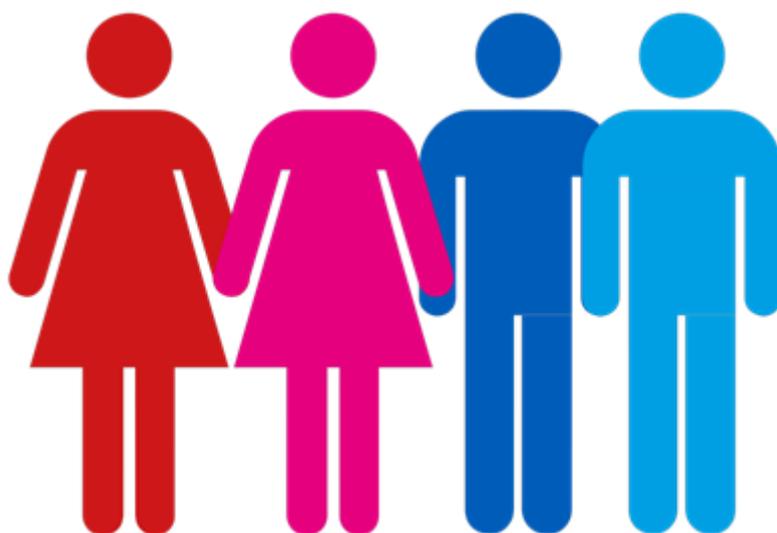


Gender Pay Gap Report 2018



Introduction

Stockton on Tees Borough Council as a Public Sector organisation with over 250 employees is required by Gender Pay Gap legislation introduced in April 2017, to publish statutory calculations every year showing how large the pay gap is between their male and female employees i.e. the difference between the average (mean and median) hourly earnings of men and women who work here.

This report provides details of the Stockton on Tees Borough Council's workforce who are within the scope of the legislation as at 31 March 2018 and the gender pay gap calculations as required by the legislation.

Our Workforce Profile

For the purpose of Gender Pay reporting, relevant employees are all employees employed by the Council on the snapshot date – 31 March 2018. This includes permanent and temporary employees employed as at 31 March 2018, as well as those on casual contracts that were paid during the pay period ending 31 March 2018.

Under the regulations, the workforce of our maintained Schools are excluded as the governing body of a maintained school is treated as the employer and required to publish their own calculations if applicable.

Over the last 7 years there has been a significant reduction in the total number of SBC Employees. The headcount has reduced by 27.3%, from 4,206 as at 31 March 2011 to 3,076 as at 31 March 2018. The full time equivalents has reduced by 23.1% from 3,142 as at March 2011 to 2,414 as at 31 March 2018.

Gender Breakdown

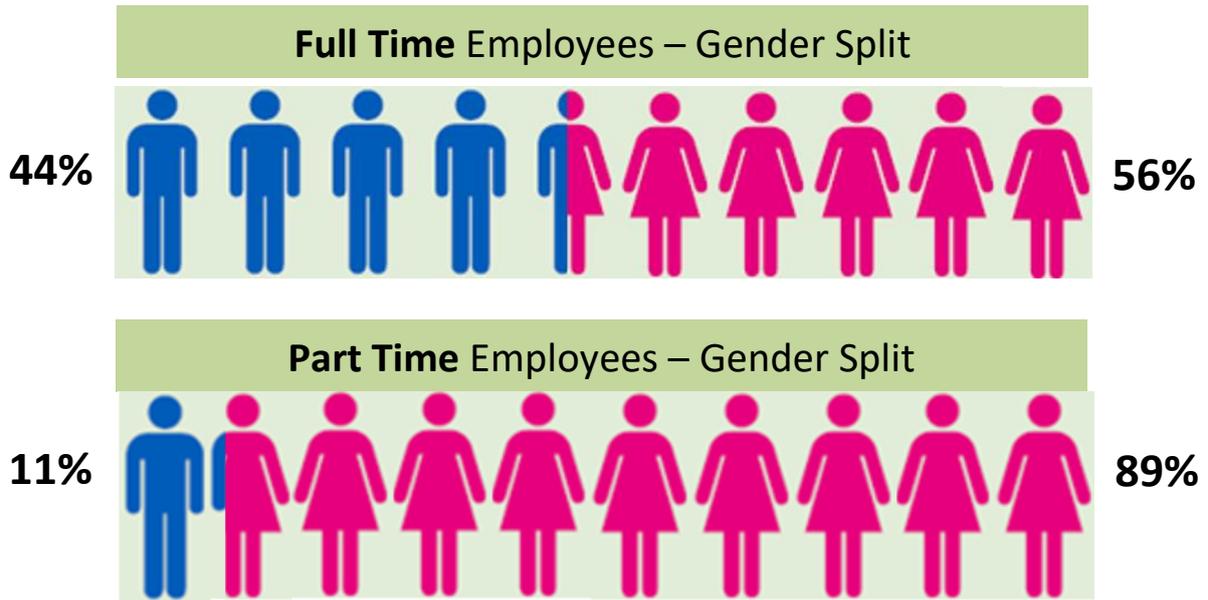
The Council has always had a predominately female workforce.

As at 31 March 2018, 71% of the workforce was female which has remained unchanged year on year. This can in part be attributed to a greater number of female part-time workers across all areas of the Council and the flexible / family friendly working policies available.

Workforce Gender Split

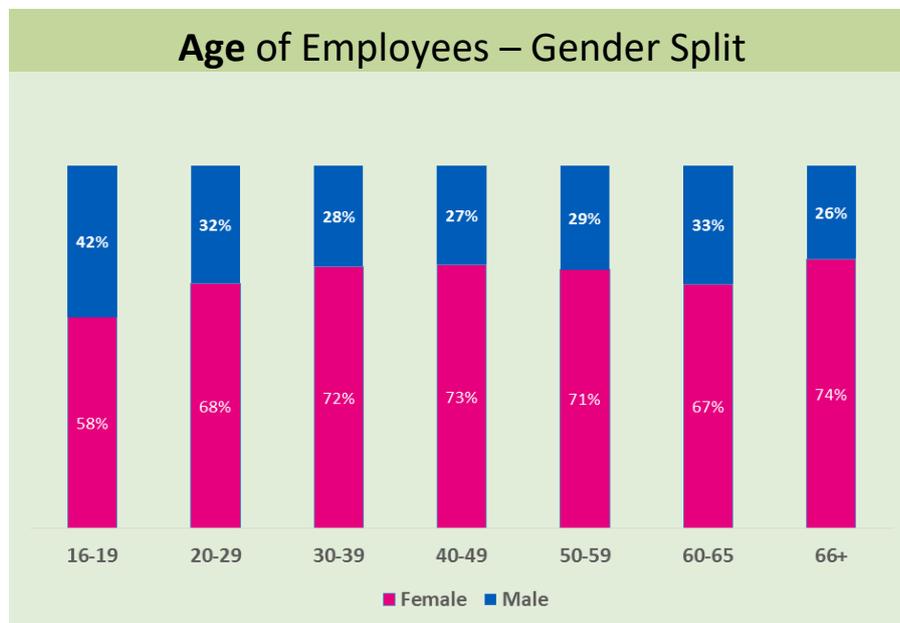


Full time vs Part Time



The greater number of females in part time roles can in part be attributed to the variety of family friendly policies available to our employees but also the greater number of female employees employed in jobs which are not required full time, in areas such as Catering, Cleaning, School Crossing Patrol and Community Transport.

Age Breakdown



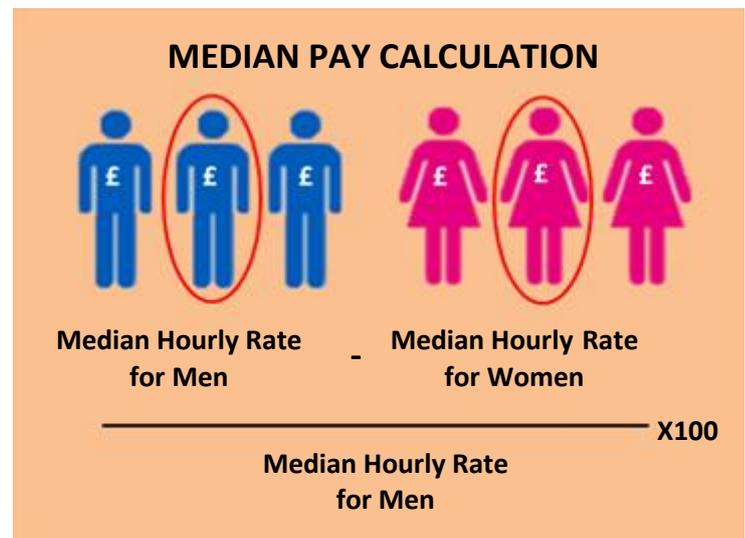
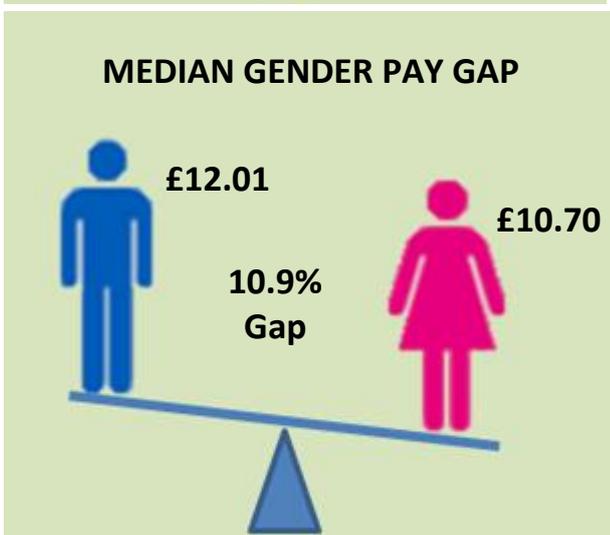
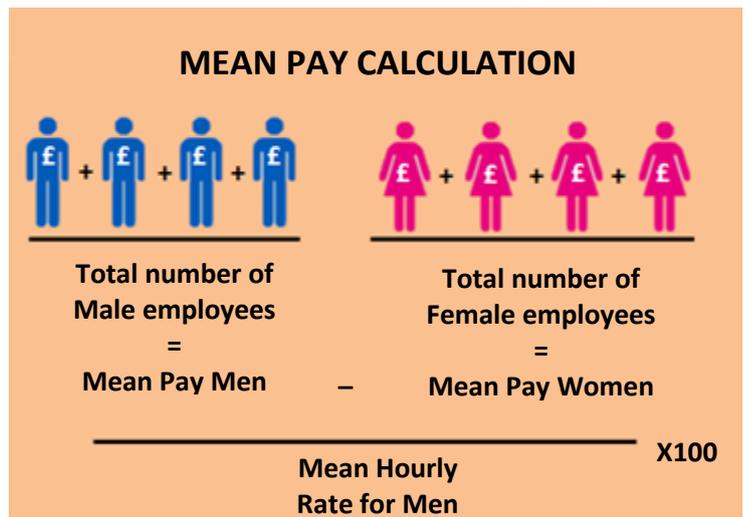
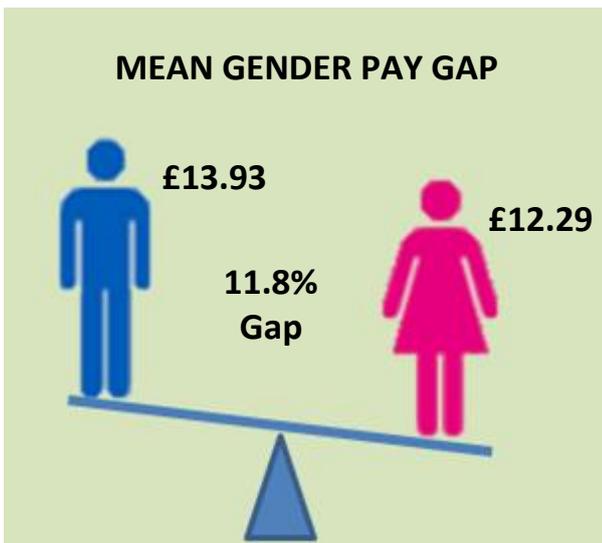
Our Gender profile remains consistent through the age range of our employees, with a slight decrease in the number of females aged between 16-19 and a slight increase in the number of females aged between 60-65.

Gender Pay Gap 31 March 2018

The gender pay gap is the difference between the average hourly pay received by men and women across the Council as at 31 March 2018.

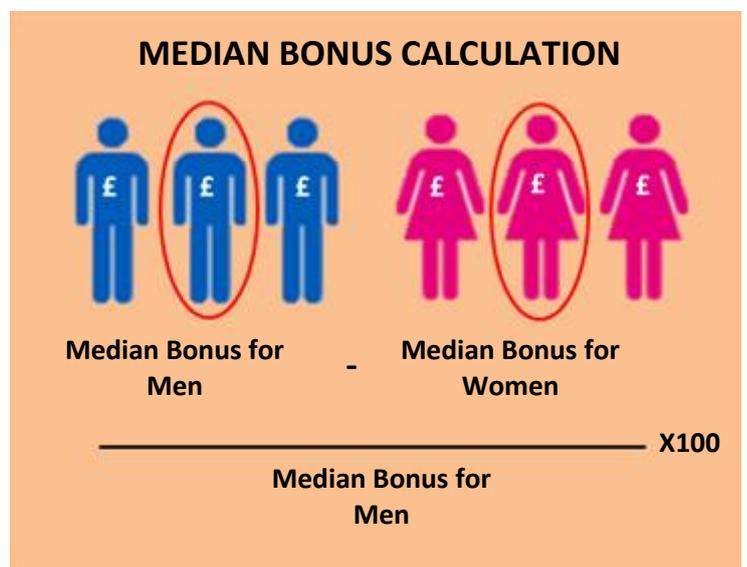
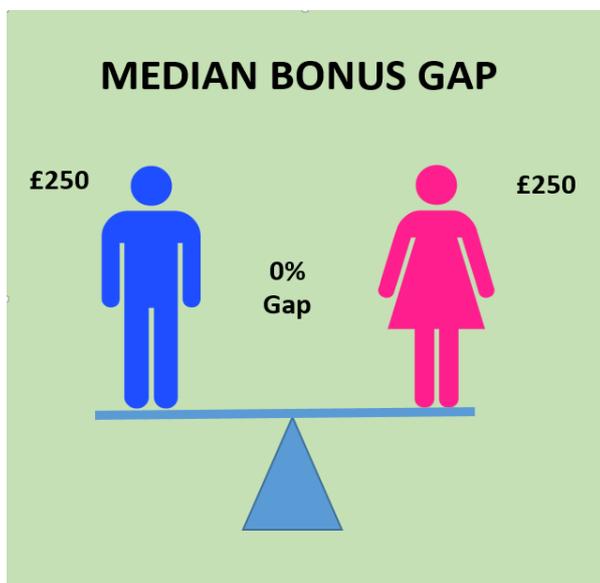
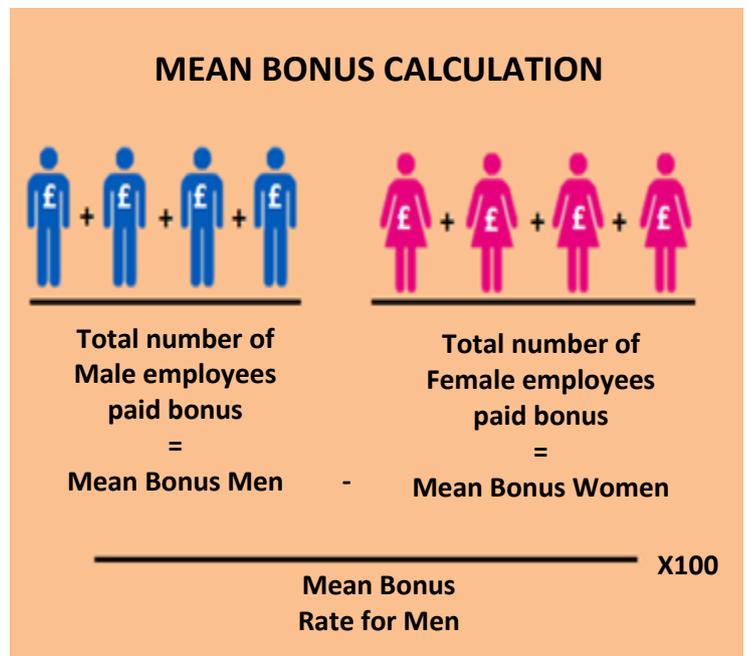
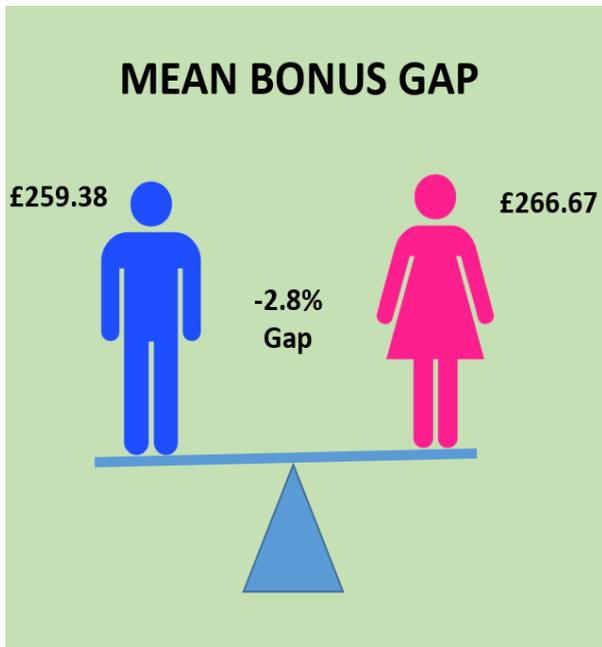
We are required to calculate and report the following gender pay gap data:

1. **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
2. **Median gender pay gap:** The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
3. **Mean bonus gap:** The difference between the mean bonus paid to male relevant employees and that paid to female relevant employees
4. **Median bonus gap:** The difference between the median bonus paid to male relevant employees and that paid to female relevant employees
5. **Bonus proportions:** The proportions of male and female relevant employees who were paid bonus pay during the relevant period
6. **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



The Council's positive percentage pay gap (mean and median) means that women employed by the Council, on average receive a lower hourly pay rate than men employed by the Council

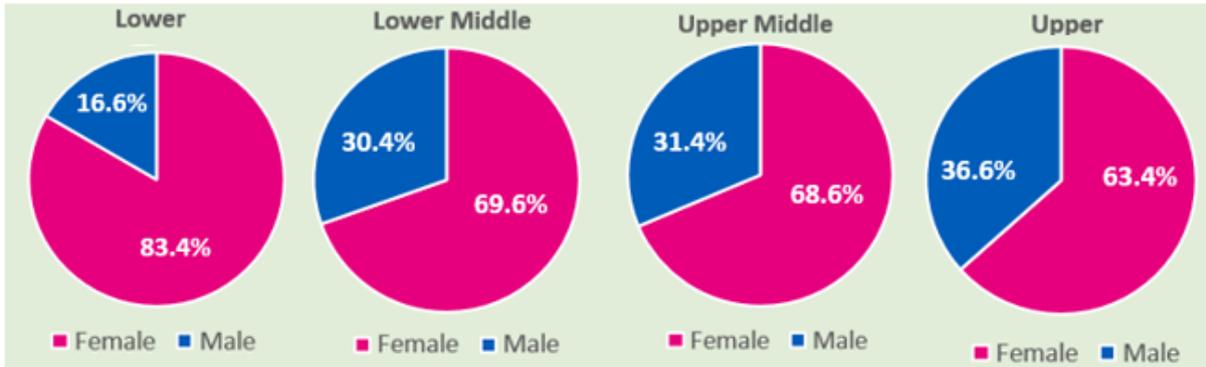
The Council does not have profit sharing, productivity, performance, incentives or commission. However we do have long service awards of £250 for 25 years and £400 for 40 years service. These payments are the same for both male and female employees and can be taken as cash or goods.



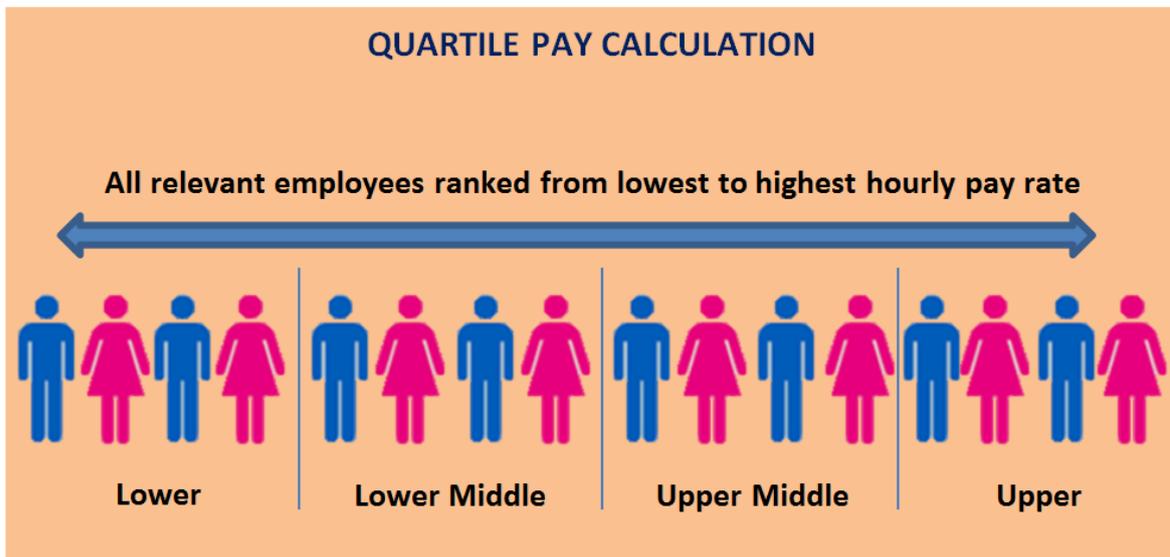
The Council's negative percentage mean bonus gap and equal median figures means that more women employed by the Council have received long service awards than men employed by the Council.

QUARTILE PAY BANDS

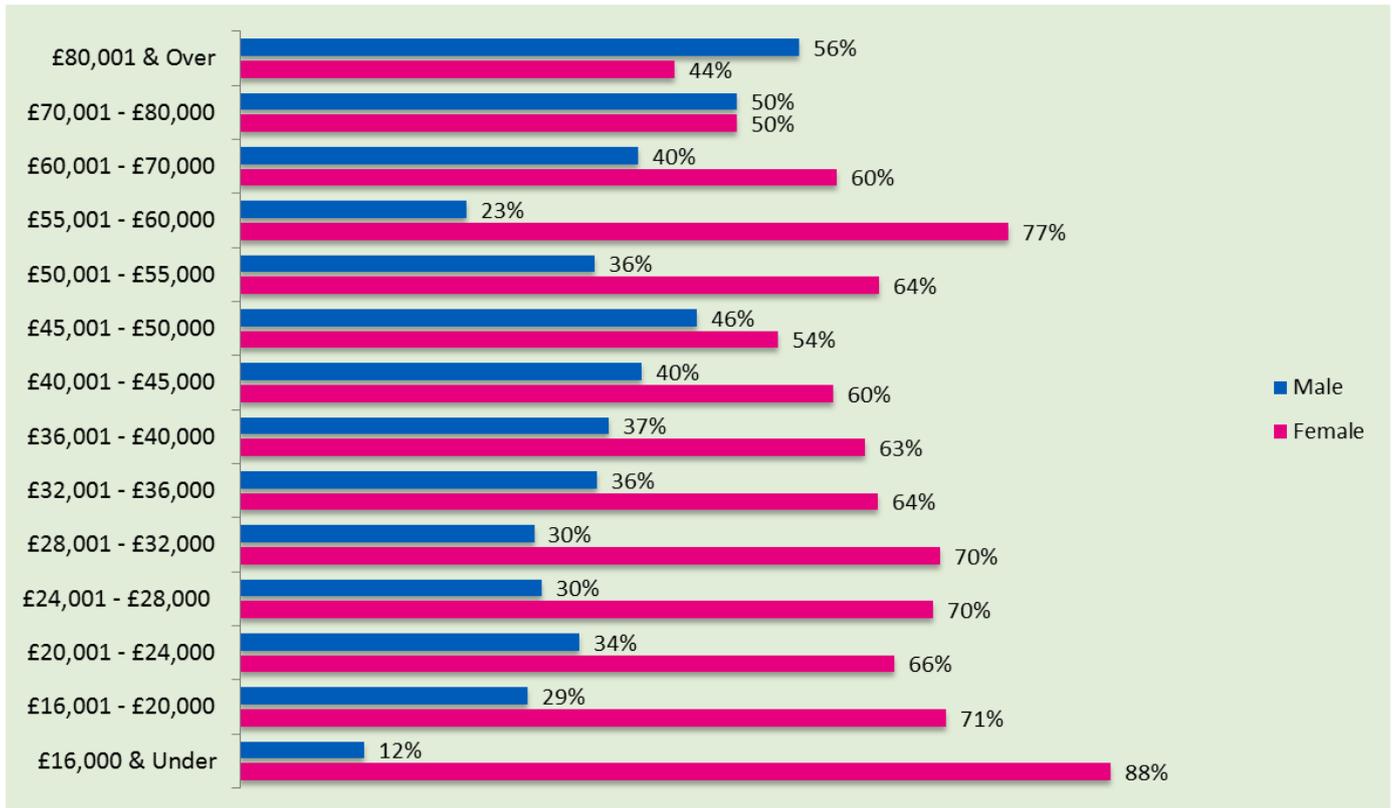
The data below shows the Council’s workforce divided into four equal sized groups based on calculated hourly pay rates. The lowest paid 25% of employees are the “lower” quartile and the highest paid 25% are the “upper” quartile. Our pay quartiles by gender are as follows:



Quartile	Workforce		% in Quartile	
	Women	Men	Women	Men
Lower	643	128	83.4%	16.6%
Lower Middle	537	234	69.6%	30.4%
Upper Middle	529	242	68.6%	31.4%
Upper	489	282	63.4%	36.6%



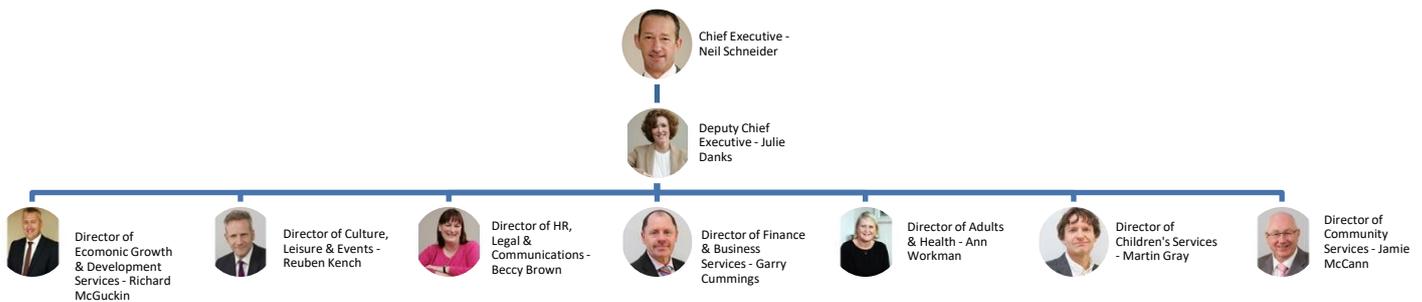
Additional Analysis of Workforce by Salary



The above salary brackets are based on Full Time Equivalent Salary

The graph above shows the Council's gender breakdown into salary ranges. It demonstrates a greater gender split in lower salary brackets which accounts for the difference in our gender pay figures above.

Corporate Management Team



The Council's Corporate Management Team has a gender split of 33% Female 66% Male.

What is causing our Gender Pay Gap?

The Council is committed to equal opportunities and equal treatment for all employees. Equal Pay legislation requires for men and women to receive equal pay for; the same or broadly similar work, work rated as equivalent under a job evaluation scheme, or work of equal value. In line with this we have established pay and grading structures, founded on evaluation of job roles using job evaluation, which ensures a fair and transparent approach

to pay and the same grading of jobs which are rated as equivalent work, regardless of their sex or any other characteristic.

We are confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather it is as a result of the type of roles in which men and women work within the organisation undertake and the salaries that these roles attract.

Our positive gender pay gap shows that on average the hourly rate of pay for women is less than the average rate of pay for men. This is partly due to the Council employing a large number of female workers undertaking lower paid roles within Services including; Cleaning, Catering, School Crossing Patrol, Administration and Community Transport. In the majority of cases these roles are also part-time in nature which accounts for a greater number of female part time workers. This is shown by the higher proportion of women employed in the Lower quartile of paid employment, compared to the Lower Middle, Upper Middle and Upper quartiles.

Whilst the Council does not pay bonus, productivity performance, incentives or commission we do have long service awards, the payments of which are the same for both male and female. The negative gap shows that more women receive long service awards than men.

Actions taken to reduce our Gender Pay Gap

The Council has already taken a number steps which will contribute towards reductions in our Gender Pay Gap including our continuing work to support the development of women in the organisation, a move towards the Living Wage, increasing apprenticeship rates of pay, and implementation of NJC pay awards. We are also working to utilise the apprenticeship levy to support staff development opportunities and more smarter/flexible ways of working through our Smarter Working programme. We expect the changes to begin to impact over the next two to four years.

Move towards the Living Wage:

The Council is committed towards paying our lowest paid employees (excluding apprentices) the National Living Wage. As part of our commitment to move towards the Living Wage our lowest paid employees (excluding apprenticeships) are paid at the bottom of our pay scale which starts at Grade C, spinal column point 10 at £8.74 per hour (1 April 2018). Which is above the Living Wage which was £8.45.

Pay Awards:

The NJC pay awards for April 2018 & 2019 have been finalised and the pay award for 1 April 2018 sees an increase of between 8.01% and 2%, depending on grade, with the lowest paid employees seeing the greatest increase. This meant that the Council's lowest salary is above Living Wage (NLW) which was £8.45.

The Council has agreed a new pay spine with the Trade Unions which is to be implemented from 1 April 2019. This delivers the second year of the 2-year nationally negotiated pay award.

The new grading structure begins at scp 3 (formerly scp 10) Grade C, this will be **£9.36 per hour from 1 April 2019**. This is well above the current National Living Wage which will be £8.21 per hour from 1 April 2019 and above the Foundation ("Real") Living Wage which was increased to £9.00 per hour on 5 November 2018. There are currently 655 Council employees who earn less than the Foundation Living Wage (on former scp 10,11 and 12) who will move to an hourly rate above the Foundation Living Wage on 1 April 2019.

The introduction of the new pay spine achieves the Council's stated objective of moving towards paying the Foundation Living Wage for Council employees and represents a significant percentage rise across the lower scps. This is in keeping with the recent Council commitment to The Great Jobs Agenda.

It is expected that when the second year of the pay award is implemented it will have a positive impact on the gender pay gap for 31 March 2019 and 31 March 2020.

Apprenticeship rates of pay:

From 1st April 2016 the salaries attributable to apprentices within the Council are paid at the National Minimum Wage relating to age instead of the National Apprentice Wage. The different rates of pay are outlined below:

Year	25 and over	21 to 24	18 to 20	Under 18	Apprentice
April 2018 to March 2019	£7.83	£7.38	£5.90	£4.20	£3.70
April 2017 to March 2018	£7.50	£7.05	£5.60	£4.05	£3.50
October 2016 to March 2017	£7.20	£6.95	£5.55	£4.00	£3.40
April 2016 to September 2016	£7.20	£6.70	£5.30	£3.87	£3.30

Apprenticeship Levy:

Legislation contained in the Finance Act 2016 introduced an apprenticeship levy payable by employers with pay bills over £3 million. The levy came into effect from 6 April 2017 and is paid at a rate of 0.5% of the Council's pay bill. The levy is being used to fund the cost of apprenticeship training for either new or existing employees.

The Council is continuing to utilise the apprenticeship levy to support training opportunities and succession planning opportunities for existing lower paid employees across the Council which will also contribute to our continuing work to support the development of women in the organisation.

Smarter Working:

Smarter Working, is helping the Council meet the key challenges of budget pressures, reducing workforce and increased demand for services that it is facing in the future. It provides methods for meeting these challenges through the modernisation of working practices and improvement of work environments and benefits for employees. There are many different ways in which an employee can work smarter; this will differ between job roles and services.

Smarter Working is a way of working in which the Council empowers its employees to work with maximum flexibility and minimum constraints in order to optimise their performance and deliver efficiencies. It is based on the concept that work is an activity we do, rather than a place we go or in some cases a time it is carried out. With the technology available to modern business, there are numerous tools to help us work in new and different ways, to meet customer needs, reduce costs, increase productivity and improve sustainability. We believe our Smarter Working programme will have a positive impact on recruitment and retention of our workforce and create greater work life balance options for employees.

Signed;



Beccy Brown
Director of HR, Legal and Communications