



Gender Pay Gap

INTRODUCTION

The Gender Pay Gap reporting regulations have been introduced as part of the Equality Act 2010 legislation and requires employees with 250 or more employees to publish their Gender Pay Gap calculations every year, showing the Gender Pay Gap between male and female employees.

There are two sets of regulations within the gender pay gap legislation the first is mainly for the Private and Voluntary Sector and that took effect from the 5th of April 2017. The second is mainly for the public sector and that took effect from 31st of March 2017.

The deadline to report the Gender Pay Gap for organisations for 2020/21 for public Sector Organisations is 30th of March 2021.

Shropshire Council is registered on the government's online reporting service at www.gov.uk/report-gender-pay-gap. This is where Shropshire Council has reported their gender pay gap information as well as publishing it on the Equality pages on the internet.

Schools are not included in their Local Authority Gender Pay Reporting. For maintained schools with over 250 employees, the governing body is responsible for publishing their own Gender Pay Gap reports.

It is reported that unequal sharing of caring responsibilities contributes to the higher proportion of women in part time Job Roles and in general part time positions are usually lower paid positions. As such evidence shows that the Gender Pay Gap across the Country increases, particularly for those over the age of 40. As evidenced by the Institute for Fiscal Studies who reported:

"There is on average, a pay gap of over 10% even before the arrival of the first child. But this gap is fairly stable until the child arrives and is small relative to what follows: there is then a gradual but continual rise in the wage gap and by the time the first child is aged 12, women's hourly wages are a third below men's"

Source: IFS (2016) *The Gender Wage Gap*

There are 6 calculations that need to be carried out and published under Gender Pay Gap regulations, those calculations are:

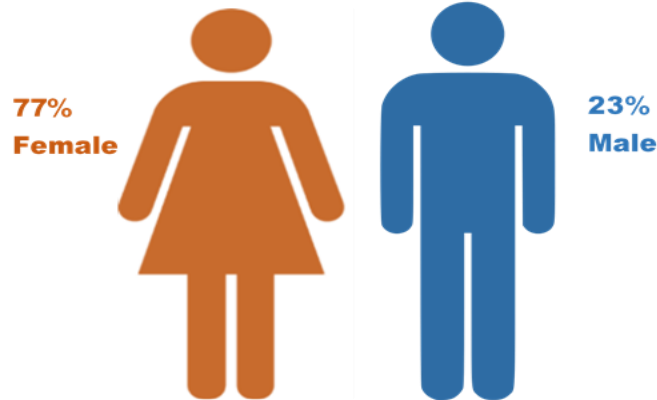
1. Average gender pay gap as a mean average
2. Average gender pay gap as a median average
3. Average bonus gender pay gap has a mean average
4. Average bonus gender pay gap as a median average
5. Proportion of males receiving a bonus and proportion of females receiving a bonus payment
6. Proportion of males and females when divided into four groups ordered from the lowest to the highest pay this is referred to as proportion of males and females within each quartile.

In addition, for organisations which must follow 'The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, they are also required to publish a written statement confirming the accuracy of their calculations. This is not required for Shropshire Council.

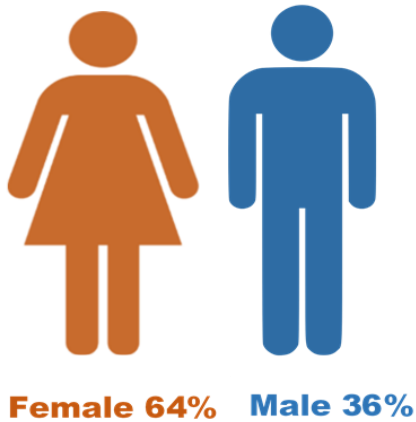
SHROPSHIRE COUNCIL'S WORKFORCE GENDER PROFILE

Shropshire Council's workforce has historically been predominantly female orientated with very little variation year on year on the proportion of Male to Female employees. It is also important to note that the Job Roles which make up a large proportion of the functions within the organisation are part time and generally lower paid and therefore contribute to a wider Gender Pay Gap. In fact, in the last 12 months the percentage of female employees compared to the percentage of male employees has remained unchanged.

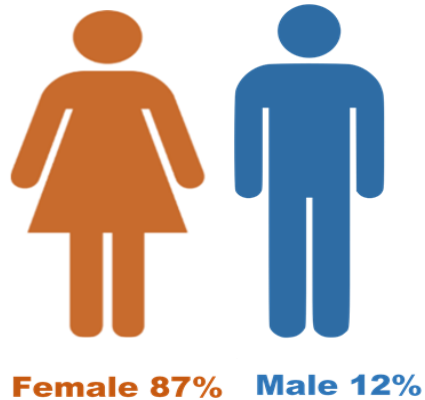
Our Workforce Gender Split



Our Full Time Employees

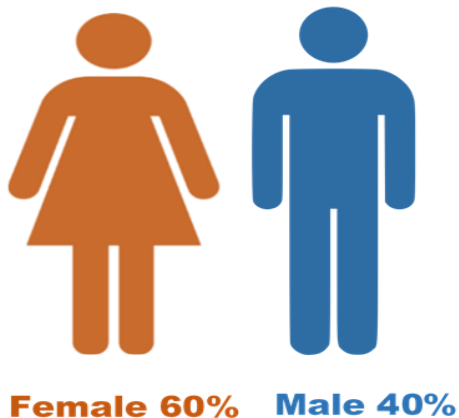


Our Part Time Employees



When considering the top 5% of our workforce for non schools' employees 58% are female, 42% male.

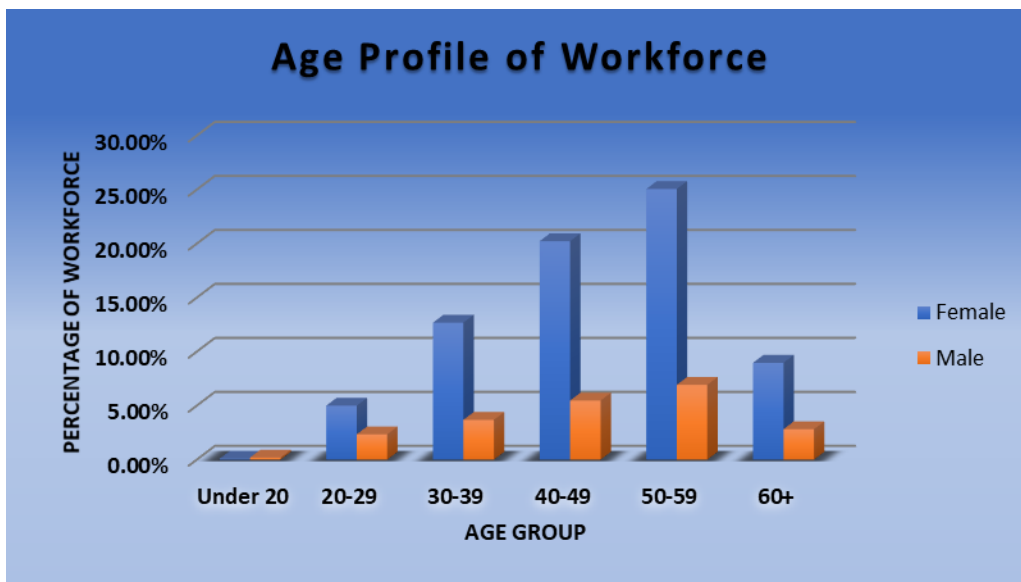
Our most Senior Employees



The Percentage of Females within Full time employment has increased very slightly from last year by 1% with the percentage of our part time employees who are female also increasing by 1% from last year. The percentage of females within our top 5% of earners has increased from last year from 54% to 60% which is a positive move.

SHROPSHIRE COUNCIL'S WORKFORCE AGE PROFILE

Shropshire Council has always historically had an ageing workforce. As the chart below illustrates over 70% of our workforce are over the age of 40, of that just over 57% are female. When compared to Shropshire's economically active population the percentage of Shropshire Council's employees that fall within the middle age groups is considerably higher. In fact it is at each end of the age spectrum (16 years to 24 years and 65 plus years) where the workforce falls below the percentage of economically active population for Shropshire



According to the Office National Statistics (ONS) age has a considerable influence over the gender pay gap. When looking at the median average the Gender Pay Gap for those under 40 in full time employment the pay gap is around 0, for Shropshire Council under the age of 40 and in full time employment the Gender Pay Gap actually falls to a minus figures of -3%. It is for those over the age of 40 where the Gender Pay Gap widens quite dramatically and according to the ONS employees in the age group of 40 to 49 and in full time employment the Gender Pay Gap jumps to 10%. Again, within Shropshire Council for this same group of employees the gap falls below that at 7%. When looking at the age group of 50 and over for Shropshire Council the Gender Pay Gap jumps further to 21%. However, 30% of our employees who are 50 and over are in our Cleaning and Catering positions which are some of our lowest paid positions within the authority. The analysis of our age profile illustrates what a fundamental impact age has on the over Gender Pay Gap of an organization.

*Source: [ons.gov.UK](https://ons.gov.uk) – Gender Pay Gap in the UK 2020

SHROPSHIRE COUNCIL'S GENDER PAY GAP FIGURES

HOW IS THE GENDER PAY GAP CALCULATED?

The Gender Pay Gap is calculated on the average hourly rate of each employee within the pay period relevant to the 'as at date' as per the regulations. For Shropshire Council, the 'as at' date is the 31st of March 2020, therefore the average hourly rate for each employee have been calculated based on the March pay period. All non-schools employees are included in the Gender Pay Gap calculation, which includes casual employees who worked during March.

The hourly pay for full pay relevant employees only is included in the calculations. This means that only those employees who have received their full or ordinary pay for the relevant pay period are included in the calculation so for example, employees who are on maternity leave or who are on long term sick receiving reduced pay, will not be included. It includes full time and part time employees.

Average Gender Pay Gap as a Mean Average:



Average hourly rate £13.47



Average hourly rate £16.10

Mean Gender Pay Gap: 16.4%

Average Gender Pay Gap as a Median Average:



Average hourly rate £11.19

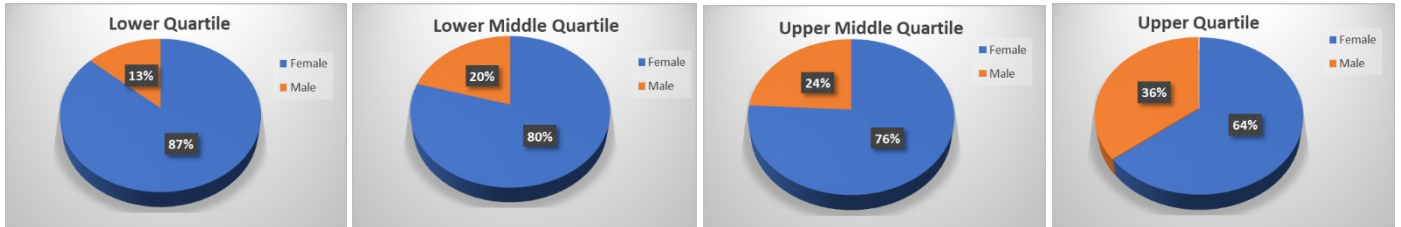


Average hourly rate £14.46

Median Gender Pay Gap: 22.6%

Proportion of males and females when divided into four groups ordered from the lowest to the highest pay, this is referred to as proportion of males and females within each quartile.

	Lower			Upper
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
Female	86.64%	79.57%	75.76%	64.27%
Male	13.36%	20.43%	24.24%	35.73%



Shropshire Council does not operate a bonus scheme therefore the Gender Pay Gap relating to bonuses is not applicable for our organization.

ANALYSIS OF OUR GENDER PAY GAP FIGURES

Shropshire Council's Gender Pay Gap mean figure has reduced by almost 2% from last year, from 18.2% to 16.4% and the median has reduced further by over 2%. In terms of percentages of males to females in each of the quartiles there has been very little change with slight increases in the representation of females in both the lower and upper quartiles. The representation of females in the lower quartiles are linked to the makeup of roles within our organization and the fact that 26% of our workforce are within our Cleaning and Catering services and over 90% of those roles are filled by women. This, as has been explored when looking at the age profile of our organization, has a profound impact on the Gender Pay Gap for Shropshire Council.

When considering our Gender Pay Gap for roles outside of our Cleaning and Catering Services there is a significant reduction to 9.7%.

In addition, the majority of our workforce are women over the age of 40 (almost 60%), this again has an effect on the Gender Pay Gap for the organisation. The Office for National Statistics have identified that the Gender Pay Gap for employees across the UK, over the age of 40, increases significantly as women over the age of 40 are more likely to work in lower paid occupations*. When looking at the Gender Pay Gap across age groups, Shropshire Council's Gender Pay Gap for employees under the age of 40 drops considerably to 5.9%

*Source: ONS, Gender Pay gap in the UK: 2019

HOW WE COMPARE

2017/18 saw the first year for organisations of over 250 employees to publish their gender pay gap under new legislation covered by the Equality Act 2010. Due to the Coronavirus outbreak in 2019, the enforcement of the GPG deadlines for 2019/20 were suspended, as such only 5982 employers reported their figures for that year compared to 10840 employers the previous year. Shropshire Council did publish their Gender Pay Gap for the year 2019/20.

When looking at the Gender Pay Gap figures reported last year the average Mean figure reported was 15% with the Median of 14%. The gap between Shropshire Council's Gender Pay Gap figures and the overall average figures is reducing and we are moving in the right direction.

Gender differences in part time working explain more of the widening in the pay gap between men and women. According to research from the Institute for Fiscal Studies (IFS), part time work is associated with much weaker growth in hourly wages, therefore a gender pay gap arises in part due to the cumulative effect of a lack of wage progression for part time workers. Well over half of our workforce are made of part time employees and when looking at the Gender Pay Gap for Shropshire Council, broken down into part time and full-time employees, the differences can be clearly seen.

According to the ONS the Gender Pay Gap for 2020 was 15.5% for all employers. For full time employees the Gender Pay Gap was 7.4%. The ONS figures use the median calculation for its calculation of the Gender Pay Gap which is their preferred method as it is not affected by extreme values. However, in an organisation of the size and diversity (in terms of roles) of Shropshire Council, and with such unequal split of gender the median is slightly misrepresentative. As the mean captures both the upper and lower end of the earnings distribution it is an important measure of where women's salary sit in the labour market and perhaps a more relevant measure for Shropshire Council's workforce profile.

Further analysis of the Gender Pay gap for Shropshire Council shows that for full time employees only, the Mean difference is 6.56% and the Median, 9.96%. For part time employees the Mean difference is 14.23% and the Median is 0%. These figures illustrate how individual factors can have such a profound impact on the outcome when calculating the Gender Pay Gap.

Source – The Gender Pay Gap - Commons Library briefing - Uk Parliament

Source: ons.gov.UK – Gender Pay Gap in the UK 2020

SHROPSHIRE COUNCIL'S COMMITMENT TO GENDER EQUALITY

Shropshire Council is committed to Equality across all strands of diversity and have a number of policies in place to work to achieving a representative workforce across Shropshire. Our Equality policy is reviewed and updated regularly to ensure it is in keeping with up to date changes in legislation and relevance to our organisation is maintained. Equality training forms part of our online induction, which all new staff are required to complete. Equality and Social Inclusion training is available to all staff via our online learning platform (Leap into Learning). Shropshire Council's Equality Policy is available to all staff, via the intranet and is promoted across the organisation, as well as being publicly available through the 'Equality, Diversity and Social inclusion' pages on the Council website at www.shropshire.gov.uk.

As an organisation we promote flexible working. Our flexible working policy enables employees to request flexible working whether that be in terms of working hours or locations such as working remotely so that employees can achieve a work life balance.

Flexible working can be requested by all employees except agency workers and school based employees and both males and females can request to work flexibly. Homeworking forms part of our flexible working policy enabling employees to request to work from home on either a permanent or ad-hoc basis. In addition, annualised hours make it easier for our employees to work on a more flexible basis where service needs allow.

Shropshire Council continues to promote the development of employees through its on-line learning system, making learning more accessible and flexible to all and ensuring that the content of the learning reflects current equality and diversity practices.

With regard to equality, diversity and social inclusion, this is an area where we are developing joint approaches with NHS colleagues, as well as planning in work for 2021 with a volunteer pool of staff to review and update the training offer.

The council's Leadership Development Framework supports career development by offering the opportunity to gain new skills, knowledge and experience, with equality and diversity being one of several threads running through the programme.

Through the Apprenticeship Framework, apprenticeships are delivered by both local and national providers and offer flexibility in the way they deliver training to meet the needs of the organisation. Shropshire Council continues to work with these providers to develop apprenticeships for the future, providing greater flexibility to all employees in accessing apprenticeships.

Shropshire Council's continues to monitor its workforce profile, not just in terms of Gender but across all strands of equality. In addition, Shropshire Council continue to review our pay policies to ensure fair and equal pay is applied across the organization.

