

# TONBRIDGE & MALLING BOROUGH COUNCIL

## GENERAL PURPOSES COMMITTEE

15 March 2023

### Report of the Director of Central Services

#### Part 1- Public

#### Matters for Information

##### 1 GENDER PAY GAP REPORT 2021-2022

**This report summarises the legislative context for gender pay gap reporting, and incorporates the outcomes of the Council's gender pay gap analysis for 2021-2022.**

##### 1.1 Gender Pay Gap Reporting 2021-2022

1.1.2 The gender pay gap obligations were introduced in 2017 alongside the existing requirements for specified public bodies, including publishing annual information to demonstrate compliance under the Public Sector Equality Duty (PSED) and publishing equality objectives every four years.

1.1.3 The Mandatory Gender Pay Gap Reporting requires that organisations should capture data as a snapshot on 31 March and then publish their findings no later than 30 March of the following year. It is similarly required that the data on their websites is maintained for three years in order to show progress made.

1.1.4 There is also a requirement for organisations to report on differences in bonus payments but this does not apply since TMBC do not pay bonus payments to any staff.

1.1.5 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.

1.1.6 Salaries at TMBC are determined through a grading system which evaluates the job and not the post holder. It makes no reference to gender or any other personal characteristics of existing or potential job holders. Therefore, we are confident that TMBC is paying the same salary to roles of equal value.

1.1.7 The data below represents the gender pay gap snapshot data for TMBC as at 31 March 2022 and is presented as required by the regulations. For comparison purposes, the previous five years data is included (note we do not hold any comparative data before 2017 as this was the first year required to report). This information will be updated annually.

1.1.8 On the 31 March 2022, the Council's workforce gender breakdown was 62% female and 38% male.

## 1.2 Gender Pay Gap Analysis

1.2.1 Mean and Median gender pay gap 31 March 2022

**Mean gender pay gap in hourly rate as a percentage of men's pay:**

	2022	2021	2020	2019	2018	2017
Mean gender pay gap in hourly rate as a percentage of men's pay	22.46%	19.80%	19.54%	19.66%	22.63%	23.90%

**Median gender pay gap in hourly rate as a percentage of men's pay:**

	2022	2021	2020	2019	2018	2017
Median gender pay gap in hourly rate as a percentage of men's pay	29.89%	30.60%	29.52%	29.52%	32.71%	33.60%

1.2.2 Analysis of staff by gender in each pay quartile

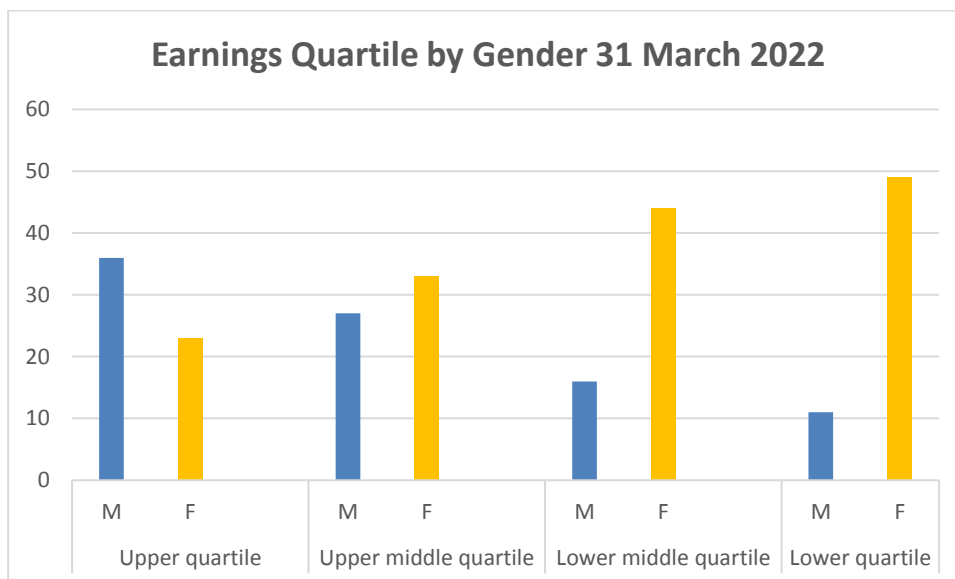
	2022	2021	2020	2019	2018	2017
<b>Upper quartile (59 staff)</b>						
Percentage of males in the quartile	61.02%	58.73%	57.81%	56.90%	59.68%	56.30%
Percentage of females in the quartile	38.98%	41.27%	42.19%	43.10%	40.32%	43.80%
<b>Upper middle quartile (60 staff)</b>						
Percentage of males in the quartile	45.00%	45.16%	42.19%	43.10%	39.68%	42.90%
Percentage of females in the quartile	55.00%	54.84%	57.81%	56.90%	60.32%	57.10%
<b>Lower middle quartile (60 staff)</b>						
Percentage of males in the quartile	26.67%	28.57%	34.38%	28.10%	26.2%	26.60%
Percentage of females in the quartile	73.33%	71.43%	65.63%	71.90%	73.80%	73.40%
<b>Lower quartile (60 staff)</b>						
Percentage of males in the quartile	18.33%	25.81%	20.31%	23.40%	23.81%	19.00%
Percentage of females in the quartile	81.67%	74.19%	79.69%	76.60%	77.78%	81.00%

1.2.2 There has been a negative shift in the mean pay gap of 2.66% and a marginal positive shift in the median pay gap of 0.71% compared to the previous year.

- 1.2.3 The turnover rate during 2021/22 was 14% which is below the public sector average of 18.1%.
- 1.2.4 It should be noted that of four highest paid leavers during this period, three of the leavers were female. The post of the highest paid leaver was advertised, and a male member of staff was appointed. The second highest paid leaver was also female. The second highest paid female leaver left towards the end of the 21/22 financial year so their average earnings are not included in the snapshot data, their replacement (a female) did not start until the 22/23 financial year and therefore their average earnings are not included either.
- 1.2.5 This is important for context as the data used to show an organisation's gender pay gap is taken on the 'snapshot' date of the 31st March each year and it only includes actual staff employed on that date. It is not the average earnings throughout the year. This can have a significant impact on the annual gender pay gap percentage changes, especially for an organisation the size of TMBC which employs approximately 250 employees.
- 1.2.6 It should be noted that of the three most senior positions the Council has appointed to during the current financial year (graded M4, M5 and M6 respectively) all three appointments have been taken up by female staff.

### 1.3 Actions to try to address the Gender Pay Gap

- 1.3.1 As can be seen from the graphs below, the Lower Middle and Lower Earnings Quartiles show the largest disparity between the number of women (higher) and men (lower).
- 1.3.2 There are more female members of staff in the upper middle quartile than there are male.



1.3.3 The Government Equalities Office have published guidance for employers on “Reducing the gender pay gap and improving gender equality in organisations”. In brief the guidance offered suggests the following actions.

1. Include multiple women in shortlists for recruitment and promotion.
2. Use skills-based assessment tasks in recruitment.
3. Use structured interviews for recruitment and promotion.
4. Encourage salary negotiation by showing salary ranges.
5. Introduce transparency to promotion, pay and reward processes.
6. Appoint diversity managers and/or diversity task force.
7. Improve workplace flexibility for men and women.
8. Encourage the uptake of Shared Parental Leave.
9. Recruit returners.
10. Offer mentoring and sponsorship.
11. Offer networking programmes.
12. Set internal targets.

1.3.4 Whilst the majority of these actions are being observed to a greater or lesser extent at TMBC, the Council’s gender gap profile suggests that it is the lack of men in lower graded jobs that is the cause of the extent of the gap. TMBC have contracted out several services (e.g. refuse, street cleansing, leisure centres) where there are often lower paid jobs filled by men in the majority, which goes some way to explain why TMBC’s pay gap is higher than some comparative councils across Kent.

1.3.5 All recruitment literature for jobs is written in such a way to attract male, as well as female, applicants. This will be continually monitored and considered each time a new role becomes vacant.

1.3.6 During the past few years, like many organisations across the UK, the Council has had to change the way it deploys its workforce by offering a far greater degree of flexible and remote working. This has included staff working remotely from home and working their hours more flexibly. The Council adopted it’s new ‘Remote Working Policy’ in December 2022.

1.3.7 The remote working policy allows the Council’s to offer the majority its workforce a far greater degree of flexibility in which to carry out their role.

1.3.8 As well as the new remote working policy, the Council has a longstanding ‘Flexible Working and Time Off Policy’ which details a number of different flexible working approaches and initiatives to enable staff to undertake their role. The Government Equalities Office states that flexible working can help address an organisation’s gender pay gap. The Government Equalities Office states that “Well-designed flexible working is key to enable women to reconcile work and caring responsibilities. It can enable women to remain in work and stay in roles that reflect their skills, thereby potentially reducing the gender pay gap”.

1.3.9 The Council is confident that it does not discriminate at any stage of the recruitment process. Ring fencing lower graded jobs where we have a higher proportion of female staff specifically just for men is not considered an appropriate course of action to take.

1.3.10 The Council would like to see the gap reduce by as much as reasonably possible each year.

## **1.4 Summary**

1.4.1 Overall, during the most recent twelve month period there has been a negative shift in the mean pay gap and a marginal positive shift in the median pay gap. It should be noted that both the mean and median pay gaps have narrowed by approximately 1.4% and 3.7% respectively since figures were first published in 2017.

1.4.2 It should be noted that the Council's Chief Executive is female and that the majority (60%) of the Council's Senior Management Team are female.

## **1.5 Legal Implications**

1.5.1 The data included in this report has been calculated and presented according to the requirements of The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

## **1.6 Financial and Value for Money Considerations**

1.6.1 The regulations also require those authorities that award bonuses to publish the mean and median gender bonus gaps and the proportion of men and women who receive bonuses. There is no record of such gaps in the above tables as this Council does not operate a performance related or total contribution pay scheme, and therefore does not award bonuses to staff.

## **1.7 Risk Assessment**

1.7.1 The Council's grading structure is such that in most pay grades there are a maximum of 4 increments; which assists with internal equity.

1.7.2 The Council supports a range of initiatives for both men and women including flexible working, remote working, job sharing, part time working, and flexible retirement.

## **1.8 Recommendations**

1.8.1 The Committee is asked to note the outcomes of the gender pay gap analysis as reported in Section 1.2 of this report.

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Background papers:

Nil

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