taken specific actions to reduce the pay gap for women in management positions. These include:
- a) Creating and supporting an on-line learning resource for female employees interested in preparing for supervisory and management roles.
 - b) Improving the Women into Management programme
- 4.2 The on-line learning material sits within the Council's My Online Learning platform and provides 14 e-learning modules across a range of topics that female staff have identified as of specific interest. These include networking and influencing skills; presenting yourself; career development and challenging yourself.
- 4.3 The Council's Women in Management Programme provides a two day workshop for new and aspiring women managers and includes confidence building, assertiveness, presentation, goal setting and career development. The programme also includes speakers who are successful women managers from the public and private sectors.
- 4.4 The Highland Council Mentoring scheme, although open to all, is specifically targeted at women wishing to enter or progress a career in management. Advisers work with those who wish to join the scheme to understand their goals and requirements before matching them with an experience mentor who is a senior manager in the Council.
- 4.5 Although there is still work to do, these actions have coincided with a significant improvement in the equal pay gaps relating to women in management positions. The combined pay gap relating to SJC Management employees has reduced from +11.2% in 2013, to +7.9% in 2015 and to +3.5% in 2017. (Gaps under 5% are not considered significant.)
- 4.6 In 2017 49% of the 180 managers employed in SJC Management posts are women. The improvement in the SJC Management pay gap coincides with a significant change in the distribution of female employees across the SJC Management grades (HC09 to HC15). The 2013 data identified a peak in the number of female managers in Management 2 (HC10) posts. The 2015 and 2017 data identifies that this peak was in Management 4 (HC12) posts and the distribution of female managers across the grades is generally more even. This reflects more closely the distribution of male managers.



5. Implications

5.1 There are no financial, legal, risk, equalities or climate change/carbon clever, Gaelic or rural implications arising from this report.

6. Recommendations:

Committee is asked to:

- a) Approve the Equal Pay Statement set out in **Appendix 1**.
- b) Note improvements in relation to the gender pay gaps.

Designation: Depute Chief Executive /
Director of Corporate Development

Date: 24 January 2017

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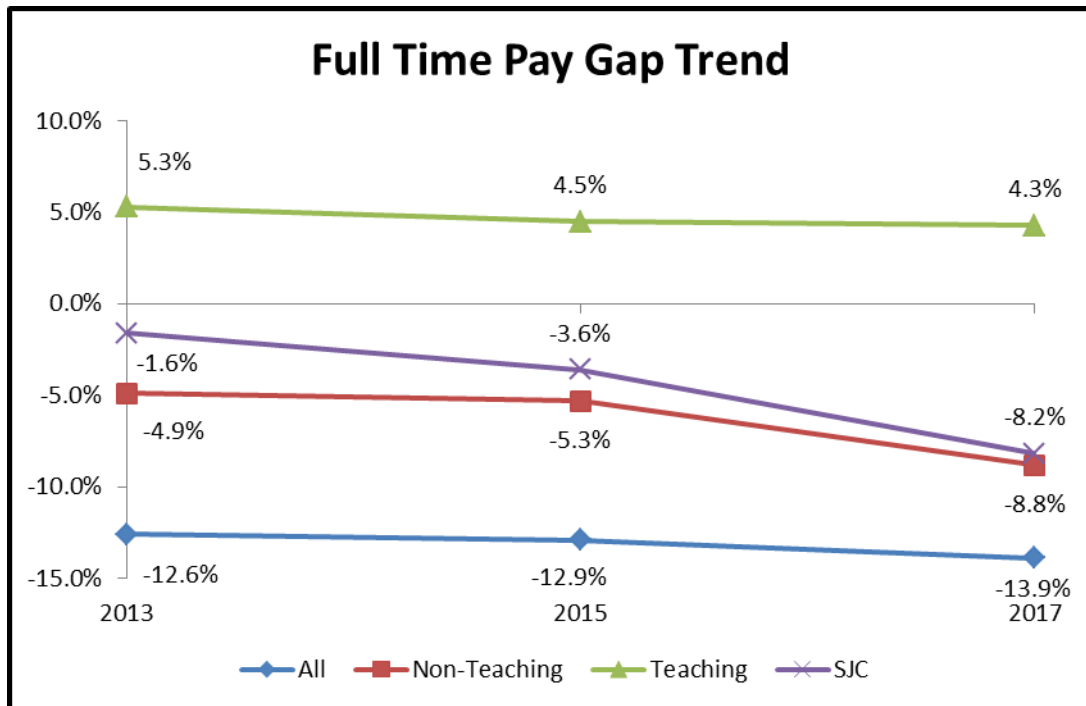
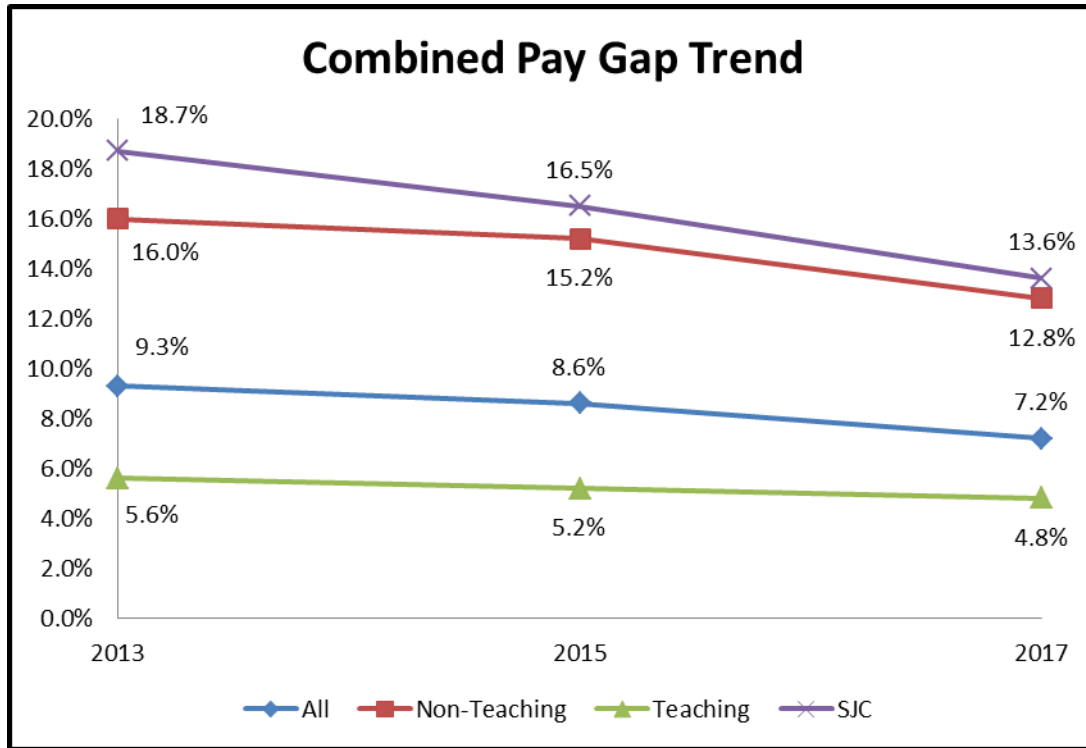
Highland Council

Equal Pay Statement

1. The Highland Council is committed to the principle of equal pay for all its employees and aims to identify and eliminate any bias in its pay systems relating to any of the protected characteristics defined in the Equalities Act 2017. (The Council recognises the specific duty relating to gender, disability and ethnicity).
2. It is in the interest of the Council to ensure that it has fair and just pay systems. It is important that employees have confidence in the process of eliminating bias and the Council is committed to achieving this through consultation with employees and the recognised trade unions.
3. The Council believes that in eliminating bias in its pay systems, it is sending a positive message to its employees and the Highland community. It makes good business sense to have fair and transparent reward systems and it also helps the Council to control costs.
4. The Council recognises that occupational segregation in the workforce may have a negative effect on equal pay gaps. The Council is committed to monitoring and analysing areas of occupational segregation and implementing actions to address these.
5. Previous analysis of pay data suggests that the greater availability of part time work in senior grades could have a positive impact on pay gaps. The Council is committed to taking action to achieve this.
6. The Council's objectives are to:
 - Monitor gender pay gaps, occupational segregation and the availability of part time and flexible working arrangements
 - Identify and eliminate any unfair, unjust or unlawful practices that impact on pay
 - Take appropriate remedial action.
7. The Council will:
 - Operate a pay strategy for Scottish Joint Council (SJC) employees that ensures equal pay for work of equal value and single status terms and conditions of employment.
 - Apply the agreed job sizing arrangements for the grades and pay of teachers
 - Operate a Flexible Working Policy that opens opportunities to all employees throughout the pay grades.

- Challenge expectations that employees in higher grades should work long or unpredictable hours.
- Appoint on merit, properly assessing the abilities of candidates for recruitment and promotion.
- Make reasonable adjustments to support employees to undertake work at higher grades
- Maintain a culture that challenges stereotypes around an employee's ability to carry out work at higher grades.
- Respond to grievances and complaints to the Council on equal pay
- Consult and plan actions in consultation with employees and Trade Unions
- Review progress every two years

Pay Gaps Trends Over Time



Pay Gaps Trends Over Time

