

Ethnicity pay gap reporting: March 2017 data

About the audit

In 2017 the Equality Act 2010 (Gender Pay Gap Information) regulations came into force. This legislation requires public bodies with 250 or more employees to report on their gender pay gaps annually. In December 2017 the Mayor declared that he would publish the ethnicity pay gap data for the GLA. This report provides the relevant data and sets out the GLA's position based on data as at 31 March 2017. The Mayor intends to lead by example not only in the publication of ethnicity pay gap data but also by requiring the GLA to develop an action plan to begin the work of addressing pay inequality in terms of ethnicity. The Mayor will use the example of the GLA and its functional bodies to encourage business in the capital to follow this lead and start the process of addressing pay inequality in their own organisations. There is no legislative requirement for this data to be published. However, recognising pay inequality and being committed to addressing it does not, for the GLA, require the push of legislation. The GLA is fully determined to tackle inequality in any form and publishing the ethnicity pay gap supports that aim. The GLA has followed the gender pay gap reporting methodology to calculate the ethnicity pay gap. The formula is as follows:

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

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

The Equality and Human Rights Commission express the ethnicity pay gap as follows: *“the pay gap is defined as the difference between the average hourly pay of ethnic minorities and White British people. When ethnic minorities are paid less, overall, than White British people they experience a pay gap. When they are paid more they experience a pay advantage. The pay gap is often expressed as a percentage difference between the pay of people from ethnic minorities and the pay of White British people, with the latter representing 100%.”*

Following publication of this data the GLA will be working to produce an action plan to sit alongside the data. The action plan will set out the initiatives and activity designed to address the pay inequality in the GLA. However, given the low employee turnover rates at the GLA it is recognised that making significant impact is a long term aim. That does not detract from the importance of work required and the GLA will monitor progress of all activity set out in the action plan and report on such progress.

The GLA is a single status organisation and does not have different staff groups; i.e. all staff are officers. For the purposes of ethnicity pay gap reporting the office holders, i.e. Assembly Members and the Mayor are excluded. Salaries at the GLA are determined through a job evaluation scheme (Hay). Job evaluation evaluates the job and not the post holder. It makes no reference to ethnicity or any other personal characteristics of existing or potential job holders. Therefore, we are confident that the GLA is paying the same salary to roles of equal value.

The GLA is publishing their overall mean and median ethnicity pay gaps and used the snapshot date of 31 March 2017 for the data collection.

The data below represents the ethnicity pay gap data for the Greater London Authority as at the end of March 2017. As at 31 March 2017 there were 816 employees in the GLA of which 797 are counted for ethnicity pay gap reporting purposes. This number is achieved by using the gender pay gap reporting methodology of which staff should be included for reporting purposes and applying it for ethnicity pay gap reporting. This represents 98% of staff. Of the 797 staff included in the data below 25% are BAME, 71% White and 4% unknown.

Overall Ethnicity Pay Gap Summary

Table 1: - Overall ethnicity pay gap all staff

Headline Ethnicity Pay Gap - White/BAME					
Ethnicity	No of staff.	Mean	Median	Mean Pay Gap	Median Pay Gap
BAME (Black, Asian, Dual, Other)	199	£ 20.74	£ 20.17	21%	16%
Asian or Asian British	71	£ 22.10	£ 21.68	16%	9%
Black or Black British	86	£ 19.55	£ 17.82	26%	26%
Dual Heritage	28	£ 21.18	£ 23.26	20%	3%
Other Ethnic Group	14	£ 20.28	£ 21.46	23%	10%
White	563	£ 26.36	£ 23.93		
Not Known/Provided	35	-	-	-	-

The data above shows a mean ethnicity pay gap of 21% overall. However, when separating the BAME groups it shows that the lowest ethnicity pay gap is among the Asian or Asian British group (16%) and highest within the Black or Black British group (26%). This data shows that the experience of groups within the wider BAME communities differ. Therefore, to give the data real meaning more granular analysis is required than simply calculating the ethnicity pay gap as a comparison between White staff and BAME staff. The GLA has made a start with this report.

Unlike gender pay gap reporting which currently is binary i.e. compares men and women, ethnicity pay gap reporting is far more complex. For the purposes of this report the GLA is showing the ethnicity pay gaps for BAME as a whole and then for the separate minority groups i.e. Asian or Asian British, Black or Black British, Dual Heritage (mixed race), and Other Ethnic Group. The White group includes White British, White Irish and White Other. The GLA is further reviewing the level of disaggregation to provide the best level of analysis; for example removing White Other from the White group as this community has a relatively shorter presence in the UK than the rest of the white population. Similarly, to ensure that individuals remain anonymous within the data, consideration is being given to bring the dual heritage and other ethnic group sections together as they account for 5% of the GLA staffing population.

Quartile Summary

The quartile data has been calculated 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.* The Government adopted this approach for gender pay gap reporting in preference to calculating quartiles by dividing the overall pay distribution into four equal proportions. Splitting the data in equal groups by salary range could result in very small groups e.g. an entire quartile based on only the very highest earners' salary and in some cases that could be a single person – please see table 11 which demonstrates this exact issue. The GLA has therefore mirrored the gender pay gap methodology for calculating quartiles.

Table 2: Quartile Mean Hourly Pay

Mean Hourly Pay					
	White		BAME		Pay Gap
	Hourly rate	No	Hourly rate	No	
lower quartile	15.31	102	14.86	89	2.94%
lower middle quartile	21.18	144	21.34	46	-0.76%
upper middle quartile	25.24	148	24.98	43	1.03%
upper quartile	38.41	169	35.64	21	7.21%

Table 3: Quartile Median Hourly Pay

Median Hourly Pay					
	White		BAME		Pay Gap
	Hourly rate	No	Hourly rate	No	
lower quartile	15.99	102	15.2	89	4.94%
lower middle quartile	21.68	144	21.68	46	0.00%
upper middle quartile	24.91	148	24.84	43	0.28%
upper quartile	34.65	169	35.34	21	-1.99%

Grade Summary

As with gender pay reporting the GLA has chosen to analyse ethnicity pay in relation to its grading structure as it believes that this level of analysis provides a more in depth look at the distribution of pay across the organisation. This level of examination can highlight issues which may be masked by the higher-level analysis arising from the overall and quartile data. 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.

Table 4: Mean Hourly Pay by Grade

These two tables show the White/BAME pay gap at grade level and the count of staff by ethnicity at each grade. Please note the LDA* grade below accounts for staff on non-standard GLA terms and equates to a GLA grade 8 salary level.

Mean Pay Gap White/BAME			
Mean Pay	White	BAME	Pay Gap
London's Living Wage	9.75	9.75	0%
Grade 1	10.98	13.66	-24%
Grade 2	12.95	13.2	-2%
Grade 3	14.27	0	n/a
Grade 4	14.74	14.36	3%
Grade 5	15.62	15.52	1%
Grade 6	17.43	17.43	0%
Grade 7	20.96	20.8	1%
Grade 8	22.92	23.24	-1%
Grade 9	25.25	24.86	2%
Grade 10	27.93	27.47	2%
Grade 11	30.95	30.62	1%
Grade 12	36.24	36.33	0%
Grade 13	41.45	42.68	-3%
Grade 14	46.62	0	n/a
Grade 15	58.04	0	n/a
LPFA LDA (D)*	0	23.41	n/a
Spot	69.74	65.44	6%

Count of Staff		
by Job Level	White	BAME
London's Living Wage	4	8
Grade 1	6	2
Grade 2	14	17
Grade 3	2	0
Grade 4	7	7
Grade 5	25	27
Grade 6	55	36
Grade 7	75	17
Grade 8	103	33
Grade 9	71	27
Grade 10	69	5
Grade 11	46	6
Grade 12	30	11
Grade 13	16	1
Grade 14	17	0
Grade 15	13	0
LPFA LDA (D)*	0	1
Spot	10	1

Significantly at G1 it shows there is a 13.66 positive pay gap in favour of BAME, however deeper analysis shows that this arises as a result of one employee in receipt of a substantial acting up allowance which raises the overall salary level for pay gap reporting purposes. A substantial proportion of the GLA's ethnicity pay gap is accounted for at the top of the organisation. There are 42 staff covering grades 14, 15 and Spot of which only two are BAME. It can be seen in the mean table above and the median table below that no pay gap is showing for G14 and 15, however,

this only arises because there are no BAME staff in these grades. Although no pay gap is showing for these grades the salaries of the White staff are of course included in the overall calculation giving rise to the overall pay gap in table 1 above.

Table 5: Median Hourly Pay by Grade

Median Pay Gap White/BAME			
Median Pay	White	BAME	Pay Gap
London's Living Wage	9.75	9.75	0%
Grade 1	10.98	13.66	-24%
Grade 2	13.27	13.27	0%
Grade 3	14.27	0	n/a
Grade 4	15.2	14.12	7%
Grade 5	15.25	15.25	0%
Grade 6	17.6	17.17	2%
Grade 7	20.68	20.68	0%
Grade 8	22.78	23.35	-3%
Grade 9	25.11	24.97	1%
Grade 10	27.69	27.35	1%
Grade 11	30.69	30.12	2%
Grade 12	35.92	36.02	0%
Grade 13	41.88	42.68	-2%
Grade 14	45.33	0	n/a
Grade 15	59.23	0	n/a
LPFA LDA (D)	0	23.41	n/a
Spot	66.86	65.44	2%

Count of Staff		
by Job Level	White	BAME
London's Living Wage	4	8
Grade 1	6	2
Grade 2	14	17
Grade 3	2	0
Grade 4	7	7
Grade 5	25	27
Grade 6	55	36
Grade 7	75	17
Grade 8	103	33
Grade 9	71	27
Grade 10	69	5
Grade 11	46	6
Grade 12	30	11
Grade 13	16	1
Grade 14	17	0
Grade 15	13	0
LPFA LDA (D)	0	1
Spot	10	1

The tables below provide further analysis of the GLA ethnicity pay gap at grade level. The tables show the mean and median ethnicity pay gap as follows:

- Table 6: Black v White staff
- Table 7: Asian v White staff
- Table 8: Dual Heritage v White staff and
- Table 9: Any Other Ethnic Group v White staff.

Table 6: Black v White staff

Black						
by Job Level	White mean hourly rate for grade	Black Mean hourly rate for grade	Mean Pay Gap White/Black	White median hourly rate for grade	Black Median hourly rate for grade	Median Pay Gap White/Black
London's Living Wage	£ 9.75	£ 9.75	0%	£ 9.75	£ 9.75	0%
Grade 1	£ 10.98	£ 10.98	0%	£ 10.98	£ 10.98	0%
Grade 2	£ 12.95	£ 13.21	-2%	£ 13.27	£ 13.27	0%
Grade 3	£ 14.27		n/a	£ 14.27		n/a
Grade 4	£ 14.74	£ 14.21	4%	£ 15.20	£ 13.77	9%
Grade 5	£ 15.62	£ 15.55	0%	£ 15.25	£ 15.25	0%
Grade 6	£ 17.43	£ 17.76	-2%	£ 17.60	£ 18.04	-3%
Grade 7	£ 20.96	£ 20.23	3%	£ 20.68	£ 19.93	4%
Grade 8	£ 22.92	£ 22.78	1%	£ 22.78	£ 22.50	1%
Grade 9	£ 25.25	£ 24.93	1%	£ 25.11	£ 25.11	0%
Grade 10	£ 27.93		n/a	£ 27.69		n/a
Grade 11	£ 30.95	£ 30.31	2%	£ 30.69	£ 30.31	1%
Grade 12	£ 36.24	£ 36.68	-1%	£ 35.92	£ 35.68	1%
Grade 13	£ 41.45		n/a	£ 41.88		n/a
Grade 14	£ 46.62		n/a	£ 45.33		n/a
Grade 15	£ 58.04		n/a	£ 59.23		n/a
SPOT	£ 69.74		n/a	£ 66.86		n/a

Table 7: Asian v White staff

Asian							
by Job Level	White mean hourly rate for grade	Asian Mean hourly rate for grade	Mean Pay Gap White/Asian	White median hourly rate for grade	Asian Median hourly rate for grade	Median Pay Gap White/Asian	
London's Living Wage	£ 9.75	£ 9.75	0%	£ 9.75	£ 9.75	0%	
Grade 1	£ 10.98	£ 16.34	-49%	£ 10.98	£ 16.34	-49%	
Grade 2	£ 12.95	£ 13.05	-1%	£ 13.27	£ 13.27	0%	
Grade 3	£ 14.27		n/a	£ 14.27		n/a	
Grade 4	£ 14.74	£ 14.48	2%	£ 15.20	£ 14.47	5%	
Grade 5	£ 15.62	£ 15.42	1%	£ 15.25	£ 15.25	0%	
Grade 6	£ 17.43	£ 17.16	2%	£ 17.60	£ 16.75	5%	
Grade 7	£ 20.96	£ 18.78	10%	£ 20.68	£ 18.39	11%	
Grade 8	£ 22.92	£ 23.23	-1%	£ 22.78	£ 23.64	-4%	
Grade 9	£ 25.25	£ 24.97	1%	£ 25.11	£ 25.11	0%	
Grade 10	£ 27.93	£ 27.55	1%	£ 27.69	£ 26.81	3%	
Grade 11	£ 30.95	£ 31.20	-1%	£ 30.69	£ 30.69	0%	
Grade 12	£ 36.24	£ 35.51	2%	£ 35.92	£ 35.69	1%	
Grade 13	£ 41.45	£ 42.68	-3%	£ 41.88	£ 42.68	-2%	
Grade 14	£ 46.62		n/a	£ 45.33		n/a	
Grade 15	£ 58.04		n/a	£ 59.23		n/a	
SPOT	£ 69.74	£ 65.44	6%	£ 66.86	£ 65.44	2%	

Table 8: Dual Heritage v White staff and

Dual Heritage						
by Job Level	White mean hourly rate for grade	Dual Heritage Mean hourly rate for grade	Mean Pay Gap White/Dual Heritage	White median hourly rate for grade	Dual Heritage Median hourly rate for grade	Median Pay Gap White/Dual Heritage.
London's Living Wage	£ 9.75	£ 9.75	0%	£ 9.75	£ 9.75	0%
Grade 1	£ 10.98		n/a	£ 10.98		n/a
Grade 2	£ 12.95	£ 13.27	-2%	£ 13.27	£ 13.27	0%
Grade 3	£ 14.27		n/a	£ 14.27		n/a
Grade 4	£ 14.74		n/a	£ 15.20		n/a
Grade 5	£ 15.62	£ 15.51	1%	£ 15.25	£ 15.64	-3%
Grade 6	£ 17.43	£ 18.14	-4%	£ 17.60	£ 16.34	7%
Grade 7	£ 20.96	£ 21.79	-4%	£ 20.68	£ 21.79	-5%
Grade 8	£ 22.92	£ 23.80	-4%	£ 22.78	£ 23.41	-3%
Grade 9	£ 25.25	£ 24.83	2%	£ 25.11	£ 24.97	1%
Grade 10	£ 27.93	£ 27.35	2%	£ 27.69	£ 27.35	1%
Grade 11	£ 30.95		n/a	£ 30.69		n/a
Grade 12	£ 36.24	£ 37.50	-3%	£ 35.92	£ 37.50	-4%
Grade 13	£ 41.45		n/a	£ 41.88		n/a
Grade 14	£ 46.62		n/a	£ 45.33		n/a
Grade 15	£ 58.04		n/a	£ 59.23		n/a
LPFA LDA (D)	£ -	£ 23.41	n/a	£ -	£ 23.41	n/a
SPOT	£ 69.74		100%	£ 66.86		100%

Table 9: Any Other Ethnic Group v White staff.

Any other ethnic group						
by Job Level	White mean hourly rate for grade	Any other ethnic group Mean hourly rate for grade	Mean Pay Gap White/Any other ethnic group	White median hourly rate for grade	Any other ethnic group Median hourly rate for grade	Median Pay Gap White/Any other ethnic group
London's Living Wage	£ 9.75	£ 9.75	0%	£ 9.75	£ 9.75	0%
Grade 1	£ 10.98		n/a	£ 10.98		n/a
Grade 2	£ 12.95	£ 13.27	-2%	£ 13.27	£ 13.27	0%
Grade 3	£ 14.27		n/a	£ 14.27		n/a
Grade 4	£ 14.74		n/a	£ 15.20		n/a
Grade 5	£ 15.62		n/a	£ 15.25		n/a
Grade 6	£ 17.43	£ 16.34	6%	£ 17.60	£ 16.34	7%
Grade 7	£ 20.96	£ 21.92	-5%	£ 20.68	£ 21.72	-5%
Grade 8	£ 22.92	£ 25.91	-13%	£ 22.78	£ 25.91	-14%
Grade 9	£ 25.25	£ 24.13	4%	£ 25.11	£ 24.13	4%
Grade 10	£ 27.93	£ 27.35	2%	£ 27.69	£ 27.35	1%
Grade 11	£ 30.95	£ 29.49	5%	£ 30.69	£ 29.49	4%
Grade 12	£ 36.24		n/a	£ 35.92		n/a
Grade 13	£ 41.45		n/a	£ 41.88		n/a
Grade 14	£ 46.62		n/a	£ 45.33		n/a
Grade 15	£ 58.04		n/a	£ 59.23		n/a
	£ -		n/a	£ -		n/a
SPOT	£ 69.74		n/a	£ 66.86		n/a

£10,000 Salary bands Summary Distribution by ethnicity in £10k increments

In addition, the GLA is also publishing the distribution of salaries across White and BAME staff in £10k increments up to £100k with those earning more than £100k in one group. This broadly mirrors information published in the Mayor's Annual Report except for the 19 staff specifically excluded for ethnicity pay gap reporting. These tables contain information as at 31 March 2017.

Table 10: 10,000 Salary bands Summary Distribution

Ethnicity	<= £20,000		£20,001 to £30,000		£30,001 to £40,000		£40,001 to £50,000		£50,001 to £60,000		£60,001 to £70,000		£70,001 to £80,000		£80,001 to £90,000		£90,001 to £100,000		>£100,000	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
BAME	8	62%	40	43%	60	32%	62	25%	17	12%	7	16%	5	17%	1	3%	0	n/a	2	7%
Asian or Asian British	3	23%	11	12%	20	11%	24	9%	8	6%	4	9%	1	3%	1	3%	0	0%	1	4%
Black or Black British	1	8%	25	27%	30	16%	20	8%	4	3%	3	7%	3	10%	0	0%	0	0%	0	0%
Dual-heritage	3	23%	2	2%	7	4%	12	5%	3	2%	0	0%	1	3%	0	0%	0	0%	1	4%
Other ethnic group	1	8%	2	2%	3	2%	6	2%	2	1%	0	0%	0	0%	0	0%	0	0%	0	0%
White	4	31%	44	47%	116	63%	183	72%	125	88%	34	79%	23	77%	28	97%	0	0%	23	82%
Not stated/provided	1	8%	9	10%	9	5%	8	3%	0	0%	2	5%	2	7%	0	0%	0	0%	3	11%
Total	13		93		185		253		142		43		30		29		0		28	

SALARY BREAKDOWNS

The table below shows the data broken down into equally sized salary groupings. These tables contain information as at 31 March 2017. Please note the information in the table below are not related to the GLA's pay and grading structure. Whilst not necessary for ethnicity pay gap reporting it provides an illustration of the ethnicity pay distribution of the staffing population across the salary groupings. This ratio between the highest and lowest paid is 9.05:1 when GLA Apprentices are included in the information. GLA Apprentices are paid £18,811 per annum in accordance with London's Living Wage. If this group are excluded the pay ratio changes to 8.03:1.

Table 11: Salary distribution by ethnicity

	Group 1	Group 2	Group 3	Group 4	Totals
	£18,811 - £56,687.5	£56,687.5 - £94,563.50	£94,563.50 - £132,439.75	£132,439.75 - £170,316	
White	433	103	24	3	563
BAME	181	17	1	0	199
Unknown	27	4	3	1	35
Totals	641	124	28	4	797

Bonus payments

82 staff in the GLA received additional payments to their basic salary of which 79% (65) were White. Payments in this category include out of hours' allowances, on call allowances, secondment allowances, salary protection, pension allowances, honoraria and recognition payments.

Table 12: Mean Bonus pay gap

Mean Hourly Pay					
	White		BAME		Pay Gap
	Annual payment	No	Annual payment	No	
Bonus payments	£5,262.55	65	£4,359.48	15	17.16%

Table 13: Median Bonus pay gap

Median Hourly Pay					
	White		BAME		Pay Gap
	Annual payment	No	Annual payment	No	
Bonus payments	£5600.00	65	£4,838.00	15	13.61%

Of the total staffing population 8.15% of White and 1.88% of BAME have received bonus payments which include on call allowances, out of hours allowances, salary protection, secondment allowances, honoraria, pension allowances and recognition payments.

The GLA with the GLA group 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. Publishing the GLA’s ethnicity pay gap and related action plan links to the commitments in the Diversity and Inclusion Action Plan to *work towards eliminating pay gaps between different groups*. The following activities are already underway;

- Anonymous recruitment
- Diverse recruitment panels
- Work with staff to establish a BAME Network
- Unconscious bias learning
- New governance body led by the Head of Paid Service
- BITC membership

and will be incorporated into the emerging action plan. The GLA will continue to monitor its progress against the action plan and provide updates on progress as an annexe to future ethnicity pay gap reports.

To find out more about the GLA workforce composition please see the information on the [GLA workforce profile](#).