Appendix 1

# Gender Pay Gap Report 2021

City of Wolverhampton Council

# Sensitivity: NOT PROTECTIVELY MARKED

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#### Introduction

Following the introduction of the statutory requirement in 2017, all employers with 250 or more employees are required to publish various figures to demonstrate the difference in average earnings between their male and female employees.

#### What gender pay gap reporting involves:

All public sector employers are required under the Equality Act 2010 (Specific Duties and Public Authorities) regulations 2017 to provide data on the following 6 calculations:

- 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

For the purposes of our analysis our data consists of all City of Wolverhampton Council employees but excludes employees from maintained schools. Our data is correct as of the snapshot date of 31 March 2021.

### Gender pay gap versus Equal pay - What is the difference?

It is important to note that whilst both gender pay and equal pay deal with the disparity of pay women receive in the workplace the two are different:

- Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010. It is unlawful to pay employees unequally based on their gender.
- The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.

<sup>\*</sup>This is not applicable to City of Wolverhampton as there is no bonus scheme in place.

## Gender Pay Gap at City of Wolverhampton Council

City of Wolverhampton Council's workforce covers a diverse range of service areas rather than a single sector. Grades vary according to the level of responsibility and roles are evaluated through a job evaluations process to ensure we pay men and women the same salary for work of equal value. The workforce comprised of 68.97% female and 31.03% male split on the snapshot date of 31 March 2021.

The Gender Pay Gap at the City of Wolverhampton Council for 2021 was as follows:

Narrative	Male and Female	Male	Female	Gender Pay Gap
Mean Hourly Rate	15.87	16.32	15.66	4.04%
Median Hourly Rate	14.02	14.11	14.02	0.64%

The table below illustrates that there has been a reduction of 0.2% in the Mean Gender Pay Gap since the 2020 report, however the Median Gender Pay Gap has increased by 0.64% from 0% in the previous year.

	2020	2021	Change	Difference
Mean Gender Pay Gap	4.24%	4.04%	<b>⊕</b>	- 0.2%
Median Gender Pay Gap	0.00%	0.64%	1	+ 0.64%

This suggests that whilst the average hourly pay for male and female employees is now slightly closer than it had been in the previous year, the difference between the distribution of employees along the pay scale by gender has increased slightly.

## Mean gender pay gap



The Mean gender pay gap shows the difference between the average pay of female employees compared to male employees. The difference between the two average hourly pay amounts is calculated as a percentage of the male average. Where the

pay gap is a negative (-) figure, this indicates that the male average pay is less than the female average pay. Where the pay gap is a positive figure, this indicates the female average pay is lower than the male average pay.

The City of Wolverhampton Council's mean pay gap shows that male employees were paid on average 4.04% more than female employees per hour, this has reduced slightly from the 2020 figure which was 4.24%. In monetary values this equates to male employees being paid on average £16.32 per hour compared to female employees being paid £15.66 per hour (66 pence difference per hour).

## Median gender pay gap



To calculate the Median Gender pay gap, all pay amounts for each gender are arranged from the lowest pay point to the highest, and then the 'middle' hourly rate is identified. The Median Gender Pay Gap between the two is then displayed as a percentage of the Median male hourly rate.

The City of Wolverhampton Council's Median Gender pay gap is 0.64% which is a slight increase from 2020 from 0.0%. The data shows that our median average overall hourly rate for male and female employees combined was £14.02.

The national median gender pay gap among all employees in April 2021 was 15.4%, which is up from 14.9% in 2020 (figures obtained from the Office for National Statistics (ONS) - Annual Survey of Hours and Earnings (ASHE) April 2021 which reports on median figures).

## Bonus payments

As mentioned previously, the City of Wolverhampton Council does not have a bonus scheme nor performance related pay and therefore there is no data to report on the following:

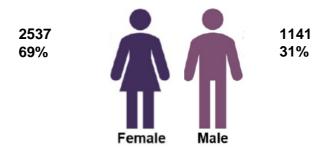
- The mean bonus gender pay gap
- The median bonus gender pay gap
- The proportion of males and females receiving a bonus payment

## **Quartile Pay Bands**

It is important to understand that where there is a negative (-) figure in the data below, this will indicate that women are paid more than men for that group. A positive figure indicates that men are paid more than women and a zero figure indicates male and females are paid equally.

City of Wolverhampton Council is required to report on the proportion of men and women in each quartile in our pay structure. The national reportable quartiles are lower, lower middle, upper middle and upper quartile pay bands.

The quartile data below shows the workforce divided into four equal sized groups based on calculated hourly pay rates, whereby each quartile is made up of 25% of the workforce. The lowest paid 25% of employees are the lower quartile and the highest paid 25% are the upper quartile.



Total Workforce 3,678	Female employees 2537 (69%)	Male employees 1141 (31%)	Pay gap	Minimum Grade within quartile	Maximum Grade within quartile
Lower Quartile	75.3%	24.7%	2.63%	Apprenticeship Rate	Within GR04
Lower Middle Quartile	65.7%	34.3%	-1.77%	Within GR04	Within GR05
Upper Middle Quartile	66.4%	33.6%	2.08%	Within GR05	Within GR07
Upper Quartile	68.5%	31.5%	3.29%	Within GR07	Within Gr16

The pay gap in the lower quartile has increased from 2.28% in 2020 to 2.63% in 2021 with men being paid an average £10.26 and women in this quartile being paid an average of £9.99 per hour. This quartile covers apprenticeship pay grades and grades GR01 to GR03, with some employees from the lower pay points of grade GR04.

The pay gap in the lower middle quartile has changed from -2.01% in 2020 to -1.77% in 2021 with women being paid an average £12.65 compared to £12.43 for men. This is the only quartile where women earn more than men.

The pay gap in the upper middle quartile decreased from 2.56% to 2.08% in 2021 with the average pay being £16.37 for men and £16.03 for women.

The upper quartile pay gap increased from 2.88% in 2020 to 3.29% in 2021, with the average pay being £25.25 per hour for men and £24.42 per hour for women.

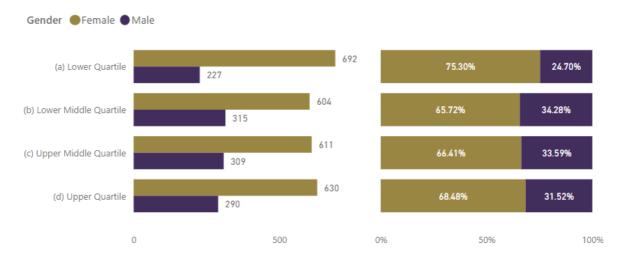


The overall picture shows that in the lower middle quartile (Grades GR04 to GR05) female employees on average earned more than their male counterparts. However, in the other 3 quartiles, males earned more than females and Grades GR07 and above showed a larger pay gap of 3.29%. However, it does show some positive movement in the Upper middle quartile, whereby the pay gap has reduced from 2.21% in 2020 to 2.08% in 2021.

The table below shows the gender split in each of the quartiles and shows that the largest proportion of the female workforce sit within the lower quartile and therefore will impact the pay gap. The lower data gives the gender split in terms of numbers.

Women represent around two thirds of employees in each quartile. The highest percentage of female workers sit within the lower quartile, this is a consistent trend across public sector as these roles predominantly include catering, cleaning and administration.

## Percentage within Quartiles



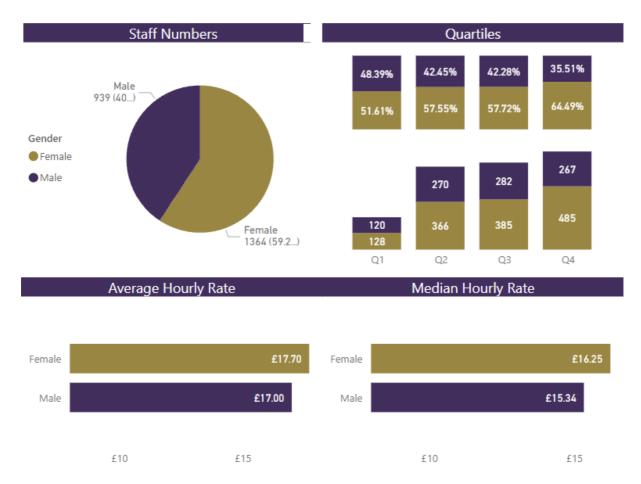
## Full Time vs Part Time Gender Pay Gap

In addition to the requirements to report on the mean and median Gender Pay Gap, further analysis has been provided on the impact of working hours on the pay gap for individuals who work full time or part time.

Of a total of 3678 employees, there were 2303 full-time employees, and 1375 part-time employees. Whilst female employees make up a larger proportion of the workforce as a whole, and of both full-time and part-time workers, the difference in the Male:Female ratio is much more significant for part-time employees, as evidenced in the table below:

	Female	Female%	Male	Male%	Difference	Percentage difference
Part- Time	1173	85.3%	202	14.7%	971	70.6%
Full- Time	1364	59.2%	939	40.8%	425	18.4%

#### Full-Time analysis



For Full-Time employees, women are paid an average hourly rate of £17.70, whilst men are paid an average of £17. This is a difference of 70p per hour, with women working full-time earning more than their male colleagues and a gender pay gap of 4.12%.

The Median hourly earnings of Full-Time, female employees are £16.25, which is 91p per hour higher than the median male full-time hourly rate of £15.34. For Full-time employees the Median Gender Pay Gap is -5.93%.

Some explanation for this can be identified in the quartile pay for full-time employees, which highlights that whilst full-time female employees make up the highest proportion of employees in all quartiles, this is more pronounced in the upper quartile.

#### Part-Time analysis



The gender pay gap for part-time employees is noticeably smaller than the gap between full-time employees. Proportionately, female employees make up more of the part-time workforce at 85.3%, than of the workforce as a whole (68.9%), or of full-time employees (59.2%).

With an average hourly rate of £13.29, compared to £13.20 for male part-time employees, female part-time employees earn around 9p per hour more than male part-time employees, with a gender pay gap for this group of - 0.68%. The Median pay for female employees in this group is £11.27 per hour, which is 31p more than male employees in this group (£10.96), giving a Median Gender Pay Gap for part-time employees of -2.83%.

The highest proportion of part-time female employees are in the lowest pay quartile (564 / 48% of all part-time, female employees), and the lowest proportion of female employees are in the highest pay quartile (145 / 12.4%).

#### Gender Pay Gap Full-time vs Part-time

Whilst the overall Gender Pay Gap for all employees continues to show that Male employees earn on average more than female employees, this is reversed when analyzing the pay of either full-time employees only, or part-time employees only.

Narrative	Male and Female	Male	Female	Gender Pay Gap
Mean Hourly Rate (full time)	17.41	17.00	17.70	-4.12%
Mean Hourly Rate (part time)	13.28	13.20	13.29	-0.68%
Median Hourly Rate (full time)	15.78	15.34	16.25	-5.93%
Median Hourly Rate (part time)	11.27	10.96	11.27	-2.83%

This suggests that the high proportion of female employees in the part-time workforce may be one explanation for the persistent pay gap. Employees in the part-time workforce are more likely to be in the lowest pay quartile based on hourly rate, regardless of gender. However, female employees make up 84% of this lowest quartile group in part-time positions, and 85.3% of the part-time workforce overall.

## Our Gender Pay Gap Journey

Comparatively, the City of Wolverhampton Council's performance around the mean gender pay gap has improved overall and has reduced in comparison to the 2020 pay gap.

Reviewing our data from 2015 the mean pay gap has decreased significantly. There is still more to do in terms of identifying the gap and ensuring we continue to minimise the gender pay gap. However, the changes implemented have shown positive results so far.

	2015	2016	2017	2018	2019	2020	2021
Mean	9.43%	9.37%	7.76%	7.14%	4.54%	4.24%	4.04%
Pay Gap							
Median	6.27%	6.23%	3.12%	0.0%	0.23%	0.0%	0.64%
Pay Gap							

Below is a comparison of the City of Wolverhampton Council Gender pay gap for 2021 to the gender pay gap of similarly sized local authorities in the region for 2020. The pay gap for 2020 has been used for other local authorities as the pay gap for 2021 has not yet been published and so is not available for comparison.

	Mean %	Median %
Coventry 2020	3.81	3.83
Sandwell 2020	5.1	12.1
Solihull 2020	13.5	20.3
Walsall 2020	5.9	5.7
Wolverhampton 2021	4.04	0.64

In comparison to other local authorities our data for 2021 shows that our mean and median pay gap is smaller than other regional local authorities than in 2020 but data for 2021 is not currently available.

### Action taken by City of Wolverhampton Council

Equality, diversity and inclusion is at the heart of everything the council does. Some of the actions undertaken so far include the following:

- Strategic leadership and holding ourselves to account
- Strong commitment from the Strategic Executive Board (SEB) and senior managers
- Four staff equality forums established covering the following: Gender,
  Maternity and Paternity; Race, Religion and Belief; Disability and Age and
  Rainbow forum. Each of the forums are sponsored by a member of SEB
- Corporate equalities Steering Group meeting on a quarterly basis where all Chairs and Vice Chairs of the staff equality forums meet to discuss issues with input from external stakeholders
- Implementation of Safe Space for employees to raise any issues anonymously to 'SeeHearSpeakUp' an independent external service
- Review of the recruitment process to remove barriers and support diverse candidates to apply for our vacancies
- Development of an external 'career' microsite that informs potential candidates of the opportunities within the council including benefits of working for the council, type of careers, Core HR policies for transparency, case studies from our diverse employees etc.
- Unconscious Bias training provided to 1,463 employees since 2017
- Wrap around support provided to candidates unsuccessful at interview to help with future applications. Of the 15 employees that sought support, 5 were successful in attaining new opportunities
- Establishment and delivery of a mentoring scheme to encourage employees to take action to progress their career aspirations and develop own skills. A total of 61 employees have been mentored since September 2020 by Senior Managers
- Coaching through West Midlands Employers has been promoted with 7 employees

- Introduction of a Brilliant leaders programme delivered independently with 15 employee participants
- Chair or Vice chair of the staff equality forums attend SEB meetings and are actively involved in council decisions demonstrating our commitment to diversity and inclusion
- Launch of Our People Strategy refresh structured around the employee lifecycle and built on extensive employee engagement. The Our People Strategy has six key themes - to attract the right people to work at the council, create a good first impression; support and enhance employee wellbeing; facilitate development of skills and knowledge; create opportunities for growth and progression; ensure employees are managed fairly and effectively and help employees leave well.

Gender Specific Initiatives in addition to the actions already undertaken included:

- Advertising vacancies using a range of media
- Use of gender-neutral language in all communication
- Appointment of an Equality Officer to lead on gender equality issues
- Engagement with businesses, the community and the voluntary sector to ensure discrimination is eliminated
- Women involved in all decision-making panels, e.g. recruitment. discipline, grievance and management of attendance (stage 3). Panels must be race and gender diverse as a minimum but inclusive of as many protected characteristics as possible
- Continued use of structured interviews and skill-based assessments in recruitment
- Transparency around promotions, pay and reward
- Flexible working arrangements, including flexible hours to attract and retain women in employment
- Launch of Allyship programme with an ally from Senior Management for the Gender, Maternity and Paternity staff forum to build trusting relationships, advocate issues and drive improvements
- Introduction of a Menopause policy and a mandatory eLearning module to supplement
- Survey conducted to understand fears and anxieties faced by female employees in their working lives to tackle violence against women
- Trans Equality policy and Transitioning guidance is being revised to ensure that trans, non-binary and gender fluid employees are treated with dignity and respect and are supported when undergoing transition
- Domestic Abuse Policy and managers guide introduced to create a safer workplace and send out a strong message that domestic abuse is wholly unacceptable and will not be tolerated. Guidance is provided to managers on how to deal with disclosures of domestic abuse and the completion of SafeLives DASH Risk Checklist

 Mandatory No Offence eLearning modules launched on Age and Menopause Gender and Maternity, Disability and Race.

#### **Future aspiration and actions**

It is recognised that the Median Gender Pay Gap has slightly increased to 0.64% and that the Mean Gender Pay Gap continues to fall but further actions are still needed to achieve equality. Human Resources will continue to work in partnership with the Equality Diversity and Inclusion team to consider future actions that could be undertaken in addition to the following:

- Continue to work closely with the Gender, Maternity and Paternity staff equality forum to identify methods of reducing the pay gap
- Conduct a 'deep dive' review into the data available to understand the barriers faced in reducing the gap to zero and identify how these barriers can be overcome
- Introduce Key Performance Indicators to monitor progress in becoming a more inclusive employer throughout all levels within the organisation
- Quarterly workforce monitoring reports to inform the organisation, identified trends, patterns, issues of concern, and progress against KPIs
- Introduce pre-recruitment briefings to ensure candidates are informed about the council as an employer, including the job role supporting shortlisted candidates to feel at ease with the process and able to perform to the best of their ability
- Engagement with key stakeholders and employees on 'Relighting Our Council' to support future ways of working and supporting our employees to deliver effective services for the diverse community we serve
- Brilliant leaders programme procurement to continue the current offer and reviewing other training packages which may support with the promotion of female employees.
- Training programme being developed for employees who are aspiring to management roles which will assist in supporting a pipeline of female employees into senior roles.
- Continue to benchmark against similar organisations and share good practice.