Harlow Council
Gender Pay Gap Report

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Harlow Council

Working together for Harlow

Introduction

The council under the Equality Act (2010) Specific Duties and Public Authorities) Regulations is required 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 2022, the sixth 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 are 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 undertake 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 2022 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 2022. 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 2022.

Mean and Median Pay

The mean hourly rate is the calculation of the average hourly wage across the entire organisation, so the mean gender pay gap is a measure of the difference between the female mean hourly wage and male mean hourly wage. The median hourly rate calculation is completed by ranking all employees from the lowest to highest paid subsequently taking the hourly wage of the person in the middle (or an average of the two-middle people); so, the median gender pay gap is the difference between the female median hourly wage (the middle-paid woman) and male median hourly wage (the middle-paid man).

The mean and median pay gap is in Table 1 below with the hourly pay for male and female shown in Table 2. The council does not have a bonus scheme.

Table 1 – Gender Pay Gap 2022

Difference between male and female hourly pay	**Mean (Average)**	**Median (Middle)**
Gender Pay Gap	12.36%	7.91%

Table 2 – Hourly Pay

Hourly Pay	**Mean (Average)**	**Median (Middle)**
Male	£20.06	£17.00
Female	£17.58	£15.65

The difference between the mean hourly rate of pay for male full-pay relevant employees and that of female full-pay relevant employees is **12.36%**. In March 2021, this gap was 13.19%, the 2022 report demonstrates the gap has decreased by 0.83% from last year this is supported in part by the introduction at the senior level of the Assistant Director posts of which 88% in March 2022 were held by women.

The council's overall workforce gender profile remaining broadly the same for this reporting year it was 64.09% female (a slight decrease of 0.96% from 65.05% in 2021) and 35.91% males, (a slight increase of 0.96% from 34.95% in 2021).

The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees is **7.91%**. In March 2021, this gap was 7.85%.

The average median hourly rate for a male was £17, for a female, the average median hourly rate was £15.65. This results in a 7.91% difference in the median figure reported above. This gap has fractionally increased as the male average median hourly rate has increased slightly more than the female average median salary from 2021.

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 which is demonstrated by the higher proportion of men than women in the highest salary quartile who are directly paid by the council. With little change to staffing turnover generally between March 2021 and March 2022 due to the Covid-19 pandemic recovery when the flat rate pay award was applied to all salaries it resulted in limited changes in the 2021 report and that from 2022.

Pay Evaluation

The council is committed to treating all employees equally, and we have a clear equal pay policy. Most council employees are on grades based on National Joint Council (NJC) pay and conditions. There are twenty grades underpinned by a robust job evaluation system. This ensures that employees are carrying out work of equal value are paid on the same grade, see pay grades for more information.

As a result, 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 because 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 2022, the council's Chief Executive, Deputy to the Chief Executive, Director and newly introduced Assistant Directors only made up 4% of the total number of council employees. Of these more senior roles occupied within the organisation on the snapshot date 60% were completed by female employees compared to 40% 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 as are many of the garden town project employees, including the most senior role. These professional roles would fit within the highest quartile of pay were the council the direct employer which, if included would likely reduce the gender pay gap further.

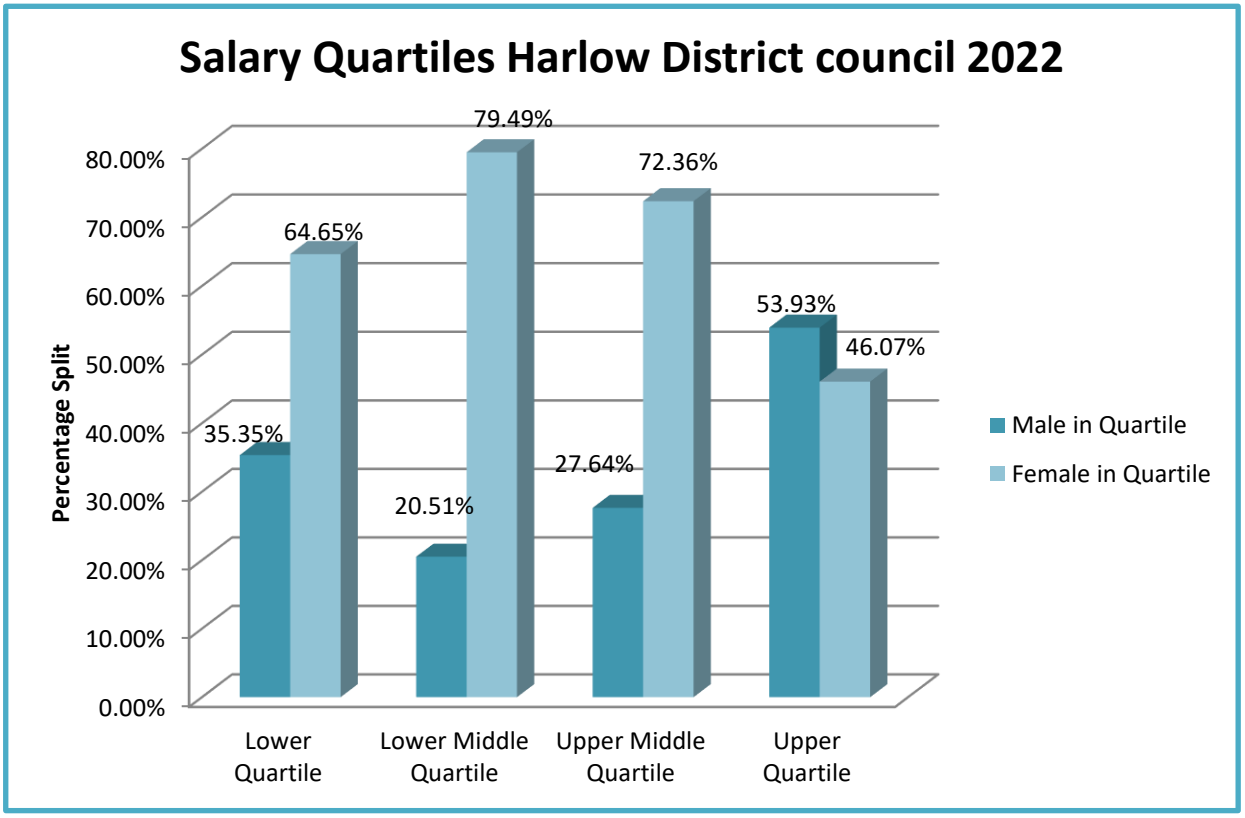
Salary Quartiles

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 by dividing the workforce (as 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 2022

Quartile	Male in Quartile	Female in Quartile
Lower Quartile	35.35%	64.65%
Lower Middle Quartile	20.51%	79.49%
Upper Middle Quartile	27.64%	72.36%
Upper Quartile	53.93%	46.07%

Graph 1 – Salary Quartiles Harlow District council 2022



The chart above shows that within the upper quartile of staff this is the only quartile where there are more men than women. The pay groupings in this area may define the split between 'higher middle management' jobs and 'senior management/director' jobs. Having more men than women in the upper quartile, alongside less men overall in the other three quartiles are contributing factors to the gender pay gap figures.

Part Time Workforce

Table 4 below shows that out of total staffing in the report 42% of women at the council are working part time compared to just 11.9% of men. Many of the roles completed on a part time basis are in the bottom three quartiles by women, they are 6.88 times more likely than men to complete part time work.

The higher proportion of women working part time could be an indicator of employees who have additional outside commitments or responsibilities and who need to work flexibly which the council's Flexible Working, Flexible Retirement, and family friendly policies support. It is notable though that there has been an increase across both genders in part time work since the Covid-19 pandemic.

Table 4 – Percentage of men and women part time overall 2021 and 2022.

	2021	2022
Men	6.12%	11.9%
Women	30.61%	42.2%

Working Pattern Allowances

Shifts work goes beyond core hours and is undertaken by 3.14% of the workforce. Whilst these roles can be undertaken by either gender, at the time of this report men solely undertook these roles. 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 of the employees who were partaking salary sacrifice schemes 100% were female with an average monthly deduction of £66.43.

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 2021/22 financial year (paid in October 20210),5 women and 4 men received an award of £200 vouchers each.

External Impacts

As the organisation flattens its structure in response to budgetary pressures alongside harnessing the continued implementation of technology the opportunities for promotion out of the lower pay quartiles may become less frequent. In wider society it is still often women that undertake care responsibilities whether for children or parents which might make part-time working more attractive. Flexible working practices are applied across all 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 has seen a marked change in working practices during because of the covid-19 pandemic and has been able to broaden its offer to staff with home working becoming a key feature of more roles, it is committed to review ways of working further in the forthcoming year.

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 Springboard training programme has been offered by the council for many years, this consists of several workshops aimed at women to enable them to develop their skills both personally and professionally. The council will continue its commitment to this training.

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.

References

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 zero because of the employee being on leave. Employees who receive no pay at all during the relevant pay period, whether this is because 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.

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[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