

Croydon Council Gender Pay Gap Report

Based on data collected on 31st March 2019

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Summary of Report

This report analyses the gender pay gap for Croydon council calculated as a mean and median figure.

The key findings of the report conclude that the council's gender pay gap (as at 31st March 2019) calculated as a mean figure was -2.9%. The council's gender pay gap calculated as a median figure was 1.9%. This means that for the first time, female employees are now paid on average higher hourly rates of pay than male employees.

The gender mean and median pay gaps have decreased by 4.5% and 0.7% respectively since 2018.

The representation of male and female employees within the highest and upper middle pay quartiles largely shows consistency with the workforce representation of both groups.

Croydon council's gender pay gaps continue to be significantly less than the average UK pay gap (17.9%).

The council will continue to audit our records as we transfer data to new HR systems in the upcoming year.

The council aims to continue to reduce pay gaps differences between majority and minority groups by implementing specific objectives outlined in the Workforce Strategy 2019 – 2022.

Introduction

1. What is the gender pay gap?

A gender pay gap compares the difference between the average hourly pay of women and men. As the gender pay gap looks at all roles, it shows whether men are on average occupying higher paying roles than women, or whether women are occupying higher paid roles than men. It is not a comparison of pay between people doing the same work.

2. Understanding the pay gap information

2.1 Pay gap percentages

The percentage gap represents the degree to which the average pay for women or the average bonus pay for women is lower or higher than the same average payment for men.

2.2 Ordinary hourly rate

The ordinary hourly rate includes:

- Basic pay
- Allowances (see [Appendix 2](#))
- Shift premium pay

It does not include:

- Employees on maternity leave, long term sick leave, or other types of reduced pay
- Overtime

The calculation is based on contractual weekly hours. This gives a direct comparison between employees' hourly pay, regardless of whether they work full-time or part-time.

2.3 Mean and median calculations

- Mean calculation: adding a range of numbers together and dividing the total by how many numbers there are (often referred to as the average).
- Median calculation: the middle value in a range of numbers (which is better measure for skewed distributions).

2.4 Pay quartiles

Pay quartiles are calculated by:

- Ordering employees by their ordinary hourly pay.
- Dividing the employees into four groups, each with an equal number of employees - each group is a quartile. This creates four equally sized pay bands ranging from the lowest paid 25% (quartile A) of employees to the highest paid 25% (quartile D) of employees.
- [Appendix 4](#) outlines details of the hourly pay rates for all four quartiles.

Quartiles allow Croydon council to compare pay including allowance and shift pay rather than using grades which only considers basic pay. It also allows us to compare all council employees' across our various grade structures.

2.5 'Bonus' Pay Gap Percentages

For the purpose of pay gap reporting the definition of 'bonuses' includes one-off payments given for specific recruitment and retention purposes (e.g. social workers) and payments relating to profit sharing, productivity, performance, incentive and commission (e.g. enforcement agents).

3. Data Reporting

Croydon Council recognises that gender identity is not limited to the categories of male and female. Although gender pay gap regulations require Croydon Council to report on all staff as male and female, the council appreciates that some colleagues may not identify within this gender binary. Croydon Council welcomes and values colleagues of all gender identities.

In accordance with gender pay gap reporting guidelines, Croydon Council included 3,118 people in the scope as eligible for reporting on 31st March 2019.

We will continue to audit our records as we transfer data to new HR systems.

As at 31st March 2019, 65% of Croydon Council's workforce identified as female and 35% of the workforce identified as male.

Further information about the workforce is published on our [workforce profiles](#) internet page.

RESULTS

4. Croydon Council pay gap data 2019 – gender

4.1 Ordinary hourly pay gap for gender

Figure 1 shows the mean and median hourly pay gaps for male and female employees from 2017- 2019.

Since 2017, the mean pay gap has decreased by 4.5% and the median pay gap has decreased by 0.7%.

In 2019, female employees now earn on average higher hourly pay rates than male employees calculated as a mean figure.

| Year | Hourly pay gap (data as at 31 st March) | Gender Pay Gap (% that average pay for female employees is lower than for male employees) |
|------|--|--|
| 2019 | Mean ordinary hourly pay gap | -2.9% |
| 2019 | Median ordinary hourly pay gap | 1.9% |
| 2018 | Mean ordinary hourly pay gap | 1.6% |
| 2018 | Median ordinary hourly pay gap | 2.6% |
| 2017 | Mean ordinary hourly pay gap | 1.6% |
| 2017 | Median ordinary hourly pay gap | 2.4% |

Figure 1: Table showing mean and median ordinary hourly pay gaps for Croydon staff calculated via gender (male and female). The data is effective as of the 31st of March 2019.

4.2 Ordinary hourly pay gap for gender: quartile analysis

Figure 2 (below) shows the pay quartiles for men and women as at 31st March 2019.

The highest percentage of women is in the lower middle pay quartile (71%), whilst the highest proportion of male employees is in the lowest pay quartile (41%)

The lowest level of women is in the lowest pay quartile (59%) whilst the lowest level of male employees is in the lower middle pay quartile (29%)

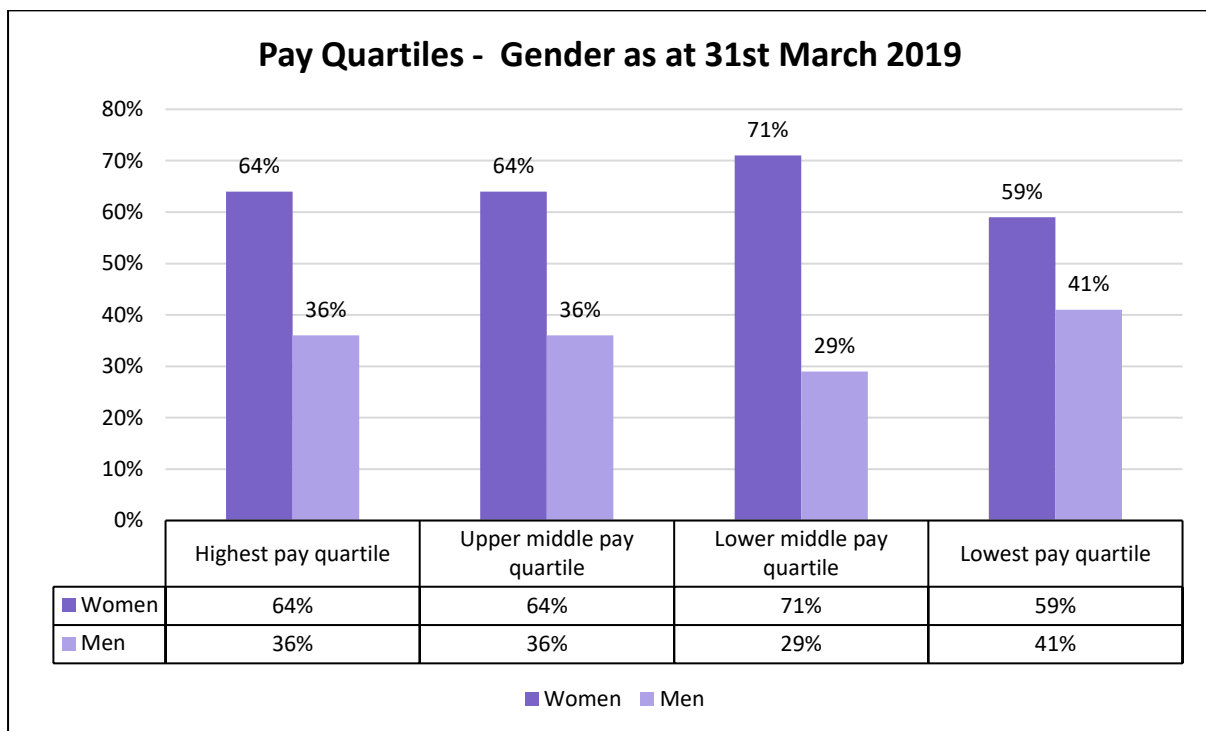


Figure 2: Chart showing pay quartiles for Croydon staff calculated via gender (male and female) as at 31st March 2019.

[Appendix 5](#) maps the changes in pay quartile representation for male and female employees from 2017 – 2019.

Both male and female employees show consistency regarding their representation in the highest and upper middle pay quartiles in comparison to their workforce representation during this time period.

The lower middle pay quartile shows the biggest variation from the workforce profile with women showing a consistently decreased representation and men showing an increased representation from 2017 – 19. There has also been a 6% decrease in representation for women and a 6% increase for male representation in the lowest pay quartile from 2018 -19.

4.3 Bonus pay gap for gender

One-off payments defined as ‘bonuses’ are given to an extremely limited number of employees for specific recruitment and retention purposes (see 2.5).

These payments were made to 40 female employees and 14 male employees during the 2018-19 year, which comprised 1.6% of the Croydon council workforce. Given the small numbers who received this payment, limited information can be drawn from the figures reported.

Figure 5 (below) shows the figures for pay gaps between male and female employees from 2017- 2019.

| (% that average bonus pay for female employees is higher or lower than for male employees) | 2019 | 2018 | 2017 |
|--|----------------|-----------|--------------|
| Gender - bonus mean hourly pay gap | 51.10% lower | 56% lower | 21.20% lower |
| Gender - bonus median hourly pay gap | -66.70% higher | 0% | 0% |
| Women paid bonus as % of all women | 1.80% | 2.70% | 3% |
| Men paid bonus as % of all men | 1.20% | 1.20% | 2% |

Figure3: Table showing staff ‘bonus’ pay gaps calculated for gender groups from 2017-2019

5. Pay Gap Trends

5.1 Pay quartiles

Croydon council reflects the reality of most local authorities in its gender make-up in that women comprise the majority of employees (65%).

The council’s gender pay gap has remained low because we have a fairly similar proportion of women and men (compared to our workforce profile) in both higher paid and lower paid roles.

The data highlights that on average there is a slightly higher proportion of male employees in the highest and upper middle pay quartiles than female employees compared to their workforce representation but the differences are relatively small (less than 2%).

Whilst the lower middle pay quartile has the highest level of female representation (71%), the lowest pay quartile also has the highest level of male

representation (41%). There has been a notable decrease of women in the lowest pay quartile (6%) since 2018 which has contributed to the narrowing of the pay gap in 2019.

5.2 'Bonus' pay gap data

Only 1.6% of employees in the council workforce received 'bonus' payments in 2018/19 therefore it is difficult to draw any definitive conclusions regarding the pay gap figures reported.

From 2017 – 19 the mean calculation for 'bonus' pay gap has increased between men and women with men on average now paid 51.1% more than women. However the median calculation for 'bonus' pay gap has decreased with women now paid 66.7% more in the median calculation than men.

10. How we are improving our diversity

Croydon Council is committed to improving our diversity. The actions we have taken to improve gender diversity have had a positive impact on pay gap figures in the last two years:

- Our gender pay gap figures for 2019 are now at their lowest percentage since 2017.
- Women's average hourly pay rates now exceeds average male pay rates.
- Gender representation within pay quartiles largely reflect our workforce gender representation.
- The representation of women in the lowest pay quartile has decreased since 2018

However we are aware there are further challenges to be addressed for the council to continue to improve pay gaps for gender.

Actions we have taken (and will continue to take) to improve gender diversity include:

- Providing a positive action leadership development programme for women. Since this development started in 2016, 95 women have completed the programme.
- Those who completed the programme between April 2016 and April 2018 were surveyed in July 2018 to check their career development and the results are as detailed below:
 - 18 had gone on to secure new job roles within Croydon Council.
 - 20 had gone on to take up interim, job secondments within Croydon Council
 - An additional 26 had stayed with the Council
- We have supported employees to develop staff diversity network groups that support all protected characteristics including gender.

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- Equality and unconscious bias training has been undertaken by the majority of line managers and other employees.
- We have clarified in job advertisements that flexible and agile working options can be discussed at interview and agreed from the start of employment for all new employees
- We ensure that staff who take extended leave such as maternity leave are not disadvantaged in receipt of their pay increments – they receive the same increments as the rest of the workforce.
- We now have a number of family friendly policies and other initiatives to support women including:
 - The ability to buy additional leave
 - The ability to take unpaid and sabbatical leave (up to 12 months subject to eligibility).
 - Shared parental leave options
 - Paid additional leave options for employees when dealing with premature birth; parental bereavement leave (for bereaved parents of children under 18); and options for caring responsibilities.
 - Guidance on supporting women in the workplace during the menopause
 - The commitment of our council to enabling flexible and agile working for all staff wherever possible from the start of employment (subject to business needs)
- The council was assessed against the Equality Framework for Local Government (EFLG) in 2019. This assessment was against five equality areas including workforce diversity as part of the 'skilled and committed workforce' performance measure. The council was awarded 'Achieving' level highlighting the solid diversity and inclusion foundation we have built.
- During 2019, the council undertook a baseline qualitative and quantitative analysis of the workforce to inform our workforce strategy. This included a commitment to review and update our policies including discretionary and annual leave. We also will update and review our flexible and agile working policy.

Our [commitment to equality](#) outlines our aim to create a workplace where all employees can be themselves.

Over the coming years we aim to:

- Implement and monitor our Workforce Strategy Programme which will address areas of concern employees have raised including recruitment, performance management, and retention.

- Ensure all our HR policies are inclusive
- Continue to improve our performance management system
- Monitor progression up the grade structure by employees' protected characteristic
- Encourage men as well as women to use our range of flexible working options and we will continue to pursue Timewise accreditation
- Actively encourage higher levels of disclosure from employees

11. Croydon Council gender pay gap comparison with overall UK pay gap

We calculated our pay gap using a method set by The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

The Office for National Statistics use a different method for calculating the UK wide pay gap and therefore the two are not directly comparable. However, for context, how we compare against the UK-wide mean (average) is:

| Characteristic | Croydon Council – mean pay gap | UK Average ¹ |
|----------------|--------------------------------|-------------------------|
| Gender | -2.9% | 17.3% |

In this context all our gender pay gap is much lower in comparison with the UK-wide median gap.

12. Difference between pay gaps and equal pay

Equal pay calculations compare the average pay of male and female employees' doing equal work e.g. men or women doing the same job or on the same grade.

Gender pay gap is a comparison of the average pay for all men and all women within the council across all jobs.

As well as our pay strategy, gender pay gap is impacted by the grade profile of men and women. This is positively influenced by equal treatment in:

- Recruitment
- Progression through grades
- Performance management
- Learning and development
- Maternity return rates
- Equal use of flexible working and parental leave
- Inclusive leadership and culture

¹ Office For National Statistics April 2019

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End

Appendix 1: Statutory Reporting Data Sets March 2019

The tables below shows the data sets that will be upload to the Government portal in line with the gender pay gap reporting responsibilities.

1a. HOURLY RATE

| CATEGEORY | MEAN | MEDIAN |
|-------------------------------------|-------------|------------|
| Women's to men's hourly pay rate is | 2.9% higher | 1.9% lower |

1b. PAY QUARTILES

| QUARTILE | MEN | WOMEN |
|--------------|-----|-------|
| Upper | 36% | 64% |
| Upper Middle | 36% | 64% |
| Lower Middle | 29% | 71% |
| Lower | 41% | 59% |

1c. BONUS PAY

| | MEAN | MEDIAN |
|----------------------|-------------|--------------|
| Women's bonus pay is | 51.1% lower | 66.7% higher |

| | MEN | WOMEN |
|---------------------|----------|------------|
| Who received bonus? | 1.2% | 1.8% |
| | (of men) | (of women) |

Appendix 2: Allowances included in gender pay gap calculations

The following allowances are included in calculations for the gender pay gap:

- market supplements
- acting-up payments
- weekend and night working
- standby payment

Appendix 3: Pay Quartile Information – Gender

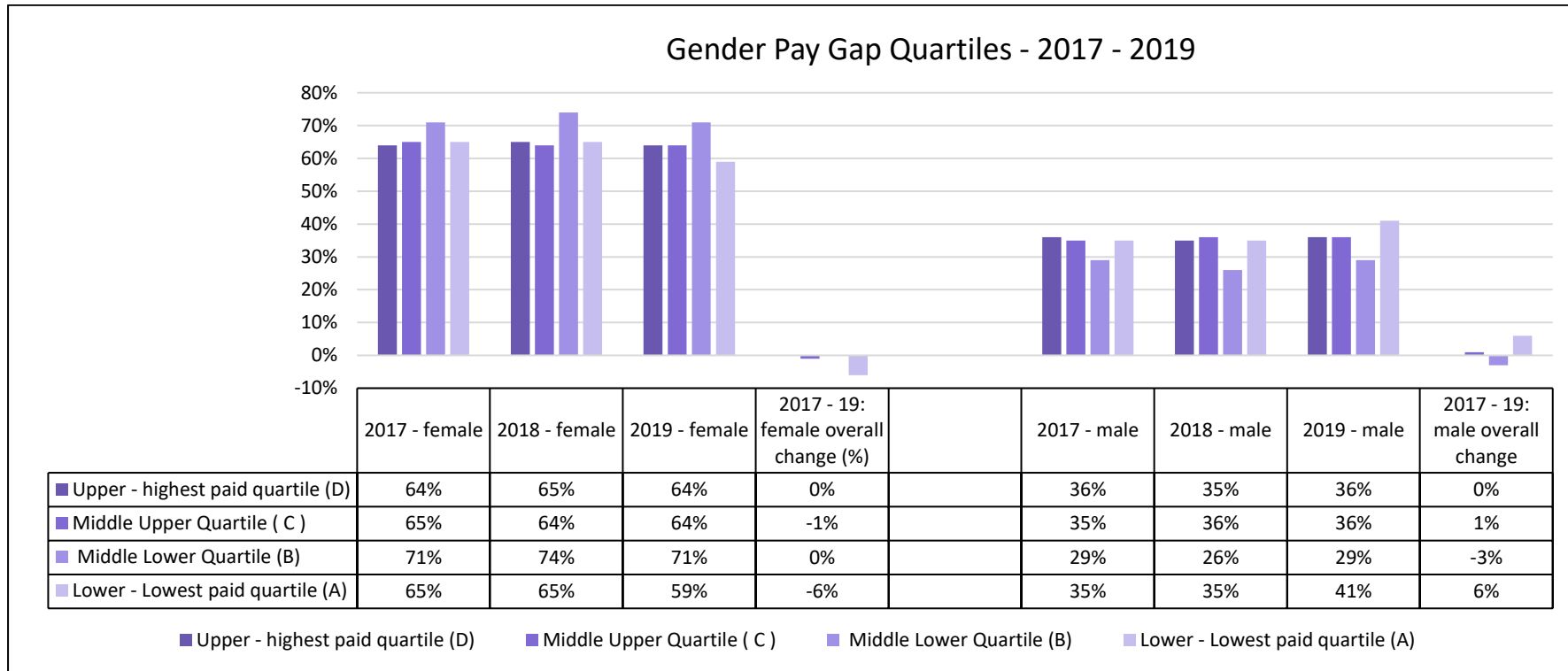
| Pay quartiles | Women | Men | Total | Women headcount | Men headcount | Total headcount |
|---|-------|-----|-------|-----------------|---------------|-----------------|
| Proportion of women and men in the upper quartile (paid above the 75th percentile point) | 64% | 36% | 100% | 502 | 277 | 779 |
| Proportion of women and men in the upper middle quartile (paid above the median and at or below the 75th percentile point) | 64% | 36% | 100% | 499 | 281 | 780 |
| Proportion of women and men in the lower middle quartile (paid above the 25th percentile point and at or below the median) | 71% | 29% | 100% | 552 | 228 | 780 |
| Proportion of women and men in the lower quartile (paid below the 25th percentile point) | 59% | 41% | 100% | 460 | 319 | 779 |

Appendix 4: Pay Quartile Information – Pay rates

Croydon Council pay quartiles hourly rates are outlined below:

- The lowest paid quartile (A) includes those earning less than approximately £14.55 an hour including allowances and shift pay
- The middle lower quartile (B) includes those earning between approximately £14.55 to £17.72 an hour
- The middle upper quartile (C) includes those earning between approximately £17.720 to £22.33 an hour
- The highest paid (upper) quartile includes those earning over approximately £22.33 an hour (D)

Appendix 5: Pay Quartiles 2017 - 2019



Appendix 6: 'Bonus' Pay Gaps - Gender

| Bonus pay | Bonus Gender Pay Gap - the difference between women's bonus and men's bonus as a % of men's bonus | Bonus Gender Pay Gap - women's bonus as a % of men's bonus |
|--------------|---|--|
| Mean bonus | 51.1% | 48.9% |
| Median bonus | -66.7% | 166.7% |

