

Gender Pay Gap



Reference date: 31 March 2023

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.

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 2023. 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 employed as at 31 March 2023. This includes all bonuses paid within the 12-month period up to 31 March 2023.

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.

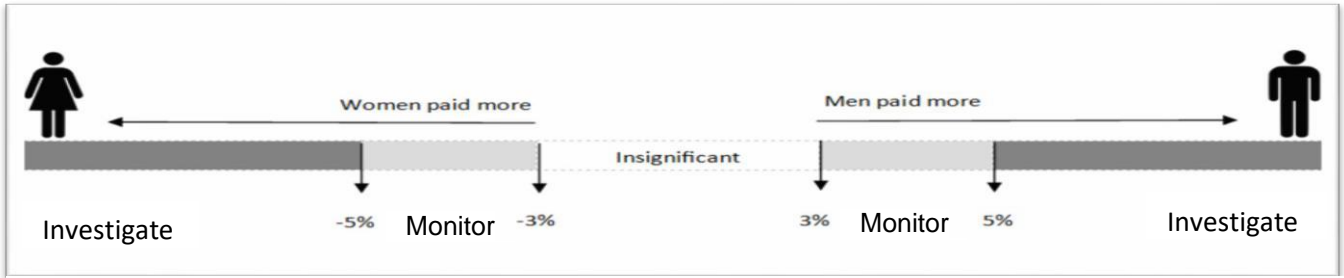


Fig 1: When to investigate? - Equalities and Human Rights Commission

WORKFORCE PROFILE

There were 5,144 posts captured for inclusion in the analysis (5,052 posts in 2022). The guidance states that all employees who are in receipt of full remuneration in the pay period March 2023 are included – 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.



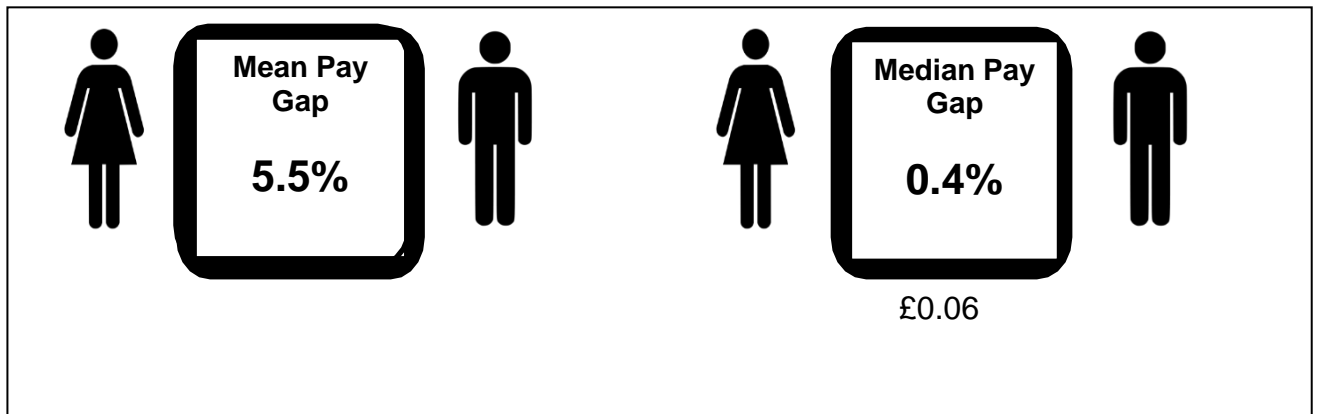
	Total Headcount	3,019		Total Headcount	1,493
	Total Percentage	66.9%		Total Percentage	33.1%
	Part-Time Headcount	1,382		Part-Time Headcount	202
	Part-time Percentage (of total headcount)	30.6%		Part-time Percentage (of total Headcount)	4.5%

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



There has been a slight increase in the reported Mean Gender Pay Gap of 0.4% on 2022's figures (5.1%).

The Median Gender Pay Gap has reported a slight increase of 0.3% on 2022's figures (0.1%)

£15.60 ← £0.91 → £16.51

Fig.3: Mean Pay Gap

£14.36 ←————→ £14.42

Fig.4: Median Pay Gap

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

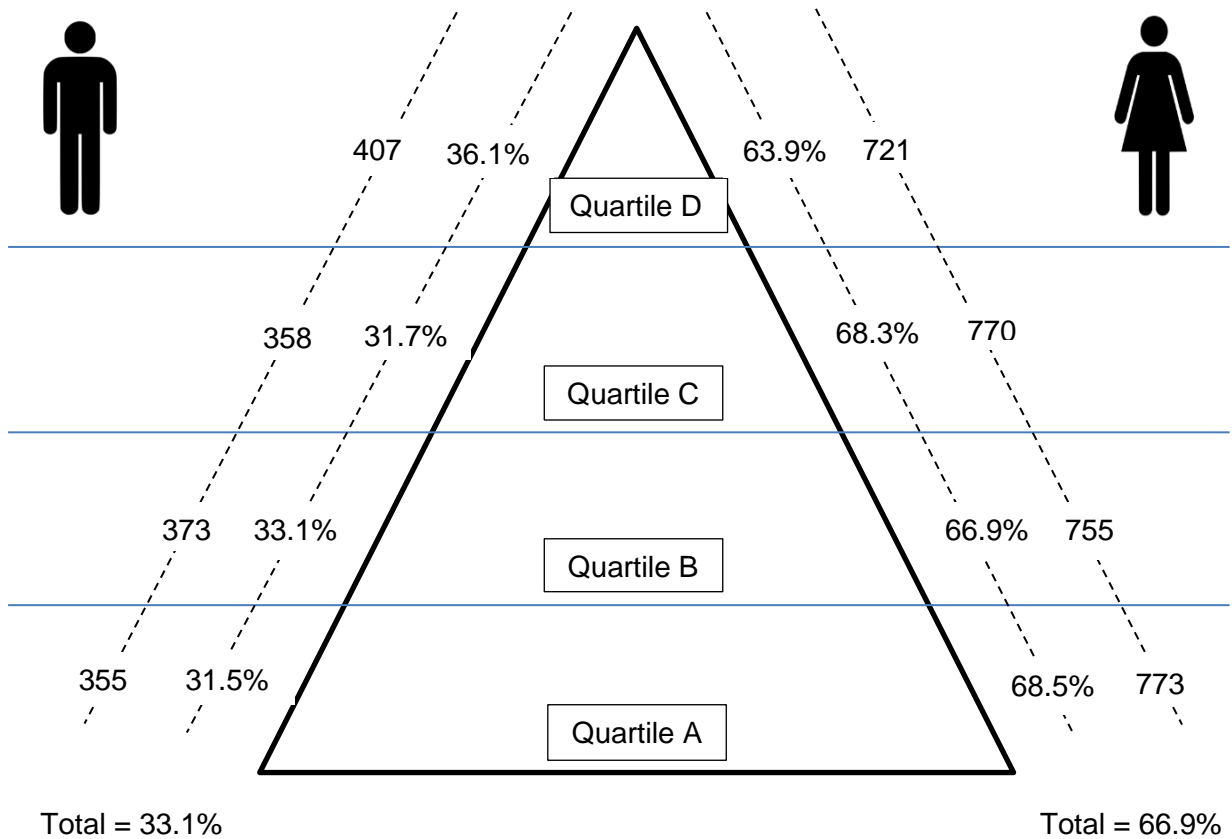


Fig.5: Gender by Quartile

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). Apprentices are paid based on the National Minimum Wage rates reflective of their age and length of service. An apprentice rate is applied for the duration of their first year then the NMW specific to age applies.

The Council adopts spinal column point (SCP) ranges (between 2 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 at most gradings. Grade 12 has a higher number of males at 47 compared to 42 female and Grade 17 with 6 males to 5 females.

There was a decrease in the number of leavers during the 12 months leading up to the 31 March 2023 reference date. In 2023 there were a total of 530 leavers compared to 720 in 2022. There was also a slight increase of new starters in 2023 (694) compared to 2022 (681). The proportions by gender are reflective year on year. With women accounting for approximately 2/3 of the headcount. New starters, where spot salaries do not apply, will normally be offered the minimum of the pay scale.

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. This is in addition to the movement of individuals on the NJC pay scale progressing through the SCP's within the Grade with each year of service

A much greater percentage of females work part-time, thereby creating Occupational Segregation. These roles 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 except for 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 2023 pay period. The hourly rate is calculated on the basis of the contracted hours/ pay rate as reported on 31 March 2023.

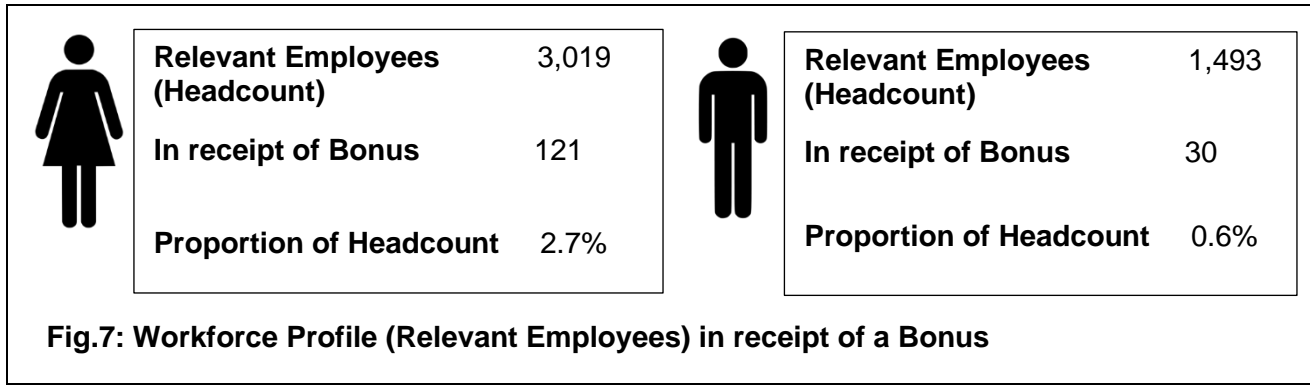
Enhancements are paid only to specified roles and are detailed in an Individuals Statement of Main Terms.

Mean and Median Bonus Gap

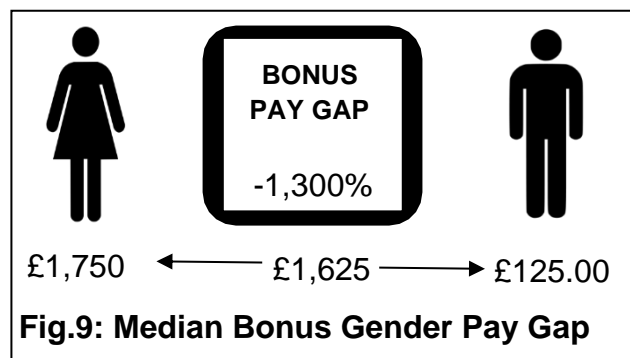
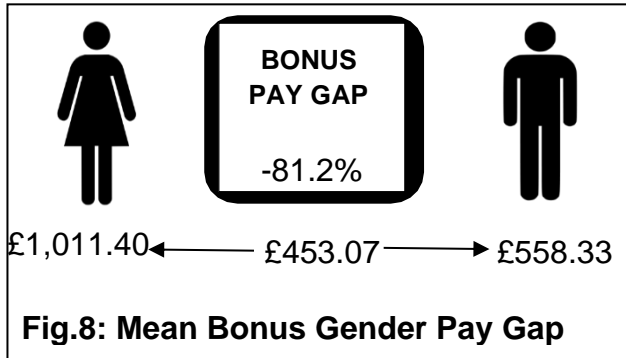
Hull City Council does not operate any performance related pay or bonus schemes; however, in the 2022-2023 reporting period the following 'Bonuses' have been identified for inclusion as per Government guidance:

- 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 2022 to March 2023.
- Retention payment of £1750 for social care workers within Children, Young People and Families. This was to support retention of social workers as part of the retention strategy.

The volume of females in receipt of a bonus is 4 times greater than the volume of males in receipt of a Bonus. Given the gender split in the organisation being predominantly female and that females have a much greater presence within the Social Work profession - which relate to the two bonus elements identified above the reported Mean Bonus Gender Pay figure is to the detriment of males.



There were 4,512 relevant employees at 31 March 2023 (5,052 relevant employees 31 March 2022).



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.

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 a slight increase in the gap from last year's reporting and shows we need to look at reducing the gap across the company. 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.