

EAST AYRSHIRE COUNCIL

CABINET – 28 APRIL 2021

Report by Depute Chief Executive (Safer Communities)

PAY GAP AUDIT 2019-20

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 2019-20.

RECOMMENDATIONS

2. Cabinet is requested 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;
 - iii. note the content of the Council's statement on equal pay (Appendix 2); and
 - iv. otherwise note the content of the report.

BACKGROUND

3. Cabinet are asked to consider the results of the Pay Gap Audit for 2019-20 and agree 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.
4. 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.
5. To meet the duty identified at 4 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 2021 and each second year after that.

6. Under the same Regulations, the Council is required to publish a statement on equal pay 4 b) above by 30 April 2021 and each fourth year after that, a statement containing the following information is attached as Appendix 2:

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.
7. Further the statement must specify occupational segregation among its employees, being the concentration of:
 - a. men and women
 - b. persons who are disabled and persons who are not; and
 - c. persons who fall into a minority racial group and persons who do not.
 8. 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.
 9. Information on disability and ethnicity has been provided for the first time in accordance with Regulations.

METHODOLOGY

10. 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 2019-20. This data has been compared with the equal pay data for the financial year 2018/19 which was reported to Cabinet on 28 April 2021.
11. The methodology for this 2019-20 audit reflects that used in the 2018-19 audit and the census date for employee information was 31 March 2020.

CURRENT POSITION

12. 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 2019/20

Employee Group	Male	%	Female	%	Total	% of total Workforce
All employees	1627	25.91%	4652	74.09%	6279	100%
LGE	1329	27.30%	3540	72.70%	4869	77.54%

Teachers	290	20.79%	1105	79.21%	1395	22.22%
Chief Officers	8	53.33%	7	46.67%	15	0.24%

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	0.28%

SUMMARY COMMENTS ON TOTAL WORKFORCE

13. The Council workforce in 2019/20 of 6279 is greater than that 2018/19 of 6145 employees being the last reported period.
14. Noting that compared to 2018/19, the percentage of male employees within the workforce has decreased slightly 0.67% in 2019/20 and correspondingly the percentage of female employees has increased slightly 3.22%.
15. In 2019/20 compared to 2018/19, the percentage of Local Government employees increased marginally to 77.54% from 77.30%, the percentage of teachers decreased to 22.22% from 22.42% and the percentage of Chief Officers decreased to 0.24% from 0.28%.
16. All employee workgroups increased their numbers in 2019/20 with Local Government employees increased to 4869 employees from 4750 in 2018/19, Teachers increasing to 1395 employees from 1378 and Chief Officers decreasing to 15 from 17.
17. 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.
18. 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.
19. 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

20. 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 2019/20 is 5.52% across all employees; 9.86% for Local Government Employees; 4.29% for teachers and -3.20% for Chief Officers. This compares with the 2018/19 audit of 5.04% across all employees; 9.16% for Local Government Employees; 3.77% for teachers and -4.71% for Chief Officers.
21. The 2019/20 pay gap between men and women has increased in comparison to the previous audit across the Council's Local Government and Teacher workforce, however, the gap decreased for Chief Officers by 0.68%.
22. With regard to the pay gap by grade within the Local Government Employee workgroup, the following information should be noted:

Grade 1

In 2019/20, the pay gap between men and women was 0.22% in favour of women compared to 2.34% in favour of men in 2018/19.

Grade 2

In 2019/20, the pay gap between men and women was 1.70% in favour of men compared to 1.04% in favour of men in 2018/19.

Grade 3

In 2019/20, the pay gap between men and women was 4.04% in favour of women compared to 4.06% in favour of women in 2018/19.

Grade 4

In 2019/20, the pay gap between men and women was 2.02% in favour of women compared to 1.79% in favour of women 2018/19.

Grade 5

In 2019/20, the pay gap between men and women was 4.14% in favour of men compared to 4.75% in favour of men in 2018/19.

Grade 6

In 2019/20, the pay gap between men and women was 1.34% in favour of men compared to 2.06% in favour of women in 2018/19.

Grade 7

In 2019/20, the pay gap between men and women was 4.77% in favour of women compared to 1.28% in favour of men in 2018/19.

Grade 8

In 2019/20, the pay gap between men and women was 2.71% in favour of women compared to 2.17% in favour of men in 2018/19.

Grade 9

In 2019/20, the pay gap between men and women was 0.39% in favour of men compared to 1.46% in favour of women 2018/19.

Grade 10

In 2019/20, the pay gap between men and women was 1.34% in favour of women compared to 0.56% in favour of men in 2018/19.

Grade 11

In 2019/20, the pay gap between men and women was 0.05% in favour of women compared 0.95% in favour of women 2018/19.

Grade 12

In 2019/20, the pay gap between men and women was 0.21% in favour of men compared to 0.47% in favour of men in 2018/19.

Grade 13

In 2019/20, the pay gap between men and women was 3.16% in favour of men compared to 2.48% in favour of men in 2018/19.

Grade 14

In 2019/20, the pay gap between men and women was 0.83% in favour of men compared to 0.90% in favour of men in 2018/19.

Grade 15

In 2019/20, the pay gap between men and women was 0.88% in favour of women compared to 1.30% in favour of women in 2018/19.

Grade 16

In 2019/20, the pay gap between men and women was 0.67% in favour of women compared to 0.84% in favour of men in 2018/19.

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

Teachers (main Grade)

In 2019/20, the pay gap between men and women was 1.64% in favour of women compared to 2.76% in in favour of women in 2018/19.

Chartered Teachers (Grade)

In 2019/20, the pay gap between men and women was 3.92% in favour of men compared to 3.59% in favour of men in 2018/19. It should be noted that Chartered Teachers are a legacy grade and the number will continue to decrease each year. There are currently 19 Chartered Teachers working for the Council.

Principal Teachers (Grade)

In 2019/20, the pay gap between men and women was 3.59% in favour of men compared to 3.11% in favour of men in 2018/19.

Deputes/Heads (Grade)

In 2019/20, the pay gap between men and women was 16.25% in favour of men compared to 7.28% in favour of men in 2018/19.

Others* (Grade)

In 2019/20, the pay gap between men and women was 11.28% in favour of women compared to 10.20% in favour of women in 2018/19.

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

24. 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 2019/20, the no pay gap between men and women compared to 2.76% in favour of men in 2018/19.

Cleaning (mainly Grade 1)

In 2019/20, the no pay gap between men and women compared to 0.30% in favour of women in 2018/19.

Clerical Assistant (Grade 3)

In 2019/20, the pay gap between men and women was 6.28% in favour of men compared to 0.62% in favour of women in 2018/19.

Classroom Assistant (Grade 3)

In 2019/20, the pay gap between men and women was 2.41% in favour of men compared to 2.66% in favour of women in 2018/19.

Personal Carers (Grade 3)

In 2019/20, the pay gap between men and women was 5.67% in favour of men compared to 0.75% in favour of men in 2018/19.

Craft Operatives (various Grades)

In 2019/20, the pay gap between men and women was 7.39% in favour of men compared to 10.12% in favour of women in 2018/19.

Roadworkers (Grade 3)

In 2019/20, the pay gap between men and women was 5.57% in favour of women compared 4.03 in favour of women in 2018/19.

Roadworkers (Grade 4)

There is no pay gap with these jobs as there were no women employed in 2019/20.

Social Workers (Grade 10)

In 2019/20, the pay gap between men and women was 1.10% in favour of men compared to 7.42% in favour of men in 2018/19.

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

All employees

In 2019/20, the pay gap between men and women was 12.77% in favour of men compared to 8.16% in favour of women in 2018/19.

All Local Government Employees

In 2019/20, the pay gap between men and women was 5.46% in favour of men compared to 4.92% in favour of women 2018/19.

All Teachers

In 2019/20, the pay gap between men and women was 5.70% in favour of men compared to 3.76% in favour of men in 2018/19.

All Chief Officers

In 2019/20, the pay gap between men and women was 12.70% in favour of women compared to 4.50% in favour of women in 2018/19.

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

All employees

In 2019/20, the pay gap between men and women was 10.61% in favour of men compared to 23.52% in favour of men in 2018/19.

All Local Government Employees

In 2019/20, the pay gap between men and women was 20.03% in favour of men compared to 22.99% in favour of men in 2018/19.

All Teachers

In 2019/20, the pay gap between men and women was 28.19% in favour of women compared to 5.75% in favour of men in 2018/19.

All Chief Officers

In 2019/20, the pay gap between men and women was 10.28% in favour of men. There were no part-time females employed in 2018/19.

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

All employees

In 2019/20, the pay gap between men and women was 29.95% in favour of women compared to 27.91% in favour of women in 2018/19.

All Local Government Employees

In 2019/20, the pay gap between men and women was 26.30% in favour of women compared to 23.39% in favour of women in 2018/19.

All Teachers

In 2019/20, the pay gap between men and women was 5.58% in favour of men compared to 3.61% in favour of women in 2018/19.

All Chief Officers

There is no pay gap as there were no part-time males employed in 2019/20 or 2018/19.

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

All employees

In 2019/20, the pay gap between men and women was 11.34% in favour of men compared to 2.57% in favour of men in 2018/19.

All Local Government Employees

In 2019/20, the pay gap between men and women was 9.22% in favour of women compared to 4.42% in favour of men in 2018/19.

All Teachers

In 2019/20, the pay gap between men and women was 10.40% in favour of men compared to 1.57% in favour of women in 2018/19.

All Chief Officers

There were no part-time male Chief Officers employees employed in 2019/20 or 2018/19.

29. 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 2019/20, 122 employees are recorded as having a disability. An analysis of the audit finds are set out in sections 9a and 9b of Appendix 1.
30. 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.
31. 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 2019/20, the ethnicity of 128 employees was recorded. In 2020, the average pay gap variance between those reporting as being from an ethnic minority and the all employees was 25.3% higher in favour for other ethnicity than the Council's average salary and in 2019 it was 15.4%.

32. 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.
33. In October 2019, the Office of National Statistics (Gender pay gap in the UK: 2019 - provisional) reported that the UK gender mean pay gap decreased to 16.2% from 17.2% in 2018. The median pay gap for all employees (full time and part time) was the lowest on record at 17.3% down from 17.1% in 2018.
34. In October 2018, the gender pay gap mean for the private sector decreased to 20.6% from 20.9 in 2017. The gender pay gap median for the private sector remained at 23.8% in both 2018 and 2017. The median and mean pay gaps in the private sector has consistently been higher than the public sector.
35. In October 2018, the gender pay mean gap in the public sector has also decreased to 17.4% from 17.7% in 2017 continuing its long-term trend of fluctuating since 2003. The gender pay gap median for the public sector decreased to 15.7% from 17.4% in 2017

EQUALITIES MAINSTREAMING REPORT AND EQUALITIES OUTCOMES

36. 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.

LEGAL IMPLICATIONS

37. 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.

HUMAN RESOURCE IMPLICATIONS

38. As part of the Council's responsibility to comply with the legal duties set out in the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, an Equalities Forum has been established to review the report findings and identify and implement appropriate actions to address any inequalities.

TRADE UNIONS

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

EQUALITY IMPACT (INCLUDING SOCIO-ECONOMIC DUTY)

40. 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

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

COMMUNITY PLANNING IMPLICATIONS (COUNCIL'S CORPORATE PLAN)

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

RISK IMPLICATIONS

43. 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.

TRANSFORMATION STRATEGY

44. This report links to the Transformational workstreams.

COMMUNICATION

45. The Equal Pay Report will be published on 30 April 2021.

Katie Kelly
Depute Chief Executive (Safer Communities)
28 April 2021

APPENDICES

Appendix 1 East Ayrshire Council Equal Pay Gap Details at 31 March 2020
Appendix 2 East Ayrshire Council Equal Pay Policy Statement 2021

LIST OF BACKGROUND PAPERS

Nil

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