## **EXPLANATORY NOTE**

(This note is not part of the Regulations)

These Regulations impose specific duties, including gender pay gap reporting requirements, on the public authorities listed in Schedule 2 to the Regulations. The purpose of the duties is to enable the better performance by the authority of the public sector equality duty imposed by section 149(1) of the Equality Act 2010 (c. 15) ("the Act"). That section requires public authorities to have due regard, in the exercise of their functions, to specified equality aims.

Regulation 2 makes provision as to the meaning of "employment" and related expressions for the purposes of the Regulations.

Regulation 4 requires the public authorities listed in Schedule 2 to publish annual information to demonstrate compliance with the section 149(1) duty. Regulation 5 requires the same public authorities to publish equality objectives at four-yearly intervals. Regulation 6 sets out the way in which the information must be published. Regulations 4 and 5 both require the information to be first published not later than 30th March 2018.

Regulation 7 enables two of the public authorities listed in Schedule 2, Monitor and the NHS Trust Development Authority, to jointly comply with the obligations imposed by the Regulations, as if they were a single public authority. This reflects arrangements by which the two statutory bodies are brought together in a single operational organisation called NHS Improvement.

The requirements in regulations 4 to 6 reproduce requirements in the Equality Act 2010 (Specific Duties) Regulations 2011 ("the 2011 Regulations"), which are revoked by regulation 9(1). Regulation 9(2) makes transitional provision, so that if public authorities have published equality objectives in compliance with the 2011 Regulations during the four years ending with 30th March 2018, they are not required to publish such objectives again until four years from the date of last publication under the 2011 Regulations. Regulation 9(3) makes a saving provision.

Regulation 3 and Schedule 1 impose new requirements for public authorities listed in Schedule 2 to the Regulations, if they have 250 or more employees, to publish information relating to the gender pay gap in their organisation. In particular, public authorities are required to publish the difference between the average hourly rate of pay paid to male and female employees; the difference between the average bonus paid to male and female employees; the proportions of male and of female employees who receive bonuses; and the relative proportions of male and female employees in each quartile pay band of the workforce.

Schedule 2 to the Regulations sets out the public authorities to which the obligations in these Regulations apply. This updates and consolidates the lists in Schedules 1 and 2 of the 2011 Regulations.

Schedule 3 to the Regulations amends Parts 1 and 2 of Schedule 19 to the Act (public authorities subject to the public sector equality duty).

This instrument has no impact on the costs of business, charities or voluntary bodies. No specific impact assessment has been carried out on the effect that this instrument will have on the costs of the public sector, but an impact assessment prepared for the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (which impose very similar gender pay gap reporting requirements) is published with the Explanatory Memorandum for that instrument on legislation.gov.uk. A hard copy of that full impact assessment can be obtained from the Government Equalities Office, Sanctuary Buildings, 20 Great Smith Street, SW1P 3BT.