



London Borough of Sutton

Gender Pay Gap Report

31 March 2017

Introduction

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 public sector organisations with 250 or more employees to publish their gender pay gap data on the snapshot date of 31 March 2017.

Measuring the Gender Pay Gap

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 gives 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

Benchmarking

In the UK there is an estimated gender pay gap of 18.1% 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 woman. 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.

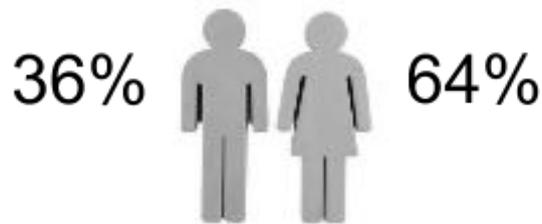
Scope

This data is based on all council employees (excluding school based staff) who were employed on 31st March 2017 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 snapshot date i.e. 31st March 2017. 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 64% women, 36% men.

	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	5.4%
Median hourly rate	-0.4%

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 2017, the Council has a median pay gap of -0.4% which means it is slightly favourable for women. For every £100 earned by a man a women would earn £100.40.

Since the major concentration of women is in the middle quartile this leads to a very small gap in the median figure which is in favour of women.

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 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 2017, the Councils mean pay gap is 5.4% which means the gap is slightly in favour of men. For every £100 earned by a man a woman would earn £94.60. 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 top three pay grades of the council is 70% men and 30% women.

Quartiles

The below chart 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
Men	46.0%	131	27.0%	77	30.2%	86	40.5%	115
Women	54.0%	154	73.0%	208	69.8%	199	59.5%	169

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	
Men	32.0%	131	18.8%	77	21.1%	86	28.1%	115	409
Women	21.1%	154	28.5%	208	27.3%	199	23.1%	169	730

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 two middle quartiles, however the proportion of men increases in the both the lower and upper quartiles compared to women (see above).

The quartile data indicates that there is most gender disparity in the middle quartiles. This disparity is mainly due to workforce composition of men and women in specific roles. Further analysis of the data outlines that the middle quartiles contains a high proportion of females in positions such as Business Support Officer, Library Assistant and Support Workers.

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.

Why does a gender pay gap arise?

There's 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.

What is the council doing to close the gap?

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. 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 that 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 2014-18 and its commitment to being an Open Council.

London Borough of Sutton is committed to addressing diversity and are approaching this with a number of initiatives. Whilst the Council's gender pay gap results fair better than average in the UK, the organisation will look to reduce our gap year on year.

The Council has put in place a number of policies and actions to address gender equality in the workforce. These are outlined below.

Recruitment stage

- We want to ensure a fair approach for all through all stages of the internal and external recruitment, and the structured recruitment process helps ensure decisions are unbiased.
- We are currently piloting a new unconscious bias workshop for Managers and recruiters.

Employment stage

- Our PRIDE Values values are embedded in our organisational development and performance management arrangements, including the "D" which stands 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 recently created 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.
- We have made 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 efficiency programmes are enabling people to work in an agile way. We are reviewing policies to support the flexible working philosophy so it becomes an important part of culture change.

Plans for the future

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

- Setting targets for women and other equalities groups in the workforce to improve representation at senior levels, equivalent to their representation in the wider workforce. We are also focussing on improving workforce diversity monitoring across the Council and improving self declaration rates to provide richer information on the makeup of our workforce.
- Surveying female employees to identify any potential perceived barriers to their progression and put in place supporting interventions.
- Undertaking a deep dive of recruitment processes to see if women are applying, being shortlisted and appointed in similar proportions at senior levels along with other equalities groups.
- Using our in-house coaching and mentoring programmes to support women to prepare for senior roles.
- Working with our Heads of Service (third tier) to identify how greater gender equality can be achieved.
- Exploring the options for introducing a 'blind recruitment' system to exclude any potential for unconscious bias in our recruitment processes.
- Publish our gender pay assessment annually.

Whilst these figures highlight the issues that continue to surround gender, as an organisation London Borough of Sutton is committed to an inclusive and diverse culture.

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. All council staff can play a role in challenging the status quo. The council will continue to embed a fair approach that goes beyond gender, and covers other equalities issues such as disability, ethnicity, sexual orientation and those with caring responsibilities.

