

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – TUESDAY, 26 FEBRUARY 2019

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| Title of report | GENDER PAY GAP REPORT 2018 |
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| Purpose of report | The Council is required by the Equality Act 2010 (section 78) to publish gender pay gap information, by reporting the percentage differences in pay between male and female employees. This report has been produced to provide the relevant information in accordance with the relevant provisions of the Act. |
| Council Priorities | Value for money |
| Implications: | |
| Financial/Staff | There are no additional costs to the Council resulting from the information in this report. |
| Risk Management | None. |
| Equalities Impact Screening | The report details the gender pay gap differences between male and female employees. |
| Human Rights | No implications. |
| Transformational Government | Not applicable. |
| Comments of Head of Paid Service | The report is satisfactory. |
| Comments of Section 151 Officer | The report is satisfactory. |

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| Comments of Deputy Monitoring Officer | The report is satisfactory. |
| Consultees | None. |
| Background papers | Confidential pay data from the Councils HR and Payroll system held by the Head of HR and Organisation Development. |
| Recommendations | THAT THE REPORT BE NOTED. |

1.0 BACKGROUND

1.1 Under Section 78 of the Equality Act 2010, the Council is required to publish and report percentage differences in pay between its male and female employees. The figures are based on specific reference date (snapshot date) on **31st March 2018**.

1.2 The following information has to be published on the Council's website and will also be reported to and published by central government

- **Mean Gender Pay Gap** – The mean pay gap is the difference between average hourly earnings of men and women.
- **Median Gender Pay Gap** – The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middlemost salary.
- **Mean bonus Gender Pay Gap** - The difference between the mean bonus pay paid to male employees and that paid female employees
- **Median bonus Gender Pay Gap** – The difference between the median bonus pay paid to male employees and that paid to female employees
- **Proportion of males and females receiving a bonus payment** – The proportion of male and female employees who were paid bonus pay during the period
- **Proportion of males and females in each pay quartile** – The proportion of male and female full-pay employees in the lower, lower middle, upper middle and upper quartile pay bands.

1.3 The Gender pay gap is a measure of the difference between men's and women's average earnings across the organisation. This is different to the Equal Pay reporting, which aims to ensure that men and women are not paid differently for doing the same or similar work. The intention behind gender pay gap reporting is to increase transparency of the differences in pay between men and women in the workplace with the aim of closing the gender pay gap.

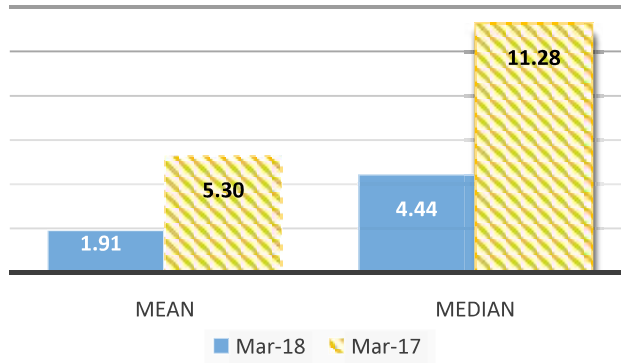
2.0 RESULTS

2.1 A summary of this Council's results are as follows

- **Mean Gender Pay Gap** – The females' mean hourly rate is 1.91% lower than males.

- **Median Gender Pay Gap** – The females' median pay hourly rate is 4% lower than males.

Gender Pay Gap Comparison



There has been a marked fall in both the mean and median gender pay gaps between 2017 and 2018. This can be explained by changes in the workforce partly attributable to restructuring and the resultant changes at manager levels, apprentices joining the Council during the period and by gender changes to the workforce caused by leavers and starters at different grading levels. The data is also affected by the variable shift patterns and demographics of casual shift workers at the Leisure Centres which can vary from year to year. It is important to emphasise the gender pay data is calculated at a moment in time, so is a snapshot.

- **Mean bonus Gender Pay Gap** - Not applicable
 - **Median bonus Gender Pay Gap** - Not applicable
 - **Proportion of males and females receiving a bonus payment** – Not applicable
 - **Proportion of males and females in each pay quartile**
- 2.2 The table below shows the gender split of males and females in each pay quartile. The percentage share of females in the lower quartiles has reduced from 66% to 54%; there are nearly equal proportions of males and females in the upper middle quartiles, and a higher proportion of females in the top quartile band.
- 2.3 The table also includes details from a number of our neighbouring Councils for purposes of comparison. It is relevant to note that the gender split at other Councils is likely to be significantly different as some have outsourced elements of service delivery and this can have an impact on the gender split of the workforce.

Table 1

| | | NWLDC | Charnwood Borough Council 2017 * | Leicestershire County Council 2017 * | Hinckley And Bosworth Borough Council 2017 * |
|------------------------------|--------|-------|----------------------------------|--------------------------------------|--|
| Lower Quartile | Male | 46 | 33 | 14 | 62 |
| | Female | 54 | 67 | 86 | 38 |
| Lower Middle Quartile | Male | 44 | 33 | 24 | 38 |
| | Female | 56 | 67 | 76 | 62 |
| Upper Middle Quartile | Male | 49 | 46 | 28 | 45 |
| | Female | 51 | 54 | 72 | 55 |
| Top Quartile | Male | 45 | 59 | 37 | 59 |
| | Female | 55 | 41 | 63 | 41 |

* 2018 results are not yet published.

2.4 It is important to note that job roles are subject to job evaluation processes, which determine the pay grade for the job based on knowledge, skill and responsibility levels. Therefore, while acknowledging there is a gender pay gap, we are confident that men and women are paid equally for doing the equivalent jobs across the council.

2.5 For comparison, the table below includes results from neighbouring local authorities who have published their gender pay gap information.

| | North West Leicestershire District Council | Charnwood Borough Council * | Leicestershire County Council * | Hinckley And Bosworth Borough Council * |
|---------------------------|--|-----------------------------|---------------------------------|---|
| Mean Gender pay gap (%) | 1.91 | 12.8 | 18 | 4.3 |
| Median Gender pay gap (%) | 4.44 | 17 | 20 | 0 |

*2018 results are not yet published.

3.0 ANALYSIS

3.1 While we are confident that men and women are paid equally for doing equivalent jobs across the Council, the main reason for the organisation-wide gender pay gap is an imbalance of male and female employees across the Council. The analysis has shown that there is a disproportionately high number of women (85%) paid at Grade A (see Appendix 1) – the overall gender pay gap would have been greater if the council had not committed to the voluntary living wage.

- 3.2 We accept that the ideal position would be no gender pay gap, and part of the rationale for publishing the data is to understand where we are and how we compare to other organisations. In measuring the data we can monitor any changes that might occur from year to year.
- 3.3 One of the difficulties of the gender pay gap measurements is they have been published at the end of a year and the information relates to a date at the beginning of that financial year. Such historic information is not helpful in measuring where we are and thinking about where we want to be. The Council's workforce will change significantly from May 2019 when the employees in the Leisure Centres transfer to our Leisure Partner. Accordingly, we propose to publish an interim workforce gender pay gap information early for 2019 early in the financial year 2019/20 after the Leisure transfer. This will give us a clearer understanding of the changed workforce and to subsequently consider measures that might be implemented to seek to reduce any gap.
- 3.4 We are not complacent about reducing the difference and we already have a number of measures in place to support female employees:-
- We introduced the voluntary Living wage in 2014, which had a significant impact on the (largely female) employees engaged in part-time roles in the lower pay scales.
 - We have extended our flexible working policies for all employees across the Council. These include flexible working hours, part-time working, flexible retirement, and mixed location working (a combination of office and homeworking).
 - We have provided childcare vouchers to employees to facilitate additional financial support following periods of maternity leave.
 - We offer enhanced (national conditions of service) maternity and paternity schemes to support parents to more easily facilitate returns after the birth or adoption of a child.
 - We have in place a scheme which allows employees to buy additional (unpaid) leave to facilitate more flexibility around caring responsibilities.
 - We have allowed employees to move into a flexible retirement situation where they reduce their hours of work and access part of their pension - in some circumstances this also has the benefit of then creating a part-time development opportunity for other employees in the workforce.
- 3.5 Our future plans will involve a wide-ranging consideration as part of our published people plan of how we might further support female employees with their career development, to provide the conditions to support them during times of maternity absence, childcare or elderly caring responsibilities and further improvements to flexible working arrangements. We will undertake more detailed monitoring and reporting of recruitment activity and trends to consider changes to our recruitment strategies, particularly in areas of the workforce where women may be underrepresented.

- 3.6 For purposes of further comparison the table below provides some further information about the results of other Councils and local organisations as published on the Governments dedicated website in 2018.

| Organisation | Mean % | Median % |
|---|---------------|-----------------|
| Amber Valley Borough Council | 5 | 15.6 |
| Bolsover | 4 | 0 |
| Brooksby College | 12.1 | 2 |
| Broxtowe Borough Council | 6.6 | 0 |
| Charnwood Borough Council | 12.8 | 17 |
| Corby District Council | 9.2 | 11.2 |
| East Midlands Housing | 3.2 | 14.4 |
| Hinckley and Bosworth Borough Council | 4.3 | 0 |
| Ibstock Brick | 7 | 19 |
| Leicester City | 0.5 | 3.1 |
| Lincolnshire County Council | 11.1 | 13.3 |
| North East Derbyshire District Council | 9.7 | 8.8 |
| North West Leicestershire District Council | 1.9 | 4.4 |
| Stratford Council | 20.6 | 26.2 |
| Stroud Borough Council | 14 | 17.2 |

The table shows significant variations across the different organisations, with a mean range from 0, 5% to 20.6% and a median range from 0 % to 26.2%.

Appendix 1

Split of men and women in each pay grade.

| Grade | Female (%) | Male (%) |
|-----------------|-------------------|-----------------|
| APPRENTICES | 67 | 33 |
| A | 85 | 15 |
| B | 44 | 56 |
| C | 69 | 31 |
| D | 39 | 61 |
| E | 46 | 54 |
| F | 58 | 42 |
| G | 32 | 68 |
| H | 63 | 38 |
| I | 41 | 59 |
| Head of Service | 43 | 57 |
| Director | 0 | 100 |
| CEO | 100 | 0 |

Appendix 2

Council wide split of Men and Women

| | % |
|---------------|-------|
| Female | 54.90 |
| Male | 45.10 |

