

READING BOROUGH COUNCIL GENDER PAY GAP REPORT 2021

1 PURPOSE OF THE REPORT

- 1.1 Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, employers with 250 or more employees must publish gender pay gap information every year.
- 1.2 To make the calculations, data must be gathered from the Council's payroll from a specific date. This date is called the 'snapshot date', which is 31 March for public sector organisations.
- 1.3 The calculations for 31 March 2021 will be published on the Council's website and the Government Equalities Office website by 30 March 2022. This report sets out the figures that will be published and an action plan for improving the Council's small gender pay gap.

2 INTRODUCTION AND BACKGROUND

2.1 This report will be published on the Council's website on the <u>equality</u>, <u>diversity</u> and inclusion policies page. The averages used are mean and median. A mean average is calculated by totaling all the values in a dataset; this total is then divided by the number of values that make up the dataset. The median of a group of numbers is the number in the middle, when the numbers are in order of magnitude.

Mean gender pay gap	The difference between the mean hourly rate of pay of male full-pay relevant employees (FPREs) ¹ 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 gender pay 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 period.		

¹ See the <u>Gov.uk website</u> for a definition and examples of full-pay relevant employees (FPREs)

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.

- 2.2 The workforce at the 'snapshot date' of 31 March 2021 was 1721 full-pay relevant employees (FPREs), which is made up of 1011 (58.7%) women and 710 (41.3%) men. The proportion of men has slightly increased (from 39.5%) since the last Gender Pay Gap report.
- 2.3 In accordance with <u>Government guidance</u>, data for school staff is not included, nor is the children's services workforce which transferred to Brighter Futures for Children (BFfC) on 1 December 2018. BFfC report their gender pay gap separately.
- 2.4 In relation to gender identity, if an employee does not self-identify as either male or female, the individual would be omitted from the calculations in accordance with the Government's guidance. At the Council's, 100% of employees had disclosed their sex so there was no requirement to omit any data for this reason.

Table 1 - Mean and median gender pay gap

	Men	Women	Women's earnings are:
Mean Hourly Rate	£16.68	£16.33	2.06% lower
Median Hourly Rate	£15.12	£14.38	4.91% lower

Table 2 – Mean and median gender pay gap in bonus payments

	Men	Women	Women's bonuses are:
Mean amount of bonus	£1,000	£972.22	2.78% lower
Median amount of bonus	£1,000	£1,000	0% lower

Table 3 - Proportion of men and women who received a bonus

	Men		Women	
FPREs Total	710		1011	
Proportion of all those receiving a bonus	12	1.69%	18	1.78%

3 ANALYSIS

- 3.1 The Council's mean (2.06%) and median (4.91%) gender pay gap (as shown in **Table 1**) have remained broadly comparable to 2020, when they were 4.71% and 2.53%. The key difference is that the mean is the lower figure this year whereas the median was the lower figure in 2020. They also compare favourably with the national average gender pay gap figure for full and part time employees which is 15.4% for 2021 (up from 14.9% in 2020)².
- 3.2 **Tables 2 and 3** reflect a small group of employees who received "bonuses" in the relevant period. These are exclusively long service awards in the form of money, which meet the government's definition of "bonus". The Council does not pay any other type of bonus.
- 3.3 Long service awards are in recognition of achieving 20 years' continuous service. The Council is currently running two long service schemes with varying cash values:
 - A one-off money award of £1,000 for those achieving long service with either the Council or a combination of the Council and Berkshire County Council, with the provision for employees to "trade in" all or part of the award for additional days' leave, currently at the rate of £100 per day; or;
 - £573 plus double leave for achieving 20 years' service for employees appointed by the Council before 1 April 1999.
- 3.4 Thirty employees received long services awards, 12 men and 18 women, and in all but one case, this was a one-off award of £1,000. One woman chose to trade in some of her pay for extra leave and received a payment of £500. This translates into a 2.78% mean bonus gender pay gap and a 0% median bonus gender pay gap, as shown in **Table 2**.
- 3.5 The Council's workforce is predominantly women (58.7%). There are more women than men at every pay quartile, and the number of women in each quartile is very similar (see **Figures 1 and 2** below).
- 3.6 **Figure 3** illustrates the breakdown of men and women in each pay band. Pay band RG10 has the greatest proportion of women (83.3%), which is higher than the overall proportion of women employed at the Council. Job roles that fall into this pay band are primarily service managers, solicitors and business partner roles. Most women in this pay band are full-time.
- 3.7 The proportion of women above RG10 (i.e. earnings above £53,291 per annum) is 46.34% which is lower than the overall proportion of women at 58.7%. This is largely where the Council's gender pay gap comes from. The Sex and Power Index 2022³, published by The Fawcett Society, is a breakdown of percentages of women in power across UK politics, business and public life. Women's representation across all sectors is a vitally important step to advancing gender equality. The latest survey found that women are under-represented and outnumbered by men at a ratio of 2:1 in the positions that shape politics, laws and culture. Encouragingly, 112 of 228 councils (49%) are now run at the officer

² ONS data – Gender pay gap in the UK: 2021

³ The Fawcett Society - Sex and Power Index 2022

level by women – a considerable jump from 34% in 2019. An action plan for improving the Council's gender pay gap is included in Section 5 of this report.

Figure 1 - Proportion of men and women in pay quartiles on 31 March 2021

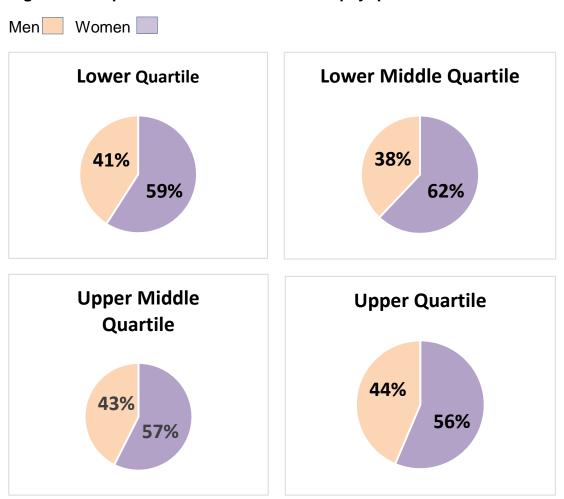
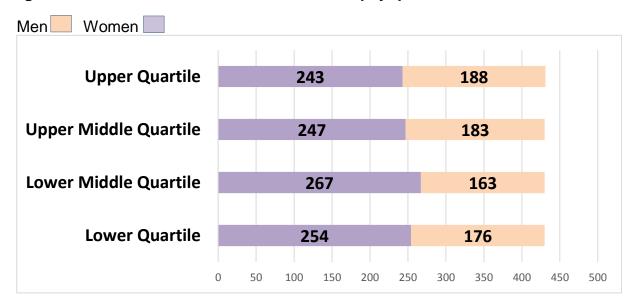


Figure 2 - Number of men and women in each pay quartile on 31 March 2021



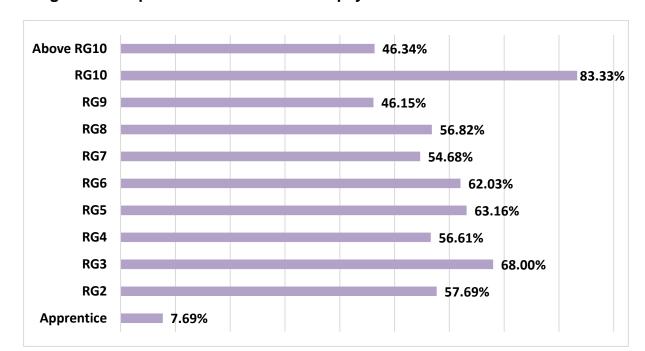


Figure 3 - Proportion of women in each pay band on 31 March 2021

4 CONCLUSIONS

- 4.1 The **small gender pay gap** at the Council, which is much lower than the national average, is the result of the long-term effort that the Council has invested to ensure fair pay for all staff, including:
 - Promotion of the Council's low gender pay gap through posts on the Council's social media channels.
 - Promoting and supporting flexible working policies for all employees, irrespective of gender, including job share, part time working and term time working. This also includes the new Flexible Workstyles Framework which is focused on giving our staff the flexibility to choose, where feasible, where they do their work, whether that's in the office or working remotely.
 - Promoting the Council as a great place to work by running workshops and drop-in clinics in local job centres and schools.
 - Having a clear policy of paying employees equally for the same or equivalent work, regardless of gender, and carrying our equality audits every year to check this is happening.
 - Having an objective job evaluation scheme to ensure pay fairness.
 - Formal authorisation process for any changes in pay, including accelerated increments, market supplements and pay at starting appointments.
 - Offering the right to request flexible working to all staff with no qualifying length of service required.
 - Enhanced Shared Parental Pay to mirror contractual Maternity Pay.
 - Became an accredited "Living Wage Employer" in 2014.
 - Engaging with working parents who are home-schooling during the pandemic, to reinforce the Council's flexible working approach.

5 ACTION PLAN

- 5.1 The Council commissioned Business in the Community (BITC) to review our approach to Equality, Diversity and Inclusion in 2021. They reviewed our policies, processes and initiatives, and gained insights into the experiences of our employees across seven key areas: Strategy, Leadership, Recruitment, Staff, Employee Engagement, Pay Gaps and Life Balance. The insights and recommendations from the audit, as well as the Equality Audit 2020/21 findings, and Gender and Ethnicity Pay Gap reports for 2021, are being used to create a Team Reading Equality, Diversity and Inclusion Action Plan and Equality, Diversity and Inclusion Strategy, which will be monitored regularly by the Corporate Management Team and Personnel Committee.
- 5.2 Promote the benefits of working for the Council both internally and externally, such as apprenticeship opportunities, flexible hours and hybrid working arrangements, our diversity commitments etc.
- 5.3 Continue to require recruiting managers to attend the Council's recruitment and selection training which highlights the issue of unconscious bias during recruitment and interview processes.
- 5.4 Continue to ensure that recruiting managers use structured interviews as this is more effective at guarding against unconscious bias by ensuring that all candidates are asked the same questions and are assessed using pre-specified, standardised criteria.
- 5.5 Increase awareness about apprenticeship schemes to encourage more employees to enhance their skills and qualifications, giving them greater opportunities to progress their careers.