

London Borough of Hammersmith & Fulham Gender, Ethnicity and Disability Pay Gaps at March 2021

Introduction

The Council collects and make use of a variety of employee data to better understand the diversity of our staff. In addition to helping us to determine our equality and inclusion priorities, this data will enable us identify disproportionality on certain groups of staff and undertake meaningful sector comparisons.

Statutory gender pay gap reporting is one of the ways in which the Council makes data available to evidence the progress we are making on reducing inequality and identifying areas where further improvement is required. In order to increase transparency of pay in our workforce, we have published details of our ethnicity pay gap for 2018 onwards and our disability pay gap since 2020 on a voluntary basis.

This year the Council is pleased to report good progress in terms of closing our pay gaps and are moving in a positive direction. Delivering on our action plan with support from our staff led groups will help to ensure that we continue to focus on closing the gaps over the coming year.

Headline figures

The differences between the average hourly rates paid to men and women have both decreased between March 2020 and March 2021.

- The mean gender pay gap is now 3.6%. This is 2.3% **lower** than the previous year's figure of 5.9%.
- The median gender pay gap is now 5%. This is 0.5% **lower** than the previous year's figure of 5.5%.

The mean ethnicity pay gap has decreased between March 2020 and March 2021. However, the median ethnicity pay gaps has increased.

- The mean ethnicity pay gap is now 10.8%. This is 1.7% **lower** than the previous year's figure of 12.5%.

- The median ethnicity pay gap is now 9.9%. This is 2% **higher** than the previous year's figure of 7.9%.

Hourly rates and details of difference in bonus payments and the representation of women, Black, Asian and Minority Ethnic employees and disabled staff in each pay quartile are contained in Appendices 1 to 3.

The differences between the average hourly rates paid to Disabled and Non-disabled employees between March 2020 and March 2021 are:

- The mean disability pay gap is 1.5%, which is the same as March 2020
- The median disability pay gap is -2.5%. which is 2.5% lower than last year's figure of 0%

How does H&F compare to others

The Council's median gender pay gap of 5% is **significantly below** the median of 15.4% reported by the Office for National Statistics (ONS) for the whole of the UK in April 2021.

The Council's median ethnicity pay gap of 9.9% is **significantly lower** than the median of 23.8% reported by the ONS for the whole of the UK in 2019 (latest available data).

The most recent figure on the disability pay gap published by the ONS was 12.2% for the whole UK in 2018 (latest available data). However, the TUC published a disability pay gap of 16.5% for the year ending September 2021. The Council's median disability pay gap is **significantly lower** at -2.5% (disabled staff are paid more within the Council).

The most recent data available to benchmark against London Councils is for March 2020 pay gaps. In that period, the Council's mean hourly gender pay gap of 5.9% ranked 22nd and the median hourly gender pay gap of 5.5% was ranked 25th out of the 32 Boroughs. The number of Boroughs disclosing ethnicity and disability pay gaps is too small to provide a meaningful benchmark

Background to pay gap reporting

Since March 2017, all employers with more than 250 staff have been required by the Gender Pay Gap Regulations 2017 to publish data on gender pay. As a public sector body, the Council also has to comply with the Public Sector Equality Duty contained in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (“2017 Regulations”).

It is important to note the difference between equal pay and the gender pay gap. Equal pay is about scrutiny of information at the level of the individual employee (to satisfy that there is equal pay for equal value work). The Council uses nationally recognised equality proofed job evaluation schemes to determine the grade for each job. Gender pay gap reporting involves the examination of aggregate data, so it provides statistical information on the workforce as a whole.

The 2017 Regulations specify that the following measures must be published on an annual basis.

They are:

- hourly gender pay gap as a mean
- hourly gender pay gap as a median
- bonus gender pay gap as a mean
- bonus gender pay gap as a median
- proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- proportion of males and females when divided into four groups ordered from lowest to highest pay

The Council has committed to publish the same information for the ethnicity and disability pay gaps on a voluntary basis.

Public sector organisations are required to publish data based on a ‘snapshot’ date of 31 March each year which must be published by 30 March of the following year. The data needs to be published on our website and the GOV.UK website. The figures in this report are for the 31 March 2020 and have been calculated using a method set by above the 2017 Regulations.

Gender pay gap information – March 2021

The measures the Council is required to publish are as follows:

- the mean hourly gender pay gap is **3.6%** (down from 5.9%)
- the median hourly gender pay gap is **5%** (down from 5.5%)
- the mean gender bonus gap is **6.9%** (down from 14.6%)
- the median gender bonus gap is **13.5%** (down from 20.5%)
- the percentage of male employees receiving a bonus is **16.6%** (down from 16.8%)
- the percentage of female employees receiving a bonus is **11.2%** (up from 8.9%)

The most significant changes between March 2020 and March 2021 are the reductions in both the mean and median hourly gaps between men and women.

Both measures of the gender bonus gap have also reduced.

The previous bonus scheme for senior managers ended on 31 March 2020 with final payments made in April 2020. These final payments are included in these figures for March 2021 because the statutory calculation includes all bonus payments paid within the previous 12-month reference period.

The pay quartile measures that the Council is required to publish for March 2021 are below. March 2020 figures are in brackets for comparison.

Pay quartiles	Men	Women
Proportion of women and men in the upper quartile (paid above the 75th percentile point)	51% (down from 51.9%)	49% (up from 48.1%)
Proportion of women and men in the upper middle quartile (paid above the median and at or below the 75th percentile point)	44.6% (down from 44.8%)	55.4% (up from 55.2%)
Proportion of women and men in the lower middle quartile (paid above the 25th percentile point and at or below the median)	38.6% (up from 38.1%)	61.4% (down from 61.9%)
Proportion of women and men in the lower quartile (paid below the 25th percentile point)	44.8% (up from 44.7%)	55.2% (down from 55.3 %)

Note: 55% of employees included in the March 2021 pay gap data were female. This is unchanged from the year before.

The most significant changes are the increase in the representation of women in the upper and upper middle pay quartiles between March 2020 and March 2021. These have been accompanied by a reduction in their representation in the lower middle and lower quartiles which has supported a reduction in both the mean and median hourly pay gaps.

Ethnicity pay gap information – March 2021

The measures the Council publishes voluntarily are as follows:

- the mean hourly ethnicity pay gap is **10.8%** (down from 12.5%)
- the median hourly ethnicity pay gap is **9.9%** (up from 7.9%)
- the mean ethnicity bonus gap is **-2.9%** (up from -21.1%)
- the median ethnicity bonus gap is **-26.5%** (up from -44.3%)
- the percentage of White employees receiving a bonus is **12.5%** (down from 16%)
- the percentage of Black, Asian and Minority Ethnic employees receiving a bonus is **16.5%** (down from 18.2%)

The biggest changes compared to March 2020 are the reduction in the mean hourly ethnicity pay gap and the increase in the median hourly ethnicity pay gap. The mean bonus gap is now -2.9% compared to -21.1% and the median bonus gap is -26.5% compared to -44.3%. Black, Asian and Minority Ethnic employees are therefore still receiving a higher amount of bonus payments.

The pay quartile measures for March 2021 compared to March 2020 figures in brackets for comparison are as follows.

Pay quartiles	White	Black, Asian and Minority Ethnic
Proportion of Black, Asian and Minority Ethnic and White employees in the upper quartile (paid above the 75th percentile point)	64.5% (down from 68%)	35.5% (up from 32%)
Proportion of Black, Asian and Minority Ethnic and White employees in the upper middle quartile (paid above the median and at or below the 75th percentile point)	55.7% (up from 54.8%)	44.3% (down from 45.2%)
Proportion of Black, Asian and Minority Ethnic and White employees in the lower middle quartile (paid above the 25th percentile point and at or below the median)	50.9% (up from 46%)	49.1% (down from 54%)
Proportion of Black, Asian and Minority Ethnic and White employees in the lower quartile (paid below the 25th percentile point)	41.8% (down from 41.8%)	58.8% (up from 58.2%)

Note: 83% of employees had disclosed their ethnicity, of which 47% were from Black, Asian and Minority Ethnic groups. This is unchanged from the year before.

The most significant changes are the increase in the proportion of Black, Asian and Minority Ethnic employees in the upper pay quartile and a reduction in the lower middle quartile. The larger reduction in the lower middle quartile is the most likely explanation for the median hourly ethnicity pay gap increasing between March 2020 and March 2021.

These figures were impacted by fixed term placements to accommodate service resilience during covid, movement associated with internal progression and the movement of agency to fixed term and permanent positions associated with our agency reduction programme. Further analysis will be undertaken to determine what more needs to be done to further reduce our pay gaps.

Disability pay gap information – March 2021

The measures the Council will voluntarily publish are as follows:

- the mean hourly disability pay gap is **1.5%** (unchanged from 1.5%)
- the median hourly disability pay gap is **-2.5%** (down from 0%)
- the mean disability bonus gap is **15.4%** (up from -5.0%)
- the median disability bonus gap is **3.4%** (up from -0.7%)

- the percentage of Non-Disabled employees receiving a bonus is **10.1%** (down from 16.4%)
- the percentage of Disabled employees receiving a bonus is **9.4%** (down from 12.5%)

Compared to March 2020, the mean hourly disability pay gap is unchanged and the median hourly disability pay gap has reduced. The change in the mean and median disability bonus gaps is not currently a cause for concern. This is because the figures represent a relatively small number of payments made to employees who have declared a disability (approximately 20 each year), which means the average values can fluctuate from one year to the next.

This will be investigated further if the trend continues. The proportion of both disabled and non-disabled staff receiving a bonus are consistent with a number of PRP schemes ending. However, honoraria payments are treated as bonus in pay gap calculations so these measures will continue to be reported against.

The pay quartile measures for March 2021 compared to March 2020 figures in brackets for comparison are as follows:

Pay quartiles	Non-disabled	Disabled
Proportion of Disabled and Non-disabled employees in the upper quartile (paid above the 75th percentile point)	92.7% (up from 92.1%)	7.3% (down from 7.9%)
Proportion of Disabled and Non-disabled and white employees in the upper middle quartile (paid above the median and at or below the 75th percentile point)	90.2% (down from 90.4%)	9.8% (up from 9.6%)
Proportion of Disabled and Non-disabled and white employees in the lower middle quartile (paid above the 25th percentile point and at or below the median)	90% (down from 90.8%)	10% (up from 9.2%)
Proportion of Disabled and Non-disabled and white employees in the lower quartile (paid below the 25th percentile point)	93.2% (down from 93.3%)	6.8% (up from 6.7%)

Note: 8.5% of the employees included in the March 2021 pay gap data had declared a disability compared to 8.4% the year before.

The changes in representation of disabled staff in the different pay quartiles are relatively small. The changes in the composition of the workforce has resulted in the mean hourly disability pay gap being unchanged and the median measure becoming lower (disabled employees paid more).

Actions taken that contribute to reducing pay gaps during 2021-22

Reducing the gender and ethnicity pay gaps requires an increase in the proportion of women and Black, Asian and Minority Ethnic employees in the highest paid quartiles of the workforce. Key areas of focus for the Council during the last two years has been providing opportunities for career development through the Get Ahead scheme and providing more access to learning, particularly leadership development.

The Get Ahead scheme was launched in 2018 to increase the number of opportunities available for employees to progress their careers with the Council.

Despite financial pressures and factors associated with the pandemic, the Council has continued to invest time and resources in the learning and development opportunities available to the workforce.

Leadership and management development opportunities have been an area of particular focus, supporting the aspirations of all levels of our workforce to progress whether in a first management position or from middle to senior management.

The Council offers a range of flexible working opportunities that can assist those with parenting and caring responsibilities. We are also signed up to the TUC Dying to Work pledge to support those with terminal illnesses to remain in employment for longer and we have been awarded the Gold Armed Forces Covenant to encourage job applications from ex-forces personnel.

Actions planned for 2022-23

In addition to the continuation of the Get Ahead scheme and our commitment to career progression and learning and career management there will be new activities introduced aligned with our Equalities Plan 2021-2025 and accompanying Delivery Plan.

We continue to encourage staff to 'share not declare' personal data as we still have a quantity of 'unknown' data sets across various protected characteristics. This was at 18% at the end of March 2021. The unknown data is a combination of no data provided and prefer not to say.

Inclusive recruitment

- We are gathering data sets associated with the various stages of the recruitment process including data associated with unsuccessful applicants.
- We have updated our resources management board approval form for hiring managers to confirm the diversity of interview panels
- We have updated our practice that hiring managers should feedback to internal candidates who have been unsuccessful at both shortlisting and interview stage for the purposes of internal progression
- We run mandatory hiring manager best practice training
- We have launched mandatory unconscious bias and equality and diversity at work online modules for all staff which we will be complimenting with additional programmes
- We are undertaking an end-to-end review of our inclusive recruitment processes to provide assurance.

Leavers

Intelligence gathered through exit surveys tells us why people are leaving. Up until now engagement from leavers submitting exit surveys has been low, however, recent changes have been made to the IBC self-service portal which will encourage greater participation in the exit survey process and which we will continue to monitor.

We are already seeing an increase in participation this year as a result.

Progression

This year we are introducing new data sets and dashboards on the breakdown of career progression across the council aligned to Get Ahead key performance indicators. This will provide us with the capability to explore and analyse data across

the protected characteristics, and wider where possible, to better understand and act based upon known outcomes.

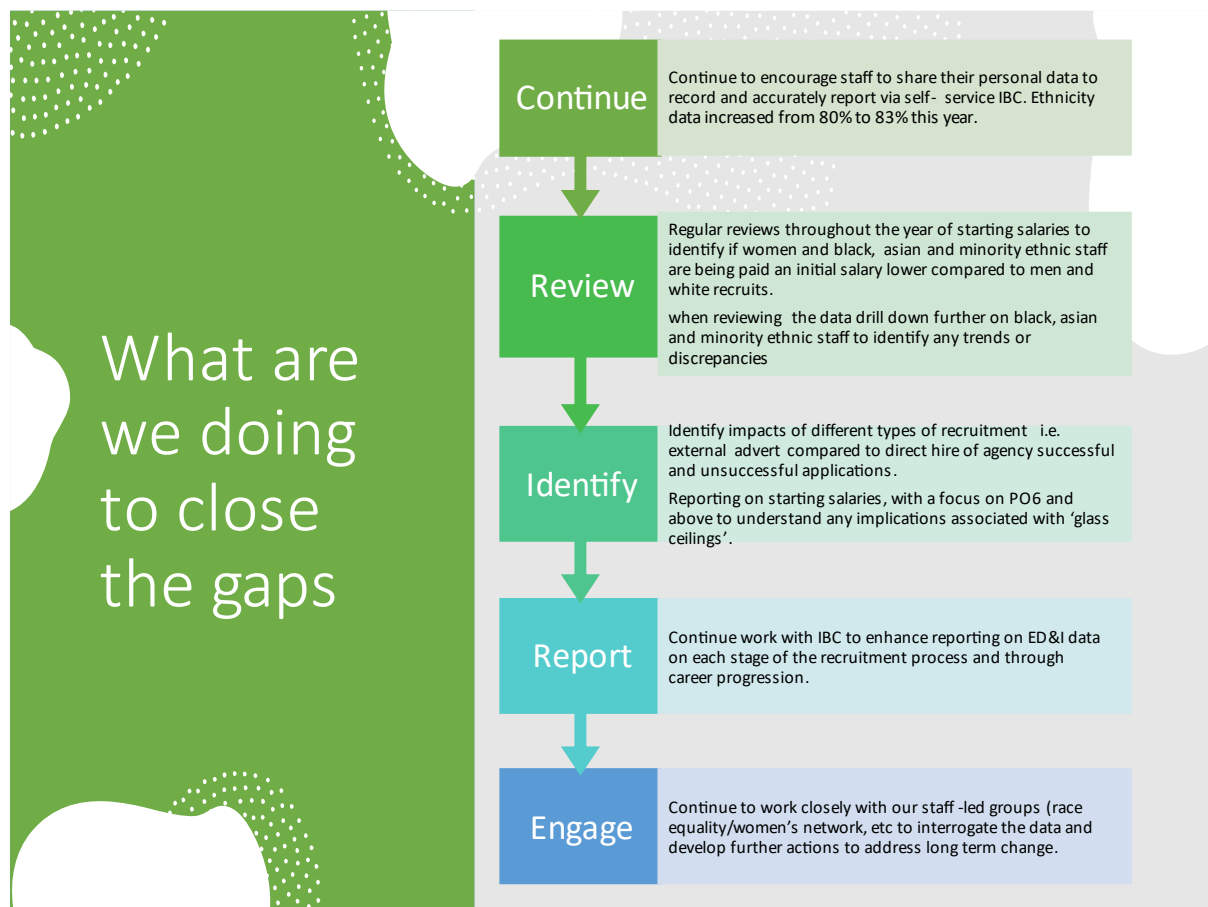


Figure 1: Infographic showing what we're to close the gaps. Go to Appendix 4 for text version.

Next reporting period

The next statutory deadline is to publish the 'snapshot' for the gender pay gap as at 31 March 2022 no later than 30 March 2023. This will continue to include ethnicity and disability pay gap data. The removal of the senior manager and some other performance related pay schemes will be reflected in these figures.

Appendix 1 – Figures for gender pay gap March 2018 to March 2021

	The percentage difference in mean pay between males and females			The percentage difference in median pay between males and females			The percentage difference in mean bonus pay between males and females			The percentage difference in median bonus pay between males and females		
Year	Mean Male	Mean Female	% Difference	Median Male	Median Female	% Difference	Bonus Mean Male	Bonus Mean Female	% Difference	Bonus Median Male	Bonus Median Female	% Difference
2021	£22.91	£22.08	3.6	£21.01	£19.96	5.0	£2,231	£2,078	6.9	£1,973	£1,706	13.5
2020	£22.29	£20.98	5.9	£20.07	£18.97	5.5	£2,164	£1,848	14.6	£2,062	£1,640	20.5
2019	£21.41	£21.02	1.8	£19.55	£19.04	2.6	£1,508	£1,379	8.6	£1,436	£947	34.1
2018	£21.53	£20.40	5.2	£19.39	£18.67	3.7	£3,366	£4,567	-35.7	£2,241	£3,478	-55.2

	The proportion of males and females receiving a bonus		The proportion of males and female employees in quartile bands							
Year	Bonus Received Male	Bonus Received Female	Upper Quartile Male	Upper Quartile Female	Upper Middle Quartile Men	Upper Middle Quartile Female	Lower Middle Quartile Men	Lower Middle Quartile Female	Lower Quartile Male	Lower Quartile Female
2021	16.6	11.2	51.0	49.0	44.6	55.4	38.6	61.4	44.8	55.2
2020	16.8	8.9	51.9	48.1	44.8	55.2	38.1	61.9	44.7	55.3
2019	20.8	11.8	46.0	54.0	45.4	54.6	38.4	61.6	44.5	55.5
2018	14.9	4.2	50.7	49.3	39.6	60.4	37.1	62.9	43.8	56.2

Appendix 2 – Figures for ethnicity pay gap March 2018 to March 2021

Year	The percentage difference in mean pay between White and Black and Minority Ethnic Employees			The percentage difference in median pay between White and Black and Minority Ethnic Employees			The percentage difference in mean bonus pay between White and Black and Minority Ethnic Employees			The percentage difference in median bonus pay between White and Black and Minority Ethnic Employees		
	Mean White	Mean BAME	% Difference	Median White	Median BAME	% Difference	Bonus Mean White	Bonus Mean BAME	% Difference	Bonus Median White	Bonus Median BAME	% Difference
2021	£23.90	£21.31	10.8	£21.63	£19.49	9.9	£2,165	£2,228	-2.9	£1,706	£2,158	-26.5
2020	£23.10	£20.21	12.5	£20.21	£18.62	7.9	£1,940	£2,349	-21.1	£1,578	£2,445	-54.9
2019	£21.97	£19.62	10.7	£20.04	£18.26	8.9	£1,409	£1,600	-13.6	£1,026	£1,481	-44.3
2018	£22.26	£19.61	11.9	£19.98	£18.02	9.8	£5,021	£2,655	47.1	£3,702	£2,164	41.5

Year	The proportion of White and Black and Minority Ethnic Employees receiving a bonus		The proportion of White and Black and Minority Ethnic Employees in quartile bands							
	Bonus Received White	Bonus Received BAME	Upper Quartile White	Upper Quartile BAME	Upper Middle Quartile White	Upper Middle Quartile BAME	Lower Middle Quartile White	Lower Middle Quartile BAME	Lower Quartile White	Lower Quartile BAME
2021	12.5	16.5	64.5	35.5	55.7	44.3	50.9	49.1	41.2	58.8
2020	16.0	18.2	68.0	32.0	54.8	45.2	46.0	54.0	41.8	58.2
2019	13.9	19.0	69.8	30.2	58.7	41.3	47.4	52.6	44.4	55.6
2018	8.4	11.4	70.8	28.9	56.7	43.3	48.6	51.4	43.5	56.5

Appendix 3 – Figures for disability pay gap March 2020 to March 2021

Year	The percentage difference in mean pay between employees who have and have not declared a disability			The percentage difference in median pay between employees who have and have not declared a disability			The percentage difference in mean bonus pay between employees who have and have not declared a disability			The percentage difference in median bonus pay between employees who have and have not declared a disability		
	Have not declared a disability	Have declared a disability	% Difference	Have not declared a disability	Have declared a disability	% Difference	Mean Bonus: Have not declared a disability	Mean Bonus: Have declared a disability	% Difference	Median Bonus: Have not declared a disability	Median Bonus: Have declared a disability	% Difference
2021	£22.48	£22.15	1.5%	£19.96	£20.46	-2.5%	£2,178	£1,843	15.4%	£1,876	£1,813	3.4%
2020	£21.60	£21.28	1.5%	£19.42	£19.42	0.0%	£2,038	£2,139	-5.0%	£1,898	£1,912	-0.7%

Year	The proportion of employees who have and have not declared a disability receiving a bonus		The proportion of employees who have declared and not declared a disability in quartile bands							
	Have not declared a disability	Have declared a disability	Upper Quartile: Have not declared a disability	Upper Quartile: Have declared a disability	Upper Middle Quartile: Have not declared a disability	Upper Middle Quartile: Have declared a disability	Lower Middle Quartile: Have not declared a disability	Lower Middle Quartile: Have declared a disability	Lower Quartile: Have not declared a disability	Lower Quartile: Have declared a disability
2021	10.1%	9.4%	92.7	7.3	90.2	9.8	90.0	10.0	93.2	6.8
2020	16.4%	12.5%	92.1	7.9	90.4	9.6	90.8	9.2	93.3	6.7

Appendix 4 - What are we doing to close the gaps?

Continue

Continue to encourage staff to share their personal data to record and accurately report via self-service on IBC. Ethnicity data increased from 80% to 83% this year.

Review

Regular reviews throughout the year of starting salaries to identify if women and Black, Asian and minority ethnic staff are being paid an initial salary lower to men and white recruits.

When reviewing the data drill down further on Black, Asian and minority ethnic staff to identify any trends or discrepancies.

Identify

Identify impacts of different types of recruitment such as external advert compared to direct hire of agency successful and unsuccessful applications.

Reporting on starting salaries, with a focus on PO6 and above to understand any implications associated with 'glass ceilings'.

Report

Continue to work with IBC to enhance reporting on equality, diversity and inclusion data on each stage of the recruitment process and through career progression.

Engage

Continue to work closely with our staff-led groups to interrogate the data and develop further actions to address long term change.