

Gender Pay Gap



Reference date: 31 March 2021

INTRODUCTION

Hull City Council is committed to ensuring that, as an employer, we promote diversity, equality of opportunity and family friendly work practices for our employees. It is important that employees have confidence in the processes the organisation has applied to eliminate bias on all grounds of discrimination. We are therefore committed to a program of review and working in partnership with the Trade Unions.

BACKGROUND

Our reporting obligations are mandatory and sit alongside the existing requirements for specified public bodies, Equality Act 2010 (Public Sector Equalities Duty). The gender pay gap is different to equal pay. Equal pay relates to men and women receiving equal pay for equal work. The gender pay gap is a measure of any disparity in pay between the average earnings of males and females. Our reporting requirements are detailed at **Appendix A**.

The overall gender pay gap is defined as the difference between the median (actual midpoint) or mean (average) basic annual earnings of men and women expressed as a percentage of the median or mean basic annual earnings – refer to **Appendix B**. To assist analysis all employee's salaries have been assimilated to the Council's pay grades; this is to account for the varying pay structures across different bargaining units – refer to **Appendix C**.

The analysis of Gender Pay Gap only accounts for pay relevant employees at the 31 March 2021. Pay relevant posts are those where employees are in receipt of full pay for the pay period. Therefore this excludes all employees whose pay is impacted by sickness absence, maternity, paternity, adoption and those taking unpaid leave.

The analysis of the Bonus Gap accounts for all employees as employed as at 31 March 2021. This includes all bonuses paid within the 12 month period concluding 31 March 2021.

For the purpose of this analysis, as per Government guidance, any reference to employees is inclusive of casuals.

The following diagram (Fig.1), explains what our approach should be if a pay gap is reported.

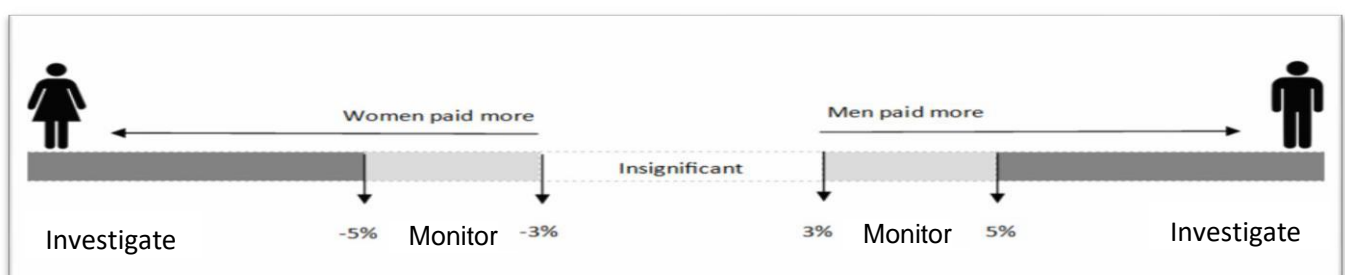


Fig 1: When to investigate? - Equalities and Human Rights Commission

WORKFORCE PROFILE

There were 5,197 posts (5,148 posts in 2020) for which employees were remunerated in the pay period March 2021 – these are referred to as ‘pay relevant employees’. Analysis is based on assignment rather than headcount, as individuals may have multiple roles within the authority for which their employment contracts differ.

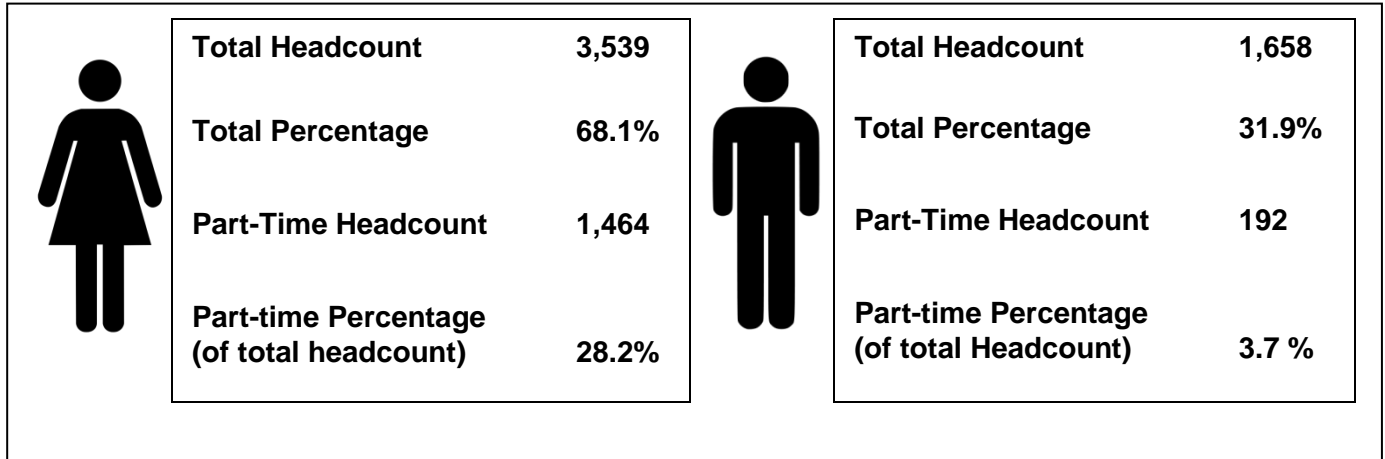


Fig.2: Workforce Profile

As a Unitary authority our workforce comprises a range of service provisions and professions including, but not limited to, business support functions (e.g. Finance, HR, Communications), Social Care, Education, Health and Wellbeing, Housing and Waste Management.

MANDATORY GENDER PAY GAP ANALYSIS

Mean and Median Gender Pay Gap

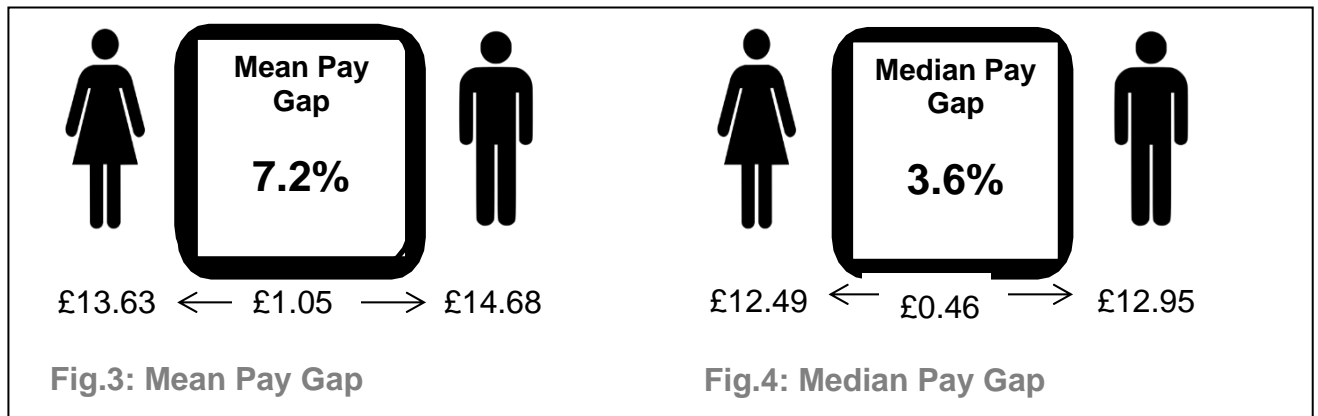


Fig.3: Mean Pay Gap

Fig.4: Median Pay Gap

There has been a reduction in the reported Mean Gender Pay Gap of 1.1% on 2020's figures.

The Median Gender Pay Gap has reported a reduction of 3.1% on 2020's figures.

The proportions of male and female employees in each quartile pay band

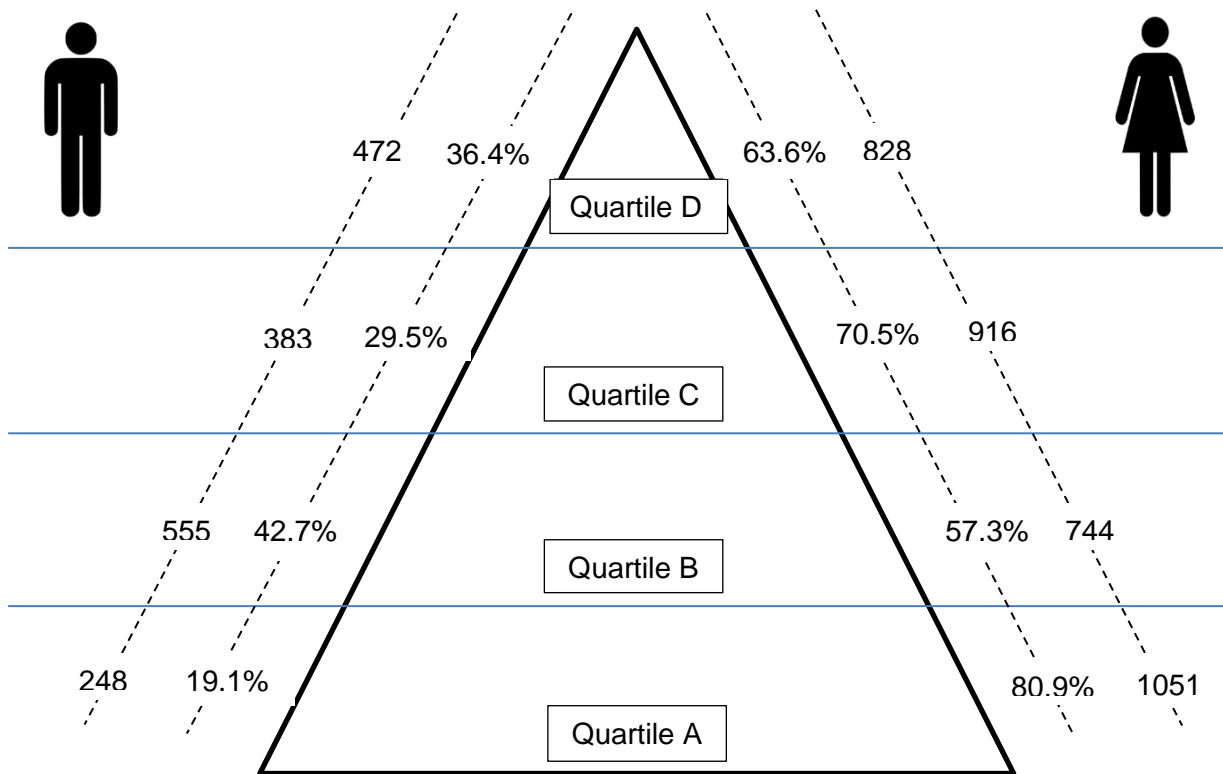


Fig.5: Gender by Quartile

Explaining the Gender Pay Gap

Based on salary alone all employees are being correctly paid the hourly rate for their grade reflective of relevant pay awards and do not fall below the National Living Wage (NLW).

The Council adopts spinal column point (SCP) ranges (between 3 and 6 points) between Grade 2 and Grade 12. Individuals will receive increments on an annual basis until they reach the final SCP of the grade. Grade 1 and Grade 13 to 17 are spot salaries. Females continue to dominate or are equal in number to males up to the Grade equivalent of Grade 13. There has been an increase in female headcount on the higher SCP's within Grades 3,4,7,8 and 9 and a reduction in male headcount on the higher SCP's within Grades 3,5,6,7 and 8.

Within each of the quartiles not only do we have individuals on the NJC and Council's grades but also Teachers, Youth and Community Workers, Coroners, Chief Officers, Soulbury, 6th Form Colleges and groups/individuals that have TUPE transferred into the organisation. Therefore there are a number of different hourly rates across each of quartiles.

A much greater percentage of females work part-time, thereby creating Occupational Segregation. The roles occupied are predominantly, but not restricted to Social Work, Catering and Cleaning.

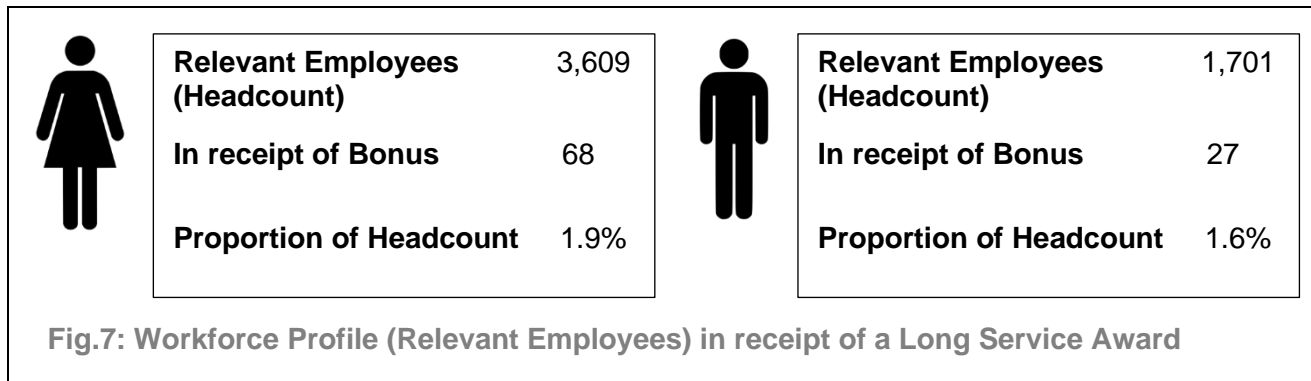
As an employer we have a number of employee benefits, several allow employees to sacrifice salary such as Childcare Vouchers, the Car Scheme and Cycle to Work. These deductions are included in the calculations and will therefore deflate the hourly rate of individuals who have joined these schemes. There continues to be a greater subscription to salary sacrifice schemes by females than males with the exception of the Cycle Scheme.

There will be instances where deflated/inflated hourly rates are reported where there has been a variation to contract affecting hours during the course of the March 2021 pay period. The hourly rate is calculated on the basis of the contracted hours as reported on 31 March 2021.

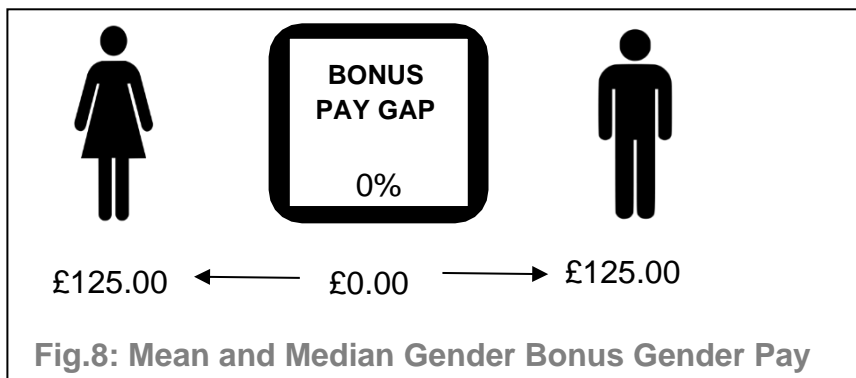
Enhancements are paid only to specified roles and are detailed in an Individuals Statement of Main Terms.

Mean and Median Bonus Gap

Hull City Council does not operate any performance related pay or bonus schemes; however Long Service Award's (£125 voucher) are presented to employees who have completed 25 years' service with the Authority. This is awarded to relevant employees in December; therefore this analysis includes individuals completing their 25 years' service in the period April 2020 to March 2021.



There were 5,310 relevant employees at 31 March 2021 (5,635 relevant employees 31 March 2020). Relevant employees, in the context of Bonus Pay, are all individuals in employment regardless of whether they have been in remuneration in the March pay period. Bonus pay which has been paid during the 12 month period up to the snapshot date has been included and relates specifically to the award of Long Service (25yrs) Awards.



GOING FORWARD

The Public Sector Equality Duty (PSED) came into force in April 2011 and was created by the Equality Act 2010. As part of our ongoing work the following supports our PSED obligations and ensuring continued efforts to reduce the annual reported gender pay gap:

- The Authority applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms (national or local) or as a consequence of Authority decisions.
- The pay rate is reviewed annually in accordance with any pay settlements which are reached through the National Joint Council for Local Government Services and other pay bargaining units.
- Jobs are evaluated using the HAY (Grades 8-17) and NJC (Grades 1-7) recognised Job Evaluation methodology. HR professionals are trained in this methodology.
- Mandatory recruitment and selection courses are required of any employee involved with recruitment processes. All employees are also expected to undertake Equalities and Diversity training on an annual basis. Reducing the potential for unconscious bias.

- HR continually reviews policies, procedures and guidelines to ensure they meet legislative requirements and that any opportunity for discrimination is eliminated.
- The organisation has family friendly policies which enable employees to consider their work/life balance.
- The Personal Performance and Growth Review encourages managers to have an open and ongoing dialogue with employees on their career development and progression.
- The Pay Policy is reviewed annually, making recommendations as to its application and ensuring that it is implemented fairly.

CONCLUSION

HCC values the need for Gender Pay Gap analysis and our obligation to undertake annual analysis and investigation. We acknowledge that a Gender Pay Gap exists. This is an improved position on last year's reporting and shows we are travelling in the right direction. We will ensure that full consideration is given to establishing any other potential causes of the Gender Pay Gap being reported.

The organisation is diverse both in the roles and professions which are required for the delivery of our services and their associated, where applicable, enhancements. We recognise the Occupational Segregation existing in the lower quartiles of the organisation. We shall continue to ensure all our practices are applied fairly and consistently