

Employment Committee

Minutes of the meeting held on Wednesday 20 March 2019 at the Town Hall, Royal Leamington Spa at 6.00 pm.

Present: Councillor Mrs Bunker (Chairman); Councillors Barrott, Doody, Mrs Evetts, Mrs Falp, Mobbs and Parkins.

32. **Apologies and Substitutes**

An apology for absence was received from Councillors Day, Noone and Phillips.

33. **Declarations of Interest**

There were no declarations of interest.

34. **Minutes**

The minutes of the meetings held on 5 December 2018 were taken as read and signed by the Chairman as a correct record.

35. **Minutes – Members/Trades Unions Joint Consultation & Safety Panel**

The minutes of the meeting on 28 November 2018 and 6 March 2019 were noted.

(Councillor Mobbs joined the before discussing the following item)

36. **Project Accountant**

The Committee considered a report from Finance which proposed the creation of a Project Accountant post for a period of three years in order to provide financial and accountancy support for some of the major projects that the Council currently had in progress, and had planned for the medium term.

Members were reminded of the many large and significant projects that were being worked upon, which included:

- Office Re-location and Covent Garden Redevelopment;
- Car Parking Displacement – Leamington and Warwick;
- Europa Way and Community Stadium;
- Kenilworth School and associated developments;
- Leisure Development Phase 2;
- Tachbrook Community Park;
- Commonwealth Games;

The Head of Finance and Accountancy Team had endeavoured to support these projects with the existing staff resources. However, the support available had been limited due to the turnover within the team. In addition, Members were reminded of the delays and problems encountered in closing the 2017/18 accounts. As a consequence of this,

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the main concentration of the Accountancy Team currently was preparing for the 2018/19 closure of accounts and subsequent audit.

The problems with the closure of the 2017/18 Accounts had highlighted how much more complicated and time consuming this had become in recent years. The date had been brought forward for the completion of the draft accounts from 30 June to 31 May, and for audited accounts from 30 September to 31 July. However, to enable this to be done, far more planning for closedown was required in advance. In addition, more work was now required to be undertaken prior to the year end. The accounts each year were increasingly complicated. New requirements were included each year in the Code of Recommended Practice that was issued by CIPFA, compliance against which the Council was judged by the auditors. For 2018/19, new requirements relating to Revenue from Contracts with Customers and Financial Instruments had been introduced.

The current and planned significant projects required more dedicated accountancy support. Whilst the Team did input to the projects, they did not have the capacity to input the time that was required. It was important that projects were properly resourced, with project teams of the right experience and qualifications. To continue to seek to resource projects without adequate resources would increase the risk to projects.

It was therefore proposed to establish the post of Project Accountant for a three-year period. This post should help to support some of the key projects. This would help to ensure that projects were properly resourced and received the right Accountancy/Finance input. It should also help to reduce the draw on the current Accountancy Team to provide support to all projects. It was unrealistic to expect such a post holder to have the capacity to support all these projects. The Accountancy Team would still need to support some projects.

The specific input to project from a Project Accountant would vary for each project. However, the remit was likely to include working upon:

- Feasibility study;
- Business Case;
- Cashflow forecasting and monitoring;
- Financial due diligence;
- Monitoring progress of projects;
- Investigating variances of project costs;
- Producing project accounts and reports;

Given the length of time many of the key projects were expected to take, a three-year post was proposed. Within this time, the Accountancy Team should become more established, with the new members of the team abler to support the strategic projects.

Within the Final Accounts Action plan being reported regularly to Members and CMT, there was the requirement "To review the Council's organisational arrangements for strategic finance and report to Executive and Employment Committee". The creation of the post of Project Accountant would help to address this and provide strategic finance support.

EMPLOYMENT COMMITTEE MINUTES (Continued)

Resolved that the establishment of a Project Accountant, within Finance, for a three-year period, be approved.

37. Project Manager –Financial System

The Committee considered a report from Finance which proposed the creation of a Project Manager post for a period of three years to lead on the procuring and implementation of new financial systems across the Council.

The Council's Financial Management System and the Income Management System had been in place since 2006. Whilst these systems did provide the basic functionality, they were not adaptable to meet the needs of users and to support flexible service requirements. In addition, the suppliers were ceasing to support these systems in the medium term.

Following research by the Finance, ICT and Procurement Teams, a high level business case had been produced that recommended that the Council consolidated these systems with a single supplier. In addition, other systems should also be included within the overall specification so as to produce a single solution with one supplier. These other systems included:

- Asset Register;
- Direct Debits/BACS;
- Debit/Credit Card payment receipts; and
- Payment collection.

The work to change all these financial systems should not be underestimated. Whilst there were system owners and system managers for the respective financial systems, there was not the capacity with the current posts to lead on the procurement and implementation of the systems.

A Project Manager post was recommended to manage the full implementation of new financial systems. This would include the following areas of work:

- Soft market testing;
- Site visits;
- Leading on specification;
- Procurement;
- Contract award;
- Implementation;
- Testing and training; and
- Project planning and monitoring.

This project would impact on most officers across the Council, with most having to access the systems for various reasons. In addition, Members were also users, specifically in terms of being recipients of critical information. Moving forward, residents and businesses should have access to the systems for such things as managing payments to/from the Council. It was important that the project manager had the right skills to manage such an important project. Aside from project management skills,

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the post holder would need to have a knowledge/appreciation of ICT and finance/accountancy.

Within the Final Accounts Action plan being reported regularly to Members and CMT, there was the requirement "To progress the feasibility stage of a new Finance IT system to report to Executive stage including project management support and training". A business case for a new Financial Management System (and related systems), had been agreed by CMT. A Project Manager was required to progress this significant project.

Resolved that the establishment of a Project Manager – Financial Systems for a three-year period, be agreed.

38. Changes to Arts Section

The Committee considered a report from Cultural Services which set out proposals to temporarily expand the Arts team within Cultural Services by making the current, part-time post of Arts Development Officer full-time for a period of three years and the creation of the fixed term post of Project and Development Manager (Arts) within this team for a period of two years.

In 2018, Warwick District Council's (WDC) Arts Section successfully bid to be the subject of a Cultural Peer Challenge. The Cultural Peer Challenge was an external, impartial review of the Council's Arts Section that focused on the potential for improvement and the impact of the Arts upon Warwick District Council's strategic priorities. The review was carried out on site by the LGA Peer Challenge team over two days in July 2018 and resulted in a very positive report, with a number of practical recommendations. A wide range of stakeholders were consulted, including Arts section and Council staff, Warwick District Councillors and external arts organisations.

It was a key finding of the Cultural Peer Challenge that the Arts Section was currently operating at capacity and that in order to develop further and maximise the impact of the unique opportunities arising within the creative sector during the next three to five years, additional resources would be required. These resources primarily included additional personnel and a supporting facilitation budget.

As a result of the Peer Challenge, the current role of Arts Development Officer had been reviewed and the job description and person specification amended in order to re-focus the responsibilities of the post to assist the Collections & Engagement Manager and Arts Manager with the co-ordination and development of arts activity throughout the District. To reflect the amended responsibilities of the role, the Arts Development post had also been renamed as Arts Officer.

The Arts Officer was an existing role in the Collections & Engagement team and was currently a 0.6 FTE post. Officers anticipated that Warwick District's arts sector would require greater levels of support over the next three years on the lead up to and during the City of Culture year in 2021. A temporary increase in working hours was proposed for a fixed, three-

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year period in order to meet that demand. This period would include the lead up to the Coventry City of Culture, the year itself in 2021 and sometime afterwards for legacy work.

The Arts Officer post would provide information and support services to arts organisations and creatives, as was previously the case, but there would be less strategic focus and a greater emphasis on the role taking a more 'hands on' approach. The revised key responsibilities of the role were detailed in Section 3.6 of the report.

The Arts Officer post became vacant in December 2018 and officers took the opportunity to reevaluate the responsibilities of the role. The post was currently being covered by a temporary member of staff. It was intended to permanently recruit to the post, on a full time basis, by late May 2019.

It was proposed that the new role of Projects & Development Manager (Arts) should be created on a fixed-term basis. This role would report directly to the Arts Manager and assist them with the development of the outward facing, strategic elements of the service. The role would work closely with all teams within the Arts Section and the Arts Officer in particular.

It was a key recommendation of the Peer Challenge that the Arts Section should increase its focus on commercial opportunities and the marketing of its own activities, as well as its partners. There was a need for an increasingly entrepreneurial approach to generating income through developing relationships with commercial partners. This new role would be responsible for researching and proposing new commercial opportunities as well as delivering specific projects. The key responsibilities of this role were detailed in Section 3.9 of the report.

Resolved that

- (1) a fixed term increase in the working hours of the existing Arts Officer post WD00109 (previously titled Arts Development Officer), from 0.6 FTE to 1FTE, be agreed for a three-year period between April 2019 and March 2022;
- (2) the Projects and Development Manager (Arts) 1 FTE fixed term post be added to the Cultural Services staffing establishment with effect from April 2019 until March 2021.

39. New and Extended Posts in Development Services

The Committee considered a report from Development Services which set out the proposals to utilise the Planning Investment Reserve to introduce two new posts within Development Services and to make an existing part time post permanent. It also recommended that a vacant Assistant Building Control Officer post was filled by a part-time Senior Building Control Officer for a further period of two years.

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In January 2018, the Government introduced new regulations to increase Planning Fees by 20%. The guidance associated with this suggested that the additional funds arising from the fees increase should be spent "to support the delivery of an effective planning system". A report approved by the Executive on 1 June 2017 agreed that budget apportionments from the planning fees increase should be determined by the Section 151 officer in consultation with the Senior Management Team.

At its meeting on 21 March 2018, the Employment Committee agreed that a number of new posts should be established in Development Services and Health & Community Protection (in addition to a post already established in Neighbourhood Services) to be funded from the increase in planning fees. These posts had since been recruited to and increased the capacity of the services involved.

Since that time, the workload had continued at a high level and as a result, planning fee income had exceeded the cautious assumptions made in early 2018. This had meant that the existing and forecast balance within the Planning Investment Reserve (the reserve which was funded by the 20% increase in planning fees) was higher than had been assumed when the proposals were brought forward in March 2018. The Section 151 Officer, in consultation with SMT (meeting held on 27 February 2019) had therefore agreed that funding from the reserve could be allocated to a number of posts as detailed below:

- two new posts in Development Management to provide additional capacity to deal with the increased workload for both householder and more complex planning applications. Specifically, it was recommended that a full time Planning Assistant post was established and a full time Senior Planner established; and
- an increase in hours of an existing Enforcement Officer post from 0.73FTE to full-time to provide additional capacity and resilience to deal with the continuing high levels of demand within the planning enforcement team.

Separately from the Planning Investment Reserve, the report sought agreement to establish a part-time (0.6fte) Senior Building Control Officer post for a further period of two years. This post was established on a temporary one-year basis in 2018 under delegated powers. It replaced a vacant full-time Assistant Building Control Officer post. Since being established, it had been filled by an experienced officer who had provided capacity to deal with more complex building control cases at a time when the service had had difficulty in recruiting to full-time Senior Building Control Officers. The existing postholder was keen to continue with the arrangement and for these reasons, it was proposed to extend the current arrangement for a period of two more years until 1st July 2021.

Resolved that

- (1) the existing part-time (0.73fte) enforcement officer post within Development services be made full time on a permanent basis;

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- (2) the following new posts be established within Development Services:
 - a full time Planning Assistant post be established within the Development Services;
 - a full time Senior Planner post be established within the Development Services;
- (3) an existing Assistant Building Control Officer post that is currently vacant be established as a part-time (0.6fte) Senior Building Control Officer for a further two years until 1 July 2021 (this is a continuation of an arrangement that has been in place for year).

40. Health and Community Protection Service Area Confirmation of Posts

The Committee considered a report from Health and Community Protection which set out the proposals for Health and Community Protection Service Area in order to address changing service needs.

The post of Continuity & Contingency Officer had been a temporary position for two years ending in October 2019. The increase in events held within the District and the changing picture in the emergency planning field meant that this post was required to be made permanent.

The increase of planning applications received by Development Services had impacted upon Health and Community Protection. There had been an increase in the number of planning applications, pre-application advice requests and post application duties which had directly impacted upon the workload of the service.

There were a number of interventions in progress within the Safer Communities team which required additional resource in order to bring the project forward in the required timelines. Therefore, it was proposed that a temporary Community Safety Officer post for a period of one year was created in order to deliver on the projects.

The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 (The 2018 Regulations) were made on 16 April 2018 and came into force on 1 October 2018. Under these regulations, the former licensing schemes for animal boarding establishments, pet shops, riding establishments and dog breeders were repealed and replaced by a new single licensing scheme that regulated all these activities and incorporated the licensing of those who trained or exhibited performing animals. This latter duty was passed from the County Council to the District Council on 1 October 2018.

The new regulations were very prescriptive in how matters should be conducted, particularly in the granting and monitoring of compliance, but also how appeals and requests for re-inspections had to be processed. There was also new suspension, variation, refusal and revocation

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processes with the welfare of the animals concerned at the very heart of any action to be taken. Due to the very rigid nature of the regulations, the Licensing authority was under strict limitations in respect of how it dealt with each application lending the new regime to a much more administrative approach to animal licensing than previously.

Having considered the detailed requirements contained in the guidance notes related to the new star rating scheme, the new appeals and re-inspection procedures, the required review and updating of all the present licences and familiarisation of Officers with the new guidance documents, coupled with an expected increase in new licence applications (e.g. doggy day care and dog breeding activities) the present staff resource needed to be increased in order that the Council was able to meet its statutory duties in licensing the dramatically increased number of premises which fell under this legislation. Therefore, it was proposed that an additional enforcement officer and a licensing technical officer post were created to address this rise in workload.

Resolved that the addition of the following posts to the establishment, be approved:

- Continuity & Contingencies Officer 1FTE
- Senior Environmental Health Officer 1FTE
- Community Safety Officer Grade 1FTE
(Temporary 1 year)
- Licensing Enforcement Officer 1FTE
- Licencing Technical Officer 0.5FTE.

41. Addition of Performance Management Officer post to Council's staffing establishment

The Committee considered a report from the Deputy Chief Executive (AJ) which recommended that an additional post should be added to the Council's staffing establishment within Chief Executive's Office Service Area to, among other things, co-ordinate the collection and maintenance of the Council's performance information. Funding for the post was recommended by Executive on 6 February 2019 and agreed by Council on 20 February 2019.

In 2011, as part of the Fit For the Future change programme, the Council adopted a revised approach to performance management. Historically, the Council had used a target based system for monitoring service delivery which involved the collection of hundreds of pieces of information to assist managers with the management of the Council's business. This approach to performance management increasingly became to be seen as over burdensome with the collection of data widely-perceived to be an industry in itself.

The revised approach sought to dramatically reduce the volume of information being collected and rather than have a myriad of targets to try and achieve, Service Area Managers were encouraged to determine a limited number of key service measures to monitor as a proxy for the performance of their respective Service Areas. The need to re-evaluate the Council's approach to performance management was also in the context of the significant funding reduction the Council was experiencing

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where the Council needed to ensure that its investment in staffing resources was as efficient as possible.

Whilst the revised approach had been successful in ensuring that the Council was more discerning in the information it collected, the Senior Management Team had recognised that it would benefit from a broader range of data being available for analysis and importantly, on a timely basis. Whilst it was the responsibility of individual Service Areas to collect their respective performance information from the back office systems and bespoke spreadsheets, there was no resource to bring all this information together as a coherent whole so that the Senior Management Team had a comprehensive understanding of how the Council was performing. This situation was recognised in the report of the Corporate Peer Challenge team upon which the Chief Executive reported at the 6 February 2019 Executive meeting:

"2. Step up your monitoring and oversight to prevent being blown off track. Having effective and proportionate arrangements in place for the Council to receive timely and relevant data and information to track and monitor progress of key priorities is important. This will allow the Council to keep an overview on delivery and help to keep on track with priority projects."

The Peer Challenge Team also addressed the issue of the Corporate Management Team's (CMT) capacity:

"The Peer Team recognised that the CMT is incredibly busy and in order to optimise their capacity and ability to work smarter we would encourage you to review the administrative support available. This would support CMT to be as effective as possible. Having your most senior managers undertaking activity which is better delivered through administrative support can distract them from more important issues and puts them under unnecessary pressure. Having appropriate administrative support needs to be part of ensuring the authority's senior management arrangements are fit for the future."

Consequently, CMT considered that the recommended post could also assist senior managers with key administrative and organisational tasks around business and service planning, and programme and project support.

The funding for the proposed post was recommended by Executive on 6 February 2019 and agreed by Council on 20 February 2019.

In answer to questions from Members, the Democratic Services Manager & Deputy Monitoring Officer advised the Committee that:

- part of the role would be to standardise and develop the way in which performance reports are presented to Scrutiny;
- the remit was indeed large and involved a lot of communication with senior offices;
- as advised in the Peer Challenge Review, the aim was for the role to take off some of the admin from CMT, which included writing some scrutiny reports;



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- it was hard to evaluate if other Councils had this position in place because all Councils were quite unique. However, it was clear that for those Councils which did not have the exact role in place, a lot of these requirements would be covered under other roles;
- the Senior Management Team and CMT would continue to monitor the performance; and
- the post was permanent.

Resolved that

- (1) the addition of a Performance Management Officer post within Chief Executive's Office Service Area, be approved; and
- (2) the revised Democratic Services Structure as set out at Appendix 1 to the report, be approved.

42. Pay Policy Statement & Gender Pay Gap Reporting

The Committee considered a report from Human Resources which presented the Council's Pay Policy Statement for 2018-19, as required under the Localism Act 2011, Chapter 20, Part 1 Local Government, Chapter 8 Pay Accountability. It set out the Authority's policies for the financial year relating to the remuneration of chief officers, the remuneration of the lowest paid employees and the relationship between the remuneration of its chief officers and its employees that were not chief officers.

The report gave a definition of chief officers and lowest paid employees. It covered different elements of remuneration and outlined the guidelines and policies that governed remuneration.

It included mandatory gender pay gap information that had to be reported to central government and published on the Warwick District Council website.

A published Pay Policy Statement was a requirement under the Localism Act 2011 and needed to be formally adopted by the Council each year.

Guidance on the development of Pay Policy Statements stated that authorities should explain their policy in respect of chief officers who had been made redundant and later re-employed or engaged under a contract of service. Currently, Warwick District Council had no policy in relation to this, therefore a proposal had been included in the Pay Policy Statement.

In accordance with the Equality Act 2010, with effect from 30 March 2018, it was a requirement to report and publish specific gender pay gap information and this was the second annual statement. Whilst the legislation required reporting of the gender pay gap data, it was important to understand and address the underlying causes of pay gap.

The Human Resources Manager emphasised that the report was not to do with equality and if both a male and a female member of staff were

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employed at the same time for the same role, they would be paid the same. Rather, the report presented the overall gender pay gap at Warwick District Council.

In answer to questions from Councillors, the Human Resources Manager advised Members that:

- According to the new spinal points, the minimum pay at Warwick District Council was above the national living wage and apprentices were also paid above the lowest level.
- Whilst a direct comparison with other Councils was not available, it sounded that this Council was comparable.
- The Senior Management Team Plus was an equal split, with five males and five females, and the issue was at the most senior level.
- The main reason for the pay gap was that more men were employed in higher paid jobs than women.

On behalf of the Committee, Councillor Mrs Bunker thanked the Human Resources team for all the work they put into the report.

Resolved that the next steps within the Gender Pay Gap Report, be endorsed.

Recommended to Council that

- (1) the Pay Policy Statement attached as Appendix 1 to the report as presented, be approved and its publication for the 2018-19 financial year be agreed;
- (2) publication of the approved Pay Policy Statement on an annual basis with reviews and amendments in-year if required, be agreed; and
- (3) the Gender Pay Gap reporting as at March 31 2018 presented in Appendix 2 to the report, be noted.

43. People Strategy Update

The Committee considered a report from Human Resources which updated Members on progress made on the People Strategy Action Plan as discussed at the People Strategy Steering group (PSSG) and policy updates.

The purpose of the People Strategy was to support the Council's Fit for the Future programme of work. Its aim was to ensure that the approaches to resourcing, learning and development, cultural change and organisational development were designed to deliver the workforce that the Council required. The People Strategy Action Plan underpinned the People Strategy and reported progress to SMT, CMT, People Strategy Steering Group and Employment Committee.



EMPLOYMENT COMMITTEE MINUTES (Continued)

At Council on 23 January 2019, the new employee Code of Conduct was approved, but the Chief Executive recognised that Councillors wished to have further discussion on the following aspect of the code: *"This Code applies to all Council staff. This Code does not form part of your contract of employment with the Council, and the Council reserves the right to amend it at any time."* In summary the concerns were about the ability to change elements within the Code of Conduct without consultation and the overall effect on the contracts of employment which could put the Council at risk if it came to a dismissal or indeed a tribunal. As a result of this discussion, the agreed conclusions were that the Code of Conduct did sit outside that of the Contract of Employment. However, in each case, the employee was bound to the Code of Conduct and they accepted that when they were employed by Warwick District Council. As a result of that acceptance, they became directly linked and that should there be a breach of the Code of Conduct, then this would result in proceedings as a breach of contract as necessary.

It was accepted that some of the wording within the current contract issued needed to be improved to make it clearer, and this very minor amendment would be initiated by the time Employment Committee met in March 2019.

In terms of the concerns about consultation for every minor change to the Code of Conduct, this was neither necessary nor practical. However, where there was a significant or compelling change to the Code of Conduct (such as hours, grades, pensions, significant terms and conditions), then normal consultations (with staff, unions etc.) would take place as was the norm. In the case of all changes, the expectation was that these would be overseen by the Employment Committee. The consultation process, when required, was in place and was robust.

There was no risk to neither WDC nor the employee and that the process was robust enough to provide protection to all parties involved.

This was also considered at the Members/Trades Unions Joint Consultation & Safety Panel on 8 March 2019 who endorsed this position, as set out in their minutes elsewhere on the agenda.

The Local Government Maternity Leave scheme included the provision to receive 12 weeks' Occupational Maternity Pay at half pay, subject to pledging to return to work for at least three months.

It was proposed that Warwick District Council waived the requirement to return to work to receive the additional 12 weeks half pay as it had little impact on retention and it could cause problems in relation to service planning and continuity of provision, should a member of staff elect to return to work for the 12 weeks only (the half pay was more than the statutory payment of £145.18 or 90% of your average weekly earnings, whichever was lower, for 33 weeks).

This amendment also supported the aim of the Council to support family friendly policies and as a benefit in its recruitment processes.

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EMPLOYMENT COMMITTEE MINUTES (Continued)

At Employment Committee in January 2015, it set out within the report that requests/costs for early or flexible requirement were not required to be approved, however there was no recommendation (and resultant decision) to confirm amend this policy. Therefore, the report sought to confirm the approach that was supported and ensure the amendment was duly recorded.

Councillor Barrott commended that Recommendation 2.2 in the report was not clear enough and proposed an amendment, to remove "unless returning to work for a minimum of three months".

Resolved that

- (1) the report be noted;
- (2) as part of the legislative update to the Maternity Policy, the requirement to pay back 12 weeks Occupational Maternity half pay be waived in future; and
- (3) the Employment Committee confirms its support to remove the requirement to determine applications for early retirement and recommends this change to the Constitution to Council.

(The Chairman had agreed to take this item as an urgent report because of the required decision regarding maternity pay which if delayed until the next meeting in June would impact those currently on Maternity Leave and due to return to work. They were also mindful that the report had been considered by the Members/Trades Unions Joint Consultation & Safety Panel who had supported the recommendations.)

(Councillor Mrs Falp left during the debate of the above item)

44. Public & Press

Resolved that under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following two items, by reason of the likely disclosure of exempt information within paragraphs 1 and 2 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Minute No.	Para Nos.	Reason
45	1	Information relating to an individual
45	2	Information which is likely to reveal the identity of an individual.

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EMPLOYMENT COMMITTEE MINUTES (Continued)

The full minutes of the following item would be detailed in the confidential minutes of the meeting.

45. **Electoral Services Staffing Establishment**

The Committee considered a report from Democratic Services which sought approval for additional resources within Electoral Services for the next two years.

Resolved that the recommendations in the report be approved.

(The Chairman had agreed to this being considered as an urgent item to enable recruitment to start as soon as possible in order to reduce the risk of the team being a member of staff short at a time when it was unclear on what additional elections / referendums demands would be placed on the team.)

Because this was the last meeting before the elections, the Chairman thanked Members and Officers for their work and support in the Committee. The Committee also thanked the Chairman for their work.

(The meeting ended at 7.27 pm)



CHAIRMAN

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PAY POLICY STATEMENT 2018/19

Introduction and Purpose

Warwick District Council aims to have a comprehensive remuneration package that is appropriate and fair for all levels of role and responsibility; ensuring that transparency and equality underpins any rewards.

Under section 112 of the Local Government Act 1972, the Council has the "power to appoint officers on such reasonable terms and conditions as authority thinks fit".

This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the setting of pay for its employees.

The Pay Policy must set out the authority's policies relating to:

- The remuneration of its key chief officers (this includes Chief Executive, Deputy Chief Executive, Heads of Service, Section 151 Officer and Monitoring Officer)
- The remuneration of its lowest paid employees
- The relationship between
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.

The Pay Policy Statement must include:

- The definition of 'lowest paid employees' for the purposes of this statement
- The Authority's reason for adopting this definition

The Pay Policy Statement must also include the Council's Policy in relation to each of the following:

- Remuneration on recruitment
- Increases and additions to remuneration
- The use of performance related pay
- The use of bonuses
- The approach of payment on their ceasing to be employed by the authority
- The publication of and access to information relation to their remuneration

Once approved by Full Council, this policy statement will come into immediate effect and will be subject to review on a minimum of an annual basis in accordance with the relevant legislation prevailing at that time

In support of improvements in transparency, and mindful of additional requirements of the Local Government Transparency Code 2015, the Pay Policy Statement 2018/19 signposts to the central point of information on the Warwick District Council website for Data Transparency.



EMPLOYMENT COMMITTEE MINUTES (Continued)

REMUNERATION PROVISIONS

Definition of Chief Officers

For the purposes of this Pay Policy Statement, all references to Chief Officer include Statutory Officers, Chief Officer and Deputy Chief Officers, as defined within Section 43 of the 2011 Localism Act, apart from clerical and administrative posts. In accordance with the Council's Constitution these include:

- Chief Executive
- Deputy Chief Executive
- Heads of Service
- Section 151 Officer
- Monitoring Officer

The Council's Chief Officer Structure is set out within Article 12 of the Constitution of the Council and published in accordance with the Transparency Code.

Chief Officer grades and salaries are determined using the Hay Evaluation criteria.

For the purposes of the Pay Policy Statement, the Council is required to define and set out the relationship and definition of the lowest paid employee.

Definition of Lowest Paid Employees

For the purpose of this pay policy statement, the definition of the lowest-paid employees adopted by the Council for the purposes of this statement is as follows:

'The lowest paid worker is defined as those on the lowest spinal column point of Grade J, which is the Council's lowest pay grade (excluding apprentices). From 1st April 2018 the annual salary of the lowest paid employee is £16,495 (£8.54 per hour). '

This places a ratio between the lowest paid and highest paid employee at 6.68:1 from 1st April 2018.

The Council considers this to be the most appropriate definition as this is the lowest contractual pay point and pay level on its substantive pay structure and which normally applies to new entrants to the lowest graded jobs within the organisation.

The exception is employees who are employed on a Government sponsored apprenticeship programme that allows for them to be paid at nationally agreed apprenticeship rates. The recommended pay rates for apprentices should not be lower than the National Minimum Wage and the District Council has adopted a pay range for apprentices that exceeds National Rates for apprentices.

With effect from 1st April 2019 the Council has agreed to revise the lower end of its grading scale to a minimum of £17,711.

EMPLOYMENT COMMITTEE MINUTES (Continued)

In 2014 to address low pay the Council introduced a discretionary, non contractual supplement to increase pay in line with the Voluntary Foundation Living Wage rate. In anticipation of the revision of the NJC Pay Spines this was frozen at £8.62 with effect from 1st April 2018, equating to an annual rate of £16,630.

A copy of the Council's pay scales can be found at the end of this statement.

Section 1- POLICY ON REMUNERATION OF CHIEF OFFICERS

1. Levels of Pay for Each Chief Officer

The Chief Executive as head of the paid service is employed on the JNC terms and conditions of service and paid a salary that is a spot payment, commensurate with the role.

The Deputy Chief Executives, Heads of Service (which include the Monitoring Officer and the Section 151 Officer) are paid within the Warwick Senior Management Grades (WSMG) on a salary which is considered a market rate within the local government sector. There are 3 salary scale incremental levels; the current levels of pay for each Chief Officer are set out in Appendix 1.

Employer contributions for LGPS for 2018/19 and 2019/20 is 19.6% and Employee contributions can be found at www.warwickshire.gov.uk/pensions

These elements of remuneration for 2018/19 are set out below. With effect from 1st April 2019 these rates are subject to the JNC 2018/19 pay award of 2%.

2. Elements of Remuneration for Each Chief Officer

In addition to the basic salary outlined above, Chief Officers may claim business mileage as a Casual Car User; none of the Chief Officers are in receipt of an Essential Car User Allowance payment.

The Chief Executive is the Council's Returning Officer and receives an Election Allowance. This allowance is set by central government and it varies each year depending on the number and type of elections held in each year.

The Council's Monitoring Officer role is carried out by one of the Deputy Chief Executives as part of the current role; a separate payment for Monitoring Officer is not made.

For an exceptional piece of work or an exceptional achievement, a Chief Officer may be awarded an honorarium. The Chief Executive can approve this for any employee and this is either paid as a one off payment or can be a monthly allowance for a temporary period.

3. Pay Levels on Recruitment

The pay level offered on recruitment is typically the bottom point of the salary grade for all roles including Chief Officers. In situations, however, where the individual recruited has a high level of knowledge or skills, and/or previous



EMPLOYMENT COMMITTEE MINUTES (Continued)

relevant experience, a higher salary up to the maximum salary for that post, may be authorised by the Chief Executive.

The majority of Chief Officers are appointed by the Employment Committee (which reflects all political parties) exercising their delegated powers as outlined in the officer employment procedures.

This excludes the appointment to the role of Head of Paid Service (Chief Executive) and any other posts where the salary is greater than £100,000 where the Employment Committee recommends the appointment to Full Council for approval.

4. Increases to Pay

Any cost of living increases agreed through JNC are applied to Chief Officers pay. This is typically on 1st April each year and incremental increase to their pay will be applied as follows:

- Chief Officers appointed between 1st October and 31st March will receive an increment on 1st October the following year and thereafter
- Chief Officers appointed between 1st April and 30th September will receive an increment on 1st April the following year and thereafter.

There are 3 levels of increment; the first is the recruiting salary, the second level is automatic but the final level is subject to a satisfactory performance as signed off by their line manager. It may be withheld if the Chief Officer is deemed to not have a satisfactory performance appraisal or has a live formal written warning for conduct or performance issues.

Where a Chief Officer has given exceptional performance then they may be awarded additional increments outside of the normal incremental timescale as detailed above - subject to their pay not exceeding the maximum salary for their post. This would be authorised by the Chief Executive.

Chief Officers' pay will be benchmarked regularly against the market to ensure consistency is maintained both in the peer local authorities and nationally if relevant. Where there are significant changes in market rates then a pay benchmarking assessment will be carried out for Chief Officers.

Where a Chief Officer is temporarily working in a higher level role, (duration of 3 months or more) this may be recognised by payment of an honorarium or the higher salary relevant to that role on a temporary basis.

5. Market Forces Supplement

The Council adopted a Market Forces Policy in 2017. It is the Council's policy to pay temporary and reviewable 'market forces supplement' to posts where there is clear and demonstrable evidence that the salary level attached to the post creates substantial recruitment and retention difficulties. Any supplement will be automatically withdrawn at the end of two years unless an application for extension is agreed.

EMPLOYMENT COMMITTEE MINUTES (Continued)

6. Performance Related Pay or Bonuses

Exceptional performance of Chief Officers is recognised by either accelerated increments or an honorarium as detailed previously. Poor performance may result in an increment being withheld.

7. Termination Payments

In the case of redundancy, a severance payment would be made to a Chief Officer in line with the current the Discretionary Compensation Policy and as per the Redundancy Calculator. Pension benefits, on termination of employment, prior to reaching normal retirement age, would be calculated in accordance with the Local Government Pension Scheme regulations

Employees who wish to apply for Early Retirement or Flexible Retirement may do so in accordance with the associated policies for early retirement and flexible retirement.

In the case of termination due to Ill-health, a termination payment would not be applicable but an early pension benefit may be awarded by the pension scheme. The pension benefit may include a lump sum in addition to an on-going pension payment.

On termination of employment, if it is not possible or desirable for the Chief Officer to serve their contractual or statutory notice period, then a payment may be made in lieu of the notice period.

Any contractual payments such as outstanding annual leave are usually included in payments on termination of employment. Similarly, any monies owing to the Council would be deducted from payments made on termination.

In exceptional circumstances the Council may choose to make a payment under a Settlement Agreement. Such circumstances could include minimising the risk of uncertainty or disruption to the authority. Such payments are subject to a formal decision by the Chief Executive, in consultation with the relevant Deputy Chief Executive, relevant Head(s) of Service and Group Leaders. Approval will be sought by the Executive at its next meeting.

Any severance package that exceeds £100,000 should be approved by full Council. The components of which may include pay in lieu of notice, redundancy compensation, payment made in accordance with a Settlement Agreement, pension entitlements, holiday pay and any fees or allowances paid. The draft Public Sector Exit Payment Regulations 2016 provide that exit payments to public- sector workers are capped at £95,000, these have not yet been implemented.

It is not the council's policy to re-employ or to contract with senior managers who have been made redundant from the council unless there are exceptional circumstances where their specialist knowledge and expertise is required.

Section 2 - POLICY ON REMUNERATION OF ALL EMPLOYEES AND IDENTIFICATION OF OUR LOWEST PAID EMPLOYEES

In 2018/19 the lowest paid persons employed under a contract of employment with the Council were employed on spinal column point 7 of the NJC Pay Spines.

EMPLOYMENT COMMITTEE MINUTES (Continued)

The full time equivalent salary for this point is £16,495. This is the evaluated rate for the job in accordance with the Hay job evaluation scheme and the Council's agreed grading structure. The Council introduced a voluntary non contractual supplement in 2014 which currently equates to a rate of £8.62 per hour.

With effect from 1st April 2019 the Council has agreed to revise the lowest point of the grading structure to £17,711 (£9.18 per hour) at this point the non contractual supplement will be superseded.

Using the Hay Job Evaluation process, the Councils uses the nationally negotiated pay spine (further details can be found at www.LGE.gov.uk) as the basis for its local grading structure. This determines the salaries of the large majority of the workforce – apart from Chief Officers - together with the use of other nationally defined rates where relevant. The last increase to the national pay scheme was April 2018 and a two year pay deal was agreed for 2018/19 and 19/20. The Council is committed to adherence to the national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated in the pay spine.

All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by the Council. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

New appointments will normally be made at the minimum of the relevant grade, although this can be varied within the grade where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity and this would be done in accordance with the Market Forces Policy. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

The Council maintains its commitment to developing Apprentices and currently there are 12 within the Council.

Section 3 - THE RELATIONSHIP BETWEEN REMUNERATION OF CHIEF OFFICERS AND OTHER EMPLOYEES

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers (as included within the Hutton 'Review of Fair Pay in the Public Sector' 2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay – in that a public sector manager cannot earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's 'Code of Recommended

EMPLOYMENT COMMITTEE MINUTES (Continued)

Practice on Data Transparency' recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the Council's workforce.

Currently the average (mean) of the Chief Officers' pay is 2.92 times that of the rest of the employees. The highest earning Chief Officer earns 4.24 times the mean of the rest of the employees. The highest earning Chief Officer earns 6.68 times the lowest paid employees.

Currently the median Chief Officers' pay is 2.66 times that of the rest of the employees. The highest earning Chief Officer earns 4.62 times the median salary of the rest of the employees.

Salary Information 2018/19	
	£
Highest Chief Officer Salary	110,175.00
Median Chief Officers Salary	63,596.00
Median Officers Salary	23,866.00
Lowest Officer Salary	16,495.00

	2018/19
Comparison of the Chief Officers Mean / Officer Mean	2.92
Highest earning Chief Officer/ Payscale Officer Mean	4.24
Highest earning Chief Officer/ Lowest Payscale Officer	6.68
Median Chief Officer/ Median Payscale Officer	2.66
Highest Chief Officer/ Median Payscale Officer	4.62

These figures are accurate as of January 2019 data and exclude any other payments or allowances. The tolerances are well within the limits recommended by the Hutton report.

As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

Section 4 - PUBLICITY AND ACCESS TO INFORMATION

This policy including Appendices will be available on our web site www.Warwickdc.gov.uk.

Section 5 - RELATED DOCUMENTS

Early Retirement
Redeployment Policy
Recruitment Policy
Final Increment Scheme for Chief Officers
Disciplinary Policy

Flexible Retirement
Ill-Health Retirement Policy
Honoraria Policy
Capability Policy
Market Forces Policy

Hay Job Evaluation Scheme

Date of first issue:	March 2012
Date of Version 2:	March 2013

EMPLOYMENT COMMITTEE MINUTES (Continued)

Date of Version 3:	March 2014
Date of Version 4:	January 2015
Date of Version 5:	March 2016
Date of Version 6:	March 2017
Date of Version 7:	March 2018
Date of Version 8:	March 2019
Date of next review:	January 2020

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EMPLOYMENT COMMITTEE MINUTES (Continued)

APPENDIX 1

WARWICK SENIOR MANAGERS GRADES 2018/19 (WSMG Scheme for Chief Officers excluding the Chief Executive)

Basic Pay

Grade	Post	Starting Point	Mid Point	Max Point
	Chief Executive	£100,625	-	£110,175
WSMG1	Deputy Chief Executive	£82,781	£86,231	89,679
WSMG2	Head of Finance	£73,229	£76,148	£79,966
WSMG3	Head of Housing Services	£58,700	£61,148	£63,596
WSMG3	Head of Neighbourhood Services	£58,700	£61,148	£63,596
WSMG3	Head of Cultural Services	£58,700	£61,148	£63,596
WSMG3	Head of Development Services	£58,700	£61,148	£63,596
WSMG3	Head of Health and Community Protection	£58,700.5	£61,148	£63,596

Chief Officers and Chief Executive will receive a 2% pay award with effect from 1.4.19 as part of a two year pay agreement.

ELEMENTS OF REMUNERATION FOR CHIEF OFFICERS

Car Mileage Payments

The accumulative mileage claims for the Chief Officer population for 2018/19 is approximately £805. It is estimated that the figure would be in the same region for 2019/20.

Election Allowance for 2018/19 (Chief Executive only)

The fee paid to the Returning Officer is determined by legislation and the recovery of the costs for the Returning Officer duties at a UK or European Election is met from Central Government funds and as such does not constitute a cost the Council.

Honorarium Payments

None expected for Chief Officers in 2018/19

Relocation Scheme

None anticipated for 2018/19

Mortgage Subsidy Scheme

None currently

APPENDIX 2

Salary Grades 2019/20

Salary Grade	Spinal Column Point	1.4.18 Salary £	Spinal Column Point	1.4.19 Salary £
J	6 7	16394 16495		
I	8	16626	2	17711
	9	16755		
	10	16863		18065
	11	17007		
H	12	17173	4	18426
	13	17391		
	14	17681		18795
	15	17972		
	16	18319		
G	17	18672	6	19171
	18	18870	7	19554
	19	19446	8	19945
	20	19819	9	20344
	21	20541	10	21166
	22	21074	11	21589
F	23	21693	12	22462
	24	22401	13	22911
	25	23111	14	23835
	26	23866	15	24799
E1	27	24657	16	25295
	28	25463	17	26317
	29	26470	18	26999
	30	27358	19	27905

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Salary Grades 2019/20

Salary Grade	Spinal Column Point	1.4.18 Salary £	Spinal Column Point	1.4.19 Salary £
	31	28221	20	28785
E2	32	29055	21	29636
	33	29909	22	30507
	34	30756	23	31371
	35	31401	24	32029
	36	32233	25	32878
D	37	33136	26	33799
	38	34106	27	34788
	39	35229	28	35934
	40	36153	29	36876
C	41	37107	30	37849
	42	38052	31	38813
	43	39002	32	39782
	44	39961	33	40760
	45	40858	34	41675
B	46	41846	35	42683
	47	42806	36	43662
	48	43757	37	44632
	49	44697	38	45591
	50	45652	39	46565
	51	46608	40	47540
A	52	47578	41	48530
	53	48548	42	49519
	54	49517	43	50507

GENDER PAY GAP REPORT AS AT 31.3.18

1. Background Information

- 1.1 The gender pay gap report for Warwick District Council sets out the gender pay gap information relating to employees in line with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.
- 1.2 Any company who employs more than 250 employees are required to report on their:
- a. Mean gender pay gap
 - b. Median gender pay gap
 - c. Mean bonus gender pay gap (including long service and honoraria)
 - d. Median bonus gender pay gap (including long service and honoraria)
 - e. Proportion of males and females receiving a bonus payment
 - f. Proportion of males and females in each quartile band
- 1.3 This report identifies Gender pay gap data using pay data on the snapshot date of 31st March 2018, and in relation to 'bonuses' paid between 1st April 2017 and 31st March 2018.
- 1.4 The information must be published on both the Council's website and available for at least 3 years and on the designated government website.
- 1.5 No comparisons have been drawn between the 2017 data and the 2018 data, due to the following:
- the organisation profile has changed significantly with the TUPE out of Leisure staff in June 2017
 - In the 2017 data, 'bonus' was not included. Warwick District Council does not pay in the traditional sense and this decision was based on advice received at that time. Further clarification has advised that both 'one off honoraria' and 'long service awards' should now be included in the 'bonus' calculations.

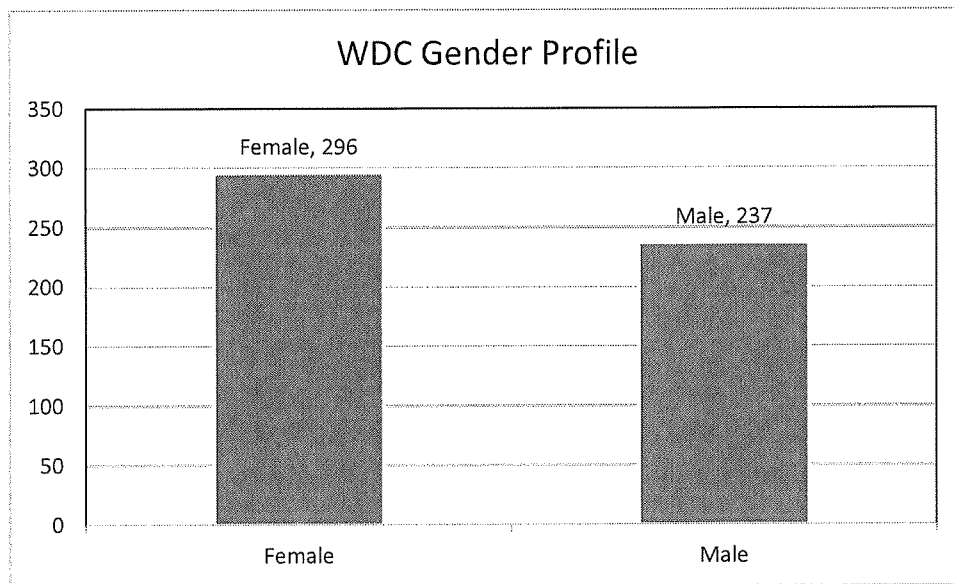
Moving forward it will be possible to draw more meaningful comparisons.

2. WDC Workforce Profile

- 2.1 The WDC gender pay reporting figures have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
- 2.2 The data includes the following types of staff:
- Employees with a contract of employment (part time, full time, permanent and fixed term)
 - Casuals/Workers
 - Apprentices
- 2.3 The data does not include temporary staff employed through an agency

EMPLOYMENT COMMITTEE MINUTES (Continued)

2.4 Gender Profile



As at 31 March 2018 Warwick District Council employed 533 people (contracted and casual staff):

Female employees = 296	Male employees = 237
56% of all employees are female	44% of all employees are male
152 females are full time	178 males are full time
115 females are part time	38 males are part time
38% of female's work part time	16% of male's work part time
29 females work on a casual basis	21 males work on a casual basis
31 average weekly hours (between 7.5 and 35 hours per week)	34.7 average weekly hours (between 7.67 and 35 hours per week)
14% of females are in managerial roles (supervisor's/team leaders and managers)	21% of males are in managerial roles (supervisor's/team leaders and managers)

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EMPLOYMENT COMMITTEE MINUTES (Continued)

3. Mean and Median Gender Pay Gap Results

We have used the guidance detailed on the gov.uk website to calculate this data described as: 'The gender pay gap of the organisation should be calculated as hourly pay, as both a:

- mean figure (the difference between the average of male and female pay)
- median figure (the difference between the midpoints in the ranges of male and female pay)'

As a summary the results for Warwick District Council are set out below:

	Female	Male	Difference between Female and Male mean & median 2018 hourly rate
Number of staff	296	237	
Mean hourly rate	£12.20	£14.41	15.3%
Median hourly rate	£11.02	£12.37	10.9%
Mean bonus payment	£34.47	£18.20	-89.4%
Median bonus payment	£750	£447	-68%
Proportion who received a bonus	6%	3%	

- 3.1 For the purposes of Gender Pay Gap reporting a bonus payment includes a 'one off honoraria' and Warwick District Council 'Long Service Awards'.
- 3.2 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 the "average", 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.
- 3.3 The mean 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.

4. Pay Quartiles

- 4.1 Hourly rates within Warwick District Council range from £4.59 (apprentice rate) to £55.99. When dividing all employees into 4 quartiles the pay rates for the 4 quartiles are shown below:

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EMPLOYMENT COMMITTEE MINUTES (Continued)

WDC Pay Quartiles by Gender 31.3.18						
Quartile	No. of males	No. of females	Total	Males	Females	Total %
Lower Quartile £4.59 to £9.55	54	80	134	37%	63%	100%
Lower Middle Quartile 9.72 to £11.74	48	85	133	36%	64%	100%
Upper Middle Quartile £11.74 to £15.63	52	81	133	39%	61%	100%
Upper Quartile £15.63 to £55.99	83	50	133	62%	38%	100%

- 4.2 Quartile Pay Band Summary - In order for there to be no gender pay gap, there would need to be an equal ratio of male to female in each quartile. However, within the Council, 63% of the employees in the lowest two quartiles are female and 37% are male.
- 4.3 The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
5. **What are the factors influencing Warwick District Council's gender pay gap?**
- 5.1 Under the law, males and females 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.
- 5.2 Warwick District Council is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above).
- 5.3 As such it:
- 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.
- 5.4 Warwick District Council is confident that its gender pay gap does not stem from paying males and females differently for the same or equivalent work.
- 5.5 On the date that this information was taken we employed more females than males, therefore it would be expected that there are more females

EMPLOYMENT COMMITTEE MINUTES (Continued)

than males at almost every level of the organisation. However, this is not replicated in the upper quartile.

5.6 Loss of highly paid female Leisure Staff

Overall staff numbers were down from 680 in 2017 to 533 in 2018 mainly due to the TUPE out of 174 contracted and casual Leisure staff in May 2017. These included 138 Leisure staff paid on 31/3/17 – 70 of these staff were female and 68 male. However, out of those in the highest quartile 8 were female and 1 was male. Out of the top 20 Leisure earners in 2017, 17 were female and 3 were males receiving specialist coaching/tuition rates.

5.7 More male staff earning more money

Despite the lower overall staff numbers, there were 10% more females in the overall workforce in 2018 compared with 2017. However, the percentage of females in all quartile pay brackets decreased other than the lower quartile where it increased by 4%.

6. Benchmarking

- 6.1 At the date of compiling this report there is insufficient data published to draw effective comparisons.
- 6.2 According to Office of National Statistics estimates in the UK in 2017, there was a mean gender pay gap of 17.4% and a median gender pay gap of 18.4%. The ONS provisional figures Annual Survey of Hours and Earnings figures published in October 2018 have estimated for the UK that those figures stand at 17.1% and 17.9% respectively.
- 7.2 We have compared 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 for October 2018 for jobs in the United Kingdom in the table below:

Description	Mean	Median
United Kingdom	17.1	17.9
Public Sector	17.5	19.0
Private Sector	23.8	20.3
Warwickshire	22.5	25.7
Warwick Area	26.6	24.7
Warwick District Council	15.3	10.9

7. Publication

- 7.1 WDC Gender pay gap data will be published following Employment Committee in March 2019

8. Summary of Gender Pay Gap Data as at 31st March 2018

- The Mean Gender pay gap is 15.3%.
- The Median Gender pay gap is 10.9%.
- The TUPE transfer of Leisure staff has resulted in a decrease of females in the upper quartile.

EMPLOYMENT COMMITTEE MINUTES (Continued)

- 'Bonus' pay is being reported for the first time in 2018 which was not reported in 2017.
- Despite the lower overall staff numbers, there were 10% more females in the overall workforce in 2018 compared with 2017. However, the percentage of females in all quartile pay brackets decreased other than the lower quartile where it increased by 4%.
- Statistics provided by the ONS show that Warwick District compares favorably with its peers.

9. Next steps

9.1 Review and analyse the data available:

The data reported is based on March 2018 data, which is not comparable with the March 2017 data. In order to give a meaningful indication of the direction of travel it is proposed to analyse the March 2019 data earlier than March 2020 to enable us to provide further analysis to update SMT/Employment Committee by:

- a) Improving data collection in order to develop a robust evidence based action plan - Employers who use high quality data to understand the drivers of their gender pay gap will be able to target their actions and therefore deliver the most effective results. Therefore, as a starting point it is essential to have good quality relevant data relating to employment, recruitment, progression, retention upon which to base any proposed actions. In order to achieve this, it will be necessary to identify what data is held, what gaps there are and the best method for filling the gaps in data.
- b) Undertake data analysis to understand the reasons for a gender pay gap - this will comprise both quantitative and qualitative data analysis.
- c) Benchmark with acknowledged leaders - Having identified barriers to progression benchmark with other employers to explore options to incorporate in an evidence based action plan that encompasses improved recruitment and retention processes, robust learning and development and agile working/family friendly policies. It is apparent from the current high level data that females are not proportionally represented in the upper pay quartiles and initial actions will seek to first understand and then address the causes of this as necessary, with some further examples to be considered below:
 - i. Analysis of number of female applicants to roles and success rate.
 - ii. Develop a greater evidence base to determine the proportion of female staff who return to work after maternity and adoption e.g. full time; part time and same role and those that continue in post a year after returning.
 - iii. Ensure consistent recruitment training that is fit for purpose e.g. recognition of unconscious bias.
 - iv. Increase awareness of 'work apprenticeship' training to encourage more employees to improve their skills and experience to enable the opportunity to progress their career.
 - v. Promote a consistent and transparent process to career grades and progression.
 - vi. Promote Mentoring/Coaching opportunities.
 - vii. Continue to develop flexible working options that support effective

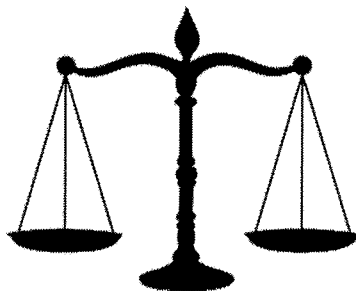


EMPLOYMENT COMMITTEE MINUTES (Continued)

work life balance including career breaks/sabbaticals.

- 9.3 It should be noted that addressing the underlying causes of a gender pay gap and developing an effective action plan is an ongoing and iterative process. 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. This will be incorporated into our Equality and Diversity actions as part of the People strategy updates.

Definitions



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 means 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. Long service awards with a monetary value are also 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".

EMPLOYMENT COMMITTEE MINUTES (Continued)

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.

Gender Pay Gap

The gender 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 Gender 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 Gender 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

EMPLOYMENT COMMITTEE MINUTES (Continued)

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.