

Gender Pay Gap Statement "Snapshot Date" 31st March 2023

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 2023.
- 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 2023 (which relates to the 2022/23 year) should be published before 31st March 2024.
- 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 Senior Leadership Team on an annual basis prior to publication.

3. Key Findings

Detailed pay data for the snapshot date of 31st March 2023 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 2022/23 year has increased to -1.1%, compared to 0.5% in 2021/22. The -% figure means that the mean hourly rate is higher for female employees (by £0.19 pence per hour). The gap between the mean hourly rate had previously decreased from £0.31 pence per hour in 2020/21 to £0.08 pence per hour during 2021/22 (in both years male employees earning that amount more than female employees). The optimum gap would be 0%.
- 3.2 Median gender pay gap The median hourly rate for males during the 2022/23 year has also increased to -8.0% (having been -7.3% in 2021/22 and -3.4% in 2020/21. This means 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 2022/23 the findings for mean gender bonus gap has increased, from a gap of 14.8% in 2021/22 to a gap of 18.9% in 2022/23. This means that in 2022/23 the mean bonus pay for males was higher than for females (by £45.31).

Median gender bonus pay gap – The median gender bonus pay has also changed, from -29.6% in 2021/22 to 25.90% in 2022/23. This means that the median bonus pay for males was greater than the median bonus pay for males (by £40.87).

- 3.4 15.7% of males and 20.7% of females received a bonus payment in 2022/23 comparted to 10.71% of males and 14.8% of females in 2021/22.
- 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:

Year	Male Employees	Female Employees
2019	241	252
2019	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%
2023	238	292
	44.9%	55.1%

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 2022/23 shows that there has been a change in the mean gender pay gap, with female employees now earning £0.19 per hour more than male employees (in 2021 male employees had earnt £0.31 per hour more, and in 2021/23 this had decreased to male employees earning £0.08 per hour more).
- 4.3 The data also shows that, for the sixth 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 = -1.1%
- BCKLWN median gender pay gap -8.0%
- 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 2022/23 year has increased by 32. When comparing to previous years (as shown in Appendix 3) it should be noted that during the 2020/21 reporting period information was impacted by the COVID19 pandemic. 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 As the number of staff within scope for gender pay reporting has increased during 2022/23 the Council's overall profile has also changed, with an overall increase in the number of female employees. As a result, the proportion of male and female full-pay relevant employees in each quartile pay band has also adjusted. In particular, there has been a slight increase (6.9%) in the number of female employees in the upper quartile. It should be noted that the opportunity to change the distribution of males and females in each quartile, is dependent on vacancies arising, and female applicants being identified as the most suitable candidate as a result of standard recruitment and selection procedures.

5. Actions Arising from Findings

The findings of the 2022/23 gender pay gap assessment have again highlighted a largely stable position regarding the Council's workforce profile and gender pay gap position. The most significant change is that, at outlined above, the mean gender pay gap has changed to -1.1%, indicating that female employees are earning on average more per hour than their male colleagues.

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.

In 2022, as operations returned to normal following the pandemic, an action plan was developed following the gender pay gap analysis to help inform our understanding of the data and assist with the identification of further actions in future years. This included a range of additional analysis to provide a more in-depth understanding of the profile of the Council's workforce, including reviewing:

- 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

It was agreed that the same analysis would be undertaken for the 2022/23 data, with the two sets of information being compared to identify any potential areas of concern for further action. This is reflected in the action plan for the 2024/25 year.

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 2023 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 2023 Bonus information based on 12 months up to and including snapshot date.

Gender Pay Gap	Mean Gross Hourly Pay	Median Gross Hourly Pay		
Males	£16.59	£13.89		
Females	£16.78	£15.00		
% Difference	-1.1%	-8.0%		

Gender Bonus Pay Gap	Mean Gross Bonus Pay	Median Gross Bonus Pay
Males	£239.42	£157.75
Females	£194.11	£116.88
% Difference	18.9%	25.90%

Proportion of Employees Paid Bonus Pay				
Males	15.70%			
Females	20.70%			

Quartile Data	Male	Female	Total
Lower	74 55.6%	59 44.4%	133
Middle Lower	55 41.4%	78 58.6%	133
Middle Upper	50 37.9%	82 62.1%	132
Upper	59 44.7%	73 55.3%	132
Total	238	292	530

Gender Pay Gap - Pay Data for 2021, 2022 and 2023

Salary information based on snapshot dates of 31st March 2021, 31st March 2022 and 31st March 2023

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

Gender Pay Gap	Mean Gross Hourly Pay			Median Gross Hourly Pay		
	2023	023 2022 2021			2022	2021
Males	£16.59	£15.32	£14.37	£13.89	£12.87	£12.18
Females	£16.78	£15.24	£14.06	£15.00	£13.81	£12.60
% Difference	-1.1%	0.5%	2.2%	-8.0%	-7.3%	-3.4%

Gender Bonus Pay Gap	Mean Gross Bonus Pay			Mediar	Gross Bor	nus Pay
	2023	2022	2021	2023	2022	2021
Males	£239.42	£422.54	£202.65	£157.75	£182.50	£211.00
Females	£194.11	£360.11	£221.92	£116.88	£236.50	£181.00
% Difference	18.9%	14.8%	-9.5%	25.90%	-29.6%	14.20%

Proportion of Employees Paid Bonus Pay						
	2023	2022	2021			
Males	15.7%	10.71%	7.6%			
Females	20.7%	14.8%	9.2%			

Quartile Data	Male		Female		Total				
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Lower	74 55.6%	74 59.7%	70 63.1%	59 44.4%	50 40.3%	41 36.9%	133	124	111
Middle Lower	55 41.4%	55 44%	44 39.6%	78 58.6%	70 56%	67 60.4%	133	125	111
Middle Upper	50 37.9%	48 38.4%	38 34.5%	82 62.1%	77 61.6%	72 65.5%	132	125	110
Upper	59 44.7%	64 51.6%	58 52.7%	73 55.3%	60 48.4%	52 47.3%	132	124	110
Total	238	241	210 47.5%	292	257	232 52.5%	530	498	442

Action Plan for 2024/25

	Action	Responsible Officer(s)	Deadline
1	Undertake additional analysis of data from the 2022/23 and compare this to data from the 2021/22 year to identify any potential areas for action.	Personnel Services Manager	June 2024
2	Review and update procedures in relation to flexible working requests in light of changes to legislation via the Employee Relations (Flexible Working) Act 2023 which come into effect in spring 2024.	Personnel Services Manager	Spring 2024
	Monitor the number of flexible working requests received following the implementation of the revised procedures.		Ongoing
3	Report findings of Gender Pay Gap reporting to Senior Leadership Team and the Equalities Working Group	Assistant Director Central Services	Spring 2024
4	Develop and implement a new equalities training programme for managers and employees for delivery during the 2024/25 year and embed in the AWN rolling training programme.	Assistant Director Central Services	March 2025