

GENDER PAY GAP REPORT AS AT 31.3.20

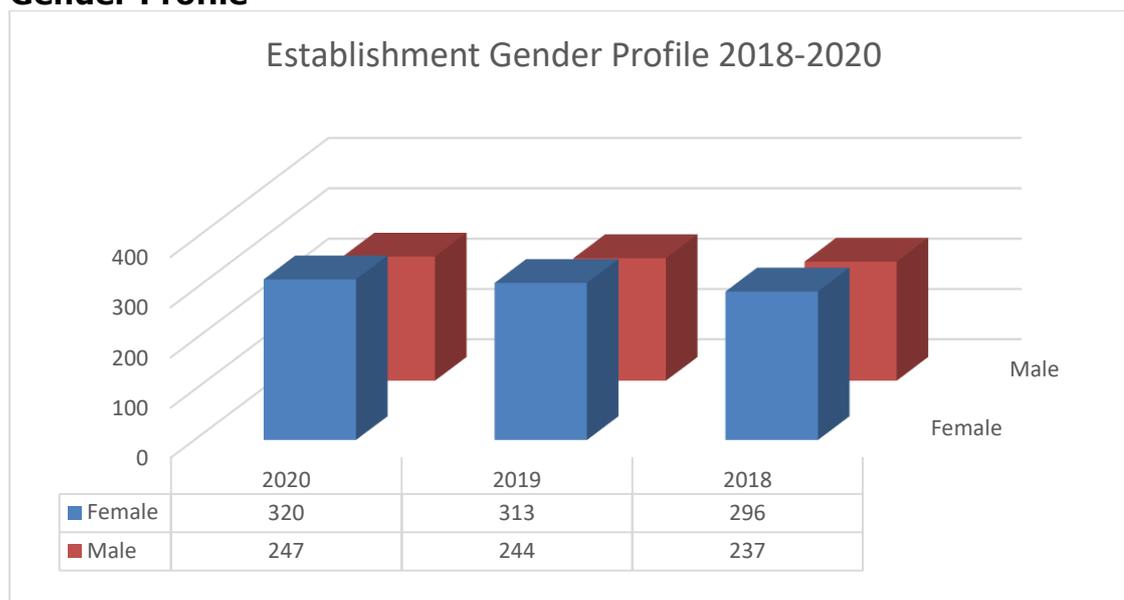
1. Background Information

- 1.1 The gender pay gap report for Warwick District Council sets out the gender pay gap information relating to employees in line with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.
- 1.2 Any company who employs more than 250 employees are required to report on their:
- a. Mean gender pay gap
 - b. Median gender pay gap
 - c. Mean bonus gender pay gap (including long service and honoraria)
 - d. Median bonus gender pay gap (including long service and honoraria)
 - e. Proportion of males and females receiving a bonus payment
 - f. Proportion of males and females in each quartile band
- 1.3 This report identifies Gender pay gap data using pay data on the snapshot date of 31st March 2020, and in relation to 'bonuses' paid between 1st April 2019 and 31st March 2020.
- 1.4 The information must be published on both the Council's website and available for at least 3 years and on the designated government website. This is the third pay gap data report to be compiled.
- 1.5 This data is being reported early to Employment Committee September 2020 at the request of the September 2019 Employment Committee.

2.0 WDC Workforce Profile

- 2.1 The WDC gender pay reporting figures have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
- 2.2 The data includes the following types of staff:
- Employees with a contract of employment (part time, full time, permanent and fixed term)
 - Casuals/Workers
 - Apprentices
- 2.3 The data does not include temporary staff employed through an agency

2.4 Gender Profile



As at 31.3.20 Warwick District Council employed 567 people (contracted and casual staff) - an increase of 34 from 21.3.18.

	2020	2019	2018
Female	320	313	296
Male	247	244	237
Total	567	557	533

Female	2020	2019	2018
Employees	320	313	296
% of employees	56%	56%	56%
Full time	162	171	152
Part time	122	115	115
% part time	38%	37%	38%
Casual workers	36	27	29
Average week p/t	23 hours	22 hours	23 hours
Hours between	7.5 -35 hrs	7.5 -35 hrs	7.5 - 35 hours
Average week all	31 hours	31 hours	31 hours
% Managerial roles	16.6%	14%	14%

Male	2020	2019	2018
Employees	247	244	237
% of employees	44%	44%	44%
Full time	200	187	178
Part time	28	29	38
% part time	11%	12%	16%
Casual workers	19	28	21
Average week p/t	20.7 hrs	21.8 hours	22.8 hours
Hours between	7.67 - 35 hours	7.67 - 35 hours	7.67 - 35 hours
Average week all	35 hours	35 hours	34.7 hours
% Managerial roles	27%	21%	21%

3. Mean and Median Gender Pay Gap Results

We have used the guidance detailed on the gov.uk website to calculate this data described as: 'The gender pay gap of the organisation should be calculated as hourly pay, as both a:

- mean figure (the difference between the average of male and female pay).
- median figure (the difference between the midpoints in the ranges of male and female pay)'.

As a summary the results for Warwick District Council are set out below:

	Year	Female	Male	Difference between Female and Male mean & median hourly rate
Number of employees	2020	320	247	
	2019	313	244	
	2018	296	237	
Mean hourly rate	2020	£12.92	£15.08	14.32%
	2019	£12.43	£14.56	14.63%
	2018	£12.20	£14.41	15.3%
Median hourly rate	2020	£11.07	£13.11	15.5%
	2019	£11.24	£12.49	10%
	2018	£11.02	£12.37	10.9%
Mean bonus payment	2020	£390	£427	8.66%
	2019	£60.90	£61.08	0.29%
	2018	£34.47	£18.20	-89.4%
Median bonus payment	2020	£444	£444	0%
	2019	£500	£130	-284.6%
	2018	£750	£447	-68%
Proportion who received a bonus	2020	1.5%	2%	
	2019	13.4%	14.3%	
	2018	6%	3%	

3.1 For the purposes of Gender Pay Gap reporting a bonus payment includes a 'one off honoraria' and Warwick District Council 'Long Service Awards'.

3.2 The mean hourly rate is the "average" hourly rate when adding together the total of the hourly rates of all employees and dividing the total by the number of employees. The median hourly rate is the "average", middle hourly rate of all employees. This is calculated by sorting the hourly rate of workers from lowest to highest and working out what the middle employee's hourly rate is.

3.3 The mean can be affected by a small number of high earners, whereas the median takes into account the distribution of pay across the workforce and is less affected by a small number of high earners.

4.0 Pay Quartiles

4.1 2019 – 2020 hourly rates within Warwick District Council range from £4.35 (apprentice rate) to £58.25. When dividing all employees into 4 quartiles the pay rates for the 4 quartiles are shown below:

WDC Pay Quartiles by Gender 31.3.20						
Quartile	No. of males	No. of females	Total	Males	Females	Total %
Lower Quartile £4.35 to £10.24	46	95	141	33%	67%	100%
Lower Middle Quartile £10.24 to £11.88	59	83	142	42%	58%	100%
Upper Middle Quartile £11.88 to £16.60	58	84	142	41%	59%	100%
Upper Quartile £16.60 to £58.25	84	58	142	59%	41%	100%

WDC Pay Quartiles by Gender 31.3.19						
Quartile	No. of males	No. of females	Total	Males	Females	Total %
Lower Quartile £4.10 to £9.78	55	84	139	40%	60%	100%
Lower Middle Quartile £9.78 to £11.61	57	82	139	41%	59%	100%
Upper Middle Quartile £11.61 to £15.94	49	90	139	35%	65%	100%
Upper Quartile £15.94 to £57.11	83	57	140	59%	41%	100%

WDC Pay Quartiles by Gender 31.3.18						
Quartile	No. of males	No. of females	Total	Males	Females	Total %
Lower Quartile £4.59 to £9.55	54	80	134	37%	63%	100%
Lower Middle Quartile 9.72 to £11.74	48	85	133	36%	64%	100%
Upper Middle Quartile £11.74 to £15.63	52	81	133	39%	61%	100%
Upper Quartile £15.63 to £55.99	83	50	133	62%	38%	100%

4.2 Quartile Pay Band Summary - In order for there to be no gender pay gap, there would need to be an equal ratio of male to female in each quartile. However, within the Council 61.6% of the employees in the three lowest quartiles are female and 38% are male. This is reversed in the highest quartile with 59% being male and 41% women.

4.3 The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

5.0 Summary of Gender Pay Gap Data as at 31st March 2020

- The Mean Gender pay gap is 14.32% (a total decrease of 0.98% since 2018).
- The Median Gender pay gap is 15.5% (a total increase of 4.60% since 2018). Females in lower graded roles have increased by 16 and at the same time males in these roles have decreased by 10.
- The Mean Bonus pay has increased by 8.37% an increase from 2019 of 0.29% however the same numbers of males and females received a payment and the Medium bonus payment is 0% difference with both groups receiving £444.

6.0 Analysis

At Warwick District Council the mean hourly rate for females grew by 0.49p whereas the mean hourly rate for men grew by 0.52p.

The median hourly rate for females decreased by 0.17p and the median hourly rate for males grew by 0.62p. This is largely attributable to the higher number of females in the lower graded roles compared to males.

The lowest pay rate increased from £4.10 to £4.35 due to an increase in the apprenticeship pay rate.

7.0 National Picture

7.1 The Government Equalities Office (GEO) and the Equality and Human Right Commission (EHRC) have suspended gender pay gap reporting regulations for this year, due to the Covid-19 (Coronavirus).

This means that there will be no expectation for employers to report their gender pay gaps for the 2019/20 reporting year (18/19 actual year). The Government's decision to relax this year's gender pay gap reporting deadline was due the unprecedented pressure faced by organisations.

The table below gives the results that had been reported for 2018/19 (data the year prior to this report) prior to this announcement.

Employer	Employer Size	% Difference in hourly rate (Mean)	% Difference in hourly rate	% Women in lower pay quartile	% Women in lower middle pay quartile	% Women in upper middle pay quartile	% Women in top pay quartile
North Warwickshire Borough Council	Not Provided						

Nuneaton & Bedworth Borough Council	500 to 999	4.5	4.3	64	44	56	50
Rugby Borough Council	Not Provided						
Stratford-On-Avon District Council	250 to 499	19.1	18.3	74.6	70.4	59.2	33.8
Warwick District Council	500 to 999	14.6	10	60	59	65	41
Warwickshire County Council	1000 to 4999	3.2	11.4	72.3	73	60.6	65.5

From the Office of National Statistics, the median **gender pay gap** among all employees fell from 17.8% in 2018 to 17.3% in **March 2019**, and continues to decline

We have compared the Council's gender pay gap results for the mean and median hourly pay to the Office of National Statistics (ONS) - Annual Survey of Hours and Earnings (ASHE) provisional earnings data for October 2019 for jobs in the United Kingdom in the table below:

Description	Mean	Median
United Kingdom	16.2	17.3
Public Sector	15.7	16.8
Private Sector	19.9	23.6
Warwickshire	18.0	17.7
Warwick Area	24.2	17.9
Warwick District Council	15.3 (2018) 14.6 (2019) 14.3 (2020)	10.9 (2018) 10.0 (2019) 15.5 (2020)

At the date of compiling this report there is insufficient data published to draw effective comparisons for 31st March 2020 data.

7.2 **What are the factors influencing Warwick District Council's gender pay gap?**

- 7.3 Under the law, males and females must receive equal pay for:
- the same or broadly similar work;
 - work rated as equivalent under a job evaluation scheme; or
 - work of equal value.

- 7.4 Warwick District Council is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above).

- 7.5 As such it:
- operates job evaluation methodology to grade all jobs, using the Hay Job Evaluation Scheme to ensure that jobs are paid fairly;

- ensures that allowances are awarded fairly and consistently across the Council;
- re-evaluates job roles and pay grades as necessary to ensure a fair structure.

7.6 Warwick District Council is confident that its gender pay gap does not stem from paying males and females differently for the same or equivalent work.

7.7 On the date that this information was taken we employed more females than males, therefore it would be expected that there are more females than males at almost every level of the organisation. However, this is not replicated in the upper quartile.

8.0 **Publication**

WDC Gender pay gap data will be published at the end of March 2021.

9.0 **Next steps**

9.1 The data reported is based on March 2020 data, and comparisons have been drawn with the March 2018 and 2019 data which gives a positive indication of the direction of travel.

Update on previous actions:

- a) As discussed at Employment Committee in 2019 - further work on MI is now being scoped as part of the new Payroll system including the recruitment portal for 2021.
- b) MI has been enhanced in how it is presented to SMT to provide trends in recruitment and retention.
- c) As highlighted benchmarking data has been difficult to obtain however reviewing how we can deliver 'family friendly' policies/schemes has been a key priority – e.g. Maternity 'pay back' scheme withdrawn; Health and well-being scheme implemented.

It is apparent from the current high level data that females are not proportionality represented in the upper pay quartiles, utilising the data from the new recruitment portal in 2021 will support how we first understand and then address the causes of this as necessary, with some further examples to be considered below:

- i. Analysis of number of female applicants to roles and success rate.
- ii. Develop a greater evidence base to determine the proportion of female staff who return to work after maternity and adoption e.g. full time; part time and same role and those that continue in post a year after returning.
- iii. Any impact from COVID-19

And continue to:

- iv. Ensure consistent recruitment training that is fit for purpose e.g. recognition of unconscious bias.
- v. Increase awareness of 'work apprenticeship' training to encourage more employees to improve their skills and experience to enable the opportunity to progress their career.
- vi. Promote a consistent and transparent process to career grades and

- progression.
- vii. Promote Mentoring/Coaching opportunities.
- viii. Continue to develop flexible working options that support effective work life balance including career breaks/sabbaticals.

9.2 It should be noted that addressing the underlying causes of a gender pay gap and developing an effective action plan is an ongoing and iterative process. Time is required to both consider in detail the approach to adopt, and to refine the content as well as consider comparative data to be able to benchmark best practice both internally and externally. This will be incorporated into our Equality and Diversity and Inclusion actions as part of the People strategy updates.

Definitions



For the purposes of reporting, **Standard Hourly Rate** includes the following:

- Basic Salary
- Casual payments
- Honoraria paid monthly to recognize acting up duties
- Shift premium pay
- Retention allowances
- Living Wage Foundation top ups
- Unsocial hours payments
- Standby payments
- First Aid Allowances
- Market Related Supplements

Not required to be included in reporting are:

- Overtime
- Mileage, subsistence and other expenses
- Redundancy payments
- Anyone receiving nil pay during the period e.g. on maternity / sick leave / leave with no pay
- Salary sacrifice amounts

Bonus

Bonus pay means any remuneration that is in the form of money, vouchers, securities, securities options or interests in securities and relates to profit sharing, productivity, performance, incentive or commission. Non-consolidated bonuses are included. Long service awards with a monetary value are also included.

For WDC, this captures Long Service Awards and one-off honoraria payments. Regular honoraria payments are excluded from "bonus" calculations and included in "ordinary pay".

We believe this is in line with the ACAS guidance, but it is unclear whether other Councils have followed this definition as closely as ourselves and we have previously had conflicting advice.

Gender Pay Gap

The gender pay gap is a measure of labour market or workplace disadvantage, expressed in terms of a comparison between males and females average hourly rates of pay. The gap can be measured in various ways and it is important to understand how the gap is being measured. The hourly rates of pay, excluding overtime are used to take account of the fact that many more males than females work full-time. Overtime is excluded because it is recognised that male employees

work more overtime than female employees due to female's caring responsibility and part-time nature of work.

Gender pay is different to equal pay. The gender pay gap is the difference between the average hourly rate of pay of a male employee and the average hourly rate of a female employee as a percentage. The gender pay gap is calculated using both mean and median hourly rates.

Equal Pay

There have been laws in place since the 1970s requiring employers to pay male and female who are doing 'like work', 'work of equal value' or 'work rated as equivalent' the same salary and to have equal contractual terms such as annual leave and pension payments. The law was updated in the Equalities Act 2010. This is known as equal pay.

Equal pay and gender pay are separate and not necessarily related. A company can be equal pay compliant and still have a gender pay gap. When a company pays equally and has a gender pay gap the cause is likely to be the distribution of males and females in different grades.

Mean Vs Median

The mean hourly rate is the 'average' hourly rate when adding together the total of the hourly rates of all employees and dividing the total by the number of employees.

The median hourly rate is a different way of calculating an "average" hourly rate where the average is the middle hourly rate of all employees. This is calculated by sorting the hourly rate of workers from lowest to highest and working out what the middle employee's hourly rate is.

The mean average can be affected by a small number of high earners, whereas the median takes into account the distribution of pay across the workforce and is less affected by a small number of high earners.

Mean Gender Pay Gap

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

To calculate the mean

The mean is an average of all the numbers in a dataset, that is you have to add up all the numbers and then divide the result by how many numbers you are dealing with. To find the mean hourly rate for WDC's full-pay relevant male employees, all the hourly rates will be added together and then divided by the total number of full-pay relevant male employees. This will give the "mean" hourly rate.

Median Gender Pay Gap

The difference between the median hourly rate of pay of male full-pay relevant employees and that for female full-pay relevant employees.

To calculate the median

The median is the numerical value which splits the top 50% and the bottom 50%. To find the median, all the hourly rates for all employees will be listed in numerical order; if there are an odd number of values, the median is the number in the middle. If there is an even number, the median is the mean of the two central numbers.

Bonus

The gender pay gap is the average value of bonuses paid to female relevant employees expressed as a percentage of the average value of bonuses paid to male relevant employees. For Warwick District Council, bonuses as defined for the purposes of the Gender pay Gap are retention payments, one-off honoraria and long service awards.

Regular honoraria payments, to cover an acting up situation, are excluded from "bonus" calculations and included in "ordinary pay".

Mean Bonus Gap

The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

Median Bonus Gap

The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.

Bonus Proportions

The proportions of male and female relevant employees who were paid bonus pay during the relevant period.

Quartile Pay Bands

The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

Quartiles

A quartile is one of the three points that divide the population of data into 4 equal parts. In the context of gender pay gap reporting, the four quartile pay bands are created by dividing the total number of full-pay relevant employee into four equal parts. For clarification, that is not WDC Pay bands.

Measures

A positive measure, for example 18%, indicates the extent to which females earn, on average, **less** per hour than their male counterparts.

A negative measure, for example -18%, indicates the extent to which females earn, on average, **more** per hour than their male counterparts. This may happen, for example, if WDC employ a high proportion of males in low-paid part-time work, and/or the senior and higher paid employees are female.