Brighton & Hove City Council Gender Pay Gap Report 2021-22

1. Introduction

- 1.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all public and private sector employers with more than 250 employees to report their gender pay gap based on an annual 'snapshot' pay period, for the public sector this snapshot is the 31st March each year. The reporting regulations require publication of the following:
 - The mean and median gender pay gaps in hourly pay
 - The mean and median gender bonus gaps
 - The proportion of men and women who received bonuses
 - And the proportions of men and women employees in each pay quartile
- 1.2 The reporting data includes all council employees who were employed on 31 March. Apprentices, seasonal, temporary or casual employees are included if they fall within the reference period created by the snapshot date. The data excludes schools based staff. Under the Regulations the Governing Body of maintained Local Authority schools is responsible for the reporting duty for the employees of their school, where the regulations apply.
- 1.3 The council publishes this information on its <u>website</u> and the <u>Government's</u> <u>website</u>.
- 1.4 This report relates to the snapshot date of March 31st 2021.

2. Gender Pay and Equal pay

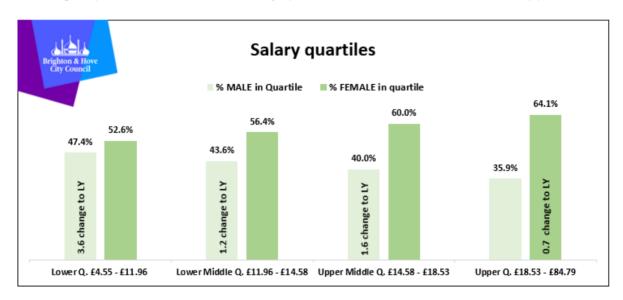
- 2.1 Gender pay is different to equal pay.
 - Equal pay means that men and women in the same employment performing equal work must receive the same salary and have equal contractual terms, as set out in the Equality Act 2010.
 - The gender pay gap is a measure of the difference between men's and women's average ordinary earnings (excluding overtime) across an organisation or the labour market. It is expressed as a percentage of men's earnings. Both the mean (average) and median hourly rates are reported.

An employer can be equal pay compliant and still have a gender pay gap. The cause of a gender pay gap may not fall within the direct control of the employer, and is likely caused by the distribution of men and women in different job roles.

3. Gender Pay Gap Reporting

3.1 **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 **-7.9**%. This is a 1.8% negative increase to the 2020 reported figure.
- 3.2.2 The **Median** (middle) gender pay gap in hourly pay is **-8.1**%. This is a 5.6% negative increase to the 2020 reported figure.
- 3.3 **Salary quartile reporting** is calculated by sorting employees by their hourly rate, from the lowest to the highest, then splitting them into four equal quartiles to show the proportions of male and female employees in each group. Definitions of the salary quartile information are shown in appendix A.



What the Salary quartile graph means

The lower salary quartile includes hourly rates between £4.55* and £11.96. The proportions of employees in the quartile is 47.4% male, 52.6% female. This is a 3.6% increase in the number of male in the quartile compared to last year's reporting. *Apprentice pay rate. The council is an accredited Real Living Wage employer with £9.30 set as the lowest pay rate as at March 2021.

The lower middle quartile includes hourly rates between £11.96 and £14.58. The quartile is 43.6% male, 56.4% female. This is a 1.2% increase in males in the quartile compared to last year.

The upper middle quartile includes hourly rates between £14.58 and £18.53. The quartile is 40% male, 60% female. This is a 1.6% increase in males in the quartile compared to last year.

The upper quartile includes hourly rates between £18.53 and £84.79. The quartile is 35.9% male, 64.1% female. This is a 0.7% increase in females in the quartile compared to last year.

You can also view this data in a table.

	Male	Female	Change to last year year's reporting
Lower quartile: £4.55 - £11.96	47.4%	52.6%	3.6% male increase
Lower middle quartile: £11.96 to £14.58	43.6%	56.4%	1.2% male increase
Upper middle quartile: £14.58 to £18.53	40%	60%	1.6% male increase
Upper quartile: £18.53 to £84.79	35.9%	64.1%	0.7% female increase

3.4 Bonus pay reporting. These figures are not applicable as the council does not pay bonuses.

4. Supporting Narrative

- 4.1 The council's overall workforce gender profile is 58% female and 42% male. This is a 2% change from the previous year reporting period.
- 4.2 4,703 employees are included in the pay period comprising of 4,375 contracted employees and 328 casuals. As per reporting requirements employees on less than full pay have been excluded (76).
- 4.3 The mean hourly rate of pay for male employees was £15.69. The mean hourly rate for female employees was £16.93, this results in the reported 7.9% difference. This negative gap has increased by 1.8% since last year because the female mean hourly rate has seen a greater increase, of 0.84p, compared to the male mean hourly rate, which saw a 0.53p increase.
- 4.4 The median hourly rate of pay for male employees was £14.02. The median hourly rate for female employees was £15.16, this results in the reported 8.1% difference. This negative gap has increased by 5.5% since last year because the female median hourly rate has seen a greater increase, of 1.17p, compared to the male median hourly rate, which saw an increase of 0.38p.

	Male	Female
Workforce Gender split	42%	58%
Employee Count	1962	2741
Mean Hourly Rate	£15.69	£16.93
Median Hourly Rate	£14.02	£15.16
% of employees who work part time	24%	57%
% of employees who work full time	76%	43%
Average weekly hours for all employees	33.4	28.8
Average weekly hours for part time employees	21.3	22.7

4.5 **Salary quartiles.** The % of female employees in each quartile is higher than the % of men. This is in line with the overall workforce gender profile, however, the % gap between the number of men and women in each quarter significantly widens between the 2 lower quartiles and 2 higher quartiles. The lower quartile has 5.2% more women than men, the upper quartile has 28.2%

more women than men. This shows that a greater proportion of women hold roles which have a higher mean hourly rate of pay than men.

There are various job roles within each quartile and the proportion of male and female employees in each role differs. Below are some examples:

Lower Quartile			
Domestic Assistant	76% Female		
Library Officer	61% Female		
Customer Services Officer	67% Female		
Collection Operative	92% Male		
Housing Estates Assistant	92% Male		

Lower Middle Quartile			
Early Years Educator	100% Female		
Community Family Worker	93% Female		
Home Care Support Worker Home Care	81% Female		
Maintenance Technician	100% Male		
Refuse Collection Driver Chargehand	95% Male		

Upper Middle Quartile			
Social Worker (PQ1)	76% Female		
Care Manager	84% Female		
Senior Finance Officer	60% Female		
Traffic Monitoring Officer	100% Male		
Account Manager	53% Male		

Upper Quartile			
Senior Social Worker	80% Female		
Team/Pod Manager	82% Female		
Assistant Director	70% Female		
Head of Service/Department	58% Female		
Accountant	60% Male		

4.6 **Basic Pay.** Reviewing the main basic pay grades for job roles shows a similar pattern, where a larger proportion of female employees hold higher paid roles, particularly on management grades where 62% of roles are held by women. Similarly, 62% of all roles with basic hourly rates over £11.50 (£11.50 - £84.79) are held by women, in contrast 49% of all roles with lower basic hourly rates between £9.30 and £11.27 are held by men.

BASIC PAY GRA	NDE % GENDE	R PROFILE	
Pay Grade & Houry rate	□ Ma	le Female	
SCALE 1-2: £9.30 - £9.81	63%		37%
SCALE 3: £10.01 - £10.21	49%		51%
SCALE 4: £10.41 - £11.27	40%		60%
SCALE 5 £11.50 - £12.69	33%	6	7 %
SCALE 6: £13.21 - £14.02	46%		54%
SCALE SO1/2: £14.38 - £16.71	38%		62%
1ANAGEMENT M11 TO M4: £17.06 - £36.55	38%		62%
CHIEF OFFICERS: £43.24 - £65.00	35%	(55%
CHIEF EXECUTIVE: £84.79	100%		

What the Basic pay graph means

The graph shows the proportion of male and female employees on example council pay grades. Proportionately a higher % of male employees hold roles on the council's lower basic pay grade. 63% on the council's scale 1 to 2 pay grade are male, with hourly rates between £9.30 and £9.81. Proportionately a higher % of female employees hold roles

on the higher basic pay grades. 62% on the council's management pay grades between M11 and M4 are female, with hourly rates between £17.06 and £36.55.

You can also view this data in a table.

Basic pay grade % gender profile		
Pay grade and hourly rate	Male	Female
Scale 1-2: £9.30 - £9.81	63%	37%
Scale 3: £10.01 - £10.21	49%	51%
Scale 4: £10.41 - £11.27	40%	60%
Scale 5 £11.50 - £12.69	33%	67%
Scale 6: £13.21 - £14.02	46%	54%
Scale SO1/2: £14.38 - £16.71	38%	62%
Management M11 to M4: £17.06 - £36.55	38%	62%
Chief Officers: £43.24 - £65.00	35%	65%
Chief Executive: £84.79	100%	0%

- 4.7 **Pay & Grading** The council's annual pay policy statement provides details of the council's pay and grading arrangements and can be found https://www.brighton-hove.gov.uk/jobs/pay-policy-statement.
- 4.8 **Allowances.** 27% of the workforce in the snapshot pay period received an allowance in addition to their basic pay, this is a 2% increase from 2020. Analysis by quartile of the mean and median hourly rates for employees in receipt of an allowance show that with the exception of the lower quartile, the mean and median hourly rates of female employees are consistently higher.
- 4.9 **Working Patterns.** A further contributing factor to the pay gap is the working pattern of an employee. Roles where hours are worked at the weekend and night attract enhanced rates of pay, 21% of the workforce receive such enhancements. While proportionally more men receive working pattern allowances than women, the basic hourly rate of roles held by men are proportionally lower than the roles held by women. The higher basic hourly rated pay for roles held by women in addition to the enhanced rate of pay increases the mean and median hourly rates of pay for women.

Basic Hourly Rate range	Proportion of gender in receipt of working pattern allowances by hourly rate %. Extract.		
	Male %	Female %	
£9.30 - £10.21	56	43	
£10.41 - £16.71	41	59	

4.10 **Market Supplements.** 50% of employees in roles attracting a market supplement are women, 50% are men. This is a 1% increase for male

employees compared to 2020. Market Supplements are subject to annual review.

- 4.11 **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). Schemes include:
 - Cycle to Work to help employees save on bikes purchased to commute to work
 - Childcare vouchers to help employees save on childcare costs.
 - Additional Voluntary Contribution (AVC) Pension new for the 2021 reporting period, enables Local Government Pension Scheme (LGPS) members to increase their retirement benefits by saving money alongside their pension pot.

There has been a significant 212% increase in the number of employees signed up to a salary sacrifice scheme. Equally, this has led to a substantial increase in the average value of salary sacrifice amounts made by employees. This is mainly due to the introduction of the new AVC pension scheme.

	Male	Female	Variance to previous reported year
			2021 to 2020
Number of employees in			The percentage of male employees in a salary
a salary sacrifice	119	194	sacrifice scheme increased by 143% and 96% for
scheme			female employees. Overall a 212% increase
Average monthly			The value of monthly salary sacrifice for male
employee salary			employees in a scheme increased by 190%, and
sacrifice amount	£295	£219	184% for female employees

For the purposes of gender pay gap calculations these values must be deducted from relevant employees pay thus reducing the overall reportable pay to include for averaging.

5. Conclusions and Action Plan

- 5.1 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 make sure individuals receive equal pay for equal work. In 2013 a new system of allowances and expenses was implemented to ensure consistency across the workforce.
- 5.2 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. The Office of National Statistics (ONS) estimated a national median gender pay gap of 15.4% in 2021, a 0.5% increase from 14.9% in 2020. The Council's mean and median pay gaps are

both lower than the national average. This is because we have more female employees in higher graded posts. The council's Mean negative pay gap increased by 1.8%, and the Median negative gap by 5.6. The fluctuations are attributed in part to 2 changes. The insourcing of a male dominated service provision undertaking predominantly lower graded roles, and the introduction of a significant salary sacrifice scheme where an increased number of male employees sacrifice higher proportions of their salary for benefits reducing the reportable hourly rates of pay.

- 5.3 The gender profile of the workforce changed by 2% between reporting years with the majority of employees being female. In the council's latest Workforce Equalities Report women continue to out-perform males in recruitment and selection processes across all pay grades and contract types. Females were more successful in securing promotions and the proportion of employees receiving acting up payments as at March 2021 was 61% female, a 4% increase.
- 5.4 There are a number of factors that have contributed to the council's ability to recruit and retain female employees and enable them to develop careers within the organisation. These include the following:
 - The council has had a long-established suite of progressive policies such as flexible working, career breaks, maternity and parental leave, discretionary & carers leave, and childcare vouchers.
 - Training provided to staff and managers on diversity and equalities, including training provided to recruiting managers to ensure fair recruitment and selection processes.
- 5.5 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.
- 5.6 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.
- 5.7 Historically the insight provided by this data has also been used to develop actions to address any difference in outcomes identified for different staff groups through the council's 'Fair and Inclusive Action Plan' with areas of focus for action agreed annually to address these issues. This programme of work aims to:

- embed equality and diversity in everything that the council does, becoming a leader in fair and inclusive practice and trusted by city communities;
- develop and support a representative and skilled workforce that is accountable for its behaviour towards each other and when providing services across the city;
- ensure the council understands and can enable local communities by providing inclusive and accessible services;
- ensure the council's accountability as a community leader by fostering good relations through meaningful engagement and communication with the city's diverse communities
- 5.8 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. Continued activity for years 2020-2022 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.
- review and update the council's pre-employment strategy to attract and support diverse talent into the future workforce.
- from 2021 produce annual ethnicity & disability pay gap reporting in line with the gender pay gap reporting with results scheduled for publication in October 2022.

An update on the progress and impact of these actions will be reported in the Gender Pay Gap report for reporting period March 2022, to be published by March 30th 2023.

Appendix A

Hourly Pay Definition for the purposes of calculating the mean and median hourly rates.

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.