

## **EAST AYRSHIRE COUNCIL**

**CABINET – 22 APRIL 2015**

**PAY GAP AUDIT 2013/14**

### **Report by Acting Depute Chief Executive (Safer Communities)**

#### **PURPOSE**

1. The purpose of this report is to submit to Cabinet for approval and publication the key findings of the Equal Pay Gap Audit 2013/14.

#### **BACKGROUND**

2. Cabinet at its meeting on 24 April 2013 noted the results of the Pay Gap Audit for 2012/13 and agreed the Equal Pay Statement which sets out how the Council will comply with the legal duties set out in the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.
3. The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 place two specific duties on employers employing more than 150 employees. These specific duties are to:-
  - a. publish gender pay gap information; and
  - b. publish a statement on equal pay.
4. To meet the duty identified at 3 a. above, the Council must publish information on the percentage difference among its employees between men's average hourly rate (excluding overtime) and women's average hourly rate (excluding overtime). This latest information must be published no later than 30 April 2015 and each second year after that.
5. Further, under the same Regulations, the Council is required to publish by 30 April 2017 and each fourth year after that, a statement containing the following information:-

The Council's policy on equal pay among its employees between:-

- a. men and women
- b. persons who are disabled and persons who are not
- c. persons who fall into a minority racial group and persons who do not.

Further the statement must specify occupational segregation among its employees, being the concentration of:

- d. men and women
- e. persons who are disabled and persons who are not; and

f. persons who fall into a minority racial group and persons who do not.

6. The Regulations set out that the information sought in respect of the elements listed at 5b. and c., apply only in relation to the second and subsequent statements published by the Council. Accordingly, the information relating to pay gap and occupational segregation set out in Appendix 1 relates only to men and women and not to disabled persons or persons who fall into a minority racial group.
7. The information relating to the other categories referred to at 6 above will be reported on in 2017.

## **METHODOLGY**

8. As set out in the Regulations referred to at para 3 above, an examination has been carried out of the difference between men's and women's average hourly rates, excluding overtime for the financial year 2013/2014. This data has been compared with the equal pay data for the financial year 2012/13 which was reported to Cabinet on 24 April 2013.
9. The methodology for this 2013/14 audit reflects that used in the 2012/13 audit and the census date for employee information was 31 March 2014.
10. The exercise assessed the difference across the Council's total workforce and also by specific employee groups. The gender breakdown across the Council and by specific employee groups is as follows:-

### **FINANCIAL YEAR 2013/14**

<b>Employee Group</b>	<b>Male</b>	<b>%</b>	<b>Female</b>	<b>%</b>	<b>Total</b>	<b>% of total Workforce</b>
All employees	1621	27.85%	4200	72.15%	5821	---
LGE	1322	29.29%	3191	70.71%	4513	77.53%
Teachers	284	22.05%	1004	77.95%	1288	22.13%
Chief Officers	15	75%	5	25%	20	0.34%

### **FINANCIAL YEAR 2012/13**

<b>Employee Group</b>	<b>Male</b>	<b>%</b>	<b>Female</b>	<b>%</b>	<b>Total</b>	<b>% of total Workforce</b>
All employees	1723	28.15%	4399	71.85%	6122	---
LGE	1409	29.6%	3328	70.4%	4737	77.38%
Teachers	299	21.8%	1067	78.2%	1366	22.31%
Chief Officers	15	79%	4	21%	19	0.31%

## **SUMMARY COMMENTS ON TOTAL WORKFORCE**

- 11.** The Council workforce in 2013/14 of 5821 employees is less than the 6122 employees employed in 2012/13. Compared to 2012/13, the % of male employees within the workforce has decreased slightly (0.15%) in 2013/14 and correspondingly the % of female employees has increased slightly (0.15%).
- 12.** In 2013/14 compared to 2012/13, the % of Local Government employees increased to 77.53% from 77.38%, the % of teachers reduced to 22.13% from 22.31% and the % of Chief Officers increased to 0.34% from 0.31%.
- 13.** The only employee workgroup which increased its number in 2013/14 was Chief Officers which increased to 20 employees from 19 in 2012/13.
- 14.** The Council's Pay and Grading Scheme for Local Government Employees and Craft Operatives continues to be based on 16 grades with four incremental points in each grade. Prior to its implementation in 2007 it was subject to an Equality Impact Assessment carried out by an independent analyst and was assessed as being compliant with the Equality and Human Rights Commission's guidelines.
- 15.** Posts which are paid on the Council's Pay and Grading Scheme continue to be subject to the Council's Job Evaluation process which follows the Scottish Council's Job Evaluation Scheme.
- 16.** The Scottish Negotiating Committee for Teachers sets the pay scales and salaries applicable to all Teachers within Scotland. The Council cannot introduce any local amendments to these national pay scales.

## **AUDIT RESULTS**

- 17.** The detailed results of the Pay Gap Audit are contained in the full audit which is attached as Appendix 1. The audit shows that the Council's pay gap between men and women in 2013/14 is 7.45% across all employees; 11.08% for Local Government Employees; 4.34% for teachers and 8.26% for Chief Officers. This compares with the 2012/13 audit of 9.16% across all employees; 14.08% for Local Government Employees; 5.83% for teachers and 17.69% for Chief Officers.
- 18.** The 2013/14 pay gap between men and women has reduced against the previous audit across all employee workgroups and across the Council's total workforce. This is a positive trend since the first pay gap audit undertaken in 2012/13.
- 19.** With regard to the pay gap by grade within the Local Government Employee workgroup, the following information should be noted:

- Grade 1  
In 2013/14, the pay gap between men and women was 3.69% in favour of women compared to 0.76% in favour of women in 2012/13
- Grade 2  
In 2013/14, the pay gap between men and women was 2.89% in favour of men compared to 1.09% in favour of women in 2012/13.
- Grade 3  
In 2013/14, the pay gap between men and women was 3.43% in favour of women compared to 0.35% in favour of women in 2012/13.
- Grade 4  
In 2013/14, the pay gap between men and women was 2.87% in favour of women compared to 0.33% in favour of men 2012/13.
- Grade 5  
In 2013/14, the pay gap between men and women was 3.75% in favour of men compared to 0.20% in favour of men in 2012/13.
- Grade 6  
In 2013/14, the pay gap between men and women was 2.10% in favour of women compared to 2.03% in favour of women in 2012/13.
- Grade 7  
In 2013/14, the pay gap between men and women was 2.05% in favour of men compared to 1.22% in favour of women in 2012/13.
- Grade 8  
In 2013/14, the pay gap between men and women was 2.68% in favour of men compared to 0.21% in favour of men in 2012/13.
- Grade 9  
In 2013/14, the pay gap between men and women was 0.80% in favour of women compared to 0.89% in favour of men 2012/13.
- Grade 10  
In 2013/14, the pay gap between men and women was 0.66% in favour of women compared to 0.57% in favour of men in 2012/13.

- Grade 11  
In 2013/14, the pay gap between men and women was 0.05% in favour of women compared to 0.16% in favour of men 2012/13.
- Grade 12  
In 2013/14, the pay gap between men and women was 0.09% in favour of women compared to 0.90% in favour of men in 2012/13.
- Grade 13  
In 2013/14, the pay gap between men and women was 1.57% in favour of men compared to 0.51% in favour of men in 2012/13.
- Grade 14  
In 2013/14, the pay gap between men and women was 0.58% in favour of men compared to 1.10% in favour of men in 2012/13.
- Grade 15  
In 2013/14, there was no pay gap compared to a pay gap of 0.11% in favour of men in 2012/13.
- Grade 16  
In 2013/14, the pay gap between men and women was 1.15% in favour of men compared to 0.74% in favour of men in 2012/13.

**20.** With regard to the pay gap in respect of teaching staff, the following information should be noted:

- Teachers (main Grade)  
In 2013/14, the pay gap between men and women was 0.34% in favour of women compared to 0.57% in favour of women in 2012/13.
- Chartered Teachers (Grade)  
In 2013/14, the pay gap between men and women was 0.97% in favour of women compared to 2.24% in favour of women in 2012/13.
- Principal Teachers (Grade)  
In 2013/14, the pay gap between men and women was 3.78% in favour of men compared to 5.04% in favour of men in 2012/13.
- Deputes/Heads (Grade)  
In 2013/14, the pay gap between men and women was 10.59% in favour of men compared to 9.81% in favour of men in 2012/13.

- Others – (Grade)

In 2013/14, the pay gap between men and women was 6.90% in favour of women compared to 9.98% in favour of women in 2012/13.

Note: The Others category includes Music Instructors and former Senior Teachers.

**21.** With regard to the pay gap by selected occupationally segregated jobs within the Local Government workgroup, the following information should be noted:

- Catering (mainly Grade 1)

In 2013/14, the pay gap between men and women was 5.90% in favour of men compared to 3.99% in favour of women in 2012/13.

- Cleaning (mainly Grade 1)

In 2013/14, the pay gap between men and women was 0.30% in favour of women compared to 0.45% in favour of women in 2012/13.

- Clerical Assistant (Grade 3)

In 2013/14, the pay gap between men and women was 1.40% in favour of women compared to 0.80% in favour of men in 2012/13.

- Classroom Assistant (Grade 3)

In 2013/14, the pay gap between men and women was 4.10% in favour of women compared to 6.06% in favour of women in 2012/13.

- Personal Carers (Grade 3)

In 2013/14, the pay gap between men and women was 2.45% in favour of men compared to 0.94% in favour of women in 2012/13.

- Craft Operatives (various Grades)

In 2013/14, the pay gap between men and women was 3.01% in favour of men compared to 1.38% in favour of men in 2012/13.

- Roadworkers (Grade 3)

There is no pay gap with these jobs as there were no women employed in 2013/14 or in 2012/13.

- Roadworkers (Grade 4)

There is no pay gap with these jobs as there were no women employed in 2013/14 or 2012/13.

- Social Workers (Grade 10)  
In 2013/14, the pay gap between men and women was 1.13 % in favour of men compared to 1.14% in favour of men in 2012/13.

**22.** With regard to the pay gap between full-time males and full-time females, the following information should be noted:

- All employees  
In 2013/14, the pay gap between men and women was 9.32% in favour of women compared to 7.50% in favour of women in 2012/13.
- All Local Government Employees  
In 2013/14, the pay gap between men and women was 5.75% in favour of women compared to 7.05% in favour of men 2012/13.
- All Teachers  
In 2013/14, the pay gap between men and women was 4.25% in favour of men compared to 6.03% in favour of men in 2012/13.
- All Chief Officers  
In 2013/14, the pay gap between men and women was 8.26% in favour of women compared to 17.69% in favour of women in 2012/13.

**23.** With regard to the pay gap between full-time males and part-time females, the following information should be noted:

- All employees  
In 2013/14, the pay gap between men and women was 28.50% in favour of men compared to 31.46% in favour of men in 2012/13.
- All Local Government Employees  
In 2013/14, the pay gap between men and women was 26.67% in favour of men compared to 30.29% in favour of men in 2012/13.
- All Teachers  
In 2013/14, the pay gap between men and women was 8.89% in favour of men compared to 10.08% in favour of men in 2012/13.
- All Chief Officers  
There is no pay gap as there were no part-time females employed in 2013/14 or 2012/13.

**24.** With regard to the pay gap between part-time males and full-time females, the following information should be noted:

- All employees

In 2013/14, the pay gap between men and women was 46.40% in favour of women compared to 52.36% in favour of women in 2012/13.

- All Local Government Employees

In 2013/14, the pay gap between men and women was 42.70% in favour of women compared to 51.76% in favour of women in 2012/13.

- All Teachers

In 2013/14, the pay gap between men and women was 8.00% in favour of women compared to 9.63% in favour of women in 2012/13.

- All Chief Officers

There is no pay gap as there were no part-time males employed in 2013/14 or 2012/13.

**25.** With regard to the pay gap between part-time males and part-time females, the following information should be noted:

- All employees

In 2013/14, the pay gap between men and women was 4.28% in favour of men compared to 2.93% in favour of men in 2012/13.

- All Local Government Employees

In 2013/14, the pay gap between men and women was 1.03% in favour of men compared to 3.78% in favour of women in 2012/13.

- All Teachers

In 2013/14, the pay gap between men and women was 2.81% in favour of women compared to 3.51% in favour of women in 2012/13.

- All Chief Officers

There were no part-time Chief Officers employees employed in 2013/14 or 2012/13.

**26.** The Pay Gap Audit provides pay gap information across all Local Government Employee and Teacher grades and also occupational segregation in respect of the same categories. In terms of occupational segregation the audit shows that

occupational segregation continues to remain in those areas where it has traditionally been present. Any significant change in this profile is likely to be achieved only in the long-term.

27. In November 2014, the Office of National Statistics reported that at April 2014, the UK gender mean pay gap decreased from 10.0% to 9.4%.The gap for all employees (full time and part time) was the lowest on record at 19.1% down from 19.8% in 2013. The gap has also decreased in the long-term from 27.5% in 1997.
28. For part-time employees, the Office of National Statistics reported that the higher rate of pay for women than men results in a 'negative' gender pay gap. This has remained stable at 5.5%.
29. In April 2014, the gender pay gap for the private sector decreased from 19.2% to 17.5% and the gap in the private sector has consistently been greater than the public sector. The gap in the public sector increased from 9.5% to 11%.

#### **EQUALITIES MAINSTREAMING REPORT AND EQUALITIES OUTCOMES**

30. The Council is required to publish separately employment information other than that relating to the pay gap. This information is contained in the Council's Equalities Mainstreaming Report and Equalities Outcomes which will be considered separately by Cabinet.

#### **FINANCIAL IMPLICATIONS**

31. There are no financial implications arising from this report.

#### **POLICY/LEGAL IMPLICATIONS**

32. The production of the Pay Gap Audit ensures that the Council continues to meets its legislative requirements as a public authority under the Equality Act 2010 and related legislation.

#### **RISK MANAGEMENT IMPLICATIONS**

33. Having in place equality assessed pay arrangements ensures that challenges on the grounds of equal pay can be minimised. Further, the publication of the information set out in the Pay Gap Audit allows the Council to meet its statutory reporting obligations.

#### **COMMUNITY PLANNING IMPLICATIONS**

34. The Pay Gap Audit meets the pursuit of continuous improvement and Best Value and the guiding principles of the Community Plan.

## **TRADE UNIONS**

- 35.** A copy of the Pay Gap Audit will be forwarded to the Trade Unions for their information.

## **RECOMMENDATIONS**

- 36.** Cabinet is recommended to:
- i. note the results of the Pay Gap Audit set out in Appendix 1;
  - ii. agree that the results of the Pay Gap Audit be published in accordance with the set arrangements; and
  - iii. otherwise note the content of the report.

**Chris McAleavey**  
**Acting Depute Chief Executive (Safer Communities)**  
**15 April 2015**

## **LIST OF BACKGROUND PAPERS**

Nil

Any person wishing further information should contact Martin Rose, Head of Human Resources (Telephone 01563 576092)

Implementation Officer – Martin Rose, Head of Human Resources