

Harlow Council Gender Pay Gap Report

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Introduction

The Council is required under the Equality Act (2010) Specific Duties and Public Authorities) Regulations to report on its gender pay gap by 30 March 2018 and annually thereafter.

This report is Harlow Council's snapshot from the date of 31 March 2019, the third year of reporting.

The gender pay gap is defined as the average pay gap between male and female staff in hourly pay, and is expressed as a percentage of men's earnings.

The Council must provide data on its employees which shows:

- The mean and median pay gaps;
- The mean and median bonus gaps;
- The proportion of men and women who received bonuses; and
- The proportion of men and women in each pay quartile.

The figures in this report have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The gender pay gap is different from equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

The data is based on all Council employees (excluding school based staff) who were employed on 31 March 2019 and casuals paid during that month.

The mean and median gender pay gaps are shown as a percentage difference, based on the gross hourly rates of ordinary pay on the 'snapshot' date 31 March 2019. The hourly rate calculated for each employee is in accordance with the pay period that applies to them. The Council pays employees on a monthly payroll, thus the payroll period used for this reporting is March 2019.

Mean and Median Pay

The mean hourly rate is the average hourly wage across the entire organisation so the mean gender pay gap is a measure of the difference between women's mean hourly wage and men's mean hourly wage. The median hourly rate is calculated by ranking all employees from the highest paid to the lowest paid, and taking the hourly wage of the person in the middle; so the median gender pay gap is the difference between women's median hourly wage (the middle paid woman) and men's median hourly wage (the middle paid man).

The mean and median pay gap is detailed in Table 1 below: the hourly pay for men and women is detailed in Table 2. The Council does not pay bonuses and therefore there is no bonus pay gap.

Table 1 – Gender Pay Gap 2019

Difference between men and women	Mean (Average)	Median (Middle)
Gender Pay Gap	14.92%	8.54%

This is an increase in the position that was reported for March 2018, in the total mean pay gap of 2.49% and of 1.78% on the median.

Table 2 – Hourly Pay

Hourly Pay	Mean (Average)	Median (Middle)
Men	£17.95	£15.73
Women	£15.27	£14.38

The Council's overall workforce gender profile for the report is 63.51% females (slightly down from 64.18 %in 2018) and 36.49% males, (slightly up from 35.82% in 2018).

Compared with 2018 the Council has seen an increase of 13p on the mean hourly rate for female employees but for the same period the male mean hourly rate increased by 66p.

The mean gender pay gap is still greater than the median pay gap. This suggests that there are a higher proportion of men that receive higher levels of pay; this is demonstrated by the higher proportion of men than women in the highest salary quartile who are directly paid by the Council. However these figures do not include the Council's shared service.

Pay Evaluation

The Council is committed to treating all employees equally, and we have a clear equal pay policy. The majority of Council employees are on grades based on National Joint Council (NJC) pay and conditions. There are 19 grades underpinned by a robust job evaluation system. This ensures that employees carrying out work of equal value are paid on the same grade. The pay grades can be found on the [Council's website](#).

Therefore the Council is confident that the pay gap is not due to men and women being paid differently for the same or equivalent work. Instead the pay gap is as a result of the roles in which men and women work and the prevalence of men in more senior and better paid roles throughout the Council. In March 2019, the Council's Directors, Head of Service and Third Tier Managers only made up 7.35% of the total number of Council employees. Of these more senior roles within the organisation 53% were completed by female employees compared to 47% by male employees. The Council notes however that its figures do not include the shared service it has for Internal Audit, or the Garden Town project teams as the individuals who provide these services to the Council are employed by a different Councils. The Internal Audit shared service employees are all female and many of the garden town project employees are female, including the most senior role. These professional roles would likely fit within the highest quartile of pay were the Council the direct employer which, if included would likely reduce the gender pay gap further.

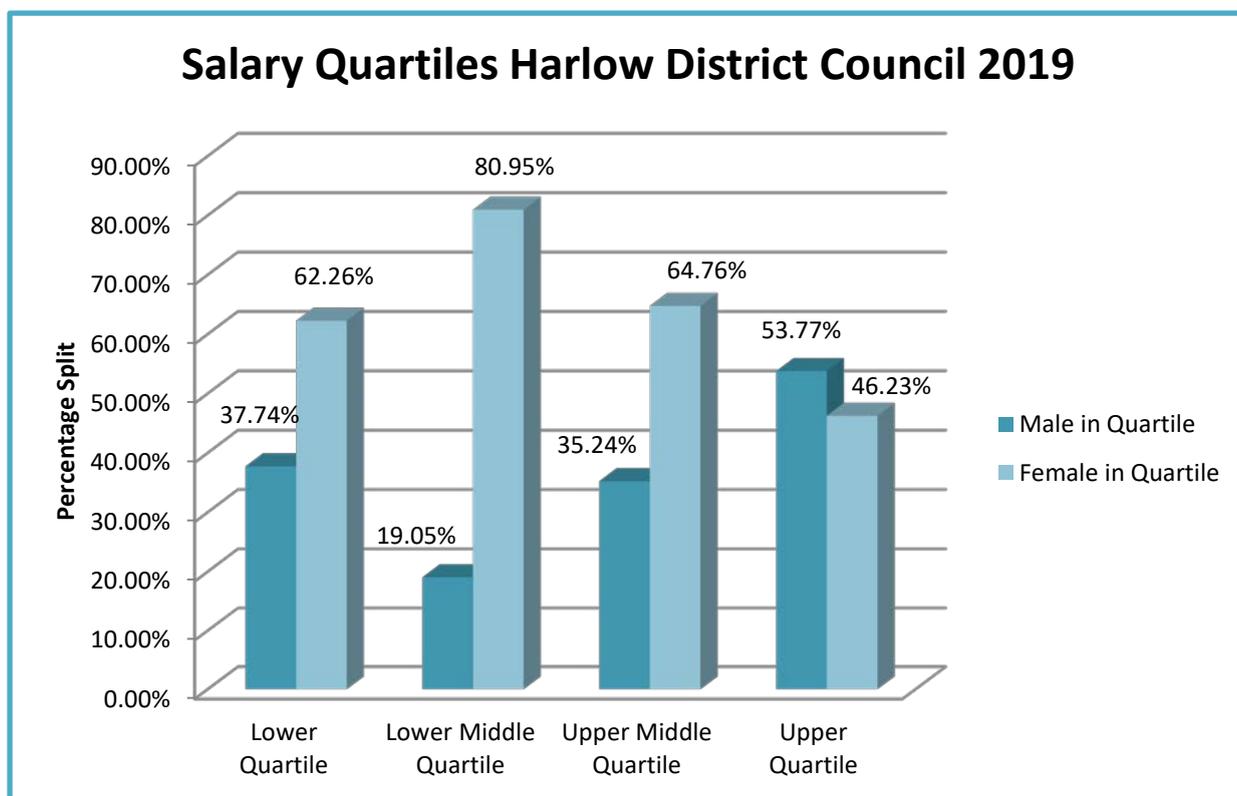
Salary Quartiles

Table 3 and Graph 1 below show the Council's salary quartiles. It highlights the proportions of male and female 'full-pay relevant employees' in four quartile pay bands. This is done by dividing the workforce (so far as possible) into four equal sections to determine the lower, lower middle, upper middle and upper quartile pay bands. If there was an equal ratio of men and women in each quartile then there would be no gender pay gap.

Table 3 – Salary Quartiles 2019

Quartile	Male in Quartile	Female in Quartile
Lower Quartile	37.74%	62.26%
Lower Middle Quartile	19.05%	80.95%
Upper Middle Quartile	35.24%	64.76%
Upper Quartile	53.77%	46.23%

Graph 1 – Salary Quartiles Harlow District Council 2019



The Council does note that within the upper quartile of staff there are more men overall than women, in this quartile, against the overall trend for the Council. This quartile shows the greatest pay disparity and although over simplistic, the pay groupings in this area may define the split between ‘higher middle management’ jobs and ‘senior management/director’ jobs. These elements would be contributing factors to the gender pay gap figures.

Part Time Workforce

Table 4 below shows that 28.91% of women at the Council are working part time compared to just 4.98% of men. The majority of the roles which are undertaken on a part time basis at the Council are in the bottom three quartiles, with women being 5.8 times more likely than men to complete part time work. The higher proportion of women working part time could be seen to reflect employees who have additional outside commitments or responsibilities and who need to work flexibly which the Council’s Flexible Working and family friendly policies support.

Table 4 – Percentage of men and women part time overall 2019

Men	4.98%
Women	28.91%

Working Pattern Allowances

Three percent of the workforce is required to undertake work in shifts that go beyond their core hours. Whilst these roles could be undertaken by either gender, at the time of this report these roles were solely undertaken by men. Therefore a contributing factor to the pay gap is that proportionally more males undertake shifts that go beyond core hours and therefore receive working pattern allowances than females, hence contributing towards the pay gap figures.

Salary Sacrifice

Salary Sacrifice is where an employee gives up the right to receive part of their salary due under their contract of employment, in return for the employer's agreement to provide an equivalent non-cash benefit, the value of which is exempt from tax and national insurance contributions (NICs). For example childcare vouchers or cycle to work, during the reporting period 11 employees were signed up to salary sacrifice schemes 9 (82%) were female with an average monthly deduction of £141, and 2 (18%) were male with an average monthly deduction of £162. Whilst men are making higher average monthly deductions; due to the volume of women making deductions they are overall sacrificing a higher amount of salary in total each month, therefore reducing their gross hourly pay over the month, which would contribute to the pay gap figures.

Long Service

On an annual basis in the October of any given year the Council acknowledges the importance of employees who are committed to their work and awards those who have achieved 21 years' service with the Council an award of a £200 voucher in recognition of their length of service and commitment to the Authority. The criterion used for assessment of this award is length of service only. In the 2018/19 financial year (paid in October 2018), 4 women and 1 man all received an award of £200 vouchers each.

External Impacts

As the organisation flattens its structure in response to budgetary pressures and the continued implementation of technology the opportunities for promotion out of the lower pay quartiles will become less frequent. In wider society it is still often women that undertake care responsibilities which might make part-time working more attractive even though flexible working practices are applied to many better-paid posts in the organisation. When roles become vacant, management are asked to consider the application of flexible working practices to any new vacancy as it arises.

Closing the Gap

October 2013, The Living Wage Foundation accredited Harlow District Council as the first Council to become a Living Wage Employer. The Living Wage is an hourly rate set independently and updated annually. The Living Wage is calculated according to the basic cost of living using the “Minimum Income Standard” for the UK.

The Council offers a variety of flexible working arrangements for all employees which can help meet family commitments and is an equal opportunities employer.

The Council use skill based assessment tasks and use structured interviews for recruitment and promotion and will continue to undertake these processes as part of our recruitment practices.

The Council is committed to further developing employees’ management skills through improving access to training opportunities and it will look to undertake this by utilising its Apprenticeship Levy, where possible.

The Council is committed to continue reviewing the findings of this report and to develop our understanding of the reasons for our gender pay gap and the actions that we can take to address this.

Glossary of Definitions

Hourly Pay

Pay will include:

- Basic pay;
- Paid leave, including annual leave, sick leave, maternity, paternity, adoption or parental leave (except where an employee is paid less than usual because of being on any such leave);
- Area and other allowances;
- Shift premium pay;
- Pay for piecework; and
- Bonus pay

It will not include:

- Overtime pay; and
- Expenses

Full-pay Relevant Employee

'Full-pay relevant employee' means a relevant employee who is not, during the relevant pay period, being paid at a reduced rate or nil as a result of the employee being on leave. Employees who receive no pay at all during the relevant pay period, whether or not this is as a result of being on leave are excluded from the gender pay gap calculations. 'Leave' includes:

- Annual leave;
- Maternity, paternity, adoption, parental or shared parental leave;
- Sick leave; and
- Special leave.

References

ⁱ Office for National Statistics, Annual Survey of Hours and Earnings (ASHE) Gender Pay Gap, October 2017:
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>