Knowsley Metropolitan Borough Council Gender Pay Gap Report 2018

Executive Summary

Introduction and purpose

This is Knowsley Council's second Gender Pay information report for the snapshot date of 31st March 2018. In April 2017 <u>section 78 of the</u> <u>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.

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 31st March 2018. 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 <u>Office for National Statistics</u> in April 2018, the national median gender pay gap was 18.4%. The national mean pay gap is 23% and for full time workers it is 14%. In 2018 all Local Authorities in England reported on their gender pay gap for 2017. The average median pay gap across Local Authorities was 5.5% with the average in the North West ADASS Region being 7.7%. Knowsley Council reported a gender pay gap of 11.6% for the year 2017.

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 31st March 2018 Knowsley Council's workforce headcount was 2,868 staff. The majority of the Council's workforce at this date was female (72%); and the majority of female employees work part-time 42%. 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.

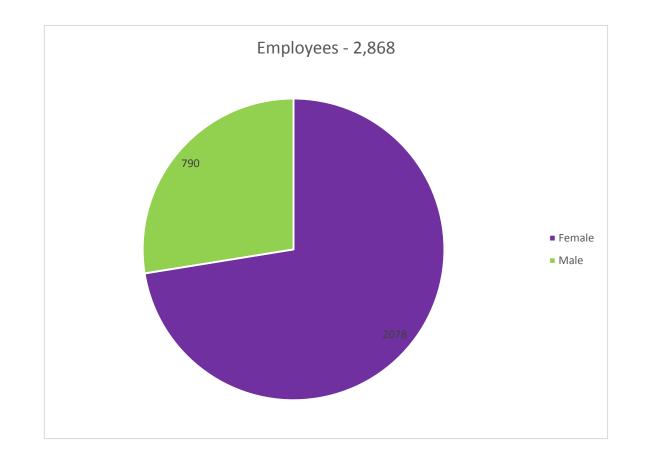
The graph below shows the number of Council staff by gender and contract status: -



Position Status	Female	Male	No.
Casual	335	87	422
Full Time	876	627	1503
Part Time	860	72	932
Sessional	7	4	11
Grand Total	2078	790	2868

Gender Pay Gap

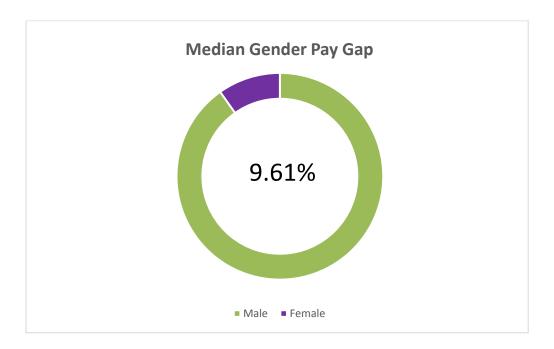
On the snapshot date of 31st March 2018 there were 2,868 people employed by the Council, this is based on headcount not full-time equivalent numbers. Out of these, 2,616 counted as full-pay relevant employees; 1,897 were female and 719 were male.



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 £12.59; for women the rate is £12.07 and for men it is £13.35, meaning there is a median pay gap of 9.61%.

This is a decrease of 2.01% (from 11.62%) on the pay gap reported in the Council's 2017 report and is significantly lower (i.e. better) than the national median, gender pay gap of 18.4%¹.



Male	£13.35
Female	£12.07
Difference	£1.28

¹ Reported by the ONS as of March 2018

Median full-time gender pay gap

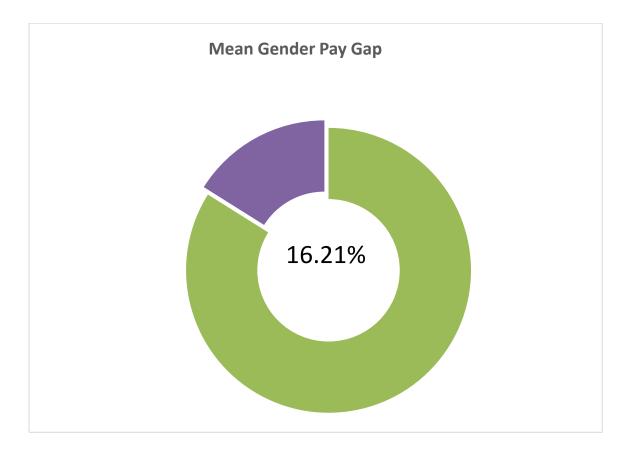
Out of the 1,553 staff who work full-time for Knowsley Council, 917 are female and 636 male. The average median hourly rate for all full-time staff is £15.17. The average median hourly rate for male full-time staff is £14.08 and for female staff it is £15.42, meaning that there is a full-time median gender pay gap of -9.5%, which is interpreted as no pay gap at all.

Median part-time gender pay gap

Out of the 1022 staff who work part time for Knowsley Council, the vast majority are female (947) with only 75 men working less than full-time hours. The average median hourly rate for all part-time staff is £9.21. The median average hourly rate for male part-time staff is £9.23 and female staff is £9.21 meaning that there is a part-time gender pay gap of <1%.

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 £14.30, the mean hourly rate for females is £13.58 and the mean hourly rate for men is £16.21. This equates to a mean pay gap of 16.21%, a rise of 0.14% on the 2017 report.



Males	£16.21
Females	£13.58
Difference	£2.63

Mean full-time gender pay gap

Out of the 1,553 staff who work full-time for Knowsley Council, 917 are female and 636 male. The average hourly rate for all full time staff is £16.71, for male full-time staff it is £16.89 and for female full time staff it is £16.59, meaning that there is a full-time mean, gender pay gap of 1.8%.

Mean part-time gender pay gap

Out of the 1022 staff who work part time for Knowsley Council, the vast majority are female (947) with only 75 men working less than full-time hours. The average hourly rate for part-time staff is £10.85, male part-time staff is £11.15 and for female staff it is £10.83, meaning that there is a part-time mean, gender pay gap of 2.9%.

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	567	86.7
Male	87	13.3
Grand Total	654	100.0

Upper Middle Quartile

	Number	%
Female	460	70.4
Male	194	29.6
Grand Total	654	100

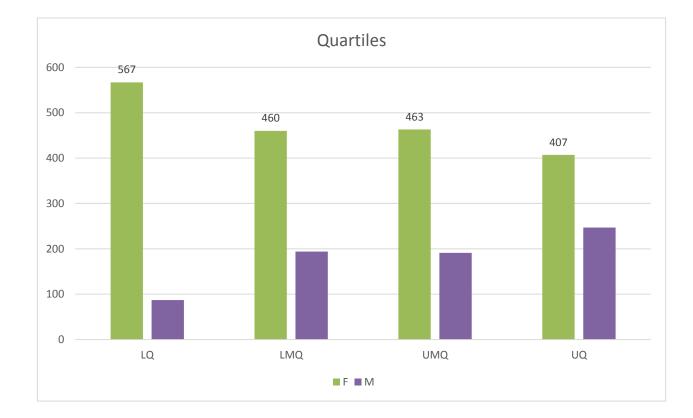
Upper Quartile

	Number	%
Female	463	70.8
Male	191	29.2
Grand Total	654	100

	Number	%
Female	407	62.2
Male	247	37.7
Grand Total	654	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 34.4% of the Council's male employees are in the upper quartile pay band.

The graph below shows the distribution of staff by gender across the quartiles. It clearly illustrates how women make up the majority of the workforce, yet the numbers of women in each of the quartiles reduces as pay increases, the opposite occurs with the men in the workforce.



Sex (Gender) – Pay Gap by Quartile Distribution

The graph below shows the pay gap by quartiles. The graph highlights that there is a negative pay gap for both the mean and median pay gaps in the lower, lower middle and upper middle quartiles, this amounts to no pay gap at all. However, the upper middle quartile shows a pay gap for both mean and median of over 9%.

