

Report title	Gender Pay Gap
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Department	Human Resources and Organisational Development
Exempt?	No

Purpose of report:

- **For information**

Synopsis of report:

To report on the Gender Pay Gap figures for Runnymede Borough Council as at 31st March 2023.

1. Context and background of report

- 1.1 The Gender Pay Gap regulations applied to all public sector organisations from 31st March 2017. They require that the gender pay gap figures for the organisation are published by 31st March each year based on a snapshot date of 31st March on the previous year.
- 1.2 The purpose of this legislation is to encourage employers to take new and faster action to close the pay gap between the genders by requiring employers to publish their gender pay gap on their own external websites and on a Government website. An employer must comply with the legislation if they have a headcount of 250 employees or above. Runnymede has circa 448 employees (at the point of running the reports for this data analysis) excluding casuals.
- 1.3 Research illustrates that despite the fact that over 50 years have passed since the Equal Pay Act became law, the gender pay gap within the British economy remains significant. The level of gender pay gap varies between sectors, occupations, age groups and working patterns.
- 1.4 The gap tends to be higher in industry sectors such as finance, energy and construction and is lower in public administration, support services, health and social work. Occupations where women are typically under-represented tend to produce higher gender pay gaps. Unequal sharing of child-care responsibilities contributes significantly to gender pay gaps because of the higher proportion of women than men taking part-time work which tends to be lower paid. For example, the Institute of Fiscal Studies reported that prior to the birth of a first child, there is an average pay gap between men and women of over 10% and there is then a gradual but continual rise in this pay gap until the first child is aged 12 between the hourly rates of men and women. By this stage women's pay has then reduced to a third below men's hourly wages. The main challenge is seen as ensuring that the pay gap for women over 40 is tackled as a priority.

- 1.5 The causes of the continuing gender pay gap are varied within the economy. Some causes originate outside the workplace such as stereotypical representations of men and women and standards of career advice for females. Within the workplace, the main factors have been identified by research as:-
- Fewer women working in certain more highly paid professions or areas of an organisation (e.g. those involving science, technology, engineering and mathematics).
 - Lack of well-paid part-time or flexible work
 - Women continuing to be less likely to progress to senior levels within an organisation (women continue to make up just over a third of managers and directors nationally)
 - Constrained individual choice, unconscious bias and discrimination. Women who wish to move into management or senior management roles can sometimes be held back by lack of female role models, networking opportunities, mentoring and sponsorship; and also, by assumptions about women not wanting or being in a position to accept promotion.
- 1.6 This research has led the Government to see greater transparency about gender pay gaps as a catalyst to promote organisations to take new and more energetic action to address the issue of working towards closing gender pay gaps in their own organisations.

2. What does the legislation require of employers?

- 2.1 They must comply with this legislation for any year in which they have a headcount of 250 employees or more. The snapshot date for which the gender pay gap is calculated is 31st March and it must be calculated and published by 30th March the following year.

3. What does an employer need to calculate?

- The mean gender pay gap
 - The median gender pay gap
 - The mean bonus gender pay gap
 - The median bonus gender pay gap
 - The proportion of males and females receiving a bonus payment
 - The proportion of males and females in each quartile pay band
- 3.1 The 'mean' is described as "the mean in math and statistics summarizes an entire dataset with a single number representing the data's center point or typical value. It is also known as the arithmetic mean, and it is the most common measure of central tendency. It is frequently called the "average." Whereas the 'median' is described as "The median represents the middle value in a dataset. The median is important because it gives us an idea of where the center value is located in a dataset. The median tends to be more useful to calculate than the mean when a distribution is skewed and/or has outliers."
- 3.2 A written statement that the calculations are accurate must be signed by a senior person such as a Director or the organisation's Chief Executive. It is also recommended that the figures are accompanied by a narrative setting out why the organisation believes that it has the level of pay gap stated and ideally, an action plan explaining what it proposes to do as an organisation to close that pay gap.
- 3.3 The above calculations need to be published annually based on the situation on 31st March each year on the organisation's external website and on the required Government website. Organisations will normally have one calendar year to publish the data from 31st March.
- 3.4 There is considerable guidance from Gov.uk and ACAS on what types of pay should be included in the calculations. For example, the regulations only cover those receiving their full

pay during the relevant period. Shift payments are included but not overtime. Expenses are excluded as are termination payments. Car allowances are included but not cars.

- 3.5 Pay is counted as the pay level before deductions such as National Insurance, tax or pension contributions are made. The employees counted include those on zero-hour contracts, apprentices and some consultants. Agency workers are counted by their actual employer.
- 3.6 There is considerable guidance on how to do the calculations. The guidance also recommends considering issues such as how the organisation deals with starting pay for men and women, what the promotion rates are by gender, the percentage of mothers returning to work after maternity leave and the percentage of mothers still in work a year after returning from maternity leave.

4. What is the Council's Gender Pay Gap?

- 4.1 The gender pay gap is defined as the average hourly rate of pay of female full-pay relevant employees expressed as a percentage of male full-pay relevant employees. A negative figure indicates that the average hourly rate of pay of female full-pay relevant employees is greater than their male equivalent. A positive figure indicates that the average hourly rate of pay of female full-pay relevant employees is less than their male equivalent. In other words, a positive figure indicates that there is an issue in the pay gap and therefore some form of remedial action should be taken. A negative figure indicates there is no issue in the pay gap and therefore there is no need for any remedial action to be taken.
- 4.2 The data has been gathered, analysed and calculated for Runnymede Borough Council as at the snapshot date of 31 March 2023. The results are as follows:-

a) **Mean Gender pay gap**

- Male mean hourly rate - £18.50
 - Female mean hourly rate - £17.63
- The calculation is $\frac{(A-B)}{A} \times 100$

A is the mean hourly rate for all male full-pay relevant employees and **B** is the mean hourly rate of pay for all female full-pay relevant employees. Consequently the **Mean Gender pay gap is 4.72%**. This is a reduction on last year, as we reported a 7.62% mean gender pay gap.

b) **Median Gender Pay Gap**

- Male median hourly rate - £16.08
 - Female median hourly rate - £16.08
- The calculation is $\frac{(A-B)}{A} \times 100$

A is the median hourly rate of pay for all male full-pay relevant employees and **B** is the median hourly rate of pay for all female full-pay relevant employees. The **Median Gender Pay Gap is 0%**. This has decreased from last year, as we previously reported a 3.14% median. The median gender pay gap has reduced to 0% based on the successful recruitment of Grounds Maintenance Operatives and HGV drivers which traditionally are seen as male dominated positions and have attracted more lower paid male employees into the RBC workforce.

Despite the reduction in the gender pay gap and reaching a neutral position when analysing the median gender pay gap, the mean gender pay gap of 4.72% overall means employees who are women have lower pay than male employees within RBC.

c) Bonus

Bonus is not paid in the organisation therefore there is no data for the 3 bonus related statistical elements.

d) Pay Quartiles by Gender - What is the proportion of men and women in each pay quartile?

Table 1 below illustrates the 2023 snapshot data which shows that: -

- the number of female employees in the 4th (highest paid) quartile has increased from 48 to 53 in the last year and the number of Male employees in the 4th quartile has increased from 57 to 59.
- the 3rd quartile data, the number of females has increased from 67 to 72 the number of males has increased from 38 to 40.
- the 2nd quartile shows that the number of females have increased from 76 to 77 and the number of males in this quartile has increased from 29 to 35.
- the 1st quartile (lowest paid) data shows that the number of females has decreased from 52 to 49 and the number of males in this pay quartile has increased from 54 to 63.

Table 1

Quartile	Males		Females		Description
	%	Headcount	%	Headcount	
A (1 st Quartile) £9.68 - £13.06	56.25%	63	43.75%	49	All employees whose hourly rate places them at or below the lower quartile
B (2 nd Quartile) £13.06 - £16.09	31.25%	35	68.75%	77	All employees whose hourly rate places them in the second quartile
C (3 rd Quartile) £16.09 - £19.82	35.71%	40	64.29%	72	All employees whose hourly rate places them in the third quartile
D (4 th Quartile) £19.82 - £71.56	52.68%	59	47.32%	53	Upper quartile

	43.97%	197	56.03%	251	Total Headcount
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4.3 What are some of the notable features of the Council's Gender pay gap quartile data?

- 4.3.1 One of the principal reasons why the Council's overall gender pay gap is small is illustrated by the pay data within the quartiles. In the lowest quartile band there are a large group of low paid male manual workers primarily employed in Refuse Collection and Street Sweeping and to a lesser degree in Green Spaces (e.g. Parks), Community Services (as drivers) and Housing (as Task Force Operatives). It is the impact of the number of low paid male manual workers, which is helping to keep the gender pay gap between men and women relatively low in the organisation. The female employees in the lowest pay band tend to be low paid female clerical workers, Kitchen Assistants and Assistant Cooks, some Supported Living staff, Community Services Operatives and casual Museums staff.
- 4.3.2 In the second lowest quartile, we find the majority of lower paid female clerical and administrative staff and the higher paid male manual workers (e.g. Cleansing Drivers and Operatives, Green Spaces staff, and Civil Enforcement Officers).
- 4.3.3 In the third quartile we find a wide diversity of middle- ranking roles within the organisation, the majority of which are occupied by women.
- 4.3.4 Within the higher quartile there is a wide spread of roles. The RBC SLT members is currently comprised of five females and three males. The majority of the CLT team members are male. At the lower end of the upper quartile we find a number of professional staff who are predominantly female (e.g. in Planning and Housing), then there are a number of female middle management staff. However, the higher earning senior managers (e.g. on Corporate Leadership Team (CLT) and those just below SLT level) are evenly balanced with 6 males and 6 females. Consequently in an organisation where the majority of the workforce is female, the existence of the mean gender pay gap of 4.72% is primarily due to the fact that the highest paid senior earners in the organisation are men.
- 4.3.5 The headcount of women and men in this data is 251 women and 197 men. This gap is kept lower by the existence of a large group of low earning male manual workers (mainly in the Cleansing services and Community Transport) which offsets the impact of the fact that the majority of high earners in the organisation at the top end of the structure are also male.
- 4.3.6 The issue of fewer women in senior management positions within the authority than men is not uncommon in the UK economy as a whole. However, in most local authorities the majority of the workforce is female and this should result in the likelihood of more women reaching senior management roles. Runnymede is far from alone in district councils in having fewer women than men in senior management roles. Career breaks and going part-time due to having children and often the main caring responsibilities, appears to be an important feature in this. However research illustrates that other factors can also have an impact on the number of women who reach senior management positions which were described in the introductory paragraphs of this report.

4.4 Comparison to previous years

4.4.1 The changes in the Gender Pay Gap in the past year has been affected by natural turnover across the organisation. There has also been an increase in male workers in the 1st quartiles and the number of females in these lower paid quartiles has decreased. There are currently equal numbers of men and women on SLT.

4.4.2 Table 2 below illustrates the annual position over the last 6 years.

Table 2

Year	2018	2019	2020	2021	2022	2023
Mean Gender Pay Gap	7.64%	10.22%	9.06%	8.44%	7.62%	4.72%
Median Gender Pay Gap	-5.2%	-3.6%	0%	0.54%	3.14%	0%

4.4.3 The RBC Gender Pay Gap Action plan has been implemented over the last year. It is recognised that no single action will in its self-redress the gender pay gap imbalance. It will take a series of initiatives often over several years to make a tangible difference, as RBC actively tries to change behaviours, mindsets and decades of inequality. The action plan and progress to date can be found in Appendix 1.

5. Policy framework implications

5.1 Many of the key actions within the Gender Pay Gap Action Plan demonstrate delivery of the identified actions with the Talent Management Strategy and Organisational Development strategy.

6 Resource implications/Value for Money

6.1 Not applicable.

7. Legal implications

7.1 The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (“the Regulations”) require employers with at least 250 employees to publish annual information to show whether there is a difference in the average pay of their male and female employees.

7.2 Section 78 of the Equality Act 2010 (“the 2010 Act”) confers power to make regulations requiring employers in Great Britain with at least 250 employees (excluding certain public authorities) to publish information showing whether there are differences in pay between their male and female employees. The Regulations were introduced under the powers granted by section 78 of the 2010 Act.

7.3 The aim of compulsory gender pay gap reporting is to use transparency as a tool for raising awareness, to incentivise employers to analyse the drivers behind their gender pay gap and to explore the extent to which their own policies and practices may have contributed to that gap.

7.4 The requirements for the information to be signed and published are intended to ensure reliability of, and accountability for, the data and to identify for the public record those employers who have complied. Failure to comply with these Regulations would be an “unlawful act” for the purposes of Part 1 of the Equality Act 2006 and would fall within the existing enforcement powers of the Equality and

Human Rights Commission under that Act. Accordingly, the Regulations do not create any specific additional civil or criminal penalties. Levels of compliance with the Regulations will be monitored so that the Government can consider alternative enforcement mechanisms if necessary.

8. Equality implications

- 8.1 The Gender Pay Gap is a key equalities indicator for the Council and improvement at actively reducing the Gender Pay Gap provides some evidence and assurance work is actively being undertaken. The Gender Pay Gap Action Plan was reviewed by the RBC Equalities Group last year. Progress on delivering the plan, key achievements and the development of key success criteria to assess progress will be discussed with the Equalities Group in Q1 2023/25 and inform the new financial years priorities for development. Clearly there is further work to do to achieve a neutral gender pay position but seeing a downward trend towards a neutral gender pay position this year and the detailed work to support the action plan is encouraging.

9. Environmental/Sustainability/Biodiversity implications

- 9.1 Not applicable

10. Risk Implications

- 10.1 Not addressing the Gender Pay Gap could lead to potential claims for equal pay and potentially place the council at risk to litigation.

11. Other implications – Comments from the recognised Trade Union

- 11.1 UNISON have reviewed the Gender Pay Gap report and note the actions that have been taken to date. They look forward to the discussion surrounding new actions that will help to reduce the Gender Pay Gap at RBC for the future.

12. Timetable for Implementation

- 12.1 After this, a narrative is prepared and signed off by the Chief Executive to go with the data on the Council's external website and the Government website by 30th March 2024, to meet our legal obligations. The action plan will be reviewed and further developed with engagement from RBC Equalities Group and our recognised Trade Union UNISON to ensure RBC is taking practical steps towards achieving a positive Gender Pay Gap in future years in Q1 2024/25.

13. Conclusions

- 13.1 Progress has been made to reduce the Gender Pay Gap within the council with promising results in achieving 0% gap at median. However, there is further work to do to move from a mean pay gap of 4.72% to a neutral mean pay gap position of 0% in future years. The action plan to proactively reduce the gender pay gap has been embraced with a number of positive initiatives implemented which will have undoubtedly assisted in achieving a reduction this year.

14. Background papers

- 14.1 Not applicable

15. Appendices

15.1 Gender Pay Gap Action Plan 2023-2025

Appendix 1

Action Plan - Reducing RBC's Gender Pay Gap 2023 - 2025



Project Execution Stage

Action ID	Description	Allocated to	Due by	Status	Update
1	Publicise careers in local government with schools/colleges/universities for both genders flagging up awareness of non-traditional careers for women	Recruitment Manager and line managers	BAU	Ongoing	Created the work experience programme University recruitment events attended at Royal Holloway Created mock interview days for Uni students of how to access local government careers MCP support trade based training placements in partnership with RBC.
2	Make unconscious bias e-learning module compulsory for all staff	Senior HR BP/CLT/SLT	Jun-23	Complete	Module is available to all staff and included within the induction requirements for all new starters to RBC.
3	Publicise apprenticeships widely	Senior HRBP	Jan-April each year	Complete	RBC currently has 8 apprentices with 2 new placements currently due for launch in Q1 2024/25
4	Publicise graduate trainee opportunities	HRBPs	Jan-May each year	Ongoing	RBC currently has 4 graduates, with a new cohort planned via the NGDP September 2025.
5	Publicise availability of post-entry training on staff intranet and in staff comms	Senior HRBP	BAU	Ongoing	Ongoing and primarily achieved through performance reviews
6	Ensure the new HR & Payroll System functionality promotes accessibility for equality and prevents gender bias through AI technology	Recruitment and Retention Manager	Apr-24	Complete	The new recruitment and onboarding system was procured as it could specifically provide gender-neutral screening functionality e.g. adverts, JD&PS
7	Ensure Recruitment toolkit contains guidance on equalities in recruitment and selection practices	Recruitment and Retention Manager	By end of June 2023	Pending	Postponed pending new Recruitment and On boarding system implementation. Revised due date Q3 2024/25.
8	Develop a Recruitment and Selection course for all managers including equalities dimension	Recruitment and Retention Manager	By September 2023	Complete	Completed: Externally delivered Recruitment & Selection training to all managers as well as Safer recruitment Practices
9	Do annual report on starting salaries by gender on appointment and promotion	Policy and Projects Officer - HR	April 2024 and thereafter annually	Allocated	To complete as a follow up piece of work to the Gender Pay Gap reporting to inform potential new actions for this plan.
10	Promote career planning practices and career pathways as part of roll-out of Talent Management Strategy	HR team/Comms/Corporate Heads	Mar-24	Pending	Postponed to create capacity for the implementation of the new HR&Payroll System to ensure we can maximise its functionality to achieve this.
11	Encourage women at all levels to take up training and development opportunities	Line Managers	BAU	Ongoing	Work to promote this as an active part of annual performance review / appraisal discussions.
12	Set a target of 50% of women on SLT and CLT	CLT/CMC	Dec-23	Complete	Achieved in January 2025
13	Review Family Friendly Policies and Flexible Working approaches	HR/Equalities Group/OD Group/CLT/SLT/C	Oct-23	Pending	Postponed for the arrival of the new Corporate Head of HR and OD