

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PERSONNEL COMMITTEE

Agenda Item No. 8

meeting date: WEDNESDAY, 24 MAY 2017
title: GENDER PAY GAP REPORTING
submitted by: JANE PEARSON – DIRECTOR OF RESOURCES
principal author: MICHELLE SMITH – HEAD OF HR

1 PURPOSE

- 1.1 To inform Members of new statutory requirements for Gender Pay Gap reporting and the implications for the Council.
- 1.2 Relevance to the Council's ambitions and priorities:
 - Council Ambitions – None.
 - Community Objectives – None.
 - Corporate Priorities – Awareness of, and compliance with, new legislation ensures that we are a 'well managed Council'.
 - Other Considerations – None.

2 BACKGROUND

- 2.1 The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6 April 2017.
- 2.2 The Regulations apply to a list of 'specified public authorities' listed in schedule 2 of The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. This includes government departments, the armed forces, NHS bodies and local authorities, amongst others.
- 2.3 The Regulations only apply if an authority has 250 or more employees on 31 March of a given year.
- 2.4 The Gender Pay gap differs from Equal Pay in that Equal Pay deals with comparing one job with another and the differences between men and women who carry out the same jobs, similar jobs or work of equal value (which can be addressed via a Job Evaluation process). It is unlawful to pay people unequally because they are a man or a woman.
- 2.5 The Gender Pay gap is concerned with the difference in gender pay across a whole organisation.

3 ISSUES

- 3.1 For the purpose of gender pay reporting, the definition of who to count as an employee is set out in the Regulations and refers to those people employed under a contract of employment, a contract of apprenticeship or a contract personally to do work.
- 3.2 Relevant data must be captured as at 31 March 2017 and published by 30 March 2018.

3.3 The Regulations require affected bodies to publish their gender pay gap data and a written statement on their public-facing website and report their data to Government online using the gender pay gap reporting service. Organisations are required to publish the following:

- Mean gender pay gap in hourly pay.
- Median gender pay gap in hourly pay.
- Mean bonus gender pay gap.
- Median bonus gender pay gap.
- Proportion of males and females receiving a bonus payment.
- Proportion of males and females in each pay quartile.

3.4 To explain the calculations further:

Hourly pay figures:

Organisations are required to calculate gender pay gap in hourly pay, as both a:

- mean figure (the difference between the average of men's and women's pay);
- median figure (the difference between the midpoints in the ranges of men's and women's pay)

Bonus pay figures:

Organisations are required to calculate figures for the:

- proportion of males and females who got bonus payments;
- mean gender pay gap in bonus payments;
- median gender pay gap in bonus payment.

Gender pay gap quartile figures:

Organisations are required to calculate figures to show the proportion of male and female full-pay relevant employees in four pay bands. To do this, they need to:

- rank full-pay relevant employees from highest to lowest paid;
- divide this into 4 equal parts ('quartiles');
- work out the percentage of men and women in each of the 4 parts.

3.5 Pay includes: basic pay, paid leave, including annual leave, sick leave, maternity leave etc (except where an employee is paid less than usual because of being on any such leave), shift premium pay, bonus pay. It excludes: overtime, expenses, benefits in kind, redundancy.

3.6 As at 30 March 2017 our headcount figure was 237 staff so we will not be required to report this year. Going forward we will continue to review our headcount figure at the 'snapshot' date and I will keep Committee informed of full details should we have to report and publish in the future.

4 RISK ASSESSMENT

4.1 The approval of this report may have the following implications:

- Resources – No implications identified.
- Technical, Environmental and Legal – The Equality and Human Rights Commission can enforce any failure to comply with the Regulations.
- Political – No implications identified.
- Reputation – Failure to comply with the Regulations could lead to adverse publicity for the Council.
- Equality & Diversity – No implications identified.

5 **CONCLUSION**

- 5.1 The Council will need to review its headcount on 31 March each year to identify if it meets the statutory requirements for Gender Pay Gap reporting; I will keep Members informed of such accordingly.

JANE PEARSON
DIRECTOR OF RESOURCES

MICHELLE SMITH
HEAD OF HR

BACKGROUND PAPERS

None.

For further information please ask for Michelle Smith, extension 4402.