



SCRUTINY REVIEW

REVIEW TITLE
Gender Pay Reporting
SCOPE OF THE REVIEW/TERMS OF REFERENCE
<p>The review of the Gender Pay Gap will cover:</p> <ul style="list-style-type: none"> (i) Understanding Gender Pay Reporting; (ii) The Gender Pay statement for 2016-17; (iii) The Council's pay and grading structure; (iv) The Council's job evaluation process; and (v) The Council's recruitment process.
REASON FOR SCRUTINY
<p>Concerns about:</p> <ul style="list-style-type: none"> • The gap between the pay of male and female employees
MEMBERSHIP OF THE REVIEW GROUP
Members of the Corporate Scrutiny Committee
KEY TASKS / REVIEW PLAN
<p>To consider:</p> <ul style="list-style-type: none"> • The reasons for the differences in gender pay • How the Council compares to other organisations • What actions, if any, the Council could take to narrow the gender pay gap
SOURCES OF EVIDENCE
<ul style="list-style-type: none"> • Gender pay statement for 2016-17 • Pay & grading structure • NJC Single Status Agreement, Craft Agreement and JNC Terms & Conditions for Chief Officers
TIMESCALE
<ul style="list-style-type: none"> • A report/presentation will be given to Members at the meeting on 13 November. • Depending on the outcome of the review a report will be prepared for Members to consider at the meeting on 12 March 2019.

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Gender Pay Gap Report 31st March 2017 Cannock Chase District Council

What is the Gender Pay Gap?

The gender pay gap is defined as the difference between the mean or median hourly rate of pay that male and female colleagues receive.

The mean pay gap is the difference between average hourly earnings of men and women. The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle-most salary.

Cannock Chase District Council's Gender Pay Gap analysis shows an overall split of 57.87% women and 42.13 % men. Our gender pay gap analysis is based on the head count of these employees as opposed to full time equivalent numbers.

Headline gender pay gap figures at 31st March 2017

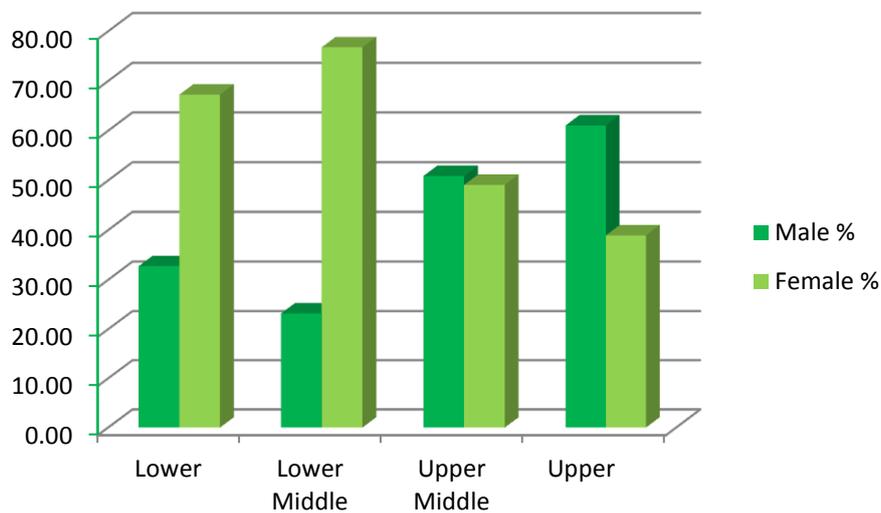
The table below sets out the Council's headline gender pay gap figures at 31st March 2017. Using this information along with other data gathered as part of the gender pay gap analysis we will demonstrate the current profile of the workforce.

Mean for Male (£ per hr)	14.82	Mean for Female (£ per hr)	12.22	Mean Gender Pay Gap (% age)	17.54%
Median for Male (£ per hr)	14.19	Median for Female (£ per hr)	10.37	Median Gender Pay Gap (% age)	26.92%

Proportion of male and female colleagues in each pay quartile

The table and charts below show the gender split for pay in each of the four quartiles.

Quartile	Total Staff	Male	Female	Male %	Female %
Lower	113	37	76	32.74	67.25
Lower Middle	112	26	86	23.21	76.78
Upper Middle	112	57	55	50.89	49.10
Upper	113	69	44	61.06	38.93

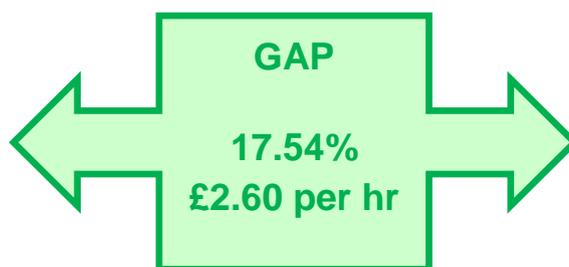


Mean Gap at 31st March 2017

(Average hourly rate of pay and the percentage difference between them)



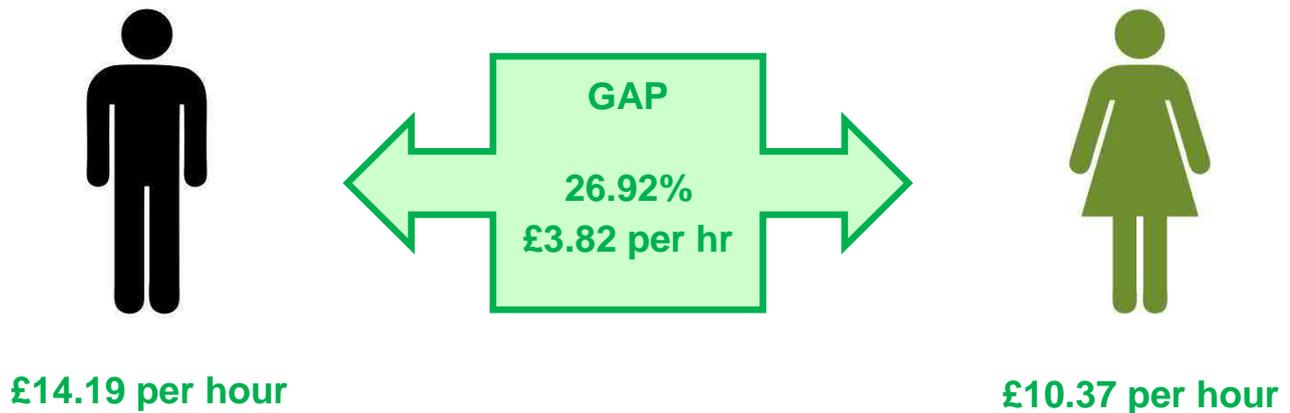
£14.82 per hour



£12.22 per hour

Median Gap at 31st March 2017

(Middle hourly rate of pay and the percentage difference between them)



Proportion of male and female colleagues by working pattern



8.46%

Percentage of men working part time hours



52.87%

Percentage of women working part time hours

34.22% of the total workforce work reduced hours. The diagrams above demonstrate the split between men and women in terms of their respective working patterns. Within the group of male employees just 8.46% are employed in part time roles whereas 52.87% of all women employed by the authority undertake work on reduced hours (the authority considers any working pattern under 37 hours per week to be part time).

The Council positively considers requests for flexible working across the workforce and aims to accommodate requests (through reduced hours, revised patterns of work and or home working) wherever possible in line with statutory guidance.

Proportion of men and women receiving bonuses

Cannock Chase District Council does not operate any performance related pay or bonus scheme and as such has no bonus related gender pay gap

Bonus Gap = 0%

Demographic across the organisation

As a District Council we are responsible for ensuring a wide range of services are provided to our residents. In order to do this we employ officers from a range of backgrounds with varying practical, clerical, technical and professional skills.

With this in mind we have shown below the gender split across the authority by category of role. This demonstrates that whilst the front line and support services are represented much more significantly by women; in all other areas of the organisation there is a largely balanced proportion of men and women even at senior management level.

Category	Total people in category	%age female	%age male
Senior Managers	25	40.00	60.00
Supervisory and Professional	111	45.94	54.06
Technical	112	48.20	51.80
Front Line & Support	203	70.44	29.56

Why we have a gender pay gap

Cannock Chase Council has a mean Gender Pay Gap of 17.54%. This is below the national average of 18.1%*. Our median Gender Pay Gap is, however slightly above the national average of 23%, sitting at 26.92%. Looking at the profile of our workforce above it is apparent that we employ a much larger proportion of women than men in our Front Line and Support roles, therefore leading to a lower median rate of pay for females than their male colleagues.

The Gender Pay Gap is affected by the make up of an employers' workforce profile (57.87% women and 42.13% men at Cannock Chase) as well as the distribution of staff across grades.

Close to 45% of all employees in the Council are employed in Front Line & Support roles. Services which fall within this profile include Cleaning and Clerical roles which are largely made up of female employees who are often attracted to the Flexible Working provisions available in the authority; this is borne out by the data on page 3 of the report which shows that over half of the Council's female employees work reduced hours.

Cannock Chase District Council is, however confident that men and women are paid equally for doing the same job. The Council uses the nationally recognised Job Evaluation Schemes for Local Government; Gauge (up to Chief Officer) and Hay (Chief Officers) to evaluate all roles within the authority and works hard to ensure our recruitment processes mean that we appoint the best candidate for every role based on skill and ability.

** Office of National Statistics 2016 Annual survey of Hours and Earnings*

** Chartered Management institute 2016 gender Pay survey*

How are we aiming to reduce the gap?

As a Council we will continue to ensure that our recruitment advertising is equally accessible to all candidates and that our recruitment processes continue to be based on ensuring we find the best candidate based on skills and abilities for any and all positions we advertise.

Once we have appointed our people we are keen to support them in their roles and make every effort to positively consider requests for flexible working as well as offering opportunities for development both through on the job and external training and development.

As an employer we have made use of the Apprenticeship Levy requirements in 2017/18 by upskilling our existing employees, particularly at the team leader and supervisor levels and will continue to do so in forthcoming years. In addition we hope to encourage new talent to join our organisation as we build a strategy to bring in new Apprentices at a variety of levels within the organisation.

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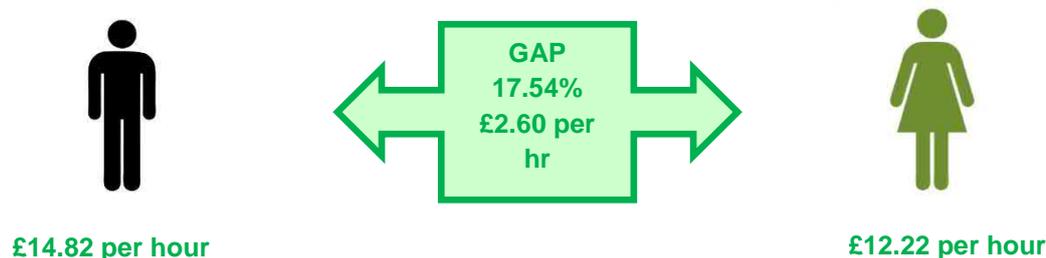
Update on Gender Pay Gap Report at 31st March 2017 Cannock Chase District Council

In March 2018 Cannock Chase District Council reported its' first Gender Pay Gap report in line with legislative requirements. This report used a snap shot of the headcount of its' employees as at 31st March 2017 to determine a number of key headline figures aimed at providing a clearer picture of the Gender Pay Gap. A copy of the full Gender Pay Gap Report is annexed to this document.

The headline mean gender pay gap at Cannock for 2017 is as follows

Mean Gap at 31st March 2017

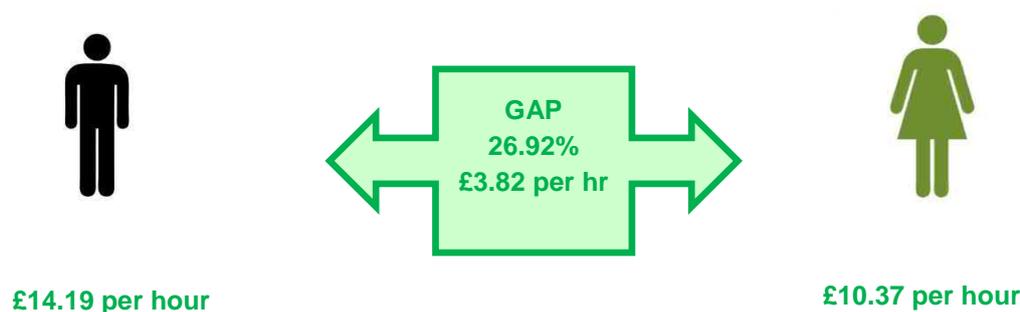
(Average hourly rates of pay per gender and the percentage difference between them)



This figure sits slightly below the mean gender pay gap figure reported by the Office of National Statistics in their survey of Hours and Earnings for 2016 which was 18.1%. Notwithstanding this it is recognised that the mean pay gap for Cannock Chase District Council is 17.54 % or £2.60 per hour.

Median Gap at 31st March 2017

(Middle hourly rate of pay and the percentage difference between them)



The median gap sits above the median gap of 23% as reported in the Chartered Management Institute's 2016 survey on Gender Pay.

Key issues which affect the Gender Pay Gap

As detailed in the Council's Gender Pay Gap report we are confident that all employees are paid the same for work of equal value in line with the nationally recognised job evaluation schemes; Gauge and Hay which are used to evaluate all roles within the organisation.

However, despite this there remain a number of nationally recognised factors which affect an organisations' Gender Pay Gap. Key amongst these factors are the following;

- Part-time work
- Having and caring for children
- Type of occupations within the organisation
- Representation of women in higher paid roles

Part Time Work

The ONS Labour Workforce survey dated October 2016 showed that overall 41% of UK women work part time hours compared to just 12% of men.

At Cannock Chase Council the percentage of women who work part time sits higher than the national average at just under 53% with the percentage of male employees who work part time sitting at just over 8%.

It is recognised that part time employees earn less on average than their full time counterparts. Whilst there is no indication that part time employees are paid less than their full time colleagues for work of the same value; it is acknowledged that part time employees tend to work in lower paid jobs.

In light of the higher than national average figures for part time working at Cannock Chase Council this may go some way towards explaining the gap which exists within the organisation.

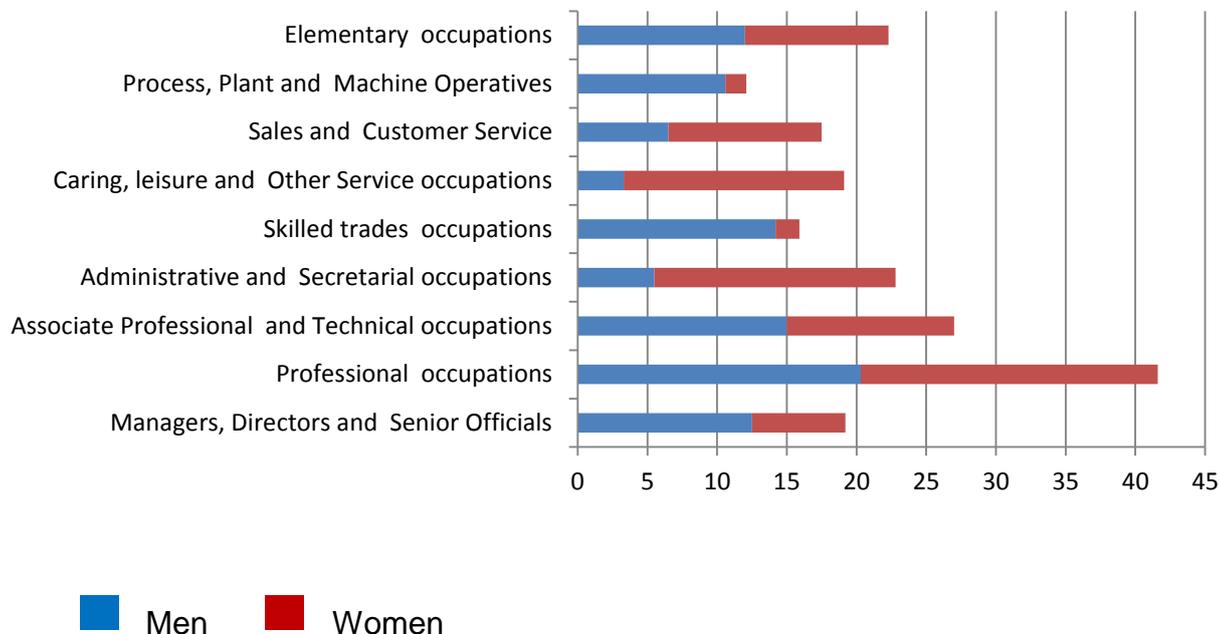
Having and caring for children

As an employer we recognise that societal norm remains that in the majority of family units one or other parent (usually the mother) needs a break from the working environment at points during their career as well as often requiring flexibility in their working patterns during the course of their employment.

As an employer we actively support applications for Flexible Working from all employees although it is recognised that the majority of such requests come from female employees.

Type of Occupation

It is also recognised that the size of an organisations' Gender Pay Gap varies based on the occupations within it. The graph below demonstrates how the types of roles available nationally are represented to varying degrees by female and male colleagues.



As a local authority we provide a variety of services to residents of our district. These range from manual roles such as Street Cleansing Operatives, Grounds Maintenance Operatives and Building Cleaners, to Planning Officers, Accountants and qualified Trades People such as Plumbers and Electricians.

In reviewing these occupations against some of those in the graph above you can see that whilst professional and technical occupations tend to be more equally balanced in terms of gender; occupations such as operatives and skilled trades are largely male orientated, with administrative roles being predominantly occupied by females. The grades of these roles in combination with their respective gender splits can have a significant impact of the Gender Pay Gap figure.

At a local authority level we have been able to access a significant amount of data from our local Employers' Organisation (West Midlands Employers').

Looking at the top 5 local authorities in the West Midlands area with the lowest Gender Pay Gaps it is possible to see how the types of occupations they have within their structures (as a result of outsourcing / continued provision in house) are likely to have influenced their overall gap based on their normal "gender split" and average rates of pay.

Some of the occupations / services within Local Authorities which can have an impact on the Gender Pay Gap are as follows;

Leisure Services – Leisure Services ordinarily attract a more balanced gender split of male and female colleagues within Leisure Centre sites most of whom earn below the mean average rate of pay. Consequently the male component of this service will often drive down the mean hourly rate for male employees and subsequently reduce the Gender Pay Gap. At the point which the Council outsourced its' Leisure Service in March 2012, 44% of those working in the lowest paid roles of Cleaner, Recreation Assistant, Fitness Instructor etc within this service were male.

Refuse Services – These are traditionally largely male occupied roles which are paid towards the lower rate of pay within an organisation. Consequently similarly to Leisure Services above this means that the mean rate of pay for male employees can be reduced when this occupation is

present within an organisation. Cannock Chase Council outsourced its' refuse and cleansing provision on 1st April 2016.

Cleaning – These are traditionally largely female occupied roles and as with Refuse Services are paid towards the lower rate of pay within an organisation. Consequently this can work to reduce the mean average rate of pay for female employees within an organisation. Cannock Chase Council has an in house provision for cleaning and at the date of this Gender Pay Gap analysis employed 1 male and 13 female Cleaners.

Housing Maintenance – As can be seen in the graph above skilled trades are significantly under represented by women in the workplace; yet are remunerated at a higher level within the organisations' pay scale due to the skilled nature of their duties. Cannock Chase Council employed 37 skilled trades' people at the 31st March 2017. All of these employees were male.

Representation of women in senior posts

In addition to the types of occupation available within organisations it is clear that the representation of women in professional specialisms and management positions can have a significant impact on the Gender Pay Gap.

Cannock Chase Council has a representation of 60% men to 40% women in its' upper quartile of employees (the highest paid 113 employees in the organisation). In light of the fact that we have an overall gender split across the organisation of 58% men and 42% women this does not seem particularly imbalanced at a senior level.

However, in looking at the information available from other authorities across the West Midlands area we can see that in some cases the upper quartile of employees in these organisations is represented by up to 75 % women.

This increase at the higher end of the pay scale can lead to a significant reduction in the Gender Pay Gap. For example if Cannock Chase Council were to replace 1 male Chief Officer with 1 female Chief Officer next time a role were advertised our mean Gender Pay Gap would immediately reduce by over 2.6%

How can we work to address the gap?

Despite the influence of the factors above in an organisation's pay gap Cannock Chase Council is committed to reducing this gap. Whilst the nature of Local Government services means that the occupations within a structure are rarely subject to change, we can actively seek to reduce the gap by encouraging existing employees to develop as well as seeking to encourage a broader applicant base to roles we are recruiting to.

As an employer we have made use of the Government's Apprenticeship Levy requirements in 2017/18 by upskilling our existing employees, particularly at the team leader and supervisor levels and will continue to do so in forthcoming years. This should place both our female and male employees in the best position to develop the skills needed to apply to and be successful in gaining appointments to more senior roles within the organisation in the future.

Based on our current staffing levels we will pay an estimated £40,000 plus per annum in Apprenticeship Levy funding each year going forwards. This is a significant sum of money which will help the organisation to address the gap.

As a Council we ensure that our recruitment advertising is equally accessible to all candidates and that our recruitment processes continue to be based on ensuring we find the best candidate based on skills and abilities for any and all positions we advertise.

Whilst it is unlawful to appoint a candidate based entirely on a protected characteristic (such as gender) we can as an employer seek to expand our applicant base to offer our opportunities to a much larger pool of candidates.

The Council is planning to develop a Workforce Development Strategy to ensure that we have the key skills available within the organisation in the future in order to deliver our services to the best of our ability. Within this strategy we can look to review the way in which the Council recruits, retains and develops its' staff and give consideration to how we can reduce the Gender Pay Gap.

In conclusion we acknowledge that because of the occupations within our workforce we are unlikely to achieve a zero gap however we continue to be fully committed to reducing the gap wherever possible using the means available to us as a best practice employer.



Signed

Cllr G. Adamson, Leader of the Council



Signed

Tony McGovern, Managing Director

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