



# **London Borough of Sutton**

**Gender Pay Gap Report**

**31 March 2019**

## **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 2019, the Council's mean pay gap is 9.3% (in favour of men). The Gender Pay Gap has decreased since the previous reporting period, 31 March 2018, when it was 14.6%. The appointment of a female Chief Executive has been a significant factor in the reduction of the mean figure. The percentage of women in the upper quartile has increased from 59% in March 2018 to 65% in March 2019, this is in part due to a number of Sutton College being included in LBS's gender pay reporting for the first time in March 2019. A high number of female Sutton College tutors have been included in the reporting for the first time who have relatively high hourly rates given the sessional and specialist nature of their work.

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 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 20/21.

## **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 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

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](http://m.acas.org.uk/media/pdf/m/4/Managing_gender_pay_reporting_04_12_17.pdf)

### **Benchmarking**

In the UK there is an estimated gender pay gap of 17.3% (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 31st March 2019 and casuals paid during this month. 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. 31st March 2019. 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.

## **London Borough of Sutton Gender Pay Gap Reporting Data**



The London Borough of Sutton has an overall workforce split of 69% women, 31% men.

	<b>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)</b>
<b>Mean hourly rate</b>	9.3%
<b>Median hourly rate</b>	9.3%

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

As of March 2019, the Council has a median pay gap of 9.3% which means it is slightly favourable towards men. For every £100 earned by a man a woman would earn £90.70. 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 : <https://www.gov.uk/government/news/view-gender-pay-gap-information>

As of March 2019, the Councils mean pay gap is 9.3% which means the gap is slightly in favour of men. For every £100 earned by a man a woman would earn £90.70. This compares favourably with the rest of the UK estimate of 18%, 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 74% women and 26% men.

## Quartiles

The chart 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%.

**Table 1 - Proportion of men and women employees in each quartile**

	Lower Quartile*		Lower Middle Quartile		Upper Middle Quartile		Upper Quartile	
	%	Headcount	%	Headcount	%	Headcount	%	Headcount
<b>Men</b>	26%	83	25%	78	32%	100	35%	111
<b>Women</b>	74%	233	75%	238	68%%	217	65%	205

Formula : Number of female employees in a quartile / Number of employees in a quartile \* 100

[\*Quartile pay bands - the proportion of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands. All full-pay relevant employees are divided into 4 quartiles).

**Table 2 - Proportion of men and women employees across each quartile**

	Lower Quartile*		Lower Middle Quartile		Upper Middle Quartile		Upper Quartile		Total
	%	Head count	%	Head count	%	Head count	%	Head count	
<b>Men</b>	22.3 %	83	20.9%	78	26.9%	100	29.8%	111	372
<b>Women</b>	26.1 %	233	26.7%	238	24.3%	217	22.9%	205	893

Formula : Number of female employees in a quartile / Number of employees in Sutton\* 100

At London Borough of Sutton there is a higher concentration of women in the three lower quartiles, however the proportion of men increases in the upper quartile compared to women (see above).

The Gender Pay Gap has decreased since the previous reporting period, 31 March 2018, due to a number of structural changes in the organisation.. The percentage of women in the upper quartile has increased from 59% in March 2018 to 65% in March 2019..

### **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.

### **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 2018 - 2023.

Sutton is committed to addressing diversity and is approaching this with a number of initiatives. The Council's gender pay gap has decreased from the previous figures last year however part of this is due to the recruitment of a female Chief Executive.

The Council has put in place a number of policies and actions to address gender equality in the workforce over the last year to help ensure there are no barriers to progression. These are outlined below.

### **Recruitment stage**

- Our recruitment team have acquired learning from our work with Diversity by Design, an equalities consultancy, who provided a recruitment methodology which aims to remove all bias from the selection process.
- Our new recruitment system specifies a need for optional blind recruitment and will be something that we consider as we launch our new recruitment system in 2020
- We have piloted a new Active Bystander Workshop for managers and recruiters. The feedback was so successful that we are hoping to roll this out further to managers and staff in 2020.
- We are actively rebranding our job adverts, promoting our commitment to diversity, flexible working and our staff networks.

## **Employment stage**

- Our PRIDE Values are embedded in our organisational development and performance management arrangements, including the “D” for diversity.
- The Equalities Champion Group, chaired by the Chief Executive and attended by Equalities Champions from across the Council meet quarterly to address strategic impact across all directorates.
- We have 6 equality staff network groups across the council, each with a senior manager sponsor, who are helping build awareness of the needs of all, ensuring we treat others fairly and respectfully. These include BAME+Allies, LGBTQ+Allies, Youth Group+Allies, Women’s+Allies, Family & Carers+Allies, Disability+Allies. From June 2019, members of each staff network have had the opportunity to attend and/or feed into the Equalities Champions Group.
- We have taken some encouraging steps forward to improve the council’s approach to flexible working, giving everyone the ability to achieve a good work life balance and digital programmes are enabling staff to work in an agile way.
- We have successfully developed a carers policy with the carers staff network and introduced an intranet page for all relevant links, including premature baby additional leave.
- We have focused on improving workforce diversity monitoring across the Council in order to improve our self declaration rates to provide richer information on the makeup of our workforce.

## **Plans for the future**

Specific actions we will be taking to reduce our Gender Pay Gap year on year include:

- 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.
- Using the results of our council wide colleague surveys in 2020 to look for equality issues and investigate.
- Reviewing our appraisal scoring to check for gender bias.
- Developing a reproductive policy which will cover all aspects of this broad subject in order to help support our staff.
- Developing a Menopause Guide with workshop support
- Use our in-house coaching and mentoring programmes to support women to prepare for senior roles. A pilot coaching scheme has been prepared and is due to be developed further with the women’s network.
- Following a review of the findings from a survey of staff about how they view Sutton’s approach to diversity and inclusion, an action plan is being developed with the networks and the Equalities Champion Group to respond to the feedback across the Council.
- Publish our gender pay assessment annually.

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.