

## **Employment Matters Committee**

**29 January 2025**

### **Gender Pay Gap**

Report from: Nicola Trainor, Head of Council Planning and Programmes

Author: Paul Richards, HR Workforce Information Officer

#### **Summary**

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all employers with more than 250 employees to report annually on their Gender Pay Gap. This report provides to the Committee sight of the Council's results for this reporting year ahead of publication on the Council's public website by 31 March 2024 and on the Government dedicated Gender pay gap reporting website. The Council does not have a specific duty to publish data on an ethnicity or disability pay gap, but this data is also provided in this report.

#### **1. Recommendation**

1.1 The Committee is asked to note the contents of this report in relation to the Gender Pay Gap, as detailed in Appendix 1 to the report, prior to external publication, and to also note the ethnicity and disability pay gap results as set out in Appendices 3 and 4 to the report.

#### **2. Budget and Policy Framework**

2.1 Whilst there is no specific decision to be made based on this report, it is important that the Committee is aware of the Council's Gender Pay Gap results as a snapshot, prior to publication.

#### **3. Background**

3.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all employers with more than 250 employees to report annually on their Gender Pay Gap. For the public sector this snapshot is the 31 March each year.

3.2 The Regulations require Public Authorities to report their gender pay gap data, which is then published, and publish the information on its own website.

3.3 The Council does not have a specific duty to publish data on its ethnicity or disability pay gap, but this data is also provided in this report.

### 3.4 **Requirements of the Gender Pay Gap Legislation**

3.4.1 Qualifying employers are required to take an annual “snapshot” of their total payroll and report on a few key metrics, they are:

- the mean and median hourly gender pay gap;
- the mean and median gender bonus gap;
- the proportion of men and women receiving a bonus; and
- the proportion of men and women in each of four pay quartile bands

3.4.2 The report must be accompanied by a written statement vouching for its accuracy and this statement must be signed by a director or someone of equivalent seniority.

3.4.3 The report and accompanying statement must be published on the employer’s public website and the report must be available on that website for three years. In addition, the information must be provided to the Government via a designated website.

### 3.5 **Other detail**

3.5.1 The Regulations prescribe which elements of pay are included in the calculation of pay and bonus pay, and they determine the formulas that the employer should follow.

3.5.2 The reporting data includes all council employees who were employed on 31 March. Apprentices, seasonal, temporary or casual employees are included if they fall within the reference period created by the snapshot date. The data excludes schools-based staff. Under the Regulations the Governing Body of maintained Local Authority schools are responsible for the reporting duty for the employees of their school, where the regulations apply.

3.5.3 We publish this information on the [Council's website](#) and on the [Government's website](#).

3.5.4 This report relates to the snapshot date of 31 March 2024 that is published in 2025 i.e. the Gender Pay Gap data for 2025 is based on the data as of 31 March 2024.

### 3.6 **Adherence to the statutory duty**

3.6.1 The Council’s Corporate Management Team has agreed to the implementation of the following arrangements to meet its statutory responsibilities:

- A Gender Pay Gap report to be presented at the Employment Matters Committee in January 2025 prior to publication on the Council's external website in March 2025; the report to be shared with Trade Unions, Employee Forums, and the Equality Board.
- The Chief Organisational Culture Officer to act at the Council's "senior person" in signing the report.

#### **4. Advice and analysis**

- 4.1 Gender pay is different to equal pay, as set out in the Equality Act 2010.
- 4.2 The Council can have a gender pay gap but still be equal pay compliant. The cause of the gender pay gap may not fall within the direct control of the employer, as it is likely to be caused by the distribution of men and women in different job roles.
- 4.3 The overall national average for the Gender Pay Gap for the year 2023-24 according to ONS was 13.1%.
- 4.4 Our workforce gender profile is 74.6% female and 25.4% male, based on the 31 March 2024 Gender Pay Gap snapshot.
- 4.5 2421 employees are included in the snapshot comprising 2228 permanent staff and 193 casual staff.
- 4.6 Posts within Range's 1-8 in the Council have been assessed using the National Joint Council Job Evaluation Scheme and this is recognised as neutral; the result of each evaluation determines the respective MedPay PPP pay range to which the post is assigned. Service Manager posts are evaluated against the GLPC job evaluation scheme.
- 4.7 The detailed results of the Council's Gender Pay Gap, to be published March 2025, are shown at Appendix 1 to the report.
- 4.8 An executive summary of the findings is listed below:
- Male colleagues show a 5.96% higher mean (average) hourly rate (Data Set G1).
  - Male colleagues show a 7.93% higher median (middle) hourly rate (Data Set G2).
  - Female colleagues show a 14.32% higher mean bonus pay (Data Set (G3)).
  - There is parity amongst male and female colleagues in the level of median bonus pay (Data Set G4).
  - Of the proportion of male and female colleagues who received bonus pay, females received 5% out of their total population (Data Set G5).
  - Female colleagues form the greater proportion in all pay quartiles (Data Set G6).

4.9 A comparison of Medway Council's Gender Pay Gap for the last 5 years is shown at 4.9.1:

**4.9.1 Comparator Table Data Sets G1, G2, G3, G4 & G5**

<b>Medway Council</b>	<b>2021 Report</b>	<b>2022 Report</b>	<b>2023 Report</b>	<b>2024 Report</b>	<b>2025 Report</b>	<b>Variance/Comment</b>
Mean Hourly Rate Gap (data set G1)	9.93%	10.58%	7.72%	6.91%	5.96%	The mean gender pay gap has continued to decrease since 2022. In 2025 the mean gender pay gap is the lowest since reporting first started.
Median Hourly Rate Gap (data set G2)	5.11%	7.02%	5.15%	2.88%	7.93%	The median gender pay gap is now at its highest point since the previous high in 2019.
Mean Bonus Pay Gap (data set G3)	Nil	Nil	Nil	Nil	-14.32%	There is a -14.32% mean bonus pay gap, which means that on average women receive 14.32% more bonus pay than men.
Median Bonus Pay Gap (data set G4)	Nil	Nil	Nil	Nil	0.0%	There remains parity between men and women when it comes to the median for bonus pay.
Proportion of Male/Female colleagues who received bonus pay. (data set G5)	0.7% Male 0.5% Female	1.3% Male 0.6% Female	0.4% Male 0.8% Female	0.4% Male 0.7% Female	2.9% Male 5.0% Female	The proportion of females who receive bonus pay continues to exceed male colleagues.

4.10 The table above shows that the mean Gender Pay Gap in hourly rate of pay has continued the trend of shrinking year on year from the historic high, 12.26%, in 2020, to the new low of 5.96%.

4.11 The median Gender Pay Gap in hourly rate of pay has increased from 2.88% to 7.9%. This change has been caused by an increase in male headcount within this reporting year. While the increase is small it has a greater impact to the median. This increase has shifted the median point upwards which equates to a difference of £0.49p when compared to the position it was last year.

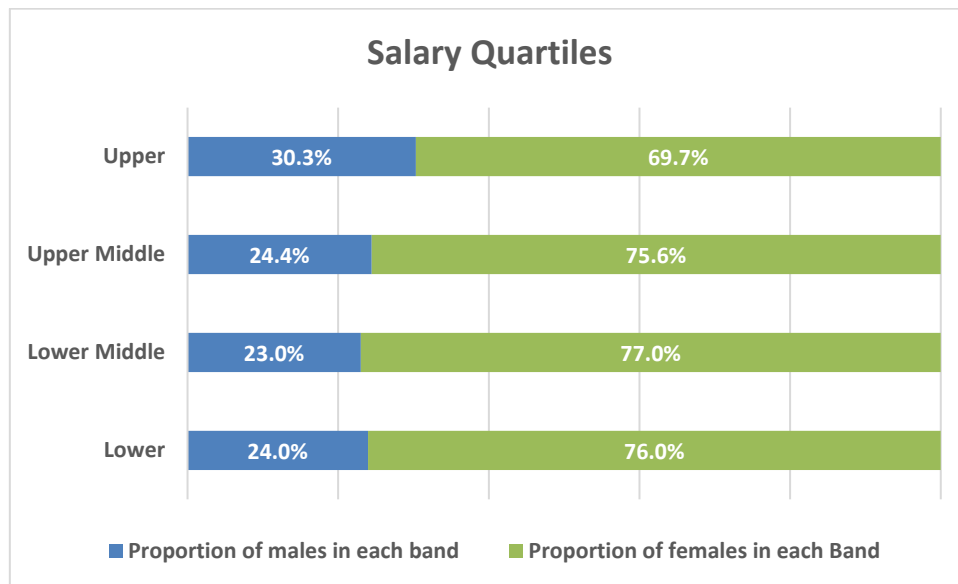
4.12 The HR and Organisational Culture service have undertaken a periodic review of the pay elements included within the bonus pay calculations and have identified some missing ones that should be included. Also, the performance appraisal process at the Council has now changed and an annual bonus for

performance has ceased for the coming year but is still captured in this year's pay gap data within the bonus pay.

The inclusion of these missing pay elements has highlighted a -14.3% bonus pay gap for women which means that on average men receive 14.3% less bonus pay compared to women. The median for bonus pay is unaffected by the change and remains at 0.0% which indicates that there is parity in that metric.

- 4.13 Salary quartile reporting is calculated by sorting employees by their hourly rate of pay, from the lowest to the highest, then splitting them into four equal quartiles. Graph 1 shows the proportion of male and female employees broken down into the four pay quartile bands. Data set G6 (Appendix 1) shows the hourly pay rate range for each of the quartiles. The lower salary quartile includes apprentice pay, which is lower than the national minimum wage rate.

**Graph 1 - Data Set G6 2024**

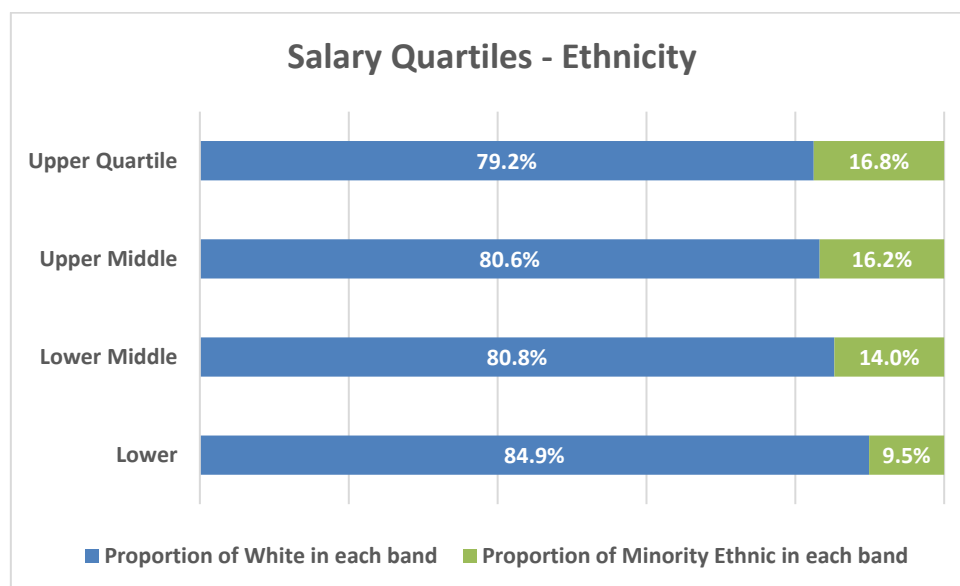


- 4.14 The number of female employees in each of the quartiles is slightly above the workforce gender profile of 74.6% except for the Upper quartile where the % of female employees in this quartile is 69.7%. The opposite is true for male employees with 30.3% in the upper quartile against a workforce gender profile of 25.4%.
- 4.15 A comparison with other councils in our geographical region has been undertaken using the data from the 2024 reporting year (Appendix 2). This identifies Medway Council as being in the middle of the pack and outperforming our nearest County Council neighbour. In comparison to Council's in the Southeast of a similar size to Medway Council we also sit within the middle of the pack.

## 5. Ethnicity and Disability Pay Gap

- 5.1 Unlike the Gender Pay Gap there is no requirement to publish an Ethnicity or Disability Pay Gap. As part of our Equality, Diversity & Inclusion Strategy and action plan, Medway Council produced data sets last year that mirror the Gender Pay Gap for both Ethnicity and Disability and shared the data internally. The data sets have been produced again for this year and can be found at Appendix 3 and Appendix 4 to the report.
- 5.2 It is important to note that current declaration rates for ethnicity are 93.2% and for disability 58.8%. It is an action within the Equality, Diversity & Inclusion action plan to increase declaration rates for these protected characteristics, with a view to publishing this data externally.
- 5.3 The Ethnicity Pay Gap (Appendix 3) is highlighting that in comparison to white ethnic employees, minority ethnic employees have a higher mean and median hourly rate. This means that on average minority ethnic employees are paid a higher hourly rate of pay in comparison to white ethnic employees. Bonus pay and the numbers receiving bonus pay is also higher for minority ethnic employees.
- 5.4 The number of minority ethnic employees is highest in the upper quartile. The opposite is true for white ethnic employees with the lowest number in the upper quartile, and highest number in the lower quartile, as a proportion.

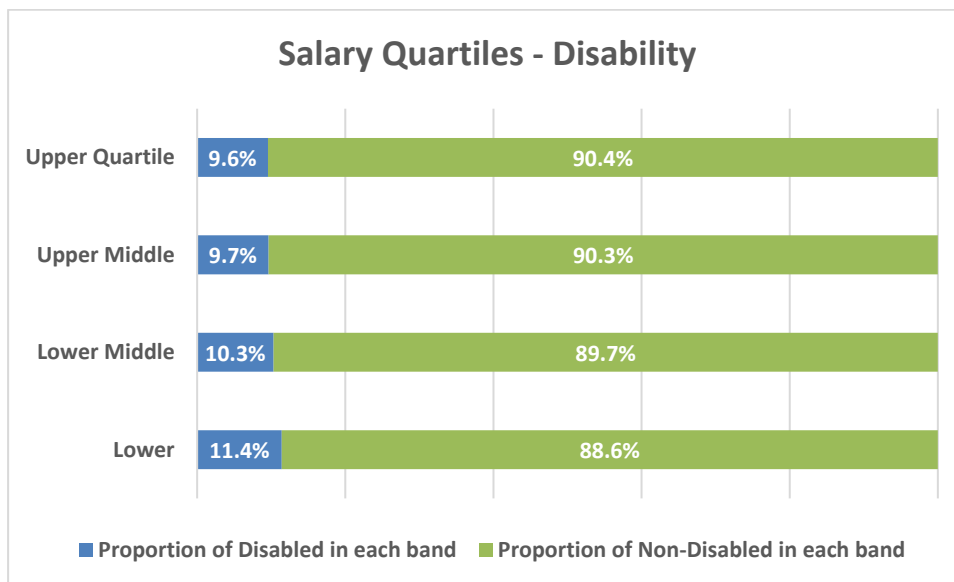
**Graph 2 – Data Set E6 2024**



- 5.5 For employees with a disability both the mean and median hourly rate of pay are lower than the hourly rate of pay for non-disabled employees (Appendix 4.). This means that on average employees with a disability are paid a lower hourly rate of pay in comparison to employees without a disability.

5.6 The number of employees with a disability is lowest in the upper quartile. The opposite is true for employees without a disability with the highest number in the upper quartile, and lowest number in the lower quartile, as a proportion.

**Graph 4 – Data Set D6 2024**



## 6. Financial and legal implications

6.1 There are no direct financial or legal implications directly from this report.

## 7. Risk Management

7.1 The risk implications arising from this report are detailed below:

Risk	Description	Action to avoid or mitigate risk	Risk rating
Failure to comply with the statutory requirement to publish an annual statement	There is no published sanction if the Council’s statutory duty is not met.	The statement will sit within the Chief Organisational Culture Officer accountability and appropriate measures will be put into place to ensure compliance.	DIV
Reputational damage	The failure to publish a statement could lead the Council to be criticised for not taking this matter seriously.	Ensure publication within the timeframe.	DIV

Recruitment and retention issues	A widening gap could impact the council as an employer of choice	Take action to understand the reasons for the gap and put in place appropriate action.	CIII
	Failure to take proactive steps could lead to us widening the gap further	Undertake detailed analysis of the data and take steps in the Equality, diversity & Inclusion strategy and action plan to address these gaps.	CIII
Likelihood: A: Very Likely B: Likely C: Unlikely D: Rare		Impact: I: Catastrophic II: Major III: Moderate IV: Minor	

## 8. Conclusions

- 8.1 The Council is coming to the end of its review of the Council's pay scheme, MedPay and have made revisions which include, spot points within salary ranges and an ability to move through range meeting the aim of improving transparency in pay and ensure that pay decisions are fair and feel fair. The full impact of this change will not be reflected in the pay gap data until next year. We operate a job evaluation scheme to support adherence to equal pay.
- 8.2 Our Gender Pay Gap shows that by the mean and median males are paid more than female employees. However, the Council's Gender Pay Gap is lower than the national average reported by ONS last year and continues on a downward trajectory.
- 8.3 We want to improve the diversity of our workforce across all protected characteristics, not just gender, and strive to ensure we have a complete data set across all three of these protected characteristics so that we can undertake analysis and take action based on the most accurate picture of the workforce to improve any pay gap.
- 8.4 Medway has a predominantly female workforce. This may be attributable to our raft of family friendly policies, including flexible working.
- 8.5 In comparison to our closet local authority neighbors, and our comparator local authorities in the Southeast, Medway Council is in the middle of the pack in relation to Gender Pay Gap.



8.6 With regard to ethnicity and disability pay gaps there is opportunity to increase the declaration rate, especially for disability, and therefore have improved data on which to make recommendations and take action where necessary.

### **Lead officer contact**

Nicola Trainor, Head of Council Planning and Programmes  
01634 332594, [nicola.trainor@medway.gov.uk](mailto:nicola.trainor@medway.gov.uk)

### **Appendices**

Appendix 1 – Gender Pay Gap results

Appendix 2 – Comparison with geographical Local government neighbours in Kent

Appendix 3 – Ethnicity Pay Gap results

Appendix 4 – Disability Pay Gap results

Appendix 5 – Diversity Impact Assessment

### **Background papers**

None