

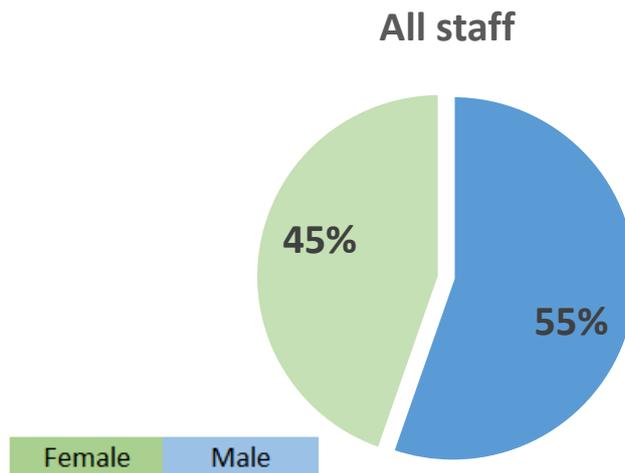
## Introduction

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require that organisations with 250 employees or more must publish specific figures about their gender pay gap every year on a snapshot date of 31<sup>st</sup> March. This includes the requirement to base calculations on the ordinary pay for all staff paid on the snapshot date.

On 31<sup>st</sup> March 2018 our workforce totalled 834 individuals, of which 372 were female and 462 were male.

For the purpose of reporting the gender pay gap, all permanent, temporary and casual employees are included in the total workforce figure.

A positive pay gap indicates that men are paid more, a negative pay gap indicates that women are paid more.



## The regulations require us to report on:

1	Mean Gender Pay Gap	The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full pay relevant employees
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
3	Mean Bonus Gap	The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees
4	Median Bonus Gap	The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees
5	Bonus Proportions	The proportions of male and female relevant employees who were paid bonus pay
6	Quartile Pay Band	The proportions of male and female full pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands

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 in the workforce.

## **Mean and Median pay gap:**

1	Mean Gender Pay Gap	<b>+4.60%</b>
2	Median Gender Pay Gap	<b>+12.54%</b>

Lancaster City Council's Mean and Median pay gap is significantly lower than the national average of 17.1% and 17.9%\* respectively. Please see the Analysis section for further information.

*\*Annual Survey of Hours and Earnings 2018, Office for National Statistics. (nb. Provisional published data)*

## **Bonus Gender Pay Gap**

The only payment that the Council makes that falls within the definition of a bonus are long service awards, which are awarded to all staff upon achieving 25 years' service. 7 staff received long service awards in 2017-2018.

Since September 2017 long service awards are made in the form of a vouchers to the value of £150 to all employees, which will ensure a 0% bonus gender pay gap in the figures due on 31.03.19. Prior to this point, qualifying employees were able to take their long service award either as a gift up to the value of £150 or a monetary award of £125. The choice of Award is optional, one female due to receive the award prior to September 2017 and chose the monetary award of £125, which has led to the mean bonus gap of 3.3%. The 6 remaining employees all received vouchers up the value of £150 which explains the Median Bonus Gap of 0%.

## **Mean and Median bonus pay gap:**

3	Mean Bonus Gap	<b>+3.3%</b>
4	Median Bonus Gap	<b>+0%</b>

## **5 The proportion of males and females who receive bonus pay in 2017/18 (i.e., Long Service Award)**

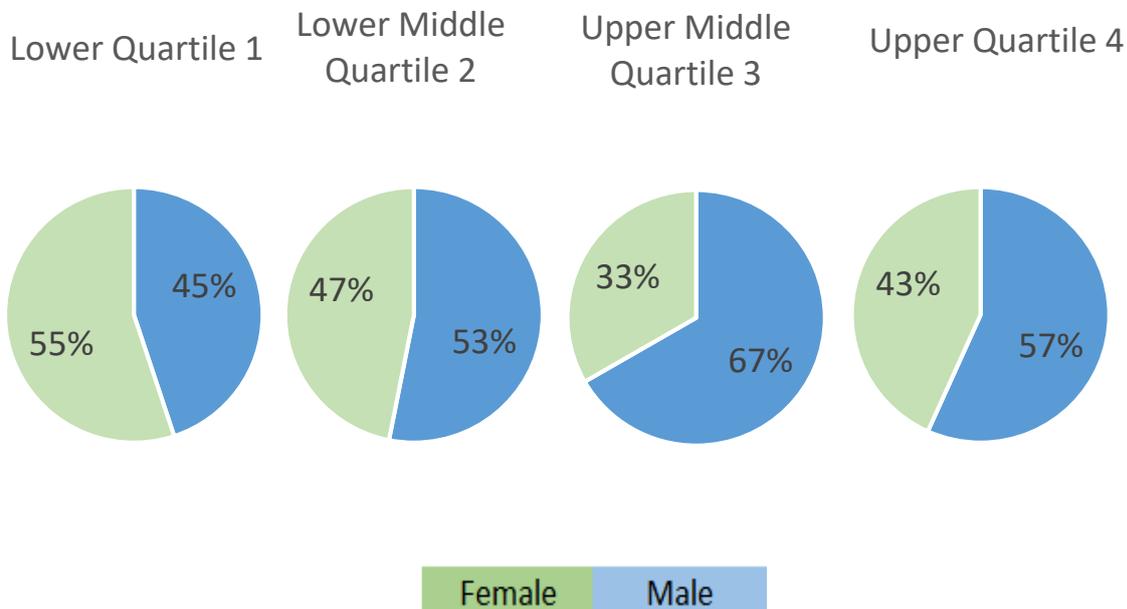
Gender	Percentage
Female	<b>1.3%</b>
Male	<b>0.4%</b>

The actual number of male and females who received a long service award in 2016/17

Gender	No.	Proportion %
Female	5	71.4
Male	2	28.6
Total	7	100.0

**6** Quartile Pay Band – The proportion of males and females in each quartile pay band

These charts show the workforce composition in each pay quartile. The proportions in Quartile 2 (Lower Middle) and Quartile 4 (Upper) generally reflect our gender workforce profile. However, there are more women in Quartile 1 and more men in Quartile 3.



## **Analysis**

The data tells us that on average men are paid 4.60% higher than women, since the results in 2017 the medium pay gap has reduced to 12.54%.

It is positive to note that the Upper Quartile and Lower Middle Quartile are reflective of our current workforce profile.

The median gender pay gap is higher than the mean average pay gap, due to the larger numbers of female staff in the Lower Quartile. There are a number of factors that influence this including the fact that Lancaster City Council has retained an in-house cleaning team, which is made up primarily of female staff who are paid within the Lower Quartile.

The Council is committed to the apprenticeship scheme and currently employs 8 apprentices, 6 of which are female. We are proud of the apprenticeship scheme and the valuable contribution that they make to the Council, however the current apprentices figures contribute to the number of female staff who are paid within the lower quartile.

Additionally Lancaster City Council's retention of its council housing stock, along with its repairs and maintenance function, and refuse collection service means that a high proportion of the workforce at Lancaster City Council (38%) is made up of manual and skilled trade staff, of which 80% are male.

Further, the Gender Pay Gap information is based on ordinary pay, which includes certain types of additional pay, including standby & callout. Manual and skilled trade staff are more likely to undertake standby and callout, due to the nature of their duties. Of 71 staff who take part in standby and callout arrangements, 84.5% are male, which results in higher ordinary pay for these staff and has a direct bearing on the gender pay gap.

## **Supportive Statement**

Lancaster City Council is committed to gender equality. In 2010 the Council concluded work on a comprehensive pay and grading review, evaluating job roles to ensure that men and women, performing work of equal value are paid equally.

Additionally, the following is in place:

- Support for all employees through the application of a range of flexible working policies
- Review of pay and grading – from April 2019 the Council implemented the new NJC national pay spine, which will result in a higher cost of living increase for staff in lower grades. This may have a positive impact upon the Medium Gender Pay Gap in March 2020
- Apprenticeship scheme to encourage new entrants into the workforce, including appointing female apprentices into skilled trade positions.
- Attendance at school career's fairs to encourage school leavers to consider a career with the Council
- LCC is a Real Living Wage employer, which is voluntary, and calculations are made according to the cost of living. It is separate to the Minimum Wage and National Living Wage.

I, Kieran Keane, Chief Executive, confirm that the information in this statement is accurate.

Signed: 

Date: 8 May 2019