

# GENDER AND BAME PAY GAP REPORT 2019

# INTRODUCTION

## BY STUART LOVE, CHIEF EXECUTIVE

We recognise that Westminster City Council has not provided a level playing field for all staff. Our culture has not always been inclusive, nor has our workforce been reflective of the communities we serve. This is completely unacceptable and, as chief executive, I am both responsible for addressing this and determined to put it right.

In the last 18 months, we have seen significant improvements in addressing the culture of the organisation and tackling the gender and ethnicity pay gaps that we have. However, we also know that there is still a long way for us to go to both close the gaps and ensure that they never reappear. This is an absolute priority for me.

Our people strategy, The Westminster Way, is centred on making us a diverse, modern, outward-looking, innovative and ambitious organisation. Our aim is to ensure that the council and its leadership are representative of the communities we serve. A key pillar of the Westminster Way is to value our people and diversity, creating a culture where everyone is valued.

Our 2019 gender and BAME pay gap report shows we are moving in the right direction. Three of the four indicators we measure ourselves on have improved since last year's report (gender mean, BAME mean and BAME median), but one area has widened (gender median). We look at the reasons behind this – and explain how we are going to address it – later in this report.

It is important to note this report is based on data as at 31 March 2019 and only shows the impact of our actions in the 12 months leading up to that date. It takes no account of the steps that have been taken since then to address inequalities in our workforce and to create a culture where everyone feels included.

In April 2019, we introduced our first ever positive action recruitment programme for all middle and senior management roles, where we committed to having at least one candidate from a BAME background on every shortlist and ensuring all stages of the recruitment process, including our interview panels, are gender and BAME diverse.

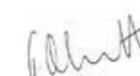
Our culture too is changing. Through reverse mentoring, our six employee-led staff networks, our flexible working policies and people-centred approach, we are creating an environment which brings out the best in our staff and where everyone feels valued.

These changes are delivering real impact: since April 2019, 46% of all advertised roles at band 4 and above have been filled by BAME candidates, making our workforce more reflective of our community. Our monitoring shows the number of BAME employees in leadership roles is also increasing: from just 5% in 2016/17 to 15% in December 2019. This change should be reflected in our next pay gap report and we will continue to monitor the cultural impact we are having through our annual staff survey.

We are making progress but there is still much work to do. The Executive Leadership Team will continue to look at new and innovative ways to support the changing culture of the Council to ensure that Westminster is a diverse, inclusive, world class employer of choice for all existing and new staff – where everyone feels valued.



**Stuart Love**  
Chief Executive



**Gerald Almeroth**  
Executive Director of  
Finance and Resources



**Barbara Brownlee**  
Executive Director of Growth,  
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**Julia Corkey**  
Executive Director  
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**Bernie Flaherty**  
Bi-Borough Executive Director  
of Adult Social Care and Health



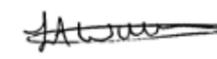
**Sarah Newman**  
Bi-Borough Executive Director  
of Children's Services



**Tasnim Shawkat**  
Bi-Borough Director of Law



**Sara Sutton**  
Executive Director of City  
Management and Communities



**Lee Witham**  
Director of People Services

# HIGHLIGHTS

## Gender pay gap

This year's report shows our mean gender pay gap has reduced from 8.6% in 2018 to 7% in 2019. However, our median pay gap has increased from 8.5% in 2018 to 11.8% in 2019.

### What this means

We have made good progress increasing the number of women in senior leadership roles: six of the ten highest paid employees were female in March 2019, compared to just two in 2017. The proportion of women paid in the upper quartile is now 52% compared to men at 48%. This helped decrease the mean gender pay gap but did not impact the median as women still make up a far larger proportion of the lowest two quartiles.

An analysis of the median gender pay gap shows women accounted for 66% of leavers and 64% of new starters in the year. The new starters are generally paid less than the women they are replacing who were on a higher step in their banding. However, the median pay gap for new starters is 7.5% in favour of men. This cannot be right.

## How we are addressing this

We need more qualitative information to understand why two thirds of the leavers in the year were women. Exit interviews will be implemented for female band 4–6 leavers and focus groups will be held to understand if there are any underlying issues we need to address.

Encouragingly, in 2019/20, overall turnover in the organisation has fallen from 16% to 14% and the proportion of women leavers has reduced from 66% to 55%. This may be a reflection of our new family friendly approaches such as improved parental leave policy, maternity pay and flexible working opportunities.

## BAME pay gap

Our mean BAME pay gap has reduced from 17.7% in 2018 to 15.5% in 2019. The median BAME pay gap reduced from 17.6% in 2018 to 13.1% in 2019.

2018 was the first year we calculated our BAME pay gap.

### What this means

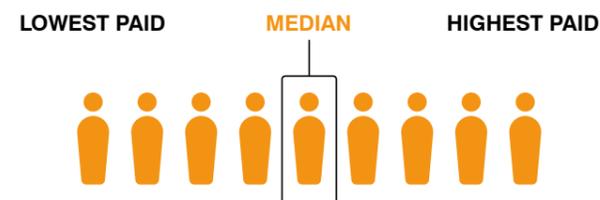
While it is encouraging our BAME pay gap is reducing, we still have a long way to go. The positive action programme we introduced in April 2019, along with reverse mentoring and diverse recruitment panels, should continue to help us reduce the pay gaps and we will constantly look at new and innovative ways to ensure our workforce, at all levels, reflects the community we serve.

## How we are addressing this

Since we launched our positive action programme, some 46% of advertised roles have been filled by candidates from a BAME background. This is building on the increase in BAME staff in leadership roles from 5% in 2016/17 to 15% at the end of 2019.

Just as importantly, we are beginning to change the culture of the organisation to one that is truly inclusive. Over the last year, we have:

- Ensured all middle and senior management roles (band 4 and above) have at least one candidate from a BAME background on every shortlist and that every stage of the recruitment process is gender and BAME diverse.
- Established a reverse mentoring programme that so far covers 50 senior leaders across the council and is being further extended in 2020.
- Used diversity data to ensure equal access on to our manager development programmes and fairness in our rewarding your contribution and annual pay award step-up process.
- Signed up to Business in the Community's Race at Work Charter which has five calls to action, including taking action that supports Black, Asian and Ethnic Minority career progression.



# THE PAY GAP IN DETAIL

## What is the pay gap?

The gender pay gap measures the difference between men and women's average salaries.

Under the Equality Act 2010 (gender pay gap information regulations 2017), employers with 250 or more employees are required to publish statutory calculations every year, showing the difference in the average pay of their male and female employees

The Council is confident that employees, whatever their gender or ethnic background, are paid equally for doing equivalent roles – or what's called 'equal pay'. Consequently, this report does not look at equal pay.

The BAME pay gap is the difference between BAME and white employees' pay as a percentage of white employees' pay. We have chosen to voluntarily measure the BAME pay gap because we want to be transparent with our workforce about the gap that one can easily see in the organisation and commit to narrow the gap over time.

The data in this report is based on a snapshot from 31 March 2019 and the results must be published on our website and a government website each year.

## How has it been calculated?

The pay gap report involves carrying out calculations that show the difference between the average earnings of men and women or BAME and white employees, across the following categories:

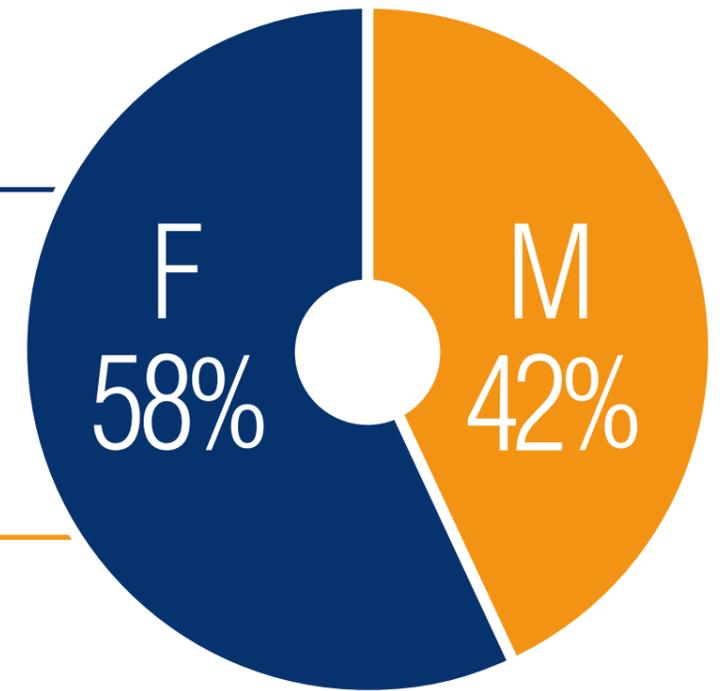
- 1. Ordinary pay**  
**The hourly rate.**
- 2. One-off contributions (bonus pay)**  
**The difference between the one off contributions paid.**
- 3. Quartile pay**  
**The proportion of full-pay employees in the lower, lower middle, upper middle and upper quartile pay bands.**

Each category includes calculations based on two different types of average (mean and median) to give a balanced overview of an employer's overall gender and BAME pay gap.



# GENDER PAY GAP

Proportion of female and male employees across the council



## Ordinary Pay

Gender pay gap – the difference between women’s pay and men’s pay as a percentage of men’s pay.

(Positive % means men have higher pay).

**7%** MEAN HOURLY RATE

**11.8%** MEDIAN HOURLY RATE

	HOURLY RATE OF WOMEN	HOURLY RATE OF MEN	DIFFERENCE (£)
MEAN HOURLY RATE	£21.54	£23.16	£1.62
MEDIAN HOURLY RATE	£19.53	£22.14	£2.62

# GENDER PAY GAP

## One off contributions

Westminster City Council does not pay bonuses. To comply with the regulations, we have used any pay that is paid annually or less frequently than monthly as a 'one off contribution' to calculate the equivalent of bonus pay. This includes one off 'rewarding your contribution' payments and long service awards.

### One off pay

One off payments gender pay gap – the difference between women's payments and men's payments as a % of men's payments.

**MEAN**  
7.5%

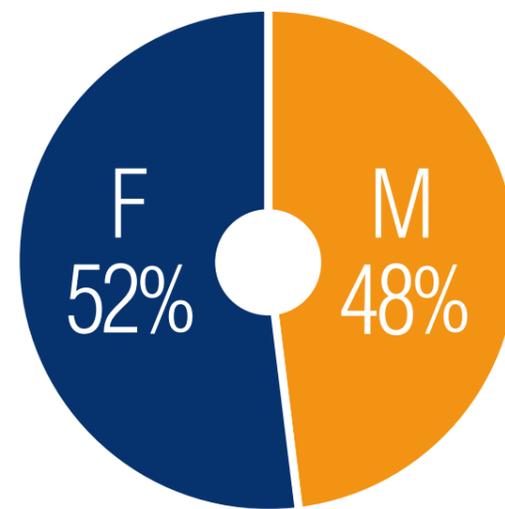
**MEDIAN**  
30.1%

### One off payments paid

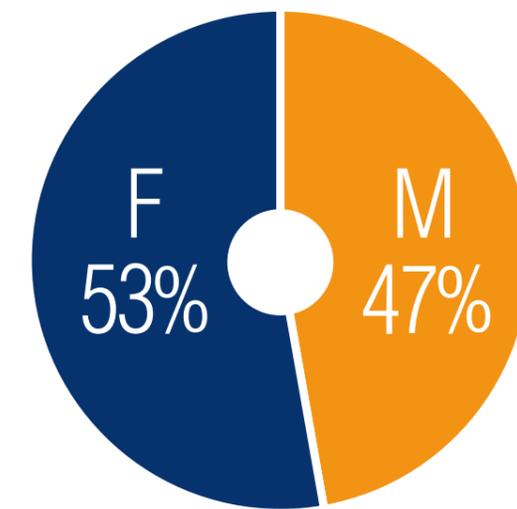
**WOMEN PAID AS % OF ALL WOMEN**  
15.2%

**MEN PAID AS % OF ALL MEN**  
18.2%

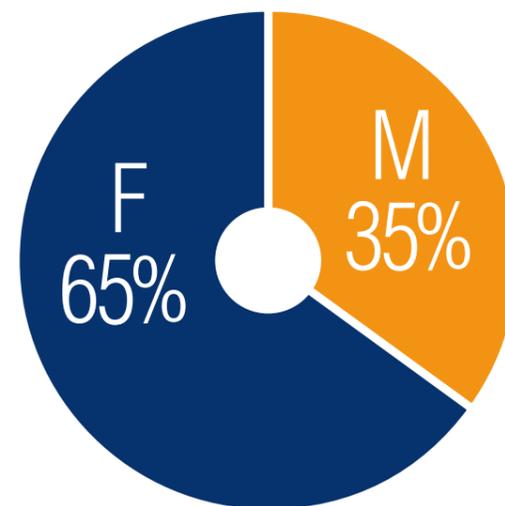
## Pay by Quartile\*



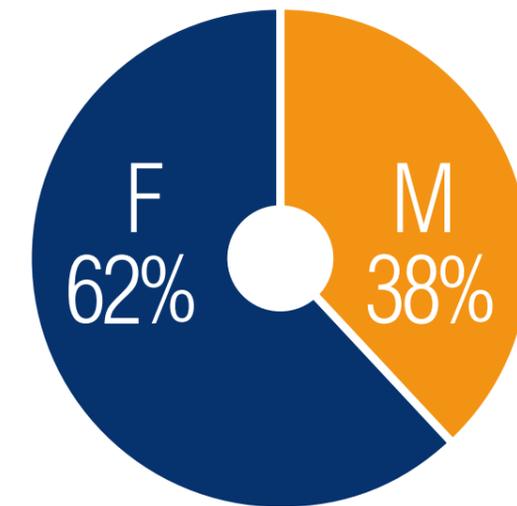
Proportion of women and men in the **upper quartile** (paid above the 75<sup>th</sup> percentile point)



Proportion of women and men in the **upper middle quartile** (paid above the median and at or below the 75<sup>th</sup> percentile point)



Proportion of women and men in the **lower middle quartile** (paid above the 25<sup>th</sup> percentile point and at or below the median)

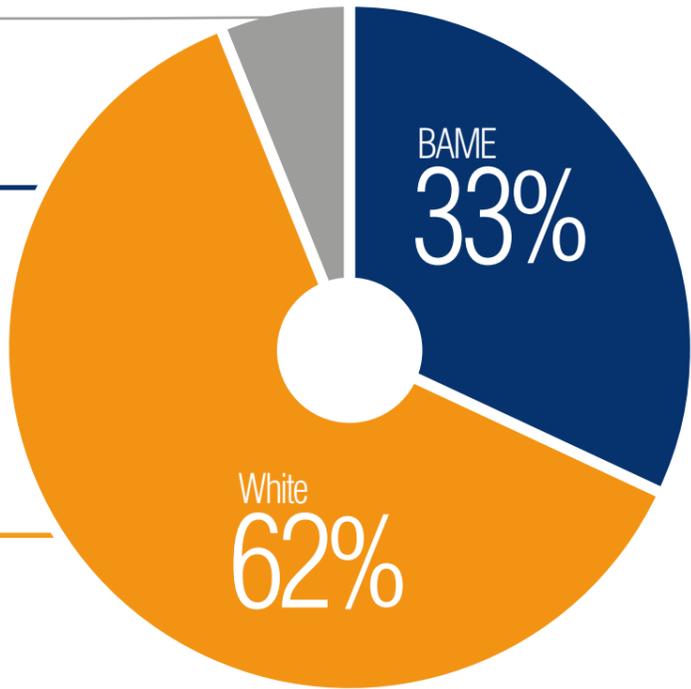


Proportion of women and men in the **lower quartile** (paid below the 25<sup>th</sup> percentile point)

\*only 'full pay relevant employees' are counted for these calculations.

# BAME PAY GAP

5% of staff currently do not record their ethnicity.



## Proportion of BAME and White employees across the council

## Ordinary Pay

BAME pay gap – the difference between BAME and White employees pay as a percentage of White employees pay.

(Positive % means White employees have higher pay).

**15.5%** MEAN HOURLY RATE

**13.1%** MEDIAN HOURLY RATE

	HOURLY RATE BAME EMPLOYEES	HOURLY RATE OF WHITE EMPLOYEES	DIFFERENCE (£)
MEAN HOURLY RATE	£19.99	£23.65	£3.66
MEDIAN HOURLY RATE	£19.25	£22.14	£2.89

# BAME PAY GAP

## One off contributions

Westminster City Council does not pay bonuses. To comply with the regulations we have used any pay that is paid annually or less frequently than monthly as a 'one off contribution' to calculate the equivalent of bonus pay. This includes one off 'rewarding your contribution' payments and long service awards.

### One off pay

One off payments BAME pay gap – the difference between BAME payments and white payments as a % of white payments.

**MEAN**  
20.9%

**MEDIAN**  
14.2%

### One off payments paid

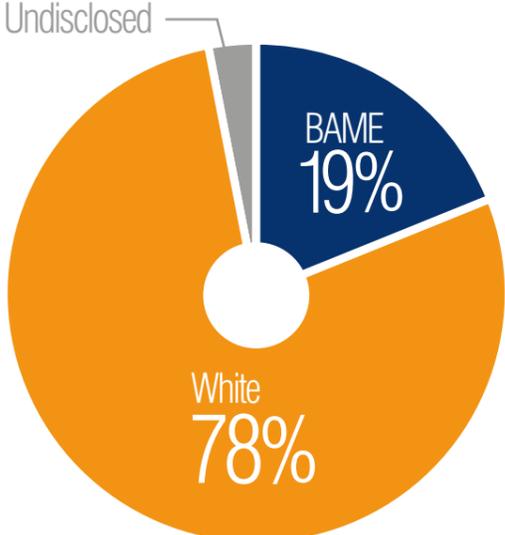
**BAME PAID BONUS AS % OF ALL BAME STAFF**

15.2%

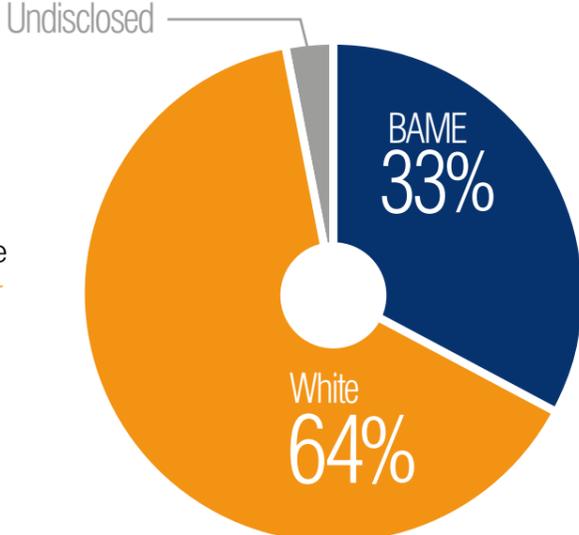
**WHITE PAID BONUS AS % OF ALL WHITE STAFF**

18%

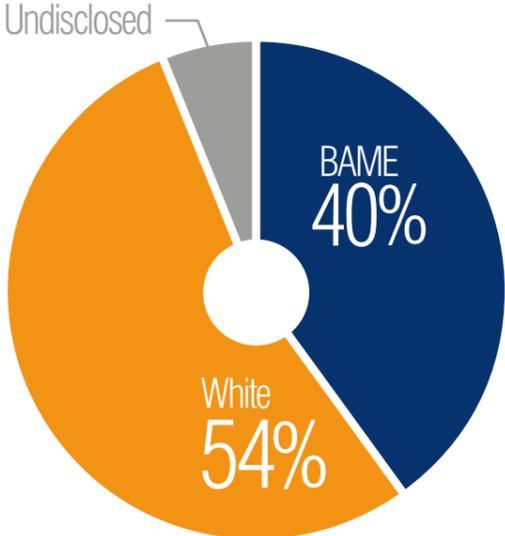
## Pay by Quartile\*



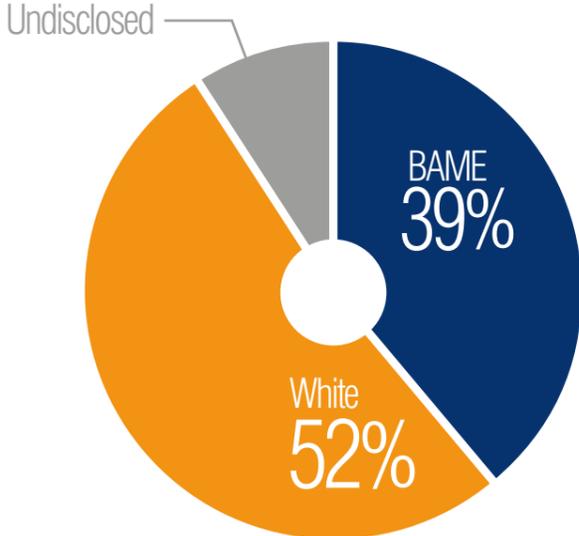
Proportion of BAME and White staff in the upper quartile (paid above the 75<sup>th</sup> percentile point)



Proportion of BAME and White staff in the upper middle quartile (paid above the median and at or below the 75<sup>th</sup> percentile point)



Proportion of BAME and White staff in the lower middle quartile (paid above the 25<sup>th</sup> percentile point and at or below the median)



Proportion of BAME and White staff in the lower quartile (paid below the 25<sup>th</sup> percentile point)

\*only 'full pay relevant employees' are counted for these calculations.

# WHAT'S NEXT IN 2020

Through the three pillars of the Westminster Way, the council's people strategy, we are implementing various programmes to close the gap.

## Personal development: Everyone has talent

**Reverse mentoring.** So far, 50 senior leaders across the Council have been paired with individuals of different ages, genders and cultural backgrounds in a 360 degree mentoring relationship. This year, we will have a focus on growing this programme and, later in the year, extending it to include LGBTQ+ and disability.

### Personal development framework.

Our staff survey revealed 70% of staff had a seasonal conversation with their line manager in the last year as part of our innovative personal development programme. We will do more to encourage all staff to take charge of their personal development using this framework.

**Unconscious bias training.** We now offer unconscious bias training to staff via our new learning and development tool.

### Leadership and talent programmes.

So far, more than 160 staff have had access to our senior leader and emerging leader programmes. Diversity and inclusion is a core part of all modules and we are mindful to ensure equity across all of these programmes.

## Value our people and diversity: Everyone is valued

**Updating our policies.** We recognise that our annual leave policy disproportionately affects our female and BAME employees who are more likely to be in one of the lower pay bands. Given this, all staff will be entitled to the same amount of leave as of April 2020, giving some employees an extra four days per annum. Changes to our special leave policy will also give managers more discretion and flexibility to support staff in times of need.

**Reward and recognition.** Our Step Up process is carefully moderated using diversity data to ensure unconscious bias doesn't creep in when it comes to reviewing annual pay and rewards.

**Staff Networks.** Our staff networks are going from strength to strength. The Women's Network has already launched its vision for 2020 and others will be following suit. We have also been enriched by a kaleidoscope of events to celebrate the rich diversity we have in Westminster and look forward to more this year.

**Recognising the achievements of our staff.** We will continue to recognise the achievements of our staff, for example

through the Westminster Way staff awards, and share stories that will inspire others.

**Accessibility.** We will continue to improve accessibility both at City Hall and as part of the Lisson Grove refurbishment programme.

**Diversity audit.** We will be taking an honest look at our organisation with a new diversity audit to inform our long-term strategy. We want to be a learning organisation and better understand how to unblock the barriers to a fully inclusive workplace.

**Race at Work Charter.** We have signed up to Business in the Community's Race at Work Charter, the industry standard to achieve good race relations at work. The charter sets five standards we are meeting, including appointing a champion for race (the chief executive), ensuring the most up to date ethnicity data is recorded and actively supporting BAME career progression.

**Mental health in the workplace.** We will use the Time to Change pledge which commits us to improving mental health in the workplace.

## The Westminster Way of working

**Policies.** We have transformed our maternity and shared parental leave policies as well as our transitioning at work and special leave policies to ensure they are inclusive and support our staff throughout their careers here.

**Return to work.** We will be overhauling the support we offer staff who return to work after a long-term period of leave.

**Recruitment.** All vacancies by default are now suitable for flexible working. We are also introducing a Timewise taskforce to further promote flexible working.

**Diverse shortlists for band 4 roles and above.** Our positive action programme already ensures at least one candidate from a BAME background on every shortlist for middle and senior manager roles and our inclusive recruitment training will be expanded to include gender and disability.

**Diverse interview panels.** All interview panels for middle and senior manager roles are now gender and BAME diverse.

## How you can help

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Diversity and inclusion starts with a commitment by the Executive Leadership Team – but it is everybody's business.

While we are moving in the right direction and will maintain our relentless focus on diversity and inclusion, we need all our leaders to play their part. You can help by ensuring your personal data is up to date on IBC so we have an accurate reflection of our workforce. Get involved in our staff networks, sign up to e-learning courses and workshops to develop your cultural awareness and eliminate unconscious bias and, if you're a manager, remember to plan early when recruiting new staff. Positive action includes diverse panels throughout the process and not just at interview stage.