

GENDER PAY GAP REPORTING

Introduction and Background

The council already publishes information and statistics on the equality profile of its population and its staff to show how we meet our obligations under the Public Sector Equality Duty. This information, which details 'protected characteristics' - age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership - is updated annually and can be found on the Tower Hamlets website. Since it includes details of the equality profile of the people who use our services as well as those we employ, it has enabled us to shape our interventions to best meet the needs of local people and effectively target resources.

As of April 2018 the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, specified that we also publish information relating to the differences in pay between men and women – the Gender Pay Gap - on an annual basis. This information must be published by 31 March 2018, on both the council's website and on a dedicated [central government site](#).

Tower Hamlets is also publishing information related to ethnicity, disability, religion, sexuality and age.

Context – Changes to the LBTH workforce

Like all other local authorities, the council's workforce has reduced in line with reductions in central government funding.

This reduction has also had the effect of reducing the scale of recruitment activities and so the speed with which we can address perceived disparities in the numbers of staff (by protected characteristic) in the workforce. Nonetheless the council has made significant improvements in the representation of women, BAME and people with disabilities at senior management levels within the council, as follows:

	Q2 2015-16	Q3 2017-18
% of top 5% of council employees who are women	50.65	55.14
% of top 5% of council employees who are BAME	26.53	32.22
% of top 2% of council employees who are female	45.21	53.09
% of top 2% of council employees who are BAME	19.79	21.58

Note also that:

- There can be a lag between instituting new policies to address equalities issues and their outcome. Local government workers are, in the main, employed on grades that consist of 3 or 4 spinal column points and salary increases occur annually until the top point for the grade is reached. This means that if, for example, a section consists of 10 people but the 5 men have been employed for 5 years and the 5 women have only recently been employed, there will be a pay gap (reducing over time) despite the fact that all staff are on the same grade.
- Employees identifying their gender in a non-binary way have been excluded from the gender analysis section below. This is because the numbers are sufficiently small that identification of individuals may be possible. There is the expectation that in future years more staff will identify gender in this way and consequently we will be able provide meaningful analysis.

Context – Outsourcing

Like most councils, Tower Hamlets has outsourced some services and retained others. For example refuse collection and street cleaning has been outsourced, while most driving, cleaning and school meals posts have been retained.

Despite our best efforts, many jobs still attract applicants of a particular gender. Therefore the size of the pay gap is, to a degree, a function of whether externalised services are broadly posts that are occupied mainly by men or occupied mainly by women. This is particularly important because these services tend to be lower graded 'manual' occupations. Therefore if a council has kept in-house, for example, refuse collection and street cleaning, they will have a large number of lower paid male staff. If the organisation has retained the homecare and school meals provision, they will have a large number of relatively low paid female staff. Only if such services have been entirely retained or externalised will the pay gap not be skewed.

London Living Wage

To alleviate the impact of poverty, particularly as it impacts on women employees, Tower Hamlets pays staff above the London Living Wage, which is (as at 1 April 2018) £10.20 per hour. For the period 1 April 2014 to 1 April 2017 national pay awards for council employees have been 2%; the increase for our lowest paid employees over the same period is over 10% - five times the rate of employees on higher salaries. For purposes of comparison, most private organisations providing these types of services pay wages at or just above the statutory minimum wage of (as at 1 April 2018) £7.83 per hour for workers aged 25 and above and less for younger workers.

Actions to reduce inequality

In addition to implementing the London Living Wage for all workers, the council undertakes many other actions to alleviate inequality. With regard to its staff, for example, the council offers enhanced maternity leave and a number of flexible working options including 'term-time-only', flexi-time and home-working. Actions resulting from the council's analysis of the information within this document will be incorporated into council's equalities action planning.

Further information is available as part of the council's Public Sector Equalities Duty information is available on the council's website.

Understanding the numbers

At the end of this report you will find guidance on gender pay gap reporting which includes a general introduction to the government's requirements and advice on interpreting the figures provided.

The information below uses 'mean', median' and 'quartile' measurements. The mean is the common average (e.g. add up all the hourly pay rates and divide by the number of people), the median is the middle figure when placed in order (e.g. placing all the hourly pay rates highest to lowest then taking the middle one) and quartiles are the 4 groups produced when the data is put into order and divided into 4 equal parts.

Please note that for the purpose of clarity the tables within this document are in PDF format. However the council's website provides access to all statistical information in this document in excel format.

Gender Pay Gap – Details

In line with the Equalities Act, the figures below show the gender pay gap as at 1 April 2017.

As outlined above, the large number of staff producing and serving school meals, cleaning etc. results in a gender pay gap whereby women earn 91.6% of the average (mean) pay of men. The council has also provided figures for the gender pay gap excluding 'Contract Services' – the service area where these types of posts are overwhelmingly located within the structure of the council. This results in a gender pay gap whereby women earn 99.7% of the average (mean) pay of men.

The analysis below provides commentary on the council workforce, and also, where appropriate, the council's workforce excluding contract services.

Key findings are:

Female Workforce

Women represent 62.5% of the workforce

- 59% of employees in the top quartile of earnings for the council are women
- 56% of employees in the 2nd quartile of earnings for the council are women
- 64% of employees in the third quartile of earnings for the council are women
- 73% of employees in the lowest quartile of earnings for the council are women

Average earnings

- Women earn 91.6% of men's earnings (mean difference) and 93.3% of men's earnings (median difference).
- Women earn £1.69 per hour less than men (mean difference) and £1.30 per hour less than men (median difference).
- Therefore women earn 8.4% less than men (mean difference) and 6.8% less than men (median difference).

Bonuses

- With regard to bonuses, women's bonuses are slightly higher than those received by male employees: 101.4% of men's bonuses (mean) and exactly the same (median).
- This equates to women's bonuses being 1.4% higher than men's bonuses.
- 7% of women employees receive a bonus compared to 5% of men. Note, however, that the council does not pay bonuses in the usual sense of the word. The very specific definition of 'bonus' given in the Equalities Act is mainly accounted for by recruitment and retention payments for difficult-to-recruit posts, for example social workers.

Further details are as follows:

Gender Pay Gap

GENDER PAY GAP REPORTING							
Pay rates	Gender pay gap - the difference between women's pay and men's pay as a percentage of men's pay (minus % means women have higher pay, positive % means men have higher pay)	Gender pay gap - women's pay as a percentage of men's pay	Hourly rate of women	Hourly rate of men	Difference £		
Mean hourly rate (Male hrly rate - Female hrly rate) / Male hrly rate x 100	8.43	91.57	18.38	20.07	1.69		
Median hourly rate (as above calc but for median hourly rates)	6.75	93.25	17.93	19.23	1.30		
Pay Quartile Information				Workforce composition			
	Women (%)	Men (%)	Total (%)	Women headcount	Men headcount	Total headcount	
Proportion of women and men in the upper quartile (paid above the 75th percentile point)	58.95	41.05	100.00	705	491	1196	
Proportion of women and men in the upper middle quartile (paid above the median and at or below the 75th percentile point)	55.98	44.02	100.00	669	526	1195	
Proportion of women and men in the lower middle quartile (paid above the 25th percentile point and at or below the median)	64.05	35.95	100.00	766	430	1196	
Proportion of women and men in the lower quartile (paid below the 25th percentile point)	73.31	26.69	100.00	876	319	1195	
Total (All staff)	63.07	36.93	100.00	3016	1766	4782	
Bonus pay	Bonus Gender Pay Gap - the difference between women's bonus and men's bonus as a % of men's bonus			Bonus Gender Pay Gap - women's bonus as a % of men's bonus	Bonus pay of women	Bonus pay of men	Difference £
Mean bonus	-1.36%			101.36	891.79	879.83	-11.96
Median bonus	0.00%			100	180	180	0
Bonuses paid							
Women paid bonus as % of all women	7.20%						
Men paid bonus as % of all men	4.60%						

Contract Services

If Contract Services is excluded the results are as follows:

Female Workforce

Women represent 58.4% of the workforce.

- 57% of employees in the top quartile of earnings for the council are women
- 57% of employees in the 2nd quartile of earnings for the council are women
- 59% of employees in the third quartile of earnings for the council are women
- 60% of employees in the lowest quartile of earnings for the council are women

Average earnings

- Women earn 99.7% of men's earnings (mean difference) and 97.5% of men's earnings (median difference).
- Women earn £0.07 per hour less than men (mean difference) and £0.49 per hour less than men (median difference).
- Therefore women earn 0.3% less than men (mean difference) and 2.5% less than men (median difference)

Bonuses

Contract Services staff do not receive bonuses as defined by the Gender Pay Gap guidance. Accordingly the bonus differences are the same as those when Contract Services is not excluded.

Pay Gap for Black and Minority Employees

There is no statutory requirement under The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 for the council to provide information in relation to the pay gap for other protected characteristics. However in the interests of transparency the council has decided to provide information in respect of the following protected characteristics:

- Black and minority ethnic (BAME) staff
- Staff with disabilities.
- LGBT Staff

In addition, more limited (for the reasons given below) information is given in respect of:

- Age of staff

- Religion of staff

Key findings for BAME employees are as follows:

Workforce

BAME employees represent 55.6% of the workforce.

- 40.7% of employees in the top quartile of earnings for the council are BAME employees
- 58.4% of employees in the 2nd quartile of earnings for the council are BAME employees
- 66.1% of employees in the third quartile of earnings for the council are BAME employees
- 65.0% of employees in the lowest quartile of earnings for the council are BAME employees

Average Earnings

- BAME employees earn 84.3% of white employee's earnings (mean difference). There is no difference in median earnings.
- BAME employees earn £3.17 per hour less than white employees (mean difference).
- Therefore BAME employees earn 15.66% less than white employees (mean difference). There is no difference in median earnings.

Bonuses

- With regard to bonuses, BAME employees' bonuses are 117% of those received by white employees (mean), and with no difference between median bonuses.
- This equates to BAME employees' bonuses being 17% higher than those received by white employees.
- 6.4% of BAME employees received a bonus compared to 6.2% of white staff. Note, however, that the council does not pay bonuses in the usual sense of the word. The very specific definition of 'bonus' given in the Equalities Act is mainly accounted for by recruitment and retention payments for difficult-to-recruit posts, for example social workers.

It is notable that 70% of the council's youngest (<24) employees are BAME, as are over 2/3 of employees aged between 25 and 34. Analysis below indicates that - perhaps as expected - the pay rates for younger employees are significantly below average pay rates as a result of younger staff generally being employed in lower graded posts by virtue of having less service and less experience. This may account for a proportion of the BAME pay gap." Further analysis will be carried out as part of the council's equalities actions.

Further details are as follows:

BAME Pay Gap as at 1 April 2017

BAME PAY GAP						
Optional Extra Pay Gap data (not required by the Equalities Act)						
Pay rates	BAME pay gap - the difference between BAME employees' pay and white employees pay as a percentage of white employees' pay	BAME pay gap - BAME employees' pay as a percentage of white employees' pay	Hourly rate of pay for BAME employees	Hourly rate of pay for white employees		
Mean hourly rate	15.66%	84.34%	17.07	20.24		
Median hourly rate	0.00%	100.00%	18.44	18.44		
Pay Quartile Information				Workforce composition		
Pay quartiles	BAME	White	Total	BAME headcount	White headcount	Non disclosed headcount
Proportion of BAME and white employees in the upper quartile (paid above the 75th percentile point)	40.69%	59.31%	100.00%	463	675	59
Proportion of BAME and white employees in the upper middle quartile (paid above the median and at or below the 75th percentile point)	58.43%	41.57%	100.00%	672	478	45
Proportion of BAME and white employees in the lower middle quartile (paid above the 25th percentile point and at or below the median)	66.15%	33.85%	100.00%	762	390	43
Proportion of BAME and white employees in the lower quartile (paid below the 25th percentile point)	64.97%	35.03%	100.00%	742	400	53
Bonus pay	Bonus BAME Pay Gap - the difference BAME employees' bonus and white employees' bonus as a % of white employees' bonus			Bonus BAME Pay Gap - BAME employees' bonus as a % of white employees' bonus	Bonus pay of BAME employees	Bonus pay of white employees
Mean bonus	-17.27%			117.27%	953.73	813.26
Median bonus	100.00%			0.00%	180	180
Bonuses paid						
BAME paid bonus as % of all BAME	6.44%					
White paid bonus as % of all White staff	6.18%					
Black, Asian and Minority Ethnic (BAME) includes employees recored in the following categories (categories taken from the 2001 Census): Asian/Asian British (inc Chinese), Black/Black British, Mixed/Multiple Heritage and Other Ethnic Group (ie: all other categories than that of White British and White Other). For the calculations exclude any employees whose ethnicity is not known.						

Pay Gap for Disabled Employees

Workforce

Disabled employees represent 6.1% of the workforce.

- 6.8% of employees in the top quartile of earnings for the council are disabled employees
- 6.1% of employees in the 2nd quartile of earnings for the council are disabled employees
- 8.1% of employees in the third quartile of earnings for the council are disabled employees
- 4.1% of employees in the lowest quartile of earnings for the council are disabled employees

Average Earnings

- Disabled employees earn 102.6% of non-disabled employee's earnings (mean difference) and 100% of non-disabled employee's earnings (median difference).
- Disabled employees earn £0.49 per hour more than non-disabled employees (mean difference). There is no difference in median earnings.).
- Therefore disabled employees earn 2.6% more than non-disabled employees (mean difference). There is no difference in median earnings.

Bonuses

- With regard to bonuses, disabled employees' bonuses are 56.6% of non-disabled employees bonuses (mean) and exactly the same (median).
- This equates to disabled employees' bonuses being 43.4% lower than those received by non-disabled employees.
- 9.1% of disabled employees receive a bonus compared to 6.1% of non-disabled employees. Note, however, that the council does not pay bonuses in the usual sense of the word. The very specific definition of 'bonus' given in the Equalities Act is mainly accounted for by recruitment and retention payments for difficult-to-recruit posts, for example social workers.

Further details are as follows:

Disability Pay Gap as at 1 April 2017

DISABILITY PAY GAP						
Optional Extra Pay Gap data (not required by the Equalities Act)						
Pay rates	Disability pay gap - the difference between the pay of employees who have declared a disability and the pay of employees who have declared they do not have a disability as a % of the pay of employees who have declared they do not have a disability			Disability pay gap - the pay of employees who have declared a disability as a percentage of the pay of employees who have declared they do not have a disability	Hourly rate of employees who have declared they have a disability	Hourly rate of employees who have declared they do not have a disability
Mean hourly rate	-2.56%			102.56%	19.62	19.13
Median hourly rate	0.00%			100.00%	18.44	18.44
Pay Quartile Information				Workforce composition		
Pay quartiles	Disabled	Not disabled	Total	Disabled headcount	Not disabled headcount	Non disclosed headcount
Proportion of disabled and not disabled employees in the upper quartile (paid above the 75th percentile point)	6.78%	93.22%	100.00%	70	962	163
Proportion of disabled and not disabled employees in the upper middle quartile (paid above the median and at or below the 75th percentile point)	6.07%	93.93%	100.00%	62	960	173
Proportion of disabled and not disabled employees in the lower middle quartile (paid above the 25th percentile point and at or below the median)	8.11%	91.89%	100.00%	83	940	172
Proportion of disabled and not disabled employees in the lower quartile (paid below the 25th percentile point)	4.07%	95.93%	100.00%	39	920	239
Bonus pay	Bonus Disability Pay Gap - the difference between the bonus paid to employees who have declared a disability and employees who have not declared a disability as a % of employees who have not declared a disability.			Bonus Disability Pay Gap - Pay of employees who have declared a disability as a % of pay of employees who have declared they do not have a disability	Bonus pay of employees who have declared they have a disability	Bonus pay of employees who have declared they do not have a disability
Mean bonus	43.44%			56.56%	484.03	855.8
Median bonus	100.00%			0.00%	180	180
Bonuses paid						
Disabled paid bonus as % of all Disabled	9.06%					
Non disabled paid bonus as % of all Non disabled staff	6.13%					
The calculations exclude employees for whom disabled/not disabled is not known.						

Pay Gap for LGBT Employees

Workforce

LGBT employees represent 3.5% of the workforce and 4.6% of staff who provided the council with their sexuality. Because the number of employees declining to state their sexuality is some 5-times higher than those declining to state their ethnicity or disability status the figures below exclude those who did not provide this information:

- 6.6% of employees in the top quartile of earnings for the council are LGBT
- 4.9% of employees in the 2nd quartile of earnings for the council are LGBT
- 3.8% of employees in the third quartile of earnings for the council are LGBT
- 3.1% of employees in the lowest quartile of earnings for the council are LGBT

Average Earnings

- LGBT employees earn 112.8% of non-LGBT employees' earnings (mean difference) and 112.7% of non-LGBT employees' earnings (median difference).
- LGBT employees earn £2.42 per hour more than non-LGBT employees (mean difference) and £2.35 more than non-LGBT employees (median difference).
- Therefore LGBT employees earn 12.8% more than non-LGBT employees (mean difference) and 12.8% more than non-LGBT employees (median difference).

Bonuses

- LGBT employees' bonuses are 55% of non-LGBT employees' bonuses (mean) and exactly the same (median).
- This equates to LGBT employees' bonuses being 45% lower than those received by non-LGBT employees.
- 11.2% of LGBT employees receive a bonus compared to 6.3% of non-LGBT employees. Note, however, that the council does not pay bonuses in the usual sense of the word. The very specific definition of 'bonus' given in the Equalities Act is mainly accounted for by recruitment and retention payments for difficult-to-recruit posts, for example social workers.

Further details are as follows:

LGBT Pay Gap as at 1 April 2017

Optional Extra Pay Gap data (not required by the Equalities Act)							
Pay rates	LGBT pay gap - the difference between the pay of LGBT employees and the pay of non-LGBT employees as a % of the pay of non-LGBT employees			LGBT pay gap - the pay of LGBT employees as a percentage of the pay of employees who are heterosexual	Hourly rate of LGBT employees	Hourly rate of employees who are heterosexual	Difference £
Mean hourly rate	-12.75%			112.75%	21.4	18.98	-2.42
Median hourly rate	-12.74%			112.74%	20.79	18.44	-2.35
Pay Quartile Information				Workforce composition			
Pay quartiles	LGBT	Not LGBT	Total	LGBT headcount	Heterosexual headcount	Non disclosed headcount	Total headcount
Proportion of LGBT and non-LGBT employees in the upper quartile (paid above the 75th percentile point)	6.63	93.37	100.00	62	873	262	1197
Proportion of LGBT and non-LGBT employees in the upper middle quartile (paid above the median and at or below the 75th percentile point)	4.85	95.15	100.00	45	883	267	1195
Proportion of LGBT and non-LGBT employees in the lower middle quartile (paid above the 25th percentile point and at or below the median)	3.76	96.24	100.00	35	895	265	1195
Proportion of LGBT and non-LGBT employees in the lower quartile (paid below the 25th percentile point)	3.09	96.91	100.00	27	847	322	1196
Bonus pay	Bonus Sexuality Pay Gap - the difference between the bonus paid to LGBT employees and heterosexual employees as a percentage of heterosexual employees.			Bonus Sexuality Pay Gap - Pay of LGBT employees wh as a % of pay of heterosexual employees	Bonus pay of LGBT employees	Bonus pay of heterosexual employees	Difference £
Mean bonus	55.03%			44.97%	388	862.89	474.89
Median bonus	100.00%			0.00%	180	180	0
Bonuses paid							
LGBT staff paid bonus as % of all LGBT staff	11.24						
Heterosexual staff paid bonus as % of all heterosexual staff.	6.28						
Note - only 19 LGBT employees receive bonuses as defined in the GPG Guidelines.							

Pay Information by Religion and by Age

As previously noted, there is no statutory requirement under The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 for the council to provide information in relation to the pay gap for protected characteristics other than gender. However for purposes of transparency information is here provided on pay rates in respect of the religion of employees as well as pay rates in respect of the age of employees.

Note, however, that the information cannot be provided in the same format as above. This is because (for example) gender compares women’s pay against men’s to establish the gender pay gap and disability compares disabled staff with non-disabled staff to establish a ‘disability pay gap’. For both age and religion there is no obvious base on which to make the comparison. It would make no sense to establish a religion pay gap with reference to (say) ‘no religion’ or Christians or to establish an age pay gap with reference to (say) 45 – 54 year-olds. Therefore the comparisons below use the average figures for the council workforce as the comparator.

In addition, the number of categories (7 for age and 9 for religion), coupled with the relatively small number of staff receiving bonuses means that analysis of this could be both misleading (for example if only one person of a particular faith received a bonus) and provide groups which are so small that individuals could be identified, in contravention of data protection legislation. The same is true for quartile data. Accordingly no information is supplied regarding bonuses or numbers of staff in each salary quartile.

No analysis is provided since the tables provide the information in what is a clear format.

Pay Gap - Religion

Religion	Numbers of employees	Average Hourly Pay	Pay Gap from Mean Hourly Pay	Median Hourly Pay	Pay Gap from Median Hourly Pay
Buddhist	24	21.55	2.55	21.92	3.48
Christian	1588	18.38	-0.63	17.98	-0.46
Decline to State/Missing	893	19.29	0.29	18.63	0.19
Hindu	78	18.63	-0.38	18.44	0
Jewish	26	23.29	4.28	19.23	0.79
Muslim	1242	17.45	-1.56	17.07	-1.37
No religion	733	21.93	2.93	21.56	3.12
Other	172	21.36	2.35	20.24	1.8
Sikh	29	18.50	-0.51	18.44	0
Total/Average	4785	19.01	0.00	18.44	0

Pay Gap – Age

Age Group	Numbers of	Average Hourly	Pay Gap from	Median	Pay Gap
Decline to State/Missing	N/a*	N/a*	N/a*	N/a*	N/a*
<=20	N/a*	N/a*	N/a*	N/a*	N/a*
21 - 24	80	16.50	-2.51	15.59	-2.85
25 - 34	947	18.34	-0.67	17.98	-0.46
35 - 44	1244	19.06	0.05	19.04	0.60
45 - 54	1359	19.07	0.06	18.44	0.00
55 - 64	1019	19.67	0.66	18.44	0.00
65+	133	19.07	0.06	17.73	-0.71
Total/Average	4782	19.01	0.00	18.44	0.00

* -Numbers in these categories are sufficiently small that identification of individuals may be possible, in contravention of data protection legislation.

UNDERSTANDING GENDER PAY GAP REPORTING

What is gender pay gap reporting and what is being published?

All companies in Great Britain (but not Northern Ireland) with more than 250 employees are required to [report their gender pay gap](#) to the Government Equalities Office (GEO). Tower Hamlets Council also publishes the information on its website.

All public bodies were required to report by 31 March 2018 and all companies by 4 April 2018. Companies will also publish details of the proportion of men and women in the company who receive bonuses and the breakdown of men and women in different pay quartiles.

This brief guide to GPGR includes information about gender pay gap reporting throughout the whole of the country, rather than just about this council.

What is the gender pay gap?

The gender pay gap is the difference between the average hourly earnings of men and women. About 9,000 companies and public bodies were required to report the difference in both mean and median hourly earnings and bonus payments. The figure is expressed as a proportion of men's earnings.

According to the ONS (Office for National Statistics), the gap between what UK male and female workers earn – based on median hourly earnings for full-time workers – fell to 9.1% in April 2017, from 9.4% a year earlier. It was 17.4% in 1997 when the ONS first collected the data.

The mean gender pay gap is 14.1%, and has been stuck at the same level for three years. When all workers, full and part-time, are included, the gap increases to 17.4% for median earnings and 18.4% for mean earnings. Part-time workers are included in the reporting of the gender pay gap – so this is national equivalent figure.

What's the difference between the mean and the median figures?

The mean, commonly known as the average, is calculated when you add the wages of all employees and divide the figure by the number of employees.

The mean gender pay gap is the difference between mean male pay and mean female pay. For example, if the hourly gender pay gap at a company is 32%, then for every £100 earned by a man a woman would earn £68.

The median is the figure that falls in the middle of a range when everyone's wages are lined up from smallest to largest. The median gap is the difference between the employee in the middle of the range of male wages and the middle employee in the range of female wages.

The median is typically a more representative figure as the mean can be skewed by a handful of highly paid employees. A large difference between the mean and the median can be indicative of inequality at either end of the pay spectrum. However, usually the inequality is most marked at the top end of the pay scale.

Does the method of calculation affect the figures?

Yes, the way the gender pay gap is calculated does affect how the gap is represented. As the gender pay gap is reported as a proportion of men's earnings it can appear to minimise the gap from a female employee's perspective.

For example, where the pay gap is 50% this means that men's pay is double that of their female co-workers.

Is the data reliable?

The figures are reported to the GEO but it is up to the individual companies and public bodies to calculate their own gender pay gaps. Tower Hamlets has taken great care to ensure that the calculations are accurate and in line with the legislative requirements.

Does it mean women are being paid less than men in the same roles?

In general terms they may be, but the data gathered by the GEO does not tell us this. The data gathered is a relatively blunt tool and only tells us the overall gender gap, as well as the bonus pay gap and the proportion of men and women in each quartile of the pay structure of the company. Tower Hamlets uses a job evaluation system whereby all posts have a detailed job description, with the grade of the post formally evaluated by a joint panel of Human Resources and the council's recognised trade unions. This process means that equivalent work is paid at an equivalent rate regardless of gender.

Isn't it illegal to pay women less than men?

Yes, and it has been for 47 years. Under the Equal Pay Act 1970, and more recently, the Equality Act 2010, it is against the law to pay people performing the same role or "work of equivalent value" differently because of their gender. This applies to all employers regardless of size.

What will happen if companies don't report?

The Equality and Human Rights Commission (EHRC) is responsible for ensuring employers publish their gender pay gap. The [EHRC](#) says it will approach employers informally at first if they have not published by the deadline of 4 April, but businesses could ultimately face "unlimited fines and convictions".

Will companies be forced to close the gender pay gap?

There are no plans to punish companies that have a wide gender pay gap, but the government has stated that it will publish sector-specific league tables, highlighting companies failing to address pay differences between men and women. Greater pressure may come from companies' own employees and scrutiny from competitors and in the media.

The council has an equalities action plan and the analysis of the data in this report will be used to inform the plan.

The Understanding Gender Pay Gap Reporting section of this document is based upon a Guardian Newspaper article published on 28 February 2018

The information supplied is in line with the reporting requirements detailed by Acas in their guidance to GDGR, available [here](#).

Shools are not included in local authority gender pay reporting. Those with more than 250 staff are required to provide information separately.

In line with the legislation, the information relates to March 2017 and must be published on the council's website and on a dedicated '.gov' governmental website by the end of March 2018

To allow comparison, a number of London councils have adopted the similar layout for providing information on the gender pay gap, and have also provided, in addition to the legal requirements, information on the ethnic minority ('BAME') and disabled people pay gaps.
