2018 Gender pay gap reporting

Background

Developing a workforce which reflects the city it serves is a key priority for the Greater London Authority. The GLA is fully determined to tackle inequality in any form and publishing the gender pay gap supports this aim.

The GLA first published a gender pay gap report in 2016, ahead of any legislative requirement to do so. Since this initial report the Equality Act 2010 (Gender Pay Gap Information) regulations came into force in 2017, which require public bodies with 250 or more employees to report on their gender pay gap. GLA published a subsequent March 2017 report together with a programme of activity to help address its gender pay gap.

This report reflects the position as at March 2018. In places throughout the report comparison is made with the March 2017 findings to demonstrate how the Authority is making progress in its ambition to close the gender pay gap.

It is worth noting when reviewing the findings that salaries at the GLA are determined through a job evaluation scheme, so that the Authority pays the same salary to roles of equal weight. Job evaluation evaluates the job and not the post holder. It makes no reference to gender or any other personal characteristics of existing or potential job holders.

Methodology

For the purposes of this report all calculations are in accordance with the **Government Guidance**.

The following formula is used to calculate the pay gap:

$$\frac{A - B}{A}$$
 X 100

where A is the mean/median hourly rate of pay for relevant male staff; and, where B is the mean/median hourly rate of pay for relevant female staff.

As a public sector body, the snapshot date for the data collection was 31 March 2018. The data, where appropriate, has been broken down by both full-time and part-time staff.

As at 31 March 2018, there were 909 employees in the GLA of which 895 were counted for gender pay gap reporting purposes. Of the 895, 55% (495) were women. The GLA is a single status organisation and does not have different staff groups i.e. all staff are officers, and so office holders like the Assembly Members and the Mayor are excluded.

Overall Gender Pay Gap Summary

As at 31 March 2018 the GLA had a median gender pay gap of **4.82%** and a mean gender pay gap of **6.73%.** This is an improvement on the position last year where there was a 6.14% median and 9.01% mean gender pay gap. The GLA outcomes also compare favourably to both the national and London picture. The national median gender pay gap for all workers is reported as 18.4% and the mean gender pay gap is 17.4%. The median gender pay gap for London is 16.8% and the mean figure is 22.0%. ¹

Whilst the overall position is improving and the GLA is in a strong position in relation to comparator organisations, ongoing work is needed in order to fully close the gender pay gap.

Table 1: Overall gender pay gap (all staff), March 2018

| Overall Median Pay Gap | | Overall Mean Pay Gap | | | |
|-------------------------------|--------|-----------------------------|--------|---------------|--|
| Median Hourly Pay (all staff) | | Mean Hourly Pay (all staff) | | Staff numbers | |
| Female | £23.23 | Female | £24.50 | 495 | |
| Male | £24.41 | Male | £26.27 | 400 | |
| Pay Gap | 4.82% | Pay Gap | 6.73% | | |
| | | | | | |

¹ The national and London data are derived from the 2017 Annual Survey of Hours and Earnings(ASHE) report.

Analysis of full and part time staff

The tables below show the median and mean pay gap for both full and part time workers. There is a median pay gap of 9.50% and a mean pay gap of 10.78% for part time workers. The data in table 3 shows that the median has increased and the mean has decreased since 2017. The number of employees working part time has risen from 83 employees to 103 employees in one year. 91% of these part time workers are women. The GLA is committed to offering flexible working for its staff and believe that this is one way to improve representation of women (who are typically more likely to work part-time) in the workforce.

Table 2: data by full time and part time, March 2018

| | Median Hourly Pay (full time) | Median Hourly Pay (part time) | Mean Hourly Pay (full time) | Mean Hourly Pay (part time) |
|------------|----------------------------------|----------------------------------|--------------------------------|-----------------------------------|
| Female | £23.23 | £24.11 | £24.50 | £24.50 |
| Male | £24.41 | £26.64 | £26.24 | £27.46 |
| Pay Gap | 4.83% | 9.50% | 6.63% | 10.78% |
| Difference | £1.18 | £2.53 | £1.74 | £2.96 |

Table 3: data by full time and part time, March 2017

| | | | | Mean Hourly Pay (part time) |
|------------|--------|--------|--------|--------------------------------|
| Female | £22.22 | £23.00 | £23.80 | £23.95 |
| Male | £23.93 | £24.59 | £26.16 | £27.16 |
| Pay Gap | 7.15% | 6.47% | 9.02% | 11.82% |
| Difference | £1.71 | £1.59 | £2.36 | £3.21 |

Quartile Summary

In accordance with the methodology set out in the regulations, the data is also presented by quartiles below by "dividing the workforce into four equal sized groups and separating them according to the hourly pay rate, starting from lowest paid to the highest paid". There is a negative mean and median pay gap in the lower quartile and a pay gap of 6.90% (mean) and 11.43% (median) in the upper quartile, which suggests that women are earning more at the lower levels, but men are still earning more at the higher levels.

Addressing the gender pay gap at the senior levels is a top priority for the GLA.

Table 4: Quartile Mean Hourly Pay, March 2018

| Mean Hourly Pay | | | | | | | |
|-----------------------|-------------|----------------|---------|------------|--|--|--|
| | Female | Male | | | | | |
| | Hourly rate | Hourly rate | Pay Gap | % Women | | | |
| lower quartile | £15.53 | £14.99 | -3.60% | 60 | | | |
| lower middle quartile | £21.51 | £21.62 | 0.51% | 55 | | | |
| upper middle quartile | £25.84 | £25.88 | 0.15% | 57 | | | |
| upper quartile | £37.10 | £39.85 | 6.90% | 50 | | | |

Table 5: Quartile Mean Hourly Pay, March 2017

| Mean Hourly Pay | | | | | | |
|-----------------------|----------------|----------------|---------|------------|--|--|
| Female Male | | | | | | |
| | Hourly rate | Hourly rate | Pay Gap | % Women | | |
| lower quartile | £15.12 | £14.65 | -3.21% | 56 | | |
| lower middle quartile | £21.07 | £20.96 | -0.52% | 60 | | |
| upper middle quartile | £25.13 | £25.08 | -0.20% | 53 | | |

| upper quartile | £36.80 | £40.24 | 8.55% | 45 |
|----------------|--------|--------|-------|----|
|----------------|--------|--------|-------|----|

Table 6: Quartile Median Hourly Pay, March 2018

| Median Hourly Pay | | | | | | |
|-----------------------|-------------|-------------|---------|------------|--|--|
| | Female | Male | | | | |
| | Hourly rate | Hourly rate | Pay Gap | % Women | | |
| lower quartile | £16.10 | £15.71 | -2.48% | 60 | | |
| lower middle quartile | £22.11 | £22.11 | 0.00% | 55 | | |
| upper middle quartile | £25.61 | £25.61 | 0.00% | 57 | | |
| upper quartile | £31.61 | £35.69 | 11.43% | 50 | | |

Table 7: Quartile Median Hourly Pay, March 2017

| Median Hourly Pay | | | | | |
|-----------------------|-------------|-------------|---------|------------|--|
| | Female | Male | Pay Gap | % Women | |
| | Hourly rate | Hourly rate | | | |
| lower quartile | £15.65 | £14.88 | -5.17% | 56 | |
| lower middle quartile | £21.68 | £21.68 | 0.00% | 60 | |
| upper middle quartile | £24.91 | £24.61 | -1.22% | 53 | |
| upper quartile | £34.12 | £35.84 | 4.80% | 45 | |

Grade Summary

The GLA has chosen to analyse gender pay in relation to its grading structure to provide a more in-depth look at the distribution of pay across the organisation. The tables below also show spot salaries and London's Living Wage which are fixed rates not linked to defined spinal column points within the GLA's grading structure. For the spot salaries and London's Living Wage there is no progression up to or beyond the rate for each position compared to the other grades which each have five incremental steps within each grade.

The data shows a negative mean pay gap for grades 1-4, 6 and 9 and a noticeable mean pay gap at grade 14 (5.16%) and at the Spot salary level (7.74%). There is a negative median pay gap at Spot level (-2.77%). The formalised grading system accounts for less dramatic variances when analysing the median data as this shows the middle values for men and women against each grade. The length of service of staff is a contributory factor to the median differences and the salaries for all staff are determined through job evaluation rather than on personal characteristics or as a result of negotiating their salary.

Table 8: Mean hourly pay by grade, March 2018

| Mean Hourly Pay | | | | | | | |
|----------------------|-------------|-------------|---------|---------|--|--|--|
| | Female | Male | Pay Gap | % Women | | | |
| Grade | Hourly rate | Hourly rate | | | | | |
| London's Living Wage | £10.20 | £10.20 | 0.00% | 58 | | | |
| Grade 1 | £11.32 | £11.31 | -0.09% | 56 | | | |
| Grade 2 | £13.34 | £13.27 | -0.53% | 35 | | | |
| Grade 3 | | | | | | | |
| Grade 4 | £15.13 | £14.97 | -1.07% | 74 | | | |
| Grade 5 | £16.19 | £16.39 | 1.22% | 72 | | | |
| Grade 6 | £17.47 | £17.34 | -0.75% | 62 | | | |
| Grade 7 | £20.90 | £20.96 | 0.29% | 52 | | | |
| Grade 8 | £23.13 | £23.16 | 0.13% | 56 | | | |
| Grade 9 | £25.59 | £25.53 | -0.24% | 58 | | | |

| Grade 10 | £28.07 | £28.20 | 0.46% | 55 |
|----------|--------|--------|-------|----|
| Grade 11 | £30.52 | £30.60 | 0.26% | 58 |
| Grade 12 | £36.27 | £36.53 | 0.71% | 40 |
| Grade 13 | £41.35 | £42.16 | 1.92% | 48 |
| Grade 14 | £43.76 | £46.14 | 5.16% | 50 |
| Grade 15 | £58.14 | £58.29 | 0.26% | 53 |
| Spot | £66.47 | £72.05 | 7.74% | 33 |

Table 9: Median Hourly Pay by Grade, March 2018

| Median Hourly Pay | | | | | |
|----------------------|-------------|----------------|---------|---------|--|
| | Female | Male | Pay Gap | % Women | |
| Grade | Hourly rate | Hourly rate | | | |
| London's Living Wage | £10.20 | £10.20 | 0.00% | 58 | |
| Grade 1 | £11.31 | £11.31 | 0.00% | 56 | |
| Grade 2 | £13.66 | £13.66 | 0.00% | 35 | |
| Grade 3 | | | | | |
| Grade 4 | £15.33 | £15.12 | -1.39% | 74 | |
| Grade 5 | £16.10 | £16.51 | 2.48% | 72 | |
| Grade 6 | £17.09 | £16.88 | -1.24% | 62 | |
| Grade 7 | £20.57 | £20.57 | 0.00% | 52 | |
| Grade 8 | £22.67 | £23.23 | 2.41% | 56 | |
| Grade 9 | £25.52 | £25.36 | -0.63% | 58 | |
| Grade 10 | £27.90 | £27.90 | 0.00% | 55 | |
| Grade 11 | £30.99 | £31.37 | 1.21% | 58 | |

| Grade 12 | £35.69 | £35.69 | 0.00% | 40 |
|----------|--------|--------|--------|----|
| Grade 13 | £40.62 | £43.11 | 5.78% | 48 |
| Grade 14 | £43.14 | £46.70 | 7.62% | 50 |
| Grade 15 | £57.68 | £57.11 | -1.00% | 53 |
| Spot | £67.92 | £66.09 | -2.77% | 33 |

£10,000 Salary bands Summary

Below is the distribution of salaries across female and male staff in £10k increments up to £100k with those earning more than £100k in one group.

Table 10: Distribution by gender in £10k increments, March 2018

| No of staff by salary | | | | | |
|-----------------------|--------|------|-------|------------|--|
| Pay Band | Female | Male | Total | % women | |
| <£20,000 | 11 | 8 | 19 | 58% | |
| £20,000 to £29,999 | 37 | 34 | 71 | 52% | |
| £30,000 to £39,999 | 127 | 80 | 207 | 61% | |
| £40,000 to £49,999 | 148 | 122 | 270 | 55% | |
| £50,000 to £59,999 | 106 | 77 | 183 | 58% | |
| £60,000 to £69,999 | 23 | 26 | 49 | 47% | |
| £70,000 to £79,999 | 18 | 19 | 37 | 49% | |
| £80,000 to £89,999 | 10 | 11 | 21 | 48% | |
| £90,000 to £99,999 | 2 | 6 | 8 | 25% | |
| >£100,000 | 13 | 17 | 30 | 43% | |
| Total | 495 | 400 | 895 | 55% | |

SALARY BREAKDOWNS

The table below shows the data broken down into equally sized salary groupings, not related to the GLA's pay and grading structure. Whilst not necessary for gender pay gap reporting it provides an illustration of the gender distribution of the staffing population across the salary groupings.

Table 11: Salary distribution by gender, March 2018

| | Group 1 | Group 2 | Group 3 | Group 4 | Totals |
|----------|-------------------|-------------------|--------------------|---------------------|--------|
| | £19,679 - £58,194 | £58,194 - £96,709 | £96,709 - £135,224 | £135,224 - £173,739 | |
| Male | 320 | 63 | 14 | 3 | 400 |
| Female | 423 | 59 | 12 | 1 | 495 |
| Totals | 743 | 122 | 26 | 4 | 895 |
| % female | 57% | 48% | 46% | 25% | |

Bonus payments

87 staff in the GLA received additional payments on top of their basic salary. 54% of these were women. Payments in this category include one off recognition payments only.

Table 12: Mean bonus pay gap, March 2018

| Mean Hourly Pay | | | | | | | |
|-----------------|----------------|----|----------------|---------|--------|--|--|
| | Female | | Male | Pay Gap | | | |
| | Annual payment | No | Annual payment | No | | | |
| Bonus payments | £1150.78 | 47 | £1532.78 | 40 | 24.92% | | |

Table 13: Median Bonus pay gap, March 2018

| Median Hourly Pay | | | | | | | |
|-------------------|----------------|----|----------------|---------|-------|--|--|
| | Female | | Male | Pay Gap | | | |
| | Annual payment | No | Annual payment | No | | | |
| Bonus payments | £500.00 | 47 | £500.00 | 40 | 0.00% | | |

Action Planning

This report should be read alongside the GLA's published Gender Pay Gap Action Plan. This is a live action plan and the GLA has already begun implementation of a number of the initiatives set out in the plan. The GLA will continue to monitor its progress against the action plan and provide an annual update on progress as an annexe to its gender pay gap report.

The GLA, along with GLA Group organisations, has developed a framework to support the Mayor in delivering his vision for a fair and equal city. This framework – known as the Diversity and Inclusion Action Standard – focuses on action the GLA can take in order to achieve a truly diverse workforce reflective of London, and develop inclusive cultures in which all groups can flourish. The Diversity and Inclusion Action Plan sets out the

ambition to work towards eliminating pay gaps between different groups. The GLA's gender pay gap and related action plan support delivery against this commitment.

This information will be updated annually in line with the regulations. To find out more about the GLA workforce composition please see the information on the <u>GLA workforce profile</u>.