



# **Gender Pay Gap Report – 2017**

**Published 28th February 2018**

## Gender Pay Gap Report 2017



Foreword by Amanda Foley, Chief Executive

This is the Council's first Gender Pay Gap report under the new regulations contained in the Equality Act 2010.

The Council is a diverse employer and recognises the importance of equality in pay and employment as well as in service delivery. It is committed to ensuring equality at work.

This report provides data to help us to understand our pay gap including underlying reasons. It provides a basis for addressing any issues or concerns.

The report shows a small pay gap in favour of men at 31<sup>st</sup> March 2017. This pay gap is driven by the distribution of men and women in the organisation in 2017, and, as there are proportionately more women than men in lower paid roles at the Council, this has resulted in women's average pay being slightly less than men's average pay.

Overall, I am pleased with the result. However, I am not complacent. We must continue to develop our workforce, offer equal opportunities and promote policies that encourage and support our employees at work. We will actively work to close the gender pay gap even further.

**Amanda Foley**

**Chief Executive**

## Introduction

In April 2017, the Government introduced legislation requiring all employers with 250 or more employees to calculate and publish six specific measures regarding the pay gap between men and women in their organisation. Relevant organisations are required to collect data on a snapshot date of 31 March 2017 and then publish the metrics before 30 March 2018 and thereafter publish the same data set annually. The six metrics required by the regulations are:

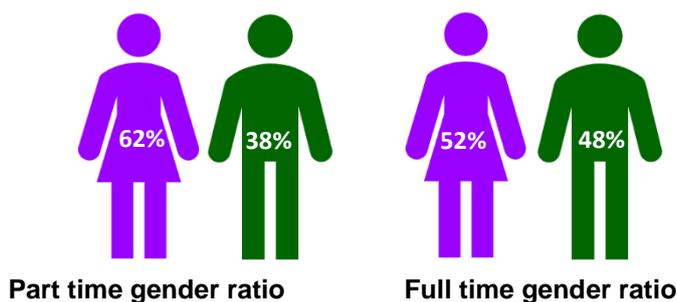
1. The difference in the mean hourly rate of pay
2. The difference in the median hourly rate of pay
3. The difference in the mean bonus pay
4. The difference in the median bonus pay
5. The proportion of male and female employees who were paid bonus pay
6. The proportion of male and female employees according to quartile pay bands

As St Albans Council has more than 250 employees, it is a relevant organisation covered by the regulations and as such data was collected on the snapshot date of 31 March 2017. This identified 482 employees included in the Gender Pay Gap analysis of which 274 (57%) were female and 208 (43%) were male.

### Total workforce demographic

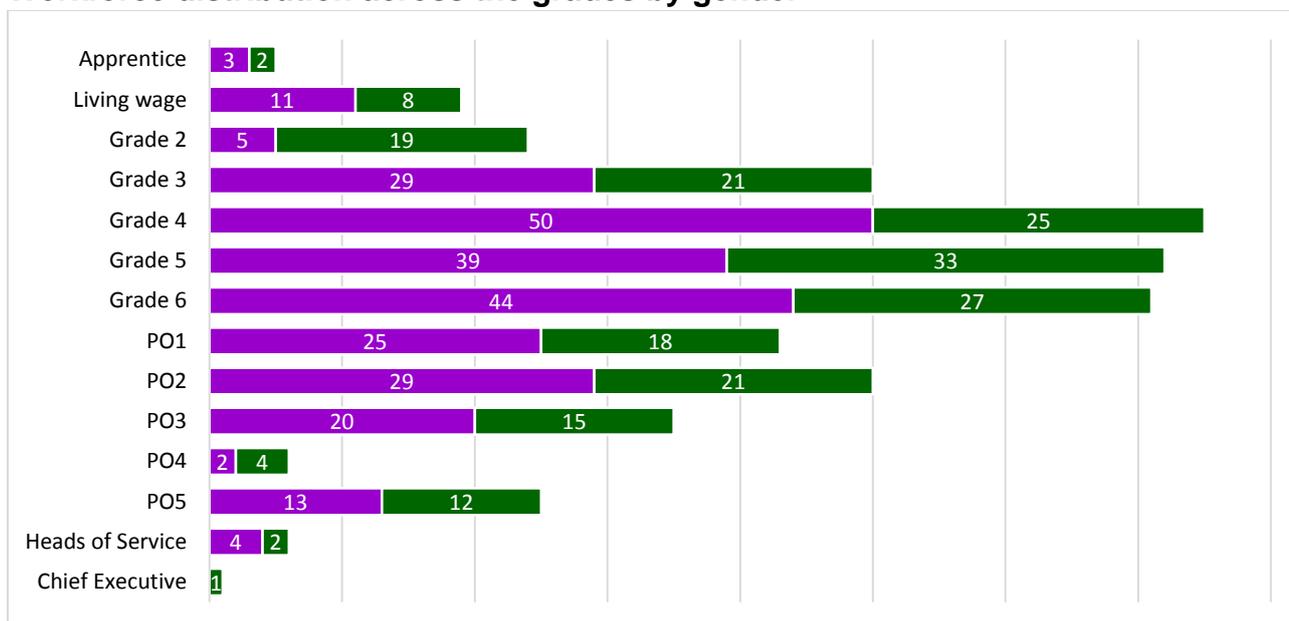


### Full vs Part time demographic



### Workforce distribution across the grades by gender

Female Male



The gender pay gap shows the difference in average pay between all men and women in the workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with, and the individual calculations may help identify what those issues are.

The gender pay gap is different from equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

### Gender Pay Data Analysis

All of the data included in this report has been calculated in accordance with the requirements of the Equality Act 2010 – Specific Duties and Public Authorities Regulations 2017<sup>1</sup>.

The tables, graphics and commentary below give the metrics required by the 2017 regulations and a brief explanation about the context and results for the Council.

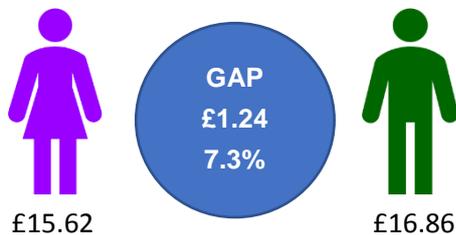
#### Metrics 1, 2, 3 and 4

Difference between men and women	Mean (Average)	Median (Middle)
Gender Pay Gap	7.3%	6.8%
Gender Bonus Gap	57.3%	7.0%

The overall mean gender pay gap for the Council is 7.3%, which means that male employees receive, on average, 7.3% more pay than female employees. The Council’s median pay gap is 6.8%. The Council’s gender pay gap is below the national public sector mean and median of 17.7% and 19.4% respectively<sup>2</sup>

#### 1. Mean (31 March 2017)

Average hourly rate of pay and the percentage difference between



#### 2. Median (31 March 2017)

Middle hourly rate of pay and the percentage difference between.

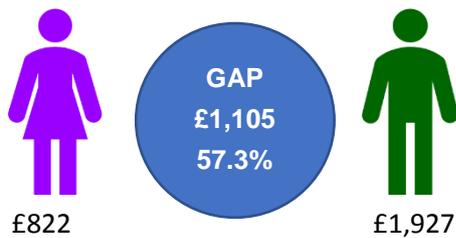


<sup>1</sup> Data analysis conducted on our behalf by Project HR

<sup>2</sup> ONS Provisional 2017 Public Sector Gender Pay Gap

### 3. Mean (31 March 2017)

Average bonus payment and the percentage difference between



### 4. Median (31 March 2017)

Middle bonus payment and the percentage difference between.



The Council's mean bonus pay<sup>3</sup> gap is 57.3% and the median is 7.0%. The Council uses performance pay in a very limited way with only 16 employees (3.3% of the workforce) receiving a performance payment in the pay period ending 31 March 2017 - **ten were women** and **six were men**.



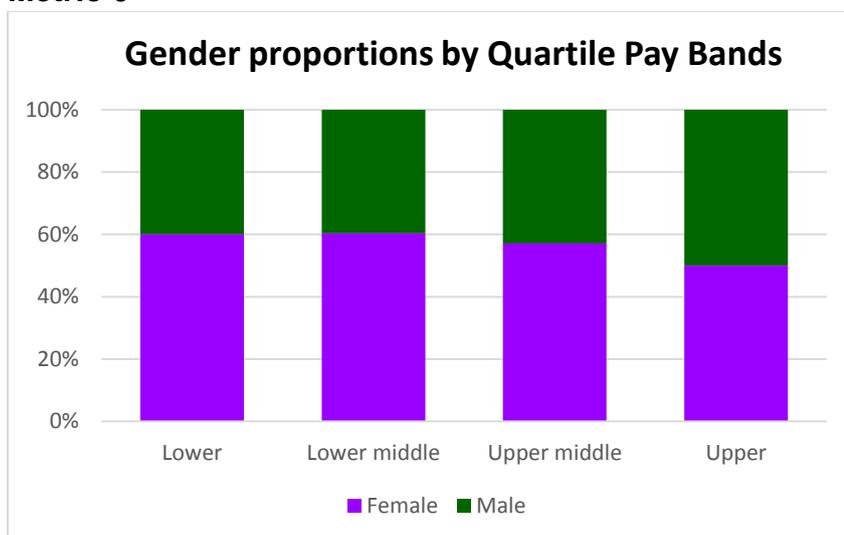
The mean figure is much higher than the median because two of the male employees received higher bonus payments, which has resulted in a much higher mean than median average figure.

### Metric 5

Proportion of employees receiving Bonus	Female	Male
Receiving Bonus	3.6%	2.9%
Not receiving Bonus	96.4%	97.1%

The pay gaps do not indicate that male and female employees are being paid differently for equal work. The Council operates a robust grading structure based on a non-discriminatory job evaluation scheme to ensure that we comply with equality legislation and provide equal pay for work of equal value.

### Metric 6



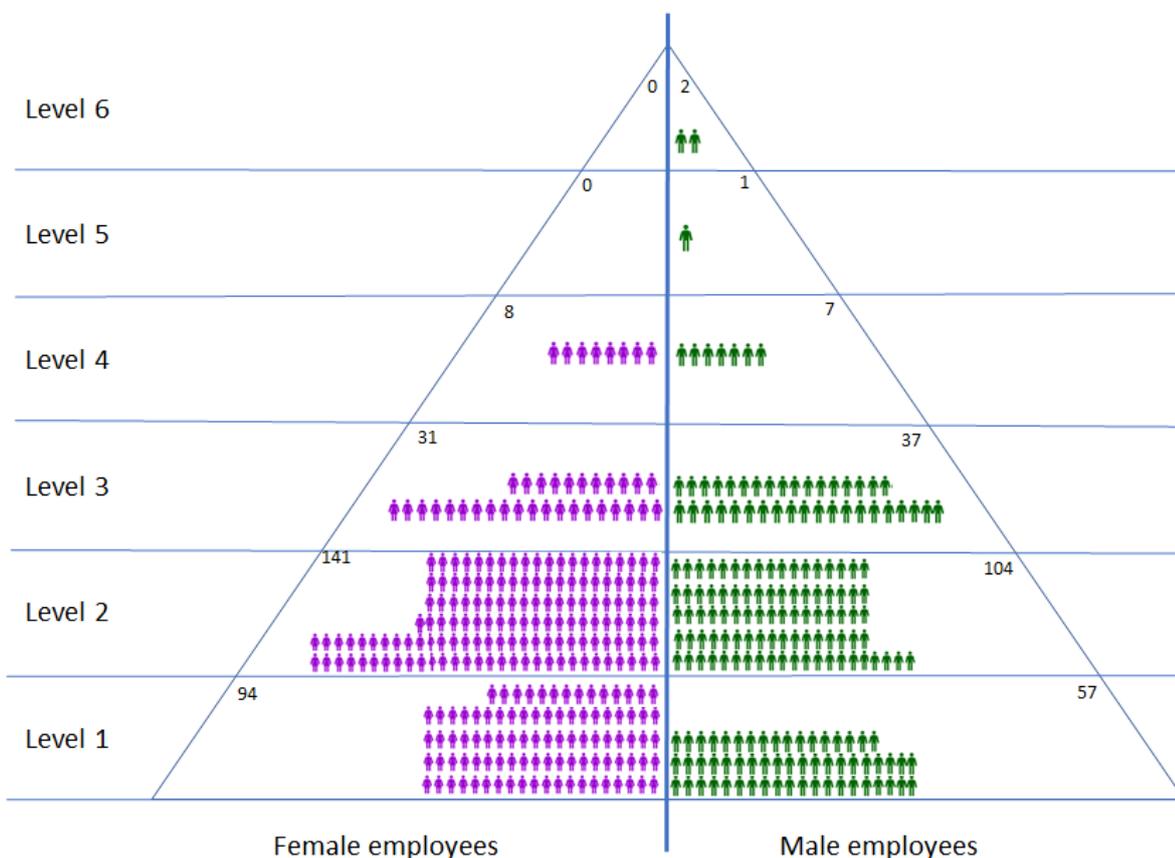
<sup>3</sup> For the purposes of this report pay locally applied as honoraria has been classed as bonus alongside performance related bonuses.

The pay quartile analysis shows that there is a higher proportion of female employees in the lower, lower middle and upper middle quartiles and it is this distribution of employees that results in the gender pay gaps. The distribution of employees is more clearly shown in the 'pyramid' diagram below and demonstrates why there is a slight difference in the average pay between female and male employees.

Analysis of the pay quartiles shows that we have an equal number of men and women in the upper pay quartile and around 40:60 ratio men and women respectively in the other three pay quartiles. The overall distribution of men and women in the Council is 43% and 57% respectively.

The chart below shows the distribution of men and women in the Council as defined by six notional bands or levels based on hourly rate. These levels have been constructed by taking the lowest hourly rate of pay from the highest and dividing this by six to create six equal pay bands. These are represented below with Level 1 as lowest band and Level 6 as highest.

**Distribution across hourly rate bands**



The data and analysis represent a snapshot in time and it should be noted that the Council's demographics and gender balance will change with time as employees leave and join the Council and as the Council continues to drive efficiency and value for money.

**Equality at Work**

The Council is committed to fairness, promoting equality of opportunity for all and a culture that values differences. As an employer, we want to ensure our workforce is representative of the community it serves by attracting and retaining talented employees from a wide range of backgrounds and with diverse skills and experience.

We are an equal opportunity employer and our employment policies are intended to achieve equality of opportunity for all irrespective of ethnic origin, race, colour, sex, sexual orientation, gender, gender reassignment, disability, age, trade union activity, marital status, civil partnership status, religion or belief, pregnancy and maternity.

Our Equal Opportunity Employment Policy aims to ensure that no job applicant or employee receives less favourable treatment on these grounds, nor is disadvantaged by conditions or requirements, which cannot be shown to be justifiable or are irrelevant to the post.

This applies to all aspects of our employment practices including recruitment, retention, promotion, transfer, training, talent development benefits, facilities, procedures and all terms and conditions of employment.

All the decisions we make relating to employment practices are objective, free from bias and based solely upon work criteria and individual merit.

The Council operates a robust grading structure based on a non-discriminatory job evaluation scheme to ensure that we comply with equality legislation and provide equal pay for work of equal value.

We regularly carry out an equal pay audit to ensure that our systems and processes are fair, equitable and robust – the last equal pay audit was completed in November 2015.

Further information on the equal opportunities in employment policy, our approach to equal opportunities in the workplace and equalities reports can be found here -

<http://www.stalbans.gov.uk/jobs-and-careers/equal-opportunities/>.

## **Conclusion and Next Steps**

The gender pay data analysis shows a positive picture. This is because there is a relatively small pay gap in favour of men: 7.3 % mean pay gap and 6.8 % median pay gap when compared against the provisional national Public Sector<sup>4</sup> results of 17.7% and 19.4% respectively. This pay gap appears to be driven by the distribution of men and women in the organisation. As there are proportionately more women than men in lower paid roles at the Council, this results in women's average pay being less than men's average pay.

The following actions have been agreed in discussion with Cabinet, the Senior Leadership Team and Unison:-

- Gender pay analysis and reporting will be brought forward to quarter 2 in subsequent years
- Further granular data analysis (e.g. at grade levels) will also be included to gain a deeper understanding of the gender pay gaps where they do exist
- Analysis of recruitment data will be carried out to identify if there are any unexpected barriers to applicants across grades and departments

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<sup>4</sup> Office for National Statistics - Annual survey of hours and earnings (ASHE) gender pay gap tables