Surrey County Council Gender Pay Gap Report March 2022



Gender Pay Gap Report at 31 March 2022

Summary:

The 2022 Gender Pay data for Surrey County Council (SCC) shows that male employees are more likely to be paid more than female employees.

In 2022, the median pay gap for SCC was 11.19%. The organisation has seen a narrowing of median pay gap of 5.6% between 2019 and 2022.

In 2022, the mean pay gap for SCC was 12.37%. The organisation has seen a reduction in mean pay gap of 8.8% between 2019 and 2022.

SCC's pay gap is below both the national and regional average. 2022 data provided by the Office for National Statistics reports an estimated median pay gap of 14.9% for all UK employers with a workforce over 250 staff and a pay gap of 12.5% for the South East region in England.

In comparison to other South Eastern Local Authorities in 2021, Hampshire County Council reported that women earned 16.3% less in the median than men and 16% less than men, in the mean. Kent County Council reported female staff earning 18% less in the median and 12.2% less in the mean.

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. More information is available from the <u>Gender Pay Gap</u> <u>Reporting Guidance</u>.

Positive pay gaps percentages indicate that men are paid more than women, whilst negative pay gap percentages indicate that women are paid more than men.

Shown as a snapshot as of 31 March 2022, Surrey County Council's data is as follows:

Table 1:	Mean and	median	gender	pay gap
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Measure	Female	Male	% Gap
Mean	£17.46	£19.93	12.37%
Median	£15.56	£17.52	11.19%

Table 2: Quartile pay bands

Gender	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
Female	83.17%	73.34%	66.92%	65.15%
Male	16.83%	26.66%	33.08%	34.85%

Table 3: Mean and median bonus* gap

Bonus gap	Female	Male	% Difference gap between Male and Female
Mean bonus payment	£426.68	£452.93	5.8%
Median bonus payment	£250.00	£250.00	0.00%

Table 4: Bonus proportions

Bonus proportion	Female	Male
Total employments in receipt of bonus payment	2073	428
Total Relevant Employees	7582	2833
Bonus proportion	27.34%	15.11%

*Bonus payments include:

- 1. Long Service Awards paid to staff for either 25 or 40 years of service, £150 and £200, respectively.
- 2. Recognition Awards.
- 3. Recruitment and Retention payments for social workers in Children, Families and Learning Services (wage type induction pack). This inclusion is a new guideline for 2021.

Covering statement

It's important to note that having a gender pay gap does not mean there is an equal pay issue. Equal pay means that there should be no difference in the pay and contractual terms of a woman and a man doing the same or similar work (or work of equal value) for the same employer. The gender pay gap report and methodology does not measure equal pay, which relates to what men and women are paid for the same or similar jobs or work of equal value. Gender pay gaps may exist because of a propensity for roles and jobs to be traditionally dominated by a particular gender and for these roles to be either better paid or on lower pay scales.

The 2022 Gender Pay data for Surrey County Council (SCC) shows that male employees are more likely to be paid more than female employees.

The majority of SCC's workforce (72.8%) is female. This figure broadly reflects that for the entire local government workforce in England and Wales, which in November 2021 reported that women made up 75% of the workforce (Local Government Association, 2021).

Surrey County Council's pay policy is gender neutral, ensuring that men and women should receive equal pay for work of equal value. The Council's pay and grading process and structure is underpinned by a robust methodology, which assesses the knowledge and skills for a role alongside the complexity and responsibilities which are required. It is important to note that pay is determined by role, and not by the individual employed.

Despite the significant over representation of women within the workforce, our data shows that women are more likely to be in lower paid roles than men – 83% of staff in the lower quartile are

women, whilst 35% of staff in the upper quartile are men. Women in the lower paid roles are also more likely to be in part-time roles, whilst balancing these with caring or parenting responsibilities. This is demonstrated by the number of part time employments (contracts) there are in the lower grades, rather than in the higher graded roles.

Female employees are more likely to be in frontline, caring roles and male staff in corporate higher paid roles, this is reflected in the higher percentage of men in more senior roles versus those in lower paid, frontline roles. This imbalance of women within lower paid roles and men within higher paid roles has a significant impact on the gender pay gap within SCC.

Surrey County Council has a high percentage of women in Leadership roles and 70% of the Corporate Leadership Team are female. 65.15% of the upper quartile roles are occupied by women, which will have a positive impact on the pay gap, but will not entirely mitigate the very high percentage (83%) in the lower quartile roles.

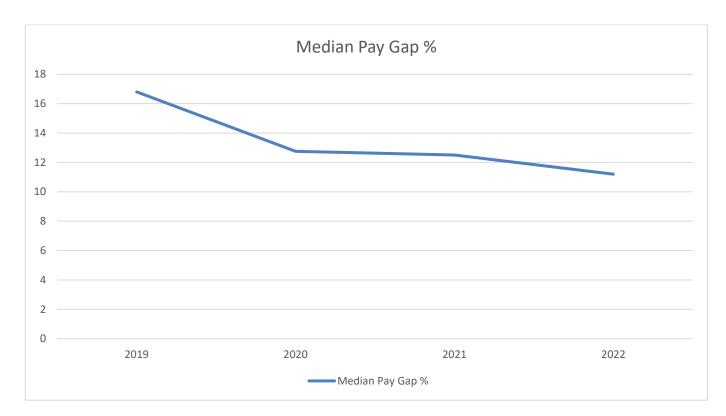
The council's 2021/22 pay deal was weighted towards the organisations lower pay grades. Consequently, pay grades 1 - 7 (which include those roles in which women are over –represented) received a proportionately higher percentage pay rise than higher pay grades, which contributed towards the narrowing of the gender pay gap in this year.

Median pay gap

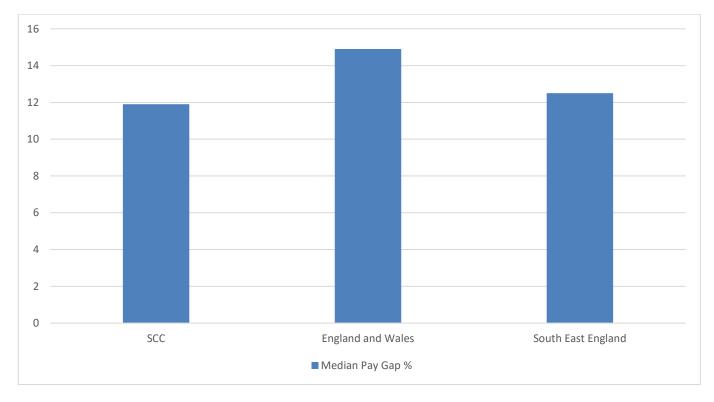
Statistically, the median is the middle number in a sorted list of numbers and can be more descriptive than the mean or average. The median pay gap is "the difference between the hourly pay of the median full -pay relevant man and the hourly pay of the median full pay relevant woman" (HM Government: <u>Making your gender pay gap calculations - GOV.UK (www.gov.uk)</u>) and is useful in indicating what the 'typical' pay situation is, though can fail to effectively identify cases where pay gap issues are most pronounced in the lowest of highest paid employees (the first and fourth quartiles).

A positive pay gap percentage means that men are paid more than women at the mid point of pay for an organisation, whilst a negative percentage means that women are paid more.

In 2022, the median for SCC was 11.19%. The organisation has seen a drop in median pay gap of 5.6% between 2019 and 2020.



SCC's pay gap is below both the national and regional average. 2022 data provided by the Office for National Statistics reports an estimated median pay gap of 14.9% for all UK employers with a workforce over 250 staff and a pay gap of 12.5% for the South East region in England.

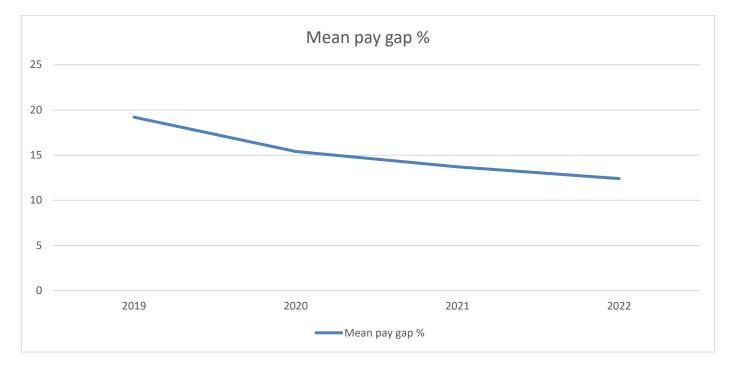


Mean pay gap

The mean pay gap reports the average pay for men and women within an organisation and can be useful "because they place the same value on every number they use, giving a good, overall indication of the gender pay gap" (HM Government). It should be noted, however that very high or very low hourly pay can dominate or distort the figure. For example, mean averages can be useful where most employees in an organisation receive a bonus but could be less useful in an organisation where most of the bonus pay is received by a small number of board members.

A positive pay gap percentage means that on average, men are paid more than women in an organisation.

In 2022, the mean pay gap for SCC was 12.37%. The organisation has seen a reduction in mean pay gap of 8.8% between 2019 and 2020.



Bonus gaps

The bonus payment percentages are intended to reflect the distribution of bonus payments made to men and women relevant employees. The mean (average) gender pay gap using bonus pay figure is the difference between the mean (average) bonus pay paid to relevant employees who are men, and bonus pay paid to relevant employees who are women (as a percentage).

A mean (average) involves adding up all the numbers and dividing the result by how many numbers were in the list.

Analysis of the last 4-year bonus gaps within SCC shows no overall trend. Historically, bonus payments have tended to focus on recruitment and retention issues.

	Mean bonus payment %	Median bonus payment %
2019	-0.7	0
2020	3.25	0
2021	-46.7	-100
2022	5.8	0

There has been a significant drop in the number of long service awards in recent years, and this scheme is under review as part of the wider programme of work to review benefits and awards in the council.

The most significant bonus payment scheme in SCC has been the introduction of recruitment and retention payments within Childrens, Families and Lifelong Learning to help address the Child Social Workers' recruitment and retention challenges. This programme began in the 2020/21 financial year and can pay up to £6000 to new starters over three years. Additionally, when this scheme was launched, existing staff received a payment of £2000. The negative bonus gaps show that women were more likely to receive bonus payments in 2020/21, when this scheme was introduced. Within both the Corporate Parenting and Family Resilience and Safeguarding Services, the workforce is overwhelmingly female (currently 84% and 81% respectively), and therefore there is an increased likelihood that female staff were more likely to receive these bonus payments than male staff.

What are we doing to tackle the pay gap?

The gender pay gap within SCC has continued to narrow over the last 4 years, though more work is needed to address this.

The work SCC is doing to reduce the gender pay gap should be seen within the context of the wider employee equality, diversity and inclusion (EDI) work that has been undertaken and which is planned as part of our EDI annual plan, which addresses our commitment to making sure that 'no-one is left behind' by developing a workforce that is representative of all protected characteristics and by improving diversity within our leadership and higher paid roles. Protected characteristics cannot be viewed in isolation, and the importance of taking an intersectional perspective and approach will be essential in addressing inequalities for all underrepresented and minority groups.

More specifically, work to narrow the gender pay gap should focus on recruiting and retaining a workforce that is more representative of the community we serve in terms of gender (the 2021 census reports that 51.2% of Surrey's population is female, and 48.8% is male) at *all* levels of the organisation.

These actions include:

Joining SCC

1. A review of the council's recruitment and selection processes to ensure that they are more inclusive and accessible, with the development of an 'Inclusive and effective recruitment guide' which will support the council to attract and recruit a more diverse workforce, including appointing male staff into what have been traditionally roles held by females, and conversely, females into more senior roles. The review will lead to embracing diverse and innovative approaches to advertising, how roles are publicised and described and to adopting best practice models of candidate assessment.

Working at SCC

- The commissioning of reviews of the experiences of disabled, LGBTQ+ and minority ethnic staff in 2022/23. These reviews will adopt an intersectional approach and therefore include a review of the experiences of specific cohorts of both our female and male staff and action plans outlining the work that needs to be done to improve employee experience, retention and development.
- 3. Supporting the development of all our staff networks, including our Women's staff network through internal publicity, senior sponsorship, provision of a set annual budget, and monthly resource allocation for its chairs. Our networks provide opportunities for staff to let us know how we can improve our culture and retention of staff.
- 4. Continued analysis of our Pulse Survey data to identify areas of the organisations where it is reported that female staff (or groups of staff) do not feel fairly treated by the council and take targeted action.
- 5. Our agile working programme aims to support both female and male staff to work in more flexible ways, thus enabling some (currently) part-time staff to consider and take on full time roles whilst balancing other responsibilities.
- 6. SCC has participated in the Working Families' accreditation programme, with the aim of making the council more supportive of and attractive to those with parental or caring responsibilities. This will include reviewing our flexible working policies and processes, thus making it easier for working parents and carers to work in more senior and better paid/higher salary roles. These policies and processes will be disproportionately beneficial to female staff, who are more likely to have these responsibilities.
- 7. Women's health in the workplace has been a key area of focus for the Employee Experience Team, with a particular focus on menopause and endometriosis and the support that SCC can provide as an employer, thus supporting the retention of female staff.
- 8. Long service rewards are under review, as part of the programme of work which is looking at all staff benefits and rewards.

Learning and development at SCC

- 9. The continued provision of an organisation-wide training package on unconscious bias, that is open to all staff, with targeted training for managers and senior leadership and a focus on the impact of bias on decision making (including recruitment decisions).
- 10. Ensuring that learning and career development opportunities are made available to (mainly female) staff who work part-time or flexible hours, thus providing them with equal opportunities to develop long term careers and pursue promotion opportunities within Surrey County Council. This will include the promotion of 'job share' opportunities and working with managers to consider creative ways for staff to continue to work part time whilst in more senior roles.
- 11. The development of an inclusive Career Development Programme, which will provide support to all staff, including those in (predominatly female) lower paid roles to progress their careers within the council.

Reward at SCC

- 12. We continue to use job evaluation and benchmarking data when setting salary ranges for new roles, so that our pay and grading structures are transparent and gender neutral.
- 13. Our annual pay review process continues to be gender-neutral and outcomes automatically applies to all salaries, regardless of sex and gender.
- 14. To support our intersectional approach to diversity and inclusion, we shall be reporting pay gap data by both disability and ethnicity.
- 15. The 2022/23 pay deal agreed within SCC included a deliberate focus on improving the pay of staff on lower pay scales, in response to the cost-of-living challenges. This will support the

further narrowing of the gap, due to the over representation of women in the lowest pay quartile, and of men in the highest.

Leaving SCC

16. Completion and analysis of Exit interview data will help SCC identify the reasons why female staff leave SCC, and what actions can be taken to encourage retention and promotion within the council.

Many of these actions are included in the HM Government Equalities Office paper on <u>Reducing the</u> <u>gender pay gap and improving gender equality in organisations: Evidence-based actions for</u> <u>employers</u>. Additional actions listed in this paper, which are being considered for 2023/24 include:

- Encouraging the uptake of Shared Parental Leave
- Offer networking programmes

The council will continue to work in collaboration with the Women's Staff Network (and others) in agreeing impactful actions to further reduce the pay gap.