

PEOPLE AND OD COMMITTEE

Gender Pay Gap Reporting

20th November 2025

Report of the Chief Officer – People and Policy

PURPOSE OF REPORT

To enable the Committee to consider the Gender Pay Gap report, and the comparison between figures for 2024 and 2025.

This report is public

RECOMMENDATIONS

- (1) That People and OD Committee notes the gender pay gap report and the figures provided for 2025

1.0 Introduction

- 1.1 The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require that organisations with 250 employees or more publish specific figures about their gender pay gap on a snapshot date of 31st March each year.
- 1.2 The Council is due to publish its figures in line with these regulations. Appended are two reports; one inclusive of casual staff (appendix 1) and one without (appendix 2).
- 1.3 The figures published show both the mean and median pay gaps.
- 1.4 The Committee should note that the Council has a set of pay grades, each with its own salary range. All employees carrying out the same job are paid within a specific grade, and all employees within each grade benefit equally from progression within the grade, up to the maximum salary payable. Jobs are allocated to specific grades within the Council using the analytical job evaluation scheme the Council currently uses. Both of these approaches ensure that the Council complies with equal pay legislation.

2.0 2025 Gender Pay Gap figures

- 2.1 Gender Pay Gap figures for 2025 are as follows:
1. Mean Gender Pay Gap 1.8% (compared to 3% in 2024)
 2. Median Gender Pay Gap 5% (compared to 5% in 2024)
- 2.2 These figures show that the mean pay gap has decreased and the median pay gap has remained the same. Research by the Global Payroll Associated suggests that the UK's annual gender pay gap score widened to 13.8% in 2024. Therefore Lancaster remain well below the national average, where the gender pay gap has been closing year on year.

- 2.3 On 10th July 2025, People and OD Committee made the decision to include the ‘rolled up’ holiday pay of 12.07% in the gender pay gap calculations (ie the hourly rate is comprised of the pay rate for the job plus 12.07%), which in-part accounts for the reduction in the mean gender pay gap. It should also be noted that at the same meeting, to further positively address the Council’s gender pay gap, Committee decided that casual workers pay be increased to match the bottom pay point of the grade relevant to the role being undertaken. This has been implemented wef 1 October 2025 and will therefore have a positive effect on next year’s gender pay gap figures.
- 2.4 The gender pay gap figures include casual staff. Reporting the gender pay gap without including casual data results in a negative pay gap for the first time (i.e. women are paid more than men):

Year	Mean hourly rate pay gap	Median hourly rate pay gap
2025	-0.1	-3%
2024	3%	5%
2023	4.3%	14%
2022	3.10%	11%
2021	3.30%	9.48%

This is largely due to the fact that there is a much higher proportion of women in lower paid casual roles.

3.0 Analysis

- 3.1 Aside from the main driver for the reduction in the pay gap referred to in 2.3, other contributory factors include minor changes in the make-up of staff as illustrated in appendix 1. For example, there has been an increase of females in upper quartile 3 from 40% to 44%, which although the percentage of females in Lower Middle Quartile 2 decreased from 46% in 2024 to 40% in 2025, the number of females in lower quartile 1 have slightly increased from 53% to 55%.
- 3.2 A high proportion of casual roles (Grade 5) such as catering assistants, general assistants (cleaning) and events staff are occupied by females, and the previous Committee decisions referred to have had a positive impact on the gender pay gap.
- 3.3 A 1.8% mean gender pay gap is well below the national average but the Council remains committed to reducing the gender pay gap. There exists continuous engagement with the Women’s Network which has led to the implementation of actions such as:
- Sharing the Council’s flexible working policy and guidance information with all staff
 - Ensuring vacancy forms ask recruiting managers to consider whether a job share or part time working could be an option
 - Creating shadowing and mentor opportunities at all levels to ensure women have the opportunity to experience other roles to help them understand their development needs and to help build confidence
 - Continuing to provide safe spaces for women to share and discuss topics that are meaningful to them
- 3.4 Other workforce strategies within the People Plan include:
- Implementation of a Workforce Inclusion Strategy with various associated actions
 - A training and development programme for all people managers – which will covered equality issues in HR workshops and through accredited leadership qualifications

- Implementation of an Inclusive Recruitment strategy recruitment practices to reduce the potential for unconscious bias
- Our increased focus on intelligent decision making via data-driven decisions
- Our on-going commitment to the Real Living Wage and using our job evaluation scheme to ensure that grades are allocated to job roles according to responsibility carried and nothing else
- Our continued commitment to hybrid working and other flexible working practices
- New approach to employee engagement to improve the options available for people to feedback on issues
- Implementation of workforce planning, with the aim of supporting the potential in all of our people to develop, including the promotion of apprenticeships to increase skills, qualifications and experience
- Continued tight monitoring of any requests for changes in pay

4.0 Conclusion

- 4.1 The Council continues to pay its staff in accordance with internal policy and procedure and complies with employment legislation in ensuring pay rates follow the principle of 'equal pay for work of equal value'. The Council is also a Real Living Wage Employer.
- 4.2 The primary reasons for the Gender Pay Gaps as reported above are the make-up of our workforce. Our lower quartile roles are attracting female applicants due to external circumstances and due to historically roles being female dominated in these areas.
- 4.3 The Council's gender pay gap is favourable when compared to national averages. However, the Council has continued to develop and promote a range of workforce strategies, as outlined above, that contribute towards addressing the gender pay gap by enabling the Council to recruit and retain talent, which has seen the gender pay gap reduce since 2023.

<p>CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):</p>

<p>There is no impact. Should actions be proposed as a result of this paper, then impact assessments will be carried out in relation to those specific actions.</p>

<p>LEGAL IMPLICATIONS</p>

<p>There are no legal implications arising from this report.</p>
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<p>FINANCIAL IMPLICATIONS</p>

<p>There are no financial implications arising from this report</p>

<p>OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:</p>
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<p>There are no resource implications arising from this report. However, should actions be proposed as a result of this report, then it is expected that the Human Resources team would be responsible for progressing those actions, and would need to review capacity when considering timescales alongside other priorities.</p>

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments.

BACKGROUND PAPERS

2025 Gender Pay Gap Report paper to be published on the council's website by 31st March 2026

Contact Officer: Alex Kinch

Telephone: 01524 582083

E-mail: akinch@lancaster.gov.uk