GENDER PAY GAP AS AT 31 MARCH 2020

Introduction

The Gender Pay Gap legislation which was introduced in April 2017 requires larger private and public sector employers with 250 plus employees to report the following information on an annual basis:

- the difference between the mean and median average hourly rate of pay for male and female employees;
- the proportion of men and women in each quartile of the pay bands;
- the gender pay gap for any bonuses paid out during the year (not relevant to NSDC as the Council do not pay bonuses).

The Gender Pay Gap is different to equal pay as it looks at the average earnings for both males and females to see whether there is a disparity.

Workforce Profile

Reporting for 2019/20 was suspended due to Covid. This report therefore provides details of the Council's Gender Pay gap as at 31 March 2020. On the 'snapshot' date of 31 March 2020 there were 613 employees in post. Of these 613 employees 560 were in scope for gender pay gap reporting. These were made up of 307 females, representing 55% of the workforce, and 253 males representing 45% of the workforce.

Our Gender Pay Gap

Our Gender Pay Gap at 31 March 2020 - The Gender Pay Gap for the Council changed from 2.14% in 2018, to 10.45% in 2020, which meant that on average men were paid 1.48p more per hour than women.

The data set out in this report was calculated using the standard methodologies referenced in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This includes calculating an hourly rate for all staff paid on the snapshot date (31 March 2020) using ordinary pay.

Ordinary pay includes: basic pay; allowances such as market supplements; shift pay, on-call and stand-by allowances. Payments that are excluded are: payments for overtime; redundancy payments and sums relating to termination of employment. Also excluded are employees on reduced pay due to family or sick leave.

The Gender Pay Gap is based on the difference between the average hourly pay received by men and women across the Council. We are required to report two measures for this purpose; the **mean** and the **median** gender pay gap.

MEAN – The mean is calculated by adding up the total salary for each gender (e.g. females) and then dividing the result by the number of female employees. We have

calculated the mean average for both men's and women's hourly pay and have included the percentage difference below.

MEDIAN - The median is calculated by producing a list of salaries in numerical order for each gender. The median is determined by identifying the middle number for each gender. We calculate the median for both men's and women's hourly pay and report the percentage difference. The median gender pay gap removes any influences of very high and very low pay.

| 2020 | | | | | | | |
|-------------|--------|-----------|--------|--|--|--|--|
| Hourly Rate | Men | Men Women | | | | | |
| Mean | £14.13 | £12.65 | 10.47% | | | | |
| Median | £11.64 | £10.97 | 5.77% | | | | |

Our Quartile Pay

The quartile data shows the Council's workforce divided into four equal sized groups based on calculated hourly rates of pay. Each quartile is made up of 25% of the workforce. The lower quartile includes employees in receipt of the lowest pay. The upper quartile represents those in receipt of the highest pay. Our pay quartiles by gender as at 31 March 2020 are listed below:

| 2020 | | | | | | | |
|-----------------------|-----|-------|------------------|--------------------|-------|--|--|
| QUARTILE | Men | Women | Number of Men | Number of Women | Total | | |
| Lower Quartile | 32% | 68% | 45 | 95 | 140 | | |
| Lower Middle Quartile | 46% | 54% | 64 | 76 | 140 | | |
| Upper Middle Quartile | 50% | 50% | 70 | 70 | 140 | | |
| Upper Quartile | 53% | 47% | 74 | 66 | 140 | | |

<u>Review</u>

As stated above, reporting for 2019/20 was suspended due to Covid but on 31 March 2019 the Gender Pay Gap stood at 6.74%. The Gender Pay Gap for the Council increased

to 10.45% in 2020, meaning that on average men were paid 1.48p more per hour than women.

The median difference at 31 March 2020 was 5.77% which changed from -5.61% in 2018 meaning the median pay for women at 31 March 2020 was 67p per hour less than for men.

Reasons for the Change

In February 2020, the management of the Council's housing stock was brought back in house resulting in the TUPE transfer of approximately 150 staff into the Authority. This resulted in a significant change in the makeup of the Council's workforce, the impact of which is detailed below.

Lower Quartile – On 1 April 2018 there were proportionately higher numbers of men than women in the lower quartile. On 31 March 2020 the number of women in the lowest paid jobs was significantly higher; 68% women and 32% men (95 women/45 men). This included post such as Domestic Services Assistants, Kitchen Assistants, Hair Stylists, Cooks and Customer Services Advisors, which tend to be traditional female roles.

Upper Quartile - The percentage of men and women in the upper quartile (i.e. those receiving the highest pay) has remained unchanged since 2018, with 53% men and 47% women. However, on 31 March 2020 there were 66 women in the quartile compared to just 45 in 2018.

Upper Middle Quartile – On 31 March 2020 there were equal numbers of men and women in the upper middle quartile compared to 64% women and 36% men in 2018.

The Equality Act 2010 - The Equality Act 2010 requires that men and women must receive equal pay for the same or broadly similar work or work of equal value.

The Council is committed to the principle of equal opportunities and equal treatment for all employees and as an employer we support men and women to develop to the best of their potential. To achieve this we have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex, or any other characteristic. We do this through the use of a job evaluation scheme which robustly evaluates job roles and pay grades to ensure a fair and transparent pay structure.

The Council is confident that our 10.45% Gender Pay Gap does not stem from paying men and women differently for the same, broadly similar or equivalent work or for work of equal value; it is as a result of the type of roles in which men and women occupy within the Council and the salaries that these roles, having been evaluated, attract.

Actions to Address the Gender Pay Gap

The Council are currently finalising a new Workforce Strategy and one of the key activities within the Strategy will be to develop a Gender Pay Gap Action Plan. We will analyse data to understand the reasons for the gap and the anomalies in certain job families and explore ways to improve this, from advertising in different media to considering how we attract candidates into the more traditional roles.

We will also look at our recruitment processes and the employment lifecycle from attraction to exit and identify poor practices and barriers, and take action to tackle them at each stage of the process.

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John Robinson Chief Executive 20 October 2021

https://www.gov.uk/government/news/uk-gender-pay-gap

https://www.gov.uk/government/news/view-gender-pay-gap-information