

Snapshot Date: 31/03/19. Date Published: 11/08/20

Gender Pay Gap Reporting

Introduction

The new gender pay gap reporting obligations have been introduced alongside the existing requirements for specified public bodies. For the public sector gender pay gap reporting is a requirement of the Equality Act 2010 (Specific Duties and Public Authorities) regulations 2017 for employers with 250 employees or more as at a 'snapshot date'. The snapshot date for public sector employers is 31 March 2019 for this report and will be 31 March of each year for reports in subsequent years.

The regulations require that the organisation publish the following information on the government website www.gov.uk/genderpaygap and the Council website www.cheltenham.gov.uk. Publishing is required by 30 March 2020.

This report covers all employees of Cheltenham Borough Council (CBC), including all permanent, fixed term employees and casual contracts, as set out in the ACAS Guidance, Managing Gender Pay Reporting.

There are six calculations to carry out as listed below.

- **Mean gender pay gap** – the percentage pay difference between the average mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
- **Median gender pay gap** – the percentage pay difference between the average median hourly rate of pay of male full pay relevant employees and that of female full-pay relevant employees.
- **Mean bonus gender pay gap** – the percentage difference between the average mean bonus pay paid to male relevant employees and that paid to female relevant employees.
- **Median bonus gender pay gap** – the percentage difference between the average median bonus pay paid to male relevant employees and that paid to female relevant employees.
- **The proportion by gender receiving a bonus** – the proportions of male and female relevant employees who were paid bonus pay during the relevant period
- **The 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

CBC is committed to the principle of equal opportunities and equal treatment for all its employees. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their gender. CBC operates a comprehensive job evaluation scheme to ensure that rates of pay are fair and based solely on the work being done. Please note that CBC does not pay bonuses.

The issue of equal pay and the gender pay gap are often confused. While the former concerns pay differences between individuals or groups performing the same or similar work, the gender pay gap is concerned with differences in the average earnings of men and women, regardless of their role or seniority. It is, therefore, a broader measure capturing not simply any equal pay issues within an

organisation but also any pay inequalities resulting from differences in the sorts of jobs performed by men and women and the gender composition of the workforce by seniority.

Definition of pay

In accordance with the regulations, pay includes basic pay, paid leave, allowances, shift premiums and bonus pay. It **does not** include overtime, expenses, the value of any salary sacrifice schemes (the reduction of salary is included), benefits in kind, redundancy and severance payments.

The data set out in this report has been calculated using the standard methodologies and guidance of the Gender Pay Gap regulations.

Council's workforce by gender



46.5% of our workforce are Male

106 members



53.5% of our workforce are Female

122 members

Council's gender pay gap (GPG)

The **ONS Annual Survey of Hours and Earnings (ASHE)** 2019 report states that the **whole economy Gender Pay Gap is 16.2%** whereas the **Median Gender Pay Gap** is reported at 17.3%.

For the sector (Public Admin and Defence) the Mean Gender Pay Gap is 10.2% and the Median Gender Pay Gap is 14.8%.

GPG difference between men and women

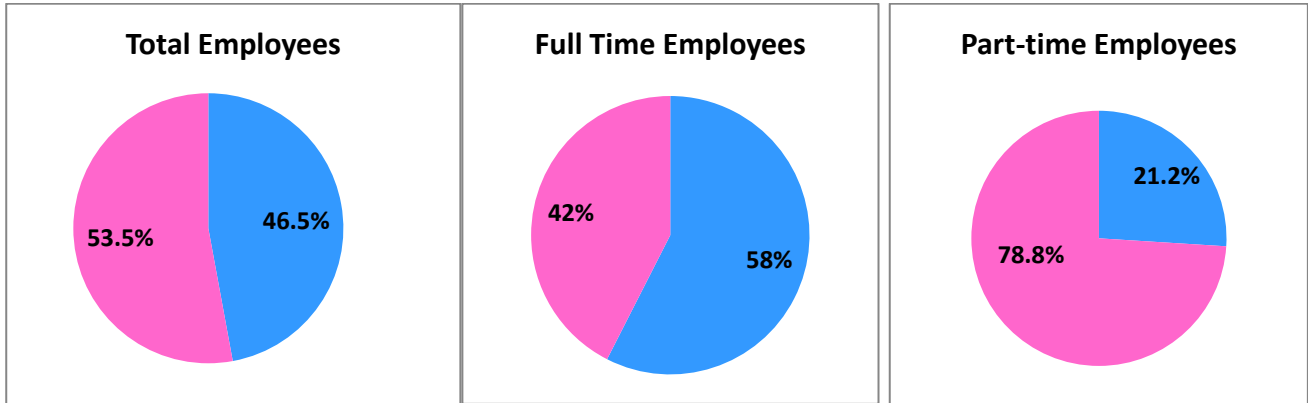
	Mean	Median
Pay Gap	16.1%	12.7 %
*Bonus Gap	0%	0%

**Cheltenham Borough Council doesn't pay bonuses*

At **16.1% CBC's mean gender pay gap** is smaller than the 16.2% reported by the ONS and lower than last year's figure of 16.9%. CBC is confident that men and women are paid equally for doing equivalent jobs across the organisation. The gender pay gap is not a pay issue because the organisation has a job evaluation scheme that ensures that it is compliant with equal pay and the pay structure is general neutral by design.

At **12.7 % CBC's median gender pay gap** is smaller than the 17.3% reported by the ONS and slightly lower than last year's figure of 12.71%. This shows the percentage gap in median salaries and is the middle value when all values are ranged from the highest to the lowest. The median is more representative than the mean of typical pay differences because it is less affected by a handful of considerably higher (or lower salaries).

Full time and part time employees



	Male	Female
Total Staff	46.5%	53.5%
Full Time	58%	42%
Part Time	21.2%	78.8%

Whilst it is only necessary to report all full pay relevant employees together, the above diagram breaks the gender group down into part and full time employees.

The gender split for full time employees is more even and for part time employees is more greatly populated by females. This is influenced by the far higher proportion of women tending to seek a home life balance for family commitments compared to men so they tend to be attracted to part-time roles that can fit around childcare provision. This pattern can also be seen nationally when looking at figures from the Office for National Statistics.

Quartiles

What is a Quartile?

A quartile is a pay bracket that represents a quarter of the Council's workforce; the quartiles are in ascending order by rates of pay. The table below shows the split between male and female employees in each quartile from the lowest to the highest.

Proportion of men and women in each quartile of the Council's pay structure

Band	Description	Males	Females
A	Includes all employees whose standard hourly rate places them at or below the lower quartile	40.4%	59.6%
B	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median	38.6%	61.4%
C	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile	42.1%	57.9%
D	Includes all employees whose standard hourly rate places them above the upper quartile	64.9%	35.1%

Pay gap difference per quartile

GROUP	Pay gap %	Males (number)	Female (number)	Effect on GPG percentage points
All employees	16.1	106	122	-
Band A (lowest)	-1.4	23	34	- 0.3 pp
Band B	1.9	22	35	- 0.6 pp
Band C	2.5	24	33	- 3.9 pp
Band D	5.2	37	20	14.2 pp

The impact of the distribution in each quartile on the GPG can be seen in the table above with Band D having the biggest impact.

How CBC will work to close the gap

- CBC is committed to a policy of equality of opportunity in its employment, procedures and practices, ensuring they are and remain non-discriminatory and are compliant with current legislation.
- To ensure that the jobs employees undertake are of equal value, in setting the pay levels CBC undertakes job evaluation to determine the size of a job by following the nationally recognised job evaluation scheme. Evaluations are undertaken regularly for new jobs and also as part of restructures where a job significantly changes.

- CBC recruitment and selection processes look to support its commitment to offer internal promotion opportunities and help develop long term careers for employees through creating a mobile, flexible and agile workforce.
 - Flexible working is offered throughout the council for all levels of jobs unless business need means that it is not possible i.e. the use of flexi-time for some frontline employees will be limited in order to maintain the service due to the nature of the job.
 - CBC aim to support women returners to work following maternity/adoption leave in order to enable them to return to work and fit around their work life balance.
 - Additionally there is shared parental leave that encourages male employees to also consider more time off for work life balance.
 - CBC will continue to develop new ways of working that offer flexibility, to enable employees to continue to develop within the organisation whilst still enabling them to get the best out of their home/work-life balance.
 - CBC has signed up to the Tech Talent Charter which seeks to encourage greater gender diversity in technology roles.
 - The approach to flexible working has been further extended through the development of the Smart Working approach and the development of Agile working to provide all staff with increased flexibility in the way they undertake their roles.
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Signed

Date: 11 August 2020



Darren Knight

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