

Gender pay gap

What is the gender pay gap?

The gender pay gap is the difference between the average pay for all men and for all women in a workforce.

Nationally, the median gender pay gap is 15.4%.¹ This means that the UK's female employees earn 84.6% of that earned by male employees.

The gender pay gap is different to equal pay. Equal pay refers to men and women being paid the same to do the same or similar jobs, or to do work of equal value.

What do gender pay gap figures tell us?

Averages

The mean and median are two different ways of calculating an average. Using both figures can give a clearer picture of the situation than simply using one.

The mean figure is calculated by summing the hourly pay rates for each member of staff, then dividing by the number of staff. This is the most commonly used way of calculating an average.

The median figure is the 'middle' value when hourly pay rates for all staff members are ranked in ascending order. The advantage of using the median figure to describe the average is that it is not skewed by extremely large or small salaries at either end of the pay scale.

Gender pay gap values

All calculations in this report have been made using pay data for the month containing 31 March 2021 (the 'snapshot date'), as required by the legislation.

Where figures are positive in the following tables, this shows that on average women are earning less than their male counterparts. For example, a figure of 20% would show that the average hourly rate for women is 80% that of their male colleagues.

Where figures are negative, this indicates that women are earning more than their male counterparts. For example, a figure of -20% would show that, on average, women are earning 120% of what their male colleagues earn.

Impact of Covid-19

It must be noted that the periods required to be used in making these calculations overlap with the period when the impacts of the Covid-19 pandemic were most significantly felt upon the council. The impact of this can be seen in two ways.

¹ Gender pay gap in the UK: 2021. Available online at:
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2021>

Firstly, the rate of recognition payments increased when compared to previous years, this is discussed below.

Secondly, throughout this time period, the Coronavirus Job Retention Scheme (commonly known as the ‘furlough scheme’) was in operation, with The Treasury supporting many businesses with staff wages and employment costs.

As the council chose to ‘top up’ the salaries of staff on furlough to 100% of their regular salary, all staff that were furloughed on the snapshot date (31 March 2021) have been included the calculations below as ‘full pay relevant employees’.

Percentage gender difference in mean and median hourly pay rate

The ‘single figure’ pay gap is the difference between the pay of men and women across the whole organisation, including both part-time and full-time staff from all pay grades.

	Median	Mean
Single figure pay gap	-15.4%	-0.8%

The median calculation of the single figure pay gap shows that the median female employee earns more than the median male employee.

The mean figure shows that on average, female employees are earning slightly more than their male counterparts. This is a contrast with the median figure, the mean shows the difference between the average male and female pay to be to a much lesser extent than the median figure suggests.

These figures indicate that there are more men on lowest pay grades than there are women, but also that there are slightly more men in the higher quartiles.

Percentage of male and female employees who received recognition payments

	Number of staff awarded recognition payments	Percentage of employees awarded recognition payments
Male	144	54.8%
Female	60	25.4%
Total	204	40.9%

These figures have been rounded to 1 decimal place

Percentage difference in mean and median recognition payments

	Mean recognition payments	Mean recognition payments gap	Median recognition payments	Median recognition payments gap
Male	£262.85	-10.2%	£200.00	0%
Female	£289.67		£200.00	

Recognition payments are payable to employees who undertake duties and responsibilities which clearly fall outside the scope of their post or exceed performance expected of the job they occupy. The above figures include any recognition payments made from 1 April 2020 through to 31 March 2021 inclusive.

40.9% of total employees received recognition payments, 54.8% of all male employees received recognition payments and 25.4% of all female employees received a recognition payment.

When compared to previous years, a greater number of these were made because recognition payments were awarded to those who went above and beyond normal expectations to support the council’s response to the pandemic. Many of those who received these payments were frontline staff, the majority of whom are male, hence why the rate of recognition payments for men is higher than women.

The median calculation of recognition payments shows that both the median male and female employees received the same recognition payment. However, the mean figure provides a different interpretation of the average recognition payment, showing that this gap is slightly bigger with female employees receiving 10.2% more than male employees.

Percentage of male and female employees in each quartile ranked by hourly pay

The council’s staff have been ranked by hourly pay and then divided into four equal groups (quartiles) to demonstrate the gendered distribution of staff across the pay scale.

	Men		Women		Total no. of employees
	No. of employees	%	No. of employees	%	
Quartile 1 (£6.29* – £11.37 per hour)	89	71.8%	35	28.2%	124
Quartile 2 £11.37 - £13.91 per hour)	61	49.6%	62	50.4%	123
Quartile 3 (£13.87- £18.87 per hour)	47	37.9%	77	62.1%	124
Quartile 4 (£18.88 - £62.32 per hour)	65	52.8%	58	47.2%	123
All full-pay relevant employees	262	53.0%	232	47.0%	494

*Percentages have been rounded to 1 decimal place
This figure includes apprentices

This table demonstrates that the lowest paid jobs at Test Valley Borough Council are occupied by more men than women and there are more women in the middle of the organisation’s pay scale. The highest paid jobs are occupied relatively equally by both men and women.

Conclusion

The median gender pay gap for TVBC is -15.4% compared to the national pay gap at 15.4%. This range of calculations demonstrates that women are predominantly found in middle-income pay grades at Test Valley Borough Council, whereas the majority of lowest paid employees are men. The highest paid jobs are occupied relatively equally by both men and women.