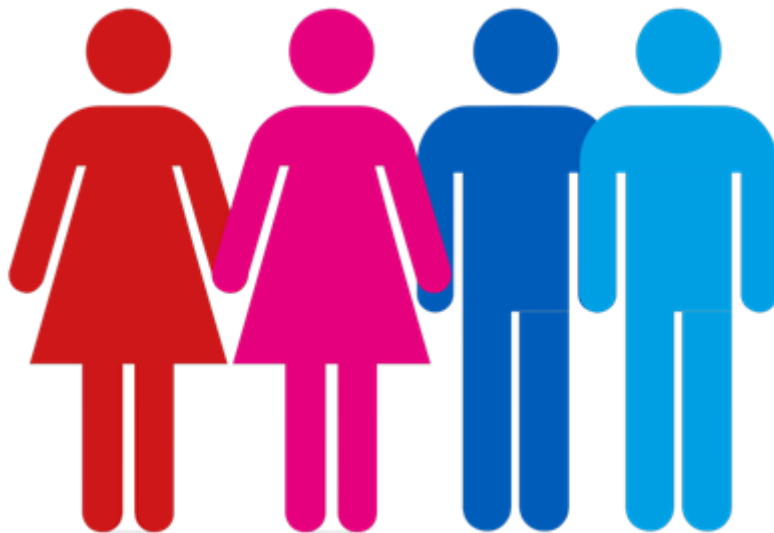


Gender Pay Gap Report 2019



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 2019 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 2019. This includes permanent and temporary employees employed as at 31 March 2019, as well as those on casual contracts that were paid during the pay period ending 31 March 2019.

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 8 years there has been a significant reduction in the total number of SBC Employees. The headcount has reduced by 23.7% from 4,206 as at 31 March 2011 to 3,211 as at 31 March 2019. The full time equivalents has reduced by 19.9% from 3,142 as at March 2011 to 2,516 as at 31 March 2019.

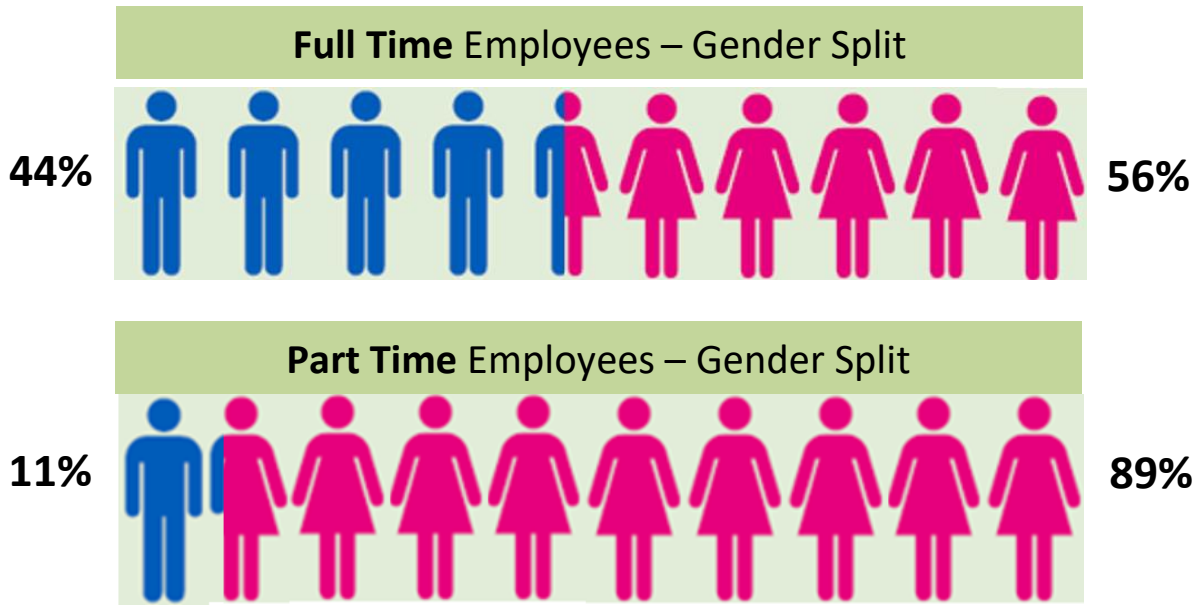
Gender Breakdown

The Council has always had a predominately female workforce.

As at 31 March 2019, 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.

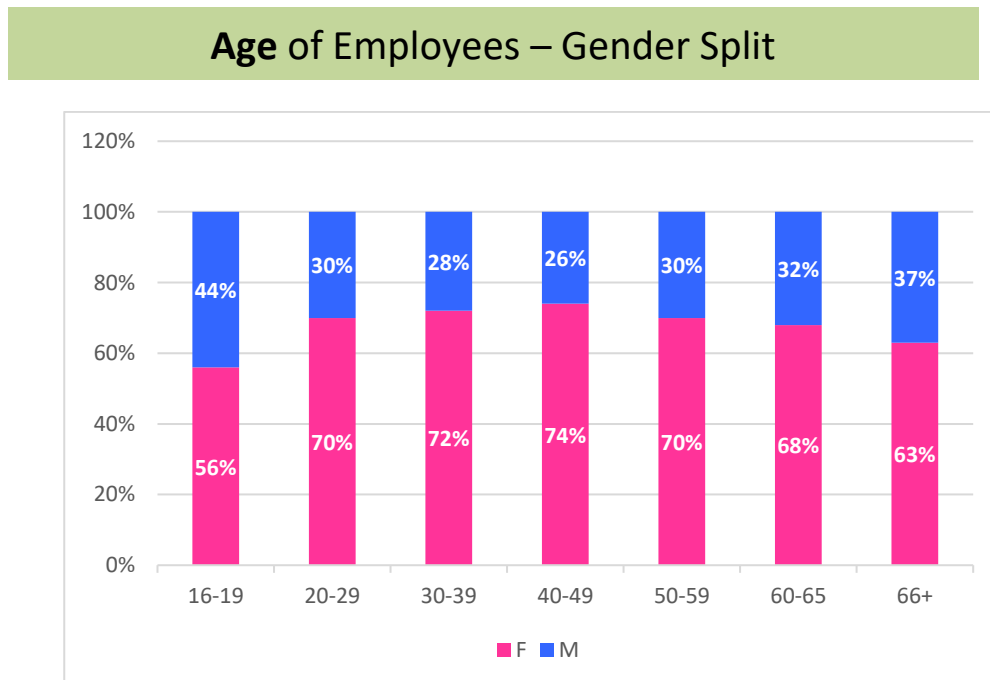


Full time vs Part Time



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



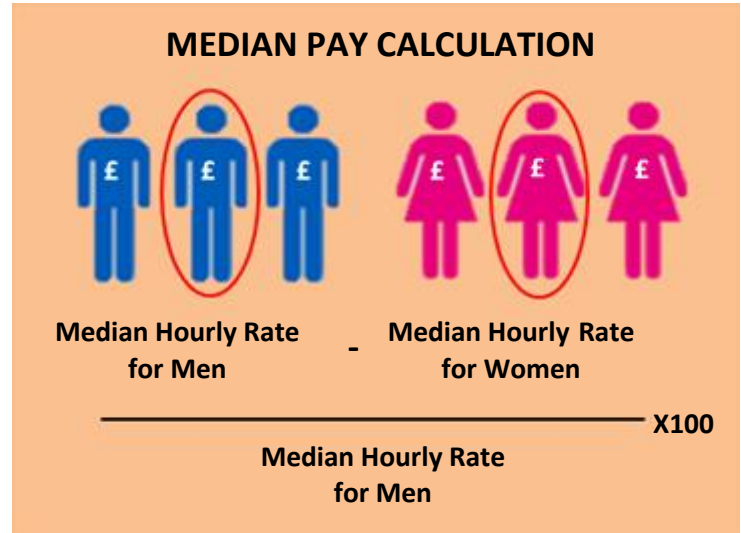
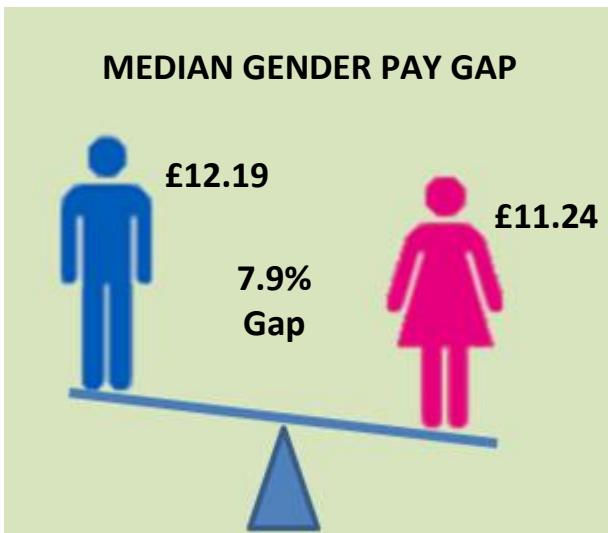
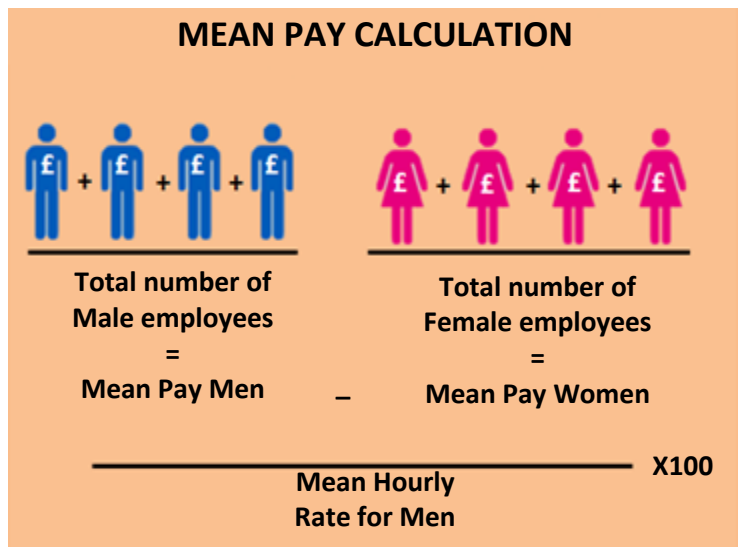
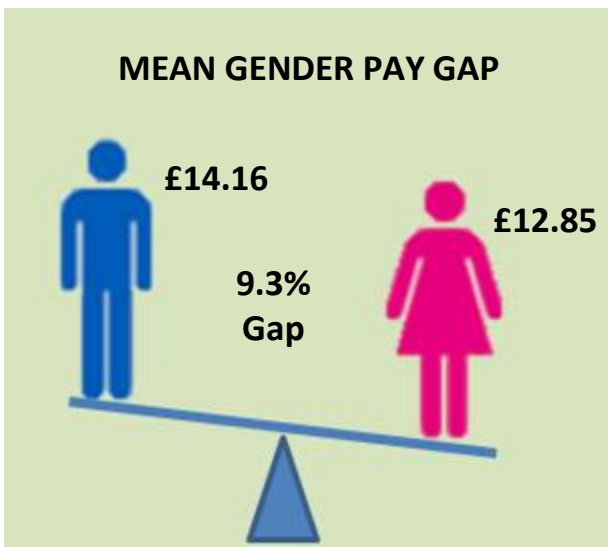
Our Gender profile remains consistent through the age range of our employees, with a slight increase in the number of females aged between 20-29 and a slight increase in the number of females aged between 50-59 and a decrease in the number of women aged over 66.

Gender Pay Gap 31 March 2019

The gender pay gap is the difference between the average hourly pay received by men and women across the Council as at 31 March 2019.

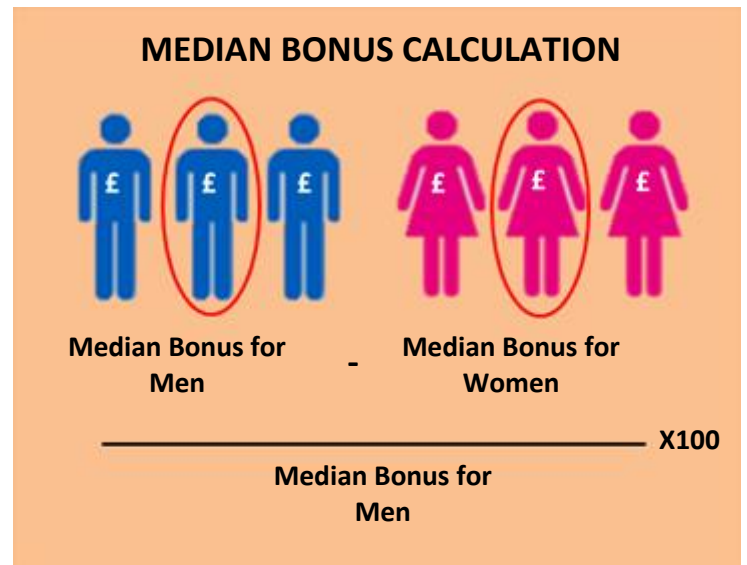
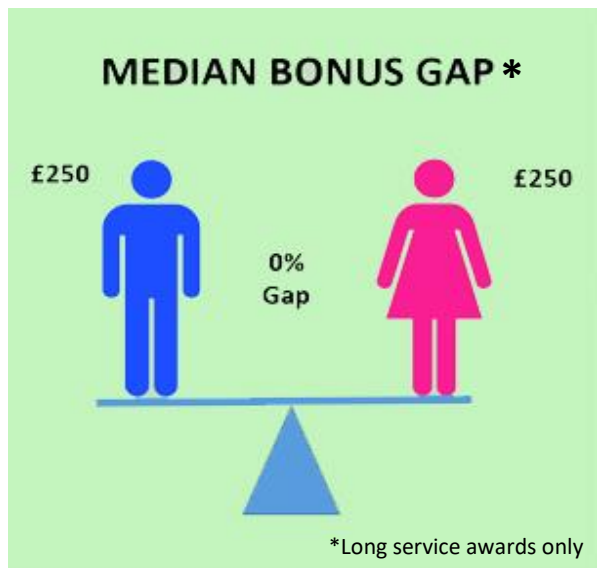
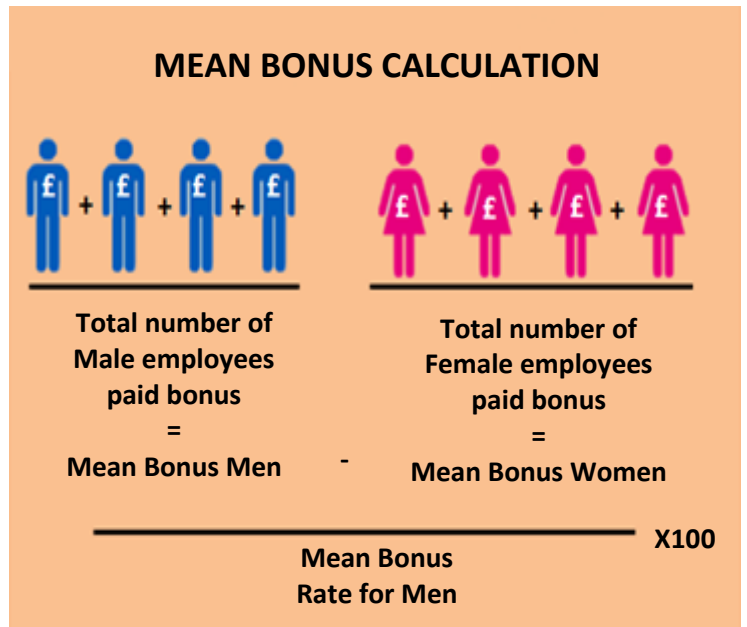
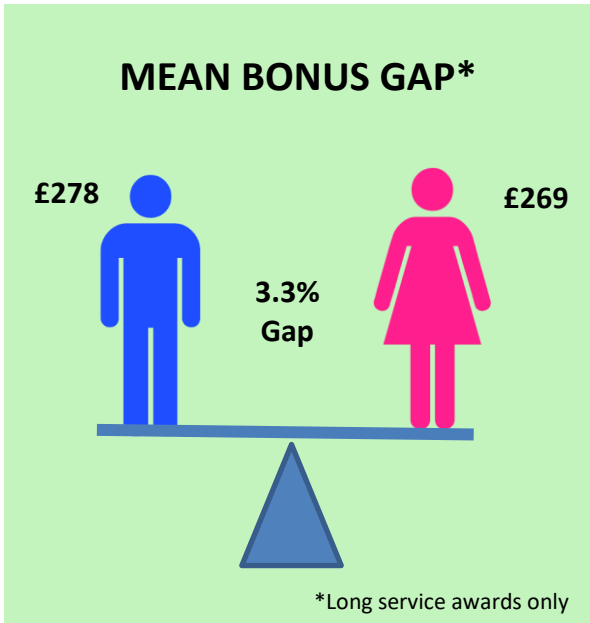
We are required to calculate and report the following gender pay gap data:

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

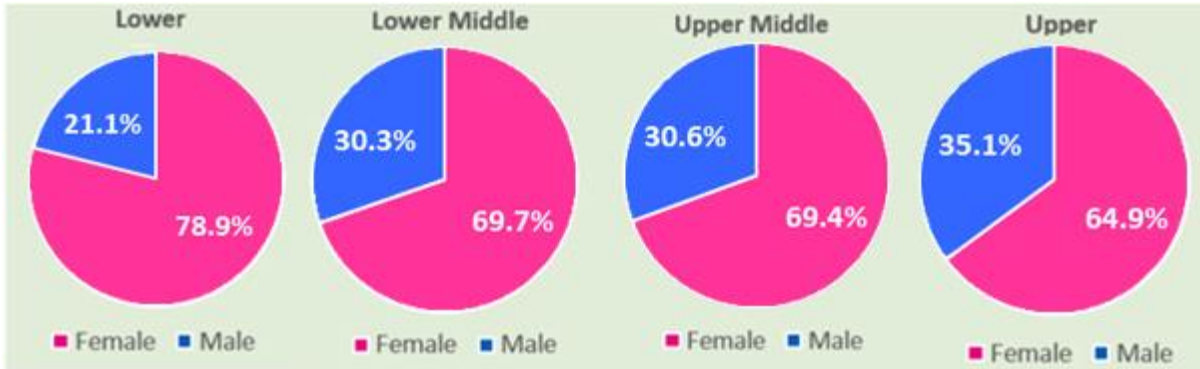
The Council does not have profit sharing, productivity, performance, incentives or commission. However we do have long service awards of £250 for 25 years and £400 for 40 years service. These payments are the same for both male and female employees and can be taken as cash or goods.



32 women and 15 men have received a long service award. However, the Council's mean bonus gap is due to the fact that 3 men and only 2 woman have worked for 40 years therefore received the £400 award. The equal median figures is due to the fact that the middle point for both men and women is £250.

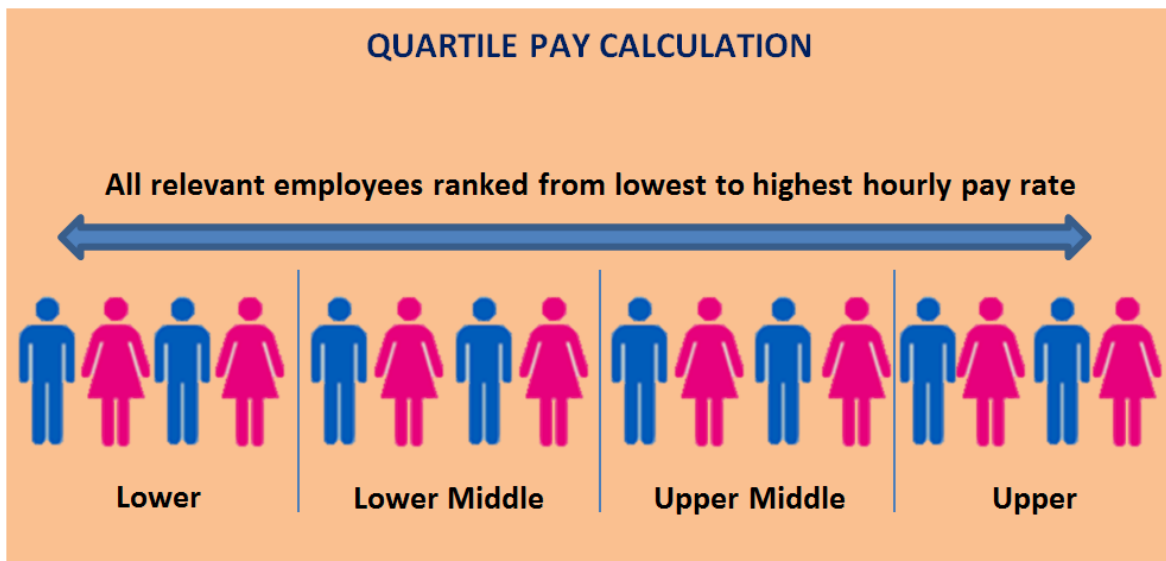
QUARTILE PAY BANDS

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:

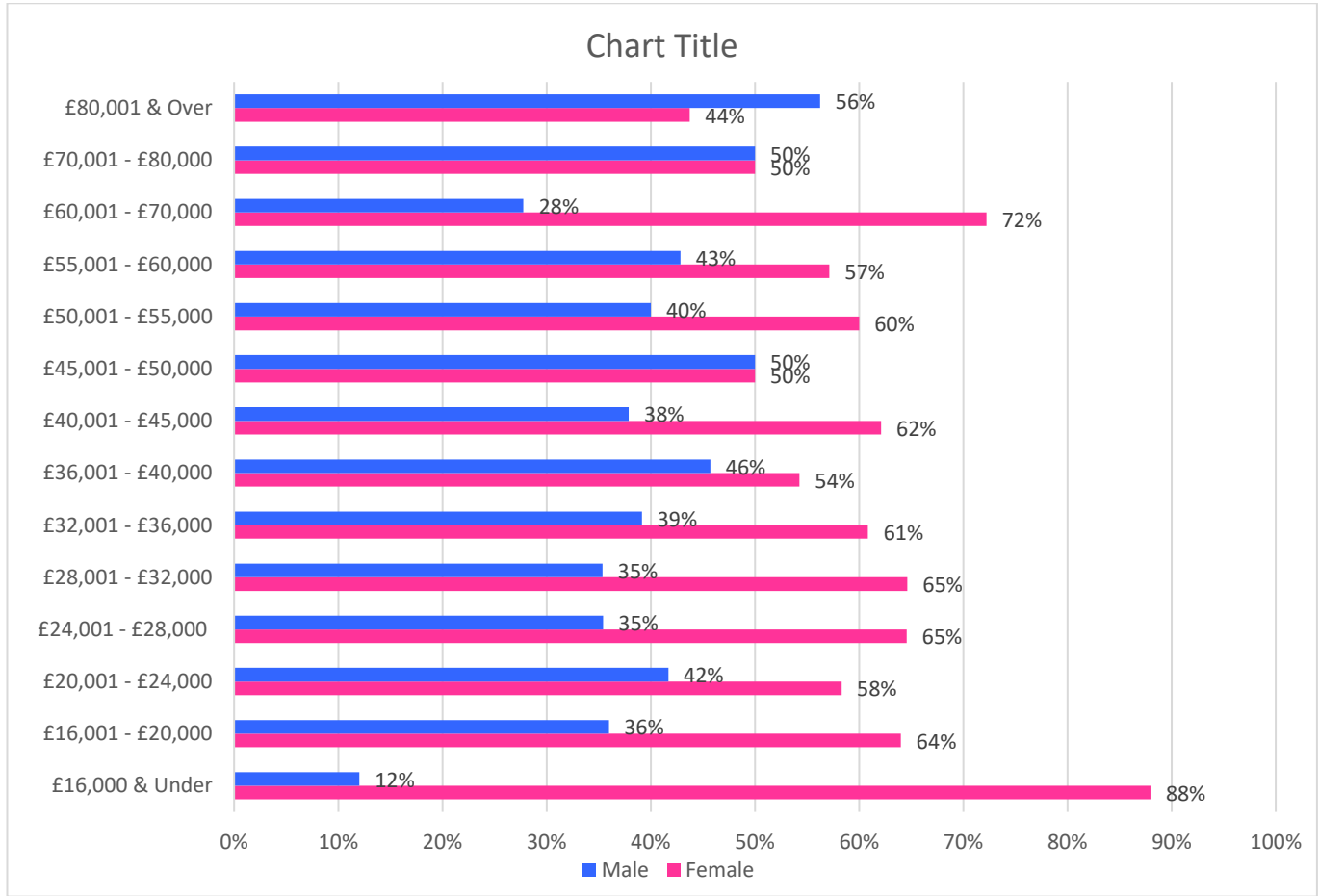


Quartile	Workforce		% in Quartile	
	Women	Men	Women	Men
Lower	626	167	78.9%	21.1%
Lower Middle	553	240	69.7%	30.3%
Upper Middle	550	243	69.4%	30.6%
Upper	514	278	64.6%	35.1%

In 2018 83.4% of the workforce in the lower quartile; 69.6% in the lower middle; 68.6% in the upper middle and 63.4% in the upper quartile were female. This shows that there is a gradual upward shift of females in the Council.



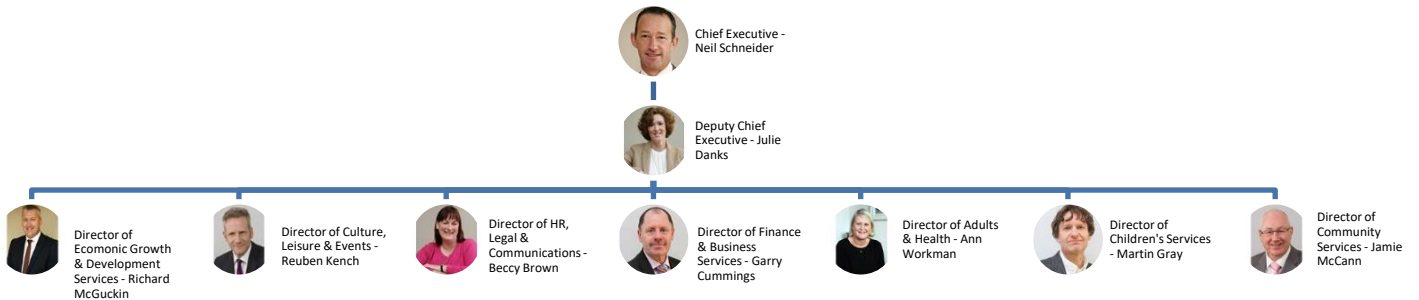
Additional Analysis of Workforce by Salary



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. The Council continues to have a predominately female workforce, many of which are part time, and this is partly due to the family friendly policies and the flexibility that is available within the Council.

Our 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 fact that the Council has retained in-house services such as Catering and Cleaning and therefore has a larger proportion 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. There were almost twice as many women receiving long service awards than men however, the gap is due to the fact that 3 men had received the 40 year award of £400 and only 2 women. The numbers in total for all long service awards are relatively small with just 47 in total.

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 and in formulating these steps we have taken due regard of the Government Equalities Office document – “Reducing the gender pay gap and improving gender equality in organisations – Evidence-based actions for employer”. including our continuing work to support the development of our employees, including our “Shaping a Brighter Future” Programme; a move towards the Living Wage; increasing apprenticeship rates of pay and the 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 are delighted to see that the changes are beginning to have an impact on the gender pay gap; the mean pay gap has reduced from 11.8% in 2018 to 9.3% in 2019 and the median pay gap has reduced from 10.9% in 2018 to 7.9% in 2019. It is expected that this will further improve over the next year.

Supporting the Development of our Employees

The Council continues to support the development of our employees, offering a comprehensive training and development programme such as Leadership and Management as well as opportunities through our Talent Network which is part of the Shaping a Brighter Future Programme.

Shaping A Brighter Future (SBF)

The Council's SBF Programme has been in place for five years and has recently been revised and re-energised, ensuring that through development of our employees we can build capacity by investing in our own people and growing our own talent.

As part of this work we have developed a strong workforce culture and redefined our desired workplace culture, values and behaviours. The Council's culture statement is widely recognised and promoted throughout the organisation.

SBC Culture Statement

Stockton-On-Tees Borough Council is an organisation where all staff are trusted, supported and valued to make a positive contribution at work. Where we never lose sight of the fact that we are here to serve the people of the borough. This means we want this to be a place where:

- Everyone's views and opinions are encouraged, heard and properly considered.
- We share responsibility for our own learning and development and are encouraged and supported to do so by others.
- We work hard and feel comfortable to suggest new ideas, ways of working and to take managed risks.
- We feel a strong sense of belonging to the whole Council and our skills, knowledge and experience are used to benefit the organisation as a whole.

This is a place where...

- We are valued, trusted and supported.
- We are heard.
- We take responsibility for our own development.
- We work hard
- We are not afraid to try something new
- We belong

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 3 at £9.36 per hour from 1 April 2019 which is above the Living Wage which increased to £9.30 from 11 November 2019.

Pay Awards

The NJC pay awards for 2018 & 2019 saw an increase of between 8.01% and 2% each year, depending on grade, with the lowest paid employees seeing the greatest increase. This means that the Council's lowest salary is above Living Wage (NLW) which was £9.00 per hour in 2018 and increased to £9.30 in 2019. The implementation of the 2018 pay award has had a positive impact on the gender pay gap, reducing it significantly as detailed above.

The Council agreed a new pay spine with the Trade Unions which was implemented on 1 April 2019. This delivers the second year of the 2-year nationally negotiated pay award.

The new grading structure begins at scp 3 Grade C, which is £9.36 per hour from 1 April 2019. This is well above the current National Living Wage which is £8.21 per hour from 1 April 2019 and above the Foundation ("Real") Living Wage which was increased to £9.30 per hour in November 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 spinal column points. This is also in keeping with the recent Council commitment to The Great Jobs Agenda. All employees within the Council are paid above the Living Wage.

These two actions are expected to further improve the gender pay gap next year when the implementation of the pay award and the new pay spine in April 2019 impacts on the 31 March 2020 data.

Apprenticeship rates of pay

Since April 2016 apprentices within the Council have been 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 2019 to March 2020	£8.21	£7.70	£6.15	£4.35	£3.90
April 2018 to March 2019	£7.83	£7.38	£5.90	£4.20	£3.70

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.

Over the summer 2019 the Council embarked on an ambitious Apprenticeship recruitment programme and in September 2019 40 Apprentices were employed across the Council. Of these 22 are female and 18 male. The majority of these Apprentices are paid on the National Minimum Wage for Age however, 8 are undertaking Level 4 and above qualifications and are paid at grade C or above, of these 6 are female and 2 are male.

Flexible Approach to Leave and Family Friendly Policies

We have introduced a new approach to leave and a number of family friendly policies and as an employer we understand the pressures employees can be under at certain times and this is reflected in our approach to managing attendance. This encourages women in particular the work in the Council.

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

A handwritten signature in blue ink, appearing to read "Beccy Brown", with a long horizontal flourish extending to the right.

Beccy Brown
Director of HR, Legal and Communications