

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 18.4%¹. This means that the UK's female employees earn 81.9% 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 staff 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 30 April 2017 (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.

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.

¹ Office for National Statistics (2017) *Annual Survey of Hours and Earnings: 2017 provisional and 2016 revised results*. Available online at <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2017provisionaland2016revisedresults#gender-pay-differences>

	Median	Mean
Single figure pay gap	-10.4%	1.8%

The median calculation of the single figure pay gap shows that the median female employee earns more than the median male employee. However, the mean figure provides a different interpretation of the average gender pay gap, suggesting that female employees are earning less. These figures indicate that there are more men on lower pay grades than there are women, but also that those on the highest pay grades are predominantly men.

Percentage of male and female employees who receive bonuses

	Number of staff awarded bonus	Percentage of all employees awarded bonus
Male	13	5.0%
Female	16	6.7%
Total	29	5.8%

Percentage difference in mean and median bonus pay

	Mean bonus pay	Mean bonus pay gap	Median bonus pay	Median bonus pay gap
Male	£507.69	+10.1%	£500.00	0.0%
Female	£456.25		£500.00	

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 (£4.66 – £9.87 per hour)	80	64.0%	45	36.0%	125
Quartile 2 (£9.87 - £11.51 per hour)	64	51.2%	61	48.8%	125
Quartile 3 (£11.51 - £16.94 per hour)	54	43.2%	71	56.8%	125
Quartile 4 (£16.94 - £60.85 per hour)	64	51.2%	61	48.8%	125
All full-pay relevant employees	262	52.4%	238	47.6%	500

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

Conclusion

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 and highest paid employees are men. However, the median gender pay gap (-10.4%) is much lower than the national pay gap (18.4%).