

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 2018 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.

Gareth Hopkins

Assistant Director – Customer & Business Transformation

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Gender Pay Gap Report for Warrington Borough Council 2018

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 2019.
- 1.4 This report is based on a snapshot of the workforce on 31 March 2018.

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 2018, approximately 70% 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 47% females and 53% males. The difference in pay between full time salaries is not as great at this level with the difference between the genders being 7.6%. The differences at the lower end of the grading scale between Grade 01 – 05 varies between -0.44% and 1% with one band being entirely female. When the Grade 01 through Grade 16 are examined (excluding grades with only one gender) the differential in each grade band varies between -3.32% to 5.53% from the lowest to highest percentage difference in hourly rates.
- 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 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 using the guidance on how this calculation is derived on the ACAS website. This looks at the ordinary pay received by an employee during the pay period. Ordinary pay includes basic pay, fixed monthly allowances, pay for leave and shift premium pay.
- 2.10 Within the organisation there are options where staff are able to work flexibly, this include those working term-time and other patterns not covering the whole year. At the point the snapshot was produced 21% of the contracts did not work over 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 75% 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 91%) 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.
- 2.12 Warrington Borough Council continues to pay employees in line with the different set of terms and conditions agreed by the national bodies. The cost of living increase has been agreed for April 2019 as part of the two year deal. This will also see changes on the lower spinal column points and an increase in all the salaries which may assist in reducing the current gap. Whilst the changes will affect both genders paid on Grades 01 through Grade 06, there is overall a larger number of female employee within those grades than male employees. 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 15.7% less per hour than male employees. In 2017 this was 17.9%.
- 3.2 The median average difference between male and female contracts showed that female employees were paid 15.7% less per hour than male employees. In 2017 this was 15%.

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	62%	38%
Upper Middle Quartile	67%	33%
Lower Middle Quartile	71%	29%
Lower Quartile	87%	13%

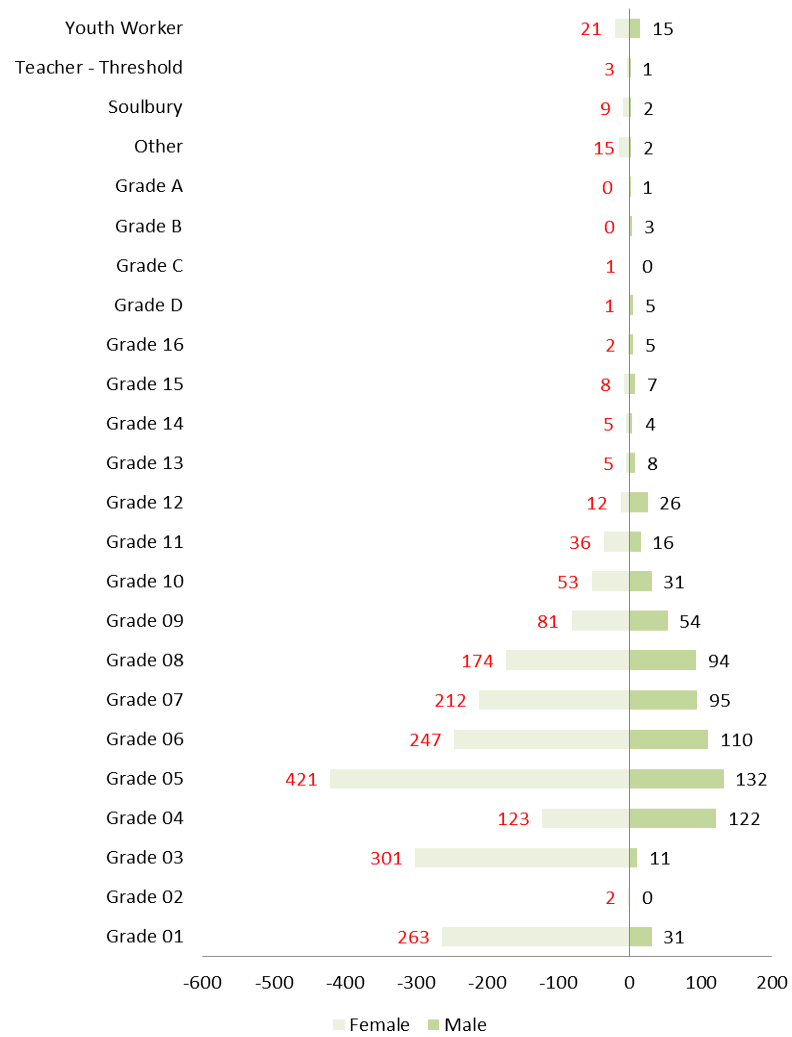
6.0 Steps the council can take to reduce the gap

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. However the organisations needs to aware of the changes to the NJC pay spine following the nationally negotiated pay award. The addition, removal and merging of spinal points on what would be WBC Grade 01 through to Grade 06 may impact on this consideration.

6.3 We are committed to monitoring the Gender Pay Gap annually and will exploring the reasons for our gender pay gap prior to considering appropriate measures to reduce the gap

Appendix 1



Note: The council pays staff on a number of different sets of terms and conditions, whilst the majority of the workforce are on NJC terms and conditions there are some groups who are not. This is the reason why Grade heading for Teachers and Soulbury etc. are listed on the chart.

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 web link 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 web link below 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/>