

PERSONNEL COMMITTEE – 5TH OCTOBER 2021

Report of the Strategic Director Environmental and Corporate Services

Part A

ITEM 6 GENDER PAY GAP INFORMATION

Purpose of the Report

Personnel Committee to note the Council's Gender Pay Gap report based on the snapshot date of 31st March 2020 and agree the recommendations set out below.

Recommendation

That the Personnel Committee note the details of the Gender Pay Gap report.

Reason

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires public sector employers with 250 or more employees on the snapshot date of 31 March each given year, to carry out gender pay analysis and reporting.

Policy Justification and Previous Decisions

The Government requires that gender pay is analysed and reported on each year. The information was discussed at SLT on 20th January 2021 and JMTUM on 8th April 2021. This is the fourth Gender Pay Gap report produced by the Council.

Implementation Timetable Including Future Decisions

It is a requirement that the information is published on the website before 31st March each year. The gender pay gap data has been published in accordance with those requirements.

Report Implications

The following implications have been identified for this report

Financial Implications

There are no immediate financial implications arising from this decision.

Risk Management

There are no specific risks associated with this decision.

Background Papers: None

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Part B

Background

1.0 Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires public sector employers with 250 or more employees on the snapshot date of 31 March each given year, to carry out gender pay analysis and reporting.

The gender pay gap report must set out the Council's results in relation to:

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
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
Mean Bonus Gap	The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees
Median Bonus Gap	The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees
Bonus Proportions	The proportions of male and female relevant employees who were paid bonus during the relevant period
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 is required to publish the results on our website by 31 March each year. In addition, the results must also be published on a specified government website.

The Government considers that the rate of progress in terms of closing the gender pay gap continues to be too slow and has committed to closing the gap within a generation. Gov.uk has outlined some potential actions for employers to consider.

The gender pay gap reporting requirements enable employers to compare the gender pay gap in its own organisation and look at ways to close the gap if an issue arises.

The data analysed relates to all "employees" of the Council and includes those under a contract of service, apprenticeship or a contract to do work personally. The analysis is based on all individual employees and not full-time equivalents. The pay is based on ordinary pay which includes basic pay (hourly rate), occupational pension benefits, contractual enhancements and sick pay. The hourly rate is used as it takes account of the fact that more men than women work full time. It excludes expenses, overtime pay, pay in lieu of leave, benefits in kind, redundancy pay and other payments transferable to termination.

2. Gender Pay Gap Outcomes as at 31 March 2020

2.1 Gender Pay Gap Analysis

The results of the 6 required calculations are outlined below, based on the data obtained for the snapshot date of 31 March 2020.

The Council employed 560 eligible individuals on the snapshot date. It should be noted that 56 of these were casuals working on the snapshot date of 31 March 2020. All casual employees were in the lower quartile, 21 of which were male and 35 female). When split into gender the figures are as follows:

Gender	Number of Employees	Percentage Difference
Female	333	59.5%
Male	227	40.5%

2.2 Mean Gender Pay Gap

The mean gender pay gap is the difference between the mean hourly rate of pay of male full pay relevant employees and that of female full pay relevant employees.

Gender	Hourly Rate	Percentage Difference for Gender Pay Gap
Female	£13.60	11.5%
Male	£15.37	

The average hourly rate of female employees' is 11.5% lower than male employees. The gap has decreased from 12.6% as at 31 March 2019 and continues to be lower than the 12.8% published in the first gender pay gap as at 31 March 2017. The mean hourly rate for both male and females has marginally increased for this period (£13.60 female and £15.37 male as at 31 March 2020).

The mean is calculated by adding up all the relevant earnings of employees and dividing that figure by the number of employees. A mean average gives a good overall indication of the gender pay gap, but very large or small pay rates can "dominate" and distort the answer.

2.3 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.

Gender	Hourly Rate	Percentage Difference for Gender Pay Gap
Female	£12.34	13.5%
Male	£14.27	

The median hourly rate of female employees' is 13.5% lower than male employees' (15.6% as at 31 March 2019 and 17.6% as at 31 March 2018). In accordance with the Annual Survey of Hours and Earnings – Gender Pay Gap in the UK - Office for National Statistics (ONS) 2020 the gender pay gap for all employees (full and part

time) is 15.5%. Therefore, the Council’s median gender pay gap is less than this national statistic and improved by a further 2% since the 2019 reporting period.

Overall, this data shows that women earn 86p for every £1 that men earn when comparing median hourly wages.

2.4 Mean Bonus Gap

The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

The Council does not consider that it pays bonus in accordance with the criteria set out and therefore reporting on this element is not applicable.

2.5 Median Bonus Gap

The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.

The Council does not consider that it pays bonus in accordance with the criteria set out and therefore reporting on this element is not applicable.

2.6 Bonus Proportions

The proportions of male and female relevant employees who were paid bonus during the relevant period.

The Council does not consider that it pays bonus in accordance with the criteria set out and therefore reporting on this element is not applicable.

2.7 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.

Quartile	Gender	Number of Employees	Percentage of Total	Percentage in Each Quartile
Upper Quartile	Male	74	13%	53%
	Female	66	12%	47%
Upper Middle Quartile	Male	63	11%	45%
	Female	77	14%	55%
Lower Middle Quartile	Male	45	8%	32%
	Female	95	17%	68%
Lower Quartile	Male	45	8%	32%
	Female	95	17%	68%

There is a relatively even split of males and females in the Upper Middle Quartile and in the Upper Quartile. However, the data highlights an increase in females and a reduction in males from the last reporting period.

The Lower Middle Quartile and Lower Quartile outline larger differences in the split between male and female employees. This is again consistent with the previous reporting years.

There has been a change in the proportion of males in females in the upper quartile, with females increasing from 11% to 12% and males reducing from 14% to 13% of the total workforce in this reporting period. Similarly, in the upper middle quartile females have increased from 13% to 14% and males have reduced from 12% to 11% of the total workforce. The percentage change in the lower middle quartile remains the same as in the last reporting period. Males have increased from 7% to 8% of the total workforce in the lower quartile and females have reduced from 18% to 17% of the total workforce. Whilst the percentage changes are marginal, this is likely to have had an impact on the overall gender pay gap.

Overall, females occupy 47% of the highest paid jobs and 68% of the lowest paid jobs.

2.8 Analysis of Full and Part Time Employees in each Quartile

Gender.											
	Full Time				Full Total	Part Time				Part Total	Grand Total
	Female	%	Male	%		Female	%	Male	%		
UPPER QUARTILE	40	28.5%	69	49%	109	26	18.5%	5	4%	31	140
UPPER MIDDLE QUARTILE	53	38%	55	39%	108	24	17%	8	6%	32	140
LOWER MIDDLE QUARTILE	42	30%	32	23%	74	53	38%	13	9%	66	140
LOWER QUARTILE	15	11%	14	10%	29	80	57%	31	22%	111	140
Grand Total	150		170		320	183		57		240	560

In order to analyse the quartiles further, an additional piece of reporting was conducted into the breakdown of full and part time staff, by gender, in each quartile as evidenced in the table above.

All quartiles show that females significantly occupy more part time posts than male employees. This is reflected particularly in the Lower Middle Quartile and the Lower Quartile.

The table further demonstrates that there is a greater percentage of full-time males in the upper and upper middle quartiles (124 males and 93 females).

Overall there are fewer male employees (227) than female employees (333). The calculations for the gender pay gap do not require an employer to distinguish between full time and part time employees. However, an analysis of this data is helpful in understanding the pattern of employment within the figures and how this may impact upon the gender pay gap as outlined above.

3. Findings

- 3.1 The findings of the data analysed as at 31 March 2020 are similar to the findings for the last three periods of analysis, dating back to 31 March 2017.
- 3.2 The upper quartiles highlight that there are groups who would typically fall within the lower middle quartiles (plumber, electrician, gas fitter, joiner) who receive enhancements, such as standby allowance. This increases the overall hourly rate of those in receipt of the enhancements. The key areas highlighted are traditionally male dominated. Despite openly advertising positions, the Council has struggled to recruit female employees in these areas. This is an action that has formed part of the Equalities Group Action Plan which remains under review as part of the Equalities Group.
- 3.3 Analysing the data in more detail, there has been a change in the proportion of males in females in the upper quartile, with females increasing from 11% to 12% and males reducing from 14% to 13% of the total workforce in this reporting period. Similarly, in the upper middle quartile females have increased from 13% to 14% and males have reduced from 12% to 11% of the total workforce. The percentage change in the lower middle quartile remains the same as in the last reporting period. Males have increased from 7% to 8% of the total workforce in the lower quartile and females have reduced from 18% to 17% of the total workforce. Whilst the percentage changes are marginal, this is likely to have had an impact on the overall gender pay gap.
- 3.4 The data also shows us that females occupy 47% of the highest paid jobs and 68% of the lowest paid jobs.
- 3.5 There are also significantly more female employees in the lower middle quartile (42 full time and 53 part time) than males (32 full time and 13 part time). The lower quartile is made up of more female employees (15 full time and 80 part time) than males (14 full time and 31 part time). This could show that part time working has an impact on the figures.
- 3.6 Essential car user allowance is aligned to a number of posts within the Council, with those employees receiving a monthly lump sum. The essential car user lump sum is increasing some employees' salaries which is placing them in a higher quartile. As outlined earlier, the increase is more significant for part time employees as the lump sum amount is not pro-rated.
- 3.7 There continue to be more female and part time employees on the lower pay scales and, in general, the posts that they occupy do not require them to undertake the duties that some other posts receive enhancements for.
- 3.8 In terms of the quartiles, it should be noted that the pay grades do not fit neatly into each quartile. In order to establish each quartile, the total number of full pay relevant employees (not the pay bands) was split into four equal parts. Therefore, this means that grades may appear in more than one quartile. Additionally, factors such as enhancements can increase an individual's position within the quartiles from a lower quartile to a higher quartile.

- 3.9 Charnwood Borough Council is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. Employees are paid equally for the same or equivalent work and alongside its policies and working practices, the Council:
- carries out Equal Pay Audits at regular intervals
 - evaluates posts through an agreed job evaluation process
 - analyses gender pay gap information and considers approaches to closing the gap.
- 3.10 Overall it is considered that the Council has a good representation of male and female employees at senior level. The majority of Council employees are female with 150 full time and 183 part time. There are a greater number of full-time males at 170 but significantly less part time males at 57.
- 3.11 As in the previous year the information analysed indicates that the gender pay gap does not stem from paying men and women differently for the same or equivalent work. The gender pay gap appears to relate to factors such as the occupation that men and women choose to undertake within the organisation, salaries that these roles attract and the proportion of men and women working part time or full time.
- 3.12 However, a range of enhancements have had an impact upon the results within the quartiles and these could be considered to have had an impact upon the results between male and female employees.
- 3.13 It should be noted that the Council continues to have a gender pay gap percentage that is lower than the national statistic as set out in section 2.3 of this report.