

APPENDIX 2

Leicester City Council

Gender Pay Gap Report 2016/17



Leicester
City Council

About this report

This report is based on the 'The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017' which came into force on 31 March 2017 and which require public sector employers to publish specific details of their gender pay.

Scope

This report covers all employees of Leicester City Council except those based in schools. (Under the regulations the governing body of a maintained school is treated as the employer.) Included are all staff permanently and temporarily employed on the reporting 'snapshot date' (31 March 2017). This includes those on casual contracts that worked during the pay period ending 31 March 2017. For comparison purposes 'full-time' employees are considered as those who worked 30 or more hours per week on average within the pay period.

Definition of Pay

Under the regulations, and therefore in this report, 'pay' includes: basic pay, paid leave (including annual leave, sick leave, maternity, paternity, adoption and parental leave (except where an employee is paid less than usual because of being on leave)), allowances, shift premium pay and bonus pay. 'Pay' does not include: overtime pay, expenses, the value of salary sacrifice schemes (however the reduction to salary is included), benefits in kind, redundancy pay and tax credits.

Gender pay gap and equal pay

The gender pay gap is defined as the difference between the pay of men and women. While there are many ways of presenting this data, under the regulations and in this report there are only two measures: median hourly pay and mean hourly pay. Each is represented as the percentage of the difference with men's pay being the divisor. Therefore, where men are paid more than women, the pay gap will be 'positive' (i.e. with a 3% pay gap women earn 97p for every £1 a man earns). Negative pay gaps are represented as minus percentages (i.e. with a negative pay gap of minus 3% women earn £1.03 for every £1 a man earns). Gender pay gap is not about men and women being paid differently for the same job which has been prohibited by equal pay legislation since 1975. Even with this legislation, historically certain occupations have attracted greater pay due to the value placed on typical masculine and feminine skills.

To comply with equal pay legislation, as well as to mitigate unconscious gender-biased skill appraisal, we operate a recognised job evaluation scheme which covers the majority of posts within the council. This is supported by periodic equal pay audits to ensure that our pay structure remains transparent and free from gender bias. The last equal pay audit was completed in 2014. The overall finding of the audit was that there were no significant areas of concern, the independent author of the report found that 'the JE scheme used by the council, and the method of operation, should provide reliable and consistent job evaluation results. The use of the ongoing moderation process is good and is something that is not very often seen in other organisations. There were no concerns raised about the operation of our scheme and there were no recommendations for any changes.

Findings

The following summary has been prepared in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This page covers all aspects of the mandatory reporting requirements under these regulations.

The difference between the average (mean and median) hourly rate of pay for male and female employees

1. The mean pay for women is £13.29 per hour, and mean pay for men is £13.35 per hour. Therefore the mean gender pay gap is 0.46%.
2. The median pay for women is £11.63 per hour, and the median pay for men is £12.01 per hour. Therefore median gender pay gap is 3.12%.

The difference between the average (mean and median) bonuses paid to male and female employees over the period of 12 months ending with the snapshot date of 31 March

3. No bonuses were paid to employees during this period.

The proportion of male employees, and of female employees, who were paid bonuses during the period of 12 months ending with the snapshot date of 31 March

4. No bonuses were paid to employees during this period.

The proportions of male and female employees in each quartile of the pay distribution

Quartile	Women	Men	% in quartile		% of group	
			Women	Men	Women	Men
4	1026	610	63%	37%	27%	23%
3	967	722	57%	43%	25%	27%
2	915	669	58%	42%	24%	25%
1	929	709	57%	43%	24%	26%

All employees

Comparison of gender pay gap (median and mean) by sector

Full and part-time employees	Median			Mean		
	Women	Men	Gender pay gap	Women	Men	Gender pay gap
Leicester City Council	£ 11.63	£ 12.01	3.12%	£ 13.29	£ 13.35	0.46%
Public Sector	£ 13.79	£ 16.88	18.31%	£ 15.96	£ 19.46	17.99%
Private Sector	£ 9.44	£ 12.50	24.48%	£ 12.92	£ 16.49	21.65%
Non-profit	£ 11.99	£ 15.68	23.53%	£ 14.80	£ 18.42	19.65%

The overall gender pay gap at the council is significantly smaller than the overall pay gap for the public, private and non-profit sectors¹. Women at the council earn more on average than women working in the private sector, however average pay at the council for both men and women is lower than the public and non-profit sector.

Full-time employees - comparison of gender pay gap (median and mean) by sector

Full-time employees	Median			Mean		
	Women	Men	Gender pay gap	Women	Men	Gender pay gap
Leicester City Council	£ 13.32	£ 13.32	0.00%	£ 14.59	£ 13.97	-4.47%
Public Sector	£ 15.12	£ 17.05	11.32%	£ 16.63	£ 19.38	14.19%
Private Sector	£ 11.07	£ 13.28	16.64%	£ 13.87	£ 16.89	17.88%
Non-profit	£ 13.93	£ 16.85	17.33%	£ 15.73	£ 18.89	16.73%

For all sectors the gender pay gap reduces for full-time employees, however for LCC this reduction becomes a negative pay gap (mean).

Part-time employees - comparison of gender pay gap (median and mean) by sector

Part-time employees	Median			Mean		
	Women	Men	Gender pay gap	Women	Men	Gender pay gap
Leicester City Council	£ 10.33	£ 9.55	-8.15%	£ 11.88	£ 11.17	-6.30%
Public Sector	£ 11.10	£ 14.36	22.70%	£ 14.07	£ 20.65	31.86%
Private Sector	£ 8.02	£ 7.85	-2.17%	£ 10.20	£ 10.57	3.50%
Non-profit	£ 9.75	£ 11.17	12.71%	£ 12.20	£ 14.49	15.80%

The gender pay gap for part-time employees in the private sector is negative when calculated using median (minus 2.17%), but positive when calculated using mean (3.5%). In comparison LCC has a negative pay gap when calculated both as median (minus 8.5%) and mean (minus 6.3%). This also compares favourably to the public and non-profit sectors. Average part-time pay for women at LCC is higher than the private and non-profit sector, however lower than average pay in the public sector.

¹ Annual Survey of Hours and Earnings: 2016 provisional results