



ADDITIONAL / TO FOLLOW AGENDA ITEMS

This is a supplement to the original agenda and includes reports that are additional to the original agenda or which were marked 'to follow'.

NOTTINGHAM CITY COUNCIL

APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE

Date: Tuesday, 3 April 2018

Time: 2.00 pm

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG

Governance Officer: Kate Morris **Direct Dial:** 0115 8764353

AGENDA

Pages

- | | | |
|----------|---|---------------|
| 4 | Gender Pay Gap Reporting | 3 - 10 |
| | Report of the Director of HR and Transformation and the Corporate Director Strategy and Resources | |

This agenda item will be considered as an urgent, additional agenda item with the agreement of the Chair.

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APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE
3 APRIL 2018

Title of paper:	Gender Pay Gap Report	
Director(s)/ Corporate Director(s):	Richard Henderson – Director of HR and Transformation Candida Brudenell – Corporate Director Strategy and Resources	Wards affected: N/A
Report author(s) and contact details:	Imogeen Denton – Equality & Community Relations Lead Imogeen.Denton@nottinghamcity.gov.uk 0115 8762747	
Other colleagues who have provided input:	N/A	
Date of consultation with Portfolio Holder(s) (if relevant)	N/A	
Relevant Council Plan Key Theme:		
Strategic Regeneration and Development		<input type="checkbox"/>
Schools		<input type="checkbox"/>
Planning and Housing		<input type="checkbox"/>
Community Services		<input type="checkbox"/>
Energy, Sustainability and Customer		<input type="checkbox"/>
Jobs, Growth and Transport		X
Adults, Health and Community Sector		<input type="checkbox"/>
Children, Early Intervention and Early Years		<input type="checkbox"/>
Leisure and Culture		<input type="checkbox"/>
Resources and Neighbourhood Regeneration		<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):		
The Council is required by law to report on the organisation's Gender Pay Gap (Equality Act 2010). This is the difference between the average earnings of men and women expressed as a percentage of men's earnings.		
Recommendation(s):		
1	It is recommended that the Committee note the content of this report, which includes details of the Council's Gender Pay Gap, information regarding bonuses received by men and women, and details regarding males and females employed at different levels in the organisation.	

1 REASONS FOR RECOMMENDATIONS

- 1.1 Nottingham City Council (NCC) is required by the Equality Act 2010 to report on the organisation's Gender Pay Gap. This information must be published annually on the Council's website and on the designated government website by 30th March 2018.

2 BACKGROUND

- 2.1 The Gender Pay Gap (GPG) is the difference between the average earnings of men and women expressed as a percentage of men's earnings. This is different to equal pay i.e. the difference in pay between men and women who perform in the same or similar roles.

2.2 Through GPG reporting, it is possible to gain a better understanding of the levels of gender equality in the Council, as well as an indication of how effectively talent is being maximised and rewarded in the workplace. The report also provides an overview of the balance of male and female employees at different levels of the organisation.

2.3 Guidance published jointly by the Advisory, Conciliation and Arbitration Service (ACAS) and the Government Equalities Office (GEO) has been used to calculate the data that must be published, summarised as follows:

2.3.1 Difference between the mean and median hourly rates of pay that males and females receive

○ Mean male	£12.81
○ Mean female	£12.27
○ Gender Pay Gap	4.2%
○ Median male	£10.88
○ Median female	£10.59
○ Gender Pay Gap	2.6%

In the highest and lowest quartiles (see below) males earn more than females by a large enough margin to raise their mean hourly rate, resulting in the GPG illustrated above.

2.3.2 Difference between the annual mean and median bonuses that males and females receive

○ Mean bonus males	£457.86
○ Mean bonus females	£965.42
○ Gender Pay Gap	-110.9%
○ Median bonus males	£248.77
○ Median bonus females	£806.12
○ Gender Pay Gap	-224.04

Proportion of males and females receiving a bonus payment

○ Males	0.5%	(14)
○ Females	0.4%	(16)

The bonus figures relate to a small number of employees in two different areas of NCC. In the first area - Enviroenergy, the Council had to pay a power generation bonus, protected under TUPE regulations. This payment ended in May 2016 and will no longer feature in future GPG reports. The second area relates to the Theatre Royal Concert Hall (TRCH), where employees earn commission for concessions sold to theatregoers. There are more females in this area than there are males, and the bonus amounts paid in the TRCH are higher than those earned in Enviroenergy.

2.3.3 Proportion of males and females in each quartile pay band

Lower		
○ Male	35.9%	(585)
○ Female	64.1%	(1,043)
Lower Middle		
○ Male	40.2%	(655)
○ Female	59.8%	(973)
Upper Middle		
○ Male	39.3%	(639)
○ Female	60.7%	(989)
Upper		
○ Male	41.9%	(682)
○ Female	58.1%	(946)

- 2.4 The above calculations relate to 'full –pay relevant employees' i.e. any employee who was employed on the snapshot date of 31st March 2017 and who was paid their usual full basic pay during the relevant pay period. It should be noted that the snapshot date occurred prior to the implementation of the Councils new terms and conditions, which came into effect in April 2017.

No. of full-pay relevant employees		6,512
○ Male	39.3%	(2,561)
○ Female	60.7%	(3,951)

- 2.5 A number of measures have already been taken to help minimise the GPG such as implementing flexible working and family friendly policies; providing training on unconscious bias and creating skills development opportunities. Future activity will include a review of SLMG pay, terms and conditions; workforce planning to help increase the numbers of women in senior roles; and working with organisations where the Council is a key stakeholder to encourage them to publish GPG reports e.g. Nottingham Revs & Bens, Robin Hood Energy and Nottingham City Transport.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Gender Pay Gap reporting is required by law, therefore no alternative options have been considered.

4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 None.

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 None.

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISION RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE) (AREA COMMITTEE REPORTS ONLY)

6.1 None.

7 EQUALITY IMPACT ASSESSMENT

7.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:

Gender Pay Gap reporting will help the Council to advance equality in line with the Public Sector Equality Duty. It will have a positive impact on women, many of whom may have multiple protected characteristics as defined by the Equality Act 2010.

8 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None.

9 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

9.1 *Equality Act (2010); ACAS & Government Equalities Office, Managing Gender Pay Reporting (2017).*

GENDER PAY GAP 2017 REPORT SUMMARY



Nottingham City Council (NCC) aims for Nottingham to be an internationally successful and prosperous city that offers its residents the means and opportunities to realise their potential. Our equality objectives help us to focus on reducing inequality and advancing equality through the decisions that we make and through our policies and practices. Tackling our gender pay gap remains part of our objectives.

Gender split - percentage of male and female employees at NCC



Men: 39%

Female: 61%

Pay and bonus gap

	Mean (average)	Median (average)
Gender pay gap	4.2%	2.6%
Gender bonus gap	-110.9%	-224.0%

Our pay report is a snapshot of pay from 31 March 2017. This was before new terms and conditions were introduced to the workforce.

The **mean** average pay gap means that, for every £1 earned by men, women earn just under 96p. The reason that there is a gap is because in the highest and lowest quartiles, males earn more than females by a large enough margin to raise their mean hourly rate.

The **median** average pay gap means that for every pound that the male at the middle of all male earners gets paid, the female at the middle of all female earners gets paid just over 97p. This is because there are proportionally more male earners in the upper quartile than in other quartiles, and proportionally fewer male colleagues in the lower quartile than in other quartiles. (Please see page 2 for quartile details)

Our bonus payments

These figures relate to only 30 employees in two very different areas of the Council. In Enviroenergy, NCC had to pay a power generation bonus, protected under TUPE regulations. This stopped being paid in May 2016 and will no longer feature as part of pay. There are more males in this area than females.

In Theatre Royal Concert Hall (TRCH), employees earn commission for concessions that the whole team sells to theatregoers (split fairly across team members). There are more females in this area than males.

The reason that females receive more bonus is because the bonus amounts paid in the TRCH are higher than those in Enviroenergy, and the higher bonuses are paid in an area with more female employees.

Pay quartiles

		Upper quartile		Upper middle quartile			
Men	41.9%	Women	58.1%	Men	39.3%	Women	60.7%
		Lower middle quartile		Lower quartile			
Men	40.2%	Women	59.8%	Men	35.9%	Women	64.1%

Splitting the hourly rates of pay into quartiles and examining the percentage of male and female employees in each.

Making changes

What we've already done

- We have already introduced the new Nottingham pay, terms and conditions, which has reduced pay points in the structure to ensure colleagues move to the top of their grade within two years of employment.
- Existing policies for work/ life balance, including childcare vouchers and the flexible working framework.
- Training and development programmes around unconscious bias and recruitment procedures are in place.

What comes next

- Analysis of colleague opinion survey data, alongside pay reporting to improve workforce planning to encourage increasing numbers of women in senior roles.
 - Further development of existing coaching and mentoring schemes
 - Encouraging partner organisations such as Nottingham Revenues and Benefits, Robin Hood Energy, Nottingham City Transport to encourage publication of their gender pay gap information.
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