

CORPORATE AND COMMUNITY SERVICES

Gender Pay Gap 2022

FEBRUARY 2023



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 larger.

What must be published?

The following must be published on the Council's public-facing website and reported to central government via the 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 2022 – the information that is required to be published
2. A comparison of the gender pay gaps for the Council from 2018 to 2022
3. Gender pay gaps for individual Divisions for 2022
4. A comparison of 2021 gender pay gaps reported by District Councils
5. Gender by pay grade
6. Market supplements by gender.

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:

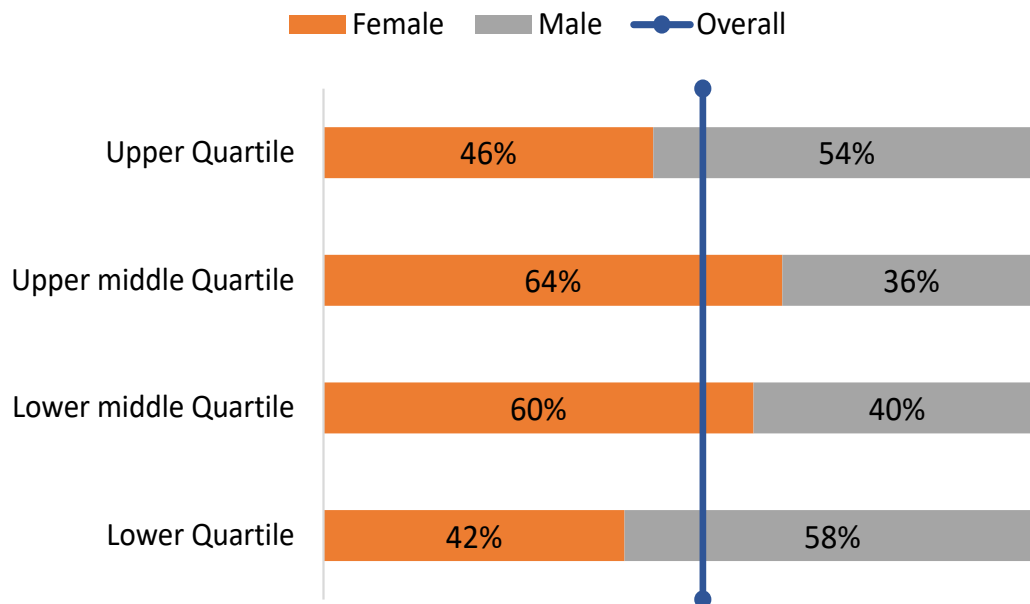
- Upper quartile (25% of the highest paid employees by hourly pay)
- Upper middle quartile
- Lower middle quartile
- Lower quartile (25% of the lowest paid employees by hourly pay).

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 may not fit around caring and family commitments, women not applying for promotions or particular job vacancies, or other factors.

3. Gender Pay Gap 2022

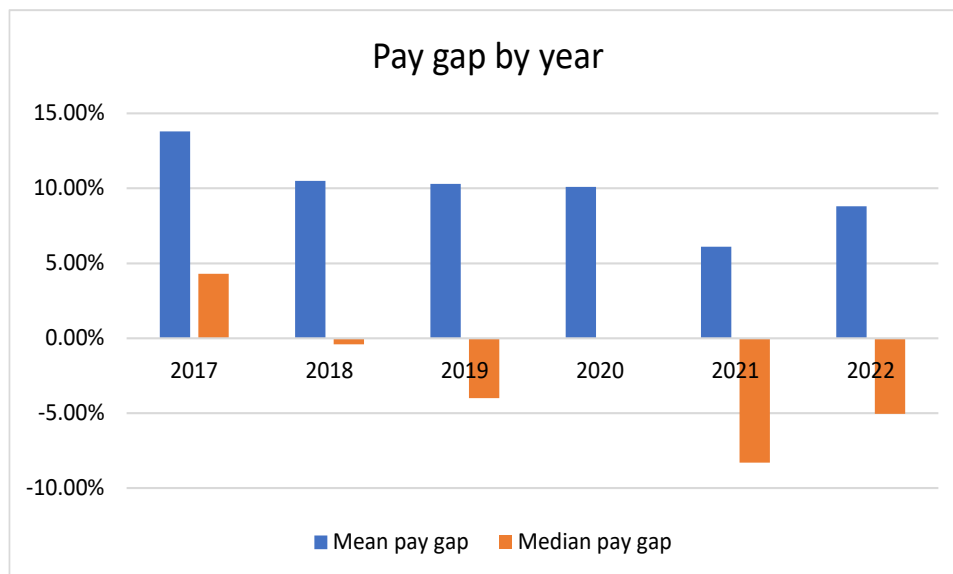
- Women’s **median** hourly wage is **5% higher** than men’s.
Women earn £1.05 for every £1 that men earn when comparing median hourly wages.
- Women’s **mean** hourly wage is **9% lower** than men’s.
Women earn 91p for every £1 that men earn when comparing mean hourly wages.
- Proportion of women in each pay quarter.
Women occupy 46% of the highest paid jobs and 42% of the lowest paid jobs.



- 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, and the mean pay gap has increased for the first time in five years, by 2.7% from 2021 to 2022.

The median pay gap has changed from no gap in 2020 to women earning more than men in 2021, when comparing median hourly wages. However, this has reduced from -8.3% in 2021 to -5.0% in 2022.

	2017	2018	2019	2020	2021	2022
Mean pay gap	13.8%	10.5%	10.3%	10.1%	6.1%	8.8%
Median pay gap	4.3%	-0.4%	-4.0%	0%	-8.3%	-5.0%

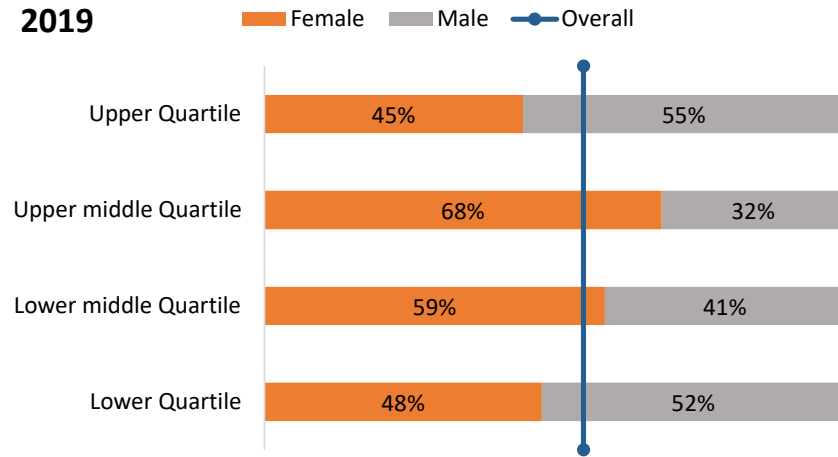
Mean pay for women increased by 5p (0.3%) from 2021 to 2022, while mean pay for men increased by 54p (3.4%) increasing the mean pay gap.

In 2021 the median pay for men was £12.94, whereas for women, it was £14.01. In 2022, the median pay for men has increased by 36p to £13.30 while median pay for women has decreased by 4p, to £13.97, resulting in a negative pay gap, although a smaller one than the previous year.

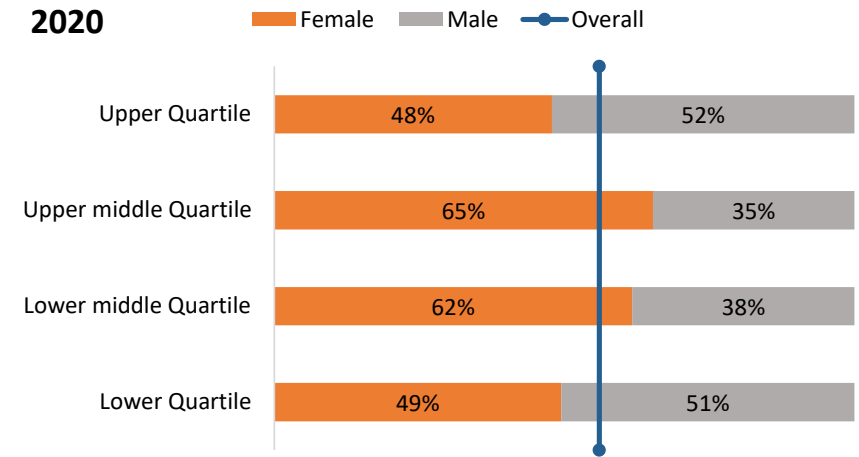
	2019		2020		2021		2022	
	Mean pay	Median pay	Mean pay	Median pay	Mean pay	Median pay	Mean pay	Median pay
Female	£13.05	£11.97	£13.74	£12.84	£14.90	£14.01	£14.95	£13.97
Male	£14.54	£11.51	£15.28	£12.84	£15.86	£12.94	£16.40	£13.30

Proportion in each pay quarter

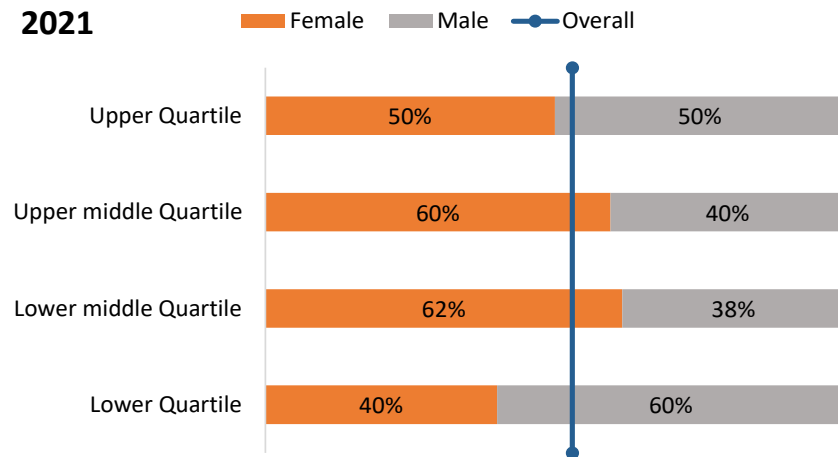
2019



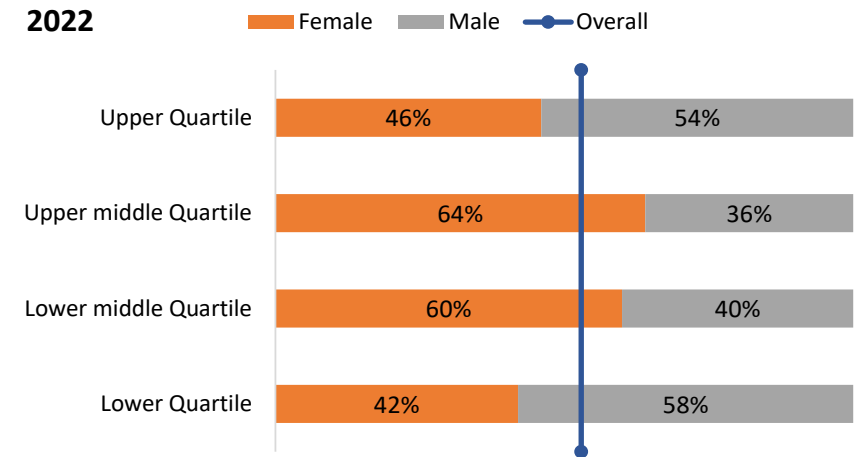
2020



2021



2022



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 2022, 52.9% of the total number of employees were women and 47.1% were men. If women were equally represented in each quartile, the proportion of women would be 52.9% in each.

The 'Overall' line on each graph on the previous page shows 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 will be close to zero.

As the graph for 2022 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 2018 to 2022:

- The overall percentages of women and men in the organisation have varied between 52.8% - 55.2% women and 44.8% - 47.2% men in 2018-2022; currently they are sitting at 52.9% for women and 47.1% for men in 2022.
- The proportion of women in the lower quartile has decreased from 53.0% in 2018 to 42.4% in 2022, although this is a slight increase from 40.0% in 2021.
- The proportion of women in the upper quartile increased, from 42.0% in 2018 to 50.0% in 2021 but has fallen to 45.9% in 2022.
- The proportion of women in the upper middle quartile has increased by 4.0% from 2021 to 2022, whilst the proportion of women in the lower middle quartile has decreased by 2.0% for the same period.

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

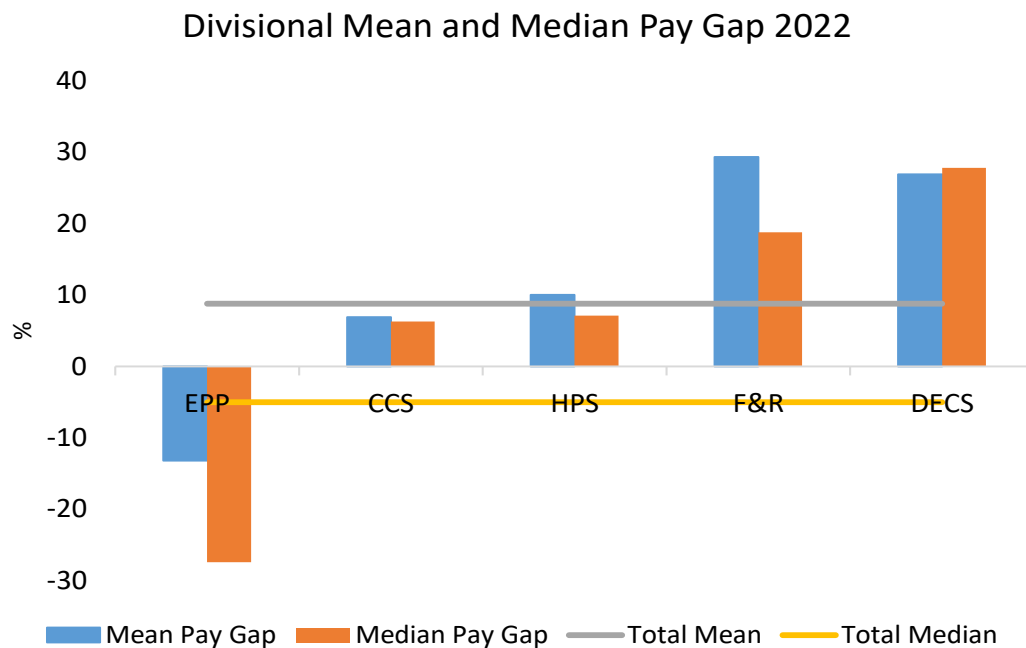
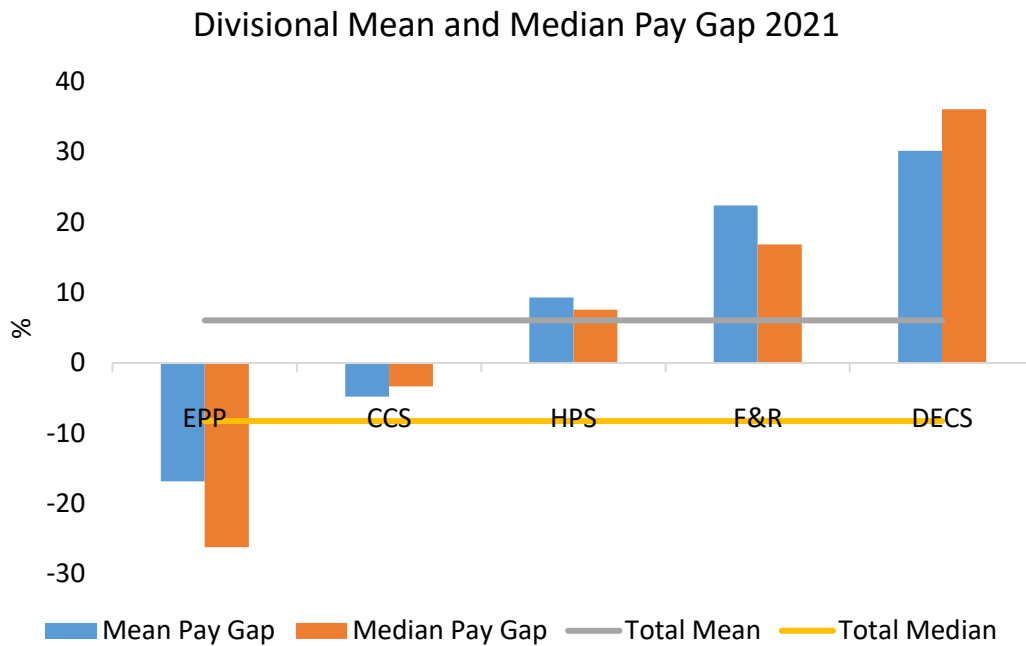
Whilst the median pay gap shows that women typically, or overall, earn more than men, the mean gap shows that women earn less. The mean pay gap can indicate that there are more men than women earning the highest salaries.

Of the ten highest paid employees in the Council for March 2022, nine employees are male and, of the top 30 highest paid colleagues, 23 (76.7%) are male. Women's representation at the top of the organisation has decreased by a further 13.4% since March 2021; there were previously 11 women in the top 30 highest paid, whereas there are now 7, which shows women remain underrepresented.

5. Gender Pay Gap by Division

The graphs below show the mean and median pay gaps by Division, for 2021 and 2022. A table of the values is included on the following page.

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



	2021		2022	
	Mean Pay Gap	Median Pay Gap	Mean Pay Gap	Median Pay Gap
EPP	-16.8%	-26.2%	-13.2%	-27.4%
CCS	-4.8%	-3.3%	6.9%	6.3%
HPS	9.3%	7.6%	10.0%	7.1%
F&R	22.4%	16.8%	29.3%	18.8%
DECS	30.2%	36.1%	26.9%	27.8%
Overall	6.1%	-8.3%	8.8%	-5.0%

Summary

- Environment and Public Protection (EPP) maintains its negative gender pay gap (women earn more than men when comparing average hourly wages), although the mean pay gap has decreased in size, whilst the median has grown.
- Corporate and Community Services (CCS) now has a positive gender pay gap, the mean having grown by 11.7% and the median having grown by 9.6%.
- The gender pay gaps in Housing and Property Services (HPS) have done the opposite of EPP, with the mean pay gap having increased and the median pay gap having decreased, however both by relatively small amounts.
- 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). However, for DECS, these have decreased in size, whereas for F&R, they have increased.

Environmental and Public Protection

55.6% of this Division's roles are Refuse Collectors, Loaders and Drivers, the vast majority of whom are male (as of March 2022), which make up the majority of the lower and lower middle quartile for the Division.

Only 17.2% of the Division are female, with most 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

66.7% of this Division are female and women make up 53.3% of the upper quartile for this Division. As well as being underrepresented in the upper quartile, women are also underrepresented in the lower middle (56.3%), whilst being overrepresented in the upper middle (75.0%) and in the lower quartile (81.3%), where the majority of roles are Customer Service Advisers.

This overall distribution of women through the pay quartiles has contributed to lower pay gaps when compared with other Divisions at the Council.

Housing and Property Services

65.5% of this Division are female. Women are underrepresented in the lower and upper quartiles, 56.7% and 51.7% respectively, whereas they are generally well represented in the upper middle quartile (70.0%) and overrepresented in the lower middle (83.3%). Jobs in the lower middle quartile include Support Officers and Housing Assistants, the majority of whom are female.

Finance and Resources

68.9% of this Division are female. Women make up 91.7% of the lower quartile for the Division, but only 54.5% of the upper quartile contributing to the large pay gap.

Development, Economic and Cultural Services

Whilst 60.3% of this Division are female, women make up 87.5% of the lower quartile, and 26.7% of the upper quartile. The uneven distribution of women through the hourly wage has led to a large pay gap.

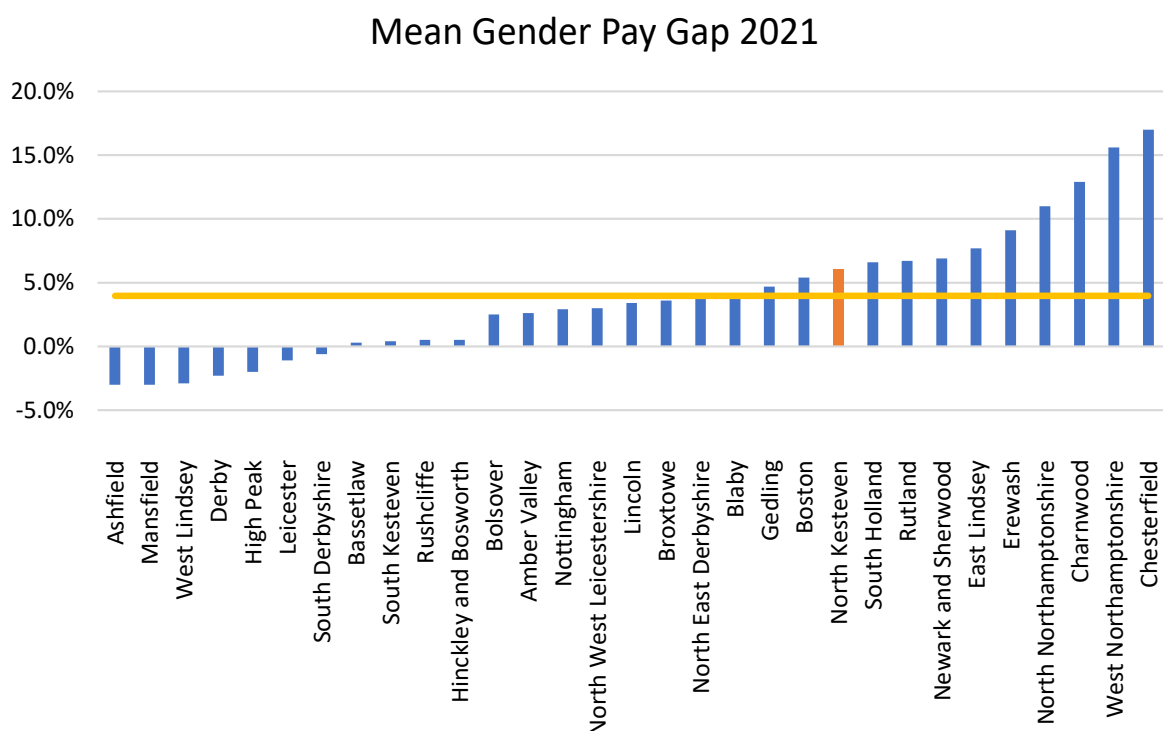
6. Gender Pay Gap 2021 – Comparison with other District Councils

At the time of writing, there are still two months until the reporting deadline for the 2022 Gender Pay Gap. In this report, therefore, we compare the 2021 Gender Pay Gaps for District Councils with comparison of 2022 data being produced at a later date.

Mean gender pay gap

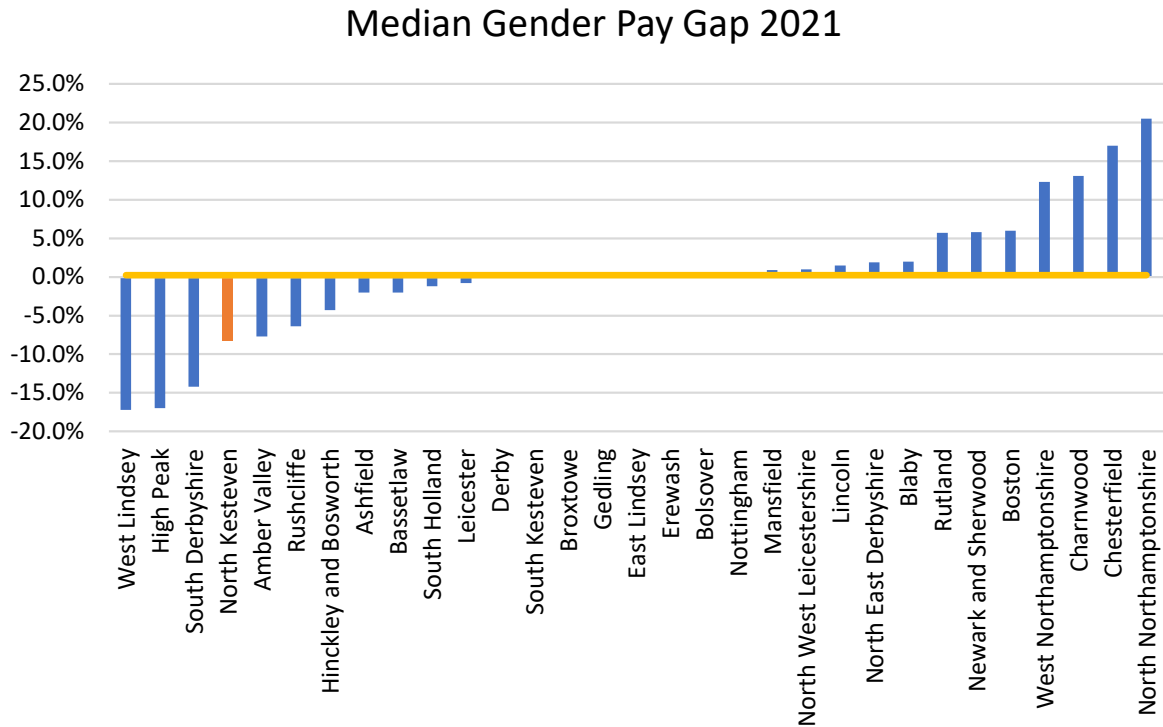
In terms of magnitude in relation to the mean gender pay gap, where 1st is the closest to zero, North Kesteven ranked 22nd of the 31 District and single tier Councils in the East Midlands (for which data is available). The mean gender pay gaps range from -3.0% for Ashfield District Council (women earn 3.0% more than men per hour when comparing mean hourly wages) to 17.0% for Chesterfield Borough Council (women earn 17.0% less than men when comparing mean hourly wages), with Bassetlaw District Council having the gap closest to 0% at 0.3%. The average mean gender pay gap across the East Midlands is 3.96%.

However, please note for clarity, North Kesteven is labelled in orange on the graphs below and overleaf, and the average mean and median for the East Midlands is in yellow.



Median gender pay gap

There were six Councils within the East Midlands that had a median gender pay gap of 0%. The median gender pay gaps range from -17.2% for West Lindsey District Council (women earn 17.2% more than men per hour when comparing average median hourly wages) to 20.5% for North Northamptonshire Council (women earn 20.5% less than men when comparing average median hourly wages). The average median gender pay gap across the East Midlands is almost zero at 0.25%.

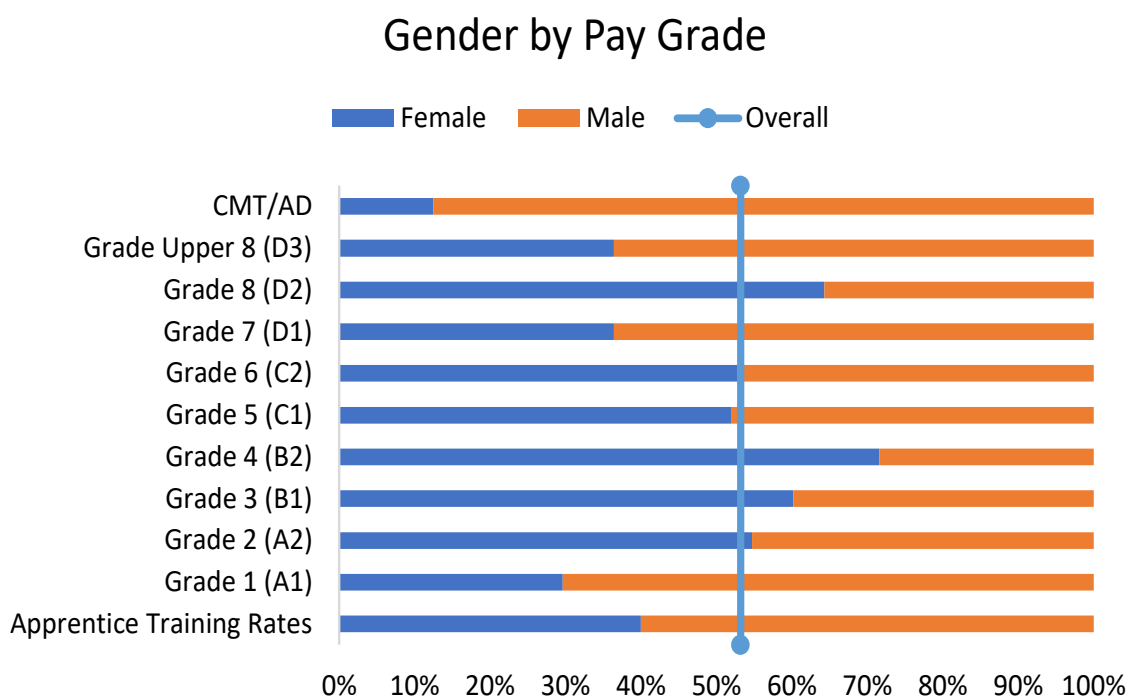


7. Pay Grade Analysis

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 at the gender balance by seniority structure.

However, please note that the data used in this section of the report is taken from December 2022 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 (53.2% female, 46.8% male). These percentages are slightly different than those quoted on Page 12 as the pay grade data was gathered at a different date and included all employees. Whereas the gender pay gap calculations are based on 'full pay relevant employees' only, which excludes colleagues receiving less than full pay due to, for example, being on maternity, paternity, adoption or sick leave.



The largest deviations from the organisational gender percentages are seen at CMT/ Assistant Director level, Grade 1, 7 and Upper 8.

- CMT/Assistant Director – At this level there are seven men and one woman, therefore 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 – 70.4% of employees at this pay grade are male, an increase from 67.9% in December 2021. However, 37 out of 54 people at this level are employed as Refuse Collectors, all but one of whom are male.
- Grade 7 – 36.4% of employees at this pay grade are female, a decrease from 42.1% in December 2021. There are eight women and fourteen men, contributing heavily to the gender pay gap.
- Grade Upper 8 – 36.4% of employees at this pay grade are women, the same as in December 2021. There are half the number of men and women in this pay grade compared to Grade 7 and this gender imbalance, in addition to those above, contributes to the mean gender pay gap.

Grades 2, 5 and 6 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 Team Leaders. The Apprentice level was a 50/50 split in December 2021 but is now 60/40 in favour of men however, as it is the smallest group of people when compared to the other Grades, it has not had a large effect on the overall pay gap.

Grade	2022		Change since 2021	
	Female	Male	Female	Male
Apprentice Training Rates	2	3	0	+1
Grade 1 (A1)	16	38	-1	+2
Grade 2 (A2)	29	24	0	0
Grade 3 (B1)	59	39	0	+2
Grade 4 (B2)	53	21	+6	-3
Grade 5 (C1)	26	24	+1	0
Grade 6 (C2)	19	17	-3	-1
Grade 7 (D1)	8	14	0	+3
Grade 8 (D2)	9	5	0	0
Grade Upper 8 (D3)	4	7	0	0
Assistant Director/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 6 – from 55.0% women to 52.8% women
- Grade 3 – from 61.5% women to 60.2% women
- Grade 5 – from 51.0% women to 52.0% women.

At Grade 4, the percentage of women increased further from the overall organisational gender balance, from 66.2% to 71.6%.

8. Market Supplements

Market supplements apply to job roles, rather than 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 2022/23, 17 roles received market supplements, with 23 roles identified for market supplements in the 2023/24 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.

Approximately 7 in 10 colleagues (71.4%) in receipt of a market supplement in 2022/23 are male. From the 2022/23 Pay Policy to the 2023/24 Pay Policy, 12 additional jobs received a market supplement (alongside one where its title has been redefined). Compared to 2022/23, six jobs no longer receive market supplements.

Overall, based on the gender of colleagues currently in these roles, this would be an increase of 7 men and 4 women receiving a market supplement. The percentage of those receiving a market supplement by gender would change from 71.4% male and 28.6% female in 2022/23, to 69.2% male and 30.8% female in 2023/24. Whilst this would be an improvement, the majority of market supplements within the organisation are received by men.



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