

EMPLOYMENT COMMITTEE – 3 FEBRUARY 2022

GENDER PAY GAP

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of the Report

1. The purpose of this report is to present the initial results regarding Gender Pay Gap reporting for Leicestershire County Council. This report shows results for 31 March 2021, and comparison is also made against the results for the previous three years.

Policy Framework and Previous Decisions

- 2. Gender Pay Gap reporting is a statutory requirement under section 78 of the Equality Act 2010, requiring larger employers (those with more than 250 employees) to publish pay information to show whether or not there are differences in pay between its male and female employees.
- 3. Employers are required to publish their data by 30 March 2022.

Background

- 4. From 6 April 2017, any organisation that has 250 or more employees has been required by law to publish and report specific figures about its Gender Pay Gap.
- 5. The following figures have to be reported annually on the Council's website and published by Government. A glossary of terms is attached at Appendix 1:
 - a. **Mean Gender Pay Gap** The difference between the mean hourly rate of pay of male full-pay employees and that of female full-pay employees,
 - b. **Median Gender Pay Gap** The difference between the median hourly rate of pay of male full-pay employees and that of female full-pay employees,

- Mean bonus Gender Pay Gap The difference between the mean bonus pay paid to male employees and that paid to female employees,
- d. **Median bonus Gender Pay Gap** The difference between the median bonus pay paid to male employees and that paid to female employees,
- e. **Proportion of males and females receiving a bonus payment** The proportion of male and female employees who were paid bonus pay during the period,¹
- f. **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.
- 6. The figures must be calculated using a specific reference date this is called the 'snapshot date'. For public sector organisations, the snapshot date is 31 March each year. Organisations must publish within a year of the snapshot date; hence the Council will need to publish its 31March 2021 results by 30 March 2022 to meet legislative requirements.

Results comparison: March 2018 - March 2021

7. The initial results are set out below, of which all percentages are rounded to the nearest whole number.

a. Mean Gender Pay Gap

- i. March 2018: Females mean hourly rate is 12% lower than males,
- ii. March 2019: Females mean hourly rate is 12% lower than males,
- iii. March 2020: Females mean hourly rate is 10% lower than males,
- iv. March 2021: Females mean hourly rate is 10% lower than males,

b. Median Gender Pay Gap

- i. March 2018: Females median hourly rate is 9% lower than males,
- ii. March 2019: Females median hourly rate is 7% lower than males,
- iii. March 2020: Females median hourly rate is 4% lower than males,
- iv. March 2021: Females median hourly rate is 6% lower than males,

¹ No council staff are in receipt of bonus payments.

- c. Mean bonus Gender Pay Gap Not applicable.
- d. Median bonus Gender Pay Gap Not applicable.
- e. **Proportion of males and females receiving a bonus payment** Not applicable.
- f. **Proportion of males and females in each pay quartile** see results in Table 1 below. As at 31 March 2020 there were 73% females and 27% males employed across the Council which indicates a 1% increase in males employed since 31 March 2019.
- 8. The Council's workforce is predominantly female, with a large number of females undertaking job roles up to and including grades 10, compared to the spread of male employees throughout all the grades.
- 9. As evidenced in Table 1 and Figure 1, early indications suggest that from 2020 to 2021 there has been a slight increase in females across all quartiles but due to the higher numbers of females employed in the two lower quartiles this will have had an impact on the mean and median pay gap results.
- 10. Organisations that used furlough are entitled to include supporting narrative in their return. Leicestershire County Council topped up furloughed employees to full pay and it is this figure that has been used in the snapshot data.

	Males			Females				
	2018	2019	2020	2021	2018	2019	2020	2021
Lower quartile (up to Grade 6)	21%	20%	20%	18%	79%	80%	80%	82%
Lower middle quartile (Grade 6 to Grade 8)	27%	31%	30%	27%	73%	69%	70%	73%
Upper middle quartile (Grade 8 to Grade 10)	26%	23%	27%	25%	74%	77%	73%	75%
Upper quartile (Grade 10 onwards)	35%	35%	34%	32%	65%	65%	66%	68%

Table 1 - Proportion of males and	females in each	pay quartile
-----------------------------------	-----------------	--------------

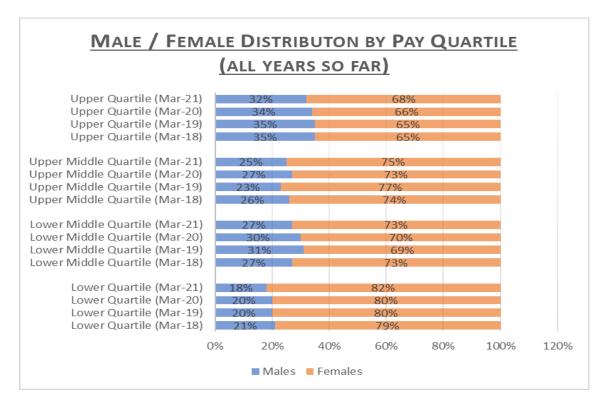


Figure 1 - Graphical representation of Table 1

- 11. Whilst the increase in female representation in more senior roles has continued, there has also been a continued increase in females in grades six-eight which may account for the slight increase in the median pay gap figure for this year.
- 12. By compariso a sample of published data on gov.uk for the same reporting date of March 2021 demonstrates that Cambridgeshire County Council had a median pay gap of 9% and a mean of 7%; Newcastle City Council a median of 6.8% and a mean of 1.7% and Warwickshire County Council a median of 5.4% and mean of 2.6%. Leicester City Council report a gender pay gap in favour of females of 0.8% median and 1.1% mean.

Supporting Women in our Workforce.

13. There are a number of examples of where the Council demonstrates its commitment to promoting the representation at all levels in the workplace. The Council has a number of programmes in place to promote female representation in senior roles. Examples include the Springboard and SpringForward management training programmes, demonstrating that the Council actively celebrates our female managers as role models. International Women's Day is also celebrated annually in March. Delivery of the Springboard model has continued in a virtual format and there are 22 participants on the current programme. A new SpringForward programme which is due to comence has 13 participants.

14. In December 2022, Leicestershire County Council became the first county council to have been accredited as a menopause friendly employer. Menopause Friendly accreditation is a recognised standard of achievement, one which means that we satisfied a highly qualified independent panel of judges that our organisation has a clear understanding of how menopause can have an effect at work, that we are working towards long term, sustainable change in our workplace and are fostering an inclusive culture where everyone can be at their best.

Recommendations

15. The Committee is asked to note the content of the report and support publication of Gender Pay Gap by 30 March 2022.

Background Papers

- a. Central government Gender Pay Gap reporting overview <u>https://www.gov.uk/guidance/gender-pay-gap-reporting-overview</u>
- b. List of employers publishing their Gender Pay Gap data <u>https://gender-pay-gap.service.gov.uk/</u>
- c. Advisory, Conciliation and Arbitration Service (ACAS) guidance <u>http://www.acas.org.uk/index.aspx?articleid=5768</u>
- d. Government Legislation https://www.legislation.gov.uk/ukdsi/2017/9780111152010
- e. Equalities & Human Rights Impact Assessments (EHRIA) <u>https://www.leicestershire.gov.uk/about-the-council/equality-and-</u> <u>diversity/equality-human-rights-impact-assessments-ehrias/ehria-overview</u>

Circulation under the Local Issues Alert Procedure

16. None.

List of Appendices

Appendix 1: Glossary of key terms.

Equality and Human Rights Implications/Other Impact Assessments

17. The Gender Pay Gap analysis has not identified any specific concerns, given the nature and profile of the workforce. Each department within Leicestershire County Council has also completed Equality and Human Rights Impact Assessments (EHRIA's) at least once since 2014-2015. Results from these have also not highlighted any specific concerns and there are therefore no equalities and human rights issues to address.

Officer to Contact

Gordon McFarlane, Assistant Director, Corporate Services Tel: 0116 305 6123 Email: <u>gordon.mcfarlane@leics.gov.uk</u>

Glossary of key terms in this report

Full-pay Employees	'Full-pay Employees' are employees that are paid their full usual pay during the pay period in which the snapshot date falls (31 March 2021 for the Council)				
Mean	The mean can be defined as the average of a set of numbers. This is achieved by adding up the values and then dividing by the number of values				
Median	The median can be defined as the middle number in a ranked list of numbers. The median can be used to determine an approximate average				
Quartile	 Quartiles divide ranked data into four quarters. These are: Lower quartile - The lowest 25% of numbers Lower middle quartile - The second lowest 25% of numbers Upper middle quartile - The second highest 25% of numbers Upper quartile - The highest 25% of numbers 				

Appendix 2

Comparative table showing the Council against other councils who have already published their results for March 2021 (rounded to nearest whole figure)

	Leicestershire County Council (over 5K employees)	Warwickshire County Council (1K to 5K employees)	Cambridgeshire County Council (1K to 5K employees)	Newcastle City Council (over 5K employees)
Mean	10% lower than	2.6% lower than	7% lower than	1.7% lower
	Males	Males	Males	than Males
Median	6% lower than	5% lower than	9% lower than	6.8% lower
	Males	Males	Males	than Males
Lower	18% Male	No details due to use of furlough	17% Male	31% Male
quartile	82% Female		83% Female	69% Female
Lower middle quartile	27% Male 73% Female	No details due to use of furlough	20% Male 80% Female	50% Male 52% Female
Higher middle quartile	25% Male 75% Female	No details due to use of furlough	21% Male 79%Female	50% Male 50% Female
Upper	32% Male	No details due	28% Male	44% Male
quartile	68% Female	use of furlough	72% Female	70% Female