

PERSONNEL COMMITTEE – 29TH MARCH 2022

Report of the Strategic Director Environmental and Corporate Services

Part A

ITEM 5 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 2021 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 31st 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 issued to SLT on 15th December 2021 and JMTUM on 20th January 2022. This is the fifth 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

Officer to contact: Simon Jackson
Strategic Director, Environmental and Corporate Services
Telephone: 01509 634699
Email: simon.jackson@charnwood.gov.uk

Part B

Background

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

- 1.1 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

- 1.2 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.
- 1.3 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.
- 1.4 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.
- 1.5 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 2021

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 2021.

The Council employed 504 eligible individuals on the snapshot date. It should be noted that 9 of these were casuals working on the snapshot date of 31 March 2021. All casual employees were in the lower quartile, 4 of which were male and 5 female). When split into gender the figures are as follows:

Gender	Number of Employees	Percentage Difference
Female	292	58%
Male	212	42%

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	£14.39	12.9%
Male	£16.52	

The average hourly rate of female employees' is 12.9% lower than male employees. The gap has increased from 11.5% as at 31 March 2020. Prior to this, the gap had decreased year on year. However, the current figure reflects more closely with earlier mean gaps with 12.6% as at 31 March 2019 and 12.8% published in the first gender pay gap as at 31 March 2017.

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	£13.04	13.1%
Male	£15.01	

The median hourly rate of female employees' is 13.1% lower than male employees' (13.5% as at 31 March 2020, 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) 2021 the gender pay gap for all employees (full and part time) is 15.4%. Therefore, the Council's median gender pay gap remains less than this national statistic.

Overall, this data shows that women earn 87p 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	69	14%	56%
	Female	57	11%	44%
Upper Middle Quartile	Male	58	11.5%	46%
	Female	68	13.5%	54%
Lower Middle Quartile	Male	46	9%	36%
	Female	80	16%	64%
Lower Quartile	Male	39	8%	32%
	Female	87	17%	68%

There is a relatively even split of males and females in the Upper Middle Quartile and in the Upper Quartile. The data highlights a slight percentage increase in males in the upper quartile, upper middle quartile and lower middle quartile. The lower quartile has remained the same.

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 and females in the upper quartile, with females decreasing from 12% to 11% and males increasing from 13% to 14% of the total workforce in this reporting period. Similarly, in the upper middle quartile females have decreased from 14% to 13.5% and males have increased from 11% to 11.5% of the total workforce. The percentage change in the lower middle quartile also reflects that females have decreased from 17% to 16% and males have increased from 8% to 9%. The percentage rates in the lower quartile remain the same at 17% for females and 8% for males. Whilst the percentage changes are marginal, this is likely to have had an impact on the overall gender pay gap as the majority of the percentage rate of females has decreased in the upper quartile, upper middle quartile and lower middle quartile and remained the same in the lower quartile. Conversely, the percentage increase of males has increased in the upper quartiles, albeit marginally.

Overall, females occupy 44% 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	38	30%	64	51%	102	19	15%	5	4%	24	126
UPPER MIDDLE QUARTILE	46	36.5%	54	43%	100	22	17.5%	4	3%	26	126
LOWER MIDDLE QUARTILE	40	32%	36	28%	76	40	32%	10	8%	50	126
LOWER QUARTILE	23	18%	20	15%	43	64	50%	19	15%	83	126
Grand Total	147		174		321	145		38		183	504

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 (40 female and 10 male) and the Lower Quartile (64 female and 19 male).

The table further demonstrates that there is a greater proportion of full-time males in the upper and upper middle quartiles (118 males and 84 females).

Overall there are fewer male employees (212) than female employees (292). 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 2021 are similar to the findings for the last four 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 and females in the upper quartile, with females decreasing from 12% to 11% and males increasing from 13% to 14% of the total workforce in this reporting period. Similarly, in the upper middle quartile females have decreased from 14% to 13.5% and males have increased from 11% to 11.5% of the total workforce. The percentage change in the lower middle quartile also reflects that females have decreased from 17% to 16% and males have increased from 8% to 9%. The percentage rates in the lower quartile remain the same at 17% for females and 8% for males.
- 3.4 Whilst the percentage changes are marginal, this is likely to have had an impact on the overall gender pay gap as the majority of the percentage rate of females has decreased in the upper quartile, upper middle quartile and lower middle quartile and remained the same in the lower quartile. Conversely, the percentage increase of males has increased in the upper quartiles, albeit marginally.
- 3.5 The data also shows us that females occupy 44% of the highest paid jobs and 68% of the lowest paid jobs.
- 3.6 There are also significantly more female employees in the lower quartile (23 full time and 64 part time) than males (20 full time and 19 part time). The lower middle quartile is made up of more female employees (40 full time and 40 part time) than males (36 full time and 10 part time). The upper quartiles reflect more males in full time positions in both quartiles. The upper middle quartile has 54 full time males and 4 part time males and the upper quartile has 64 full time males and 5 part time males. There are a total of 41 part time females in these quartiles compared to 9 males. This could show that part time working has an impact on the figures.
- 3.7 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.

- 3.8 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.
- 3.9 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.
- 3.10 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.
- 3.11 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 147 full time and 145 part time. There are a greater number of full-time males at 174 but significantly less part time males at 38.
- 3.12 As in the previous year's 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.
- 3.13 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.
- 3.14 The Council implemented an Agile Working Policy effective from 1 April 2021. This was developed to reflect the change in the way of working; with the need for greater flexibility and a further need to attract and retain employees.
- 3.15 A review of the Council's recruitment and selection process is also planned. Part of the considerations of that review are to identify ways in which we can attract a greater range of candidates to our posts. Moving forward it is hoped that this can assist in helping with our gender pay gap.
- 3.16 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.