

Employment Committee Monday 15 July 2024

A meeting of the above Committee will be held in Shire Hall, Market Place, Warwick on Monday 15 July, at 6.00pm.

Agenda

1. **Appointment of Chair**

To appoint the Chair of the Committee for the municipal year 2024/25.

2. **Apologies & Substitutes**

- (a) to receive apologies for absence from any Councillor who is unable to attend; and
- (b) to receive the name of any Councillor who is to act as a substitute, notice of which has been given to the Chief Executive, together with the name of the Councillor for whom they are acting.

3. **Declarations of Interest**

Members to declare the existence and nature of interests in items on the agenda in accordance with the adopted Code of Conduct.

Declarations should be disclosed during this item. However, the existence and nature of any interest that subsequently becomes apparent during the course of the meeting must be disclosed immediately. If the interest is not registered, Members must notify the Monitoring Officer of the interest within 28 days.

Members are also reminded of the need to declare predetermination on any matter.

If Members are unsure about whether or not they have an interest, or about its nature, they are strongly advised to seek advice from officers prior to the meeting.

4. **Appointment of Vice-Chair**

To appoint the Vice-Chair of the Committee for the municipal year 2024/25.

5. **Minutes**

To confirm the minutes of the Committee meeting held on 19 March 2024.

(To Follow)

6. **Gender and Ethnicity Pay Gap Reporting as at 31.3.24**

To consider a report from People & Communications.

(Pages 1 to 12)

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For enquiries about specific reports, please contact the officers named in the reports. You can e-mail the members of the Committee at employmentcommittee@warwickdc.gov.uk

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Title: Gender and Ethnicity Pay Gap Reporting as at 31.3.24

Lead Officer: Tracy Dolphin tracy.dolphin@warwickdc.gov.uk;

Daniel.keating@warwickdc.gov.uk

Portfolio Holder: Councillor Jessica Harrison

Wards of the District directly affected: None

Approvals required	Date	Name
Portfolio Holder	19.6.24	Jessica Harrison
Chief Executive	28.5.24	Chris Elliott
Head of Service(s)	19.6.24	Tracy Dolphin
Section 151 Officer	28.5.24	Andrew Rollins
Monitoring Officer	28.5.24	Graham Leach
Final decision by this Committee or rec to another Cttee / Council?	Yes/ No Recommendation to: Council	
Contrary to Policy / Budget framework?	No/Yes	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No/Yes, Paragraphs:	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No/Yes, Forward Plan item – scheduled for (date)	
Accessibility Checked?	Yes/No	

Summary

The report presents the mandatory gender pay gap information that must be reported to Central Government and published on the Warwick District Council website. It also presents the Ethnicity Pay Gap reporting and recommends its publication by the Council.

(1) That Employment Committee recommend to Council the publication of the Gender Pay Gap reporting as of 31 March 2024, as detailed in this report.

(2) That Employment Committee recommend to Council the publication of the Ethnicity Pay Gap reporting as of 31 March 2024, as detailed in this report.

1 Reasons for the Recommendation

- 1.1 In accordance with the Equality Act 2010 with effect from 30 March 2018 it is a requirement to report and publish specific gender pay gap information; this is the seventh annual statement.
- 1.2 Although this is not a legal requirement, in June 2020 the Council decided that "in order to support its consideration of the report and the monitoring of the action plan, the Council requires the publication of relevant annual data, including an Ethnicity Pay Gap report alongside the current Gender Pay Gap report".
- 1.3 The WDC gender pay, and ethnicity pay gap reporting figures have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The data includes the following types of staff: Employees with a contract of employment (part time, full time, permanent and fixed term) and Casuals/Workers (Glossary - Appendix 1).
- 1.4 Under the Equal Pay Act 1970, men and women must receive equal pay for:
 - the same or broadly similar work.
 - work rated as equivalent under a job evaluation scheme; or
 - work of equal value.
- 1.5 WDC has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex or ethnicity. In order to achieve this WDC:
 - operates job evaluation methodology to grade all jobs, using the Hay Job Evaluation Scheme to ensure that jobs are paid fairly.
 - ensures that allowances are awarded fairly and consistently across the Council.
 - re-evaluates job roles and pay grades as necessary to ensure a fair structure.
- 1.6 For the purposes of pay gap reporting as at 31.3.24 Warwick District Council paid 508 people, 291 females (57%), 217 male (43%).

Bonus pay definition is classed as "any remuneration that is in the form of money, vouchers, securities, securities options or interests in securities and relates to profit sharing, productivity, performance, incentive or commission." Non-consolidated bonuses are included. For WDC, this captures Long Service Awards and one-off honoraria payments.

2 Gender Pay Gap

2.1 The table below shows the WDC Gender Pay Gap figures as at 31.3.2024, together with a comparison of the 31.3.2023 figures, the 31.3.2022 figures, and the earliest recorded figures at 31.3.2018.

	31.3.2018	31.3.2022	31.3.2023	31.3.2024
Mean Gender Pay Gap	15.3%	12.9%	10.2%	11.7%
Median Gender Pay Gap	10.9%	11.9%	8.8%	7.6%
Mean Gender Bonus Pay Gap	-89.4%*	29.1%	0.6%	8.7%
Median Gender Bonus Pay Gap	-68%*	51.6%	0.0%	0.0%
% of Women in lower pay quartile	63%	68.5%	67.5%	73.2%
% of Women in lower middle pay quartile	64%	64.6%	59.2%	48.8%
% of Women in upper middle pay quartile	61%	53.5%	58.3%	64.6%
% of Women in upper pay quartile	38%	39.2%	43.7%	42.5%

*17 females received on average a higher bonus than the 8 males identified in the 2018 data

In summary, relating to the Median gender pay gap, a positive trend has been identified since 2018 with the difference diminishing. This can be attributed to the fact we have more women (approximately 30) in the upper middle pay quartile. However, the mean has increased since 31.3.2023, this is due to less women being in the upper pay quartile.

2.2 Analysis of WDC Gender Pay Gap Data on 31st March 2024

- The Mean Gender pay gap is 11.7%
 - an increase of 1.5% since 31.3.2023,
 - a decrease of 3.6% since 31.3.2018
- The Median Gender pay gap is 7.6%
 - a decrease of 1.2% since 31.3.2023
 - a decrease of 3.3% since 31.3.2018
- The Mean Gender Bonus pay gap is 8.7% and the Median bonus pay gap is 0%.
- The percentage of women in the lower quartile is 73.2%
 - an increase of 5.7% since 31.3.2023
 - an increase of 10.2% since 31.3.2018
- The percentage of women in the lower middle quartile is 48.8%
 - a decrease of 10.4% since 31.3.2023
 - a decrease of 15.2% since 31.3.2018
- The percentage of women in the upper middle quartile is 64.6%
 - an increase of 6.3% since 31.3.2023
 - an increase of 3.6% since 31.3.2018
- The percentage of women in the upper quartile is 42.5%
 - a decrease of 0.8% since 31.3.2023
 - an increase of 4.5% since 31.3.2018

2.3 National Picture by Geographical Area (as of October 2023)

- a) Comparison of the Council's gender pay gap results for the mean and median hourly pay to the Office of National Statistics (ONS)* - Annual Survey of Hours and Earnings (ASHE) provisional earnings data as of October 2023 (data will be available in October for 2024) for jobs in the United Kingdom and geographical areas:

Description	Mean	Median
United Kingdom total	13.2	14.3
Public Sector	11.5	14.0
Private Sector	15.6	18.9
West Midlands	14.1	14.4
Public Sector	11.0	14.4
Private Sector	18.2	18.4
Warwickshire – Geographical Area	27.0	15.8
Warwick	18.4	18.5
Stratford upon Avon	13.5	13.3

*[Gender pay gap - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

- b) Benchmarking with other Councils:

Local Authority	Mean		Median	
	2023	2024	2023	2024
Coventry CC	0.1	0.1	2.5	0.4
Solihull MBC	13.8	10.9	19.2	12.2
Stratford Upon Avon DC	24.3	15.7	21.5	13.2
Wolverhampton CC	4.0	3.0	1.2	6.5
Warwick District Council	10.2	11.7	8.8	7.6

There is a positive correlation between the mean and median of Warwick District Council compared to the Warwick geographical area

3 Ethnicity Pay Gap

- 3.1 In relation to the report presented to the March Employment Committee in 2024, some errors relating to data were not identified. Moving forward, controls have been put in place to ensure that all data undergoes extra checks. We are confident that this has now been fully explored and the related issues rectified.
- 3.2 It is imperative that we recognise that the information reported related to ethnicity is not a mandatory requirement and is voluntarily disclosed. This is stated on our application forms.
- 3.3 The move to a combined HR & Payroll system (I-Trent) in April 2021, prohibited the transfer of ethnicity categories, as it was incompatible data.

The challenge to increase self-disclosure rates is being addressed by implementing a communication plan to educate employees about the importance of ethnicity disclosure, the benefits to the organisation and the impact on fostering an inclusive workplace. This will be a 3-step approach:

- General messaging and using the intranet
- Targeting senior leaders / managers
- Approaching areas of the business with low disclosure rates

- 3.4 Ethnicity is special category of personal data, and therefore due to the low

number of disclosures, it is not possible to provide more detailed breakdown as this could constitute personal data and directly identify individuals. Furthermore, as a result, the data provided cannot be classed as representative of the organisation, which we are addressing see 3.3.

After benchmarking with other Councils, the aspirational figure for disclosure is 90%, for WDC to ensure the data we have can be used to inform further on other areas. The table below shows disclosure rates for other Councils:

Local Authority	Disclosure Rate % for ethnicity
Coventry CC	88.7%
Solihull MBC	97.6%
Stratford-Upon-Avon DC	46%
Wolverhampton CC	90.5%
Warwick District Council	58.7%

3.5 To help us target groups that have 'not declared' rather than 'prefer not to say', we have reviewed the evaluation of the data and separated this for 2024 as below:

Category - Ethnicity	2023	%	2024	%	+Census 2021 %
Not declared	213	44%	210	41.3%	
Prefer not to say			7	1.4%	
Not White*	32	6.7%	44	8.7%	15.4%
White*	234	48.9%	247	48.6%	84.6%
Total	479		508		148,454
Disclosure Rates	55.6%		58.7%		

*Appendix 2 – categories of ethnicity data
[+Census 2021 Overview - Warwick](#)

Data calculated in previous reports had 'not declared' included in the 'White British' category. We have revised the 2023 data and updated the figures, along with 2024, to only compare white and not-white data and have not included those that have 'not declared' or 'prefer not to say' as previously.

3.6 The table below shows the WDC Ethnicity Pay Gap figures as at 31.3.2024, together with an updated comparison of the 31.3.2023. The basis for the figures calculated, as detailed in 3.5 above.

Gap between declared White and Not-White Categories	31.3.2023	31.3.2024
Mean Ethnicity Pay Gap	8.1%	13.5%
Median Ethnicity Pay Gap	16.7%	16.4%
Mean Ethnicity Bonus Pay Gap	2.7%	39.0%
Median Ethnicity Bonus Pay Gap	0.0%	0.0%

Based on all those paid in March 2024 - includes not declared and prefer not to say	31.3.2023	31.3.2024
% of Not-White employees in lower pay quartile	9.2%	12.6%
% of Not-White employees in lower middle pay quartile	7.5%	7.9%
% of Not-white employees in upper middle pay quartile	3.3%	7.9%
% of Not-white employees in upper pay quartile	6.7%	6.3%

- 3.7 It is not possible to provide a summary of analysis or trends for this information based on the rationale set out in 3.3 and 3.4.
- 3.8 As Ethnicity Pay Gap reporting is not mandatory, it is not possible to give a national picture for comparisons.
- 3.9 Further analysis and actions will be undertaken as part of the review of the EDI agenda. It should be noted, that addressing the underlying causes of a gender pay and ethnicity pay gap as well as developing an effective action plan, is an ongoing and iterative process, and the data should not be reviewed in isolation. Time is required to both consider in detail the approach to adopt, and to refine the content as well as consider comparative data to be able to benchmark best practice both internally and externally.
- 3.10 The 'Equalities, Diversity, Inclusion and Workplace Behaviours' sessions delivered between October 2023 and January 2024 were attended by 294 staff. 90% of participants agreed (65.3%) and strongly agreed (25.3%) that the course was beneficial to their personal development. This is now included as a key component of our Induction programme of which over 380 staff have attended to date.
- 3.11 All recruiting managers attend 'Recruitment & Selection' and 'HR for non-HR Managers' training that has a focus on equality, related legislation, types of discrimination, being aware of unconscious bias and looking at factual evidence around applicants' knowledge and skills.
- 3.12 Equalities, Diversity and Inclusion is a key theme of the People Strategy. This includes our approach to Equality Impact Assessments and the toolkit that supports managers. We also raise awareness and cover internal information on key events, such as information for Pride Month, LGBTQ+ History Month, Stephen Lawrence Day, Windrush Day, with many more planned alongside our inclusion calendar.
- 3.13 We continue to promote and review the benefits of working for Warwick District Council through our 'family friendly' policies, for example maternity 'pay back' scheme withdrawn; health and well-being scheme; agile working; continued development of flexible working options that support effective work life balance; development opportunities including an increased promotion of 'work apprenticeship' training.

4 Alternative Options

- 4.1 None considered - the Gender Pay Gap reporting and publishing is required by law and the Ethnicity Pay Gap publishing has been requested by Council.

5 Legal Implications

- 5.1 Reporting and publishing the attached gender pay gap information is a legal requirement. By complying, this should remove any risk of external challenge to the Council.

6 Financial

- 6.1 There is not an impact on the budgetary implications of the Council.

7 Corporate Strategy

- 7.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation as highlighted below:

8 Delivering valued, sustainable services – The Gender and Ethnicity Pay Gap Reporting aligns with the Corporate Strategy's aim of delivering valued, sustainable services. By analysing and addressing pay gaps, the council demonstrates its commitment to fair employment practices. The report indicates positive trends in reducing the gender pay gap, showcasing the council's dedication to fostering an equitable work environment. Furthermore, the data reveals a commitment to sustaining fair employment practices by consistently applying job evaluation methodologies, ensuring equal pay for equivalent work. In summary, the report positively contributes to the delivery of valued and sustainable services by promoting equality and fairness in the workplace.

9 Low cost, low carbon energy across the district - The report primarily focuses on pay gap information, it does not have a direct impact on the Low Cost, Low Carbon Energy objective, nor contribute directly to this strategic aim. It is crucial to recognise that the absence of a direct impact in this area does not undermine the significance of the report's contribution to other strategic objectives.

9.1 **Creating vibrant, safe, and healthy communities of the future** - The report, while pivotal for employment practices, does not directly contribute to the objective of creating vibrant, safe, and healthy communities. However, by fostering a fair and inclusive work environment, the council indirectly supports the broader goal of community well-being. Ensuring equality within the council reflects a commitment to social responsibility, which can positively influence community perceptions. Although the report doesn't directly address this objective, it indirectly aligns with the council's broader vision of a vibrant and inclusive community.

10 Environmental / Climate Change Implications

- 10.1 This report has no direct Environmental/Climate Change implications.

11 Analysis of the effects on equality

- 11.1 This report supports transparency and accessibility of information that is key to supporting the Council's Equality Agenda.

12 Data Protection

- 12.1 There are no employee data protection implications of this proposal as the publication and accessibility of this information is required by law.

13 Health and Wellbeing

13.1 The proposals support the overall wellbeing of staff by ensuring transparency and accessibility to data and related actions.

14 Analysis Risk Assessment

14.1 Agreeing and publishing Gender Pay Gap Report is a legal requirement. By complying, this should remove any risk of external challenge to the Council.

15 Consultation

15.1 Engagement with the Senior Leadership Team has taken place with support for the further review and actions.

Background papers:

None

Supporting documents:

None

Definitions and Methodology

For the purposes of reporting, **Standard Hourly Rate** includes the following:

- Basic Salary
- Casual payments
- Honoraria paid monthly to recognize acting up duties
- Shift premium pay
- Retention allowances
- Living Wage Foundation top ups
- Unsocial hours payments
- Standby payments
- First Aid Allowances
- Market Related Supplements

Not required to be included in reporting are:

- Overtime
- Mileage, subsistence and other expenses
- Redundancy payments
- Anyone receiving nil pay during the period e.g. on maternity / sick leave / leave with no pay
- Salary sacrifice amounts

Bonus

Bonus pay definition is classed as "any remuneration that is in the form of money, vouchers, securities, securities options or interests in securities and relates to profit sharing, productivity, performance, incentive or commission". Non-consolidated bonuses are included. For WDC, this captures Long Service Awards and one-off honoraria payments. Regular honoraria payments are excluded from "bonus" calculations and included in "ordinary pay".

We believe this is in line with the ACAS guidance, but it is unclear whether other Councils have followed this definition as closely as ourselves and we have previously had conflicting advice.

Pay Gap Reporting

The pay gap is a measure of labour market or workplace disadvantage, expressed in terms of a comparison between males and females average hourly rates of pay. The gap can be measured in various ways and it is important to understand how the gap is being measured. The hourly rates of pay, excluding overtime are used to take account of the fact that many more males than females work full-time. Overtime is excluded because it is recognised that male employees work more overtime than female employees due to female's caring responsibility and part-time nature of work.

Gender pay is different to equal pay. The gender pay gap is the difference between the average hourly rate of pay of a male employee and the average hourly rate of a female employee as a percentage. The gender pay gap is calculated using both mean and median hourly rates.

Equal Pay

There have been laws in place since the 1970s requiring employers to pay male and female who are doing 'like work', 'work of equal value' or 'work rated as equivalent' the same salary and to have equal contractual terms such as annual leave and pension payments. The law was updated in the Equalities Act 2010. This is known as equal pay. Equal pay and gender pay are separate and not necessarily related. A company can be equal pay compliant and still have a gender pay gap. When a company pays equally and has a gender pay gap the cause is likely to be the distribution of males and females in different grades.

Mean Vs Median

The mean hourly rate is the 'average' hourly rate when adding together the total of the hourly rates of all employees and dividing the total by the number of employees.

The median hourly rate is a different way of calculating an "average" hourly rate where the average is the middle hourly rate of all employees. This is calculated by sorting the hourly rate of workers from lowest to highest and working out what the middle employee's hourly rate is.

The mean average can be affected by a small number of high earners, whereas the median takes into account the distribution of pay across the workforce and is less affected by a small number of high earners.

Mean Pay Gap

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

To calculate the mean

The mean is an average of all the numbers in a dataset, that is you have to add up all the numbers and then divide the result by how many numbers you are dealing with. To find the mean hourly rate for WDC's full-pay relevant male employees, all the hourly rates will be added together and then divided by the total number of full-pay relevant male employees. This will give the "mean" hourly rate.

Median Pay Gap

The difference between the median hourly rate of pay of male full-pay relevant employees and that for female full-pay relevant employees.

To calculate the median

The median is the numerical value which splits the top 50% and the bottom 50%. To find the median, all the hourly rates for all employees will be listed in numerical order; if there are an odd number of values, the median is the number in the middle. If there is an even number, the median is the mean of the two central numbers.

Bonus

The gender pay gap is the average value of bonuses paid to female relevant employees expressed as a percentage of the average value of bonuses paid to male relevant employees. For Warwick District Council, bonuses as defined for the purposes of the Gender pay Gap are retention payments, one-off honoraria and long service awards.

Regular honoraria payments, to cover an acting up situation, are excluded from "bonus" calculations and included in "ordinary pay".

Mean Bonus Gap

The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

Median Bonus Gap

The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.

Bonus Proportions

The proportions of male and female relevant employees who were paid bonus pay during the relevant period.

Quartile Pay Bands

The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

Quartiles

A quartile is one of the three points that divide the population of data into 4 equal parts. In the context of gender pay gap reporting, the four quartile pay bands are created by dividing the total number of full-pay relevant employee into four equal parts. For clarification, that is not WDC Pay bands.

Measures

A positive measure, for example 18%, indicates the extent to which females earn, on average, **less** per hour than their male counterparts.

A negative measure, for example -18%, indicates the extent to which females earn, on average, **more** per hour than their male counterparts. This may happen, for example, if WDC employ a high proportion of males in low-paid part-time work, and/or the senior and higher paid employees are female.

Appendix 2 – Categories for Ethnicity Pay Gap Reporting

Ethnic origin
Arab <input type="checkbox"/>
Asian or Asian British – Bangladeshi <input type="checkbox"/>
Asian or Asian British - Chinese <input type="checkbox"/>
Asian or Asian British – Indian <input type="checkbox"/>
Asian or Asian British – Pakistani <input type="checkbox"/>
Asian or Asian British – Any other Asian background <input type="checkbox"/>
Black or Black British – African <input type="checkbox"/>
Black or Black British – Caribbean <input type="checkbox"/>
Black or Black British – Any other Black/African/Caribbean background <input type="checkbox"/>
Mixed – Asian and White <input type="checkbox"/>
Mixed – Black African and White <input type="checkbox"/>
Mixed – Black Caribbean and White <input type="checkbox"/>
Mixed – Any other mixed/multiple ethnic background <input type="checkbox"/>
White - English/Welsh/Scottish/Northern Irish or British <input type="checkbox"/>
White - Irish <input type="checkbox"/>
White - Gypsy or Irish Traveller <input type="checkbox"/>
White – Roma <input type="checkbox"/>
White – any other White background <input type="checkbox"/>
Other ethnic groups – any other ethnic group <input type="checkbox"/>
Prefer not to say <input type="checkbox"/>