GENDER PAY GAP REPORT – LONDON & PARTNERS – 2019

The snapshot date of these figures is 14 February 2020.

Overall gender pay gap summary

Table 1: overall gender pay gap, all staff

| | Overall Median Pay Gap | Overall Mean Pay Gap Mean Hourly pay (all staff) | |
|---------|-------------------------------|-----------------------------------------------------|--|
| | Median Hourly pay (all staff) | | |
| Female | £20.27 | £23.39 | |
| Male | £20.85 | £24.03 | |
| Pay Gap | 2.78% | 2.66% | |

The population referenced throughout this paper includes full and part-time staff. Of London & Partners 181 staff, 14 are part-time. Of those who are part-time, 11 are female and 3 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 2019 was reported as 17.3%. Specifically, 9.8% in the public relations sector and 6.2% in marketing, both sectors that represent the work conducted by London & Partners.

Quartile Summary

The quartile summary has been calculated in accordance with the methodology as set out in the government regulations by dividing the workforce into four equal-sized groups ordered from lowest to highest hourly pay. This is a replication of the process adopted by London & Partners in 2018.

Table 2: quartile mean hourly pay

| Quartile mean hourly pay | | | | | |
|--------------------------|-------------|-----------------|-------------|-----------------|---------|
| | Female | | Male | | Pay Gap |
| | Hourly Rate | Number of staff | Hourly Rate | Number of staff | |
| Lower quartile | £13.75 | 36 | £12.96 | 9 | -6.10% |
| Lower middle quartile | £18.35 | 29 | £18.16 | 16 | -1.05% |
| Upper middle quartile | £23.46 | 29 | £24.33 | 17 | 3.58% |
| Upper quartile | £38.30 | 33 | £39.74 | 12 | 3.62% |

Table 3: quartile median hourly pay

| Quartile median hourly pay | | | | | |
|----------------------------|-------------|-----------------|-------------|-----------------|---------|
| | Female | | Male | | Pay Gap |
| | Hourly Rate | Number of staff | Hourly Rate | Number of staff | |
| Lower quartile | £14.62 | 36 | £13.47 | 9 | -8.54% |
| Lower middle quartile | £18.56 | 29 | £18.93 | 16 | 1.95% |
| Upper middle quartile | £22.58 | 29 | £23.65 | 17 | 4.52% |
| Upper quartile | £32.85 | 33 | £32.43 | 12 | -1.30% |

<u>Table 4: Proportion of male and female staff in each quartile</u>

| | Proportion of Female Staff | Proportion of Male Staff |
|-----------------------|----------------------------|--------------------------|
| Lower quartile | 80% | 20% |
| Lower middle quartile | 64% | 36% |
| Upper middle quartile | 63% | 37% |
| Upper quartile | 73% | 27% |

Grade Summary

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

Table 5: mean hourly pay by grade (Team member, Manager, Senior Manager)

| Mean hourly pay by Grade | | | | | |
|--------------------------|-------------|--------------------|-------------|-----------------|---------|
| | Female | | Male | | Pay Gap |
| | Hourly Rate | Number of Staff | Hourly Rate | Number of Staff | |
| Team Members | £16.62 | 69 | £16.92 | 29 | 1.77% |
| Managers | £26.25 | 44 | £29.41 | 19 | 10.74% |
| Senior Managers | £47.84 | 14 | £41.35 | 6 | -15.70% |

Table 6: Median hourly pay by grade (Team member, Manager, Senior Manager)

| Median hourly pay by Grade | | | | | |
|----------------------------|-------------|-----------|-------------|-----------|---------|
| | Female | | Male | | Pay Gap |
| | Hourly Rate | Number of | Hourly Rate | Number of | |
| | | Staff | | Staff | |
| Team | £15.38 | 69 | £17.45 | 29 | 11.86% |
| Members | | | | | |
| Managers | £24.67 | 44 | £27.36 | 19 | 9.83% |
| Senior | £38.72 | 14 | £39.97 | 6 | 3.13% |
| Managers | | | | | |

Summary

London & Partners' overall gender pay gap figures compare very well to national benchmarks. As hoped, the salary benchmarking exercise carried out in mid-2018 has had a favourable impact on the median hourly pay result and is the likely cause of the closing gender pay gap in our employee groupings. The quartile data continues to indicate there is more work that we can do to address the pay gap we have in some areas and this forms part of our Action Plan below.

What's next?

Action Plan:

- 1. This information will be updated annually in line with regulations.
- 2. Since implementing a job evaluation framework in August 2018 we have continued to benchmark all salaries against both internal and external sources. In addition to this, we will be conducting a company-wide benchmarking exercise of all roles in May 2020 to further ensure that employee remuneration is aligned both internally and externally with the principles of our Reward and Recognition policy. This approach will ensure we remove any potential bias.
- 3. We will 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; maternity returners; salary at appointment. Analysis of this information will enable us to direct our efforts to achieving an improved gender pay gap by quartile. This information will be shared and discussed quarterly at London and Partners Management Committee meeting.
- 4. We will address the gender pay gap at the lower and upper middle quartile levels through managed recruitment into the organisation. Through this we expect to achieve a greater and quicker change at the lower pay grade level, where turnover is higher and our ability to make significant changes is swifter.
- 5. We acknowledge that the gender pay gap at any level is not ideal and that this will require longer term actions to address. The combination of expected lower turnover at the senior level and a number of recent appointments, is likely to mean that addressing this gender pay gap will remain a longer-term aim.
- 6. We implemented new recruitment & selection training in September 2018 and have changed our recruitment process as a result of this. Shortlisting and selection for interview is now consistent and is driven through key behavioural elements; interview panels are all gender-diverse where possible. We will continue to embed and reinforce this and to develop this training, continuing to monitor data and use this evidence to drive remedial and pro-active actions where needed.
- 7. We have an established London & Partners' Women's Network to ensure gender issues are raised to senior management and to highlight issues as they arise.
- 8. As part of the Leading by Example working group, we will continue to work with the wider London family to share opportunities and to promote the Good Work Standard as an employer of choice.