**Croydon Council Gender Pay Gap Report**

**Based on data collected on 31st March 2017**

**Published March 2018**

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1. **What is a Gender Pay Gap?**

A gender pay gap compares the difference between the average hourly pay of women and the average hourly pay of men. Because 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.

Employers with more than 250 employees are required by law to publish an annual gender pay gap report.

Croydon Council employed 2,959 people at 31st March 2017. Further information about the workforce is published on our [workforce profiles](https://www.croydon.gov.uk/community/equality/strategies/workforceprofiles) page.

1. **Summary**

Key findings of the report:

* The Council’s gender pay gap is 1.6% as a mean and 2.4% as a median.
* The reported pay gap is lower than the overall UK median gender pay gap of 18%
* Our gender pay gap is low because we have a fairly consistent proportion of women and men in both higher paid and lower paid roles
* The median percentage is a better indication of typical pay. It is different to the mean percentage because there is a slightly larger proportion of men in the upper pay quartile compared to the proportion of men in the lower pay quartiles.
* We are committed to improving gender diversity and have a number of ongoing initiatives

1. **Understanding the pay gap information**

### **3.1 Pay gap percentages**

The data can show positive and negative percentages depending on whether the pay being measured is higher or lower for the minority group. In this report the percentage gap represents the degree to which the average pay for women or the average bonus pay for women is lower than the same average payment for men.

### **3.2 Ordinary hourly rate**

The ordinary hourly rate includes:

* Basic pay
* Allowances e.g. market supplements, acting-up payments, weekend and night working, standby payment
* 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.

### **3.3 Mean and median**

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

### **3.4 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% of employees to the highest paid 25% of employees

For Croydon Council this results in pay quartiles where:

* The bottom quartile includes those earning less than approximately £13.87 an hour including allowances and shift pay
* The second quartile includes those earning between approximately £13.87 to £17.30 an hour
* The third quartile includes those earning between approximately £13.87 to £21.47 an hour
* The top quartile includes those earning over approximately £21.47 an hour

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

1. **Croydon Council pay gap data 2017**

### **4.1 Ordinary hourly pay gap for gender**

66% (1,881) of the Croydon Council workforce is female. This percentage of women is nearly consistent across all quartiles.

Overall, the average pay for female employees is slightly lower than for male employees as shown in the table below:

|  |  |
| --- | --- |
| Hourly pay gap  (data as at 31 March 2017) | Gender Gap  (% that average pay for women is lower than for men) |
| Mean ordinary hourly pay gap | 1.6% |
| Median ordinary hourly pay gap | 2.4% |

The pay gap is small because the proportion of women to men is broadly the same across higher and lower paid jobs. As shown in the chart below, the average proportion of women in the lower two pay quartiles is 68% and the actual proportion of women in the total workforce is 66%.

The data highlights that, on average there is a slightly higher proportion of male employees in higher paid roles than female employees.

Croydon Council as a local authority reflects the reality of most local authorities in its gender make-up in that women form the majority of employees. This representation is also higher than within the local community (where women comprise 51.5%)

We aim to address areas within the council where we do not have diverse representation for gender such as in the Place department where the current statistics are 42% female and 58% male.

### **4.2 Bonus pay gap for gender**

The table below shows the gender pay gap for bonus payments:

|  |  |
| --- | --- |
| Bonus pay gap  (1 April 2016 to 31 March 2017) | Gender Gap  (% that average pay for women is lower than for men) |
| Median bonus pay gap | 5.5% |
| Mean bonus pay gap | 22.5% |
| Women paid bonus as % of all women | 2.3% |
| Men paid bonus as % of all men | 1.4% |

For the purpose of pay gap reporting ‘bonuses’ includes one-off payments given for specific recruitment and retention purposes and a payments relating to profit sharing, productivity, performance, incentive and commission. Bonus payments were, made to 51 female employees and 16 male employees. The mean bonus pay gap is higher than the median bonus pay gap owing to the small number of male employees receiving a bonus. The small numbers of staff receiving a bonus is not representative of the whole workforce and has a distorting impact as percentages.

1. **How we are improving our diversity**

Croydon Council is committed to improving our diversity. To support this aim we have:-

* Provided positive action leadership development programmes for women, and BAME employees.
* Supported employees to develop staff diversity network groups that support all protected characteristics.
* Provided equality training for all our line managers and staff.
* Clarified in job advertisements that flexible and agile working options can be discussed and agreed from the start of employment for all employees
* Ensured 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.
* Other family friendly policies including:
  + - The ability to buy additional leave
    - The ability to take unpaid leave (up to 6 months).
    - Shared parental leave options
    - Additional leave support in dealing with premature birth and caring responsibilities.

Our [commitment to equality](https://www.croydon.gov.uk/community/equality/ei-policy) outlines our aim to create a workplace where all employees can be themselves.

Over the coming years we aim to:

* 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 pursue Timewise accreditation
* Actively encourage higher levels of disclosure from employees

1. **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 median is:

|  |  |  |
| --- | --- | --- |
| Characteristic | Croydon Council – median pay gap | UK Average [[1]](#footnote-2) |
| Gender | 2.4% | 18% |

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

1. **Difference between pay gap 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

**Appendix 1: Statutory Reporting Data Sets**

The tables below shows the 14 data sets that will be upload to the Government portal in line with the gender pay gap reporting responsibilities.

**HOURLY RATE**

|  |  |  |
| --- | --- | --- |
|  | MEAN | MEDIAN |
| Women’s hourly rate is | 1.6% lower | 2.4% lower |

**PAY QUARTILES**

|  |  |  |
| --- | --- | --- |
| QUARTILE | MEN | WOMEN |
| Top | 36% | 64% |
| Upper Middle | 35% | 65% |
| Lower Middle | 29% | 71% |
| Lower | 35% | 65% |

**BONUS PAY**

|  |  |  |
| --- | --- | --- |
|  | MEAN | MEDIAN |
| Women’s bonus pay is | 22.5% lower | 5.5% lower |

|  |  |  |
| --- | --- | --- |
|  | MEN | WOMEN |
| Who received bonus? | 1.4% | 2.3% |
|  | (of men) | (of women) |

End

1. Office For National Statistics April 2017 [↑](#footnote-ref-2)