



THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

Title of meeting:	Employment Committee
Subject:	Gender Pay Gap Report 2023/24
Date of meeting:	11 March 2024
Report by:	Director of Corporate Services
Wards affected:	N/A

1. Purpose

To present the outcomes of the Gender Pay Gap 2023/24, ensuring the Council can fulfil its statutory obligations in respect of the Gender Pay Gap Information Regulations, and note the recommended action plan to build on the council's inclusive working practices, to continue to reduce the gap.

At Employment Committee on 4th December 2018, Members requested that additional data on the age breakdown be included in the Gender Pay Gap Report. The Gender Pay Gap report now includes a breakdown of the workforce profile by age, gender and whether full time or part time. Appendix 1 includes this additional information, as well as the statutory data that the Council is required to publish in accordance with the Gender Pay Gap Information Regulations.

2. Recommendations

It is recommended that the Employment Committee:

- 2.1 Note the key findings of the Gender Pay Gap Report 2023/24 (Appendix 1).
- 2.2 Note the action plan and recommendations as set out as item 8 in the Gender Pay Gap Report 2023/24 (Appendix 1).

3 Background

3.1 The National Context

- 3.1.1 The Gender Pay Gap Information Regulations came into force in March 2017. The regulations applied to all employers with 250 or more employees on the snapshot date of 31st March (for Public Sector employers). Therefore, the authority is required to publish its gender pay gap for each year and publish this information on its website, no later than 30th March of the following year.

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

- 3.1.2 Employers in the public sector are subject to a specific public sector equality duty in respect of their functions. They must have due regard to the need to eliminate discrimination and advance equality of opportunity.
- 3.1.3 The purpose of Gender Pay Gap reporting is to achieve greater gender equality across the UK and increase pay transparency.
- 3.1.4 According to the ONS Gender Pay Gap in the UK: 2023 the national gender pay gap for full-time employees was 7.7%, meaning that average pay for full-time female employees was 7.7% lower than for full-time male employees. This is a slight increase since 2022, where the gap was 7.6%. The national gender pay gap for all employees, full and part-time is 14.3% which is a slight decrease from 2022 when it was 14.4%.
- 3.1.5 Nationally the gender pay gap is higher for all employees than for the category of full-time employees and part-time employees. This is because women fill more part-time jobs, which have lower hourly median pay than full-time jobs, and are more likely to be in lower paid occupations. A contributory factor may be that occupations with the highest rates of pay tend to offer fewer part-time jobs than those with lower pay. A lack of flexible working arrangements on offer at senior levels can be a factor affecting women's progression opportunities.
- 3.1.6 Whilst the data on the age breakdown is not a statutory requirement under the legislation, this data has been included at the request of Members. The ONS has published some national data on the age breakdown and the same categorisation and calculations used by the ONS have been replicated for the breakdown of the data for Portsmouth City Council. The findings are contained in section 3.3.8.

3.2 The Regional Context

- 3.2.1 The table below provides a comparison of the reporting figures from other Local Authorities for the year 2022/23.

Employer	Employer Size	% Difference in hourly rate (Mean)	% Difference in hourly rate (Median)	% Women in lower pay quartile	% Women in lower middle pay quartile	% Women in upper middle pay quartile	% Women in top pay quartile	% Who received bonus pay (Women)	% Who received bonus pay (Men)	% Difference in bonus pay (Mean)	% Difference in bonus pay (Median)
Portsmouth City Council	1000 to 4999	9.3	13.9	72	74	68	64	2	1.7	12.6	54.8
Brighton & Hove City Council	1000 to 4999	-7.2	-6.6	53.8	58.5	56.3	64.1	0	0	0	0
Medway Council	1000 to 4999	7.7	5.2	68.9	76.4	80.3	74.6	0.8	0.4	0	0
Milton Keynes Council	1000 to 4999	9.4	5.6	80.3	82.4	74.8	70.2	0	0	0	0
Oxfordshire County Council	5000 to 19,999	2.3	0	69.4	60	65.9	65.2	0	0	0	0
Plymouth City Council	1000 to 4999	3.1	-6.8	66.2	54.3	68.6	62	0	0	0	0
Reading Borough Council	1000 to 4999	0.1	3	60	60	59	60	1.7	0.6	0	0

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

3.3 The Local Context

3.3.1 The Gender Pay Gap data supplied is correct for all staff, including school staff, in post with Portsmouth City Council on 31st March 2023 who earned their full-pay (relevant employees). At that time, there were 4802 relevant full pay employees, which is made up by 3346 females (70%) and 1456 (30%) males. Out of the 4802 relevant employees, 38 are covered by TUPE regulations (8 are male and 30 are female).

3.3.2 The profile of the workforce has been broken down into the proportion of full time and part time employees, whereby 1139 (45%) of males are full time¹ and 317(14%) are part time compared to 1402 (55%) of females are full time and 1944 (86%) are part time.

3.3.3 The profile of the workforce has been further categorised by age range, based on those as determined by the ONS data. As our workforce is predominantly female (70%) the data is skewed as it shows that women are the higher proportion of workers across each age category compared to males, apart from the 60 and over age group in full time employment, although the number of females in this age category are increasing annually.

It is worth noting that there has been a consistent increase of full-time employees from 2388 in 2021 to 2467 in 2022 and 2541 in 2023 mirrored by a consistent decrease in part-time employees from 2484 in 2021 to 2405 in 2022 and 2261 in 2023. The increase in full-time workers can be seen primarily across females in all age ranges apart from the 22-29 age range where a slight decrease is shown. There have also been consistent increases for both full-time male and females in the 60 and over age range, which may be linked to the rise in retirement age as well as an impact of the cost-of-living crisis.

3.3.4 The table below outlines the workforce profile for **full-time** employees.

Age Range	Full-time women headcount	Full-time women %	Full-time men headcount	Full-time men %	Total headcount
16 to 21	21	70	9	30	30
22 to 29	189	59	132	41	321
30 to 39	276	55	223	45	499
40 to 49	318	54	274	46	592
50 to 59	462	59	326	41	788
60 and over	136	44	175	56	311
Total	1402	53%	1139	47%	2541

¹ Full time is as determined by ONS as those working 30 hours or more.

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

3.3.5 The table below outlines the workforce profile for part-time employees.

Age Range	Part-time women headcount	Part-time women %	Part-time men headcount	Part-time men %	Total headcount
16 to 21	32	74	11	26	43
22 to 29	139	78	40	22	179
30 to 39	368	88	49	12	417
40 to 49	504	91	50	9	554
50 to 59	562	91	56	9	618
60 and over	339	75	111	25	450
Total	1944	86%	317	14%	2261

3.3.6 In addition to the above age profile of the workforce, and using the same methodology as applied by the ONS, the gender pay gap has been broken down by age and full-time/part-time hours. The Gender pay gap by age full-time/part-time is based on the median salary within each data category (as per the ONS data) and uses a separate calculation for part-time and full-time per age range. The data looks at the gender pay gap for people of a similar age and working pattern, unlike the statutory data which looks at the gender pay gap based on the median difference between men and women. Therefore, the gender pay gap within each age bracket does not relate to the overall median figure because that is based on **all** relevant employees across Council, whereas the age gender gap is based on each individual age groupings and working patterns within those age brackets.

3.3.7

Age Bands	Full Time %	Part Time %
16 to 21	4.77	5.91
22 to 29	-4.19	5.88
30 to 39	-3.57	26.48
40 to 49	0.00	-2.09
50 to 59	5.43	6.07
60 and over	-2.78	-3.02

The table above shows that within each age bracket where there is a negative figure, for example -2.00%, this indicates the extent to which females earn, on average, **more** per hour than their male counterparts. A positive measure, for example 2.00%, indicates the extent to which females earn, on average, **less** per hour than their male counterparts.



THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

3.3.8 The figures show that full-time female employees are earning more between the ages of 22 to 39 than their male counterparts, a trend also seen in both full-time and part-time female employees aged 60 and over.

3.4 Key Findings

3.4.1 **Mean Gender pay gap** - The difference between the mean hourly rate of pay for male full-pay relevant employees and that of female full-pay relevant employees is **8.63%**. In March 2022 this gap was 9.27%.

3.4.2 **Median Gender pay gap** - The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees is **7.54%**. In March 2022 this gap was 13.85%.

3.4.3 ***Mean bonus pay gap** - The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees is **16.41%**. In March 2022 this was 12.62%.

3.4.4 ***Median bonus pay gap** - The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees is **32.24%**. In March 2022 this was 54.77%.

3.4.5 ***Bonus proportions** - The proportions of male and female relevant employees who were paid bonus pay during the relevant period in the 12 months up to 31st March was 35 males (2.35%) out of a total of 1456 males and 68 females (1.87%) out of a total of 3346 females.

3.4.6 **Quartile pay bands** - The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands are set out in a table contained within the report.

*For PCC 'Bonus Pay' captures Long Service Awards and one-off honoraria payments. Regular honoraria payments are excluded from "bonus" calculations and included in "ordinary pay".

4.0 Conclusions

4.1 The gender pay gap exists within PCC as the majority (70%) of the workforce are female and predominantly a large proportion of these are employed in the lower quartile pay bands, with fewer employed at the more senior levels.

4.2 PCC's gender pay gap is lower than the national average for all employees, full time, and part time, and this is down to several factors that already exist within the council.



THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

- 4.3 The Gender Pay Gap for the "mean" and "median" categories fall below that of the national average for all employees.
- 4.4 The mean gender bonus gap has increased to 16.41% despite the figures showing that the average payment made to males was lower than that of females. Conversely, the median gender bonus gap has decreased to 32.24% as there were proportionally fewer females in receipt of a bonus payment in the relevant timeframe. There does not appear to be any benchmarking data in relation to bonus payments from ONS that will correlate directly with the calculation method defined by the Gender Pay Gap Information Regulations. Therefore, we do not know how the percentage for bonus payments compares with the national average or sector trends.
- 4.5 The Public Sector Equality Duty (PSED) forms part of the Equality Act 2010, it is made up of a general equality duty and specific duties. The general equality duty covers the following protected characteristics: age (including children and young people), disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. The specific duties require the authority to publish information to demonstrate its compliance with the general equality duty, this information must include information relating to people who share a protected characteristic who are:
 - Its employees, and
 - People affected by its policies and practices.
- 4.6 Unlike the gender pay gap, organisations are not legally required to publish their Ethnicity Pay Gap. The Ethnicity Pay Gap is the percentage difference in the average hourly rate of pay for white British employees and employees from Black, Asian, or other Ethnic backgrounds.
- 4.7 The council is committed to ensuring equality across its workforce, and race equality is of particular importance. Therefore, we are continuing to review and improve workforce data held in relation to ethnicity with a view to including Ethnicity pay reporting as part of future Gender Pay Gap Reporting.

.....
Signed by (Director)



THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location