



London Borough of Sutton

Gender Pay Gap Report

31 March 2018

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 2018, the Council's mean pay gap is 14.6% (in favour of men). The Gender Pay Gap has increased since the previous reporting period, 31 March 2017, when it was 5.4%. The factors contributing to this increase include waste, parks and recycling staff TUPE transferring to another provider on 1 April 2017. This group of staff included a high proportion of men on the lowest pay bands who fell into the lowest pay quartile in the previous reporting period. Finance and Customer Experience staff from Kingston Council have also TUPE transferred into Sutton since the previous reporting period and within this group there were a number of lower paid female staff who fell into the lower pay quartiles in addition to male staff from Finance who fell into the higher pay quartiles.

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. Sutton is committed to addressing diversity and the Council has put in place a number of policies and actions to address gender equality in the workforce which are detailed below.

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, Ambitious for Sutton 2018 - 2023.

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.

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, it is disappointing that the gap has increased over the last year, although this can be explained by the structural changes that have taken place in the organisation. The recruitment of a female Chief Executive should have a positive impact on next year's calculation and we know that since March 2018, the percentage of women in the upper pay quartile has increased by 3%.

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

Recruitment stage

- We have been working with Diversity by Design, an equalities consultancy, who have provided a recruitment methodology which we are exploring, that takes all bias out of the selection process. We are currently piloting this approach on a number of posts.
- We have piloted a new unconscious bias workshop for managers and recruiters.
- We are looking to rebrand 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, members of each staff network will have the opportunity to attend and 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.

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.
- Reviewing our appraisal scoring to check for gender bias.
- A focus on improving workforce diversity monitoring across the Council and improving self declaration rates to provide richer information on the makeup of our workforce.
- Developing a reproductive policy which will cover all aspects of this broad subject in order to help support our staff.
- Use our in-house coaching and mentoring programmes to support women to prepare for senior roles. We are currently running a pilot coaching scheme with the women's network.
- A senior leadership group has been established to review findings from a recent survey of staff about how they view Sutton's approach to diversity and inclusion. This will result in an action plan being developed to respond to the feedback across the Council.
- 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. 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.

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

Benchmarking

In the UK there is an estimated gender pay gap of 17.9% (Median) (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 2018 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 2018. 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 71% women, 29% 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	14.6%
Median hourly rate	11.1%

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 2018, the Council has a median pay gap of 11.1% which means it is slightly favourable towards men. For every £100 earned by a man a woman would earn £88.90. 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 2018, the Councils mean pay gap is 14.6% which means the gap is slightly in favour of men. For every £100 earned by a man a woman would earn £85.40. 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 75% women and 25% 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
Men	23.5%	66	26.1%	73	26.8%	74	40.6%	113
Women	76.5%	211	73.9%	204	73.2%	203	59.4%	164

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	20.2%	66	22.4%	73	22.7%	74	34.7%	113	326
Women	27%	211	26.1%	204	26%	203	20.9%	164	782

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 increased since the previous reporting period, 31 March 2017, due to a number of structural changes in the organisation. The factors contributing to this include waste, parks and recycling staff TUPE transferring to another provider on 1 April 2017; this group of staff included a high proportion of men who fell into the lowest pay quartile in the previous reporting period. Finance and Customer Contact staff from Kingston Council have TUPE transferred into London Borough of Sutton since the previous reporting period, and within this group there are a number of female staff who fell into the lower pay quartiles in addition to a number of men who were in the upper pay quartiles.

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.