

Surrey County Council

Gender Pay Gap Report

March 2017 Data



SURREY

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1. Background

Under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, employers with 250 or more employees, in England, Wales and Scotland are required to publish their overall mean and median gender pay gaps each year.

The gender pay gap is different to equal pay. Equal pay relates to men and women receiving equal pay for equal work. The gender pay gap is defined as the difference between the median (actual mid-point) or mean (average) basic annual earnings of men and women expressed as a percentage of the median or mean basic annual earning. See the formula for calculation Gender Pay Gap calculation below.

$\frac{\text{Hourly Rate (Men)} - \text{Hourly rate (Women)}}{\text{Hourly Rate (Men)}} \times 100$	
Gender Pay Gap =	----- X 100
	Hourly Rate (Men)
Mean	Average (sum of hourly rates / number of employees)
Median	Middle value of an ordered set of data

2. Data being reported on

Mean gender pay gap	The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employee.
Median gender pay gap	The difference between the median hourly rate of male full-pay relevant employees and that of female full-pay relevant employee.
Quartile pay bands	The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.
Mean bonus gap	The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.
Median bonus gap	The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.
Bonus proportion	The proportions of male and female relevant employees who were paid bonus pay during the relevant period.

3. Organisational context

SCC is committed to being a fair and inclusive employer delivering inclusive services that meet the needs of Surrey's communities.

We offer a reward package which includes a good pension scheme, excellent training and development, flexible working, that helps to support family life.

The council expects its approach to pay and reward, to take account of any nationally negotiated local government provisions, as well as the particular circumstances of Surrey. This includes employment market factors. All employees are remunerated in accordance with the pay and grading structures and grading arrangements.

SCC employs staff in the following seven directorates:

- Adult Social Care and Public Health
- Chief Executive's Office
- Children Schools and Families
- Customer & Communities
- Environment and Infrastructure
- Business Services
- Legal, Democratic and Cultural Services

The pay and conditions of service for most SCC employees are negotiated locally. However, the Council also employs a number of staff who are not on locally negotiated terms (e.g. Educational Psychologists on national terms or employees who have transferred from other organisations under TUPE arrangements).

4. Workforce Profile

The gender pay gap analysis is based on the concept of "employments". This refers to individual contracts of employment, regardless of the number of contractual hours or the number of employment contracts between an employee and the Council. For instance, an employee working to a standard full time contract will be considered as having one employment, whereas another employee with two part time contracts will be considered as having two.

The below table shows the number of male and female employments by terms and conditions of service on 31st March 2017.

Terms and Conditions	Female Employments	Male Employments	Total Employments
Surrey Pay Employees	7407	2196	9603
National	247	656	903
TUPE	30	14	44
Other	682	179	861
Total	8366	3045	11411

5. Mandatory Gender Pay Gap data for SCC

Table 1 – Mean and median gender pay gap

Gender	Mean Hourly Rate	Mean Gender Pay Gap	Median Hourly Rate	Median Gender Pay Gap
Male	£18.15	17.30%	£15.51	14.74%
Female	£15.01		£13.23	

Table 2 - Quartile Pay Bands

Gender	Lower Quartile %	Lower Middle Quartile %	Upper Middle Quartile %	Upper Quartile %
Female	84.08	80.23	61.39	67.19
Male	15.92	19.77	38.61	32.81

Table 3 - Mean and Median Bonus* Gap

	Female	Male	% difference gap between male and female
Mean bonus payment	£625.13	£714.90	12.56%
Median bonus payment	£595.71	£677.88	12.12%

Table 4 - Bonus proportions

	Female	Male
Total Employments in receipt of bonus payment	413	146
Bonus Proportion	4.81%	4.77%

* **Bonus Payments** for SCC include Non-Consolidated Payment (NCP) which is based on achieving an “exceptional” appraisal rating and Long Service Award payment of £150 for 25 years of service and £200 for 40 years of service.

6. Gender Pay Gap Analysis

Table 1 indicates that the median gender pay gap at SCC is 14.74 per cent and the mean gender pay gap is 17.30 per cent. This compares with the national statistics as published in the Annual Survey of Hours and Earning (by the Office for National Statistic for the Public Sector in the UK 2017), which indicates a national median pay gap of 19.4 per cent and mean pay gap of 17.7 per cent.

SCC recognises that there is a gender pay gap. Analysis of our pay data shows that the pay gap does not stem from paying men and women differently for the same or equivalent work. The difference in mean and median pay can be attributed to the patterns and types of work undertaken by men and women working for SCC.

Currently approximately 73 per cent of the workforce are women. The average age of a Surrey employee is 46. Currently, approximately 80 per cent of all new applicants at SCC are women.

The quartile pay bands in table 2 indicates that there is a larger concentration of female employees in the lower two quartiles. A significant proportion of which are part-time frontline jobs, that includes service delivery in areas such as personal care, catering and cleaning which are lower graded roles.

Evidence suggests that women aged 45 to 54 are more than twice as likely as other carers to have reduced working hours, as a result of caring responsibilities¹. One in four women aged 50-64 has caring responsibilities, for older or disabled loved ones². Historically, there is still a legacy of gender occupational segregation, where women still predominantly apply for and occupy social care roles; this is slowly changing. This helps understand the gender distribution in SCC's employment of staff.

The difference between male and female mean and median bonus payments, see table 3, is approximately 12 per cent. This is influenced by a higher proportion of female employees employed on lower grade as the bonus payment is worked out as a percentage of earnings.

As table 4 shows the proportion of men and women receiving bonus payment is very similar. This is in line with the organisational expectations that 5 per cent of staff will qualify for a bonus payment for exceptional performance.

¹ Carers UK (2015) Facts about Carers

² Census 2011

7. Recent Changes

- SCC pay policy is gender neutral, ensuring that men and women receive equal pay for work of equal value. The council's pay and grading structure is underpinned by Hay Job Evaluation methodology which supports this approach.
- The council's reward policy states that all new appointments should be appointed to the minimum pay point for their role, unless a business supports a higher starting salary. This applies equally to male and female applicants.
- In 2016 the council has introduced a link between pay and performance. This is supported by an appraisal moderation process which provides a fair and equitable assessment of all objectives and performance levels for individuals across the service, irrespective of gender. This process helps share good practice and increases the quality of performance management.
- The council offers flexible working arrangements at all grade levels, including job share, part time working and shared parental leave. These family friendly policies help to support development and retention of all staff by providing support with work/life balance.
- Training opportunities are widely available to all staff. There is a dedicated anti-discrimination policy and multiple anti-discrimination training is provided.
- Currently over 50% of the leadership of the organisation are women.

8. Future Plans

SCC is committed to minimising the gender pay gap within the organisation by:

- Helping women progress in their careers and achieve their full potential through the sponsored qualifications e.g. Leadership Development Program. The launch of job families provide a clear pathway for training and development for all staff.
- Encouraging flexibility, and challenging assumptions about traditional ways of working and occupations, taking account of the needs of the work, customers and employees.
- Reviewing policies, procedures and guidelines to ensure they meet legislative requirements and any discrimination is eliminated.

9. Written Statement

SCC confirms that the data in this report has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.