At Essex county Council, we have seen our median gender pay gap reduce by 1.6% since last year. Throughout the last year we have completed the majority of our Organisation Design work, Introduced “Essex Pay”, a fairer, more transparent pay & grading approach as well as launched our People Plan which has diversity and equality at it’s core which means we expect an even smaller gap next year.

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries of employees in our organisation, lines them up in order from lowest to highest, and picks the middle salary. The median, we believe is a more accurate figure of our gender pay gap because it is not affected by outliers at the top of the bottom of the range.

The mean pay gap is the difference between the average hourly earnings of men and women and has increased by a very small amount (0.2%) since last years report.

As we look to take action to close our gender pay gap, we are likely to see fluctuations in our numbers. The work we started last year to ensure our pay & grading approach is modern, fair and transparent will not be reflected in the 2018 report as the snapshot date was the 31st March and most people transferred to our new approach as of the 1st April.

We already have one of the lowest gaps in our sector, however our commitment is to close the gap. Our People Plan which is key a document supporting our organisation strategy, explains how we are creating an environment where learning is key, it’s a shared experience and opens up opportunities for career pathways across the business.

We’re undertaking strategic workforce planning which will look at where we can create more opportunity to ensure our diverse workforce delivers on our corporate objectives.

This year, we have provided further insight in this document on how we’re looking to close our gender pay gap over the next three years.

I can confirm that the Gender Pay Gap reporting for Essex County Council has been completed following the department of equalities and associated guidance.
It’s important to take into consideration the gender balance of the council. Overall, 74% of our employees are female, and each grade category is comprised of more female than male employees.

The graph demonstrates that the volume of male employees increases to the more senior end of the grade categories. Although our workforce is comprised of more Women then Men, this in itself creates an imbalance.

The volume imbalances of male employees from “Band 1” category (earning on average 14k) to the “Band 7” category (earning on average 68k) means that the average earnings for male employees are going to be higher.

We’re looking at how we can encourage a higher proportion of women into senior roles, however we also need to address gender differences at all levels of our organisation if we really want to affect our gender pay gap.
Gender Pay Gap Reporting – 2018 Results

Our result confirmed that the work we are doing is starting to have an effect with the median reducing by 1.6% since last year's report. The mean calculation shows a slight increase of 0.2%.

*The 2018 Bonus pay gap is reported as we are required to do so but not relevant, as this refers to a small number of employees (30 people) who received a non consolidated payment as a result of the financial linkage to the 2017 individual performance management process. They were paid a non consolidated amount as they were already at the top of their pay grade.

All other employees received a 1% consolidated pay increase to their base salary (subject to our performance management rules).

We have seen some small increases to the proportion of Females in the upper quartiles.

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. It is unlawful to pay people unequally because they are a man or a woman.
Our objective is to close the Gender pay gap entirely and we have already made progress to do just that however we recognise there is more to do to ensure we’re can address imbalances at all levels and all areas of our complex organisation. The following suite of actions will ultimately help us close our gap.

**Essex Pay**

Our new pay & grading approach is a £3.36m investment designed to be modern, fair and transparent. The majority of employees have already transitioned to the new arrangements throughout 2018. The remaining employees will transition by the Summer 2019. We have already de-linked performance with Pay.

**Strategic Workforce Planning**

By looking at our diversity profile as part of Workforce planning, we’re looking at our diversity data in all dimensions of our workforce including hiring decisions, levels of pay and gender pay gap specifically to identify job family level action plans. We’re still looking at the Organisation design and structure of some big teams including Customer.

**People Technology Investment**

We’re investing in new people technology which will enable a better approach to recruitment, better access to learning content and a more developmental way to manage individual performance management. This will give us a much better dataset which will enable us to focus on areas of the most importance and value gain, looking at our key demographics and tailoring interventions.

**Talent Attraction Strategy**

Throughout 2019 we are developing talent attraction interventions, which include proactive and passive sourcing through various channels including social media, with an emphasis on achieving a gender balance at all levels of the council. We already look at the language in both our adverts and correspondence with applicants to ensure no unintended gender bias.
Learning Organisation

We continue our journey to become a learning organisation, one where learning is work and work is learning; one where everybody has access to the right learning opportunities; one where learning technology puts learning in the hands of every single employee.

Management & Leadership Development

We are putting in place a development offering to support all levels of management and leadership (including early careers) across the organisation, ensuring we provide the right support to enable everybody who wants it develop their management and leadership potential. We are also going to look at any structural barriers we may have in the organisation that may have an impact on the development of our managers/leaders based on their individual characteristics (gender, disability, ethnicity, age).

Career Pathways

We are designing a structured approach to career development, building on career pathways in some areas of the council to ensure everybody can take ownership of their own careers. We’re making sure we create the right environment to enable growth and progression for all staff. We are looking at succession planning to ensure we build inclusive talent pipelines that offer opportunities for a diverse talent pool.

Individual Performance Management

As a result of Essex Pay, we have de-coupled performance and pay. We are developing our performance management approach that looks at segmenting our workforce to the type of work they do with an appropriate system, moving away from a one size fits all process. Our Approach is making sure our diverse employee views are taken into consideration when building our new approaches.
Gender Pay Gap Reporting – Background

- 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. It is unlawful to pay people unequally because they are a man or a woman.

- Gender pay gap reporting requires organisations with 250 employees or more to report their pay gap

- There are six different measures with their own calculations

- A written statement, included in the introduction of this document, confirms the accuracy of the calculations as per the Equality Act 2019 (Gender Pay Gap information) regulations 2017

- The reported figures are based on a “Snapshot” date of the 31st March 2018 as per the Gender pay gap reporting requirements

- Public sector organisations must publish their report on the government website as well as their own website by 30 March 2019. The retention period for this report will be three years

- Agency workers and those contracted via third party’s are not included in the dataset. All other relevant employees are included.

- The definition and calculations required (which we have followed) can be found at www.gov.uk/guidance/gender-pay-gap-reporting-guidance