

Foreword

From April 2017, all organisations that employ over 250 employees are required to report annually on their gender pay gap. The gender pay gap is defined as the differences in the average earnings of men and women over a specified time period, regardless of their role or seniority. The report presented here represents the outcomes of research into the pay gap within Warrington Borough Council on 31 March 2017 between the male and female employees. This report has been prepared by the organisation and approved by the Strategic Management Team, and we will report on progress in 12 months time.

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Gender Pay Gap Report for Warrington Borough Council 2017

1.0 Introduction

- 1.1 From April 2017, all organisations that employ over 250 employees are required to report annually on their gender pay gap. The gender pay gap is defined as the differences in the average earnings of men and women over a specified time period, regardless of their role or seniority.
- 1.2 This involved carrying out six calculations that show the difference between the average earnings of men and women in an organisation. The calculations related to hourly pay, bonus pay and quartiles. It does not involve publishing individual employees' data.
- 1.3 Once calculated, employers must then both publish their gender pay gap data along with a written statement on their public-facing website and report their data to government online using the gender pay gap reporting service. The reporting of this information must be completed by end of March 2018.
- 1.4 This report is based on a snapshot of the workforce on 31 March 2017.

2.0 Context

- 2.1 In respect of the information to be published on the website, there are a number of factors that need to be taken into consideration.
- 2.2 All jobs in the Council are subject to job evaluation and the schemes used to evaluate jobs are gender neutral.
- 2.3 72% of the contracts captured in the snapshot were female and over the 12 month period ending 31 March 2017, approximately 79% of new starters to the organisation were female.
- 2.4 The nature of the organisation's business means that there are a wide variety of different jobs undertaken. Some of these roles, such as cleaners and kitchen staff, are predominantly undertaken by females and these are at the lower end of the pay range. Other roles which are primarily male occupied, such as drivers, gardeners and loaders, have been evaluated higher under job evaluation and are subsequently paid more.
- 2.5 The Council also still provides a number of services which have been outsourced by other Councils. These include cleaning, school meals and waste services. Those working in the Cleaning (paid at Grade 01) and School Meals services (paid on Grades 03 and 05) and are predominately female occupied. Whilst those in Waste services range between Grades 04 – 06 and are male dominated. Between them, these three services account for 25% of the workforce.
- 2.6 The chart at appendix 1 provides a split of the grades by gender and illustrates the imbalance of the genders in the lower grades on the pay scale.

- 2.7 The top 5% of earners within the organisation are made up of 44% females and 56% males. The difference in pay between full time salaries is not as great at this level with the difference between the genders being 7%. The differences at the lower end of the grading scale between Grade 01 – 05 varies between 0.6% and 8% with one band being entirely female. It is the number of contracts at the lower end of the pay grades that are having the largest effect on the differential.
- 2.8 The lowest hourly rate of pay in the council is paid in line with the Living Wage Foundation living wage rate. If the council continues to match the lowest rate to that of the Foundation then this should help to reduce the gender pay gap as the annual % increase for that hourly rate is usually significantly higher than the % increase for any cost of living award. So a continued alignment to that rate will over the long term create a small reduction.
- 2.9 The hourly rate was determined by calculating the ordinary pay received by an employee during the pay period. It includes basic pay, allowances, pay for piecework, pay for leave and shift premium pay. This is then divided by the appropriate multiplier, which was based on the number of days for the pay period (30.44 days for a month) further divided by 7 to create the appropriate multiplier (as determined by the guidance). This was then divided by an employees weekly hours to calculate the hourly rate rather than taking the rate for the spinal point.
- 2.10 21% of the contracts in the organisation were for employees paid for less than 365 days. When the calculations were generated, as per the guidance, then this had an impact on the hourly rate of those individuals. This included those working term-time and other patterns not covering the whole year. The majority of those roles were associated with roles for services provided to schools such as cleaning and catering. Those roles mainly covered bands Grade 01 and 03 and represented 74% of those contracts working less than 365 days.
- 2.11 47% of the workforce at the point of the snapshot worked on a part time basis. The majority (over 90%) of those working part time hours were female. Of the workforce covered by the snapshot, 43% were both female and working part time. The size of this cohort of employees has had an effect on the pay gap as many were paid on the lower grades.
- 2.11 Warrington Borough Council continues to pay employees in line with the different set of terms and conditions agreed by the national bodies. The council also has since 2016 paid a living wage hourly rate as determined by the Living Wage Foundation as the lowest rate per hour.

3.0 Hourly Rate

- 3.1 The mean average difference between male and female contracts showed that female employees were paid 17.9% less per hour than male employees.
- 3.2 The median average difference between male and female contracts showed that female employees were paid 15.0% less per hour than male employees.

4.0 Bonus Pay

4.1 The Council ceased making bonus payments several years ago. There is a requirement to report bonus payments; however, this will be a zero return with respect of both the mean and median averages.

5.0 Pay Quartiles

5.1 The organisation as part of the reporting process is required to show the proportion of males and females in each pay quartile.

5.2 The quartiles were determined by ranking relevant employees pay from highest to lowest, before being divided into 4 equal parts ('quartiles'). The proportion of the men and women in each quarter were used to determine the gender percentage.

5.3 The pay quartiles for employees are listed in the table below.

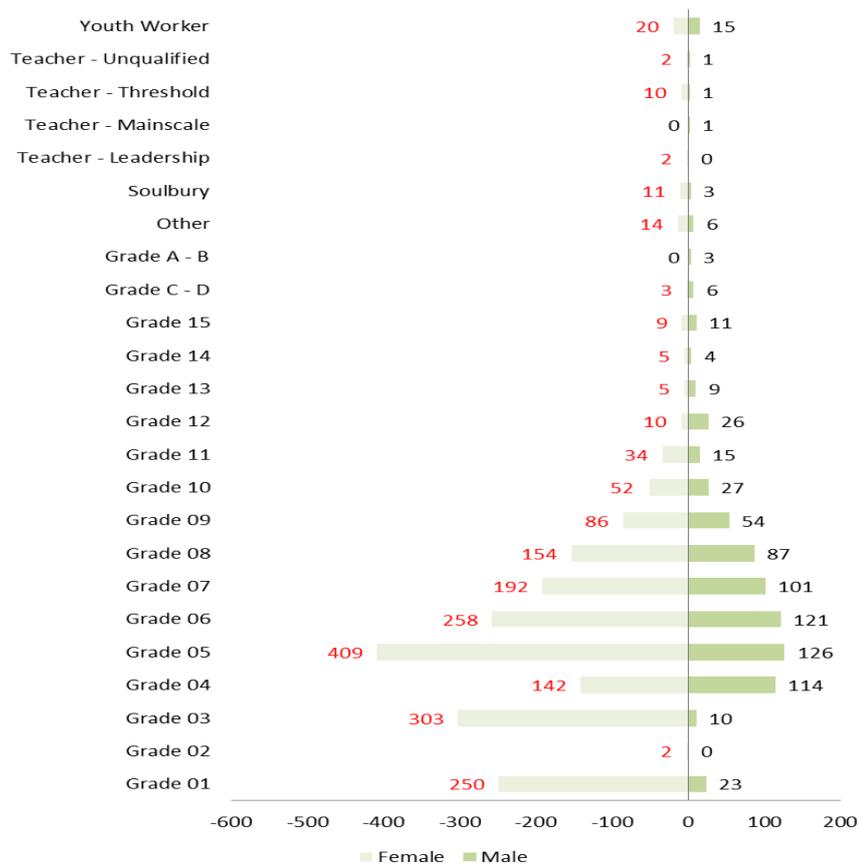
	Female	Male
Upper Quartile	61%	39%
Upper Middle Quartile	68%	32%
Lower Middle Quartile	70%	30%
Lower Quartile	91%	9%

6.0 Steps the council can take to reduce the gap

6.1 The organisation should continue to promote the flexible working opportunities to all employees in line with the different business needs of the different services.

6.2 Continued consideration of the continuation of the alignment to the minimum hourly rate of pay as determined by the Living Wage Foundation, rather than the national Living Wage rate of pay. This would then continue to see the % increases to those staff at the lower end of the pay scale increase more than those at the higher end for whom the rate is based on the negotiated cost of living increase.

Appendix 1



Note: As per the guidance on the legislation the only school covered is New Horizons centre, which is the pupil referral unit and included as part of the council. This is part of the reason for Teacher grades being shown and included although there are some centrally funded teaching posts and positions paid on teaching conditions within the council.

Appendix 2

As part of the regulations central government maintains a website where the organisations covered by the regulations are required to show the six items relating to the pay gap (as indicated below). A number of the organisations have also provided a weblink to their specific Gender Pay Gap Report.

- mean gender pay gap in hourly pay
- median gender pay gap in hourly pay
- mean bonus gender pay gap
- median bonus gender pay gap
- proportion of males and females receiving a bonus payment
- proportion of males and females in each pay quartile

The following link takes the viewer to the central government website where this information is uploaded. Here other example of reports can be viewed from organisations covered by the legislation.

<https://gender-pay-gap.service.gov.uk/Viewing/search-results>