Brighton & Hove City Council Gender Pay Gap Report 2023-24

1. Introduction

- 1.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all public and private sector employers with more than 250 employees to report their gender pay gap based on an annual 'snapshot' pay period, for the public sector this snapshot is the 31st March each year. The reporting regulations require publication of the following:
 - The mean and median gender pay gaps in hourly pay
 - The mean and median gender bonus gaps
 - The proportion of men and women who received bonuses
 - And the proportions of men and women employees in each pay quartile
- 1.2 The reporting data includes all council employees who were employed on 31 March. Apprentices, seasonal, temporary or casual employees are included if they fall within the reference period created by the snapshot date. The data excludes schools based staff. Under the Regulations the Governing Body of maintained Local Authority schools is responsible for the reporting duty for the employees of their school, where the regulations apply.
- 1.3 The council publishes this information on its <u>website</u> and the <u>Government's</u> <u>website</u>.
- 1.4 This report relates to the snapshot date of **March 31**st **2023**.

2. Gender Pay and Equal pay

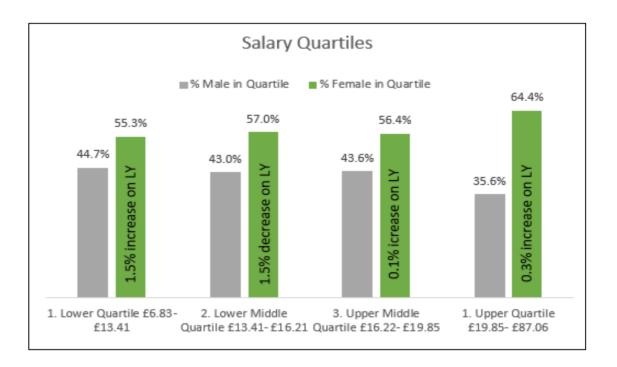
- 2.1 Gender pay is different to equal pay.
 - Equal pay means that men and women in the same employment performing equal work must receive the same salary and have equal contractual terms, as set out in the Equality Act 2010.
 - The gender pay gap is a measure of the difference between men's and women's average ordinary earnings (excluding overtime) across an organisation or the labour market. It is expressed as a percentage of men's earnings. Both the mean (average) and median hourly rates are reported.

An employer can be equal pay compliant and still have a gender pay gap. The cause of a gender pay gap may not fall within the direct control of the employer, and is likely caused by the distribution of men and women in different job roles.

3. Gender Pay Gap Reporting

3.1 **Mean and Median Pay Gap Reporting:** Brighton & Hove City Council has a negative pay gap for both the mean and median gross hourly rates, i.e. on

- average females are paid more than males. This is not uncommon but goes against the overall national trend.
- 3.2.1 The **Mean** (average) gender pay gap in hourly pay is **-6.5**%. This is a 0.7% increase to the 2022 reported figure.
- 3.2.2 The **Median** (middle) gender pay gap in hourly pay is **-3.0**%. This is a 3.6% increase to the 2022 reported figure.
- 3.3 **Salary quartile reporting** is calculated by sorting employees by their hourly rate, from the lowest to the highest, then splitting them into four equal quartiles to show the proportions of male and female employees in each group. Definitions of the salary quartile information are shown in appendix A.



What the Salary quartile graph means

The lower salary quartile includes the average earning hourly rates between £6.83* and £13.41. The proportions of employees in the quartile is 44.7% male, 55.3% female. This is a 1.5% decrease in the number of male in the quartile compared to last year's reporting. *Apprentice pay rate. The council is an accredited Real Living Wage employer with £9.90 set as the lowest pay rate as at March 2023.

The lower middle quartile includes hourly rates between £13.41 and £16.21. The quartile is 43.0% male, 57.0% female. This is a 1.5% increase in males in the quartile compared to last year.

The upper middle quartile includes hourly rates between £16.22 and £19.85. The quartile is 43.6% male, 56.4% female. This is a 0.1% decrease in males in the quartile compared to last year.

The upper quartile includes hourly rates between £19.85 and £87.06. The quartile is 35.6% male, 64.4% female. This is a 0.3% decrease in males in this quartile from compared to last year.

You can also view this data in a table.

	Male	Female	Change to last year year's reporting
1. Lower Quartile £6.83- £13.41	44.7%	55.3%	1.5% female increase
2. Lower Middle Quartile £13.41- £16.21	43.0%	57.0%	1.5% male increase
3. Upper Middle Quartile £16.22- £19.85	43.6%	56.4%	0.1% female increase
4. Upper Quartile £19.85- £87.06	35.6%	64.4%	0.3% female increase

3.4 Bonus pay reporting. These figures are not applicable as the council does not pay bonuses.

4. Supporting Narrative

- 4.1 The council's overall workforce gender profile is 58% female and 42% male. This is unchanged from the previous year reporting period.
- 4.2 4,969 employees are included in the pay period comprising of 4,598 contracted employees and 371 casuals. As per reporting requirements employees on less than full pay have been excluded.
- 4.3 The mean hourly rate of pay for male employees was £17.47. The mean hourly rate for female employees was £18.50, this results in the reported 6.5% difference. This negative gap has decreased by 0.7% since last year because the male mean hourly rate has seen a greater increase, of £1.38, compared to the female mean hourly rate, which saw a £1.36 increase. This also reflects a significant increase in overall pay, meaning that any discrepancy between male and female pay is proportionally less than the previous year.
- 4.4 The median hourly rate of pay for male employees was £16.12. The median hourly rate for female employees was £16.60, this results in the reported 3.0% difference. This negative gap has decreased by 3.6% since last year because the male median hourly rate has seen a greater increase, of £1.49, compared to the female median hourly rate, which saw an increase of £1.00.
- 4.5 Male employees work on average 32.9 hours a week, with 80% of all male employees working full time, 20% part time. Female employees work on average 28.0 hours a week, with 46% of all female employees working full time and 54% part time.

	Male	Female
Workforce Gender split	42%	58%

Employee Count	2073	2896
Mean Hourly Rate	£17.47	£18.60
Median Hourly Rate	£16.12	£16.60
% of employees who work part time	22%	54%
% of employees who work full time	78%	46%
Average weekly hours for all employees	32.9	28.0
Average weekly hours for part time employees	18.4	20.3

This table summarises data from sections 4.1 to 4.5.

4.6 **Salary quartiles.** The % of female employees in each quartile is higher than the % of men. This is in line with the overall workforce gender profile, however, the % gap between the number of men and women in each quarter significantly widens between the 2 lower quartiles and 2 higher quartiles. The lower quartile has 7.6% more women than men, the upper quartile has 28.3% more women than men. This shows that a greater proportion of women hold roles which have a higher mean hourly rate of pay than men.

There are various job roles within each quartile and the proportion of male and female employees in each role differs. Below are some examples:

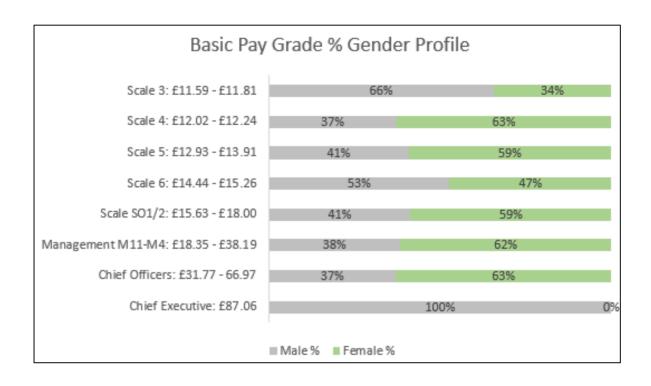
Lower Quartile		
Scheme Manager	62% Female	
Library Officer	67% Female	
Team Administrator	83% Female	
Collection Operative	95% Male	
Senior Gardener	93% Male	

Lower Middle Quartile		
Early Years Educator	100% Female	
Business Support Manager	91% Female	
Home Care Support Worker (Home Care)	90% Female	
Transport Monitoring Officer	82% Male	
Street Cleansing Driver (L)	100% Male	

Upper Middle Quartile		
Care Manager	75% Female	
Social Worker PQ1	75% Female	
Primary Mental Health Worker	88% Female	
Field Officer	57% Male	
Collection Driver	97% Male	
Supervisor		

Upper Quartile			
Team/Pod Manager	83% Female		
Senior Social Worker	87% Female		
Senior Lawyer	100% Female		
Building Surveyor	75% Male		
Accountant	50% Male		

4.7 **Basic Pay.** Reviewing the main basic pay grades for job roles shows a similar pattern, a larger proportion of female employees hold higher paid roles, particularly on management grades where 62% of roles are held by women. Similarly, 58% of all roles with basic hourly rates over £12.93 (£12.93 - £87.06) are held by women. 55% of all roles with lower basic hourly rates between £11.59 and £12.24, are held by men.



What the Basic pay graph means

The graph shows the proportion of male and female employees on the main council pay grades. Proportionately a higher % of female employees hold roles on the higher basic pay grades. For example, 62% on the council's management pay grades between M11 and M4 are female, with hourly rates between £18.35 and £38.19.

You can also view this data in a table.

Basic pay grade % gender profile			
Pay grade and hourly rate	Male	Female	
Scale 3: £11.59 - £11.81	66%	34%	
Scale 4: £12.02 - £12.24	37%	63%	
Scale 5: £12.93 - £13.91	41%	59%	
Scale 6: £14.44 - £15.26	53%	47%	
Scale SO1/2: £15.63 - £18.00	41%	59%	
Management M11-M4: £18.35 - £38.19	38%	62%	
Chief Officers: £31.77 - 66.97	37%	63%	
Chief Executive: £87.06	100%	0%	

- 4.8 **Pay & Grading** The council's annual pay policy statement provides details of the council's pay and grading arrangements and can be found here: https://www.brighton-hove.gov.uk/jobs/pay-policy-statement.
- 4.9 **Allowances.** 30% of the workforce in the snapshot pay period received an allowance in addition to their basic pay, this is a 2% increase from 2022. Analysis by quartile of the mean and median hourly rates for employees in

- receipt of an allowance show that with the exception of the lower quartile, the mean and median hourly rates of female employees are consistently higher.
- 4.10 **Working Patterns.** A further contributing factor to the pay gap is the working pattern of an employee. Roles where hours are worked at the weekend and night attract enhanced rates of pay, 22% of the workforce receive such enhancements. While proportionally more men receive working pattern allowances than women, the basic hourly rate of roles held by men are proportionally lower than the roles held by women. The higher basic hourly rated pay for roles held by women in addition to the enhanced rate of pay increases the mean and median hourly rates of pay for women.

Basic Hourly Rate range	Proportion of gender in receipt of working pattern allowances by hourly rate %. Extract.		
	Male %	Female %	
Scale 3: £11.59 - £11.81	65	35	
£12.02 - £18.00 Pay Scale 4 to S01/2	48	52	

- 4.11 **Market Supplements.** 56% of employees in roles attracting a market supplement are women, 44% are men. This is a 4% increase for male employees compared to 2022. Market Supplements are subject to annual review.
- 4.12 **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). Schemes include:
 - Cycle to Work to help employees save on bikes purchased to commute to work
 - Childcare vouchers to help employees save on childcare costs.
 - Additional Voluntary Contribution (AVC) Pension enables Local Government Pension Scheme (LGPS) members to increase their retirement benefits by saving money alongside their pension pot.

Seven percent of the qualifying workforce are signed up to a salary sacrifice scheme.

	Male	Female	Variance to previous reported year 2023 to 2022
Number of employees in a salary sacrifice scheme	177	241	The percentage of male employees in a salary sacrifice scheme increased by 43%, and by 18% for female employees. Overall a 27% increase
Average monthly employee salary sacrifice amount	£301	£298	The value of monthly salary sacrifice for male employees in a scheme increased by 15%, and by 4% for female employees

For the purposes of gender pay gap calculations these values must be deducted from relevant employees pay, thus reducing the overall reportable pay to include for averaging.

5. Conclusions and Action Plan

- 5.1 The council is confident that its gender pay gap does not stem from an equal pay issue. In 2010 the council introduced a new pay and grading system to ensure all roles are graded using a recognised job evaluation system to make sure individuals receive equal pay for equal work. In 2013 a new system of allowances and expenses was implemented to ensure consistency across the workforce.
- 5.2 The council's gender pay gap shows that on average (by both measures) female employees are paid more than male employees and this is the opposite of the national gender pay gap. The Office of National Statistics (ONS) estimated a national median gender pay gap of 14.9% in 2022, a 0.5% decrease from 15.4% in 2021. The Council's mean and median pay gaps are both lower than the national average. This is because we have more female employees in higher graded posts.
- 5.3 The Council appreciates that a negative gender pay gap bucks the national trend and also that any pay gap represents inequality. Compared with last year, we have seen a narrowing of the council's negative gender pay gap by both measures. The council's Mean negative pay gap has decreased by 3.6%, and the Median negative gap by 0.7%. We are committed to improving the diversity of our workforce to reflect our communities and gender is part of our wider diversity agenda. In addition, we are committed to understanding our data from an intersectional perspective to ensure we address any disproportionate outcomes as best we can.
- The gender profile of the workforce remained roughly the same between reporting years with the majority of employees being female. In the council's latest Workforce Equalities Report 2021-22, women continue to out-perform males in recruitment and selection processes across all pay grades and contract types. However, in 2021-22 data showed that males (57.1%) were more successful in achieving promotions than females (42.9%), which is in contrast to the previous 3-year trend.
- 5.5 There are a number of factors that have contributed to the council's ability to recruit and retain female employees and enable them to develop careers within the organisation. These include the following:
 - The council has had a long-established suite of progressive policies such as flexible working, occupational, maternity and parental leave, discretionary & carers leave, and childcare vouchers.
 - Learning and development provided to staff and managers on equality, diversity and inclusion, including training provided to recruiting managers to ensure fair recruitment and selection processes.

- 5.6 The council undertook a low pay review during 2022 and implemented significant retrospective pay increases in September 2022. This included the re-organisation of our lowest 4 pay scale and the removal of our bottom pay scale 1-2. This resulted in between 9.2% and 2% pay increases for approximately 3,800 employees on our lowest grades. These changes, along with the National Joint Council pay award from April 2022 have had a positive impact to help reduce the council's negative pay gap for this reporting period.
- 5.7 As part of the Public Sector Equality Duty, the council carries out regular equalities monitoring in respect of the following aspects of employment:
 - workforce composition
 - recruitment and retention
 - employment casework
 - access to learning and development opportunities
 - employee satisfaction both in relation to current employees via the Annual Staff Survey and those who leave our employment.
- 5.8 Historically the insight provided by this data has also been used to develop actions to address any difference in outcomes identified for different staff groups through the council's 'Fair and Inclusive Action Plan' with areas of focus for action agreed annually to address these issues. This programme of work aims to deliver the council's Our People Promise commitment to be a fair and inclusive place to work. Continued activity for years 2023-2024 includes:
 - review where there is an imbalance in the gender profile of staff in particular job roles and agree actions to attract and retain staff from underrepresented groups.
 - engagement with community groups and schools working alongside the council's Apprenticeship Programme Manager to raise the profile of the council as a potential employer, and showcase a range of roles challenging gender bias within sectors
 - review potential barriers to recruitment and promotion to improve workforce diversity across the workforce as a whole, with a particular focus on roles graded M8 and above.
 - Continue to voluntarily publish annual ethnicity & disability pay gap reports in line with the gender pay gap reporting schedule. Reporting for March 2021 snapshot dates can be found here: <u>Staff pay and conditions financial</u> <u>information (brighton-hove.gov.uk)</u>. The reporting year reference & link will <u>be updated to March 2023 when relevant reports are published</u>.

An update on the progress and impact of these actions will be reported in the Gender Pay Gap report for reporting period March 2024, to be published by March 30th 2025.

Appendix A

Hourly Pay Definition for the purposes of calculating the mean and median hourly rates.

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
- bonus pay

It will not include:

- overtime pay
- expenses

Full-pay Relevant Employee Definition

"Full-pay relevant employee" means a relevant employee who is not, during the relevant pay period, being paid at a reduced rate or nil as a result of the employee being on leave. Employees who receive no pay at all during the relevant pay period, whether or not this is as a result of being on leave are excluded from the gender pay gap calculations. "Leave" includes—

- (a) annual leave
- (b) maternity, paternity, adoption, parental or shared parental leave
- (c) sick leave and
- (d) special leave

Pay Quartiles

This calculation requires an employer to show the proportions of male and female "full-pay relevant employees" in four quartile pay bands. This is done by dividing the workforce (so far as possible) into four equal sections to determine the lower, lower middle, upper middle and upper quartile pay bands. Where employees receiving the same hourly rate of pay fall within more than one quartile pay band, a relative proportion of male and female employees receiving that rate of pay was assigned to each of those pay quartiles.