

# Gender, Ethnicity and Disability Pay Gap Report 2021-2022

The Royal Borough of Kensington and Chelsea



THE ROYAL BOROUGH OF  
KENSINGTON  
AND CHELSEA

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## **Gender, Ethnicity and Disability Pay Gap Report 2021-22**

### **1. Introduction**

The Council has a statutory requirement to publish details of its gender pay gap by 30 March 2022 to provide the position of the organisation as at 31 March 2021. In addition, we also voluntarily publish ethnicity and disability pay gaps.

This is just one aspect of how the Council uses data to measure how inclusive and diverse we are as an employer. For example, we seek views of staff through regular surveys and analyse the composition of our workforce at different levels to identify the progress we have made and where further action is required. A wide range of activities are delivered through our Equality, Diversity and Inclusion (ED&I) strategy.

The Council has a strategic partnership with Westminster City Council which delivers shared services across a number of functions, including Children's Services and Adult Social Care and Health. Staff working in these shared services are only included in the pay gap report of their employer. This will have more an impact on the figures reported if the majority of managers in a particular service are employed by one partner.

### **2. Headline Figures**

***The differences in the average hourly rates paid to male and female employees between in March 2021 are:***

- The mean average gender pay gap is now 7.6%. This is 0.7% higher than the previous year's figure of 6.9%.
- The median average gender pay gap is now 7.9%. This is 0.5% higher than the previous year's figure of 7.4%.

The main reason for the increase is the transfer of 31 Nursery staff to the Council in October 2020. 28 of these staff were female. Excluding this group of staff, the mean average pay gap is 7.1%.

The most recent data published by the Office for National Statistics (ONS) reported a gender pay gap of 15.4% for the whole of the UK in April 2021.

***The differences between the average hourly rates paid to BAME and White employees in March 2021 are:***

- The mean average ethnicity pay gap is now 12.6%. This is 1.2% lower than the previous year's figure of 13.8%.
- The median average ethnicity pay gap is now 15.2%. This is 3.2% higher than the previous year's figure of 12.3%.

Note: ethnicity data available for 83% of employees in March 2021, compared to 82% the previous year.

The median pay gap increased despite the representation of BAME employees increasing in the upper and upper middle pay quartiles. The reason for the change is the reduction in the number of employees receiving the Travel Allowance (a regular payment included in the pay gap calculation) in March 2021 compared to the previous year due COVID restrictions increasing the numbers of employees working from home.

The higher figure for ethnicity compared to gender is reflective of the position reported by the ONS for the whole of the UK of 23.8% in 2019 (latest data available).

***The differences between the average hourly rates paid to Disabled and Non-disabled employees in March 2021 are:***

- The mean average disability pay gap is -0.6%, as opposed to -0.1% in March 2020.
- The median average disability pay gap is 0% compared to 0.8% in March 2020.

The Council's disability pay gap is significantly lower than those calculated for gender and ethnicity. However, it should be noted the Council's HR system is currently only able to identify those employees who have declared a disability. It does not distinguish between staff who have confirmed they are not disabled, prefer not to state or have not completed the voluntary monitoring questions.

The most recent figure on the disability pay gap published by the ONS was 12.2% for the whole UK in 2018. However, the Trade Union Congress (TUC) recently published a disability pay gap of 16.5% based on research undertaken for the year ending September 2021.

### **3. Background**

The Council is required by law to publish data relating to the Gender Pay Gap, illustrating the pay gap between male and female employees. There is currently no legal requirement to publish Ethnicity and Disability pay gaps. However, the Council has chosen to do so in line with the cross-cutting theme of "narrowing the gap" in the Council Plan, to measure improvements delivered through the ED&I Strategy and the Diversity and Inclusion pillar of Our People strategy. The Council has also committed to be a Race Champion through membership of Business in the Community (BITC) initiative and, as a member of the Business Disability Forum, is actively working towards achieving Level 3 of the national Disability Confident scheme.

The requirements to publish data on gender pay are contained in The Gender Pay Gap Regulations 2017 and specifically for the Public Sector, the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. This is sometimes referred to as being part of the Public Sector Equality Duty.

These regulations apply to all employers with more than 250 employees and it means that employers must publish their pay gap data every year. In the case of public sector organisations this relates to data applicable on the 'snapshot' date of

March 31<sup>st</sup> each year and which must be published by March 30<sup>th</sup> of the following year. This report relates to the snapshot date of 31 March 2021 which must be published by 30<sup>th</sup> March 2022. In addition to the specified data, a link to this report is included on the Government's Gender Pay Gap Reporting website.

Descriptions of the calculations the Council is required to publish on the gender pay gap are contained in Appendix 1. The same method is used for the ethnicity and disability pay gaps.

#### 4. Gender Pay Gap Figures For March 2021

The gender pay gap calculation is based on the number of individual employees who received their full pay on the reference date of 31 March 2021, not the full-time equivalent. This means that each part-time employee counts as one employee. The number of full pay relevant employees included for the RBKC gender pay gap report is 2,306 compared to 2,137 in March 2020.

Annual gender pay gap figures for each year since March 2018 are contained in Appendix 2 for reference.

#### The six gender pay gap metrics for RBKC as at 31 March 2021

1	The mean gender pay gap is <b>7.6%</b>	2	The median gender pay gap is <b>7.9%</b>
3	The mean gender bonus gap is <b>23.4%</b>	4	The median gender bonus gap is <b>55.6%</b>
5	The percentage of male employees receiving a bonus is <b>77.3%</b>	6	The percentage of female employees receiving a bonus is <b>75.6%</b>

#### Gender Pay quartiles percentages 31 March 2021

Band	Males	Females	Description
A	36.6%	63.4%	Includes all employees whose standard hourly rate places them <b>at or below the lower quartile</b>
B	35.9%	64.1%	Includes all employees whose standard hourly rate places them above the lower quartile but <b>at or below the median</b>
C	41.8%	58.2%	Includes all employees whose standard hourly rate places them <b>above the median but at or below the upper quartile</b>
D	47.2%	52.8%	Includes all employees whose standard hourly rate places them <b>above the upper quartile</b>

*Note: 60% of employees included in the March 2021 gender pay gap are female.*

## **Analysis:**

The main reason for the increase in the hourly gender pay gap figures is the transfer of 31 Nursery staff to the Council in October 2020. 28 of these staff were female. Excluding this group of staff, the mean average pay gap is 7.1%. This would have contributed to a slight increase of female employees in the lowest pay quartile (Band A) from 63.0% to 63.4%.

There has also been a small reduction in the proportion of female employees in the upper pay quartile (Band D) which is 52.8% March 2021 compared to 53.7% the previous year.

Compared to the first gender pay gap figures for March 2017, the proportion of women in the highest paid quartile (Band D) of the workforce have increased from 49.2% to 52.8% in March 2021. However, the proportion of women in the second highest pay quartile (Band C) has fallen during the same period from 63.7% to 58.2%. Changes in the workforce are impacted by turnover, which is mostly attributed to recruitment and resignations. Employees also joined our workforce when services are transferred from an external provider into the Council. The most recent transfer of 100 employees into Estate Services in Housing Management will be included in the March 2022 data. The majority of these employees are male.

The bonus figures include the final payments made under the former PRP scheme for employees on Hay grades in respect of the 2019/20 appraisal year. These payments were made in July 2020 so fall within the 12 month period prior to 31 March 2021 for inclusion in these figures. The bonus figures also include a one-off honoraria payment of up to £500 made to 1,200 employees on Green Book terms and conditions in recognition of their contribution to the Council's response to the Covid 19 pandemic during 2020/21. The large number of employees in receipt of this payment has skewed the bonus figures for this period so they are not directly comparable to previous years. This applies to analysis for the ethnicity and disability pay gaps as well as gender.

The equalities impact assessment of the Council's new pay grades that were implemented from 1 April 2021, indicated there could potentially be a positive impact on the gender pay gap in the future.

## **5. Ethnicity Pay Gap Figures For March 2021**

The ethnicity pay gap calculation is based on the number of individual employees whose ethnicity is known and who received their full pay on the reference date of 31 March 2021, not the full-time equivalent. This means that each part-time employee counts as one employee. The number of employees included for the RBKC ethnicity pay gap report is 1,909 (compared to 1,756 the previous year), this is 83% of the relevant employees (i.e. those who have disclosed an ethnicity).

Annual ethnicity pay gap figures for each year since March 2018 are contained in Appendix 3 for reference.

### The six ethnicity pay gap metrics for RBK&C as at 31 March 2021

1	The mean ethnicity pay gap is <b>12.6%</b>	2	The median ethnicity pay gap is <b>15.2%</b>
3	The mean ethnicity bonus gap is <b>26.3%</b>	4	The median ethnicity bonus gap is <b>64.4%</b>
5	The percentage of White employees receiving a bonus is <b>79.1%</b>	6	The percentage of BAME employees receiving a bonus is <b>76.7%</b>

### Ethnicity pay quartiles percentages 31 March 2021

Band	White	BAME	Description
A	48.2%	51.8%	Includes all employees whose ethnicity is known with a standard hourly rate that places them <b>at or below the lower quartile</b>
B	51.6%	48.4%	Includes all employees whose ethnicity is known with a standard hourly rate that places them above the lower quartile but <b>at or below the median</b>
C	61.6%	38.4%	Includes all employees whose ethnicity is known with a standard hourly rate that places them <b>above the median but at or below the upper quartile</b>
D	74.4%	25.6%	Includes all employees whose ethnicity is known with a standard hourly rate that places them <b>above the upper quartile</b>

*Note: 41% of employees included in the March 2021 gender pay gap are BAME. 83% of staff have recorded their ethnicity on the Council's HR system.*

#### Analysis:

The transfer of 31 Nursery staff to the Council in October 2020 had no impact on the ethnicity pay gap, this is because only 2 of this group have recorded their ethnicity on the HR system.

The two measures of the hourly ethnicity pay gap have moved in different directions over the last year. The difference in the mean average hourly rate decreased to 12.6% from 13.8% whereas the median average increased to 15.2% from 12.3%.

The reason for the increase in the median hourly ethnicity pay gap is the reduction in Travel Allowance payments to employees. This is a result of fewer employees claiming the allowance due to working from home due to COVID restrictions. In March 2021, 328 employees whose ethnicity is known had a lower hourly rate of pay compared to the previous year and were receiving a lower amount or no Travel Allowance. 44% of these employees were from BAME groups compared to 41% in the pay gap data.

The Travel Allowance can be claimed by employees who use public transport to travel to work. Due to increased homeworking fewer employees were incurring travel costs so were not eligible to receive the allowance at that time.

A positive change is the improvement in representation of employees from BAME groups in the highest two pay quartiles. In the upper pay quartile (Band D), representation of BAME employees increased to 25.6% from 23.9% and to 38.4% from 35.5% in the upper middle pay quartile (Band C).

Compared to the first ethnicity pay gap figures for March 2018, the proportion of BAME employees in the highest paid quartile (Band D) of the workforce have increased from 22.5% to 25.6% in March 2021. The upper middle quartile has also increased from 30.1% to 38.4%.

The equalities impact assessment of the Council's new pay grades that were implemented from 1 April 2021, indicated there could potentially be a positive impact for some ethnic groups.

## 6. Disability Pay Gap

The disability pay gap calculation is based on the number of individual employees who received their full pay on the reference date of 31 March 2021, not the full-time equivalent. This means that each part-time employee counts as one employee. The number of employees included for the RBKC disability pay gap report is 2,306, of which 217 have recorded a disability on the HR system.

### The six disability pay gap metrics for RBK&C as at 31 March 2021

1	The mean disability pay gap is <b>-0.6%</b>	2	The median disability pay gap is <b>0%</b>
3	The mean disability bonus gap is <b>-0.4%</b>	4	The median ethnicity bonus gap is <b>0%</b>
5	The percentage of disabled employees receiving a bonus is <b>85.9%</b>	6	The percentage of non-disabled employees receiving a bonus is <b>75.4%</b>

## Disability pay quartiles percentages 31 March 2021

Band	Not declared a disability	Have declared a disability	Description
A	91.8%	8.2%	Includes all employees with a standard hourly rate that places them <b>at or below the lower quartile</b>
B	89%	11%	Includes all employees with a standard hourly rate that places them above the lower quartile but <b>at or below the median</b>
C	90.2%	9.8%	Includes all employees with a standard hourly rate that places them <b>above the median but at or below the upper quartile</b>
D	91.1%	8.9%	Includes all employees with a standard hourly rate that places them <b>above the upper quartile</b>

*Note: 9.4% of employees included in the March 2021 disability pay gap have recorded a disability on the HR system.*

Both measures of the hourly disability pay gap have improved in March 2021 compared to March 2020. The difference in the mean average hourly rate decreased to -0.6% from -0.1% (disabled employees paid more) and the median difference decreased to 0.0% from 0.8% (disabled and non-disabled employees paid the same).

The representation of disabled employees in the highest two pay quartiles also show an increase. In the upper pay quartile (Band D), representation of disabled employees increased to 8.9% from 8.2% and to 9.8% from 9.6% in the upper middle pay quartile (Band C).

The equalities impact assessment of the Council's new pay grades that were implemented from 1 April 2021 indicated there could potentially be some positive impacts for disabled employees.

## 7. ED&I Approaches That Contribute To Reducing Pay Gaps

Maintaining momentum in reducing both our gender and ethnicity pay gaps is a strategic priority for the Council.

We recognise that pay gaps are largely a consequence of relative demographic distributions at different levels (pay grades) within an organisation and reflect wider



and long-standing societal issues of inequality and limited access to opportunities for some groups - in particular, women and those from minority ethnic backgrounds or heritage.

Increasing diversity at senior levels to address this, and to better reflect the communities we serve amongst our strategic decision makers, is a core part of our wider Equality, Diversity and Inclusion Strategy.

Our work during 2021/22 to achieve this aim, through reviewing related policies and practice and by creating a workplace where everyone feels supported to fulfil their potential and has equal access to development opportunities, is outlined below.

## 7.1 Strategy and governance

**Strategic direction:** Two workforce ED&I objectives have been in place since 2019. These reflect our determination to increase workforce diversity- particularly at senior level, and to create a fully inclusive working environment. Together they shape and underpin all our activity.

### This year:

- Our two ED&I workforce objectives were publicly reinforced by publishing them in the Council's ED&I Strategy which was signed off in May 2021. Copy of this strategy is available [here](#).

**Governance** - Our corporate Equalities Board is chaired by our Chief Executive Barry Quirk. It sets strategic direction and ensures oversight of ED&I work across the Council. Progress in delivering set priorities continues to be reported monthly.

### This year:

- A range of Employee Network Group representatives have been invited to sit on and participate in Board activities, alongside executive colleagues.

**Performance assessment** - Last year we reported that Business in the Community had conducted a comprehensive ED&I Audit of our employment activities and that its key recommendations informed our 2020 – 2022 ED&I Action Plan. These continue to shape our planned approach to delivery.

### This year:

- The Council volunteered to be peer reviewed by Local Government Association (LGA) colleagues. The review looked at all aspects of ED&I including assessing our workforce diversity and levels of engagement.
- Recommendations from the review have since been included in our updated ED&I Action Plan and will further inform our work during 2022/23.

## 7.2 Leadership and accountability

**Accountability** - last year we reported that our chief executive Barry Quirk had taken the role of executive sponsor for ED&I.

### **This year:**

- Each member of Executive Management Team has taken on a diversity strand sponsorship role. Since August 2021 they have been active in supporting relevant ED&I Employee Networks and highlighting issues.

**Public commitments:** Last year, the Council signed Business in the Community's *Race at Work Charter*, which commits us to advance race equality at work, including by actively supporting the progression of minority ethnic employees.

### **This year:**

- We asked employees to participate in Business in the Community's and YouGov's *Race at Work Survey* and commissioned an organisation specific report for RBKC. Findings will be used to shape actions to help increase progression (and senior level representation) for minority ethnic employees.
- We are also working with the Business Disability Forum to support our work to achieve level 3 of the UK's national Disability Confident Standard.

## **7.3 Recruitment and selection**

**Recruiting inclusively:** Last year we reported on the introduction of our new *Inclusive Recruitment Approach*. In January 2020, we introduced requirements for:

- a. Diverse recruitment panels - to be used for all roles above Team Leader or equivalent levels, where data shows minority ethnic representation dips
- b. Inclusive Recruitment Training - mandatory for all hiring managers
- c. Diverse Shortlists - also for all roles above Team Leader or equivalent levels

Data showed us that our primary focus should be on gender and ethnicity. We committed to monitor progress and report on that after one year (see below).

To support the new approach, we set up a corporate Inclusive Panel Pool. We now have 35 colleagues from diverse backgrounds who actively contribute to end to end recruitment campaigns.

From a Pay Gap reduction perspective, the requirement for gender balanced shortlists aims to increase female representation in more senior (higher salaried) roles, as well as encourage greater male representation in more junior (lower salaried) roles. Recalibration of the demographic balance at both ends of the salary scale will help to accelerate closing the gender pay gap. For ethnicity, the focus is on increasing representation in senior (higher salaried) roles.

### **This year:**

- We have monitored implementation and evaluated the outcomes of the new recruitment approach in a progress report. There have been a total of 474 recruitment campaigns since the approach was introduced for all posts with a salary of over £36k per annum. 29% used an Inclusive Panel Member (IPM). Further training and communications highlighting the benefits to managers will be scheduled to increase this figure.

- Of the new starters between 1 February 2021 and 31 January 2022 on a salary over £36K, 53% were female and 47% of those who disclosed their ethnicity were from a BAME group. During the same period, of promotions and secondments of existing employees at this level, 67% were female and 49% of those who disclosed their ethnicity were from a BAME group.
- We have developed a new Secondments Policy. A key aim has been to ensure line managers open up opportunities to internal talent - with a focus on increasing temporary development opportunities for diverse talent. This has been developed (in part) following feedback from our Employee Network Groups, and because evidence shows secondments to be key in supporting career development and movement into more senior permanent roles.

**Driving entry level diversity:** Last year we reported on how restricting applications to our apprenticeship programme to those within our local communities helped increase diversity. 70% of the intake (who disclosed ethnicity) were from a minority ethnic background and the gender balance was virtually 50:50

**This year:**

- The gender balance in 2020/21 remained at 50:50 and 70% of the in-take who declared their ethnicity were from a minority ethnic backgrounds, unchanged from 2019/20.

#### **7.4 Progression and development**

**Data** – Last year we reported on improved employee data collection and usage for ethnicity. This informed development of our new Recruitment Approach (see 7.3).

**This year:**

- We have improved the granularity of reporting further. We are using this to inform the design of targeted development opportunities for groups that are underrepresented at senior levels (see below).
- We are participating in Business in the Community's cross organisational Mentoring Circles initiative. 13 minority ethnic employees who work at levels underrepresented at senior levels will be taking part from January 2022.
- We are also designing a tailored mentoring and development programme as a positive action initiative that will target minority ethnic colleagues who are working at levels where data shows there under representation (see below).
- We have set up a Reciprocal Mentoring Scheme. This pairs directors with more junior diverse colleagues. The primary aims are to facilitate inclusive learning and understanding of differing lived experiences amongst senior leaders, and to support the acquisition of social and organisational capital (such as the development of key work relationships, corporate navigation skills and networking opportunities) for more junior employees, to aid their career development longer term.

In addition, we continue to provide mentoring opportunities for all employees and particularly encourage women to get involved.

**Learning and development** – Following our review of ED&I related training last year and in response to ED&I Audit findings, we procured new training in consultation with our Employee Network groups.

**This year:**

- We have been rolling out face to face (virtual) mandatory Unconscious Bias training to all employees along with ED&I and Cultural Awareness training (mandatory for new starters). Avoiding bias in recruitment and in performance management processes are key aspects.

## **7.5 Employee engagement and insights**

**Employee Network Groups** - Last year, we reported on the establishment of three new Employee Network Groups: a Race Equality Network; a Disability Network and an LGBTQ+ Network. These complement our existing ED&I Network and a smaller Young Officers' Network. Through the networks we actively consult with and seek the views of diverse colleagues. For example, we worked with the Race Equality Network to help shape our inclusive recruitment approach and with the ED&I Network to assist in procuring new ED&I training.

**This year:**

- We are facilitating the development of two further Employee Network Groups: New and Expectant Parents (see 7.6) and (potentially) a Gender Network

**Qualitative research** – last year we reported on our first demographic analysis of our annual employee engagement survey and how we then used the findings to run focus groups with different employee communities, to unpick issues and develop ideas to advance ED&I. One key theme was access to internal development opportunities. Ideas gathered at those session have informed our decisions on targeted development activities and plans (see 7.4).

**This year:**

- We have completed a similar analysis. We are working with our Employee Network Groups to examine findings and use them to inform action.

## **7.6 Life balance and flexible working**

**Flexible working** - Last year we reported being assessed as excellent for Life-balance in the 2020 BITC Audit of our employment practice.

Having flexible working policies in place and upskilling our managers to supervise and support flexible working, assisted the Council to quickly adapt to the new ways of working required due to the Covid-19 crisis during both 2020 and 2021. More broadly it also provides an attractive employee proposition for a range of groups including women as primary child carers.

**This year:**

- We have introduced a Disabled and/or Working Carers' Passport policy, to further support those who need workplace adjustments including flexible

working arrangements, to ensure they can do their job effectively whilst maintaining a healthy work-life balance. This was informed by ideas from representative employee focus groups (see 7.5).

**Family friendly policies** – Last year we referenced aspects of our family friendly policies that support women returning from maternity leave who are keen to pursue career development and progression, but may need to work differently.

**This year:**

- Following a Council Wider Pay and Grading Review (see 7.7 below) we have enhanced our family friendly policies and improved paid maternity, paternity and carers leave.
- We have also been working with employees across the business to set up a New and Expectant Parents' Networks. This will, in part, seek to identify best practice and innovative ideas that can further support parents (particularly women) and/or help minimise potential impacts on career progression due to the competing priorities inherent in new parenthood. We held our first consultation session in January to inform its development.

## **7.7 Pay and reward**

**Commitment to examining and addressing pay gaps** – the Council's broader approach to achieving balance and equality in pay and reward is reflected in our on-going commitment to go beyond gender pay gap analysis to voluntarily examine and publish information on ethnicity and disability.

**This year:**

- The Council undertook a **pay and grading review** during 2020/21. From 1 April 2021, a single pay structure was introduced that reduced the number of grades from over 50 to 15 to achieve greater equity and transparency.
- This also resulted in the end of the PRP scheme for the highest paid half of the workforce and improvements in paid maternity, paternity and carers leave offered to our workforce and an increase in the minimum annual leave entitlement for our lowest grades to 28 days from 23 days. Employees also receive paid leave for 8 bank holidays a year.
- The lowest 3 spine points of the pay scale were also removed, which mean that, excluding apprentices, our lowest paid employee will receive at least £1 per hour more than the London Living Wage.

The impact of the pay and grading review will be reflected in the next statutory reporting period for March 2022.

**Monthly payroll checks** are undertaken to ensure changes in pay are in line with our guidance on salaries for new appointments and promotions. Any changes outside of the limits of the guidance are reported to Executive Directors and corrections made if a business case is not approved by the Director for HR&OD.

## 8. Update On Specific Commitments In Last Year's Report

Last year we said we would identify specific actions to help eliminate pay gaps and ensure equal pay. These were:

- **Recruitment**

**We said we would:** *sign up to the Local Government Association's (LGA's) Returners' Programme which encourages and supports people (in particular women) to return to work and progress careers after taking a break.*

**Progress during 2021:** The Council signed up to the LGA Returners programme in Jan 2021 to work with career returners in Legal, IT and Social Work sectors. RBKC worked with the LGA to resource to a wide range of advertised positions in each sector. Unfortunately, this did not result in any applications due to the low number of participants in the London region. RBKC will continue to work with the LGA on future returners programmes to increase career returners.

- **Progression**

**We said we would:** *develop positive action interventions to support the development and progression of minority ethnic groups, where data shows we have underrepresentation at senior levels and in key senior level 'feeder' roles.*

**Progress during 2021:** 13 minority ethnic employees were recruited on to the BITC mentoring Circles initiative during 2021, which starts in January 2022. We have set up a Reciprocal Mentoring scheme and are developing a Mentoring and Development positive action initiative for minority ethnic employees to start by end March 2022. (See also 7.4)

**We said we would:** *be reviewing our performance management framework and would carry out an equality impact assessment as part of that.*

**Progress during 2021:** The re-development of our Performance Development (PDR) Review framework included a review of its underlying principles and purpose along with how we support and promote it and ensure ED&I is integral to it. A detailed equality impact assessment, which was informed heavily by employee insights and data, was conducted to:

-ensure equality and fairness was built into the process and any potential for unconscious bias during the assessment minimised

-shift the emphasis from annual, disconnected, targets driven events to a more holistic and employee centred approach, with regular conversations throughout the year and an emphasis on developing career potential as well as managing performance

-encourage and support greater and consistent adoption of the PDR process through reducing bureaucracy and developing mandatory training, to build confidence and competence of those assessing as well as those being assessed

- **Ongoing assessment**

**We said we would:** *adopt the Equality Framework for Local Government (EFLG), which is designed (in part) to help Councils' employ and retain a diverse workforce and to provide equality of opportunity for all employees.*

**Progress during 2021:** The Council has adopted the Equalities Framework for Local Government and has started to work toward it, including in relation to workforce. As a precursor to this ongoing work, we underwent an LGA Peer Review during 2021, which has established a baseline and recommendations which we have adopted. (See also 7.1)

- **Learning and development**

**We said we would:** *be running new equality impact assessment training.*

**Progress during 2021:** This was developed and delivered to all HR team leaders and has been opened up to other Council employees - on demand.

**We said we would:** *roll out new face to face mandatory Unconscious Bias training; mandatory ED&I Awareness training and Cultural Awareness training during 2021.*

**Progress during 2021:** Over 8 months, (by December 2021), we had delivered mandatory Unconscious Bias training to almost 30% of our workforce (of around 2,400 employees). We had also delivered ED&I and Cultural Awareness training - which is mandatory for new starters - to 170 employees since May 2021.

**We said we would:** *develop further Inclusive Leadership training for our senior leadership teams across the Council.*

**Progress during 2021:** a detailed proposal for further Inclusive Leadership training for our most senior is currently being considered by the CEO and Director HR and Organisational Development.

- **Life balance and flexible working**

**We said we would:** *conduct a review of our ways of working, to continue to build on existing good practice around flexible working and remain alert and responsive to the needs of different groups of employees as we move increasingly to different ways of working due to Covid-19.*

**Progress during 2021:** We have introduced a hybrid working model that is based on the needs of service delivery. Whilst there is greater flexibility for homeworking, employees in front line services are based predominantly working from one of the Council's offices. Other employees are required to spend a minimum 50% of their time in the office and the remainder working from home.

- **Employee engagement/ insights**

**We said we would:** *continue to work in partnership with our employee network groups and recognised Trades Unions, to ensure diverse opinions and views feed into the design and development of our work and to explore together how employee insights gathered during 2020 could shape our planned work on progression and continue to build greater inclusion.*

**Progress during 2021:** We ran a series of focus groups with representative communities of employees, following the demographic analysis of our annual employee engagement survey last year. The analysis was also shared with our Employee Network groups. Outputs of the session have been used in practical ways to develop policy and process (see also 7.5)

- **Pay and Reward**

**Specific actions this year include:**

**Analysing gender, ethnicity and disability as part of monitoring honoraria payments.**

For the period April to November 2021, this showed that 59% of employees receiving regular honoraria payments were female which is proportionate to their representation in the workforce and they received an average of £271 a month compared to £256 received by males.

Employees from BAME groups received an average of £252 per month, which is slightly higher than the average for White employees of £248. However, only 20% of employees receiving a regular honoraria payment are from BAME groups which is approximately half the level of representation in the workforce.

Disabled employees received an average of £255 per month, which is slightly less than the average for non-disabled employees of £266 whilst the number receiving payments were proportionate to representation of disabled employees in the overall workforce.

The consistency of amounts paid on a regular basis was not observed when reviewing the one-off honoraria payments to female employees and those from BAME groups. This is due to the range of payments made against this wage type which includes pay for out of hours on call duties and pay for social workers for completing work related to student placements and well as one-off payments recognising a significant amount of work that has been completed by an employee in additional to their normal duties. Further work will be undertaken during 2022/23 to address this.

**Assessing the impact overtime claims have on our gaps.**

Overtime claimed by employees is excluded from the statutory pay gap calculations yet it can make up a considerable part of earnings for some employees.

This showed that the proportion of employees claiming overtime is evenly distributed with regards to gender and disability. However, a far higher proportion of employees from BAME groups (13.8%) claimed overtime compared to White employees (6.8%). If taken into account when measuring the hourly pay gaps, the mean ethnicity pay gap would reduce by 0.3% and the median by 0.9%.



- **Disability Pay Gap**

**This year we have also:**

**Fully assessed our Disability Pay Gap**

Following on from publishing the difference in hourly rates of pay between disabled and non-disabled staff for the first-time last year, we have now a full analysis our Disability Pay Gap for March 2021 and included March 2020 so we could measure our direction of travel.

Our disability pay gap measures are positive and much smaller than our gender and ethnicity pay gaps.

**9. Looking Ahead: 2022 - 2023**

Our proposed work programme is influenced by and responds to what our improved data sets and analyses show us (including employee insights and feedback); our existing ED&I Strategy commitments and actions and recommendations from the 2021 LGA Peer review.

Below are some of the actions we will be taking to advance ED&I during 2022. A primary aim is to change our workforce demographic profile over time and thereby help to reduce our Pay Gaps.

- **Recruitment**

**We will** review and act on the (one year on) Inclusive Recruitment Report findings to make improvements / enhance the current policy and its implementation.

**We will** seek to improve the quality of recruitment data we have can access, to monitor different stages of the recruitment process and where disproportionate attrition might occur for different groups.

**We will** develop a resource pack for all employees that raises awareness and clarifies where and how to access information to support career development via internal recruitment and development processes.

- **Progression**

**We will** deliver the three proposed/ scheduled targeted development interventions (see 7.4) aimed at supporting the development and progression of diverse groups.

- **Ongoing assessment**

**We will** work to progress within the Equality Framework for Local Government (EFLG) and respond specifically to LFA Peer Review feedback which included:

- Improving communication (reach/consistency) of ED&I related policies and activities
- Monitoring the impact of our proposed progression initiatives, to maximise benefits
- Developing a fully inclusive workplace for Disabled colleagues, to support retention
- Increasing senior level role modelling of ED&I, to support an inclusive environment where all employees feel safe to speak up

- **Learning and development**

**We will** commission and run two new ED&I related training offerings: Bystander training (to support greater inclusion at work) and Disability Equality training to help ensure Disabled colleagues feel included and are fully supported to work effectively, develop, progress and thrive across the Council.

**We will** continue to monitor take up of our mandatory ED&I related courses.

**We will** deliver the proposed Inclusive Leadership training for our senior leaders.

- **Employee engagement/ insights**

**We will** work with our employee network groups and recognised Trades Unions to explore key findings from our Employee Engagement and the *Race at Work Survey*. We will use those to shape work on progression and to continue to build inclusion.

- **Pay and Reward**

**We will** implement updated pay guidance to help ensure consistency of pay related decisions and inform staff of their entitlements.

**We will** introduce guidance for managers on writing job descriptions and person specifications to reinforce the need for inclusivity with regards to language and selection criteria that must be met to be appointed.

**We will** carry out an audit of all shift allowances, weekend working enhancements and other payments received by employees who work outside of normal office hours to ensure the amounts received accurately reflect their pattern of work.

**We will** identify and review one-off honoraria payments to employees for being on call at nights, weekends and public holidays to ensure equity of payments being claimed.

## Appendix 1: Description of Data Calculations for Publication

The Gender Pay Gap Regulations specify the measures that need to be published. They are:

1. average gender pay gap as a mean average
2. average gender pay gap as a median average
3. average bonus gender pay gap as a mean average
4. average bonus gender pay gap as a median average
5. proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
6. proportion of males and females when divided into four groups ordered from lowest to highest pay.

Certain payments made by the Council are treated by the Gender Pay Gap Regulations as bonuses. This includes one-off payments made under the performance related pay scheme, long-service awards and one-off honoraria payments.

The Council will publish the same information for the ethnicity pay gap. The definitions for the above measures are set out below:

**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 employees. To calculate the mean (which is an average of all the numbers in a dataset), all the numbers are added up and then divided by the result of how many numbers there are in total.

**Median Gender Pay Gap** - The difference between the median hourly rate of pay of male full-pay relevant employees and that for female full-pay relevant employees. To calculate the median, the numerical value is identified which splits the top 50% and the bottom 50%. To find the median, all the hourly rates for all employees will be listed in numerical order; if there are an odd number of values, the median is the number in the middle. If there is an even number, the median is the mean of the two central numbers.

### **Mean Bonus Gender Pay Gap**

The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

### **Median Bonus Gender Pay Gap**

The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.

### **Bonus Proportions**

The proportions of male and female relevant employees who were paid bonus pay in the relevant period.

### **Quartile Pay Bands – Four Groups**

The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands. A quartile is one of the three points that divide the population of data into 4 equal parts. In the context of gender

pay gap reporting, the four quartile pay bands are created by dividing the total number of full-pay relevant employee into four equal parts.

The same methods will be used to calculate the difference between the pay of Black and Minority Ethnic (BAME) employees and White employees.

## Appendix 2: Gender Pay Gap Figures March 2017 to 2021

The tables in this appendix show the annual statutory gender pay measures for the Council from 2017 to 2021. They also include the mean and median averages for hourly rates of pay and value of bonuses paid to men and women.

The percentage difference in mean pay between males and females			The percentage difference in median pay between males and females			
Year	Mean Male	Mean Female	% Difference	Median Male	Median Female	% Difference
2021	£23.64	£21.84	7.6%	£21.61	£19.90	7.9%
2020	£23.20	£21.60	6.9%	£21.26	£19.69	7.4%
2019	£23.00	£21.48	6.6%	£21.17	£19.73	6.8%
2018	£22.70	£20.91	7.9%	£20.97	£19.37	7.6%

  

The percentage difference in mean bonus pay between males and females			The percentage difference in median bonus pay between males and females			The proportion of males and females receiving a bonus		
Year	Bonus Mean Male	Bonus Mean Female	% Difference	Bonus Median Male	Bonus Median Female	% Difference	Bonus Received Male	Bonus Received Female
2021	£2,096	£1,605	23.4%	£1,125	£500	55.6%	77.3%	75.6%
2020	£3,006	£2,487	17.3%	£2,225	£2,147	3.5%	42.2%	31.1%
2019	£2,585	£2,177	15.8%	£2,163	£2,070	4.3%	38.0%	29.8%
2018	£2,839	£2,293	19.2%	£2,250	£2,065	8.2%	37.6%	27.2%

*Note: bonus figures for 2021 impacted by one off honoraria payment to Green Book grades in recognition of COVID which falls within definition of bonus.*

The proportion of males and female employees in quartile bands								
Year	Upper Quartile Male	Upper Quartile Female	Upper Middle Quartile Men	Upper Middle Quartile Female	Lower Middle Quartile Men	Lower Middle Quartile Female	Lower Quartile Male	Lower Quartile Female
2021	47.2	52.8	41.8	58.2	35.9	64.1	36.6	63.4
2020	46.3	53.7	41.9	58.1	34.1	65.9	37.0	63.0
2019	45.6	54.4	41.1	58.9	38.8	61.2	34.9	65.1
2018	47.4	52.6	39.9	60.1	36.7	63.3	33.8	66.2

### Appendix 3: Ethnicity Pay Gap Figures March 2018 to 2021

The tables in this appendix show the annual ethnicity pay measures for the Council from 2018 to 2021. They also include the mean and median averages for hourly rates of pay and value of bonuses paid to white and BAME employees.

Year	The percentage difference in mean pay between White and BAME			The percentage difference in median pay between White and BAME		
	Mean White	Mean BAME	% Difference	Median White	Median BAME	% Difference
2021	£24.04	£21.00	12.6%	£22.57	£19.14	15.2%
<i>Ethnicity data available on 83% of employees March 2021</i>						
2020	£23.69	£20.42	13.8%	£22.07	£19.35	12.3%
<i>Ethnicity data available on 82% of employees March 2020</i>						
2019	£22.92	£20.21	11.8%	£21.64	£18.98	12.3%
<i>Ethnicity data available on 65% of employees March 2020</i>						
2018	£22.34	£19.53	12.6%	£21.62	£18.60	14.0%
<i>Ethnicity data available on 68% of employees March 2019</i>						

  

Year	The percentage difference in mean bonus pay between White and BAME			The percentage difference in median bonus pay between White and BAME			The proportion of White and BAME receiving a bonus	
	Bonus Mean White	Bonus Mean BAME	% Difference	Bonus Median White	Bonus Median BAME	% Difference	Bonus Received White	Bonus Received BAME
2021	£2,108	£1,554	26.3%	£1,404	£500	64.4%	79.1%	76.7%
2020	£2,885	£2,463	14.6%	£2,280	£2,103	7.8%	43.6%	28.6%
2019	£2,487	£2,130	14.4%	£2,180	£2,070	5.0%	46.6%	30.3%
2018	£2,509	£2,155	14.1%	£2,191	£2,045	6.7%	44.2%	25.5%

**Note: bonus figures for 2021 impacted by one off honoraria payment to Green Book grades in recognition of COVID which falls within definition of bonus.**

Year	The proportion of White and BAME employees in quartile bands							
	Upper Quartile White	Upper Quartile BAME	Upper Middle Quartile White	Upper Middle Quartile BAME	Lower Middle Quartile White	Lower Middle Quartile BAME	Lower Quartile White	Lower Quartile BAME
2021	74.4	25.6	61.6	38.4	51.6	48.4	48.2	51.8
2020	76.1	23.9	64.5	35.5	54.4	45.6	46.9	53.1
2019	76.3	23.7	67.9	32.1	57.2	42.8	52.0	48.0
2018	77.5	22.5	69.9	30.1	58.6	41.4	49.1	50.9

## Appendix 4: Disability Pay Gap Figures March 2020 to 2021

The tables in this appendix show the annual disability pay measures for the Council from 2018 to 2021. They also include the mean and median averages for hourly rates of pay and value of bonuses paid to white and BAME employees.

		The percentage difference in mean pay between employees who have and have not declared a disability			The percentage difference in median pay between employees who have and have not declared a disability		
Year	Have not declared a disability	Have declared a disability	% Difference	Have not declared a disability	Have declared a disability	% Difference	
2021	£22.52	£22.66	-0.6%	£20.55	£20.55	0.0%	
2020	£22.05	£22.07	-0.1%	£20.37	£20.20	0.8%	

  

		The percentage difference in mean bonus pay between employees who have and have not declared a disability			The percentage difference in median bonus pay between employees who have and have not declared a disability			The proportion of employees who have and have not declared a disability receiving a bonus	
Year	Mean Bonus: Have not declared a disability	Mean Bonus: Have declared a disability	% Difference	Median Bonus: Have not declared a disability	Median Bonus: Have declared a disability	% Difference	Have not declared a disability	Have declared a disability	
2021	£1,799	£1,807	-0.4%	£500	£500	0.0%	75.4%	85.9%	
2020	£2,723	£2,748	-0.9%	£2,200	£1,985	9.8%	35.0%	39.1%	

*Note: bonus figures for 2021 impacted by one off honoraria payment to Green Book grades in recognition of COVID which falls within definition of bonus.*

The proportion of employees who have declared and not declared a disability in quartile bands								
Year	Upper Quartile: Have not declared a disability	Upper Quartile: Have declared a disability	Upper Middle Quartile: Have not declared a disability	Upper Middle Quartile: Have declared a disability	Lower Middle Quartile: Have not declared a disability	Lower Middle Quartile: Have declared a disability	Lower Quartile: Have not declared a disability	Lower Quartile: Have declared a disability
2021	91.1	8.9	90.2	9.8	89.0	11.0	91.8	8.2
2020	91.8	8.2	90.4	9.6	91.0	9.0	89.9	10.1