

Policy and Sustainability Committee

10:00am, Tuesday, 05 October 2021

Pay Gap Report

Item Number	
Executive/routine	Executive
Wards	All
Council Commitments	

1. Recommendations

- 1.1 The Policy and Sustainability Committee is recommended to review and note the outcomes of the 2021 annual pay gap report (for gender, race/ethnicity and disability pay gaps), which will be published later in October 2021.

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Pay Gap Report

2. Executive Summary

- 2.1 The Council is currently bound by duties arising from the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, which require the Council to positively eliminate discrimination and publish gender pay gap information every two years.
- 2.2 Whilst the current regulations require us to publish pay gap every second year, the Council has committed to publish our pay gap reporting on an annual basis so that we can monitor our outcomes more regularly. The last (gender) pay gap reporting to Policy and Sustainability Committee took place in October 2020.
- 2.3 This report provides an update on the organisation's gender pay gap, gender pay gap by age and part-time gender pay gap. This year the Council has expanded reporting to include pay gap analysis for additional protected characteristics including disability (and long-term health conditions) and race/ethnicity.
- 2.4 The data used within the report is at 31 March 2021.
- 2.5 Key points to note from the 2021 reporting are:
- The gender pay gap remains consistent at 3.8% (slight reduction of 0.3%)
 - The density of female workforce in senior grades reduced by 2%
 - The part-time gender pay gap increased from 20.0% to 20.5%
 - The gender pay gap by age for females over forty years reduced marginally, from 7.0% to 6.7%
 - There is a positive gender pay gap by age for females under forty years at -2.6%, changing marginally from -2.2% last year
 - The race/ethnicity pay gap is currently 14.1% (based on current data held)
 - The disability pay gap is currently 7.0% (based on current data held)
- 2.6 We've recently undertaken a campaign to improve the quantity and quality of employee data held for protected characteristics. The analysis contained in this report is based on the following data:

Dataset	% complete data
Gender (male/female)	100%
Age	100%
Part-time	100%
Race/ethnicity	83%
Disability	80%

3. Background

- 3.1 Closing our workforce pay gaps requires a clear understanding of the issues that drive the differences in pay, and a collaborative effort at every level of our organisation and at every point in the employee lifecycle. We recognise that whilst we're acting locally to close the workforce pay gaps, this requires a meaningful shift in cultural norms more widely.
- 3.2 Understanding the data and trends gives insight to help us develop strategic initiatives whereby we remove cumulative bias and improve our pay gap position over the longer term.
- 3.3 Close monitoring and impact assessments are critical to support improvement of the gaps.
- 3.4 A range of positive activities have taken place in this space since we reported last year with further actions planned for in the coming year to support increased diversity, equality and inclusion within the organisation.

4. Main Report

- 4.1 The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 requires public authorities with 20 or more employees to publish gender pay gap information on the percentage difference between men's and women's average hourly pay, excluding non-contractual overtime.
- 4.2 The Council has three separate pay/grading structures:
 - Local Government Employees (LGE) – Grades 1 to 12, underpinned by job evaluation using the equality proofed Capital job evaluation scheme;
 - Teachers – Jobs sized from a pay perspective in accordance with the Scottish Negotiating Committee for Teachers (SNCT); and,
 - Chief Officials – Nationally agreed grading structure underpinned by independent and external Korn Ferry job evaluation scheme and benchmarking.

What is pay gap reporting?

- 4.3 A “pay gap” is not the same as “equal pay”. Equal pay is the equal payment of men and women for undertaking the same work. Men and women are paid equally for doing equivalent jobs across the organisation.
- 4.4 Pay gap analysis shows the difference in average hourly rate between one group and another, e.g. women and men (the gender pay gap).
- 4.5 The scope of the organisation’s pay gap analysis is as follows:

Data Scope	Workforce Demographic
Employees Groups in Scope	LGE, Chief Official, Craft, Teaching
Employee Groups Excluded	Agency
Contracts in Scope	Permanent, Fixed Term, temporary, apprentice, trainee
Contracts Excluded	Casual, supply
Payments in Scope	Basic Pay, Working Time Payments, Contractual Overtime
Payments Excluded	Allowances, Salary Sacrifice, Overtime (claims)

- 4.6 This year’s reporting reflects a total of 21,431 contracts in place at 31 March 2021, with a headcount of 17,261.

How are pay gaps calculated?

- 4.7 Pay gap analysis is expressed as a percentage. A pay gap is calculated by working out the difference between the average hourly rate between one group and another. Pay gap analysis captures the mean average and median average hourly rates and resulting pay gaps:

Terminology	Description
Mean average	The mean of a group of values is the sum of all values added together and divided by the number of values in the set.
Mean pay gap	The mean pay gap is a measure of the difference between one group’s mean hourly wage and another group’s mean hourly wage.
Median average	The median of a group of values is calculated by ranking all values in order, from the highest to the lowest, and taking the value in the middle.
Median pay gap	The median pay gap is the difference between one group’s median hourly wage and another group’s median hourly wage.

Workforce Profile

- 4.8 The organisation's overall workforce gender profile has remained unchanged since the previous report, at 70% female and 30% male.
- 4.9 Since the last report, the full-time female workforce increased by 1% to 49%, and there was a corresponding decrease in the part-time female workforce from 52% to 51%. The number of full-time male employees decreased from 82% in 2020 to 81% in 2021, and the part-time male workforce increased by 1%, to 19%.
- 4.10 The total percentage of females working in senior roles across the organisation reduced marginally in the period from 68% to 66%. Whilst the LGE and Chief Official groups saw small increases in female density in senior grades, the teaching population saw a small decrease.
- 4.11 The workforce age profile remains stable with 67% of the population in the forty years and over age category. 46% of the female workforce is aged forty years and over, and 21% of the male workforce is aged forty years and over.
- 4.12 Three percent of the current workforce identify as being ethnic minority; 1.4% of whom identify as Asian, 0.8% identify as African, 0.6% identify as "other ethnic group", 0.5% identify as mixed or multiple ethnic groups, and 0.1% identify as Caribbean or Black.
- 4.13 Three percent of the current workforce identify as having a disability or long-term health condition. Around 2.2% of colleagues identify as being disabled where their disability limits their activities a little; 0.5% of colleagues identify as being disabled where their disability limits their activities a lot.
- 4.14 The final section of this report "Working to close the gaps" provides insight on steps we're taking to drive increased diversity, equality and inclusion within the organisation.
- 4.15 Detailed information on the organisation's workforce profile is available in Appendix 1.

Gender Pay Gap

- 4.16 The mean average package pay gap reduced marginally to 3.8% (a reduction of 0.3% since 2020). This means for every £1 earned by a male employee, a female employee earns 96p (no change on last year).
- 4.17 The median pay gap was stable at 6.7%. This means for every £1 earned by a male employee, a female employee earns 93p (no change on last year).
- 4.18 Although the organisation gender pay gap did not move significantly, changes were observed in the gaps for different workforce groups, and by grade. The

mean average package pay gap for Local Government Employees (LGEs) narrowed slightly from 11.1% to 10.6%.

- 4.19 Since the last report, the pay gap for grade three reduced by 2.6%, from 8.3% to 5.7%. A positive pay gap exists for grade 4 (-1.0%) where the mean average hourly rate for females is higher than that for males; for every £1 earned by a grade four female a grade four male earns 99p.
- 4.20 Positively, the gender pay gaps reduced across all senior LGE grades since the last report.
- 4.21 In the last year, the female density of grade eleven increased from 33% to 38% and the pay gap for this grade reduced from 2.5% to 1%.
- 4.22 Some more pronounced pay gaps still exist across LGE grades, in particular grades one, three and five. A comparison of base and package pay gaps for these grades shows relatively small gaps in relation to base pay. Analysis shows that working time payments/other payments drive the gender pay gap at the lower end of the grading structure.
- 4.23 Part time (female) working patterns tend to attract lower working time payment earnings compared with full time (male) working patterns.
- 4.24 Overall, we have a significantly higher part-time female workforce (51%) than part-time male workforce (19%). The density of part-time (female) employees is higher at the lower end of the pay structure. For example, in grade two (with a 76% female workforce), 97% of colleagues work on a part-time basis.
- 4.25 The gender pay gap for Chief Officials reduced this year from 6.1% to 4.0%.
- 4.26 The gender pay gap for the Teaching workforce reduced this year by 0.3%, to 2.3%. In some grades we see a pay gap bias in favour of females, and where females earn more than male colleagues working in the same grade.
- 4.27 It should be noted that no bonus schemes are in operation at City of Edinburgh Council. Our bonus gender pay gap is therefore 0%.
- 4.28 Appendix 2 gives an overview of the organisation's gender pay gap.

Gender Pay Gap (Quartile Pay Band Analysis)

- 4.29 A pay quartile represents a quarter, or 25%, of the workforce, ranked by pay. The pay quartiles are then broken down by gender. This is then compared in relation to the organisational gender profile which is 70% female and 30% male.
- 4.30 The proportion of men and women across the pay quartiles is less consistent across the lower, lower middle, and upper middle quartiles (see Appendix 2). In the lowest paid quartile, there is a higher proportion of female to male than

in the other quartiles. In this year's data we see a marginal reduction in the proportion of females in the lowest quartile (from 79% in 2020 to 78% in 2021).

- 4.31 The significant proportion of female workforce in the lowest paid quartile and a low male representation in this quartile is a contributor to the organisation gender pay gap. This reflects employment trends within national UK society, such as more women working part-time, and a higher proportion of women working in the care sector in lower paid roles.
- 4.32 The workforce composition of the upper quartile is closest to the organisation profile (72% female, 28% male).

Gender Pay Gap by Age

- 4.33 The mean average pay gap for females over forty years of age narrowed since the 2020 reporting, from 7.0% to 6.7%. This means for every £1 earned by a male over forty years, a female in the same age group earns 93p.
- 4.34 There is a positive mean average pay gap for females under forty years of age. The pay gap for this group changed slightly since the 2020 reporting, from -2.2% to -2.6%. This means that for every £1 earned by a female under forty years, a male in the same age group earns 98p.
- 4.35 One of the reasons for differences in the gender pay gap between age groups is that women over 40 years are more likely to work in lower-paid occupations and, compared with younger women, are less likely to work as managers, directors or senior officials. For example, 80% of the grade two female workforce is in the 40+ years age bracket.
- 4.36 Appendix 3 gives an overview of the organisation's age pay gap.

Part-time Gender Pay Gap

- 4.37 Analysis of the pay gap for part-time employees looks at the rate of pay for part-time females compared with that of full-time males. Research shows that part-time employees tend to receive lower hourly earnings than full-time employees; part-time employees are primarily females; and female employees are predominantly concentrated in lower paid roles (European Journal of Industrial Relations, 2017).
- 4.38 The mean average pay gap for part-time females and full-time males increased slightly in the last year, from 20.0% to 20.5%. This means for every £1 earned by a full-time male employee, a part-time female employee earns 80p.
- 4.39 The median average pay gap for part-time females also increased, from 28.6% to 30.0% over the same period.

4.40 The pay gap observed for part-time female employees can be partly explained by the significant density of part-time female workforce in the lower LGE grades. Currently 51% of the organisation’s female workforce is part-time, versus 19% of the male workforce. By comparison, women account for 76% of all part-time workers in Scotland (Close the Gap).

4.41 Appendix 4 gives an overview of the organisation’s part-time gender pay gap.

Race/Ethnicity Pay Gap

4.42 This year’s pay gap analysis is expanded to include additional protected characteristics, including race/ethnicity. This analysis compares the pay gap between White and Black, Asian and Minority Ethnic colleagues.

4.43 The race/ethnicity pay gap analysis should be considered in the context that we hold data for 83% of our total workforce population for this protected characteristic. Whilst this level of data capture gives confidence that the observed pay gap outputs are meaningful, we’ll be able to achieve greater validity of our outputs as our level of data capture increases.

4.44 The mean average pay gap for Black, Asian and Minority Ethnic colleagues is currently 14.1%. This means that for every £1 a white employee earns, a Black, Asian and Minority Ethnic colleague earns 86p. The median average pay gap for this group is similar to the mean average, at 14.6%. A breakdown of pay gap by ethnicity group shows that this varies with wider gaps observed for those identifying as “other ethnic group”, African, and Caribbean or Black:

Ethnic group	Mean Average Hourly Rate	Pay gap
A - White	£16.91	N/A
B - Mixed or multiple ethnic groups	£17.08	-1.3%
C - Asian	£14.30	15.7%
D - African	£13.98	17.0%
E - Caribbean or Black	£14.14	16.6%
F - Other ethnic group	£13.59	19.9%

4.45 One percent of the total Black, Asian and Minority Ethnic population are working in senior roles and sixty percent of colleagues in this protected group are concentrated in roles with a salary of £25k or below.

4.46 The ethnicity pay gap is slightly higher for the LGE group (8.4%) than the Teaching group (7.8%). Pay gap analysis for the Chief Official population is not possible due to limited numbers.

- 4.47 The race/ethnicity pay gap varies across the different Directorates and by grade. Positive pay gaps are observed in the Place Directorate (-1.2%) and Chief Executive's Service (-5.8%), where ethnic minority employees receive a higher mean average hourly rate of pay than white employees. This trend is also seen across LGE grades one, three, four, eight and nine.
- 4.48 Wider gaps observed in the senior LGE grades ten and eleven are linked to the recent recruitment of Black, Asian and Minority Ethnic colleagues into roles at this level.
- 4.49 Appendix 5 gives an overview of the organisation's race/ethnicity pay gap.

Disability Pay Gap

- 4.50 This year's pay gap analysis is expanded to include additional protected characteristics, including those with a disability or long-term health condition. This analysis compares the pay gap between employees who identify as having a disability or long-term health condition, and those employees who do not.
- 4.51 The disability pay gap analysis should be considered in the context that we hold data for 80% of our total workforce population for this protected characteristic. Whilst this level of data capture gives confidence that the observed pay gap outputs are meaningful, we'll be able to achieve greater validity of our outputs as our level of data capture increases. It should be recognised that some colleagues may not identify as being disabled, even if they fall within the legal definition of this.
- 4.52 Using the Government Statistical Service (GSS) harmonised definition of disability, 18.9% of people aged 16 to 64 years were disabled in 2018. Women were more likely to be disabled than men, at 21.1% and 16.6%, respectively (Office of National Statistics).
- 4.53 The mean average pay gap for employees with a disability or long-term health condition is currently 7.0%. This means that for every £1 earned by a non-disabled employee, a disabled employee earns 93p. The median average pay gap for this group is similar to the mean average, at 6.5%.
- 4.54 Two percent of the total disabled population are working in senior roles and forty-six percent of colleagues in this protected group are concentrated in roles with a salary of £25k or below.
- 4.55 The disability and long-term health condition pay gap varies by group, Directorate and by grade. Positive disability pay gaps exist across the Strategy and Communications, Edinburgh Health and Social Care Partnership and Resources Directorates. Disability pay gaps exist in the Communities and Families and Place Directorates.

- 4.56 The overall pay gap observed for disability and long term health conditions is driven mainly by the Teaching group, where the current gap is 10.1%. Teaching roles exist across four main grades (MTE1 (Teacher) to MTE4 (Head/Depute Head)) and there's no disabled population in grades MTE2 (Chartered Teacher) and MTE4 (Head/Depute Head Teacher).
- 4.57 A small positive pay gap exists within the Local Government Employee group (-0.6%), where disabled employees have a slightly higher average hourly rate of pay than employees without a disability. There is a positive pay gap in LGE grades one, two, seven, nine, ten and craft apprentice roles.
- 4.58 Pay gap analysis for the Chief Official population is not possible due to limited numbers.
- 4.59 Appendix 6 gives an overview of the organisation's disability/long-term health condition pay gap.

Benchmarking – how do we compare?

- 4.60 Whilst all Scottish Local Authorities follow the Local Government Benchmarking Framework approach for pay gap reporting for *base pay*, we are working with other Scottish Local Authorities throughout 2021 to identify opportunities to achieve greater consistency of *package pay gap* data analysis as is required when reporting under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. This project should allow us to draw robust comparison with other Councils in respect of *package pay gap* outputs and compare "like with like".
- 4.61 We've benchmarked our pay gap analysis in relation to wider national statistics. As we improve data completeness for disability and race/ethnicity we will be able to achieve greater validity of pay gap outputs for these protected characteristics:
- The organisation's gender pay gap of 3.8% is lower than the UK average of 11.5%, and lower than the Scottish national average of 10.4% (Close the Gap);
 - The part-time gender pay gap of 20.5% is lower than the Scottish national average of 29.7% (Close the Gap);
 - The gender pay gap by age (6.7% for females versus males over 40 years) is lower than that observed at the national level for 40+ years age groups (18.5% for 40-49 years, 19.5% for 50-59 years, 20.6% for 60+ years, Close the Gap);

- The race/ethnicity pay gap (14.1% mean, 14.6% median) is slightly higher than the Scottish national average of 10.3% (Office of National Statistics); and,
- The disabled/long term health condition pay gap (7.0% mean, 6.5% median) is lower than the Scottish national average of 24.8% (Trades Union Congress)

Working to close the gaps

- 4.62 This year's analysis show that we still have some way to go in closing the gaps, and that linear change is rarely observed in this space. Closing our pay gaps requires a clear understanding of the issues that drive workforce pay gaps and a collaborative effort at every level of our organisation and at every point in the employee lifecycle, from recruitment through to progression opportunities.
- 4.63 Understanding the data and trends gives insight to help us develop strategic initiatives whereby we improve our pay gap position over the longer term.

What's been achieved this year?

- 4.64 A range of positive activities have taken place in this space since we reported last year to support increased diversity, equality and inclusion within the organisation.
- 4.65 The Scottish Local Government living wage was consolidated into employee base pay at 1 April 2021. The pay and grading structure was redesigned to allow for consolidation, and some pay progression, for grades one to three. This change improved the take home pay for 4,400 of our lowest graded employees (predominantly female) and should drive a small reduction in the gender pay gap for the Local Government Employee workforce in 2021. The impact of this change will be captured in next year's pay gap reporting.
- 4.66 We have delivered a talent programme for future senior leaders which attracted almost one hundred applications. Of the sixteen successful candidates, twelve were women. The cohort undertook a range of professional development opportunities including 360 feedback, professional skills masterclasses, partnership with senior mentors, access to senior management team meetings and project-based assignments. To date, six of the sixteen have secured a promoted post.
- 4.67 Future talent programmes will be linked to the strategic business plan and will continue to have the aspiration to 'reflect the diversity of our city across our organisation and in our most senior roles' as an underpinning aim of the programme.

- 4.68 We have been working to improve the quality of the equalities data that we gather and now have agreement with all local authorities to gather the same data set when recruiting through Talentlink. This data set mirrors that which will be used in the Scottish Census from 2022 and therefore enables direct comparison at inter-authority and national level.
- 4.69 We have been working (and will continue to work) in partnership with diversity and inclusion specialists including the Council of Ethnic Minority Voluntary Sector Organisations and Coalition for Racial Equality and Rights to review our approach to recruitment, attraction, data analysis and professional development. The insight we gain through data analysis will inform future actions to support the development of a more inclusive workplace.
- 4.70 Over the last 12 months we have supported the launch and establishment of our colleague networks over the last twelve months to support colleagues who share a common protected characteristic. The aim of each network is to:
- develop strong, productive working partnerships with managers and colleagues;
 - help inform our approach to ensuring respect and equality in the workplace;
 - tackle barriers to progression; and,
 - create a more inclusive working environment.
- 4.71 The following networks have been established:
- Network engagement for women's support (NEWs);
 - SPARC network – supporting people's abilities regardless of circumstance;
 - Black, Asian and Minority Ethnic network;
 - Black and Minority Ethnic equality workers forum;
 - STRIDE network – LGBT+ forum; and,
 - Sustainability network.
- 4.72 The content of our external 'Working for Us' webpage and our City of Edinburgh Council page on the national MyjobScotland website has been updated to use more inclusive language and to underline our commitment to attracting and retaining a diverse workforce. We are producing recruitment videos featuring a diverse range of colleagues talking about the benefits of working for the Council to help attract a more diverse pool of candidates.
- 4.73 Unconscious bias training for colleagues and recruiting managers has been piloted, to raise awareness of bias and the impact that has on decision making, particularly in a recruitment context. We are reinforcing anti-racist practice to targeted teams and will provide a range of equalities, diversity and rights learning options to all colleagues across this year. We're also participating in the Scottish Government's digital recruitment fair targeting black and minority ethnic candidates.

- 4.74 Our SPARC network for colleagues with a disability or long-term health condition has produced advice for managers to help them take a supportive approach with people who have disabilities and long-term health conditions, while also treating them like the professionals that they are. The aim is to improve relationships, helping managers feel more confident approaching often unfamiliar or difficult subject matter. It is also intended to make colleagues feel less 'judged' when discussing working requirements and is intended to create more of a partnership approach.

What's planned for the year ahead?

- 4.75 A variety of further actions are planned for in the coming year to support increased diversity, equality and inclusion within the organisation.
- 4.76 A review and reform of the current pay and benefit framework for Local Government Employees and Craft was underway with information discussions taking place with our recognised trade unions but this has been put on hold by the staff side due to the non-agreement in respect of the national pay award. The aim of this work was to bring more simplicity, transparency, and fairness in this space. Reducing the gender pay gap will be one of the key principles underpinning this review. In particular, we seek to fully understand the impact of working pattern design on the gender pay gap, and what changes might be made to ensure consistent access to compensatory payments for both full-time and part-time colleagues.
- 4.77 As a result of the COVID-19 pandemic, the majority of our workforce, at all job levels, have expressed the desire to work much more flexibly in the future. We have commenced a series of workshops to support managers to engage their team with shaping how future working might look for them – 'Our Future Work'.
- 4.78 We are committed to continuing to improve our flexible working provisions, to ensure that both men and women can undertake (senior) roles regardless of their caring responsibilities. A review of our Maternity, Paternity and Parental Leave policy is currently under way to see if there are further enhancements we can make. Research shows that encouraging more men to take more time off work to care for their children could help to close the gender pay gap by reducing the negative effects that maternity leave and childcare responsibilities have on women's careers.
- 4.79 Work has been underway to review our job descriptions and person specifications for gender bias to determine if we are unconsciously appealing more to one sex or the other, for specific roles. We may use the evidence we gather to re-write job descriptions and person specifications with a language bias in order to attract candidates into traditionally segregated occupations or roles.

- 4.80 We have engaged with our colleague networks to seek the ‘lived experience’ of colleagues who have had adverse experiences in the workplace. The information gathered will be used to inform our approach to supporting and protecting colleagues in the workplace and will help our managers to provide the best possible support to colleagues delivering services across the city. For example, feedback gathered from colleagues with a long-term health condition or disability around the recruitment process will help us to develop a more inclusive approach to attraction and recruitment, as well as retaining more colleagues from diverse backgrounds.
- 4.81 The SPARC network has surveyed their members to gather feedback on their experiences of working through the pandemic, both positive and negative. This information will be used to inform possible new ways of working in an effort to best support colleagues with diverse needs.
- 4.82 The Council’s recruitment policy and practice is being reviewed, in line with the Scottish Government Minority Ethnic Recruitment Toolkit. Our aim is to attract more candidates from minority ethnic backgrounds to apply for positions within the Council; it will also help us identify and address any systems and structures in place that might pose a barrier to those from minority ethnic backgrounds. We’ll examine our recruitment process in detail to determine whether the process itself may have embedded practice or assumptions that could lead to unintended bias on the part of recruiting managers and inadvertently favour candidates from a non-minority ethnic background. We’ll engage with our colleague networks to inform this review.
- 4.83 We have been piloting positive action measures in recruitment as a means of increasing the diversity of the teaching, youth work and early years workforce. These measures include diverse shortlists, diverse recruitment panels and the use of a ‘tiebreak’ to decide in favour of a stated protected characteristic between candidates with equivalent experience and performance at interview.
- 4.84 Continued monitoring and review our utilisation of contracts across the organisation, particularly those relating to our flexible workforce, to promote more opportunities, greater simplicity and fairness.
- 4.85 This is the first year we’ve published our ethnicity/race and disability pay gaps. We commit to expand the scope of this analysis to develop a more detailed understanding of what drives these pay gaps in relation to observations in the 2021 reporting, e.g. establishing what drives a higher disability pay gap for the Teaching population and differences between different ethnic minority groups.

- 4.86 The Council is committed to ongoing regular analysis to understand changes to gaps as they happen. In the coming year, and as we enter a phase of organisational change and review, we will work to ensure pay gap analysis is embedded into the change impact assessment process. We will continue to review, refine and improve our approach towards pay gap data analysis.

5. Next Steps

- 5.1 Officers will continue to progress the identified activities in the report and provide a further update to the Committee in October 2022.

6. Financial impact

- 6.1 In addition to existing investment in this area via the Council's Human Resources Divisional Budget and the Corporate Learning and Development budget, Council approved an additional one-off investment of £100,000 to support specific diversity and inclusion related activities for 2021/22.
- 6.2 Whilst there is a range of research and evidence that confirms the positive impact of diversity and inclusion practices by employers upon enhanced levels of recruitment, retention, progression and employee experience and advocacy, there is no current empirical evidence or conclusive academic research that directly correlates such activities to financial implications. Therefore, quantifying a direct and positive financial impact as a result of our work in this area is not possible to achieve.

7. Stakeholder/Community Impact

- 7.1 In developing the Diversity and Inclusion strategy and plan we have engaged with a number of stakeholders including elected members, Trade Unions, colleagues and external organisations.
- 7.2 As part of external stakeholder engagement, we continue to refer to external partners such as Close the Gap, the Employers Network for Equality and Inclusion (ENEI) and the Council of Ethnic Minority Voluntary Sector Organisations (CEMVO), in relation to best practice.

8. Background reading/external references

- 8.1 [Working Paper 22 – Gender Pay Gap Statistics; Close the Gap, February 2021](#)
- 8.2 [Disability pay and employment gaps; TUC, November 2020](#)
- 8.3 [Part-time employment, the gender wage gap and the role of wage setting institutions: Evidence from 11 European countries; ReasearchGate, November 2017](#)
- 8.4 [Diversity and Inclusion Strategy; Policy and Sustainability Committee, 1 October 2019](#)
- 8.5 [Earnings and working hours; Office for National Statistics](#)

9. Appendices

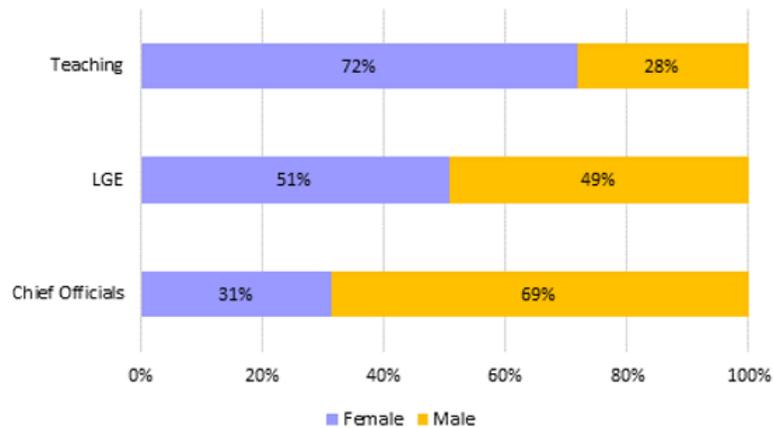
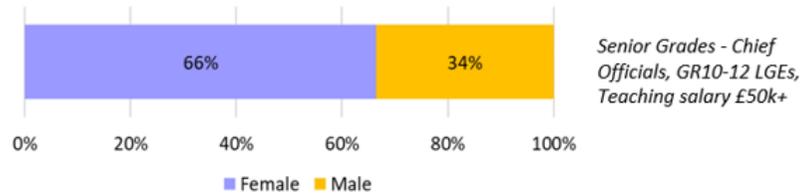
- 9.1 Appendix 1: Workforce profile
- 9.2 Appendix 2: Gender pay gap
- 9.3 Appendix 3: Gender pay gap by age
- 9.4 Appendix 4: Part-time gender pay gap
- 9.5 Appendix 5: Race/ethnicity pay gap
- 9.6 Appendix 6: Disability/long-term health condition pay gap

Appendix 1: Workforce profile

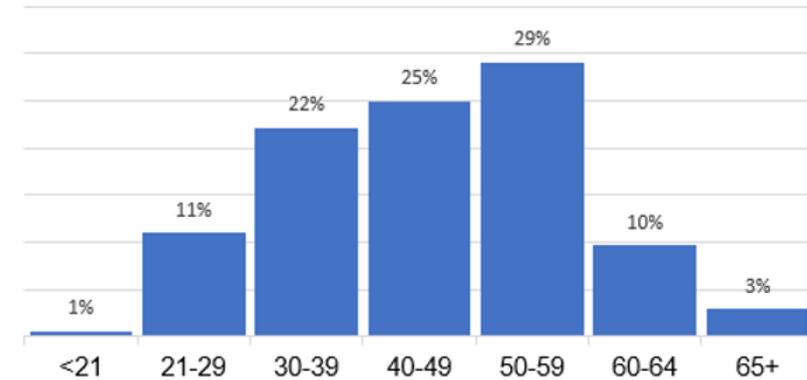
Gender profile



Female Density - Senior Grades



Age profile



Part-time working profile

	Part-time	Full-time
Total workforce	42%	58%
Female	51%	49%
Male	19%	81%

Appendix 1: Workforce profile

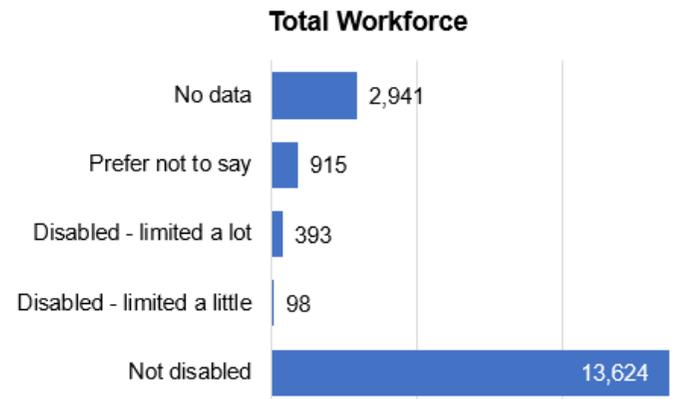
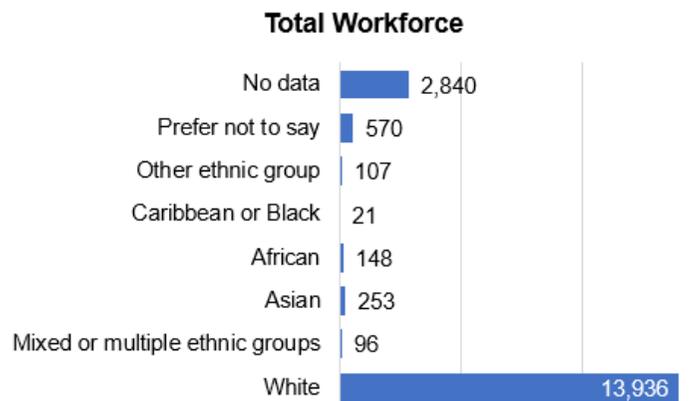
Race/ethnicity profile (19% no data/prefer not to say)



Disability profile (21% no data/prefer not to say)



*Disabled or long-term health condition



Appendix 2: Gender pay gap

Organisation

Mean Average Hourly Rate			Median Average Hourly Rate		
Female	Male	Gap	Female	Male	Gap
£16.14	£16.78	3.8%	£14.05	£15.06	6.7%

Directorate

Directorate	Mean Average Hourly Rate			Median Average Hourly Rate		
	Female	Male	Gap	Female	Male	Gap
Strategy and Communications	£21.77	£22.72	4.2%	£20.01	£21.88	8.5%
Communities and Families	£17.27	£19.70	12.3%	£17.03	£20.20	15.7%
Edinburgh Health and Social Care Partnership	£14.68	£14.85	1.1%	£13.30	£13.30	0.0%
Place	£16.23	£15.33	-5.9%	£15.35	£14.58	-5.3%
Resources	£12.47	£14.50	14.0%	£10.35	£11.62	10.9%

Workforce group

Employee Group	Mean Average Hourly Rate			Median Average Hourly Rate		
	Female	Male	Gap	Female	Male	Gap
Local Government Employees	£13.51	£15.11	10.6%	£11.78	£14.05	16.2%
Chief Officials	£64.55	£67.27	4.0%	£59.23	£59.23	0.0%
Teaching	£23.12	£23.65	2.3%	£22.68	£22.68	0.0%

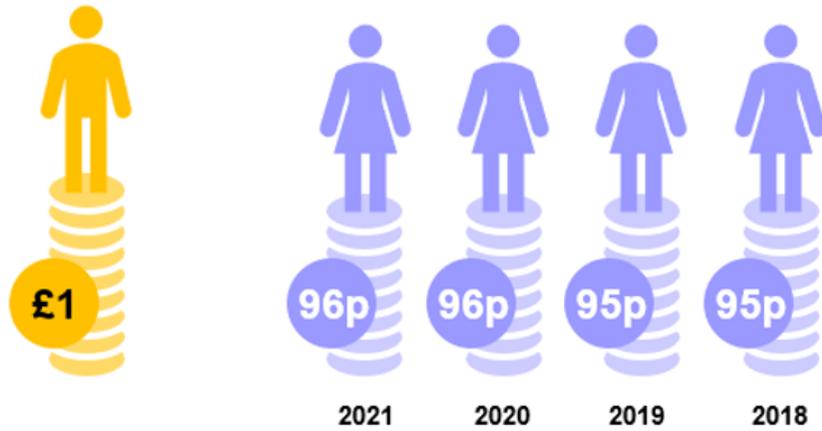
Appendix 2: Gender pay gap

Quartile analysis

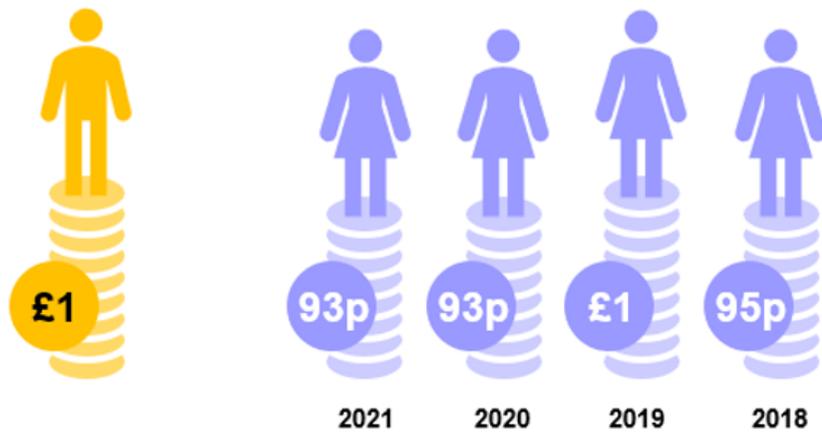
Quartile	Female	Male	Total Contracts	Min £	Max £
Lower quartile	78%	22%	4,469	£9.34	£10.94
Lower middle quartile	68%	32%	4,476	£10.95	£14.18
Upper middle quartile	61%	39%	4,428	£14.19	£21.46
Upper quartile	72%	28%	4,491	£21.48	£95.48

Appendix 2: Gender pay gap

When comparing average hourly wages (mean), women make 96p for every £1 men make:



When comparing average hourly wages (median), women make 93p for every £1 men make:



Appendix 3: Gender pay gap by age

Workforce aged forty years and under

Mean Average Hourly Rate		
Female (<40)	Male (<40)	Gap
£16.38	£15.97	-2.6%

Median Average Hourly Rate		
Female (<40)	Male (<40)	Gap
£15.81	£14.91	-6.0%

Workforce aged forty years and over

Mean Average Hourly Rate		
Female (40+)	Male (40+)	Gap
£16.01	£17.16	6.7%

Median Average Hourly Rate		
Female (40+)	Male (40+)	Gap
£14.05	£15.34	8.4%

Appendix 4: Part-time gender pay gap

Organisation

Mean Average Hourly Rate			Median Average Hourly Rate		
Female (Part Time)	Male (Full Time)	Gap	Female (Part Time)	Male (Full Time)	Gap
£13.93	£17.52	20.5%	£11.09	£15.84	30.0%

Directorate

Directorate	Mean Average Hourly Rate		Gap
	Female (Part Time)	Male (Full Time)	
Strategy and Communications	£21.86	£22.85	4.3%
Communities and Families	£14.90	£21.04	29.2%
Edinburgh Health and Social Care Partnership	£14.08	£15.00	6.1%
Place	£13.76	£15.43	10.8%
Resources	£10.79	£16.49	34.6%

Workforce group

Employee Group	Mean Average Hourly Rate		Gap
	Female (Part Time)	Male (Full Time)	
Local Government Employees	£11.91	£15.85	24.9%
Chief Officials	N/A	£67.27	N/A
Teaching	£23.28	£23.79	2.1%

Appendix 5: Race/ethnicity pay gap

Organisation

Mean Average Hourly Rate			Median Average Hourly Rate		
BAME	White	Gap	BAME	White	Gap
£14.35	£16.72	14.1%	£12.86	£15.06	14.6%

Directorate

Directorate	Mean Average Hourly Rate		Gap
	BAME	White	
Strategy and Communications	£23.92	£22.60	-5.8%
Communities and Families	£15.25	£18.28	16.6%
Edinburgh Health and Social Care Partnership	£13.70	£15.00	8.7%
Place	£16.07	£15.88	-1.2%
Resources	£12.76	£13.34	4.4%

Workforce group

Employee Group	Mean Average Hourly Rate		Gap
	BAME	White	
Local Government Employees	£13.20	£14.41	8.4%
Chief Officials	N/A	£62.20	N/A
Teaching	£21.47	£23.29	7.8%

Appendix 6: Disability/long-term health condition pay gap

Organisation

Mean Average Hourly Rate			Median Average Hourly Rate		
Disabled	Non-disabled	Gap	Disabled	Non-disabled	Gap
£15.48	£16.65	7.0%	£14.05	£15.03	6.5%

Directorate

Directorate	Mean Average Hourly Rate		Gap
	Disabled	Non-disabled	
Strategy and Communications	£24.27	£22.20	-9.3%
Communities and Families	£16.35	£18.20	10.1%
Edinburgh Health and Social Care Partnership	£15.13	£14.88	-1.6%
Place	£14.16	£15.94	11.1%
Resources	£13.83	£13.27	-4.2%

Workforce group

Employee Group	Mean Average Hourly Rate		Gap
	Disabled	Non-disabled	
Local Government Employees	£14.42	£14.34	-0.5%
Chief Officials	N/A	£62.53	N/A
Teaching	£20.99	£23.25	9.7%