

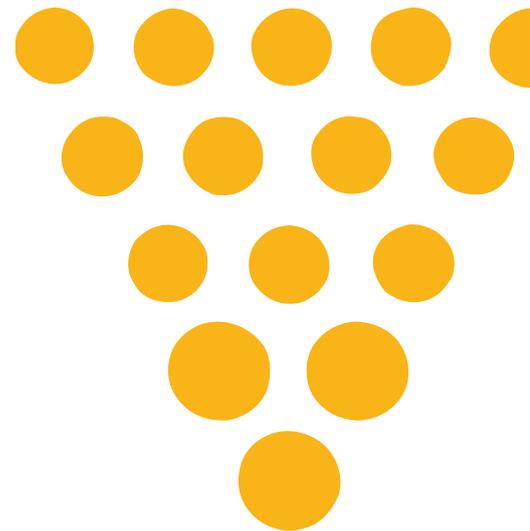


**CORNWALL**  
**COUNCIL**  
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# Gender Pay Reporting Statement

March 2019

(based on data from 31 March 2018)



# Introduction

## Kate Kennally, Chief Executive

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The introduction of gender pay gap reporting is a welcome development for gender equality and a positive step for diversity at work. Reducing the gender pay gap is one of the Council's Equality Objectives for 2018 – 2022 which take account of the Council's wider responsibilities to further inclusion, equality and diversity. The workforce aspects of the objectives include actions related to other protected characteristics. Diversity, equality and fairness underpin Cornwall Council's employment proposition, and as the Chief Executive of Cornwall Council, it is vital to me that employees are treated fairly at work. These are important values in their own right, and directly affect our ability to attract and retain talented people, to provide opportunity to people from all walks of life, and impact residents' experiences of our services.



We know that in some areas across the organisation we have a higher proportion of men in higher paid roles than women, and that we have a higher proportion of women in lower paid roles. Addressing this imbalance cannot be achieved over-night; it will take time to understand the many factors that affect the balance of genders in different parts of our workforce and bring about positive sustainable change.

Cornwall Council already offers shared parental leave, flexible working and job shares, yet more needs to be done. That's why myself, and the Council Leadership Team, are committed to take action to ensure that we are seen as an employer of choice by all current and future employees.

### Examples of work that has commenced to reduce the gap:

- **To fully understand why a gender pay gap exists**, we ran a number of workshops with staff and stakeholders to identify the causes and start to think about possible solutions to reduce the gap. These sessions have contributed to a greater awareness across the organisation.
- We **have analysed our workforce data** to better understand the reasons for our gap, and to help target actions in response.
- We **have raised awareness of the gender pay gap with leadership teams** across the Council's different services and started a discussion about possible changes to reduce gaps.
- We are running a **'Women in Leadership' pilot to support women in senior leadership roles**. This forum enables women in senior leadership roles to be able to share experiences, ideas and support to build confidence in the workplace for women across the organisation.
- We are undertaking a **fundamental review of pay and terms and conditions**, though we have already reformed certain pay policies relating to additional duties and salary progression to give clearer guidance for manager decision-making.

- Our pilot **Culture and Values Assessment across the Customer and Support Services Directorate is driving culture change**. It is anticipated that by changing our current culture we can address some of the issues that contribute to our gap. We are looking to extend this process across the organisation.
- Our **Fire Service has undertaken Positive Action initiatives, such as information sessions for under-represented groups** to encourage and support women within fire roles. We plan to share this good practice across the Council.

## Main report

### What is the Gender Pay Gap?

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Introduced in April 2017, government legislation requires all employers of 250 or more employees to publish their gender pay gap. Gender pay gap is not the same as equal pay, though linked; they remain separate and use different measures:

- **Equal Pay** – The statutory right for men and women to be paid the same for completing work of equal value. The Council has policies in place and is an Equal Pay employer.
- **Gender Pay Gap** – A measure of the average earnings between all men and all women within an organisation.

As a result, the gender pay gap is affected by how the workforce is made up, and not due to unequal pay. It is affected by the numbers of men and women in different types of jobs and at different levels of seniority.

### Reporting requirements

**Gender Pay Gap** – The difference between the median, and mean, hourly rate of pay for men and women, based on a snapshot on 31 March 2018.

**Quartile Pay Bands** – Putting the combined workforce in order of hourly rate of pay and then splitting them into four groups of equal size, or *quartiles* (lower, lower middle, upper middle, and upper), provides the proportions of men and women in each of the four groups.

**Gender Bonus Gap** – The difference between the median, and mean, value of bonus pay received by men and women over the 12 months period to 31 March 2018.

**Bonus Proportions** – The proportion of men and women receiving bonus pay during the 12 months to 31 March 2018. For ACAS (2017), bonus payments include “profit sharing, productivity, performance, incentive and commission”. This definition has guided our data for this requirement.

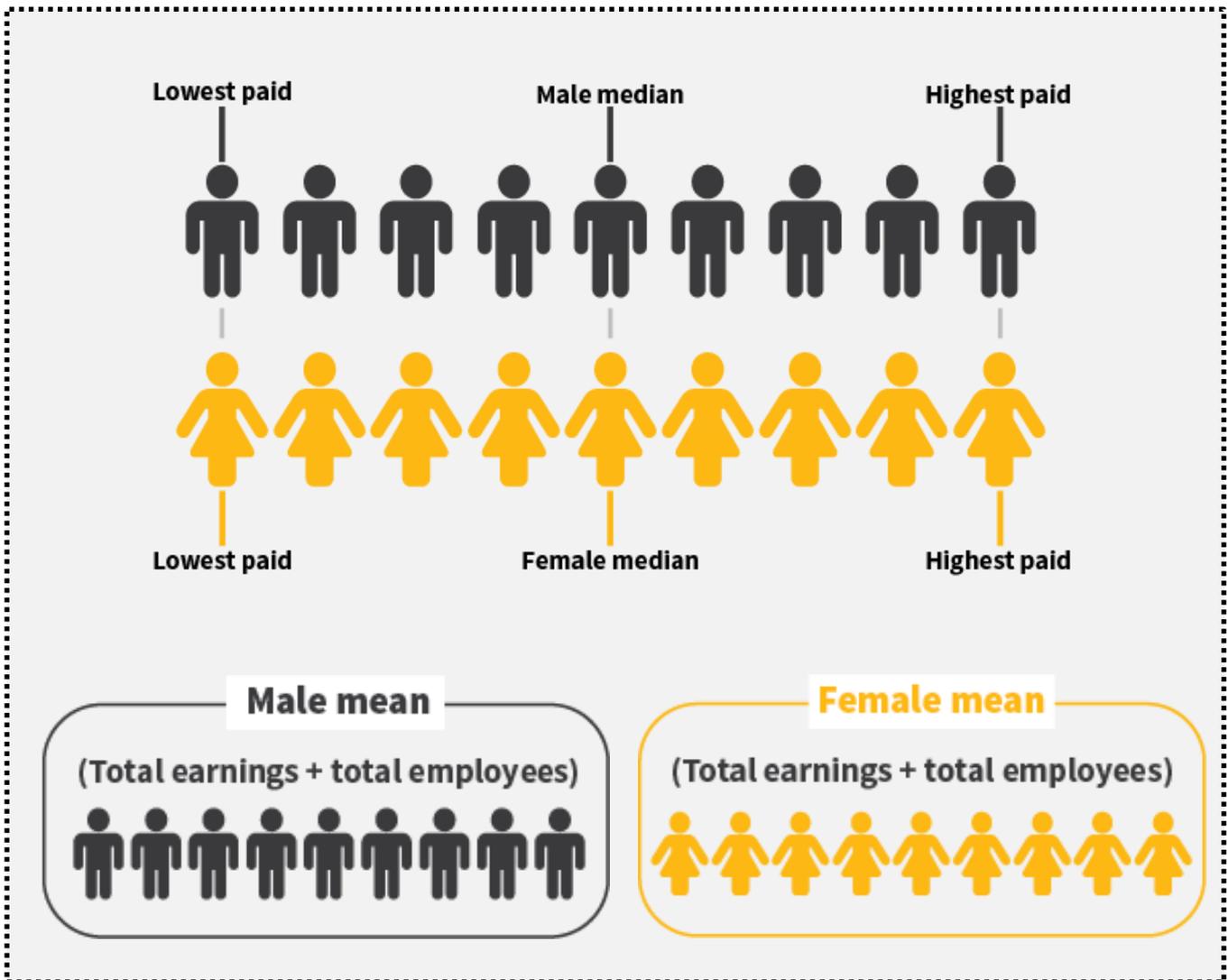
### Median and mean

The legislation requires average hourly pay to be calculated in two separate ways.

**Median** – Having lined up all women in order of pay, taking the middle value gives the median. This is repeated for men. The two values are compared giving the median gender pay gap.

**Mean** – The total earnings for all women is combined and divided by the number of women. This is repeated for the men. The two values are compared giving the mean gender pay gap.

See diagrams for illustration.



## Our current Gender Pay Gap

According to the Office for National Statistics (ONS), the overall UK median gender pay gap is 17.9%, and 17.1% for mean (as at October 2018). Below are the gender pay gap figures for Cornwall Council which is reported in line with central government regulations. The data below excludes the Council’s Group of Companies, which are separate employers and publish their results separately. Schools are also deemed separate for the purposes of Gender Pay Reporting, and therefore, employees based in local authority maintained schools are not included within our data.

As at the 31<sup>st</sup> March 2018, the Council’s workforce comprised of **5,326** employees. Of this, **3,438** were women and **1,888** were men.

The Council has moved away from a system of time-served incremental progression within pay ranges. This has been replaced with ‘contribution related pay’ whereby each employee’s contribution is assessed to decide whether or not their salary increases within the salary range for their role. This system reinforces the importance the Council places on what employees achieve and how they work for the benefit Of residents. A minority of employees are on pay range maximums achieving the highest contribution rating

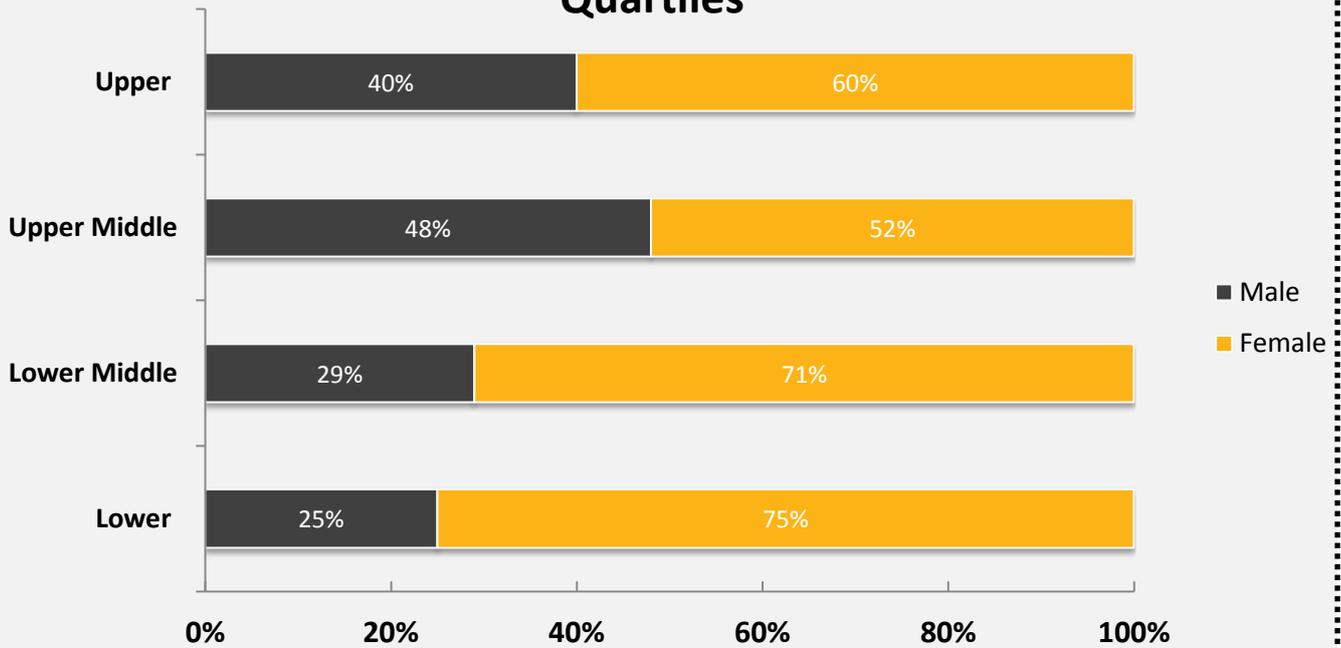


	Median	Mean
Gender Pay Gap	11.1%	9.5%
Gender Bonus Gap	19.2%	23.1%

 **13%**  
of males receive  
bonus payments

**20%**  
of females receive  
bonus payments 

### Quartiles



## Understanding our gap

Talking to our employees and through data analysis, we have identified that **occupational segregation** is the primary cause for our gender pay gap within the Council. As mentioned before, the Council is an Equal Pay employer and has equal pay policies in place to ensure the same pay rates apply for roles irrespective of whether they are occupied by women or men. Yet, even if men and women working in the same role are paid the same on average, a gap could still arise if women are concentrated in those occupations which pay less. Looking at the proportion of male and female employees in each group, we find a higher share of women than men employed in the lower paid occupations. With regards to bonus payments although more women received bonuses, men were paid on average more as shown within the bonus gap table above.

## How did we compare to 2017 data?

Including data from our first published gender pay gap report enables the Council to acknowledge where improvements have been made, and how. The median for last year’s report was 14.9%, with the mean at 12.1%. Considering the 2018 data, the median gap has reduced by 3.8% and the mean 2.59%.

Overall, employee turnover has little impact on the reduction and ratios of male to female staff have not shown real change either. Yet, foundation Living Wage has impacted as shown in % change below.

Quartiles	Avg Hourly Rate Mar '17	Avg Hourly Rate Mar '18	% Change
Upper	<b>£21.51</b>	<b>£21.98</b>	<b>2.20%</b>
Upper Middle	<b>£14.01</b>	<b>£14.40</b>	<b>2.77%</b>
Lower Middle	<b>£10.93</b>	<b>£11.10</b>	<b>1.60%</b>
Lower	<b>£8.54</b>	<b>£8.83</b>	<b>3.37%</b>

The lower quartile has the largest increase in average hourly rates from 2017 to 2018; this has impacted positively on women and is the main contributor to reducing the gender pay gap.

## Future Actions

As mentioned before, reducing the gender pay gap is one of the Council’s objectives in its Cornwall Wide Equality Objectives for 2018 – 2022. These objectives can be viewed [here](#).

We know that our gender pay gap has reduced slightly when compared to the previous year. We realise the reasons for the gap are complex and long-standing and that it will be an ongoing challenge to close the gap in the short to medium term. However, the Council identifies the benefits of closing the gap and is committed to develop its culture as well as its policies and processes so that inclusion, equality and diversity is part of the Council’s core. During 2019/20 the Council will take the following actions aimed at improving workforce inclusion, equality and diversity and reducing its gender pay gap:

- Identify occupational groups where changing the balance of men and women would make the biggest impact on reducing the gap and identify actions to reduce the gaps in those occupations.
- Through the Council Directors’ Team early implement an improvement plan to cover four areas: (1) promoting inclusion, equality and diversity including positive action (2) building a culture and ways of working with inclusion and diversity at the centre (3) furthering inclusion, equality and diversity in the communities within Cornwall (4) developing employment policies, processes and interventions aimed at improving inclusion and diversity.

If you would like this information in another format please contact:

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