

Gender Pay Gap Report 2020

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1. Introduction

Since April 2017 employers in Britain with more than 250 employees are required by law to publish their gender pay gap information every year within twelve months of the relevant snapshot date, which is 31 March for local government. Data must be published on both Durham County Council's website (<https://www.durham.gov.uk/genderpaygap>) and through the government gender pay gap reporting website (<https://gender-pay-gap.service.gov.uk/>).

The gender pay gap shows the difference in average pay between men and women in the workforce. This data helps us to understand the size and potential causes of pay gaps and to identify any issues that need to be addressed. Gender pay gap is not the same as equal pay which is defined as pay differences between gender when carrying out jobs of equal value.

This document sets out Durham County Council's (DCC) gender pay gap (GPG) data, analysis and plans for long term improvements. Due to the Coronavirus outbreak, the Government Equalities Office (GEO) and the Equality and Human Rights Commission (EHRC) took the decision to suspend enforcement of the gender pay gap deadlines for the reporting year (2019/20). The decision meant there was no expectation on employers to report their data if they have not already done so. All North East councils complied with the submission and published their Gender Pay Gap data to the 30 March deadline. However, the suspension of GPG reporting, impacts on the availability of national data, which is presented for wider comparison within this written statement

2. Results for Mandatory Gender Pay Gap Reporting Requirements

Durham County Council is required to publish the following four types of data annually to meet the government's gender pay gap reporting requirements:

- Gender pay gap (mean and median averages)
- Proportion of men and women in each quartile of the organisational pay structure
- Gender bonus gap (mean and median averages)
- Proportion of men and women receiving bonuses

As a large public sector employer, our GPG calculations are based on a total of 8,040 full-pay relevant employees as at 31 March 2020. Data from 31 March 2019 is also included for comparative analysis.

Gender Pay Gap (mean and median averages)

The mean hourly rate is the average hourly wage across the entire organisation, so the mean gender pay gap is a measure of the difference between women's mean hourly wage and men's mean hourly wage.

The median hourly rate is calculated by ranking all employees from the highest paid to the lowest paid, and taking the hourly wage of the person in the middle; so the median gender pay gap is the difference between women's median hourly wage (the middle paid woman) and men's median hourly wage (the middle paid man).

Mean

As at 31 March 2020, women's **mean** hourly rate of pay is **2.65% lower** than men. In terms of money the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees is;

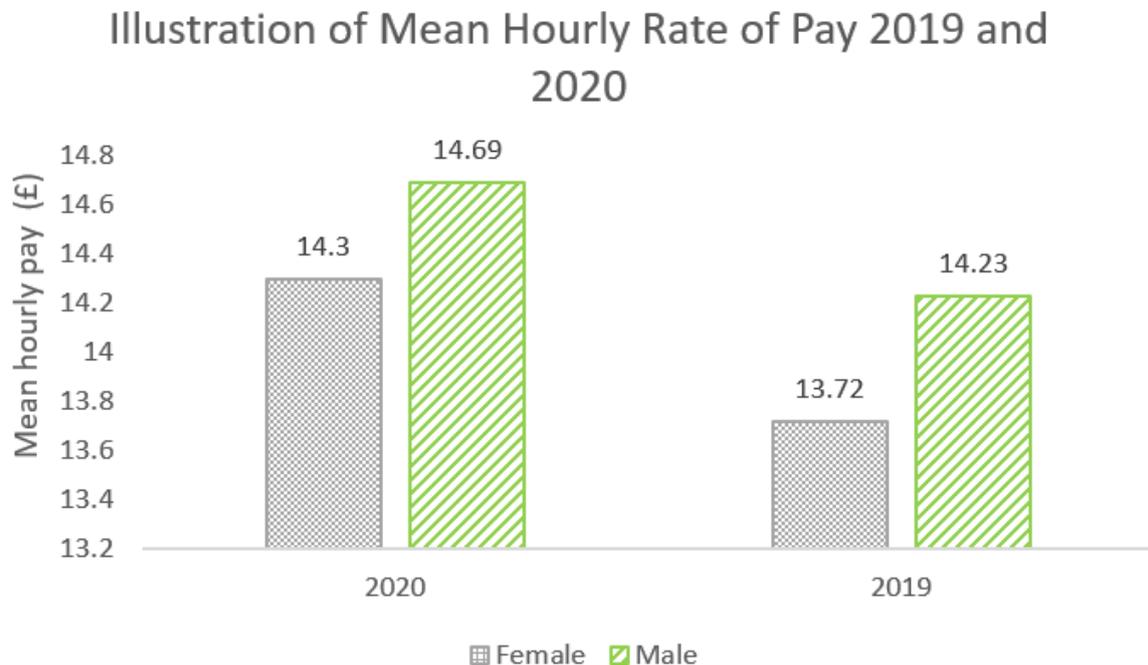
-£0.39 (Female Mean £14.30 and Male Mean £14.69)

This represents an improvement (narrowing of the gap) on the position as at 31 March 2019 when the outcomes were as follows:

-3.58% lower pay (using the mean)

-£0.51 (Female Mean £13.72 and Male Mean £14.23)

Chart 1 – Illustration of Mean Hourly Rate of Pay 2019 and 2020



In 2020, female DCC employees pay was 2.65% less (£0.39) than their male colleagues based on the average (mean) hourly rate.

Median

As at 31 March 2020, women's **median** hourly rate of pay is **4.93% lower** than men. In terms of money the difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees is;

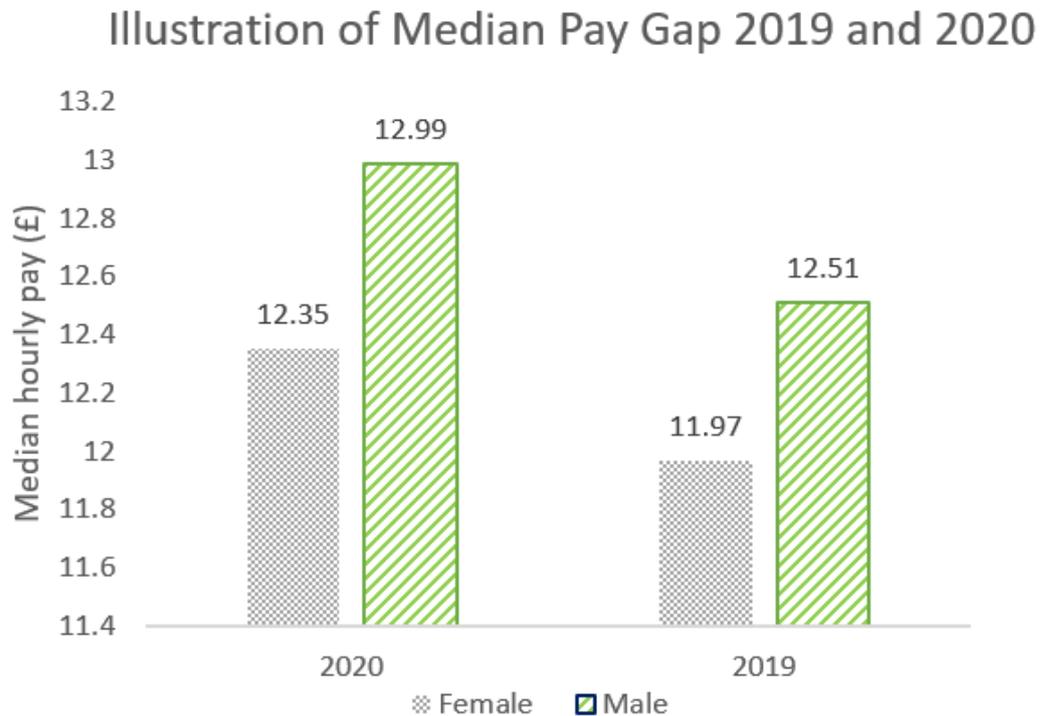
−£0.64 (Female Median £12.35 and Male Median £12.99)

This represents a deterioration (widening of the gap) on the position as at 31 March 2019 when the outcomes were as follows:

- 4.32% lower pay (using the median)

−£0.54 (Female Median £11.97 and Male Median £12.51)

Chart 2 – Illustration of Median Pay Gap 2019 and 2020



In 2020, female median pay was 4.93% less (£0.64) than their male colleagues based on the median hourly rate.

Proportion of men and women in each pay quartile

Pay quartiles are calculated by splitting all employees into four even groups according to their level of pay. Looking at the proportion of women in each quartile gives an indication of women's representation at different levels of the organisation.

In terms of the calculations, the workforce was split into quartiles as follows:

- Quartile 1 Apprentice Rate to £10.4902
- Quartile 2 £10.4983 to £12.3582
- Quartile 3 £12.3589 to £16.2480
- Quartile 4 £16.2480 to Chief Executive

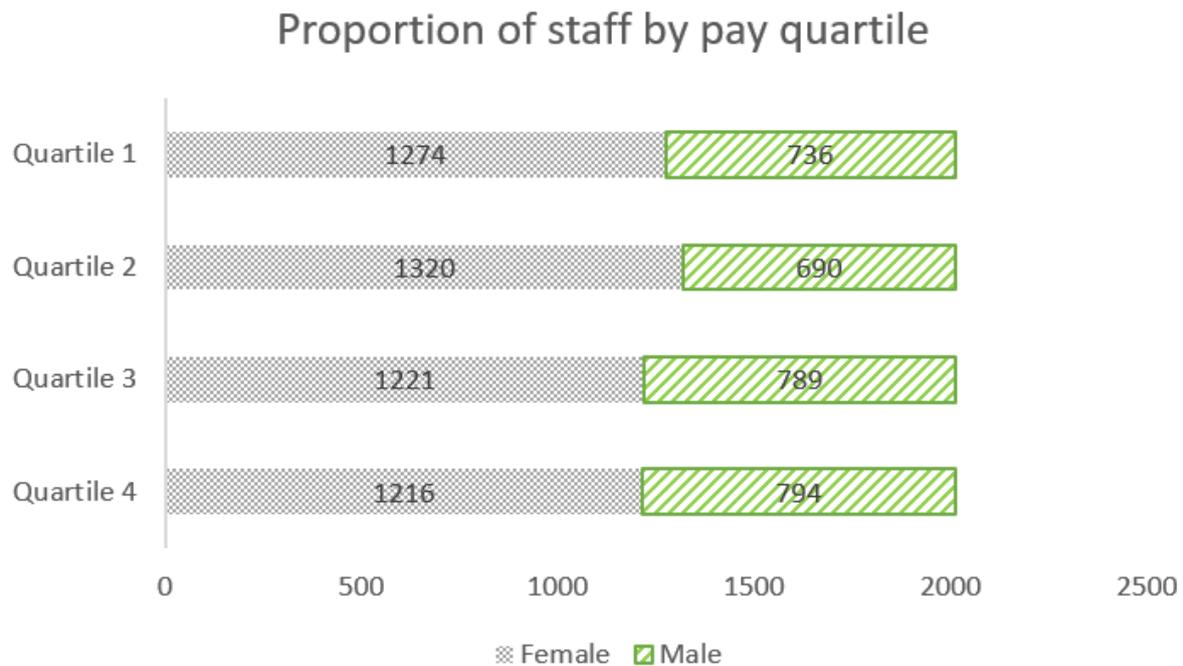
Table 1 – Proportion of Male and Female Full-Pay Relevant Employees by Quartile (as at 31 March 2020)

	Hourly Pay Rate - Range	Number in Quartile	Female - Number	Female - %	Male - Number	Male - %
Quartile 1	Up to £10.4902	2,010	1,274	63.38%	736	36.62%
Quartile 2	£10.4983 - £12.3582	2,010	1,320	65.67%	690	34.33%
Quartile 3	£12.3589 – £16.2480	2,010	1,221	60.75%	789	39.25%
Quartile 4	£16.2480 - £101.6918	2,010	1,216	60.50%	794	39.50%
	Totals	8,040	5,031	62.57%	3,009	37.43%

Table 2 – Proportion of Male and Female Full-Pay Relevant Employees by Quartile (as at 31 March 2019)

	Hourly Pay Rate - Range	Number in Quartile	Female – Number	Female - %	Male – Number	Male - %
Quartile 1	Up to £10.0717	2,119	1,375	64.89%	744	35.11%
Quartile 2	£10.0717- £11.9699	2,119	1,371	64.70%	748	35.30%
Quartile 3	£11.9699 - £15.9294	2,118	1,317	62.18%	801	37.82%
Quartile 4	£15.9294 - £99.7700	2,119	1,263	59.60%	856	40.40%
	Totals	8,475	5,326	62.84%	3,149	37.16%

Chart 3 – Illustration of Quartile data as at 31 March 2020



Durham County Council has a majority female workforce, of a total 8,040 employees, 62.57% (5,031) are female.

The gender balance across the pay range shows that, proportionally, men are more likely to feature in higher pay quartiles.

Gender Bonus Gap

Durham’s pay framework does not allow bonus payments to employees, therefore, there is no data to report in relation to bonuses.

3. Analysis of Durham County Council’s data

Mean gender pay gap data, as at 31 March 2020, shows an improvement (narrowing of the gap) on the previous year, where women’s mean hourly rate of pay is 2.65% lower than men compared to 3.58% less in 2019. Potential reasons for this improvement include the overall increase in the number of males paid in the lower quartile in 2020 compared to the previous year. The percentage of males in the lower quartile has increased from 35.11% in 2019 to 36.62% in 2020, whereas the percentage of females has decreased from 64.89% to 63.38% for the same period;

Furthermore, a review of the proportion of male and female full-pay relevant employees by quartile demonstrates a higher percentage of females paid in the higher quartile compared to 31 March 2019, but there has been an decrease in the

percentage of males paid at the higher quartile in the same period. Since the 2019 report the proportion of females in the higher quartile has increased from 59.60% to 60.50% whereas the proportion of males has decreased from 40.40% to 39.50%.

However, there was a slight deterioration of the median pay gap (0.61%). Over 51% of female employee are paid in the two lower quartiles, whereas over 52% of male employees are paid in the two upper quartiles. This could explain the difference between the median hourly rate.

Table 3 Annual comparison of mean and median data – Durham County Council

Year	Mean	Median
2020	2.65	4.93
2019	3.58	4.32
2018	1.9	4.8
2017	3.4	4.3

Whilst the Council currently employs more female employees (5,031) than male employees (3,009), proportionately there are currently more male employees paid at higher salary points compared to female, but in contrast there are more female employees paid at bottom rate salary than male employees which could explain the median results.

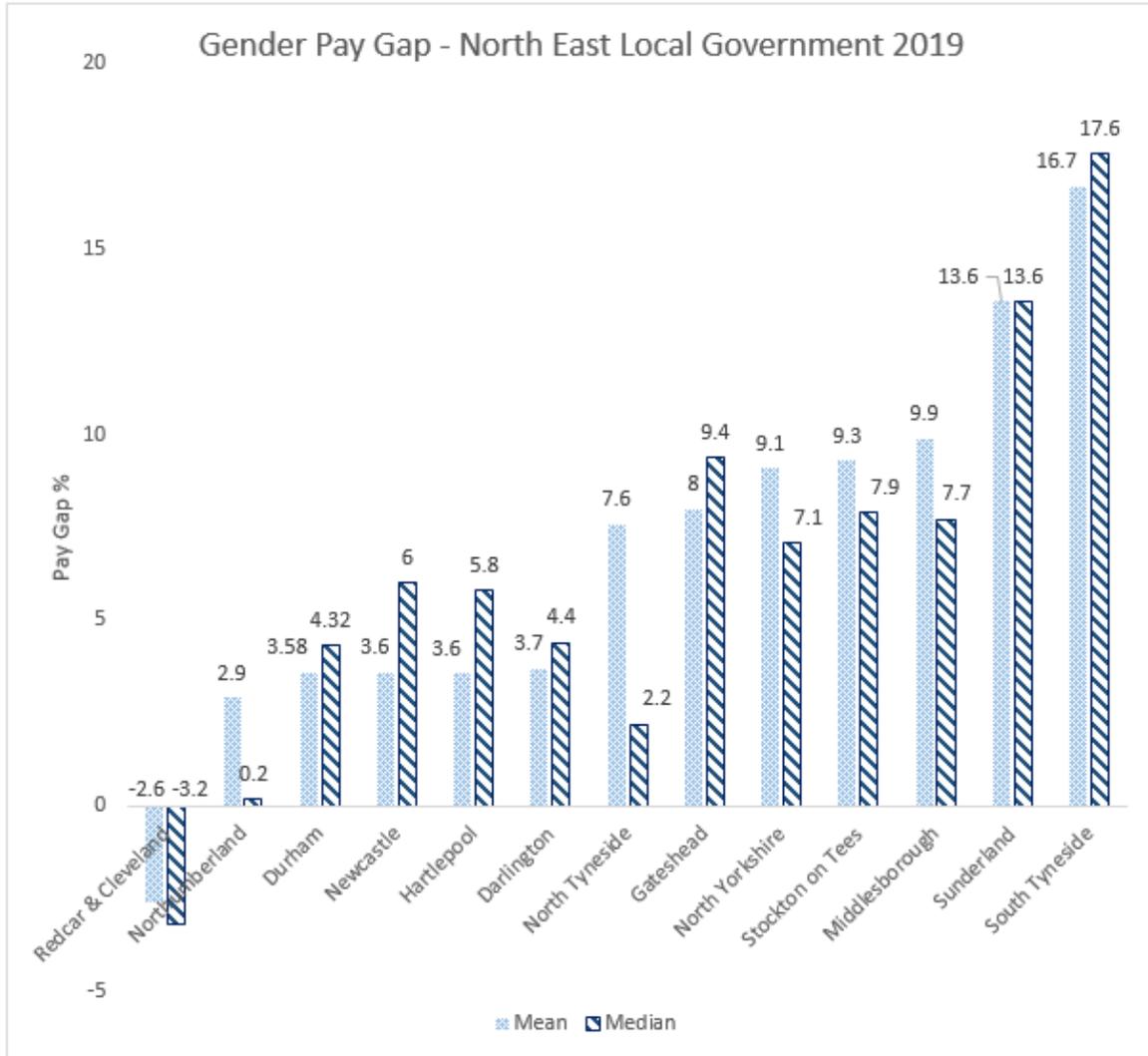
4. Wider comparative analysis of 2019 published data

The following section provides comparative analysis of Durham County Council's data regionally.

Although it is recognised that Durham has a negative gender pay gap for women, Durham's data compares favourably within the region.

Chart 4 illustrates the variation of data across North East Councils as at 31 March 2019 and demonstrates that Durham had a lower than average gap regionally. Redcar and Cleveland Council continues to have a 'positive' pay gap, where women are paid more than men.

Chart 4 – Variation of gender pay gap data regionally (North East Councils)



5. Durham's approach towards pay

The council implemented its single status agreement in 2012 after consultation with trade unions in order to harmonise pay and conditions of service across the majority of council employees. This exercise led to improved basic pay for some and had a greater positive impact for women compared to men. Improvements to annual leave entitlement as part of single status also benefited a higher proportion of women. Furthermore, we introduced the Durham Living Wage from 1 January 2015 for the council's lowest paid employees. This had a greater positive impact for low paid women as compared to men and also particularly benefited older, lower paid workers aged over 45 years.

Since the initial gender pay gap data was calculated, a pay offer has been agreed to start from 1 April 2018 until 31 March 2020. The pay offer again includes higher increases to the lower pay points in order to continue to close the gap with the National Living Wage forecasts. This resulted in a new minimum rate for Council employees of £9.36 per hour from 1 April 2019. As there are proportionately more female employees employed by the council within the bottom rate grade points, this will positively impact more women than men and thus contribute to closing the current pay gap across the next two years

6. Recruitment and People Management Policies

Pay gaps experienced by women can arise from barriers faced getting into and progressing at work¹. We currently employ 5,031 women; therefore, we are an attractive employer for women. Our recruitment and selection procedures are designed to ensure that applicants are not discriminated against and that we recruit from as wide a pool as possible. We advertise jobs that are flexible, operate name-blind recruitment and often open vacancies to part-time working or job share. This inclusive approach helps to ensure we receive as many applications as possible from women. Our recruitment and selection policy has recently been updated and the accompanying training for recruiting officers refreshed. The policy has undergone a full equality impact assessment which includes action for ongoing monitoring and analysis (see snapshot below) to ensure and reinforce fair practice.

The council has a range of policies and working practices to promote and sustain work life balance including various flexible working patterns e.g. part-time, flexitime, home working, maternity, paternity, adoption, dependent and shared parental leave. An analysis of the 2019/20 Gender Pay Gap data-set revealed 47.70%% of female employees work a part-time working pattern, compared to 18.61%% of male employees. Furthermore, 106 employees are classified as 'homeworkers', and of these 83.96% were female.

Policies are available to all employees however, analysis shows, that higher proportions of female employees take advantage of such policies. For example, between 1 April 2019 and 31 March 2020, we received 117 requests to change working hours for the reason of 'Family Leave Policy', and 88.89% of which were submitted by female employees. Family friendly policies therefore assist the council in retaining a highly skilled female workforce.

¹ <https://www.equalityhumanrights.com/sites/default/files/pay-gaps-strategy-fair-opportunities-for-all.pdf>

7. Continuing Challenges

Certain council occupations tend to have more of a gender bias, and this can affect the gender pay gap. Including roles in front line health, social care and family and young people's services which tend to be female dominated, for example as at 31 March 2020 86.18% of 'Social Worker' roles were occupied by female workers. In contrast, more manual and technical roles such as refuse collection, ICT and engineering are usually male dominated, for example as at 31 March 2020 99.07% of 'Refuse & Recycling' roles, and 80.77% of ICT roles were occupied by male workers. Furthermore, historically part-time work equivalent to low hours per week (such as cleaners) has attracted more females, for example as at 31 March 2020 cleaner/cleaning roles were 90.22% occupied by female workers.

Although we ensure our recruitment procedures are fair and welcome applicants from diverse sections of the community, there are often female and male skill shortages within particular career sectors, and this is a challenge for all employers.

At 31 March 2019, the council's Corporate Management Team consisted of the Chief Executive and five directors and the structure was gender balanced. However, as at 31 March 2020, due to ongoing restructures the Corporate Management Team consisted of the Chief Executive and four directors, with only one female representing senior management. This has now changed again moving towards more balanced gender representation which may impact reporting data for 2021.

In addition to the above, at 31 March 2019 the extended management team structure consisted of nine female and thirteen male Heads of Service. Whereas the position at 31 March 2020 is gender balanced. Progress has steadily been made over recent years towards a more representative leadership team.

7. Plans for Long Term Improvement

Durham County Council is a progressive council with many ambitious plans in order to change and evolve and become a more inclusive organisation. We are embracing new technology, and this has been accelerated due to the Covid 19 pandemic to support home working and much greater access to services using digital means. We continue to respond to national shortages in particular professions such as social work and plan ahead to address the impact of an ageing workforce. The digital agenda is becoming more important, as accelerated by the pandemic, and we will need to continually invest in our employees to ensure they have the necessary skills required for the future.

The emerging People and Talent Management Strategy aims to ensure that we are thinking about the most important aspects that affect the workforce and which of

those need to change in order to modernise. It will provide the organisation with a structured approach to strategic workforce planning. The strategy will identify a number of priorities which will link to improvements to our gender pay gap. These actions will form part of our gender pay action plan.

Research shows that some elements of pay gaps result from the restrictions women face in balancing work with other aspects of their lives such as caring responsibilities.² We recognise the importance of flexible working practices to support all employees (including men) in the workplace in terms of flexible time and flexible place options. We also provide additional support for employees with caring responsibilities including a employees carers network and access to individual support via Durham County Carer Support as we recognise that this level of practical and wellbeing support helps to employees to remain in paid employment and balance their work and care responsibilities.

Our data evidences that there is a steady increase in male employees working more flexibly, such as part time working, which for 2019/20 has seen a 0.60% point increase for male employees compared to 2018/19. This is encouraging in terms of tackling some of the underlying causes of the gender pay gap. We are also continuing to implement interventions including smarter working to create a working environment that promotes work life balance. For example, as at 31 March 2020, there are 106 homeworkers, 16.04% of which are male.

We will also build upon the following specifically targeted initiatives in order to eliminate our gender pay gap:

Attracting future talent

Our apprenticeship programme is an integral part of the council's approach to address current and future skills needs for new and existing employees. Apprenticeships help us to attract and retain the very best talent and to benefit from a skilled, motivated and flexible workforce. Our apprenticeship programme is inclusive and promoted widely through social media campaigns, career events, north east jobs portal and through schools and colleges to ensure we reach the widest candidate pool.

We have in place an Apprenticeship Strategy which outlines what we want to achieve as an employer and the positive action we will take to increase the number and range of apprenticeships within the council as part of our wider Workforce Strategy.

² <https://www.equalityhumanrights.com/sites/default/files/pay-gaps-strategy-fair-opportunities-for-all.pdf>

Women are being attracted into more male dominated roles through our apprenticeship programme including Civil Engineering and Countryside Wardens.

Initiatives such as work experience and internship opportunities to do project work and gain work experience are in place to help support people into employment. The council has previously participated in the National Local Government Graduate Programme to help attract future leaders into Local Government. Our 2017-19 programme included two male and two female graduates. The council also supports the Change 100 Programme talent programme which supports paid summer work placements and mentoring for disabled undergraduate students and recent graduates. Three female graduates have undertaken this programme with two progressing into employment with the council following the placement.

Inclusion

All HR policies are subject to full equality impact assessment to ensure they do not discriminate, meet our public sector equality duty and progress inclusion. The emerging Workforce Strategy will receive a high-level equality impact assessment in order to understand the evidence base driving the strategy to ensure our direction of travel is inclusive and responsive and able to adapt to changing employees needs and emerging issues longer term.

Our flexible working policies are evidenced to be attractive to women and we will continue to encourage all employees, male and female, to utilise these policies as improved sharing of home life responsibilities such as caring will facilitate women advancing in their careers and help to close the gender pay gap. This will also encourage a more modern and inclusive workplace in line with our values and behaviours. In addition, the council's Valuing Our Employees' Framework aims to attract, retain, motivate and engage employees together with supporting their wellbeing.

Occupation and gender

We have an inclusive approach to talent management and have in place a comprehensive Employee Learning and Development programme, including access to over 300 digital and e-learning resources, together with a Leadership and Management Development Programme to support all employees to grow and develop in their roles. Our Leadership and Management Programme covers 1,149 Leaders and Managers, of which 41.51% are male employees and 58.49% are female employees. We are currently establishing a more robust approach to support employees to progress in their careers through bespoke support, development programmes, apprenticeships, mentoring and career pathways.

We have in place a coaching framework where employees can access coaching delivered by professionally trained colleagues on a one to one basis or through an

external coach. The coaching framework helps to support employees to reach their full potential and career goals. 50% of male and 50% of female employees have accessed our internal coaching offer.