

LONDON

& PARTNERS

Gender Pay Gap report for 2020/2021

This report sets out the gender pay gap statistics for *London & Partners (L&P)* in relation to the reporting year of 2020-2021.

Introduction

Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, it is a legal requirement for any organisation that has more than 250 employees to publish and report figures about their gender pay gap. Although *L&P* has fewer than 250 employees based in the UK, the Company publishes the report on an annual basis, specified information relating to our gender pay gap, to demonstrate its commitment to equality, diversity and inclusion.

The following information has been calculated in accordance with the Regulations and is legally compliant.

The gender pay gap

The gender pay gap is the difference between the average pay of men and women, expressed as a percentage. The gap is calculated across the entire workforce of an organisation.

The gender pay gap has many contributing factors which will differ from organisation to organisation, across sectors and across geographical locations. These factors may or may not be unlawful or discriminatory, guided by society or cultural aspects, or as a result of internal organisational practices.

It is crucial to our understanding of gender pay disparity to recognise that the gender pay gap is different to equal pay. Equal pay is where there is a discriminatory pay difference between men and women who carry out the same job, jobs rated as equivalent or work of equal value. The existence of a gender pay gap does not automatically give rise to any discrimination or equal pay matters.

Organisational context

The population referenced throughout this paper includes full and part-time staff. Of London & Partners 149 UK based staff, 11 are part-time. Of those who are part-time, 9 are female and 2 are male. The size of the part-time population is too small a sample to analyse further.

The national median pay gap for all workers in 2020 was reported as 15.5%. Specifically, 7% in the public relations sector and 2% in marketing, both sectors that represent the work conducted by London & Partners.

Our commitment to equality and diversity

London & Partners is committed to achieving a working environment which provides equality of opportunity and freedom from discrimination on the grounds of race (including colour, nationality, and ethnic or national origin), religion, sex (gender), sexual orientation, age, gender reassignment, marriage and civil partnership, pregnancy and maternity, and disability. The Company is also committed to building a workforce which is diverse and reflects London's population. We believe that a diverse workforce and an inclusive culture gives wider perspectives, better decisions, improved quality of services we offer, and better outcomes to support London and Londoners.

Our approach to pay and reward

The success of London & Partners depends on its people. Capitalising on what is unique about individuals and drawing on their different perspectives and experiences will add value to the way we do business. We aim to pay competitively within our sector, to be transparent, fair and strive to create a high performing environment where everyone has an equal chance to succeed.

As an organisation that receives a fixed grant with limited commercial revenue, we aim to reward and recognise employees fairly and in line with our income. Our approach to reward and recognition is to increase engagement and achievement as a motivated organisation dedicated to the city.

Gender pay gap

Mean gender pay gap

Based on the mean (average) hourly rate of pay for male and female employees in the relevant pay period, our mean gender pay gap is **10.85%** (rounded to two decimal places).

Median gender pay gap

Based on the median (middle) hourly rate of pay for male and female employees in the relevant pay period, our median gender pay gap is **13.12%** (rounded to two decimal places)

Salary pay quartiles

The following table separates our entire workforce into four equal quartiles based on the salaries that are paid to these employees. These quartiles are then further broken down into the number and proportion, expressed as a percentage, of male and female employees in each quartile, and their mean hourly rate.

Quartile mean hourly pay								
Lower		Lower middle		Upper middle		Upper		
	Number %	Hourly Rate	Number %	Hourly Rate	Number %	Hourly Rate	Number %	Hourly Rate
Male	6 16.2%	£14.36	12 31.6%	£19.84	13 41.7%	£25.34	15 39.47%	£40.76
Female	31 83.8%	£15.03	26 68.4%	£19.82	24 58.3%	£25.44	23 60.53%	£41.44
Pay Gap	-4.69%		0.1%		-0.35%		-1.65%	

Table 1: Mean Hourly pay by pay quartiles

Quartile median hourly pay								
Lower		Lower middle		Upper middle		Upper		
	Number %	Hourly Rate	Number %	Hourly Rate	Number %	Hourly Rate	Number %	Hourly Rate
Male	6 16.2%	£14.96	12 31.6%	£20.00	15 41.7%	£24.62	15 39.47%	£36.62
Female	31 83.8%	£15.13	26 68.4%	£19.89	21 58.3%	£25.64	23 60.53%	£36.61
Pay Gap	-0.91%		0.60%		-4.71%		0.02%	

Table 2: Median Hourly pay by pay quartiles

Grade Summary

London & Partners has chosen to analyse gender pay in relation to its grading structure as it believes that this level of analysis provides a more representative view of the distribution of pay across the organisation.

Mean hourly pay by Grade						
	Team Members		Managers		Senior Team	
	Number %	Hourly Rate	Number %	Hourly Rate	Number %	Hourly Rate
Male	10 27.9%	£19.14	25 33.3%	£23.02	13 36.8%	£42.24
Female	31 72.1%	£15.77	46 66.7%	£21.93	24 65%	£40.44
Pay Gap	17.57%		4.71%		4.25%	

Table 3: Mean hourly pay by grades

Median hourly pay by Grade						
	Team Members		Managers		Senior Team	
	Number %	Hourly Rate	Number %	Hourly Rate	Number %	Hourly Rate
Male	10 27.9%	£17.27	25 33.3%	£22.56	13 36.8%	£37.38
Female	31 72.1%	£15.38	46 66.7%	£21.96	24 65%	£36.08
Pay Gap	10.74%		2.64%		3.45%	

Table 4: Median hourly pay by grades

Overall Summary

Women make up 83.8% of the first quartile, 68.4% each of the second quartile, 58.3% of the third quartile, and 60.53% of the fourth pay quartile. The overall gender composition of L&P's workforce in the UK constitute significantly of more female (68%) than male employees (32%).

However, this gap is not consistent across all the levels as more women are employed in the lower grades (76%) where pay is lower. In contrast in the more senior and higher paid roles, the proportion is lower at 65%.

Action plan to address gender pay disparity

London & Partners' overall gender pay gap figures compare very well to national benchmarks. We are committed to reducing, and subsequently closing, any identified gender pay disparity. This commitment, however, is made in line with our understanding that a period of time and exploration of a number of different actions may be needed in order to achieve this aim.

The action plan will form part of the Company's commitment to equality and diversity, and will be implemented in line with internal policies that are relevant to this commitment.

Contributing factor/reason identified	Employment area	Proposed action	Target outcome	Timescale	Responsibility allocated to:
Salary variations	Rewards & Recognition	Undertake Salary benchmarking audit to standardise	Standardise salary ranges for all levels of positions	June 2021	HR Director

		salaries for different portfolios.	dependent on job families		
Other factors that may contribute to the pay gap such as length of service, Salary of new starters, Salary differences based on different Directorates	Data Analytics	Capture and analyse the following information to help us understand the data, and its implications for us: length of service; directorate (i.e. job / type of work); age; salary at appointment.	Enable us to direct our efforts to achieving an improved gender pay gap by quartile	July 2021 ongoing	Management Committee
Recruitment & Employee Experience	Recruitment	Currently revising the Recruitment Policy & Procedure to improve Shortlisting and selection processes. Once this has been agreed, training to be provided to line managers to ensure improved diversity and reduce bias in recruitment	This will support us to take proactive measures to recruit and retain employees, especially at lower to middle levels where turnover is higher.	June 2021	HR
Internal Networks	Employee Experience	We have an internal Women's Network that offer support and initiatives to employees across the Company	This ensures any issues related to gender inequality and biases are highlighted with senior management	Ongoing	EDI Council