

## Cabinet (Resources) Panel

20 March 2018

<b>Report title</b>	Gender Pay Gap Report 2017	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Milkinder Jaspal Governance	
<b>Corporate Plan priority</b>	Confident Capable Council	
<b>Key decision</b>	No	
<b>In forward plan</b>	No	
<b>Wards affected</b>	None	
<b>Accountable Director</b>	Kevin O'Keefe, Governance	
<b>Originating service</b>	Human Resources	
<b>Accountable employee</b>	Denise Pearce Tel Email	Head of Human Resources 01902 554515 <a href="mailto:Denise.Pearce@wolverhampton.gov.uk">Denise.Pearce@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Corporate Leadership Team People Leadership Team Place Leadership Team Strategic Executive Board	26 February 2018 26 February 2018 26 February 2018 27 February 2018

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### Recommendation for decision:

The Cabinet (Resources) Panel is recommended to:

1. Endorse the attached report on the City of Wolverhampton Council's Gender Pay Gap.

### Recommendation for noting:

The Cabinet (Resources) Panel is asked to note:

2. That the Gender Pay Gap data will be published on the Gender Pay Gap reporting site on the GOV.UK website, together with the attached report (appendix 1), as required by legislation.

## 1.0 Purpose

- 1.1 The purpose of the report is share information prior to data being published on the government gender pay gap reporting site by 30 March 2018 as required by legislation.
- 1.2 To share the action plan which has been developed to help further reduce the gender pay gap in the organisation.

## 2.0 Background

- 2.1 It is a statutory requirement for all employers with 250 or more employees to publish various figures to demonstrate how large the gender pay gap is between their male and female employees by 30 March 2018 and thereon a yearly basis.
- 2.2 There are six calculations that organisations are required to report on.

- The **mean gender pay gap**
- The **median gender pay gap**
- The mean bonus gender pay gap\*
- The median bonus gender pay gap\*
- The proportion of males and females receiving a bonus payment\*
- The **proportion of males and females in each quartile band**

\*As there are no bonus schemes within City of Wolverhampton Council there will not be a requirement to publish three of the six calculations above.

City of Wolverhampton Council therefore, only has to report on the median and mean pay gap and the proportion of males and females in each quartile band.

- 2.3 For the purposes of the analysis the data consists of all City of Wolverhampton Council employees excluding schools.
- 2.4 The data snap shot date chosen by City of Wolverhampton Council is 31 March 2017.

## 3.0 Progress, options, discussion, etc.

- 3.1 Gender pay gap has been heavily discussed in many media outlets with some companies facing criticism on their gender pay gap.
- 3.2 For City of Wolverhampton Council the **mean** gender pay gap is **7.76%**
- 3.3 For City of Wolverhampton Council the **median** gender pay gap is **3.12%**.
- 3.4 For the City of Wolverhampton Council (CWC) the gender pay gap is considerably lower than the national average, the public sector average and the West Midlands average for gender pay gap. Whilst undertaking the analysis of data, it was evident that CWC's lower than average pay gap is partly attributable to the stringent job allocation process that all roles were subjected to at the time of the introduction of the single status agreement. It should be noted that CWC are unusual in that this process has continued to be applied.

- 3.5 In order to report on **the proportion of males and females in each quartile band**, it is key to understand that the quartiles are based on the calculated hourly pay rates (not actual hourly rates as per CWC pay scales) and then divided into four quarters.
- 3.6 The lower quartile, which includes the lowest paid employee, paid on the apprenticeship rate through to the hourly rate of £8.69 (which falls within Grade 3), is made up of four fifths, women and there is a pay gap of 0.72% (this is a fraction of a penny).
- 3.7 The lower middle quartile, includes hourly rates that falls within Grade 3 through to points in Grade 5. In this quartile 68% are women and almost 32 % are males, and there is a pay gap of -1.84% which means women are paid higher than men.
- 3.8 The upper middle quartile, includes the hourly rates that fall within Grade 5 through to points within Grade 6. Within this band of hourly rates the differences are narrow, as the requirement is to look at the lowest and highest hourly rate of pay and split this into four equal quartiles. 71% of employees in this quartile are females and there is a pay gap of 2.92% which equates to a difference in pennies rather than pounds, due to the minimal hourly rate differences in this quartile of employees.
- 3.9 The upper quartile, goes from grade 6 to grade 16 which is a substantial grade range, and there are 68% women and 32% men in this quartile, with a pay gap of 3.53%. We will undertake further analysis to understand the reasons for the differences. It should be highlighted however, that this data is for a specific date (31 March 2017) and the recent senior management restructure should reduce this gap.
- 3.10 At the point of the analysis there were only a few local authorities who had published their data. However, once the deadline has passed for publication, a further analysis will be undertaken as a comparative of the local authorities in the West Midlands.

#### **4.0 Evaluation of alternative options**

- 4.1 There are no alternative options to consider as government has defined the requirements of the report.

#### **5.0 Reasons for decision(s):**

- 5.1 If the Council fail to endorse the report we will be unable to meet the government deadline of publishing data which will result in a fine of £20,000.

#### **6.0 Financial implications**

- 6.1 There are no financial implications associated with the recommendations in the report. It is worth noting, however, that failure to publish the data by the 30 March deadline will result in a fine of £20,000.  
[GE/09032018/F]

#### **7.0 Legal implications**

Legislation requires gender pay gap data to be published on a yearly basis. A narrative is not mandatory however it is key in providing analysis into the data and any varying differences. [TC/09032018/O]

## **8.0 Equalities implications**

- 8.1 Although City of Wolverhampton Council's gender pay gap is low, there is a gender pay gap in the upper middle and upper quartiles (2.92% and 3.53% respectively).
- 8.2 In the lower quartile there is a minimal gender pay gap difference of 0.72% however in the lower middle quartile, there is a negative pay gap -1.84% indicating that females earn slightly more per hour on average. It is positive to see that the data reflects the flexible working ethos enabling women to return or even remain in work whilst they may have other commitments and pressures outside of work.
- 8.3 It is important to note that there is no evidence of inequality in our gender pay gap, however societal factors may play a part in the difference. Male and female employees receive equal pay for equal work as agreed in the collective agreement signed in 2013. CWC do not deviate from this.

## **9.0 Environmental implications**

- 9.1 There are no environmental implications envisaged

## **10.0 Human resources implications**

- 10.1 As the data identifies a gender pay gap, even though small, the Council will want to take action to reduce this gap. To ensure equity and that we remain an employer of choice.
- 10.2 Human Resources will be required to ensure job allocation panels continue to effectively and consistently grade job descriptions and that the recruitment processes continue to be fair and robust.

## **11.0 Corporate landlord implications**

- 11.1 There are no Corporate landlord implications envisaged.

## **12.0 Schedule of background papers**

- 12.1 There are no background papers to be provided.

## **13.0 Appendices**

- 13.1 Appendix 1 – Gender Pay Gap Report 2017