

# Brighton & Hove City Council Gender Pay Gap Report – published 2019

## 1. Introduction

- 1.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all local authorities with more than 250 employees to publish the following gender pay gap data based on an annual 'snapshot' pay period of 31<sup>st</sup> March each year:
- mean and median gender pay gaps in hourly pay
  - mean and median gender bonus gaps
  - proportion of men and women who received bonuses
  - proportions of men and women employees in each pay quartile
- 1.2 The council published its pay gap for the first time last year on 7<sup>th</sup> March 2018. It is required to publish this information annually, on its website and the [Government's website](#), on the anniversary of its first publication. This report relates to the snapshot date of March 31<sup>st</sup> 2018.
- 1.3 The gender pay gap is defined as the average pay gap between male and female staff in hourly pay. This is different from equal pay. The Equality & Human Rights Commission outlines the differences as follows;
- Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.
  - The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.

Equal pay is a legal requirement and failure to comply with equal pay legislation could result in a claim whereas gender pay gap is not, in itself, unlawful. This is due to the causes of a gender pay gap not falling within the direct control of an employer or because they are due to do a material factor other than gender.

## 2. Scope

- 2.1 The data is based on all council employees (excluding school based staff) who were employed on 31 March 2018 and casuals paid during that month.

## 3. The Gender Pay Gap Data

- 3.1 The mean and median gender pay gaps are shown as a percentage difference, based on the gross hourly rates of ordinary pay on the 'snapshot' date 31 March 2018. The hourly rate calculated for each employee is in accordance with the pay period that applies to them. The council pays

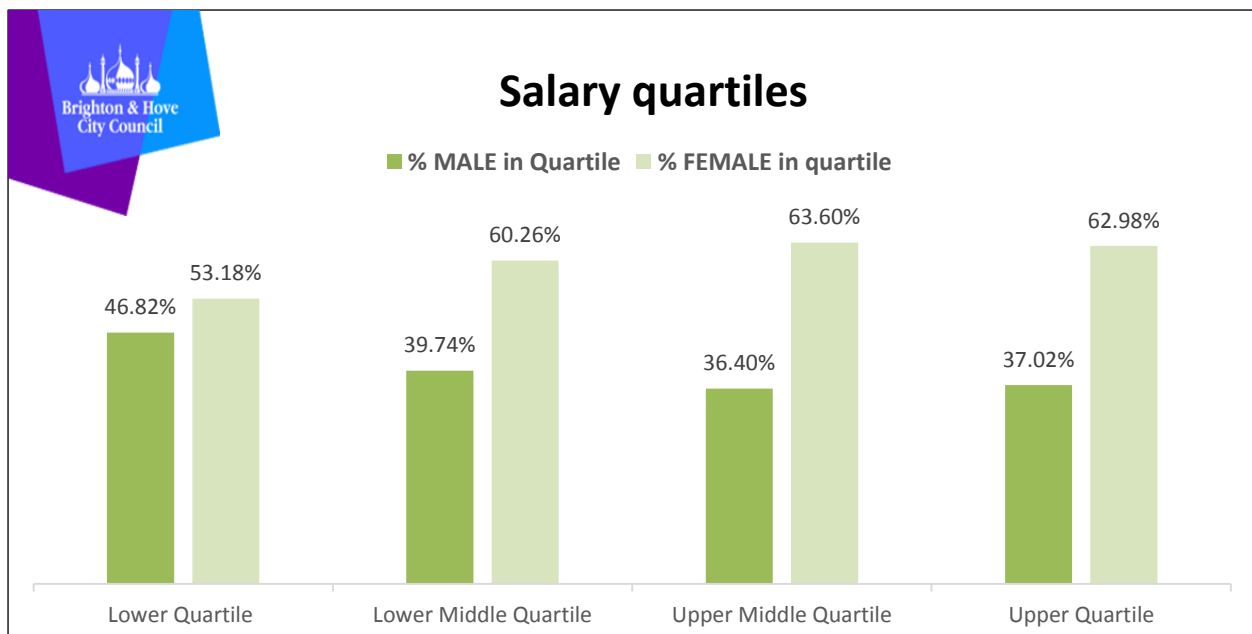
employees on a monthly payroll thus the payroll period used for this reporting is March 2018. In the case of casuals their earnings for the previous 12 weeks were included in the analysis.

3.2 **Mean and Median Pay Gap Reporting:** Brighton & Hove City Council has a negative pay gap for both the mean and median gross hourly rates, i.e. on average females are paid more than males. This is not uncommon but goes against the overall national trend.

3.2.1 The **Mean** (average) gender pay gap in hourly pay is -7.3%.

3.2.2 The **Median** (middle) gender pay gap in hourly pay is -6.7%.

3.3 Salary quartile reporting: This calculation requires an employer to show the proportions of males and females in four quartile pay bands.




3.4 Definitions of the salary quartile information are shown in appendix A.

3.5 The council's overall workforce gender profile is 60% female and 40% male.

3.6 Bonus pay reporting: The council does not pay bonuses. Therefore this element of the pay gap reporting does not apply to the council.

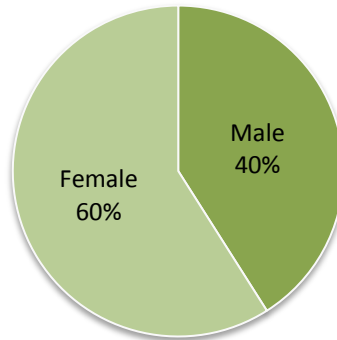

#### 4. Gender Pay Gap Analysis

4.1 4,913 employees are included in the pay period comprising of 4,386 contracted employees and 527 casuals:



<b>Males</b>	1,965
Mean Hourly Rate	£14.03
Median Hourly Rate	£12.13
% who work part-time	29
Average weekly hours	32.8

**Gender Split %  
4,913 employees**

<b>Females</b>	2,948
Mean Hourly Rate	£15.06
Median Hourly Rate	£12.94
% who work part time	63
Average weekly hours	28

4.2 Pay & Grading – The council’s annual pay policy statement provides details of the council’s pay and grading arrangements and can be found [here](#).

- 49% of workers with basic salaries less than £20,000 are male, 51% are female. This is a 2% increase for men since March 2017.
- 36% of workers with basic salaries equal to or greater than £30,000 are male, 64% are female. This is no change since March 2017.

**Allowances:**

4.3 32% of the workforce in the pay period received an allowance in addition to their basic pay. Analysis by quartile shows a higher proportion of males receive allowances in the middle 2 quartiles whereas more females receive allowances in the upper quartile. The Brighton & Hove allowance scheme can be found [here](#).

Pay Quartile	% of total males paid allowances in quartile band	% of total females paid allowances in quartile band
Lower Quartile	27.8%	29.7%
Lower Middle Quartile	<b>49.2%</b>	40.7%
Upper Middle Quartile	<b>32.2%</b>	29.6%
Upper Quartile	21.5%	<b>29.1%</b>
Grand Total	<b>32.7%</b>	32.3%

4.4 78% of employees in roles attracting a market supplement payment are women. Market Supplements are subject to annual review.

## **Working Patterns:**

- 4.5 A contributing factor to the pay gap is the working pattern of an employee. Roles where hours are worked outside the standard working week attract working pattern allowances. While proportionally more males receive working pattern allowances than females, the roles where males receive allowances are usually lower graded than the roles where female are in receipt of allowances.

## **Salary Sacrifice**

- 4.6 Salary Sacrifice is where an employee gives up the right to receive part of their salary due under their contract of employment, in return for the employer's agreement to provide an equivalent non-cash benefit, the value of which is exempt from tax and national insurance contributions (NICs). 235 employees are signed up to salary sacrifice schemes. 146 are female with an average monthly deduction of £137, and 89 are male with an average monthly deduction of £144.

## **5. Comparison to March 2017 published Gender Pay reporting data**

- 5.1 The mean pay gap between male and female pay widened by 18 pence but the median gap reduced by 6 pence. The workforce has been relatively stable and the reason for the increase in the pay gap is attributable to the annual pay increase and progression through the grade.

## **6. Conclusions and Action Plan**

- 6.1 The council is confident that its gender pay gap does not stem from an equal pay issue. In 2010 the council introduced a new pay and grading system to ensure all roles are graded using a recognised job evaluation system to ensure individuals receive equal pay for equal work. In 2013 a new system of allowances and expenses was implemented to ensure consistency across the workforce.
- 6.2 The council's gender pay gap shows that on average (by both measures) female employees are paid more than male employees and this is the opposite of the national gender pay gap. This is because we have more females in higher graded posts and more females in posts which attract allowances.
- 6.3 The gender profile of the workforce has remained unchanged with the majority of employees being female. As referenced in the Council's last Workforce Equalities Report women out-perform males in recruitment and selection processes except for lower-graded, fixed-term and casual roles. Females were more successful in securing promotions and the proportion of employees receiving acting up payments is 65% female.
- 6.4 There are a number of factors that have contributed to the council's ability to recruit and retain females and enable them to develop careers within the organisation. These include the following:-

- The council has had a long established suite of family friendly policies such as flexible working, career breaks, maternity and parental leave, discretionary special leave, and childcare vouchers.
  - The average rate of returners from maternity leave over the last 4 years up to December 2017 was 91%, with a 7% increase between 2016 & 2017 to 98%.
  - Training provided to staff and managers on diversity and equalities, including training provided to recruiting managers to ensure fair recruitment and selection processes.
- 6.5 The Council appreciates that a negative gender pay gap bucks the national trend however any pay gap represents inequality. The council is committed to improving the diversity of its workforce to reflect its community and gender forms part of our wider diversity agenda.
- 6.6 As part of the Public Sector Equality Duty, the council carries out regular equalities monitoring in respect of the following aspects of employment:
- workforce composition
  - recruitment and retention
  - employment casework
  - access to learning and development opportunities
  - employee satisfaction both in relation to current employees via the Annual Staff Survey and those who leave our employment.
- 6.7 Historically the insight provided by this data has been also used to develop actions to address any difference in outcomes identified for different staff groups through the council's [Workforce Equalities Action Plan](#) with areas of focus for action agreed annually to address these issues.
- 6.8 Following feedback from our 2017 Staff Survey the council developed five commitments known as 'Our People Promise', one of which is:

“We promise that we will be a fair and inclusive place to work by working towards having a workforce that is reflective of the community we serve, and where everyone experiences dignity and respect in the workplace.”

The work programme to deliver this promise links closely to the wider equality and diversity action plan and a new role has been established to support this work. Activity for the coming year 2019/20 includes:

- review where there is an imbalance in the gender profile of staff in particular job roles and agree actions to reduce the gender pay gap.
- review potential barriers to recruitment and promotion to improve workforce diversity across the workforce as a whole.
- engagement with community groups and schools working alongside the council's Apprenticeship Programme Manager to raise the profile of the council as a potential employer, particularly for those communities who are currently underrepresented in our workforce.

## Appendix A

### Hourly Pay Definition

Pay will include:

- basic pay
- paid leave, including annual leave, sick leave, maternity, paternity, adoption or parental leave (except where an employee is paid less than usual because of being on any such leave)
- area and other allowances
- shift premium pay
- pay for piecework
- bonus pay

It will not include:

- overtime pay
- expenses

### Full-pay Relevant Employee Definition

“Full-pay relevant employee” means a relevant employee who is not, during the relevant pay period, being paid at a reduced rate or nil as a result of the employee being on leave. Employees who receive no pay at all during the relevant pay period, whether or not this is as a result of being on leave are excluded from the gender pay gap calculations. “Leave” includes—

- (a) annual leave
- (b) maternity, paternity, adoption, parental or shared parental leave
- (c) sick leave and
- (d) special leave

### Pay Quartiles

This calculation requires an employer to show the proportions of male and female “full-pay relevant employees” in four quartile pay bands. This is done by dividing the workforce (so far as possible) into four equal sections to determine the lower, lower middle, upper middle and upper quartile pay bands. Where employees receiving the same hourly rate of pay fall within more than one quartile pay band, a relative proportion of male and female employees receiving that rate of pay was assigned to each of those pay quartiles.