**Hertsmere Borough Council Gender Pay Gap Report 2024**

Hertsmere Borough Council is required to publish information about its Gender Pay Gap in accordance with the Public Sector Equality Duty on an annual basis. The statistics required include the mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of males and females who received bonuses; and the proportions of male and female employees in each pay quartile.

The gender pay gap shows the difference in the average hourly pay between all males and females in a workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with. The gender pay gap is different to equal pay. Equal pay deals with the pay differences between males and females who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a male or a female.

Hertsmere Borough Council’s gender pay gap report as at the snapshot date of **31**

**March 2024** is below:

**Median and Mean Gender Pay Gap of** **Hourly Pay Rate**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Mean for male | £20.82 | Mean for female | £20.25 | Mean gender pay gap | 2.73% |
| Median for Male | £17.27 | Median for female | £17.87 | Median gender pay gap | -3.47% |

**Mean and Median Bonus Pay Gap**

The reported bonuses relate to the period 1 April 2023 to 31 March 2024.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Mean for male | £499.46 | Mean for female | £108.33 | Mean gender pay gap | 78.31% |
| Median for Male | £100 | Median for female | £75 | Median gender pay gap | 25% |

|  |  |  |  |
| --- | --- | --- | --- |
| Proportion of males with a bonus | 75% | Proportion of females with a bonus | 56.75% |

**The bonuses paid at Hertsmere relate to the following:**

|  |  |
| --- | --- |
| **Type of bonus** | **Description** |
| Loyalty bonus | A loyalty bonus paid in vouchers to employees achieving 10, 20, 30 and 40 years’ service at the Council |
| Attendance bonus | Paid in vouchers for 1 and 2 years of excellent attendance |
| Stars Award bonus | Paid in vouchers for nominated staff demonstrating excellent performance |
| Retention bonus | Paid to Refuse Loaders and Drivers in recognition of recruitment and retention difficulties in these areas |

**Proportion of Male and Female employees in each pay quartile**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Quartile** | **Total staff** | **Male** | **Female** | **Male %** | **Female %** |
| Lower | 72 | 45 | 27 | 62.50% | 37.50% |
| Lower middle | 71 | 29 | 42 | 40.84% | 59.15% |
| Upper middle | 71 | 29 | 42 | 40.84% | 59.15% |
| Upper | 71 | 41 | 30 | 57.74% | 42.25% |

**Gender Pay Gap Analysis**

**Mean Gender Pay Gap**

The mean hourly pay gap is 2.73% in favour of males, meaning males earn on average £0.57 more per hour than females. This is significantly below the national average of 13.1% for all employees and 7% for full-time employees as reported by the Office for National Statistics (ONS) in 2024.

**Median Gender Pay Gap**

The median hourly pay gap is -3.47% in favour of females, meaning females earn £0.60 more per hour than males at the median level. This indicates that the median female employee occupies a role with higher pay compared to the median male employee, despite the mean being in favour of males.

**Mean and Median Pay Analysis**

The fact that the mean gender pay gap is in favour of males while the median gender pay gap is in favour of females is representative of a distribution of salaries where certain patterns in pay levels and workforce structure influence the averages and medians differently.

The mean is the average pay, calculated by summing all pay amounts and dividing by the total number of employees. It is sensitive to outliers or a small number of salaries at the highest levels. The median is the middle value when all salaries are arranged in ascending order. It is less affected by outliers and provides a more representative "typical" value of pay.

The mean pay gap in favour of males is representative of the fact that men are more likely to occupy the highest paying roles, which raises the average pay for males. The outliers can be seen to disproportionately increase the mean male pay compared to female pay. Where the pay distribution for men is skewed by some high earners, the mean male pay will be higher, even if most men earn less than or about the same as women as is the case at Hertsmere.

The median pay gap in favour of females is representative of the fact that women occupy more roles at or just above the median pay level than men. This occurs when the distribution of male salaries is more polarised (i.e. there are more men at both the lower and higher ends of the pay scale), while female salaries are more concentrated in mid-range roles. Where women’s pay is more evenly distributed or concentrated around the middle pay ranges, the median female pay can be higher, as is the case at Hertsmere.

The dual finding highlights the importance of analysing both mean and median pay gaps to understand the salary structure fully. The finding also indicates a slight underrepresentation of women in the highest paid roles, even though they are well represented in mid-level positions. Efforts to support women’s progression into higher paying roles through leadership development will help the Council to address the mean pay gap further.

**Bonus Pay Gap**

The mean bonus gender pay gap is 78.31% in favour of males, meaning the average bonus paid to males (£499.46) is significantly higher than that paid to females (£108.33). The median bonus gender pay gap is 25% in favour of males, with the median male bonus at £100 compared to £75 for females. This indicates a less pronounced but still significant disparity at the median level. The proportion of males who received a bonus during the period was 75%. The proportion of females receiving a bonus was56.75%.
This disparity in bonus pay is significantly impacted by the retention bonuses paid in the Waste Service, where all employees are currently male. These bonuses are aimed at addressing recruitment and retention challenges specific to the roles of Refuse Loader and HGV Driver.

**Pay Quartiles**

The distribution of male and female employees across pay quartiles highlights areas of gender representation.

In the lower quartile 62.50% of employees are male and 37.50% are female. This indicates a higher male representation in lower paying roles and is representative of the fact that all employees within the site based Waste Service are male, and receive salaries at the lower range of the pay and grading structure.

In the lower middle quartile and upper middle quartile 40.84% of employees are male, and 59.15% are female. Females are better represented in these middle quartiles, suggesting progress toward gender balance in these pay ranges and may be representative of the good range of family friendly policies offered by the Council.

In the upper quartile 57.74% of employees are male and 42.25% are female. Despite the fact that the Council’s Chief Executive role is occupied by a female, a greater percentage of male employees dominate higher paying roles, though the representation of females (42.25%) is relatively strong compared to the national picture. (Office for National Statistics (ONS) gender pay gap data indicates that nationally, women are often underrepresented in senior, high paying roles, with representation frequently below 40% at the upper quartile level).

**Conclusion**

Compared to 2023, Hertsmere has reduced its mean gender pay gap (from 4.45% to 2.73%) and reversed its median pay gap (from 2.60% in favour of males to 3.47% in favour of females). This highlights progress towards gender pay equity.

Hertsmere has a significantly lower mean gender pay gap than the national average, and the median pay gap now favours females. Continued efforts in recruitment and development can sustain and enhance this progress.A structured job evaluation scheme, equal pay audits and family friendly policies are key to Hertsmere’s results.

Whilst findings indicate a bonus pay disparity, the Council is satisfied that this is reasonable as it is primarily due to the strategic decision to pay a retention bonus to address specific recruitment and retention challenges within the site based Waste Service, of which all employees are currently male.

Analysis of the pay quartiles has indicated a slight underrepresentation within the upper quartile, and whilst Hertsmere’s position is still strong in comparison with the national picture, the Council believes more could be done to provide leadership development training to female employees.

Gender pay and equal pay will continue to be monitored closely at Hertsmere to ensure that this strong and positive position is maintained.

We confirm that the data provided is accurate and has been prepared in accordance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

 

Clare Noble

Acting Head of Human Resources