

EAST AYRSHIRE COUNCIL

PAY GAP AUDIT 2018/19

Report by 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 2018/19.

BACKGROUND

2. Cabinet at its meeting on 22 April 2015 noted the results of the Pay Gap Audit for 2016/17 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 2017 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. Accordingly, the information relating to pay gap and occupational segregation set out in Appendix 1 includes available data relating to disabled persons or persons who fall into a minority racial group.
 7. Information on disability and ethnicity has been provided for the first time in accordance with Regulations.

METHODOLOGY

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 2018/2019. This data has been compared with the equal pay data for the financial year 2016/17 which was reported to Cabinet in April 2017.
9. The methodology for this 2018/19 audit reflects that used in the 2016/17 audit and the census date for employee information was 31 March 2019.
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 2018/19

Employee Group	Male	%	Female	%	Total	% of total Workforce
All employees	1638	26.66%	4507	73.34%	6145	100%
LGE	1347	28.36%	3403	71.64%	4750	77.30%
Teachers	281	20.39%	1097	79.61%	1378	22.42%
Chief Officers	10	58.82%	7	41.18%	17	28.00%

FINANCIAL YEAR 2016/17

Employee Group	Male	%	Female	%	Total	% of total Workforce
All employees	1674	27.6%	4391	72.4%	6065	100%
LGE	1387	29.3%	3343	70.7%	4730	77.99%
Teachers	277	21.0%	1043	79.0%	1320	21.76%
Chief Officers	10	66.7%	5	33.3%	15	0.25%

SUMMARY COMMENTS ON TOTAL WORKFORCE

11. The Council workforce in 2018/19 of 6145 is greater than that 2016/17 of 6065 employees being the last reported period. Compared to 2016/17, the percentage of male employees within the workforce has decreased slightly (2.15%) in 2018/19 and correspondingly the percentage of female employees has increased slightly (2.64%).
12. In 2018/19 compared to 2016/17, the percentage of Local Government employees increased to 77.99% from 77.30%, the percentage of teachers increased to 21.76% from 22.42% and the percentage of Chief Officers increased to 0.25% from 0.28%.
13. All employee workgroups increased their numbers in 2018/19 with Local Government employees increased to 4750 employees from 4730 in 2016/17, Teachers increasing to 1378 employees from 1320 and Chief Officers increasing to 17 from 15.
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 2018/19 is 5.04% across all employees; 9.16% for Local Government Employees; 3.77% for teachers and -4.71% for Chief Officers. This compares with the 2016/17 audit of 5.65% across all

employees; 10.36% for Local Government Employees; 3.92% for teachers and -0.44% for Chief Officers.

18. The 2018/19 pay gap between men and women has reduced against the previous audit across the Council's total workforce, however, the gap increased for Chief Officers by 4.27%. Overall this is a positive trend since the first pay gap audit undertaken in 2016/17.

19. With regard to the pay gap by grade within the Local Government Employee workgroup, the following information should be noted:

- Grade 1

In 2018/19, the pay gap between men and women was 2.34% in favour of men compared to 0.36% in favour of men in 2016/17.

- Grade 2

In 2018/19, the pay gap between men and women was 1.04% in favour of men compared to 1.05% in favour of men in 2016/17.

- Grade 3

In 2018/19, the pay gap between men and women was -4.23% in favour of women compared to -4.58% in favour of women in 2016/17.

- Grade 4

In 2018/19, the pay gap between men and women was -1.83% in favour of women compared to -1.93% in favour of women 2016/17.

- Grade 5

In 2018/19, the pay gap between men and women was 4.75% in favour of men compared to 4.05% in favour of men in 2016/17.

- Grade 6

In 2018/19, the pay gap between men and women was -2.10% in favour of women compared to -2.41% in favour of women in 2016/17.

- Grade 7

In 2018/19, the pay gap between men and women was 1.28% in favour of men compared to 0.15% in favour of men in 2016/17.

- Grade 8

In 2018/19, the pay gap between men and women was 2.17% in favour of men compared to 1.61% in favour of men in 2016/17.

- Grade 9

In 2018/19, the pay gap between men and women was -1.48% in favour of women compared to -1.54% in favour of women 2016/17.

- Grade 10

In 2018/19, the pay gap between men and women was 0.56% in favour of men compared to -1.19% in favour of men in 2016/17.

- Grade 11

In 2018/19, the pay gap between men and women was -0.96% in favour of women compared to -2.72% in favour of women 2016/17.

- Grade 12

In 2018/19, the pay gap between men and women was 0.47% in favour of men compared to -1.09% in favour of men in 2016/17.

- Grade 13

In 2018/19, the pay gap between men and women was 2.48% in favour of men compared to 1.75% in favour of men in 2016/17.

- Grade 14

In 2018/19, the pay gap between men and women was 0.90% in favour of men compared to 0.64% in favour of men in 2016/17.

- Grade 15

In 2018/19, the pay gap between men and women was -1.32% in favour of women compared to -0.28% in favour of women in 2016/17.

- Grade 16

In 2018/19, the pay gap between men and women was 0.84% in favour of men compared to 0.65% in favour of men in 2016/17.

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

- Teachers (main Grade)

In 2018/19, the pay gap between men and women was -2.84% in favour of women compared to -2.21% in in favour of women in 2016/17.

- Chartered Teachers (Grade)

In 2018/19, the pay gap between men and women was 3.59% in favour of men compared to 1.29% in favour of men in 2016/17. It should be noted that Chartered Teachers are a legacy grade and the number will continue to decrease each year. There are currently 20 Chartered Teachers working for the Council.

- Principal Teachers (Grade)

In 2018/19, the pay gap between men and women was 3.11% in favour of men compared to 4.02% in favour of men in 2016/17.

- Deputes/Heads (Grade)

In 2018/19, the pay gap between men and women was 7.28% in favour of men compared to 5.22% in favour of men in 2016/17.

- Others – (Grade)

In 2018/19, the pay gap between men and women was -11.36% in favour of women compared to -16.20% in favour of women in 2016/17.

Note: The Other 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 2018/19, the pay gap between men and women was -2.84% in favour of women compared to 6.89% in favour of women in 2016/17.

- Cleaning (mainly Grade 1)

In 2018/19, the pay gap between men and women was 0.30% in favour of men compared to 0.60% in favour of men in 2016/17.

- Clerical Assistant (Grade 3)

In 2018/19, the pay gap between men and women was 0.62% in favour of men compared to 1.44% in favour of men in 2016/17.

- Classroom Assistant (Grade 3)

In 2018/19, the pay gap between men and women was 2.66% in favour of men compared to -2.42% in favour of men in 2016/17.

- Personal Carers (Grade 3)

In 2018/19, the pay gap between men and women was -0.76% in favour of women compared to 1.29% in favour of women in 2016/17.

- Craft Operatives (various Grades)

In 2018/19, the pay gap between men and women was -11.26% in favour of women compared to -8.52% in favour of women in 2016/17.

- Roadworkers (Grade 3)

In 2018/19, the pay gap between men and women was -4.20% in favour of women compared with no pay gap as there were no women employed in 2016/17.

- Roadworkers (Grade 4)

There is no pay gap with these jobs as there were no women employed in 2018/19.

- Social Workers (Grade 10)

In 2018/19, the pay gap between men and women was -8.02% in favour of women compared to 0.62% in favour of women in 2016/17.

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

- All employees

In 2018/19, the pay gap between men and women was -8.89% in favour of women compared to -10.84% in favour of women in 2016/17.

- All Local Government Employees

In 2018/19, the pay gap between men and women was -5.17% in favour of women compared to -6.06% in favour of women 2016/17.

- All Teachers

In 2018/19, the pay gap between men and women was 3.76% in favour of men compared to 4.39% in favour of men in 2016/17.

- All Chief Officers

In 2018/19, the pay gap between men and women was -4.71% in favour of women compared to -0.44% in favour of women in 2016/17.

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

- All employees

In 2018/19, the pay gap between men and women was 23.52% in favour of men compared to 26.24% in favour of men in 2016/17.

- All Local Government Employees

In 2018/19, the pay gap between men and women was 22.99% in favour of men compared to 25.13% in favour of men in 2016/17.

- All Teachers

In 2018/19, the pay gap between men and women was 5.75% in favour of men compared to 6.35% in favour of men in 2016/17.

- All Chief Officers

There is no pay gap as there were no part-time females employed in 2018/19.

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

- All employees

In 2018/19, the pay gap between men and women was 27.91% in favour of men compared to -48.93% in favour of men in 2016/17.

- All Local Government Employees

In 2018/19, the pay gap between men and women was 23.39% in favour of men compared to -40.41% in favour of men in 2016/17.

- All Teachers

In 2018/19, the pay gap between men and women was 3.61% in favour of men compared to -8.36% in favour of men in 2016/17.

- All Chief Officers

There is no pay gap as there were no part-time males employed in 2018/19.

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

- All employees

In 2018/19, the pay gap between men and women was -2.64% in favour of women compared to 0.89% in favour of women in 2016/17.

- All Local Government Employees

In 2018/19, the pay gap between men and women was -4.63% in favour of women compared to 0.88% in favour of women in 2016/17.

- All Teachers

In 2018/19, the pay gap between men and women was 1.57% in favour of men compared to -6.14% in favour of men in 2016/17.

- All Chief Officers

There were no part-time Chief Officers employees employed in 2018/19.

26. There are a significant number of employees who have not declared their disability status or for whom this status is not known, and this makes it difficult to undertake a robust analysis of pay by disability status. In 2018/19, 117 employees are recorded as having a disability. An analysis of the audit finds are set out in sections 9a and 9b of Appendix 1.

All employees are encouraged to utilise the employee self-service on the HR system to disclose information in relation to protected characteristics. It is recommended that further ways be explored to encourage employees to disclose information to ensure records are as complete as possible in order to allow the Council to meet its obligations in promoting equality for disabled employees under the Equality Act 2010.

27. There are a significant numbers of employees who have not disclosed their ethnicity or chosen not to disclose their ethnicity or who have not provided any information on their ethnic origin, and this make it difficult to undertake a robust analysis of pay by ethnicity. An analysis of the audit finds are set out in sections 10a and 10b of Appendix 1. In 2018/19, the ethnicity of 24 employees was recorded.
28. 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.
29. In October 2018, the Office of National Statistics reported that at April 2018, the UK gender mean pay gap decreased to 17.1% from 17.5% in 2016. The median pay gap for all employees (full time and part time) was the lowest on record at 17.9% down from 18.2% in 2016. The gap has also decreased in the long-term from 27.5% in 1997.
30. 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. The part-time gender pay gap has increased from 5.1% in April 2016 to 7.40% in April 2018, in line with evidence that the part-time gender pay gap has widened in the long-term.

31. In April 2018, the gender pay gap for the private sector decreased to 20.3% from 21.9% in 2016 and the gap in the private sector has consistently been lower than the public sector. The gender pay gap in the public sector has also decreased to 17.5% from 17.8% in 2016 continuing its long-term trend of fluctuating around 10 to 12% since 2003.

EQUALITIES MAINSTREAMING REPORT AND EQUALITIES OUTCOMES

32. 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

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

POLICY/LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

35. 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

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

TRADE UNIONS

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

RECOMMENDATIONS

38. 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
Depute Chief Executive (Safer Communities)
16 July 2019

LIST OF BACKGROUND PAPERS

Nil

Any person wishing further information should contact Amanda Lowe, Acting Head of Human Resources (Telephone 01563 576092)

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