

REMUNERATION COMMITTEE - 21 March 2022

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21 MARCH 2022

Present: Councillors: M Gough (Vice-Chairman), M McLoughlin, M Parker,
S Caudwell, I Courts and L McCarthy

Officers: Karen Grant - Head of Equality and Diversity, SMBC

Paul Rogers - Democratic Services and Scrutiny Officer, SMBC

1. APOLOGIES

Apologies were received from Councillor R Sleigh OBE and Ms. Maggie Hurt (Co-Opted Member).

2. DECLARATIONS OF INTEREST

No declarations of interest were received.

3. QUESTIONS AND DEPUTATIONS

No questions or deputations were received.

4. MINUTES

RESOLVED:

- (i) That the minutes of the Remuneration Committee meeting held on 21st July 2021 be approved as a correct record.

5. STATUTORY GENDER PAY GAP REPORT

The Head of Equality and Diversity presented the report.

Members were informed that statutory gender pay gap reporting was a requirement under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. All public sector organisations employing over 250 employees are required at the 'snapshot' date as at 31 March each year, to upload their of the gender pay gap (GPG) calculations for the previous year to the Government website by 30th March 2022.

The Council publishes both a narrative report and accompanying action plan, both of which are published and made available via the Council website.

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According to the Office for National Statistics (ONS), data from the Annual Survey of Hours and Earnings (ASHE) provisional results as at October 2021 showed that there was a U.K median GPG of 15.4%, which equated to a reduction from 15.5% compared to 2020, and a mean of 14.9% which was a slight increase from 14.6%.

The Council's mean GPG increased this reporting round from 13.5% to 14.1% and its median GPG from 20.3% to 21.3%. The Council, however, was performing above the West Midlands GPG mean averages.

The data collected shows that the Council has a higher representation of women at 74% in the workforce where there are more men than women at the lower end of the hourly pay scales, which impacts on the Council's GPG. Furthermore, figures show that more women work flexibly on reduced hours compared with men and that some services reflected gender specific roles, with more women working in areas such as catering and social care.

Of the 6 members of the Council's Corporate Leadership Team (CLT), Members were informed that 4 were women for the reporting year.

The Committee's attention was drawn to Appendix 1 to the report, '*Solihull MBC, Gender Pay Gap Report*'. The report included details of the Council's workforce distribution across all Council pay bands as at 31 March 2021, as well as the GPG by Directorate. The report provided a narrative for progress against the Gender Pay Gap Action Plan to March 2022, which included some completed, on-going and deferred actions, as well as the New Gender Pay Gap Action Plan to March 2023.

Having received the presentation from the Head of Equalities and Diversity, Members of the Remuneration Committee submitted a number of related questions to the report, which in summary included the following matters:

A Member of the Committee noted a passage from the Solihull MBC Gender Pay Gap report Foreword, '*The Council is not complacent in taking actions to reduce the GPG in the organisation and recognises the importance of working with partners and businesses to work collectively on reducing the gender pay gap in the borough*' and queried why in some instances there were such large discrepancies in the mean/median as detailed in the ASHE survey and to what extent was the Council's pay gap effected by the borough profile i.e. cultural and employment factors.

The Head of Equalities and Diversity advised Members that work was being undertaken in an effort to provide greater clarity to these questions, as currently the mitigating factors and background was not fully understood in terms of the employment profile between the Council and the borough as a whole.

A Member of the Committee noted the difference given in the report for mean bonus payments and median bonus payments, noting that the gender pay gap appeared to have risen significantly in respect of bonus payments awarded for men compared to females.

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The Head of Equalities and Diversity clarified that a slight change in the mean and median figures could appear as significant movement or swing in the figures provided when this was not always the actual case.

A Member of the Committee referenced the *Workforce Distribution – All SMBC Bands* table within the report, noting that it appeared to show a concerning trend, with a decreasing representation of females in the management structure as pay scales increased. The Member expressed concern at the prospect of this trend signifying maternity leave and flexible working acting as barriers to female career progression within the Council.

The Head of Equalities and Diversity advised Members that sometimes the trend could be attributable to historical factors, such as female employees serving within a specific post for a significant period. Members were further advised that a mapping exercise was being produced internally to the Council, which would map future career progression for employees across the organisation as a whole. Workforce data was also produced in respect of recruitment activity to review workforce composition, but it was recognised that individuals would need to be tracked across their career path to ascertain how they progressed.

A Member of the Committee sought further clarity as to why the Economy and Infrastructure Directorate with a female Director in post had the second highest pay gap of all the Council's directorates. The Head of Equalities and Diversity advised that this was largely attributable to job roles within that Directorate, with it being more common generally to find more men in leadership roles within services such as highways and planning.

A Members of the Committee referenced action point 5 '*Work with other local authorities and other partners to identify best practice in reducing gender pay gap and creating opportunities for women to progress into senior leadership roles in service areas where women or men are underrepresented*' in the '*Progress Against the Corporate Gender Pay Gap Action Plan to March 2022*'. The Member sought further information as to what leadership role the Council could play within the borough and across the wider region to address GPG directly and what lessons had been learned from other local authorities in this regard.

Members were informed that the Council had discussed the GPG with several other local authorities in the West Midlands region and had identified additional good practice from those discussions. It was further recognised that the Council's own internal actions and activities in addressing GPG were good, as was gaining clarity internally with staff as to what were the most significant factors in playing a part in gender issues in the workplace. The Chairman further stated that the Council needed to prioritise progression and implementation of the supporting Action Plan.

Having considered the report, the Remuneration Committee:

RESOLVED:

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- (i) To approve the Council's Gender Pay Gap report as attached at Appendix 1 to the report.

The Remuneration Committee meeting closed at 6:28 p.m.