

Equality Act Update

The public sector has faced unprecedented challenges in recent years with exceptionally difficult funding settlements and the general uncertainty facing the UK economy and public finances. We note the widespread application of a pay freeze for the majority of public sector employees, further financial challenges and uncertainties arising from changes to funding and austerity measures in devolved administrations.

The impact that this uncertainty has on pay and reward can often be one of inactivity and an approach akin to a 'rabbit in the headlights'. The forward thinking institution will however grasp the challenges faced to maximise the effectiveness of what remain exceptionally attractive employment environments.

There are both external and internal pressures on reward functions with an 'external' pressure of statutory and economic effects and an 'internal' necessity for financial efficiencies whilst promoting and maximising the reward package available within the Public Sector.

This publication will focus on some of these key pressures and present an argument for action within the reward functions of Public Sector institutions.

Public Sector must prepare for Equality Act impact.

The Coalition Government have enshrined in statute proposals for specific public sector equality duties. As a result of this, there is now not much time for public sector bodies covered by the Equality Act regulations to react to timelines introduced for the reporting of equality measures and objectives.

The Equality Duty

The general equality duty was created by the Equality Act 2010 (the 'Act') and replaced the public sector race, disability and gender equality duties which existed previously. The duty, which came into force on 5 April 2011, now covers the wider protected characteristics of age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation.

The general equality duty is set out in section 149 of the Equality Act and requires relevant public authorities to have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Publication of Information

Public Sector institutions will be required to publish information to demonstrate their compliance with the duty imposed by section 149(1) of the Act. This information must be published by 31 January 2012. Information must then be subsequently published, at least, annually.

This information will be required to include information relating to people who share protected characteristics. Where the organisation has 150 or more employees it must also include information about how its employees are affected by its policies.



Publication of Equality Objectives

Relevant public authorities are required to prepare and publish their own equality objectives. The objectives must be both 'specific and measurable'. They should be published by 6 April 2012 and then again at least every four years.

Manner of Publication

Relevant public authorities must ensure that the information referred to above is published in a manner which ensures that it is accessible to the public.

What action should be taken?

The Equality and Human Rights Commission have announced that they will be publishing non-statutory guidance for public authorities to help them to comply with the Regulations, although this has not yet been published.

As a result, reward teams should consider the following course of action:

- Introduce a programme of formal Equal Pay Auditing to incorporate as many of the protected groups as is feasible at this time. This needs to be completed by 31 January 2012;
- Identify what aspects of this audit are to be published and in what format. Options include:

: Top level 'pay gap' analysis;

: Executive summary;

: Action plan;

: Full Audit document.

: Internet or newsletter publication.

- Prepare to enhance employment data collation (perhaps in conjunction with HESA returns) to achieve an ability to report on all protected groups. However where institutions cannot report on all protected groups at this time this should be noted in any published equal pay audit action plan.
- Develop or enhance current Equality working groups committees to develop the required equality objectives to be published by 6 April 2012.

Following the introduction of the Single Status Agreement, the Public Sector took significant steps to addressing the equal pay agenda but there are notable areas of concern that remain. High profile equal pay challenges among Professorial pay groups together with some concern over substantive base pay environments mean that the equality agenda remains high on the reward specialists' agenda in the Public Sector.

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