



EMPLOYMENT COMMITTEE – 6 FEBRUARY 2025

PAY GAP REPORTING

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 2024, and a comparison is also made against the results for the previous three years. For the first time the Committee is also being presented with pay gap data for ethnicity, disability and sexual orientation.

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 their male and female employees. Moreover, the Government has announced a draft Equality (Race and Disability) Bill confirming their intention to introduce a mandatory requirement for employers of 250+ employees to publish their disability and ethnicity pay gaps.
3. Employers are required to publish their data by 30 March 2025.

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 their Gender Pay Gap.
5. The following figures have to be reported annually on the Council's website and published by central 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.
 - c. **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.
 - 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 their 31 March 2024 results by 30 March 2025 to meet legislative requirements.

Results comparison: March 2022-March 2025

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 2021:** Females mean hourly rate is **10%** lower than males;
 - ii. **March 2022:** Females mean hourly rate is **11%** lower than males;
 - iii. **March 2023:** Females mean hourly rate is **9%** lower than males;
 - iv. **March 2024:** Females mean hourly rate is **7%** lower than males.
 - b. Median Gender Pay Gap:
 - i. **March 2021:** Females median hourly rate is **6%** lower than males;
 - ii. **March 2022:** Females median hourly rate is **8%** lower than males;
 - iii. **March 2023:** Females median hourly rate is **9%** lower than males;

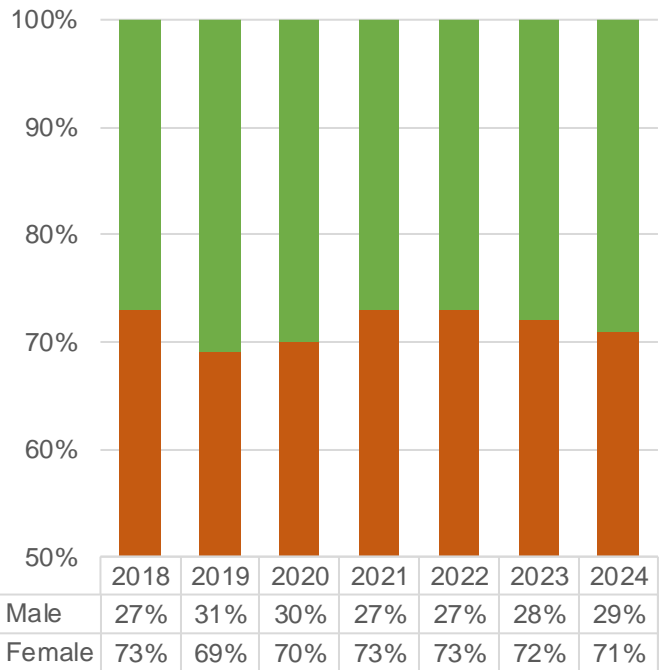
- iv. **March 2024:** Females median hourly rate is **5%** lower than males.
 - c. **Mean bonus Gender Pay Gap** – Not applicable.
 - d. **Median bonus Gender Pay Gap** – Not applicable.
 - e. **Proportion of males and females receiving a bonus payment** – Not applicable.
 - f. **Proportion of males and females in each pay quartile** – see results in Table 1 below. As at 31 March 2024 there were 73% females and 27% males employed across the Council which is the same percentage as in March 2023.
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 2023 to 2024 there has been a slight decrease in females across the lower quartiles and a slight increase in the higher quartiles which will have had an impact on the mean and median pay gap results.

Table 1-4 - Proportion of males and females in each pay quartile

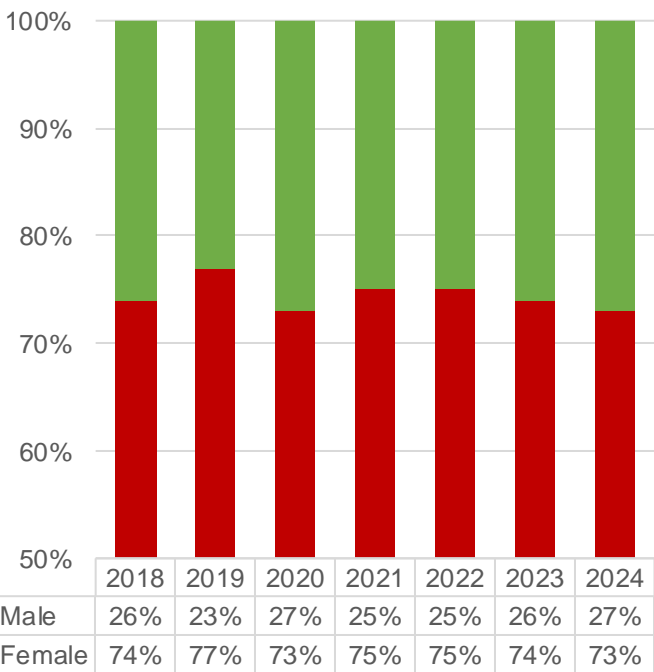
Lower quartile



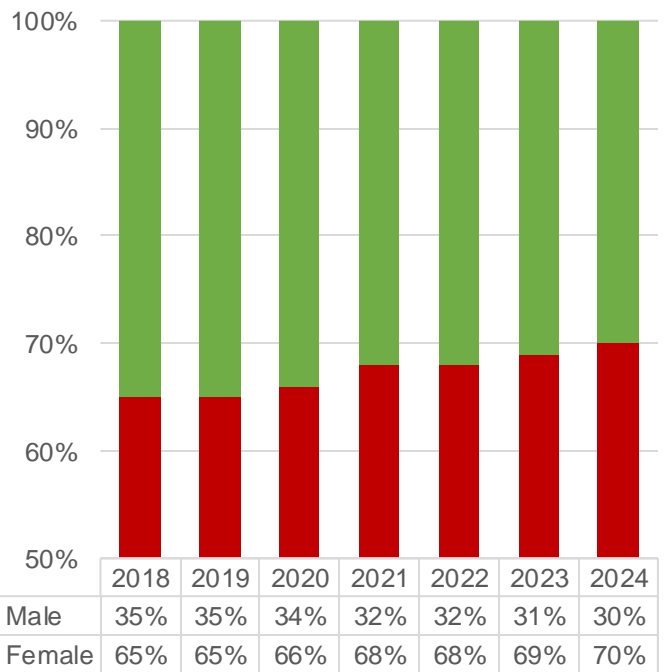
Lower middle quartile



Upper middle quartile



Upper quartile



10. The increase in female representation in more senior roles has continued along with a slight decrease in females in the lower quartile which will account for the slight decrease in the median pay gap figure for this year.
11. At this time, there are not many comparator council reports available, as they are due to be published before 31 March 2025. Oxfordshire CC has published their report with a median pay gap of 0% and a mean of 2.95%.

Supporting Women in the Workforce

12. There are a number of examples where the Council demonstrates its commitment to promoting 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, which also demonstrates the Council actively celebrating female managers as role models. International Women's Day is also celebrated annually in March. The SpringBoard programme completed in December 2024 had 28 female participants. A new SpringForward programme which is due to commence has 17 participants.
13. In September 2024, Leicestershire County Council won two awards at the Henpicked Menopause in the Workplace Award Ceremony. Firstly, the Menopause Friendly Employer of the Year for the organisation which, regardless of its size, has embedded menopause into its culture, transforming the workplace experience for all. The second award was the Best Peer-to-Peer Support Award, for the organisation that has created the best approach to enable peer to peer support, ensuring a safe and inclusive environment for conversations around menopause in the workplace.
14. In November 2024, Leicestershire County Council was one of six organisations re-accredited after three years to be a Menopause Friendly Employer. Menopause Friendly accreditation is a recognised standard of achievement, one which means that the Council satisfied an independent panel of judges that the organisation has a clear understanding of how menopause can have an effect at work. Demonstrating, the organisation is working towards long-term, sustainable change in the workplace and are fostering an inclusive culture.

Ethnicity Pay Gap

15. The draft Equality (Race and Disability) Bill will extend the legal requirement of equal pay for equal work to both ethnic minorities and disabled people. This will provide a specific framework for claims for individuals who have been paid differently to comparable colleagues.

16. Whilst the Council has collected data on the ethnicity and sexual orientation pay gaps for several years this has not previously been reported publicly.
17. Mean Ethnicity Pay Gap:
- March 2021:** BAME mean hourly rate is **5%** lower than non BAME;
 - March 2022:** BAME mean hourly rate is **3%** lower than non BAME;
 - March 2023:** BAME mean hourly rate is **4%** lower than non BAME;
 - March 2024:** BAME mean hourly rate is **5%** lower than non BAME.
18. Median Ethnicity Pay Gap:
- March 2021:** BAME median hourly rate is **4%** lower than non BAME;
 - March 2022:** BAME median hourly rate is **0%** lower than non BAME;
 - March 2023:** BAME mean hourly rate is **6%** lower than non BAME;
 - March 2024:** BAME mean hourly rate is **7%** lower than non BAME.
19. It should be noted that the non-declaration rate for ethnicity in 2024 (including not obtained and preferred not to state) is 23%. Commentators suggest that the Government will require a declaration rate in the region of 80% when ethnicity pay gap reporting becomes mandatory. The calculations have been made on the same basis as the current gender pay gap calculations however, it is anticipated that the requirements of the Bill will be more complex.
20. Departments are working with their business partners to encourage employees, particularly those without access to the intranet to disclose their protected characteristics.

Disability Pay Gap

21. Mean Disability Pay Gap:
- March 2021:** Disabled mean hourly rate is **0%** lower than non disabled;
 - March 2022:** Disabled mean hourly rate is **1%** lower than non disabled;
 - March 2023:** Disabled mean hourly rate is **0%** lower than non disabled;
 - March 2024:** Disabled mean hourly rate is **1%** lower than non disabled.
22. Median Disability Pay Gap:

March 2021: Disabled median hourly rate is **0%** lower than non disabled;

March 2022: Disabled median hourly rate is **2%** higher than non disabled;

March 2023: Disabled median hourly rate is **2%** higher than non disabled;

March 2024: Disabled median hourly rate is **2%** higher than non disabled.

23. It should be noted that the non-declaration rate for disability in 2024 (including not obtained and preferred not to state) is 32%.

Sexual Orientation Pay Gap

24. Mean Sexual Orientation Pay Gap:

March 2021: LGBTQ+ mean hourly rate is **6%** higher than heterosexual;

March 2022: LGBTQ+ mean hourly rate is **7%** higher than heterosexual;

March 2023: LGBTQ+ mean hourly rate is **10%** higher than heterosexual;

March 2024: LGBTQ+ mean hourly rate is **6%** higher than heterosexual.

25. Median Sexual Orientation Pay Gap

March 2021: LGBTQ+ median hourly rate is **6%** lower than heterosexual;

March 2022: LGBTQ+ median hourly rate is **6%** higher than heterosexual;

March 2023: LGBTQ+ median hourly rate is **9%** higher than heterosexual;

March 2024: LGBTQ+ median hourly rate is **5%** higher than heterosexual.

26. It should be noted, that the non-declaration rate for disability in 2024 (including not obtained and preferred not to state) is 41%.

Recommendations

27. The Committee is asked to note the content of the report and support publication of Gender Pay Gap by 30 March 2025.

Background Papers

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

Circulation under the Local Issues Alert Procedure

28. None.

List of Appendices

Appendix 1: Glossary of key terms

Appendix 2: Comparative table with Council's that have currently published gender pay gap

Equality and Human Rights Implications/Other Impact Assessments

29. 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

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