Knowsley Metropolitan Borough Council Gender Pay Gap Report 2017

### **Executive Summary**

#### **Introduction and purpose**

This report contains Knowsley Council's Gender Pay information for 2017. In April 2017 <u>section 78 of the Equality Act 2010</u> was enacted. This requires any organisation that has 250 or more employees to publish and report specific information on the make-up and pay of their workforce. The Gender Pay Gap Report is a valuable resource to help monitor the workforce and provide year on year benchmarking information to assist workforce planning. The Gender Pay Gap Report also supports the Council's Equality and Diversity Policy Statement and provides intelligence and evidence for the Council's Workforce Development Strategy, which is currently being drafted.

### **Background**

As a public sector organisation, Knowsley Council has been publishing Workforce Monitoring reports since 2010. These reports cover: -

- The number of part-time and full-time staff;
- Recruitment, promotion and performance review information;
- Access to training;
- Redundancy and leavers information;
- Grievances and dismissals, including reported incidents of harassment;
- The rates of return to work of women following maternity leave;
- Public office holders such as members of boards or committees;
- Gender pay gap information, for part-time and full-time employees;
- Black and minority ethnic (BME) pay gap;
- Disability pay gap;
- Success rates of job applicants; breakdown of applicants; shortlisted and successful; applications for promotion and success rates;
- Leavers details;
- Length of service; and
- An indication of any issues for trans-sexual staff, based on our engagement with trans-sexual staff or voluntary groups.

#### **Data limitations**

The data contained in this report is a snapshot of the relevant pay period; that is the pay period that includes 30 March 2017. As detailed in the guidance the data used to make the calculations includes both headcount and salary, not all staff included in the head-count data will have counted as full pay relevant employees, for the pay gap data.

#### **Pay Calculations**

These calculations include two types of averages: -

- A mean average involves adding up all of the numbers and dividing the result by how many numbers were in the list;
- A median average involves listing all of the numbers in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

### What is the Gender Pay Gap?

The Equality and Human Rights Commission defines the difference between equal pay and the gender pay gap as follows: -

- 1. **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;
- 2. 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. Men working full-time continue to have higher median hourly and weekly earnings than women. The median full-time gender pay gap is the difference in percentage terms between the median earnings of women and men working full-time.

According to the Office for National Statistics in April 2017, the national median gender pay gap was 18.4%. In respect of Knowsley, the pay gap based on median hourly earnings for full-time employees decreased to 9.1%, from 9.4% in 2016. This is the lowest since the survey began in 1997. In respect of Knowsley, the median part-time gender pay gap is 5.1%. The national mean pay gap is 23% and for full time workers it is 14%.

# What do we report on?

Mean gender pay gap	The difference between the mean hourly rate of pay of male full-pay relevant	
	employees and that of female full-pay relevant employees	
Median gender pay gap	The difference between the median hourly rate of pay of male full-pay	
	relevant employees and that of female full-pay relevant employees	
Mean Bonus Gap	The difference between the mean bonus pay paid to male relevant	
	employees and that paid to female relevant employees	
Median Bonus Gap	The difference between the median bonus pay paid to male relevant	
	employees and that paid to female relevant employees	
Bonus Proportions	The proportions of male and female relevant employees who were paid	
	bonus pay during the relevant pay period	
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	

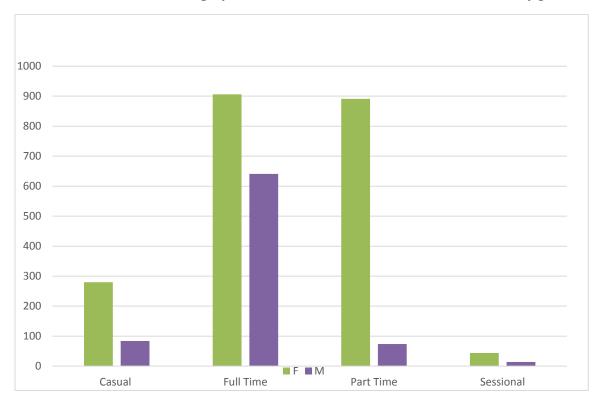
### **Gender Workforce Profile**

As of 30 March 2017 Knowsley Council's workforce headcount was 2,934 staff. The majority of the Council's workforce at this date was female (72%); and the majority of these female employees work part-time 42%, with 15% on a casual contract. 92% of the part-time workforce at this date was female, meaning that any policy that affects more part-time staff than full-time staff will have a disproportionate impact on women.



### **Total Workforce Demographic**

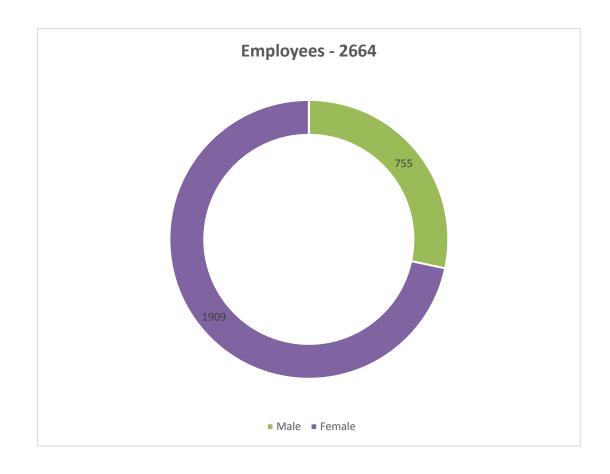
Local Government is unique in that the services Knowsley Council provides cross a number of sectors, including transport, leisure, education, health and social care, business development, community development, communication and finance. These cover some but not all of the wide range of services that the Council provides. This is important to note as each of these different sectors attracts a different workforce. Many of the jobs that women are employed in across the country are low paid and part-time, this is known as occupational segregation. The ratio of women to men across the organisation is 21:8. The ratio of part-time women to part-time men is 12:1; the ratio of full-time women to full-time men is 18:13. The graph below shows the number of Council staff by gender and contract status: -



<b>Position Status</b>	Female	Male	No.
Casual	280	84	364
Full Time	906	641	1547
Part Time	891	74	965
Sessional	44	14	58
<b>Grand Total</b>	2121	813	2934

# **Gender Pay Gap**

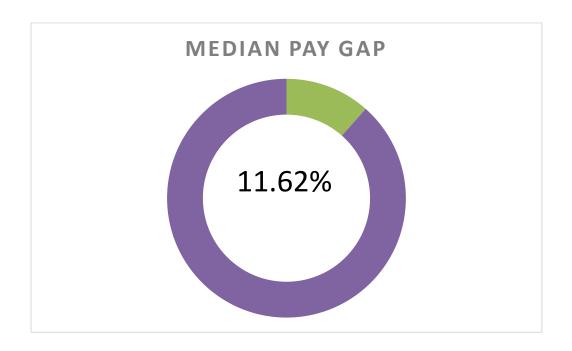
On the snapshot date of 30 March 2017 there were 2,934 people employed by the Council, this is based on headcount not full-time equivalent numbers. Out of these, 2,664 counted as full-pay relevant employees; 1,909 were female and 755 were male.



# **Median Gender Pay Gap**

The median gender pay gap is the difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. The average median hourly rate across the council is £12.75; for women the rate is £11.95 and for men it is £13.52, meaning there is a median pay gap of 11.62%.

This is an increase on the pay gap reported in the Council's 2016 report and is due to the way the 2017 guidelines re-defined the criteria for the data set to be used to calculate the figures. It is significantly lower (i.e. better) than the national median, gender pay gap of 18.4%<sup>1</sup>.



Male	£13.52
Female	£11.95
Difference	£1.57

Reported by the ONS as of October 2017

### Median full-time gender pay gap

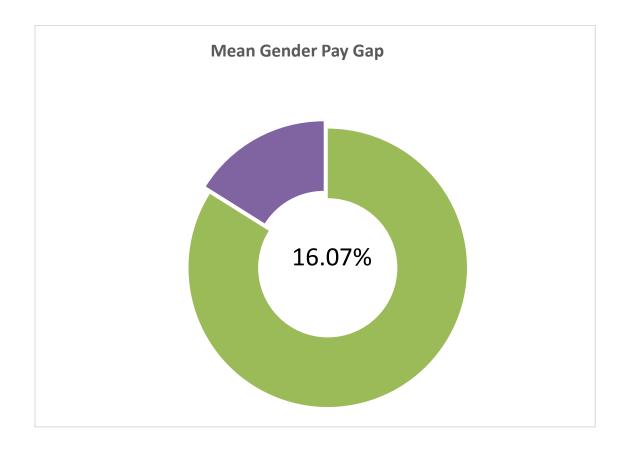
Out of the 1,599 staff who work full-time for Knowsley Council, 932 are female and 667 male. The average median hourly rate for all full-time staff is £15.02. The average median hourly rate for male full-time staff is £14.59 and for female staff it is £15.02, meaning that there is a full-time median gender pay gap of -3%, which is interpreted as no pay gap at all.

### Median part-time gender pay gap

Out of the 1,021 staff who work part time for Knowsley Council, the vast majority are female (947) with only 74 men working less than full-time hours. The average median hourly rate for all part-time staff is £8.90. The median average hourly rate for male part-time staff is £8.63 and female staff is £8.90 meaning that there is a part-time the gender pay gap of -3.1%, which once again is interpreted as no pay gap at all.

# **Mean Gender Pay Gap**

The mean gender pay gap is the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. The average mean hourly rate across the council is £14.20, the mean hourly rate for females is £13.47 and the mean hourly rate for men is £16.05. This equates to a mean pay gap of 16.07%.



Males	£16.05
Females	£13.47
Difference	£2.58

### Mean full-time gender pay gap

Out of the 1,599 staff who work full-time for Knowsley Council, 932 are female and 667 are men. The average hourly rate for all staff is £16.54, for male full-time staff it is £16.69 and for female staff it is £16.43, meaning that there is a full-time mean, gender pay gap of 1.6%.

#### Mean part-time gender pay gap

Out of the 1,021 staff who work part-time for Knowsley Council, the vast majority are female (947) with only 74 men working less than full-time hours. The average hourly rate for male part-time staff is £10.87 and for female staff it is £10.67, meaning that there is a part-time mean, gender pay gap of 1.9%.

#### **Proportion of Men and Women Receiving Bonuses**

Knowsley Council does not operate any performance related pay or bonus scheme and therefore there is no bonus gender pay gap.

# **Sex (Gender) – Quartile Distribution**

The Gender Pay Gap reporting legislation requires that the Council publishes the number of men and women in each quartile of the pay structure.

#### **Lower Quartile**

	Number	%
Female	566	85.0
Male	100	15.0
<b>Grand Total</b>	666	100.0

#### **Lower Middle Quartile**

	Number	%
Female	454	68.17
Male	212	31.83
<b>Grand Total</b>	666	100

### **Upper Middle Quartile**

	Number	%
Female	487	73.12
Male	179	26.88
<b>Grand Total</b>	666	100

#### **Upper Quartile**

	Number	%
Female	402	60.36
Male	264	39.64
Grand Total	666	100

The data shows there are substantially more female employees in the lower quartiles than male employees. 21% of the Council's female employees are in the upper quartile pay band; whereas 35% of the Council's male employees are in the upper quartile pay band.