

Gender Pay Gap Statement "Snapshot Date" 31st March 2022

1. Introduction

- 1.1 This report provides a narrative to support the Borough Council's gender pay data as at the snapshot date of 31st March 2022.
- 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 31st March each year. Therefore the information captured on the snapshot date of

- 31st March 2022 (which relates to the 2021/22 year) should be published before 31st March 2023.
- 2.6 Salary data will be based on the snapshot date of 31st March. Bonus data will be based on all bonus payments made in the 12 months up to and including the snapshot date of 31st 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 31st March 2022 is provided in Appendix 2. A comparison between the data on 31st March in previous years 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 2020/22 year has decreased to 0.5% compared to 2.2% in 2020/21. This reflects a decrease in the mean gap between the hourly pay for male and female employees which was £0.31 pence per hour in 2020/21 and has reduced to £0.08 pence per hour during 2021/22. The optimum gap would be 0%.
- 3.2 Median gender pay gap The median hourly rate for males during the 2019/20 year has increased to -7.3% in 2021/22 from -3.4% in 2020/21. The figure reported for 2021/22 sees a return to a figure similar to that reported in 2019/20 (-7.5%). This shows that the median hourly rate for males remains less that the median hourly rate for females, and that this gap has increased in the past year. 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 2021/22 the findings for mean gender bonus gap have changed, from a gap of -9.5% in 2020/21 to a gap of 14.8% in 2021/22. This means that in 2021/22 the mean bonus pay for males was higher than for females (by £62.43) whereas in 2020/21 it has been higher for females (by £19.27).

Median gender bonus pay gap – The median gender bonus pay has also changed, from 14.2% in 2020/21 to -29.6% in 2021/22. This means that the median bonus pay for females was greater than the median bonus pay for males (by £54).

- 3.4 10.71% of males and 14.8% of females received a bonus payment in 2021/22, compared to 7.6% of males and 9.2% of females during 2020/21.
- 3.5 The Borough Council employs more females than males. The composition of the workforce by gender who are in scope for the purposes of this report for the past four years has remained fairly static, with the exception of a slight decrease in 2020/21 due to the impact of the COVID19 pandemic on the workforce:

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%
2022	241	257
	48.4%	51.6%

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 2021/22 shows that there has been a slight decrease in the mean gender pay gap, reducing from a gap of £0.31 per hour to £0.08 per hour.
- 4.3 The data also shows that, for the fifth 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 than that earnt by males.
- 4.4 According to information published in the Local Government Association's Workforce Summary Data for November 2021, based on information supplied by local authorities on the gender pay statutory return for 2020/21:

- the mean gender pay gap in local government was 5.1% (with a range of -25.3% to 21.6%)
- the median gender pay gap in local government was 3.3% (with a range of -45% to 29.5%)
- based on mean earnings, females were paid less than males in 81% of local authorities
- based on median earnings, females were paid less than males in 61% of local authorities

Therefore the Borough Council's data compares favourably to this data:

- BCKLWN mean gender pay gap = 0.5%
- BCKLWN median gender pay gap -7.3%

Placing the authority in the mid-range of performance across all local authorities

- 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 2021/22 year has increased by 56 following a decreased by 67 in 2020/21 due to the impact of the COVID19 pandemic. During the 2020/21 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. During 2021/22 there has been a return to more normal levels of recruitment activity and the furlough scheme is not longer active.

4.8 As the number of staff within scope for gender pay reporting has increased during 2021/22 the Council's overall profile has changed by less than 1% during the year. 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.4%) in the number of female employees in the lower quartile and a slight increase (c.4%) of male employees in the middle lower quartile. 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. However, there has been a slight increase (c. 1%) of females in the upper quartile during the 2021/22 year.

5. Actions Arising from Findings

The findings of the 2021/22 gender pay gap assessment have again highlighted a largely stable position regarding the Council's workforce profile and gender pay gap position. Following a period of lower turnover (6.05% in 2020/21) and the holding of some vacancies during the pandemic there has been a return to normal levels of turnover during the 21/22 year (10.81%). This has enabled a more meaningful assessment of the Council's position. However, there has been a more challenging recruitment market since the pandemic, with some areas proving particularly difficult, so the Council is working on a range of initiatives to recruit and retain skilled workforce including recommencing management development activities, introducing new progression schemes, continued employment of apprentices and a review of apprentice rates of pay. During future reporting periods it will be interesting to monitor the impact of these initiatives on the overall profile of the organisation.

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 is also undertaking a range of activities of a range of equality related issues to ensure it remains consistent with recommended best practice.

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, now operations have returned to normal a number of actions have been identified for progress as outlined in Appendix 4 which

will help inform our understanding of the data and assist with the identification of further actions in future years.

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 31st March 2022 present a stable position, comparing well to previous years and to data reporting local government averages for 2020/21.

This analysis of the Council's gender pay gap data does not identify any particular areas of concern. Changes are incremental based on turnover, as leavers are replaced by new employees or by existing employees achieving a promotion.

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.

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
- 5. 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)

Gender Pay Gap Statement 2022 - Detailed Pay Data

Salary information based on snapshot date of 31st March 2022 Bonus information based on 12 months up to and including snapshot date.

Gender Pay Gap	Mean Gross Hourly Pay	Median Gross Hourly Pay	
Males	£15.32	£12.87	
Females	£15.24	£13.81	
% Difference	0.5%	-7.3%	

Gender Bonus Pay Gap	Mean Gross Bonus Pay	Median Gross Bonus Pay
Males	£422.54	£182.50
Females	£360.11	£236.50
% Difference	14.8%	-29.6%

Proportion of Employees Paid Bonus Pay				
Males	10.71%			
Females	14.8%			

Quartile Data	Male	Female	Total
Lower	74 59.7%	50 40.3%	124
Middle Lower	55 44%	70 56%	125
Middle Upper	48 38.4%	77 61.6%	125
Upper	64 51.6%	60 48.4%	124
Total	241	257	498

Gender Pay Gap - Pay Data for 2020, 2021 and 2022

Salary information based on snapshot dates of 31st March 2020, 31st March 2021 and 31st March 2022

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

Gender Pay Gap	Mean Gross Hourly Pay			Median Gross Hourly Pay		
	2022	2021	2020	2022	2021	2020
Males	£15.32	£14.37	£14.01	£12.87	£12.18	£11.62
Females	£15.24	£14.06	£14.02	£13.81	£12.60	£12.49
% Difference	0.5%	2.2%	-0.1%	-7.3%	-3.4%	-7.5%

Gender Bonus Pay Gap	Mean Gross Bonus Pay			Median Gross Bonus Pay		nus Pay
	2022 2021 2020			2022	2021	2020
Males	£422.54	£202.65	£437.55	£182.50	£211.00	£172.06
Females	£360.11	£221.92	£272.49	£236.50	£181.00	£72.12
% Difference	14.8%	-9.5%	37.7%	-29.6%	14.20%	58.10%

Proportion of Employees Paid Bonus Pay						
	2022	2021	2020			
Males	10.71%	7.6%	7.6%			
Females	14.8%	9.2%	5.9%			

Quartile Data	Male		Female		Total				
	2022	2021	2020	2022	2021	2020	2022	2021	2020
Lower	74 59.7%	70 63.1%	77 60.2%	50 40.3%	41 36.9%	51 39.8%	124	111	128
Middle Lower	55 44%	44 39.6%	56 44.1%	70 56%	67 60.4%	71 55.9%	125	111	127
Middle Upper	48 38.4%	38 34.5%	45 35.4%	77 61.6%	72 65.5%	82 64.6%	125	110	127
Upper	64 51.6%	58 52.7%	67 52.8%	60 48.4%	52 47.3%	60 47.2%	124	110	127
Total	241	210 47.5%	245 48.1%	257	232 52.5%	264 51.9%	498	442	509

Action Plan for 2023/24

	Action	Responsible Officer(s)	Deadline
1a	 Undertake a range of additional analysis of data from the 2021/22 year to obtain a more in-depth understanding of the profile of the Council's workforce. To include reviews of: Salary on appointment by gender by grade Leavers by gender by grade and as a % by gender per grade Employees at the top of their pay grade by gender by grade and as a % of employees on that grade Part time employees by grade and quartile and as a % of employees per grade Employees applying for promotion by gender by grade 	Personnel Services Manager & Personnel Officer (SA)	September 2023
1b	Undertake same analysis as part of 2022/23 gender pay/employment monitoring reporting to identify any potential areas for action.		February 2024
2a	Gain an improved understanding of the make up of quartile data by identifying any specific groups/job roles which impact on the profile of male/female employees in each quartile.	Personnel Services Manager	September 2023
2b	Work with relevant Service Managers to consider any steps which could be undertaken to try to address an imbalance of male/female employees could be improved in any groups identified as a result of 2a.	Personnel Services Manager	December 2023 and ongoing
3	Undertake an analysis of flexible working requests received each year by gender per grade and flexible working requests accepted by gender per grade	Personnel Services Manager/Personnel Officer (JF)	September 2023

4	Report findings of Gender Pay Gap reporting to Management Team and the Equalities Working Group	Assistant Director Central Services	Spring 2023
5	Develop and implement a new equalities training programme for managers and employees for delivering during the 2023/24 year and embedding in the Council's rolling training programme	Assistant Director Central Services	March 2024
6	Report on findings/progress with these actions in the 2023 gender pay gap statements for the Borough Council	Assistant Director Central Services	March 2024