



## <u>Gender Pay Gap Statement</u> <u>"Snapshot Date" 31<sup>st</sup> March 2021</u>

#### 1. Introduction

- 1.1 This report provides a narrative to support the Borough Council's gender pay data as at the snapshot date of 31<sup>st</sup> March 2021.
- 1.2 The "gender pay gap" is the difference between the average (mean and median) pay of men and woman, expressed as a percentage. This is different to "equal pay", which is concerned with pay differences between men and women who carry out the same or similar jobs or work of equal value.

## 2. Background

- 2.1 From April 2017 the Equality Act 2010 (Specific Duties and Public Authorities) Regulations require "relevant employers" to publish, on an annual basis, six 'pay metrics'.
- 2.2 The regulations require the Borough Council to calculate these six metrics in a prescribed way, and to report the results on its website and to the Government Equality Office.
- 1.3 The six pay metrics are as follows. A definition of each metric is provided in Appendix 1:
  - 1. Mean gender pay gap
  - 2. Median gender pay gap
  - 3. Mean gender bonus pay gap
  - 4. Mean gender bonus gap
  - 5. Proportion of male and female relevant employees who received bonus pay
  - 6. Proportion of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands
- 2.4 The Borough Council, as a public body, is a "relevant employer" as the organisation employs 250 or more employee on the snapshot date.
- 2.5 It is a requirement that gender pay information be published on the organisation's web-site and Government Equalities Office website by 31<sup>st</sup> March each year. Therefore the information captured on the snapshot date of

31<sup>st</sup> March 2021 (which relates to the 2020/21 year) should be published by 31<sup>st</sup> March 2022.

- 2.6 Salary data will be based on the snapshot date of 31<sup>st</sup> March. Bonus data will be based on all bonus payments made in the 12 months up to and including the snapshot date of 31<sup>st</sup> March.
- 2.7 This report will be presented to the Council's Management Team on an annual basis prior to publication.

## 3. Key Findings

Detailed pay data for the snapshot date of 31<sup>st</sup> March 2021 is provided in Appendix 2. A comparison between the data on 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2021 is shown in Appendix 3. The key findings are as follows:

- 3.1 Mean gender pay gap The mean hourly rate for males during the 2020/21 year has increased to 2.2% compared to -0.1% in 2019/20 and -1.2% in 2018/19. In the 2017/18 year the gap was 2.1% in 2017/18, so it can be seen that although this gap has increased, the increase is broadly within range that has previously been reported.
- 3.2 Median gender pay gap The median hourly rate for males during the 2019/20 year has reduced to -3.4% from -7.5% in 2019/20. This compared to figures of -6.1% in 2018/19 and -5.1% in 2017/18. This shows that the median hourly rate for males remains less than for the median hourly rate for females, but that the gap has decreased, as the optimum gap would be 0.
- 3.3 The Borough Council does not award bonus payments but believes that the lump sum payments made as part of its performance management scheme would be classed as a bonus payment in accordance with the definitions with the regulations (as it is remuneration relating to performance). Information on PrP lump sum payments has been used to calculate the bonus pay gap as follows:

Mean gender bonus pay gap – During 2020/21 the findings for mean gender bonus gap have swapped, from a gap of 37.7% in 2019/20 to -9.5% in 2020/21. This means that in the last year the mean bonus pay for females was higher than for males (by  $(\pounds 19.27)$ .

Median gender bonus pay gap – The median gender bonus pay for males has reduced from 58.1% for 2019/20 to 14.2% in 2020/21. This compared with

0% (i.e. the mean bonus pay for males is the same as the mean bonus pay for females) in the previous two years.

- 3.4 7.6% of males and 9.2% of females received a bonus payment in 2020/21, compared to 7.6% of males and 5.9% of females during 2019/20.
- 3.5 The Borough Council employs more females than males. The composition of the workforce by gender for the past three years has remained fairly static:

Year	Male Employees	Female Employees
2019	241	252
	48.9%	51.1%
2020	245	264
	48.1%	51.9%
2021	210	232
	47.5%	52.5%

#### 4. Assessment of Findings

- 4.1 Generally it is expected that organisations will have a positive percentage figure for the calculations for mean and median hourly pay and mean and median bonus pay, as typically female employees have lower pay and bonuses than male employees.
- 4.2 The Borough Council's data for 2020/21 shows that there has been a slight increase in the mean gender pay gap, meaning that based on an assessment of mean earnings for both male and female employees during the 2020/21 year males earnt slightly more than females.
- 4.3 The data also shows that, for the fourth year in succession, there is negative median gender pay gap meaning that based on an assessment of median earnings females earn an hourly rate that is greater that that earnt by males.
- 4.4 The most current data available from the Local Government Association, produced using gender pay data submitted by local authorities for 2018, reported that:
  - the mean gender pay gap in local government was 6.8%
  - the median gender pay gap was 5%
  - 66% of local authorities paid men more than women

and that across the whole economy:

- the mean gender pay gap was 12%
- the median gender pay gap was 9.7%

• 78% of all organisations paid men more than women

Therefore the Borough Council's data compares favourably to this data, although of course noting that the information provided above is three years out of date.

- 4.5 The negative percentage figure reported by the Council for median pay is unusual. Typically this result is found where there are a large number of employees paid on the same pay grade and/same hourly rate. An action from previous year's gender pay gap analysis has been to establish if there was any service which particularly contributed to the results reported and this has confirmed that the Borough Council's figures are heavily influenced by the Public Open Space team, comprising of employees working in street cleansing and grounds maintenance services.
- 4.6 As the Borough Council's 'bonus payments' are unique to its own performance management scheme, and there is no information available as to what constitutes the bonus payments paid by other employers, it is not relevant to compare the Borough Council's mean and median gender bonus pay gaps to those of other organisations. We know that the results for this indicator are influenced by long serving employees who have reached the top of their pay grade, and understand the factors which contribute to this profile. Over time, this will change, but only through employee turnover, so the data for this indicator is not something that the Council can influence.
- 4.7 The number of employees 'in scope' for gender pay gap reporting during the 2020/21 year has decreased by 67 in comparison with the 2019/20 year. This is a direct result of the COVID19 pandemic as during the reporting period there were a number of vacancies which the Council did not seek to recruit to, some employees were furloughed and some employees were off on long term sickness due to the inability to progress with treatment for their health issues.
- 4.8 However, despite the reduction in the overall number of employees in scope for gender pay reporting the Council's overall profile has changed by less than 1% during 2020/21, in that during the year 47.5% of employees were males and 52.5% were females. The proportion of male and female full-pay relevant employees in each quartile pay band has also remained broadly similar. There has been a slight increase (c.3%) in the number of male employees in the lower quartile and a slight increase (c.5%) of female employees in the middle lower quartiel. It should be noted that the opportunity to change the distribution of males and females in each quartile, particularly of females in the upper quartile, will be dependent on relevant vacancies arising, and female applicants being identified as the most suitable candidate as a result of standard recruitment and selection procedures. Given the limited recruitment

activity undertaken during 2020/21 due the pandemic the overall impact on the Council's gender profile is pleasing.

# 5. Actions Arising from Findings

The findings of the 2020/21 gender pay gap assessment have highlighted a largely stable position regarding the Council's workforce profile and gender pay gap position. Due to lower turnover and the holding of some vacancies during the pandemic it is anticipated that there will be significantly more recruitment activity during the 2021/22 year, and therefore the assessment of data following the next snapshot date (31<sup>st</sup> March 2022) will be a more useful assessment of the Council's position as it emerges from the COVID19 pandemic.

During this period the profile of Borough Council's workforce may evolve as job opportunities arise either through turnover or the creation of new opportunities. The Council has ensured the use of structured interviews in all recruitment and promotion interviews for many years. In addition, wherever possible the Personnel team has actively encouraged, and worked with, Managers to include the use of task based assessments as part of a recruitment and selection process. Job vacancies are usually advertised with a salary range and we monitor recruitment, selection and reward processes. All these steps are recommended best practice to ensure fair and transparent recruitment and selection processes. The Council also has an equalities working group which considers best practice in all areas of equalities.

Whilst the Council has continued to respond to, and recover from, the pandemic it has been difficult to progress any actions identified as a result of the gender pay gap analysis from previous years. However, actions will be progressed once operations return to normal and will form part of an action plan produced for the 2022/23 year (Appendix 4).

# 6. Conclusions

The Council is committed to providing equality of opportunity as an employer and is pleased that it's mean and median gender pay gaps on the snapshot date of 31<sup>st</sup> March 2021 present a stable position, comparing well to previous years and to available data showing national averages in 2018.

This analysis of the Council's gender pay gap data does not identify any particular areas of concern. Turnover within the organisation is relatively low, and therefore changes are incremental as leavers are replaced by new employees.

Our recruitment, selection, appointment and reward process are well embedded within the organisation and consistently applied, contributing to the achievement of the data outlined in this report. Continued application of these procedures, with further developments and enhancements where identified, will enable this position to be maintained, and further improved, going forward.

## <u>Appendix 1</u>

#### Definition of the Six Pay Metrics

The regulations require a relevant employer to publish six 'pay metrics':

- 1. **Mean gender pay gap** the difference between the mean hour rate of pay of male full-pay relevant employees and that of female full-pay relevant employees, expressed as a percentage of the male mean
- 2. **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, expressed as a percentage of the male median
- 3. **Mean gender bonus pay gap** the difference between the mean bonus pay paid to male relevant employees and that of female relevant employees, expressed as a percentage of the male mean
- 4. **Mean gender bonus gap** the difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees, expressed as a percentage of the male median
- Proportion of male and female relevant employees who received bonus pay – comparing metrics 4 and 5 will indicate who much more likely it is for male/female employees to receive bonus payments
- 6. Proportion of male and female full-pay **relevant employees in the lower**, **lower middle, upper middle and upper quartile pay bands** (NB. The quartile bands are calculated by dividing the workforce into four equal parts, not, for example, using an organisations pay grades)

## Appendix 2

#### Gender Pay Gap Statement 2021 - Detailed Pay Data

Salary information based on snapshot date of 31<sup>st</sup> March 2021 Bonus information based on 12 months up to and including snapshot date.

Gender Pay Gap	Mean Gross Hourly Pay	Median Gross Hourly Pay
Males	£14.37	£12.18
Females	£14.06	£12.60
% Difference	2.2%	-3.4%

Gender Bonus Pay Gap	Mean Gross Bonus Pay	Median Gross Bonus Pay
Males	£202.92	£211.00
Females	£221.92	£181.00
% Difference	-9.5%	14.2%

Proportion of Employees Paid Bonus Pay					
Males 7.6%					
Females	9.2%				

Quartile Data	Male	Female	Total
Lower	70 63.1%	41 36.9%	111
Middle Lower	44 39.6%	67 60.4%	111
Middle Upper	38 34.5%	72 65.5%	110
Upper	58 52.7%	52 47.3	110
Total	210	232	442

# Appendix 3

#### Gender Pay Gap - Pay Data for 2019, 2020 and 2021

Salary information based on snapshot dates of 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2021

Bonus information based on 12 months up to and including snapshot date.

Gender Pay Gap	Mean Gross Hourly Pay			Median Gross Hourly Pay			
	2021	2020	2019	2021	2020	2019	
Males	£14.37	£14.01	£13.51	£12.18	£11.62	£11.59	
Females	£14.06	£14.02	£13.67	£12.60	£12.49	£12.30	
% Difference	2.2%	-0.1%	-1.2%	-3.4%	-7.5%	-6.1%	

Gender Bonus Pay Gap	Mean Gross Bonus Pay			Mediar	n Gross Boi	nus Pay
	2021 2020 2019			2021	2020	2019
Males	£202.65	£437.55	£377.01	£211.00	£172.06	£145.44
Females	£221.92	£272.49	£284.21	£181.00	£72.12	£145.44
% Difference	-9.5%	37.7%	24.6%	14.20%	58.10%	0%

Proportion of Employees Paid Bonus Pay						
	2021	2020	2019			
Males	7.6%	7.6%	11.5%			
Females	9.2%	5.9%	14.5%			

Quartile Data	Male		Female		Total				
	2021	2020	2019	2021	2020	2019	2021	2020	2019
Lower	70 63.1%	77 60.2%	73 58.9%	41 36.9%	51 39.8%	51 41.1%	111	128	124
Middle Lower	44 39.6%	56 44.1%	55 44.7%	67 60.4%	71 55.9%	68 55.3%	111	127	123
Middle Upper	38 34.5%	45 35.4%	49 39.8%	72 65.5%	82 64.6%	74 60.2%	110	127	123
Upper	58 52.7%	67 52.8%	64 52%	52 47.3%	60 47.2%	59 48%	110	127	123
Total	210 47.5%	245 48.1%	241 48.9%	232 52.5%	264 51.9%	252 51.1%	442	509	493

# <u>Appendix 4</u>

# Actions Identified

Action	Responsible Officer(s)	Deadline
Continue to monitor the make-up of selection panels to enable ongoing monitoring and to look for trends/changes in findings.	Personnel Officer	March 2023
Continue to work with Managers in Public Open Space to encourage more female applications for vacancies in this area of work.	Personnel Officer	Ongoing
Report findings of Gender Pay Gap reporting to the Equalities Working Group	Assistant Director Central Services	December 2021
Implement new and refresher equalities training for Managers	Assistant Director Central Services / Personnel Officer	December 2022
Analyse data relating to bonus payments paid to Alive West Norfolk employees	Personnel Officer	December 2021
Report on findings/progress with these actions in the 2022 gender pay gap statements for the Borough Council and Alive West Norfolk.	Assistant Director Central Services	March 2023