

CORPORATE AND COMMUNITY SERVICES

Gender Pay Gap 2021

JANUARY 2022



North Kesteven
DISTRICT COUNCIL

Alternative Formats

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1. Introduction

From 2017, any organisation that has 250 or more employees must publish and report specific figures about their gender pay gap.

What is the gender pay gap?

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. For example, 'women earn 15% less than men per hour'. Whereas, a negative gender pay gap indicates that women earn more than men.

For example:

- A pay gap of **4%** means that women earn 4% **less** than men per hour, i.e. women earn 96p for every £1 that men earn when comparing average hourly wages.
- A pay gap of **-4%** means that women earn 4% **more** than men per hour, i.e. women earn £1.04 for every £1 that men earn when comparing average hourly wages.

The 'perfect' gender pay gap is 0%, as this means women earn £1 for every £1 that men earn when comparing average hourly wages, i.e. men and women earn the same average hourly wage.

The mean and median gender pay gaps must be published. These are two different calculations, resulting in two figures for the gender pay gap.

- The **mean** gender pay gap is a measure of the difference between women's mean (or average) hourly wage and men's mean (or average) hourly wage.
- The **median** gender pay gap is a measure of the difference between women's median hourly wage (the middle paid woman) and men's median hourly wage (the middle paid man).

The mean gender pay gap can be more affected than the median by a small number of employees who receive a particularly high or low hourly wage in comparison to the rest of the organisation.

Is gender pay gap the same as equal pay?

No, the gender pay gap is not the same as equal pay. Since 1970, by law, men and women must receive equal pay for doing 'equal work' (work that equal pay law classes as the same, similar, equivalent or of equal value). This means someone must not be paid less compared to someone who is both the opposite sex and doing equal work for the same employer.

Therefore, equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. By contrast the gender pay gap shows the difference in the average pay between all men and women in a workforce.

A gender pay gap can exist if women are more likely than men to be in different roles in the organisation. For example, if women do more of the less well paid jobs within an organisation than men, the gender pay gap is usually bigger.

What must be published?

The following must be published on the Council's public-facing website and reported to government via the government gender pay gap reporting website:

- Mean gender pay gap in hourly pay
- Median gender pay gap in hourly pay
- Mean bonus gender pay gap
- Median bonus gender pay gap
- Proportion of males and females receiving a bonus payment
- Proportion of males and females in each pay quartile.

The figures must be calculated using a specific reference date - this is called the 'snapshot date'. The snapshot date each year is 31 March for public sector organisations.

Summary

This report provides:

1. The gender pay gap for 2021 – the information that is required to be published
2. A comparison of the gender pay gaps for NKDC from 2017 to 2021
3. Gender pay gaps for individual Divisions for 2021
4. A comparison of 2020 gender pay gaps reported by District Councils.
5. Gender by pay grade
6. Market supplements by gender.

2. Definitions

Mean hourly pay

The mean hourly rate is the average hourly wage across the entire organisation. The hourly rates for employees are added together then divided by the number of employees.

For example:

£5.28 £10.33 £12.84 £18.15 £24.11

Adding together all the hourly wages gives £70.71.

$£5.28 + £10.33 + £12.84 + £18.15 + £24.11 = £70.71$

Dividing the total by 5, as there are 5 employees, gives the mean of the hourly wages as **£14.14**

$£70.71 \div 5 = £14.14$

Comparatively high or low hourly rates have an impact on the mean. By increasing the fifth employee's hourly wage from £24.11 to £50.00 the mean hourly wage increases to £19.32. In comparison, the median hourly pay, see below, remains unchanged.

Median hourly pay

The median hourly rate is calculated by ranking all employees from the highest paid to the lowest paid, and taking the hourly wage of the person in the middle.

For example the median, or 'middle value' of the following hourly rates is £12.84.

Lowest paid		Highest paid
£5.28	£10.33 £12.84 £18.15	£24.11
	Median	

Comparatively high or low hourly rates have little impact on the median. By increasing the fifth employee's hourly wage from £24.11 to £50.00 the median hourly wage in this example is unchanged.

Lowest paid		Highest paid
£5.28	£10.33 £12.84 £18.15	£50.00
	Median	

Mean gender pay gap

The mean gender pay gap is the difference between women's mean hourly wage and men's mean hourly wage, as a percentage of men's pay.

For example, a mean gender pay gap of 4% means that women earn 4% less than men per hour, i.e. women earn 96p for every £1 that men earn when comparing mean hourly wages.

A positive pay gap indicates that women earn less than men when comparing mean hourly wages, whilst a negative pay gap indicates that women earn more than men. A pay gap of zero shows that women earn the same as men when comparing mean hourly wages.

Comparatively high or low hourly rates have an impact on the mean and hence the mean gender pay gap. If, for example, all the highest paid roles in the organisation are held by men, the mean hourly pay for men is likely to be higher than for women. This will result in a mean gender pay gap.

Median gender pay gap

The median gender pay gap is the difference between women's median hourly wage (the middle paid woman) and men's median hourly wage (the middle paid man), as a percentage of men's pay.

For example, a median gender pay gap of 4% means that women earn 4% less than men per hour, i.e. women earn 96p for every £1 that men earn when comparing median hourly wages.

A positive pay gap indicates that women earn less than men when comparing median hourly wages, whilst a negative pay gap indicates that women earn more than men. A pay gap of zero shows that women earn the same as men when comparing median hourly wages.

As the median is less sensitive to comparatively high or low hourly rates, the median pay gap is impacted less by small numbers of employees earning particularly high hourly wages.

Quartile

Pay quarters, or quartiles, are calculated by splitting all employees in an organisation into four groups according to their level of pay, with an equal number of employees in each group.

From highest paid to lowest paid, these groups are known as the:

- Upper quartile (the top 25% of employees by hourly pay, the highest paid)
- Upper middle quartile
- Lower middle quartile
- Lower quartile (the bottom 25% of employees by hourly pay, the lowest paid).

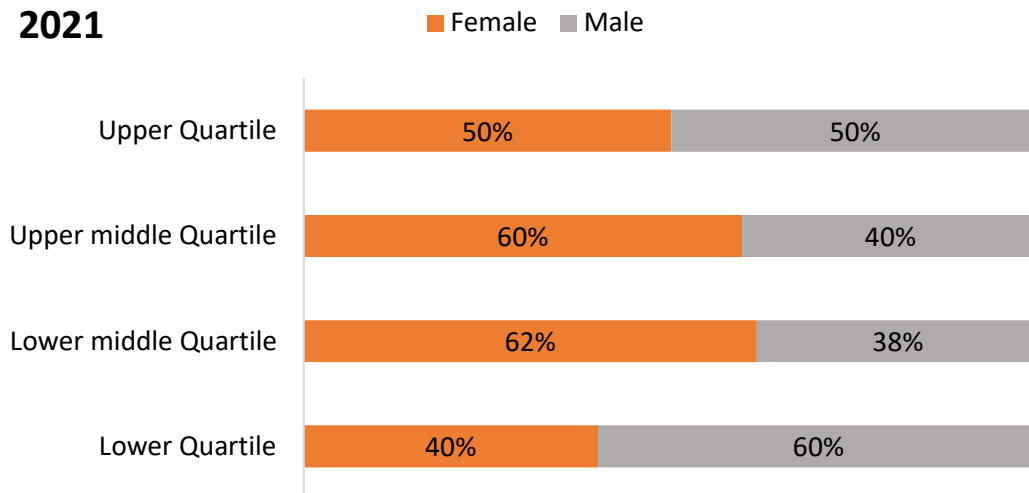
Looking at the proportion of women in each quarter gives an indication of women's representation at different levels of the organisation.

For example, if 50% of employees are female, but only 10% of the upper quartile are female, then women are underrepresented at the top of the organisation. In this example, the majority of the highest paid roles in the organisation (90%) are filled by men. This could be due long hours being required for senior roles which do not fit around caring and family commitments, women not applying for promotions or particular job vacancies, or other factors.

3. Gender Pay Gap 2021

- Women's **median** hourly wage is **8% higher** than men's.
Women earn £1.08 for every £1 that men earn when comparing median hourly wages.
- Women's **mean** hourly wage is **6% lower** than men's.
Women earn 94p for every £1 that men earn when comparing mean hourly wages.
- Proportion of women in each pay quarter
Women occupy 50% of the highest paid jobs and 40% of the lowest paid jobs.

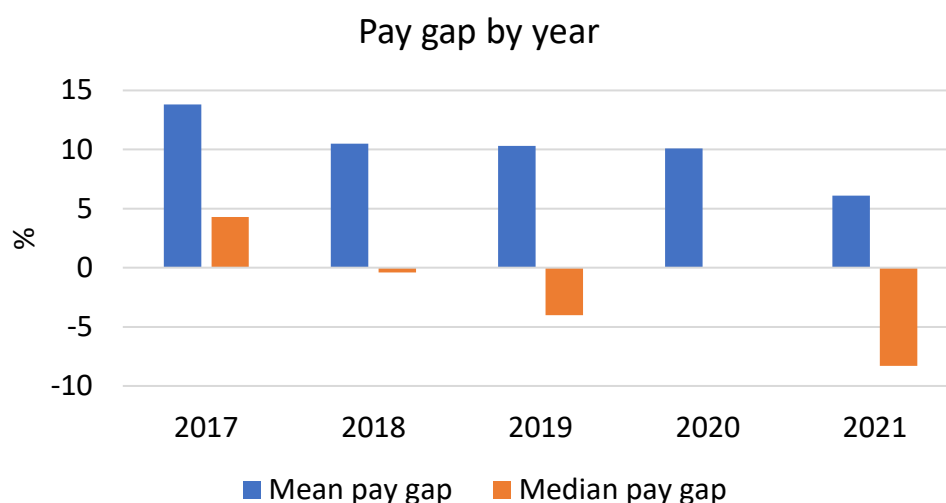
2021



- No bonuses were paid.
- Please note that market supplements are classed as ordinary pay for the gender pay gap calculations. More detail on market supplements by gender can be found in [Section 8](#).

4. Comparison with Previous Years

Pay Gap



Men still earn more when comparing mean hourly wages, but the mean pay gap has continued to decrease, dropping by 4% from 2020 to 2021, the most significant reduction in the past four years.

The median pay gap has changed from no gap in 2020 to women earning more than men in 2021, when comparing median hourly wages.

	2017	2018	2019	2020	2021
Mean pay gap	13.8%	10.5%	10.3%	10.1%	6.1%
Median pay gap	4.3%	-0.4%	-4.0%	0%	-8.3%

Mean pay for women increased by £1.16 (8.5%) from 2020 to 2021, while mean pay for men increased by 58p (3.8%) decreasing the mean pay gap.

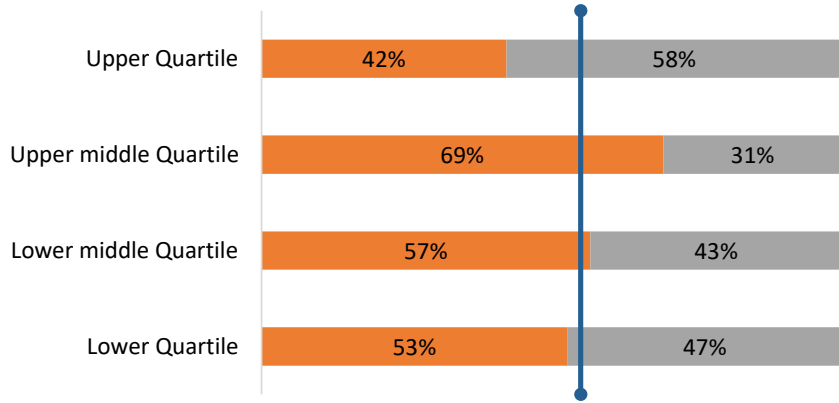
In 2020 the median pay for both men and women was £12.84, resulting in no median pay gap. In 2021, the median pay for women has increased to £14.01 while median pay for men has only increased by 10p, to £12.94, resulting in a negative pay gap.

	2018		2019		2020		2021	
	Mean pay	Median pay	Mean pay	Median pay	Mean pay	Median pay	Mean pay	Median pay
Female	£12.57	£11.74	£13.05	£11.97	£13.74	£12.84	£14.90	£14.01
Male	£14.04	£11.70	£14.54	£11.51	£15.28	£12.84	£15.86	£12.94

Proportion in each pay quarter

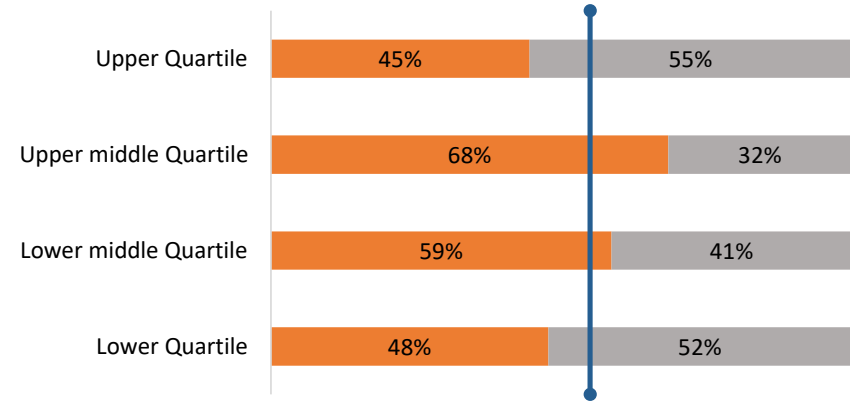
2018

Female Male Overall



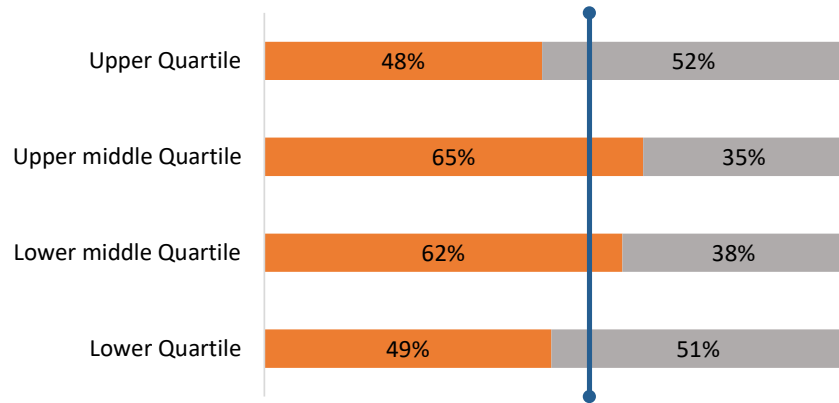
2019

Female Male Overall



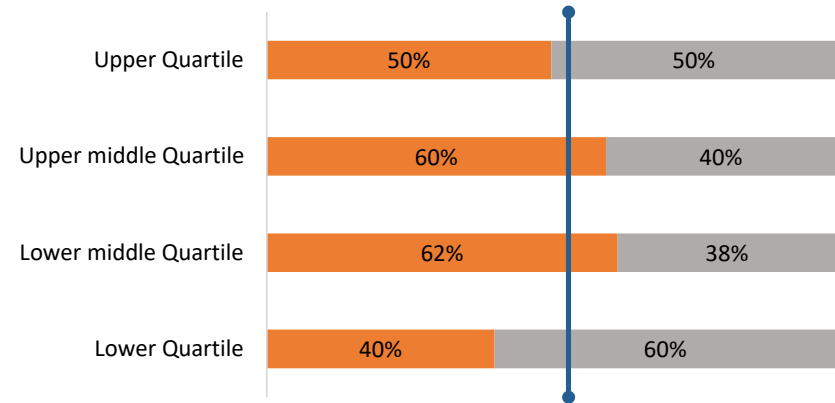
2020

Female Male Overall



2021

Female Male Overall



Looking at the proportion of women in each pay quartile, or quarter, gives an indication of women's representation at different levels of the organisation. In March 2021, 53% of the total number of employees were women and 47% were men. If women were equally represented in each quartile, the proportion of women would be 53% in each.

The 'Overall' line on each graph on the previous page indicates the organisational gender split for the relevant year, to allow quartiles where a particular gender is comparatively over or under-represented to be easily identified. If the gender ratio at each quartile is the same as for the organisation, the median pay gap is likely close to zero.

As the graph for 2021 on the previous page shows, compared to the organisational gender composition, women continue to be underrepresented in both the upper and lower quartiles, and overrepresented in the lower middle and upper middle quartiles.

Summary of changes from 2017 to 2021:

- The overall percentages of women and men have changed slightly, from 55-56% women and 44-45% men in 2017-2020, to 53% women and 47% men in 2021.
- The proportion of women in the lower quartile has continued to decrease from 57% in 2017 to 40% in 2021.
- The proportion of women in the upper quartile has continued to increase, from 40% in 2017 to 50% in 2021.
- The proportion of women in the upper middle quartile has decreased by 5% from 2020 to 2021, whilst the proportion of women in the lower middle quartile has remained the same.

The decrease in women in the lower quartile and the increase of women in the upper quartile have contributed to the negative median pay gap.

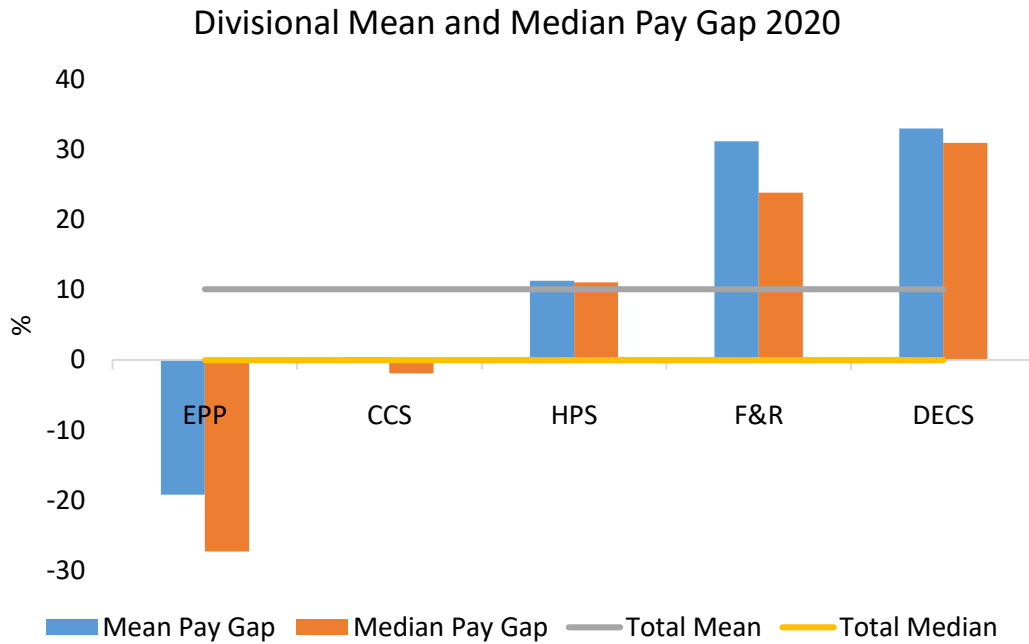
Whilst the median pay gap shows that women typically, or overall, earn more than men, the mean gap shows that they earn less. The mean pay gap can indicate that there are more men than women earning the highest salaries.

Of the ten highest paid employees in the Council for March 2021, eight employees are male. Of the top 30 highest paid, 63% are male. There has been no change in women's representation at the top of the organisation since March 2020, where women remain underrepresented.

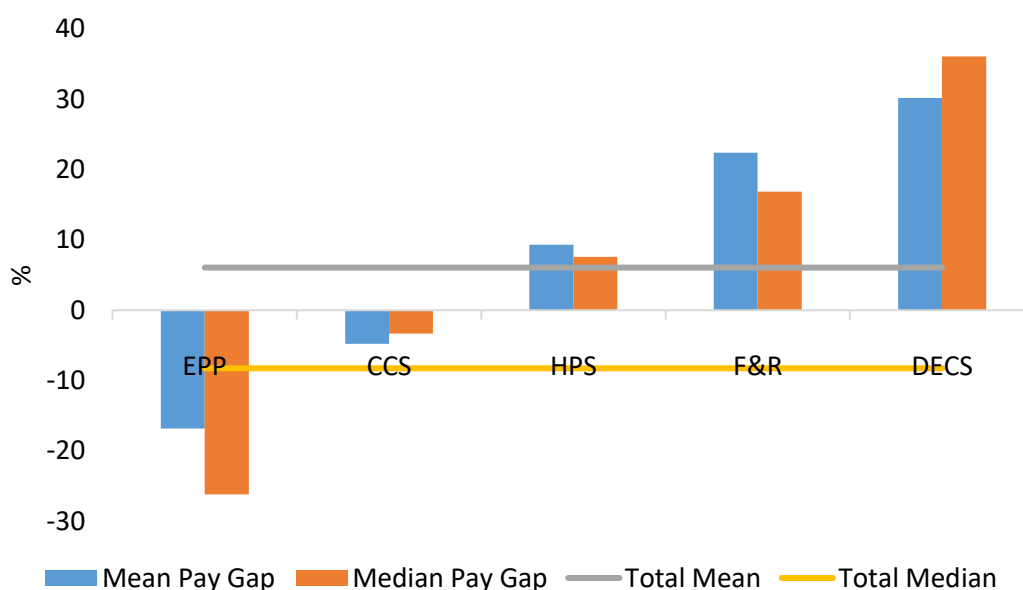
5. Gender Pay Gap by Division

The graphs below show the mean and median pay gaps by Division, for 2020 and 2021. A table of the values is included on the following page.

Democratic Services have been included with Finance and Resources for the purpose of this analysis due to the comparatively smaller numbers in these two Divisions.



Divisional Mean and Median Pay Gap 2021



	2020		2021	
	Mean Pay Gap	Median Pay Gap	Mean Pay Gap	Median Pay Gap
EPP	-19.2%	-27.3%	-16.8%	-26.2%
CCS	0.4%	-1.9%	-4.8%	-3.3%
HPS	11.3%	11.1%	9.3%	7.6%
F&R	31.2%	23.9%	22.4%	16.8%
DECS	33.0%	31.0%	30.2%	36.1%
Overall	10.1%	0%	6.1%	-8.3%

Summary

- Environmental and Public Protection (EPP) maintains its negative gender pay gap (women earn more than men when comparing average hourly wages), although both the mean and median pay gap have decreased in size.
- Corporate and Community Services (CCS) joins EPP in having negative gender pay gaps, but both the mean and median pay gaps have increased in size.
- The gender pay gaps in Housing and Property Services (HPS) have both decreased, with women's mean and median hourly wages now less than 10% lower than men's.
- Finance and Resources (F&R) and Development, Economic and Cultural Services (DECS) have the largest positive gender pay gaps (women earn less than men when comparing average hourly wages), but, other than the median pay gap for DECS, these have all decreased in size.

Environmental and Public Protection

56% of this Division is made up of Refuse Collectors, Loaders and Drivers, who are all male (as at March 2021), and make up the majority of the lower and lower middle quartile for the Division.

Only 17% of the Division are female and most are in the upper and upper middle quartiles. This has led to a negative pay gap where women earn more than men when comparing average hourly wages.

Corporate and Community Services

65% of this Division are female and women make up 67% of the upper quartile for this Division. As well as being relatively well represented in the upper quartile, women are also reasonably well represented in the upper middle (63%), whilst being underrepresented in the lower middle (56%) and overrepresented in the lower quartile (73%), where the majority are Customer Service Advisers.

This overall distribution of women through the pay quartiles has contributed to particularly low pay gaps for this Division.

Housing and Property Services

65% of this Division are female. Therefore, whilst women make up 53% of both the upper and lower quartile, and 63% of the upper middle quartile, they are overrepresented in the lower middle (90%). Jobs in the lower middle quartile include Generic Support Officers and Housing Assistants, which are almost all taken by female colleagues.

Finance and Resources

69% of this Division are female. Women make up 83% of the lower quartile for the Division, but only 58% of the upper quartile contributing to the large pay gap.

Development, Economic and Cultural Services

This Division still has the largest pay gaps. Whilst 63% of this Division are female, women make up 93% of the lower quartile, whilst making up only 27% of the upper quartile. The very uneven distribution of women through the hourly wage has led to a large pay gap.

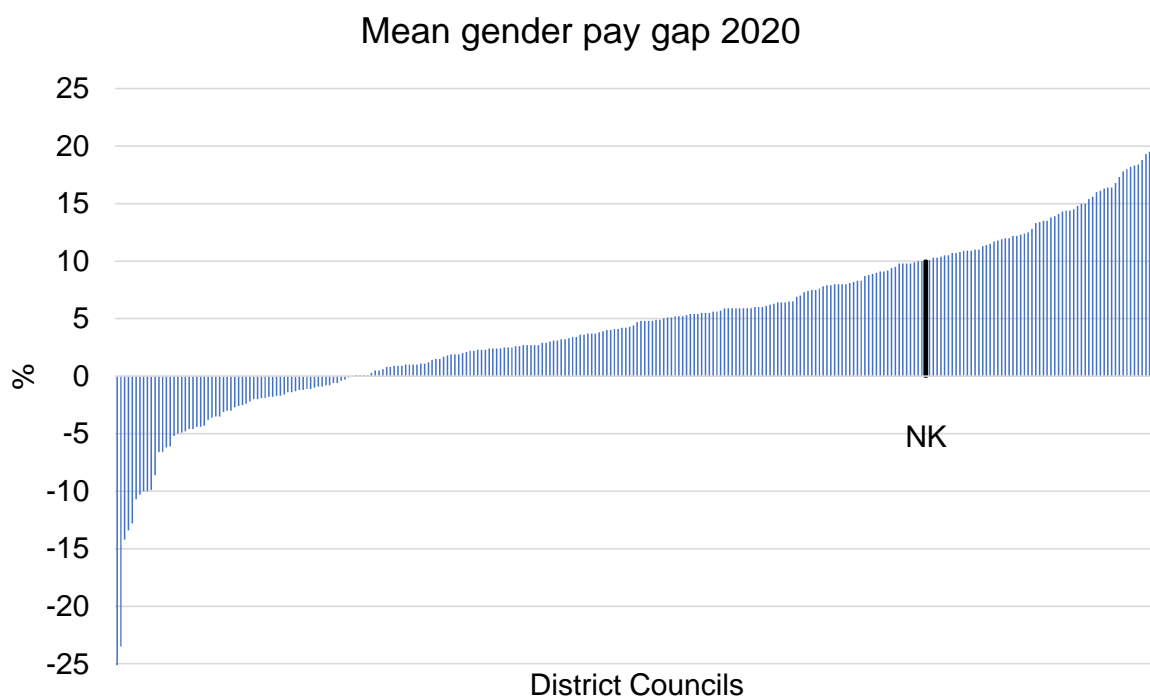
6. Gender Pay Gap 2020 – Comparison with other District Councils

At the time of writing, as there are still a few months until the reporting deadline for the 2021 Gender Pay Gap. In this report, therefore, we compare the 2020 Gender Pay Gaps for District Councils with comparison of 2021 data being produced at a later date.

Mean gender pay gap

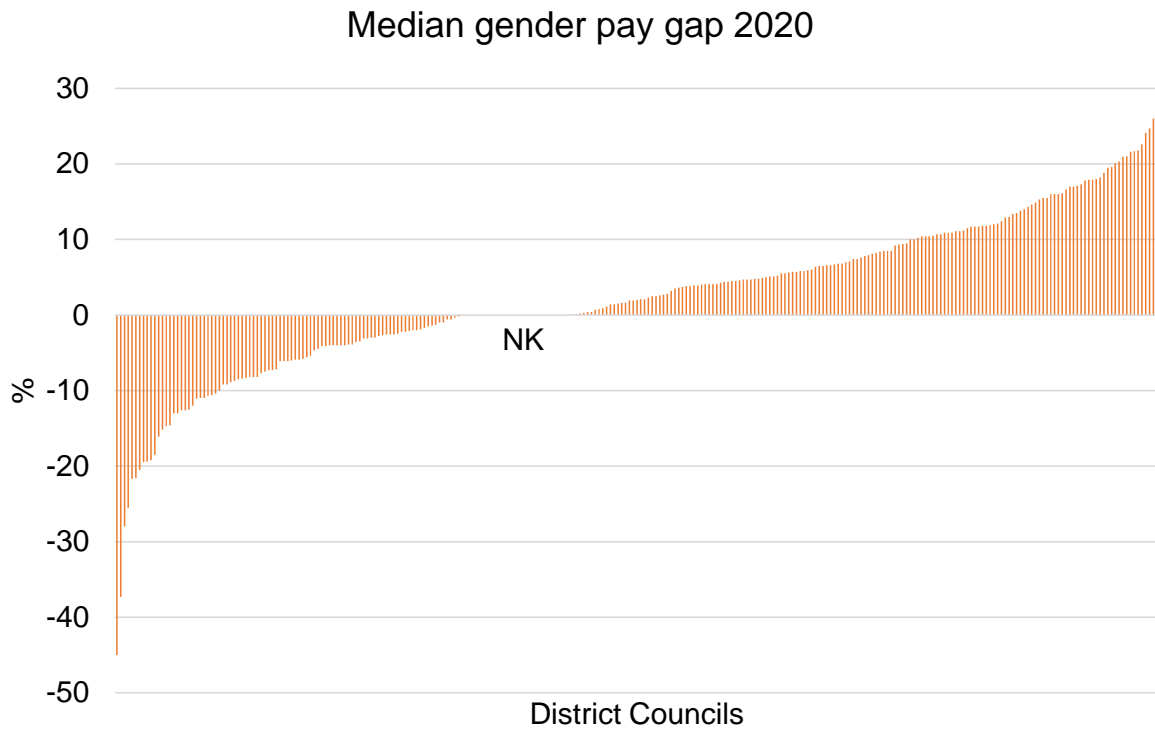
In terms of magnitude of mean gender pay gap, where 1st is the closest to zero, North Kesteven ranked of 208th of the 275 District and single tier Councils, for which data is available. The mean gender pay gaps range from -25.3% for Thanet (women earn 25.3% more than men per hour when comparing average hourly wages) to 21.6% for Stratford-on-Avon (women earn 21.6% less than men). Only South Ribble had a gap of 0%.

Please note that for clarity only North Kesteven is labelled on the graphs below.



Median gender pay gap

North Kesteven is among the 29 Councils that had a median gender pay gap of 0%. The median gender pay gaps range from -45% for Three Rivers (women earn 45% more than men per hour when comparing average hourly wages) to 29.5% for Tonbridge and Malling (women earn 29.5% less than men).

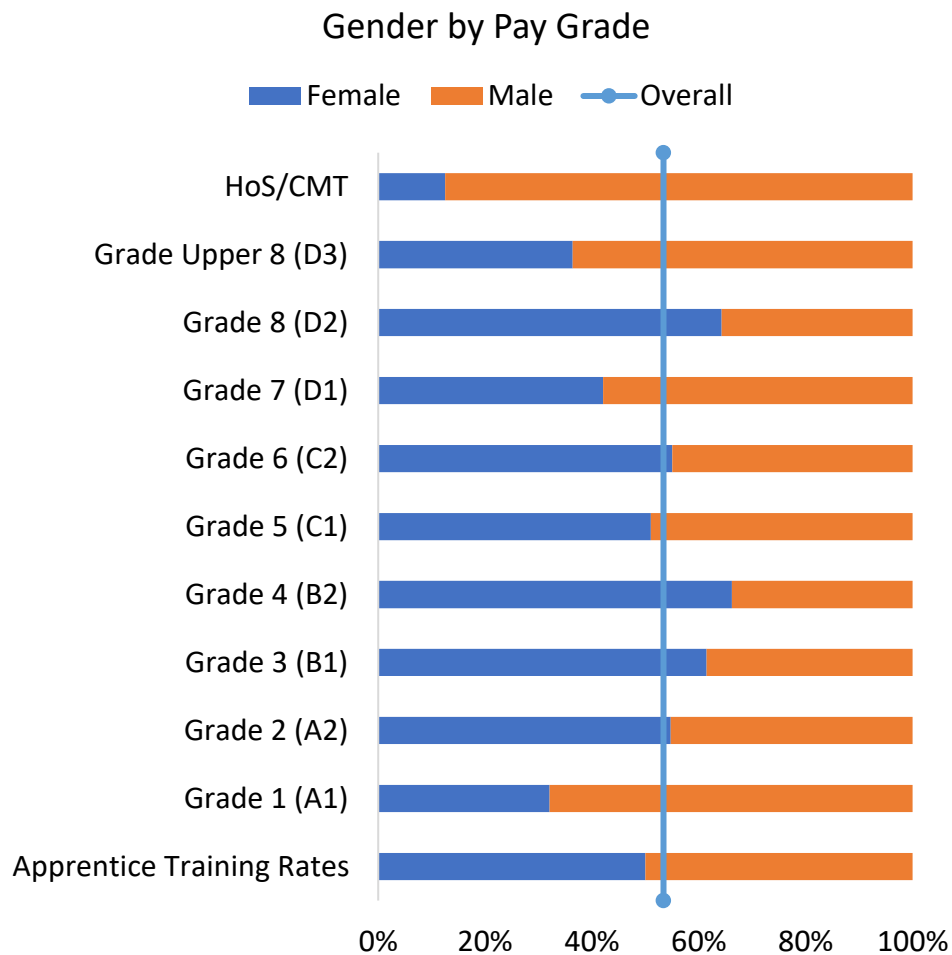


7. Pay Grade Analysis

Looking at the proportion of women in each pay quarter, or quartile, gives an indication of women's representation at different levels of the organisation. It can also be useful to look the gender balance by seniority structure.

Please note that the data used in this section of the report is taken from December 2021 and, as such, incorporates some minor variations to the data used in the gender pay gap calculations.

The graph below shows the % of each gender by pay grade. The vertical line shows where the split would be if the % of each gender was the same as the overall gender percentages for the whole organisation (53% female, 47% male).



The largest deviations from the organisational gender percentages are seen at CMT/Head of Service level, Grade 1 and Grade Upper 8.

- CMT/Head of Service – At this level there are seven men and one woman, so only 12.5% of employees at this level are female. There has been no change since the year before meaning that women are still underrepresented at the top of the organisation.
- Grade 1 – 68% at this pay grade are male, a reduction from 74% in December 2020. However, 35 out of 53 people at this level are employed as Refuse Collectors, all but one of whom are male.
- Grade Upper 8 – 36% at this level are women, the same as in December 2020. There are four women and seven men in this pay grade and this gender imbalance, in addition to that in the pay grade above, contributes to the mean gender pay gap.

Grades 2, 5, 6 and the Apprentice level have a gender balance most similar to that for the organisation. These grades include a wide range of Assistant and Officer roles across the Council's services and a small number of Managers/Team Leaders.

Grade	2021		Change since 2020	
	Female	Male	Female	Male
Apprentice Training Rates	2	2	-1	0
Grade 1 (A1)	17	36	5	2
Grade 2 (A2)	29	24	3	5
Grade 3 (B1)	59	37	6	2
Grade 4 (B2)	47	24	1	4
Grade 5 (C1)	25	24	0	4
Grade 6 (C2)	22	18	1	-1
Grade 7 (D1)	8	11	2	1
Grade 8 (D2)	9	5	0	-1
Grade Upper 8 (D3)	4	7	0	0
Head of Service/CMT	1	7	0	0

The most noticeable improvements, where gender balance at a particular grade has moved closer to the overall gender balance for the organisation, are at:

- Grade 1 – from 26% women to 32%
- Grade 7 – from 38% women to 42%
- Grade 4 – from 70% women to 66%
- Grade 2 – from 58% women to 55%
- Apprentice Training Rate – from 60% women to 50%

At Grade 8, the percentage of women increased further from the overall organisational gender balance, from 60% to 64%.

8. Market Supplements

Market supplements apply to job roles not to the individuals. It is possible, however, that roles in receipt of a market supplement may be more attractive to one gender than another, for example, due to hours, flexibility, responsibilities and demands.

In 2021/22, 13 roles received market supplements, with 17 roles identified for market supplements in the 2022/23 Pay Policy.

A Reward and Recognition Panel review market supplements prior to the duration expiry of 18 months. Any new market supplements proposed must fit one of the three reasons within the Market Supplement Policy or will not be considered.

As shown in the tables below, approximately 4 in 5 colleagues (81%) in receipt of a market supplement in 2021/22 are male.

From the 2021/22 Pay Policy to the 2022/23 Pay Policy, 4 additional jobs receive a market supplement (alongside one that has been redefined, Licensing Team Leader to Licensing Manager). These jobs are:

- Environmental Health Team Leader – Environmental Protection
- Public Protection Manager
- Senior Accountant
- Strategic Leisure Contract Manager.

Overall, based on the gender of colleagues currently in these roles, this would be an increase of 3 men and 4 women receiving a market supplement. The percentage of those receiving a market supplement by gender would change from:

- 81% male, 19% female in 2021/22, to
- 71% male, 29% female in 2022/23.

Whilst this would be an improvement, the majority of market supplements would still be received by men.

For all jobs that have an approved market supplement in both years, the percentage supplement remains the same, other than:

- Strategy and Transformation Manager, which increases from 15% to 17.5%
- Licensing Team Leader, 10%, to Licensing Manager, 12%, though the responsibilities may have changed along with the job title.

In addition, both of these roles are currently filled by men.

There are roles receiving market supplements in all Divisions, but many are in DECS, which has the largest divisional gender pay gap, and EPP.

The Grades of roles receiving market supplements vary from Grade 6 to Upper Grade 8 which together have a gender balance similar to that for the organisation overall.

Job Title	2021/22			2022/23		
	Approved Market Supplement	Gender (as at Mar 2021)		Approved Market Supplement	Gender (as at Jan 2022)	
		Male	Female		Male	Female
Area Planning Officer	15%	3	2	15%	3	2
Conservation Officer	15%	1		15%	1	
Democratic Services Manager	17.5%		1	17.5%		1
Development Manager	17.5%	1		17.5%	1	
District Environmental Health Officer – Food Health and Safety	7%	2		7%	1	1
District Environmental Health Officer – Environmental Protection	7%	1		7%	2	
Environmental Health Team Leader – Environmental Protection				12%		1
HR Manager	17.5%		1	17.5%		1
ICT Manager	15%	1		15%	1	
Licensing Manager				12%	1	
Licensing Team Leader	10%	1				
Principal Planning Officer	10%	3		10%	3	
Property Services Manager	17.5%	1		17.5%	1	
Public Protection Manager				11%	1	
Senior Accountant				15%	1	2
Strategic Finance Manager	14%	2		14%	2	
Strategic Leisure Contract Manager				17.5%	1	
Strategy and Transformation Manager	15%	1		17.5%	1	
	Total	17	4	Total	20	8



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