

# London Borough of Sutton Gender Pay Gap Report 31 March 2023

#### **Executive Summary**

The Gender Pay Gap Information Regulations require organisations with 250 or more employees to publish their gender pay gap data annually on the snapshot date of 31 March.

As of March 2023, the Council's mean pay gap is 11.39% (in favour of men). The mean Gender Pay Gap has decreased since the previous reporting period, 31 March 2022, when it was 11.55%.

There is no one reason behind the gender pay gap - it's a complex issue. Caring responsibilities can play a big part. Women often care for young children or elderly relatives. This means women are more likely to work in part-time roles, which can be lower paid or have fewer opportunities for progression. The gender pay gap includes reporting on casual staff, who are typically in the lower bands of earners. This impact of Covid is showing to have impacted on the gender pay gap as a national trend.

Source: <u>https://www.cipd.co.uk/Images/gender-pay-gap-reporting-guide\_tcm18-107746.pdf</u>

The gender pay gap has decreased. The percentage of women in the upper quartile of salaries is 65%, an increase on 2021 when it was 64%. Similarly, the percentage of women in the top four levels in the organisation (head of service and above) has increased from 51% in March 2022 to 59% in March 2023.

At Sutton, the waste and cleaning services, which are traditionally male-dominated lower paid roles are not delivered within the council. This means that our gender pay gap is higher than other councils who have these services in house. Nevertheless, the council is focussed on supporting our female workforce and promoting progression.

The Council understands that as a public body, community leader, a service provider, a major employer and a commissioner of goods and services, it has a clear social and statutory responsibility to prevent discrimination and advance equality. It has taken action over the year to try and address the gap and has future plans in place to continue over coming years.

# Measuring the Gender Pay Gap

A gender pay gap is a measure of disadvantage (a gap) expressed as a comparison between what on average, men earn and what, on average, women earn (gender gap). The Gender Pay Gap Information Regulations require organisations with 250 or more employees to publish their gender pay gap data annually on the snapshot date of 31 March.

Organisations are required to measure their gender pay gap in several different ways. The measures used are consistent with those being used to report on the gender pay gap at a national level.

The gender pay gap measures being used are:

- Mean
- Median
- Quartile pay bands
- Bonus pay measure not applicable

Each of the measures give a slightly different perspective on the gender pay gap, however each measure is more meaningful if read alongside the others and in the context of an organisation's overall HR and payroll policies and practices.

In terms of the gender pay gap, a positive pay gap indicates that men are paid more whilst a negative pay gap indicates women are paid more.

- A positive percentage figure reveals that typically or overall, female employees have lower pay or bonuses than male employees.
- A negative percentage figure reveals that typically or overall, male employees have lower pay or bonuses than female employees.
- A zero percentage figure (which is highly unlikely, but could exist for a median pay gap where a lot of employees are concentrated in the same pay grade) would reveal no gap between the two pay or bonuses of typical male and female employees or completely equal pay or bonuses overall.

Source: http://m.acas.org.uk/media/pdf/m/4/Managing\_gender\_pay\_reporting\_04\_12\_17.pdf

It is important to note the difference between the gender pay gap and equal pay. Equal pay is concerned with the difference in pay between like for like work, or work of an equal value. The gender pay gap explores the difference between the average pay of all men and women within an organisation.

# Benchmarking

In the UK there is an estimated gender pay gap of 13.9% (Mean) (Source: Office for National Statistics) in favour of men, and if left alone this gap would take over a century to close. The gender pay gap is the difference in average earnings between men and women. Equal pay, on the other hand, is paying men and women the same amount to do the same job and has been a legal requirement since 1970.

# Scope

This data is based on all council employees (excluding school based staff) who were employed on 31 March 2023. For calculation purposes, only full-pay relevant employees have been included.

A full-pay relevant employee is an employee who is paid their full usual pay during the pay period on the snapshot date i.e. 31 March 2022. If the employee is paid less than their usual rate because of being on leave for that period, they are not counted as a full-pay relevant employee.

For example: If an employee is on any kind of leave and not being paid their full usual amount in the pay period for reasons such as Statutory Sick Pay or Statutory Maternity Pay then they are not full-pay relevant employees.

# Workforce split of those included in the Gender Pay Gap reporting as at 31 March 2023



27% male

73% female

	Gender Pay Gap - the difference between women's pay and men's pay as a percentage of men's pay (minus % means women have higher pay, positive % means men have higher pay)				
Mean Hourly Rate	11.39%				
Median Hourly Rate	11.38%				

#### Median

The difference between the median hourly rate of pay of male full-pay relevant employees and the median hourly rate of pay of female full-pay relevant employees. The median is the middle figure and by identifying the wage of the middle earner, the median is the best representation of the 'typical' gender difference.

Source: <u>https://www.gov.uk/government/news/view-gender-pay-gap-information</u>

As of March 2023, the Council has a median pay gap of 11.38% which means it is slightly favourable towards men. For every £100 earned by a man a woman would earn £88.62. Since there is a major concentration of women in every

quartile except upper, which is more even, this leads to a larger gap in the median figure which is in favour of men.

# Mean

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. The mean is calculated by the sum of all hourly rates divided by headcount of employees (men or women).

By taking into account the full earnings distribution, the mean takes into account the low and high earners in an organisation – this is particularly useful as women are often over-represented at the low earning extreme and men are over-represented at the high earning extreme.

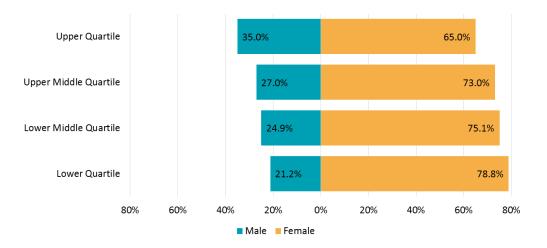
Source: <a href="https://www.gov.uk/government/news/view-gender-pay-gap-information">https://www.gov.uk/government/news/view-gender-pay-gap-information</a>

As of March 2023, the Council's mean pay gap is 11.39% which means the gap is slightly in favour of men. For every £100 earned by a man a woman would earn £88.61. This compares favourably with the rest of the UK estimate of 13.9%, but does show that there is still room for improvement.

One of the contributing factors to the mean pay gap for the organisation is that the gender pay split in the bottom three pay grades of the council is 78% women and 22% men.

# Quartiles

The graph below illustrates the gender distribution across London Borough of Sutton in four equally sized quartiles based on hourly pay rates, with the lower quartile including the lowest-paid 25% of employees and the upper quartile covering the highest-paid 25%.



At London Borough of Sutton the concentration of women in the three lower quartiles broadly matches the workforce profile, however the proportion of men increases in the upper quartile compared to women (see above). The percentage of women in the upper quartile has increased marginally from 63% to 63.7% since 2022, and the percentage of women in the upper middle quartile has also increased slightly from 73% to 77.1%, indicating that at the top two salary bands, Sutton has remained consistent.

# **London Councils Comparison**

London Borough of Sutton is able to compare itself to London as a whole. The ranking in the table below reflects that women are represented more in the lower two quartiles, given that the council does not deliver waste and cleansing services in house, but shows a positive picture for London Borough of Sutton in the upper two quartiles where the council is 3rd out of 33 London boroughs in the upper middle quartile and 10th out of 33 London boroughs for women in the upper quartile. The upper quartile shows a positive trajectory.

Metric	2017 Ranking (out of 33)	2018 Ranking (out of 33)	2020 Ranking (out of 33)	2021 Ranking (out of 33)	2022 Ranking (out of 33)
% of women in upper quartile (1st is best)	14th	16th	12th	10th	9th
% of women in upper middle quartile (1st is best)	5th	2nd	2nd	3rd	3rd
% of women in lower middle quartile (33rd is best)	8th	6th	3rd	2nd	1st
% of women in lower quartile (33rd is best)	21st	5th	2nd	2nd	3rd

# Bonus pay reporting

London Borough of Sutton does not pay bonuses. Therefore this element of the pay gap reporting does not apply to the council.

# Pay gap reporting and hours worked

There is a difference between the pay gaps when compared with full-time and part-time hours worked. The ONS defines full-time work as more than 30 hours per week. They estimate that for full-time employees, there is a median pay gap of 8.3% in favour of men. This reduces significantly to 2.8% in favour of women when looking at part-time hours worked. The reason for this difference is due to

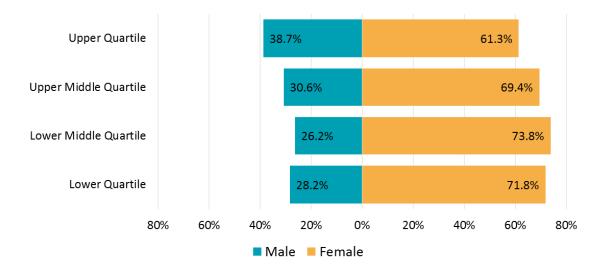
women being more likely to be employed part-time and often earning less per hour than their full-time counterparts. Whilst this reduces the gap for part-time employees, it means the gap is wider when looking at full-time and part-time employees combined.

# The full-time pay gap

The Council's workforce is made up of 73% full-time employees, 69% of which are female.

As of March 2023, the Council has a median pay gap of 5.29% for full-time staff which means it is slightly favourable towards men. For every £100 earned by a man in a full-time role, a woman would earn £94.71. The Council has a mean pay gap of 8.75% for full-time staff in favour of men. For every £100 earned by a man in a full-time role, a woman would earn £91.25.

The graph below shows the distribution of gender for full-time staff across the quartiles. Female employees are overrepresented in the lower and lower middle quartiles. The upper middle quartile is representative of the gender split, whilst the upper quartile is weighted in favour of men. This contributes to the gender pay gap for full-time staff as there are on average more women in lower-paid full-time roles than men, and on average more men in higher-paid full-time roles than women.



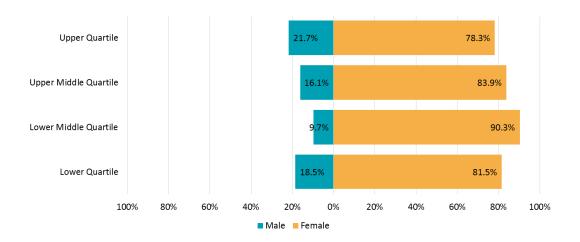
# The part-time pay gap

The Council's workforce is made up of 27% part-time employees, 84% of which are female.

As of March 2023, the Council has a median pay gap of 12.36% for part-time staff which means it is favourable towards men. For every £100 earned by a man

in a part-time role, a woman would earn  $\pounds$ 87.64. The Council has a mean pay gap of 9.49% for part-time staff in favour of men. For every  $\pounds$ 100 earned by a man in a part-time role, a woman would earn  $\pounds$ 90.51.

The Council's part-time workforce has a slightly more unusual gender distribution between quartiles. The most common trend shows that there are often more women in the lower and lower middle quartiles, fewer women in the upper middle quartile, with the fewest women in the upper quartile. The Council's part-time workforce distribution shows that there are more women in the middle quartiles, and fewer women in the lower and upper quartiles.



Whilst the ONS suggest that the inclusion of part-time employees tends to reduce the overall pay gap, the Council sees the opposite happening. This is in part due to the workforce retaining lower paid care and administrative roles that are often held by women, whilst outsourcing the lower-paid male-dominated roles such as caretakers and waste services, meaning the gender pay gap is more heavily affected by the distribution of part-time employees.

# What is the Council doing to close the gap?

The Council's Equality and Diversity Framework sets out its commitment to Equalities in service provision and employment. It also sets out the requirements that the Equality Act 2010 places on Local Authorities. The Framework complements and reflects the key priorities set out in London Borough of Sutton's Corporate Plan, Ambitious for Sutton 2022 - 2027.

Sutton is committed to addressing diversity and is approaching this with a number of initiatives, policies and actions to address gender equality in the workforce which has been amplified over the past 3 years to help ensure there are no barriers to progression. These are outlined below.

# **Recruitment stage**

Sutton uses anonymous application forms for recruitment and the recruitment team has reviewed the information on the website to welcome diverse applicants and to encourage applications from under-represented groups. Both permanent and temporary recruitment systems provide the ability to monitor application levels/shortlisting and appointment levels of applicants based on gender and other equalities characteristics. This monitoring shows that the majority of shortlisted applicants were women (69.70%) and the majority of appointed applicants were also women (72.91%), so there is no adverse impact on females in the short listing and appointment process.

We have equality, diversity and inclusion (EDI) focused training for all our hiring managers which focuses on eliminating bias during the interview process. In 2022, we rolled out a scheme to ensure that there are gender diverse panels where there is a misrepresentation of women in a particular department (including senior positions). This pilot was a success and is now part of our standard recruitment procedure. We have also actively rebranded our job adverts, promoting our commitment to diversity, flexible working and recognising and celebrating our staff networks.

# **Employment stage**

Our PRIDE Values are embedded in our organisational development and performance management arrangements, including the "D" for diversity. We have continued to develop our EDI training with mandatory training courses for all staff in 22/23, targeted training for managers and live streams and e-learning throughout the year.

The Council has six equality staff network groups across the council, each with a senior manager sponsor, who are helping build awareness of the needs of all, ensuring fair and respectful treatment. These include BAME+Allies, LGBTQ+Allies, Early Careers and Youth+Allies, Women's+Allies, Family & Carers+Allies, Disability+Allies who all meet regularly. HR&OD, policy and

partnerships and the staff networks meet every six weeks with a focus on borough wide and workforce equality. This group reports to our Chief Executive and Strategic Directors quarterly. The council continues to implement its Acting on Womens' Experience (AWE) plan, sponsored by a Strategic Director.

The council's active Women's +allies staff network, who ran a number of events for International Women's Day in March 2022. The Pan-London women's network launched with our Chief Executive sponsoring and our Head of Organisational Development running a session.

We have successfully developed refreshed and refocused support online for women's reproductive health both for women and to empower managers to understand and support female colleagues around health issues. We have rolled out free period products in our council buildings. Sutton has signed up as an employer committed to being a menopause friendly organisation and held awareness and support workshops for staff and managers. A Carers policy has been developed with the carers staff network and we have introduced an intranet page for all relevant links, including premature baby additional leave. A Wellbeing Plan was developed and launched, including tips for having sensitive communication with managers. We have also engaged with a partner organisation to raise awareness to support families undergoing fertility treatment.

The Council committed to engage with boys and men to end violence against women and girls as part of the White Ribbon Accreditation. Male Allyship focus groups took place in March 2022 to discuss how more male colleagues can get involved in allyship. The Council's communications sets out very clearly an expectation of zero tolerance and provides ways to challenge and there is active support for victims of domestic abuse.

Reverse mentoring links Sutton's most senior leaders with a mentor who shares their lived experience both personally and in the workplace. Three cohorts of reverse mentoring have been run so far. 74% of our reverse mentors are female. Building on the review of recruitment practice, the Council has implemented diverse interview panels, drawing on this pool of reverse mentors and our network members.

Aspiring leaders and aspiring managers programmes launched as pilots to support our women in progressing their careers. Feedback was so positive that these programmes are now part of our core learning offer, and progression of those on the programme will be tracked to monitor its effectiveness.

An inclusive language guide has been launched in partnership with the Council's staff networks to provide a toolkit around appropriate and inclusive language and ways to challenge inappropriate language. A 'What it means to be a

manager in Sutton' guide has been developed to promote consistency and clear expectations.

# Plans for the future

The activity described in this section will continue. In addition, specific actions we will be taking to reduce our Gender Pay Gap year on year include:

- Continuing to implement our EDI Plan across the equalities characteristics
- Continuing to work with our Women's Network and wider staff networks to hear their lived experiences to develop actions to support women in the workplace
- Continuing to report on a quarterly basis activities to our corporate management team
- Ongoing engagement programme Managers briefings, webinars, Corporate Leadership and Managers Network sessions, staff networks, staff awards and 'wall of thanks', inductions.
- Engaging with our staff through our regular staff surveys, and acting on what we hear.
- Monitoring the workforce profile of staff undertaking learning activity matching gender, ethnicity, disability, sexuality as part of our equalities reporting.
- Improving promotion of women's development and leadership opportunities and continuing our aspiring leaders and managers programmes targeted at female staff who would like to progress their careers.
- Promoting menopause awareness and increased support for women experiencing menopause and perimenopausal symptoms, including sessions for all our managers.
- Promoting fertility awareness and guidances for staff and managers
- Reviewing workforce monitoring reports and ensuring that where there is underrepresentation at senior levels, there are no barriers within the organisation that are preventing women from progressing.
- Promoting our allyship programme commitment to challenge.
- Reviewing policies and signposting regarding reproductive health, child care, maternity, adoption, kinship and shared parental leave.
- Continuing to hear from our active Women's +allies network and provide open discussion sessions around empowering women and understanding barriers to progression.
- Increasing senior level involvement in understanding women's experiences e.g. champions, reverse mentors, panels.
- Publishing our gender pay assessment annually and providing a deep dive into the figures to better understand any changes year on year and focus our efforts.
- Senior level champions in each department promoting diversity.

- Development sessions around imposter syndrome, the wheel of power and privilege and hearing from diverse voices.
- Rolling out a mandatory EDI learning programme for middle managers and staff.

This information reassures us that the council is working hard to ensure equality across the council, but highlights there is always more that can be done as an organisation and as individuals. The council will continue to embed diversity and inclusion in all we do, that goes beyond gender, and covers other areas such as disability, ethnicity, sexual orientation and those with caring responsibilities.