## **Croydon Council Gender Pay Gap Report**

## Based on data collected from 2021 - 2022

Issued: June 2023

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## **Summary of Report**

This report examines the gender pay gap for Croydon council calculated as mean and median figures.

We conclude that the council's gender pay gap (as of 31<sup>st</sup> March 2022) calculated as a mean figure was 0.0%. The council's gender pay gap calculated as a median figure was 0.0%. These pay gap figures are also the same as the previous year (2021).

Gender pay gap	2022 (data as of 31st March)	2021 (data as of 31st March)	
Mean ordinary hourly			
pay gap	0.0%	0.0%	
Median ordinary hourly			
pay gap	0.0%	0.0%	

This is the first time that Croydon council has reported 0% for both pay gap figures in consecutive years since pay gap reporting started in 2017.

By calculation of a pay gap of 0% we are declaring that men and women employed at the council now earn (on average) the same hourly pay rate calculated either as a mean or median figure.

The representation of male and female employees within the highest and upper middle pay quartiles also largely shows similarity with the workforce representation of both sexes in 2021 and 2022.

Pay Quartiles	2022	2021
Upper (top 1/4) – Female	67%	69%
Upper (top 1/4) – Male	33%	31%
Upper Middle – Female	69%	67%
Upper Middle – Male	31%	33%
Lower Middle – Female	76%	74%
Lower Middle – Male	24%	26%
Lower (bottom 1/4) – Female	62%	68%
Lower (bottom 1/4) - Male	38%	32%

% representation of each sex in LBC workforce	Female	Male
2022	68%	32%
2021	68%	32%

The lower middle pay quartile has increased the representation of women by 2% from 2021 - 2022 whilst the lowest paid quartile has decreased the representation of women by 6% from 2021 - 2022.

Croydon council's gender pay gaps are less than the average UK gender pay gap of 8.2% (*ONS 2022*) and London Councils (all boroughs) pay gap averages (2.5% mean; 0.7% median) for 2021.

The council aims to continue to reduce pay gaps differences between sexes by implementing specific objectives outlined in the People and Cultural Transformation Strategy 2022 – 2026 especially Pillar 2, workforce EDI (see <u>Action Plans</u>)

## Croydon Council workforce characteristics compared to Croydon's resident population:

#### Sex:

	Female	Male
Croydon Council – all workforce (2021/2)	68%	32%
Croydon Residents: ONS Census 2021, November 2022	52%	48%

### Ethnicity:

	Asian/ Asian British %	Black/African/ Caribbean/ Black British %	Mixed/multiple ethnic groups %	Other ethnic group %	White ethnic groups (%)
Croydon council -all					
workforce (2021/2)	8%	30%	6%	4%	52%
Croydon Residents: ONS census					
2021	17%	23%	8%	4%	48%

#### **Disability:**

Croydon Council: all workforce disclosed disability 2021/2	
(%)	10%
Croydon residents disclosed disability: ONS census	
2021(%)	14%

## 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 'one-off' payments for women is lower or higher than the same average payments for men.

## 2.2 Ordinary hourly pay rate

The ordinary hourly pay rate includes in scope:

- Basic pay
- Allowances (see Appendix 2)
- Shift premium pay

It does not include in scope:

- 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% (bottom 1/4) of employees to the highest paid 25% (top 1/4) of employees.
- Upper pay quartile is the top 25% or top quarter of paid employees.
- Upper middle pay quartile is the second highest quarter grouping of paid employees.
- Lower middle pay quartile is the third highest quarter grouping of paid employees.
- Lowest quartile is the bottom quarter grouping of all paid employees.

Quartiles allow Croydon council to compare employees' 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 'One-off'/additional payments - pay gap percentages

For the purpose of pay gap reporting one-off or additional 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) are identified by the terminology of 'bonuses' within the pay gap reporting regulations.

## 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 understands 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 3,506 people in the scope as eligible for reporting on 31st March 2022.

### 4. Workforce Gender Profile

- As of 31<sup>st</sup> March 2022, 68% of Croydon Council's workforce identified as female and 32% of the workforce identified as male.
- Overall, 18% of the workforce were employed on part-time hours.

## **RESULTS**

## 5. Croydon Council gender pay gap data 2020 - 2022

## 5.1 Ordinary hourly pay gap for gender

Figure 1 shows the mean and median hourly pay gaps for male and female employees from 2020 - 2022.

The mean pay gap decreased to 0% from 2020 – 2021 and has stayed at 0% from 2021.

The median pay gap has stayed at 0% since 2020.

	2020 (data as of 31 <sup>st</sup> March)	2021 (data as of 31 <sup>st</sup> March)	2022 (data as of 31 <sup>st</sup> March)
Mean ordinary			
hourly pay gap	2.0%	0%	0%
Median ordinary			
hourly pay gap	0.0%	0%	0%

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 2022.

Gender pay gap changes	2020 - 2021	2021 - 2022
Mean	-2.0%	No change
Median	No change	No change

Figure 2: Table showing the changes to pay gaps for Croydon staff calculated via gender (male and female.)

## 5.2 Ordinary hourly pay gap for gender: quartile analysis

Figure 3 (below) shows the pay quartiles by gender for 2021 and 2022.

The largest representation of female employees is in the lower middle pay quartile and the percentage has increased by 2% from 74% (2021) to 76% (2022).

The lowest representation of female employees is in the lowest (bottom 1/4) pay quartile which has seen a reduction from 68% (2021) to 62% (2022).

The highest and upper middle (top  $\frac{1}{2}$ ) paid quartiles show representation of female employees at similar levels to their workforce representation (68%) for both 2021 and 2022.



Figure 3: Chart showing pay quartiles for Croydon staff calculated via gender (male and female) in 2021 and 2022

<u>Appendix 4</u> maps the changes in pay quartile representation for male and female employees from 2020 – 2022.

Female employees have maintained the same representation in the highest paid quartile from 2020 – 2022 (67%) which is comparable to their workforce representation (68%). Females have increased representation in the upper middle (4%) and lower middle quartiles (6%) also in this time. Within the lowest paid quartile, female staff representation has decreased by 2% overall.

Male employees have also maintained the same representation in the highest paid quartile from 2020 - 2022 (33%) which is comparable to their workforce profile representation (32%). Males have decreased representation in the upper middle (-4%) and lower middle quartiles (-6%). However male

representation has increased in the lowest paid quartile by 2% overall from 2020 - 2022.

From 2020 - 2022 the lower middle pay quartile showed the biggest variation from the workforce profile representation, with females showing a consistently increased representation and men showing decreased representation.

## 5.3 'One-off'/additional payments - pay gap percentages

One-off or additional payments are given to an extremely limited number of employees for specific recruitment and retention purposes (see 2.5).

In 2021/22, these payments were made to 174 employees in total who comprised of:

- 120 female employees
- 54 male employees

In 2020/21, these payments were made to 195 employees in total who comprised of:

- 55 female employees
- 140 male employees

The number of employees receiving these payments comprise 5% of the Croydon council workforce in 2021/22 and 2020/21. Given the small numbers who received this type of payment, limited information can be drawn from the figures reported.

Figure 4 (below) shows the figures for 'one-off' payment gaps between male and female employees for 2020 - 2022.

(% that average additional pay/'one-off' payments for female employees are higher or lower than for male employees)	2021/2022	2020/2021
Gender - additional 'one-off" payment mean		
hourly pay gap	18.7%	28.5%
Gender - additional 'one-off' payment median		
hourly pay gap	0%	0.0%
Women paid additional 'one-off' payments as %		
of all women	5.0%	5.5%
Men paid additional 'one-off' payments as % of		
all men	4.9%	4.7%

Figure 4: Table showing staff one-off/ 'bonus' pay gaps calculated for gender groups 2020-2022

## 6. Reasons for changes to the gender pay gap from 2020 - 2022

The council's gender pay gap has remained low from 2019 onwards, with 2021 showing that (for the first time), the mean and median calculations for pay gaps were both 0%.

In 2022, pay gaps for both mean and median calculations remained at 0% which was the first time this occurred for two consecutive years since pay gap reporting commenced in 2018.

This means that on average, hourly pay rates for men are the same as for women across the council.

This could be in part due to changes in the workforce from 2020 - 2022 caused by:

- The working restrictions created by the pandemic increased opportunities for flexible working for the whole workforce including women.
- The reduction of employee numbers due to significant internal restructuring in 2020 and 2021.
- The increased number of appointments of female staff at middle and senior management levels in the workforce.

## 7. Action plans to improve the gender pay gap

Croydon Council is committed to improving equality, diversity, and inclusion. As outlined in our People and Cultural Transformation Strategy 2022 - 2026, "we aim to attract and retain diverse talent into the council, ensuring our workforce is as reflective as possible of the people of Croydon."

The actions we have taken to improve gender diversity have had positive impacts on pay gap figures from 2020 onwards and resulted in:

- Croydon Council's pay gap figures being calculated as 0% for both mean and median across two consecutive years in 2021 and 2022. This is the first time that this has happened since pay gap reporting commenced in 2018.
- The representation of women in the lowest (bottom ½) pay quartile has decreased overall by 2% from 2020 2022.
- The representation of women in the highest and upper middle pay quartiles have remained comparable to their workforce profile representation from 2020 2022.

Croydon Council also has seen tight financial restrictions in place since 2020. The Croydon Renewal and Improvement Plan for the next two years will continue to control spending across the council.

The council will continue with its actions to improve gender pay gap differentials because:

- We are aware that gender representations in the lower middle and lowest pay quartiles are less representative of the division of the sexes within the workforce.
- The lower middle pay quartile is increasing in female representation levels compared to male from 2020 2022.

Cur	rent actions impacting gender pay gap	Timescale
•	We have clarified in job advertisements that we are a hybrid working employer and flexible work options can be discussed at interview and agreed from the start of employment for all new employees.	Ongoing
•	<ul> <li>We have put in place inclusive recruitment practices including:</li> <li>Anonymized applications</li> <li>Diverse and balanced recruitment panels for all job roles – which we assess by sampling panel compositions to ensure compliance with our recruitment policy. We also intend to publish compliance rates on an on-going basis.</li> <li>Making sure that all interview panellists have minimum training in equality and diversity, unconscious bias and recruitment learning whilst at Croydon</li> </ul>	Ongoing
•	We have supported employees to develop staff diversity network groups that support all protected characteristics including gender.	Ongoing
•	Mandatory equality and unconscious bias training have been undertaken by all our employees.	Ongoing
•	The council also has several family friendly policies and other initiatives to support women including:  • The ability to buy additional leave.	Ongoing

- 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 aged under 18); and options for caring responsibilities.
- A menopause policy and online resources on supporting women in the workplace
- A 'Wellbeing Passport' to support staff in their personal lives by having open and honest conversations with management to discuss any adjustments to their working lives

Our <u>commitment to equality</u> outlines our aim to create a workplace where all employees can be themselves.

In future months we also aim to implement actions to improve pay gap figures by implementing actions outlined below:

Upcoming actions to improve gender pay gap	People and Cultural Transformation Strategy (2022 – 2026)	Timescale
Building on work to date, a workforce EDI dashboard will be presented to the EDI internal control board to analyse the workforce profile and to highlight areas where positive action is needed to address underrepresentation.	( <b>Pillar 2)</b> Build an equality driven, diverse and inclusive workplace.	2023 - 2026
The council will invest in positive action development programmes for protected characteristic staff to ensure an equitable approach to address current and past organisational shortcomings.	our skills and capabilities and optimise our performance.	
We will develop clear career and skills development pathways to ensure a	( <b>Pillar 4</b> ) Build our skills and capabilities and	2023 - 2026

systemic and holistic approach to workforce development which will be aligned to business planning and the fulfilment of the Mayor's Business Plan to optimise performance for residents' benefit.	optimise our performance.	
The council will aim to develop a more attractive employment value proposition (employment attraction package) to ensure we can recruit and retain good calibre people.  In terms of retention there are key interdependencies with Pillar 4 and building workforce skills and capabilities.	(Pillar 5) Acquire and retain talent, responding to skills gaps in the context of a more competitive recruitment market.	2023 - 2026
We will utilise our workforce exit data to pinpoint where we have issues of employee turnover and take targeted actions, including improving employee engagement		
The council will conduct a strategic pay review which will seek to simplify and make transparent the approach to job value, pay and rewards.  The review will aim to benchmark the council against the external labour market to ensure pay and reward is competitive, whilst also being affordable within the council's overall pay bill.	(Pillar 6) Establish a market leading pay and reward package.	2023 - 2026

# 8. 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:

Gender Pay Gap Report: 2021-2022

Characteristic Croydon Council – median pay gap		UK Median <sup>1</sup>		
Gender	0.0%	8.2%		

Figure 5: Table showing gender pay gap for Croydon Council compared to UK Average pay gap 2022

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

# 9. Croydon Council gender pay gap comparison with London Councils pay gaps

London councils who reported gender pay gaps for 2021 indicated the following figures calculated across all 32 councils:

- The mean pay gap figure for all London councils who reported was 2.5%.
- The median pay gap figure for all London councils who have reported was 0.7%.

As such Croydon Council's pay gap figures for 2021 and 2022 which are 0% for mean and 0% for median calculations indicate that the council's figures are below the average mean and median figures reported for all London boroughs.

## 10. 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 (including senior appointments, e.g., our CEO is currently female, and this may impact on our pay gap)
- Progression through grades
- Performance management
- Learning and development
- Maternity return rates (e.g., more women than men tend to take unpaid leave to fulfil caring responsibilities)
- Equal use of flexible working and parental leave
- Inclusive leadership and culture

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<sup>&</sup>lt;sup>1</sup> Office For National Statistics April 2022

End

## **Appendix 1: Statutory Reporting Data Sets March 2022**

The tables below show the data sets that will be uploaded to the Government portal in March 2023 in line with the gender pay gap reporting legislation.

#### 1a. HOURLY RATE

CATEGEORY	MEAN	MEDIAN		
Women's to men's hourly pay rate is	0.0% (no gap)	0.0% (no gap)		

### **1b. PAY QUARTILES**

QUARTILE	MEN	WOMEN
Upper	33%	67%
Upper Middle	31%	69%
Lower Middle	24%	76%
Lower	38%	62%

## 1c. 'ONE-OFF/ADDITIONAL PAY' (DEFINED AS 'BONUS' PAY IN PAY GAP REGULATIONS

	MEAN	MEDIAN		
Women's 'one- off/additional' pay is	18.7% lower than men	0.0 (no gap)		

	MEN	WOMEN
Who received 'one- off/additional pay?	4.9%	5.0%
	(of men)	(of women)

## Appendix 2: Allowances included in gender pay gap calculations

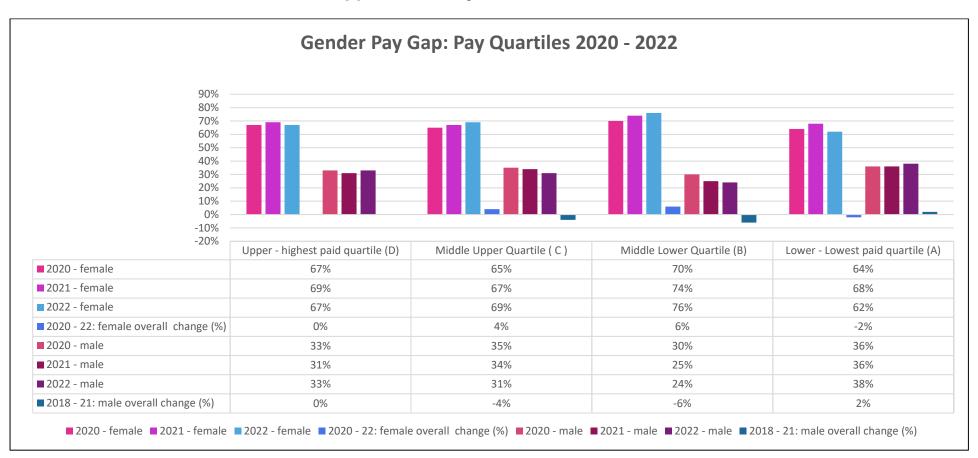
The following allowances are included in calculations for the gender pay gap:

- market supplements
- acting-up paymentsweekend and night workingstandby payment

**Appendix 3: Pay Quartile Information – Gender 2022** 

Pay quartiles	Women	Men	Total	Women headcount	Men headcount	Total headcount
Proportion of women and men in the <b>upper quartile</b> (paid above the 75th percentile point)	67%	33%	100%	594	283	877
Proportion of women and men in the <b>upper middle quartile</b> (paid above the median and at or below the 75th percentile point)	69%	31%	100%	606	271	877
Proportion of women and men in the <b>lower middle quartile</b> (paid above the 25th percentile point and at or below the median)	76%	24%	100%	666	210	876
Proportion of women and men in the <b>lower quartile</b> (paid below the 25th percentile point)	62%	38%	100%	547	329	876

Appendix 4: Pay Quartiles 2020 - 2022



Croydon Council Gender Pay Gap Report –v2 - March 22