

# Croydon Council Ethnicity Pay Gap Report

Based on data collected on 31<sup>st</sup> March 2024

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## Summary of Report

This report examines the ethnicity pay gap for Croydon council calculated as mean and median percentage figures.

The council's ethnicity pay gap (as of 31<sup>st</sup> March 2024) for all Global Majority ethnic groups (Asian, Black, Mixed and Other) compared to White ethnic groups was calculated as **6.5% (mean)** and **2.2% (median)**.

This indicates that from 2023-24, the mean ethnicity pay gap has **decreased by 2.3%**, and the median pay gap has **decreased by 2.7%**.

The decrease of both pay gap calculations for ethnicity in 2024 also marks the first time that this has happened since 2019, and the figures are the lowest recorded since the start of ethnicity pay gap reporting in 2018.

Croydon Council's ethnicity pay gaps in 2024 are lower than London Councils averages in 2024 (8.5% mean; 6.0% median; based on 56% of councils reporting). Croydon has the fourth lowest mean ethnicity pay gap and the joint third lowest median ethnicity pay gap of all reported London councils in 2024.

Ethnicity Pay Gaps	2024	2023	2022	2021
Mean	<b>6.5%</b>	8.8%	8.5%	7.8%
Median	<b>2.2%</b>	4.9%	5.0%	5.0%

Changes in ethnicity pay gaps	2023-24	2022-23	2021 - 22
Mean	<b>-2.3%</b>	+0.3%	+0.7%
Median	<b>-2.7%</b>	-0.1%	No change (0.0%)

Ethnicity Pay Quartile (disclosed only)	Global Majority Ethnic Groups	White Ethnic Groups
<b>Upper (top ¼): 2024</b>	<b>48%</b>	<b>52%</b>

Upper (top ¼): 2023	42%	58%
<b>Upper Middle: 2024</b>	<b>50%</b>	<b>50%</b>
Upper Middle: 2023	50%	50%
<b>Lower Middle: 2024</b>	<b>55%</b>	<b>45%</b>
Lower Middle: 2023	53%	47%
<b>Lower (bottom ¼): 2024</b>	<b>55%</b>	<b>45%</b>
Lower (bottom ¼): 2023	56%	44%

Within pay quartiles, Global Majority ethnic groups have their highest representation in the lowest (bottom ¼) quartile whilst White ethnic groups have their highest representation in the upper (top ¼) quartile.

Global majority representations have increased within the upper and lower middle pay quartiles in 2024 compared to their representations in 2023.

The non-disclosure of ethnicity status for employees in scope of pay gap reporting has decreased by 1% from 2023 – 24, reducing from 23% to 22%.

Both ethnicity pay gap calculations have remained below London Council averages, which means that Croydon council has achieved Objective 4, within the [Equality Strategy 2023 – 2027](#), which stated that: “*Gender and disability pay gaps in the Council remain at zero and the ethnicity pay gap continues to reduce and remains below the London average*”.

The council takes the improvement of protected characteristics disclosure rates seriously and constantly aims to improve our levels by contacting and encouraging staff in low disclosure areas and highlighting how equality information is used via deploying information campaigns throughout the year.

The council also aims to continue to reduce pay gaps differences between global majority and white ethnic groups by implementing specific objectives outlined in the [People and Cultural Transformation Strategy 2022 – 2026](#) especially Pillar 2, workforce EDI (see [Action Planning](#)).

### **Croydon Council workforce characteristics compared to Croydon’s resident population in 2023:**

#### **Sex:**

	<b>Female</b>	<b>Male</b>
Croydon Council – all workforce (March 2024)	69%	31%

## Croydon Council Ethnicity Pay Gap Report – March 2024

Croydon Residents: ONS Census 2021, November 2022	52%	48%
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### Ethnicity:

Name	Asian/ Asian British %	Black/African/ Caribbean/Black British %	Mixed/multiple ethnic groups %	'Other' ethnic group %	White ethnic groups (%)
Croydon council - all workforce (disclosed only) (March 2024)	9%	33%	6%	5%	48%
Croydon Residents: ONS census 2021	17%	23%	8%	4%	48%

### Disability:

<b>Croydon Council: all workforce disclosed disability: March 2024 (%)</b>	10%
<b>Croydon residents disclosed disability: ONS census 2021(%)</b>	14%

## Introduction

### 1. What is the ethnicity pay gap?

The ethnicity pay gap compares the difference between the average hourly pay of Global Majority ethnic groups compared to White ethnic groups. The ethnicity pay gap looks at all eligible employees within the council, to consider whether White ethnic groups are on average occupying higher paying roles than Global Majority, or whether Global Majority groups are occupying higher paid roles than White ethnicities. The ethnicity pay gap is not a comparison of pay between people doing the same work.

### 2. Understanding the pay gap information

#### 2.1 Pay gap percentages

The pay gap data can show positive and negative percentages depending on whether the gap being measured is higher or lower for the Global Majority ethnic group compared to the White ethnic group.

In this report the percentage gap represents the degree to which the average mean or median pay rates for Global Majority ethnic group employees are higher or lower than the same payments for White ethnic group employees.

#### 2.2 Ordinary hourly rate

The ordinary hourly pay rate includes:

- Basic pay
- Allowances (see [Appendix 3](#))
- Shift premium pay

It does not include:

- Employees on maternity leave, long term sick leave, or other types of reduced pay
- Overtime payments

The calculation is based on contractual weekly hours. This gives a direct comparison between employees' hourly pay, regardless of whether they work full-time or part-time.

## 2.3 Mean and median calculations

- Mean calculation: adding a range of numbers together and dividing the total by how many numbers there are (often referred to as the average).
- Median calculation: using the middle value in a range of numbers (which is better measure for skewed distributions).

## 2.4 Pay quartiles

Pay quartiles are calculated by:

- Ordering employees by their ordinary hourly pay rate.
- Dividing the employees into four groups, each with an equal number of employees - each group is a quartile. This creates four equally sized pay groups ranging from the lowest paid 25% (bottom 1/4) of employees to the highest paid 25% (top 1/4) of employees.
- Upper pay quartile is the top 25% or top quarter of paid employees.
- Upper middle pay quartile is the second highest quarter grouping of paid employees.
- Lower middle pay quartile is the third highest quarter grouping of paid employees.
- Lowest quartile is the bottom quarter grouping of all paid employees.

Quartiles allow Croydon Council to compare the spread of groups of employees by their pay including allowances and shift pay. It also allows us to compare all council employees across our various grade structures.

## 2.5 'One-off payments' pay gap percentages

For pay gap reporting, one-off or additional payments are defined as given for specific recruitment and retention purposes (e.g., social workers) or payments relating to profit sharing, productivity, performance, incentive, and commission (e.g., enforcement agents). These payments are identified by the terminology of 'bonuses' within the pay gap reporting regulations.

## 3. Ethnic group definitions for pay gap analysis

Global Majority ethnic groups are defined in line with the 2021 census definitions and include Asian, Black, Mixed and Other ethnic groups (see [appendix 2](#)). White employees are defined as all White ethnic groups as described in the 2021 census definitions (see [appendix 2](#)).

#### 4. Limitations to ethnicity and disability pay gap data reporting

It should be noted that there are significant limitations to the figures reported for ethnicity pay gaps which may make it difficult to draw definitive conclusions.

The reporting of ethnicity pay gaps are based on the same principles as gender pay gap reporting which means that individuals in scope on the 'snapshot' date of 31<sup>st</sup> March 2024 will include 'casual' workers, who may work irregular and temporary hours. No ethnicity data is currently held for these workers.

The level of non-disclosure for ethnicity may also have caused significant distortions in reporting a mean and median pay gap figure (see below). However, the council does take the improvement of disclosure levels seriously and constantly aims to improve figures by describing how equality information is used by deploying a variety of information campaigns throughout the year.

Ethnicity pay gaps can also vary by whether individuals are UK or foreign born as well as by gender and ethnic group so an overall pay gap figure for all global majority ethnic groups may also not be fully representative ([EHRC – pay gaps explained](#))

This report also includes pay gap information for each Global Majority ethnic group (Asian; Black; Mixed; Other) compared to each other ethnic group (including White ethnic groups). This may give a more detailed analysis of differentials regarding pay gaps for each group. Pay quartile percentages are also given for non-disclosed ethnicity groups to assess the comparison to disclosed ethnicities.

#### 5. Data reporting and disclosure rate

In accordance with pay gap reporting guidelines, Croydon Council included **3,540 people** in the scope as eligible for reporting on 31<sup>st</sup> March 2024.

As of 31<sup>st</sup> March 2024, the percentages for declared ethnic groups within the council's workforce (employee) profile were:

- 6% Asian groups
- 26% Black groups
- 5% Mixed groups
- 3% Other groups
- 40% All Global Majority ethnic groups (Asian; Black; Mixed and Other)
- 40% All White ethnic groups
- 20% non-disclosed ethnicity

Within the pay gap reporting group (as of 31<sup>st</sup> March 2024) the figures for each category were:

- 7% Asian groups
- 26% Black groups
- 5% Mixed groups
- 4% Other groups
- 40% All Global Majority ethnic groups (Asian; Black; Mixed and Other)
- 38% All White ethnic groups
- 22% non-disclosed ethnicity

Figure 1 (below) shows the non-disclosure rates for ethnicity for the pay gap reporting group as of 31<sup>st</sup> March 2024 compared to 2023.

	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Non-disclosure rate – ethnicity pay gap reporting	22%	23%

*Figure1: Table showing non-disclosure rates for ethnicity pay gap reported staff as of 31st March 2023 and 2024.*

## RESULTS

### 6. Croydon Council ethnicity pay gap data 2023 - 2024

#### 6.1 Ordinary hourly pay gap for ethnicity: All Global Majority ethnic groups compared to White ethnic groups

Figure 2 (below) shows the mean and median hourly pay gaps for Croydon's Global Majority ethnic groups employees compared to disclosed White employees from 2022 to 2024. This shows the percentage of average hourly pay rates for declared Global Majority ethnic groups employees are lower than for declared White employees during this period. The calculations for mean and median pay gaps have also reduced from 2022-2024.

(% that average pay for declared Global Majority ethnicity employees is lower than for declared White employees)	2024 (data as of 31 <sup>st</sup> March)	2023 (data as of 31 <sup>st</sup> March)	2022 (data as of 31 <sup>st</sup> March)
Mean ordinary hourly pay gap	6.5%	8.8%	8.5%
Median ordinary hourly pay gap	2.2%	4.9%	5.0%

Figure 2: Table showing mean and median ordinary hourly pay gaps for Croydon staff calculated via Global Majority ethnic groups against white groups. The data is effective as of the 31<sup>st</sup> of March 2022-2024.

Figure 3 (below) shows that the mean calculation for pay rates between declared Global Majority ethnic groups employees compared to White employees increased by 0.3% from 2022-23 but decreased by 2.3% from 2023-24.

Median calculations for ethnicity pay gaps have decreased by 0.1% from 2022-23 and decreased by 2.7% from 2023-24.

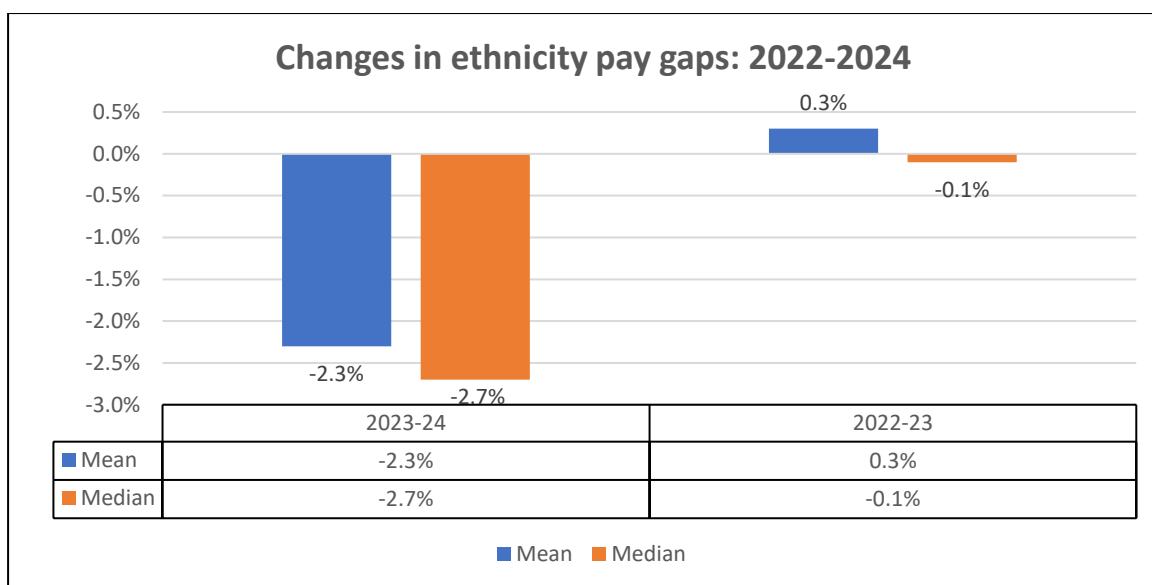


Figure 3: Chart showing the changes in pay gap calculation percentages for ethnicity from 2022-24.

## 6.2 Ordinary hourly pay gap for ethnicity: each ethnic group compared to other ethnic groups as of March 2024

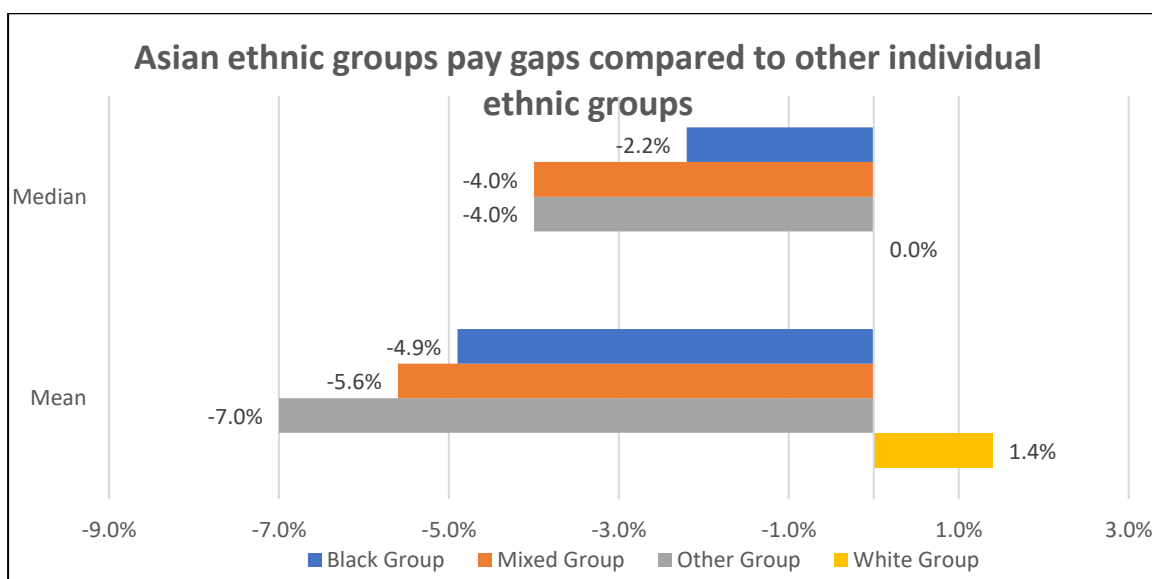


Figure 4: Chart showing Asian ethnicities pay gap compared to other ethnicities as of March 2024

- Asian ethnicities pay gaps against black, mixed and other ethnicities are all negative figures for mean and median calculations.
- This indicates that Asian ethnicities on average are earning higher hourly rates than black, mixed or other ethnicities.
- When compared to white ethnic groups however, the pay gap is +1.4% in favour of the white groups, which indicates Asian ethnicities are earning lower average pay rates than white ethnic groups.

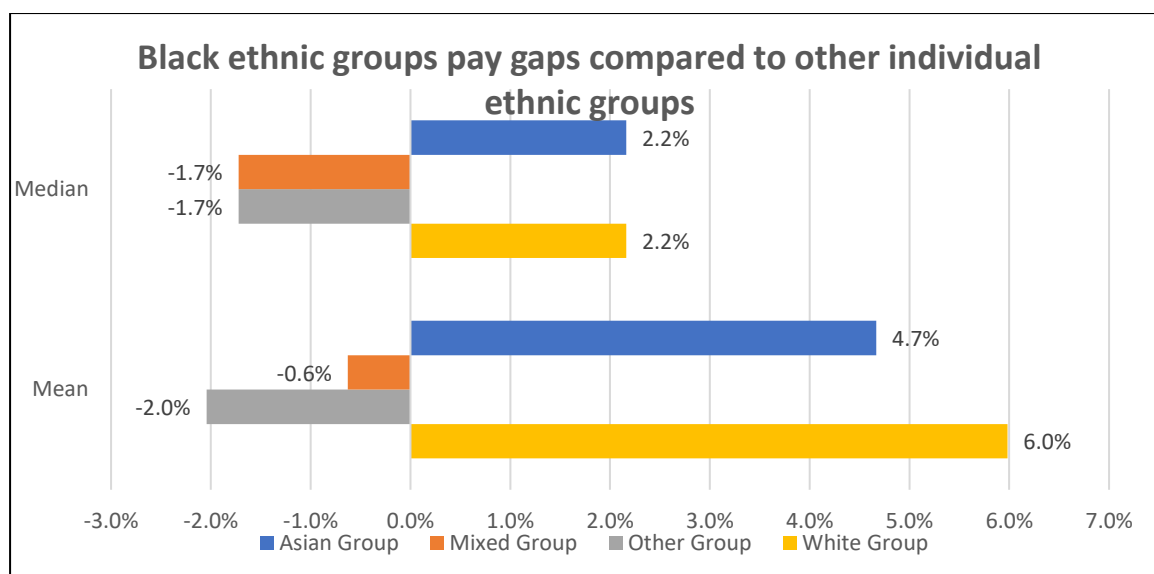


Figure 5: Chart showing Black ethnicities pay gaps compared to other ethnicities as of March 2024

- Black groups mean and median pay gaps against 'mixed' and 'other' group ethnicities are negative figures which indicate that Black ethnicities are paid higher hourly wage rates on average than 'mixed' and 'other' groups.
- Asian and White ethnicities however have positive pay gap figures against Black ethnicities which indicates that Asian and White groups are paid higher average hourly rates (calculated via mean and median) than Black groups.
- White ethnicities have the highest pay gap against Black ethnicities (2.2% median; and 6.0% mean).

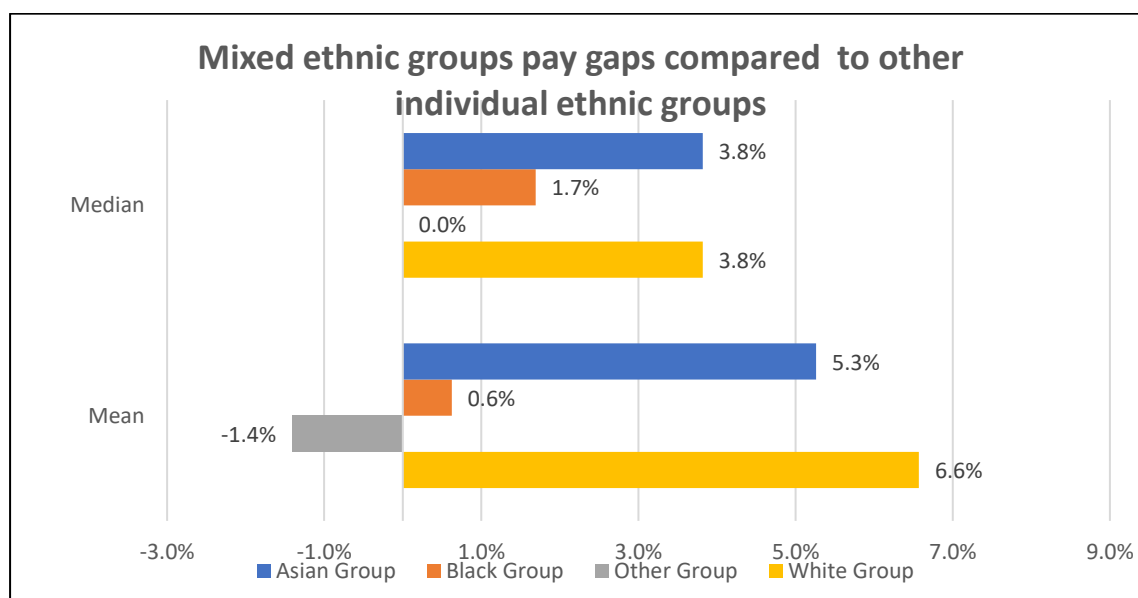


Figure 6: Chart showing mixed ethnicities pay gaps compared to other ethnicities as of March 2024

- Mixed groups pay gaps as mean and median calculations, against Asian, Black and White ethnic groups are positive figures which indicate that mixed groups are generally paid lower average hourly pay rates than other ethnic groups.
- The highest pay gap differential is against White ethnic groups, where the pay gap is 6.6% less for mixed groups against white ethnic groups.
- Only the mean calculation for 'other' ethnic groups (which is a negative figure) indicates that mixed groups are paid higher hourly pay rates as mean calculation against 'other' ethnic groups/.

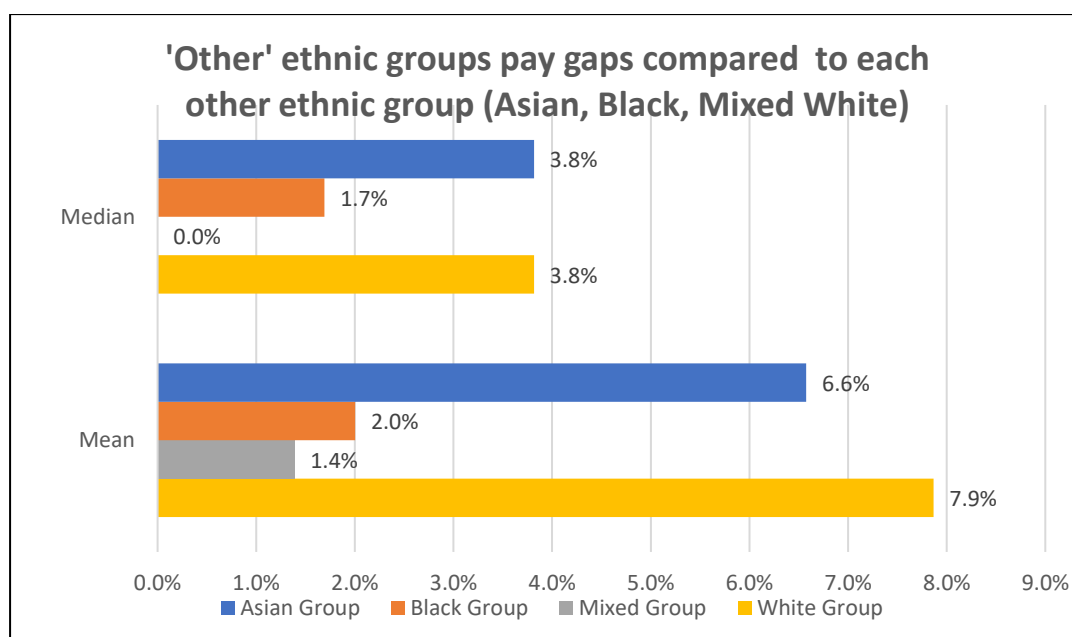


Figure 7: Chart showing 'other' ethnicities pay gaps compared to each other ethnicity as of March 2024

- All pay gaps for 'other' ethnicities are positive figures for mean and median calculations which indicate that 'other' ethnicities are paid lower hourly pay rates as a mean and median calculation than each individual ethnic groups.
- The highest pay gap differential is against White ethnic groups, where the pay gap is 7.9% less for 'other' ethnic groups against white ethnic groups.

Overall, when studying each ethnic group's pay gaps against other individual ethnic groups the following pattern emerges:

- White ethnicities have the highest positive pay gap differentials against each ethnic group (which means this group is usually paid at higher hourly pay rates than all other ethnic groups). The biggest difference is between 'Other' ethnicities and White ethnicities (7.9% mean)
- White ethnicities have the lowest pay gap differential against Asian ethnicities with the mean calculation being 1.4% and the mean calculation being 0.0% (no pay gap)
- Asian ethnicities have the second highest pay gap differentials against other ethnicities (excluding White ethnicities) and generally earn higher levels of hourly pay rates calculated as a mean or median calculation against all ethnicities apart from White.

- Black ethnicities have positive pay gap differentials only against ‘mixed’ and ‘other’ ethnicities, which means this group is generally paid lower hourly rates than White and Asian groups, but higher hourly rates than mixed and ‘other’ ethnic groups.
- Mixed and ‘other’ ethnic groups generally have positive pay gap differentials against all other ethnic groups so are usually paid at lower hourly rates (calculated as a mean or median) than other ethnic groups.

### 6.3 Pay quartile representation for all Global Majority ethnic groups compared to White ethnic groups

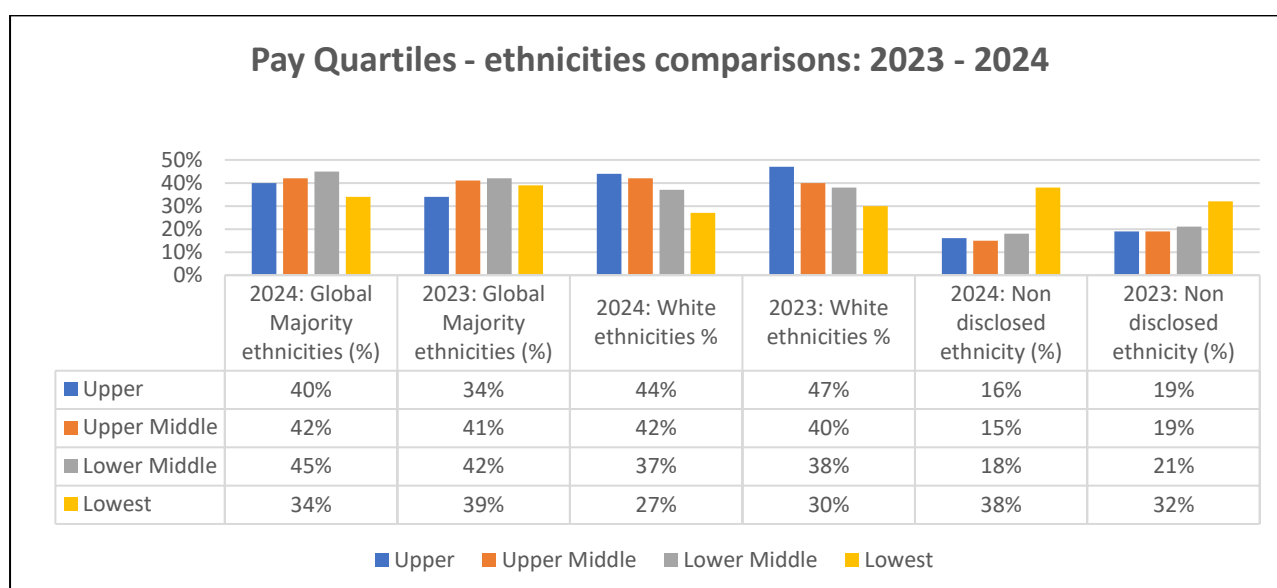


Figure 8: Chart showing pay quartiles for Croydon staff calculated via Global Majority ethnic groups (Asian, Black, Mixed and Other) against White ethnic groups. The data covers 2023-2024.

Figure 8 (above) shows the pay quartiles for all Global Majority ethnic groups compared to White employees for 31<sup>st</sup> March 2023 and 2024. Non-disclosed ethnicities are also included.

In 2024, the highest percentage of Global Majority ethnic employees were in the lower middle pay quartile (45%). In 2023 the highest percentage of Global Majority ethnic employees were also in the lower middle pay quartile (42%)

In 2024, the highest percentage of White employees were in the upper paid quartile (44%), and this has decreased from 47% in 2023.

In 2024, the lowest percentage of Global Majority ethnic employees were in the bottom (lowest) paid quartile (34%), which has changed from 2023, when the lowest percentage was in the highest paid quartile (34%)

In 2024, the lowest percentage of White employees were in the lowest paid quartile (27%), which has decreased from 2023 when they represented 30% in this quartile.

**Overall, Global Majority staff have increased representation in the upper, and lower middle quartiles from 2023-24.** White ethnicities have increased representation only in the upper middle quartile and have decreased representation in other quartiles during this time.

Non-disclosure percentages for ethnicity have decreased across the majority of pay quartiles (the upper, upper middle and lower middle) from 2023-24, but have increased in the lowest paid quartile during this time.

## 6.4 Pay quartile representation for all disclosed Global Majority ethnic groups compared to disclosed White ethnic groups

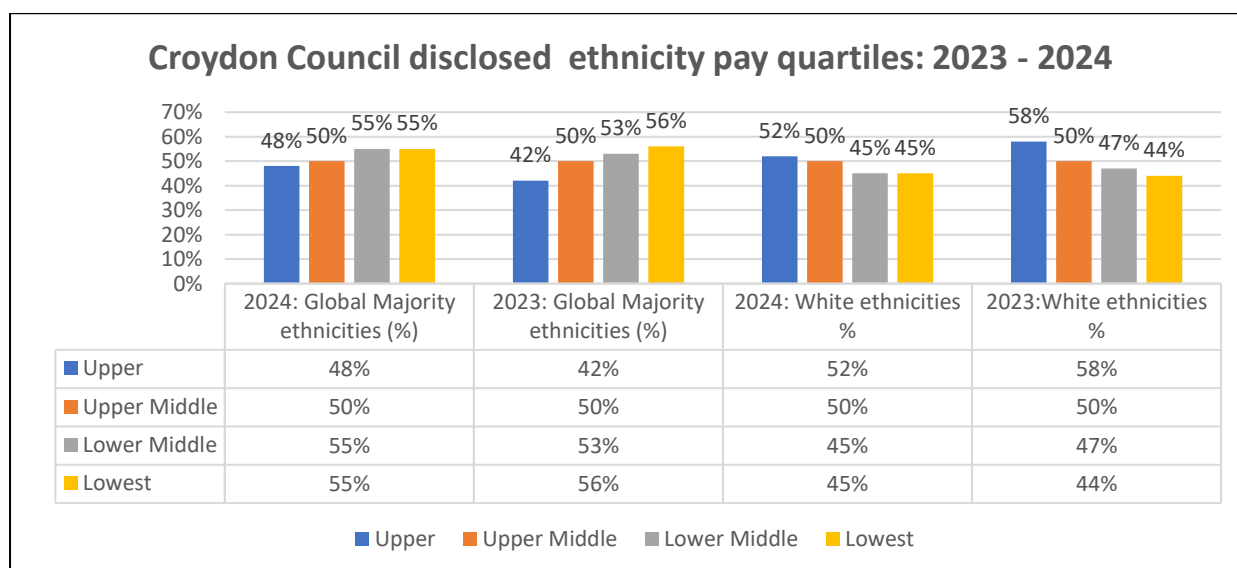


Figure 9: Chart showing pay quartiles for disclosed Global Majority ethnicities and white ethnicities Croydon staff in 2023 and 2024

Figure 9 (above) confirms the pay quartile representation for all disclosed Global Majority and White ethnicities in 2023 and 2024. Non-disclosed ethnicities are excluded.

In 2024, all Global Majority groups increased representation in the upper (highest) and lower middle pay quartiles compared to 2023. The biggest increase was +6% for the upper (highest) pay quartile.

White ethnicities decreased their representation in the upper (highest) and lower middle pay quartile over the same time frame. This group also increased representation in the lowest (bottom) pay quartile.

## 6.5 Pay quartile representation for each ethnic group and non-disclosed ethnicities

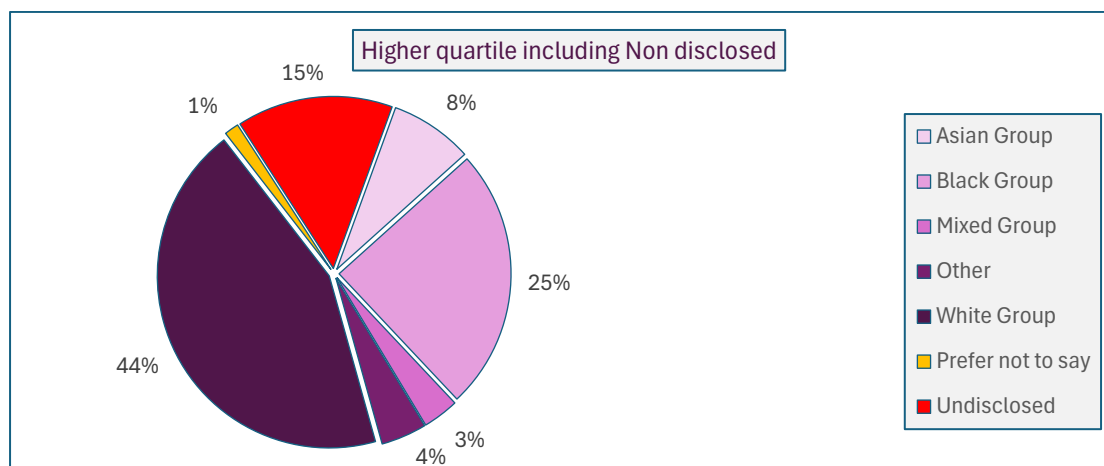


Figure 10: Chart showing upper (highest) pay quartile representations for each ethnic group and non-disclosed ethnicities

Figure 10 (above) shows the distribution of each ethnic group and non-disclosed groups within the highest (upper) paid quartile as of March 2024.

White ethnic groups comprise most of the quartile (44%) with Black ethnic groups the second highest (25%). However undisclosed groups comprise 15% of this quartile with Asian groups comprising 8%, Mixed, 'Other' and 'prefer not to say' ethnicities comprise 4% and under for the rest of the quartile.

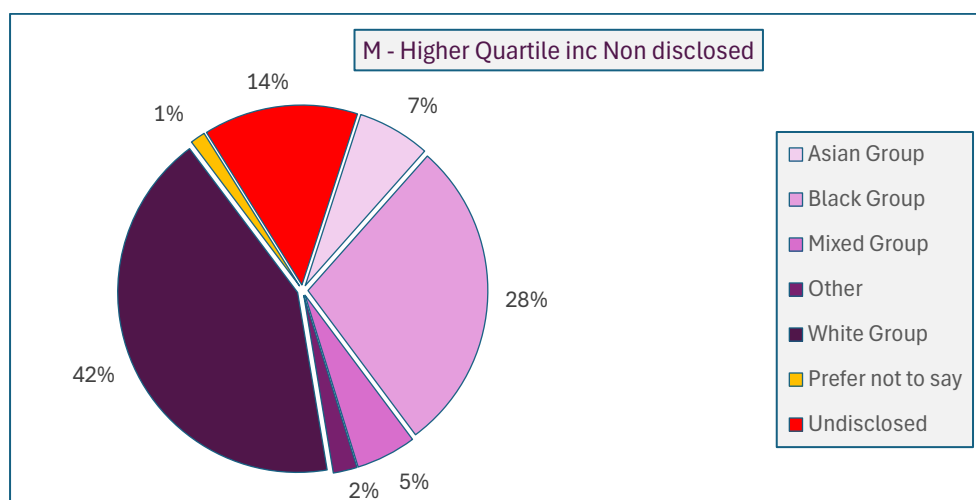


Figure 11: Chart showing upper middle pay quartile representations for each ethnic group and non-disclosed ethnicities

Figure 11 (above) shows the distribution of each ethnic group and non-disclosed groups within the upper middle paid quartile as of March 2024. White ethnic groups comprise most of the quartile (42%) with Black ethnic groups the second highest (28%). Undisclosed ethnicities comprise the third largest group at 14% with Asian groups the next highest at 7%. Mixed, 'other' and 'prefer not to say' comprise 7% or less for each group.

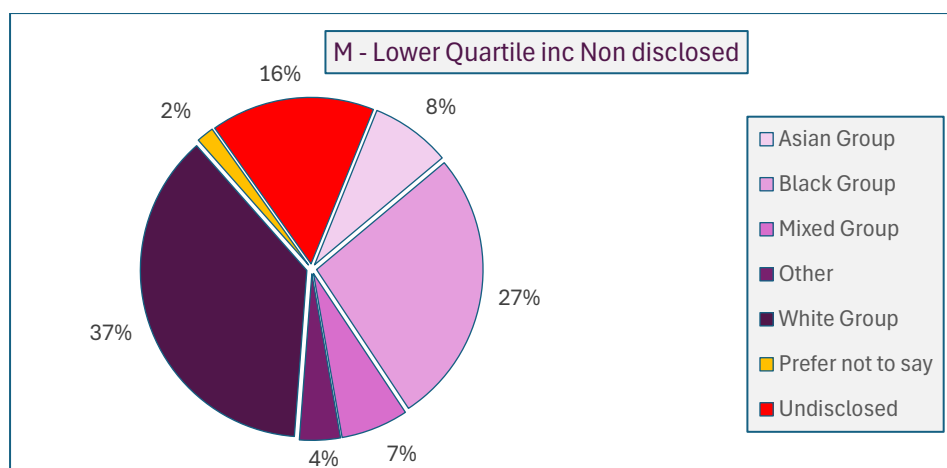


Figure 12: Chart showing lower middle pay quartile representations for each ethnic group and non-disclosed ethnicities

Figure 12 (above) shows the distribution of each ethnic group and non-disclosed groups within the lower middle paid quartile as of March 2024. White ethnic groups comprise most of the quartile (37%) with Black ethnic groups the second highest (27%). Undisclosed ethnicities comprise the third largest group at 16% with Asian groups the next highest at 8%. Mixed, 'other' and 'prefer not to say' comprise 7% or less for each group.

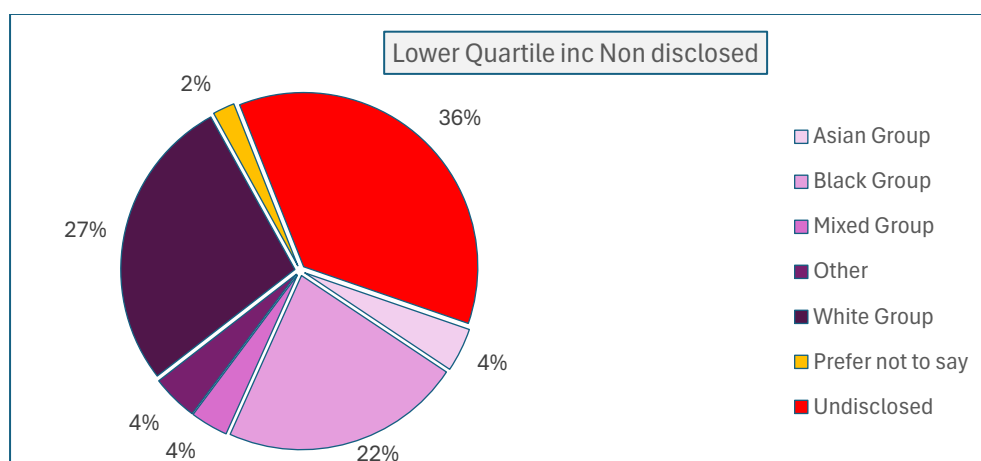


Figure 13: Chart showing lowest (bottom) pay quartile representations for each ethnic group and non-disclosed ethnicities

Figure 13 (above) shows the distribution of each ethnic group and non-disclosed groups within the lowest (bottom) paid quartile as of March 2024. Undisclosed ethnic groups comprise most of the quartile (36%) with White ethnic groups the second highest (27%). Black groups comprise the third largest group at 22% with Asian groups the next highest at 4%. Mixed, 'other' and 'prefer not to say' comprise 4% or less for each group.

## 6.6 ‘One-off’ payments pay gap for ethnicity

One-off payments are given to an extremely limited number of employees for specific recruitment and retention purposes (see 2.5).

In line with legislative pay gap reporting regulations, 2023/24 ‘one-off’ payments are known as ‘bonus’ payments and must be reported alongside hourly pay gap calculations.

Figure 14 (below) shows the figures for pay gaps between disclosed Global Majority ethnic groups employees against disclosed White ethnic group employees in 2023/2024.

Payments were made during the year 2023/24 to 147 employees in total who comprised of:

- 76 (52%) Global Majority ethnic groups employees
- 27 (18%) White ethnic group employees
- 44 (30%) undisclosed ethnicity employees

These employees comprise approximately 4% of the Croydon council workforce. Given the small employee numbers who received this payment, limited information can be drawn from the figures reported.

<b>‘One-off’ Payments Gap</b> <b>(% that average one-off payments for declared Global Majority ethnic employees are lower than for declared White employees)</b>	<b>2023/24</b>
Ethnicity – ‘one-off payments’ mean pay gap	-4.0%
Ethnicity - ‘one-off payments’ median pay gap	0.0%
Global Majority ethnic groups staff paid ‘one-off payments’ as % of all minority ethnic staff groups	5.3%
White staff paid ‘one-off payments’ as % of all White staff groups	2.0%

Figure 14: Table showing ‘one-off’ pay gaps calculated via ethnic groups for 2023/24

## 7. All ethnicities pay quartile representations compared to the workforce profile

	Upper pay quartile	Upper middle pay quartile	Lower middle pay quartile	Lower pay quartile	Workforce profile - March 2024 (disclosed only)
All Asian groups	9%	8%	9%	7%	9%
All Black groups	30%	33%	33%	36%	33%
All Mixed groups	4%	6%	8%	5%	6%
All other groups	5%	3%	5%	7%	5%
All Global Majority (Asian, Black, Mixed, Other groups)	48%	50%	55%	55%	52%
All White groups	52%	50%	45%	45%	48%

Figure 15: Table showing all ethnic groups within pay quartiles as of 31st March 2024

In figure 15 (above), the pay quartiles for each ethnic grouping show that:

- Only White ethnicity groups have higher representations than their workforce profile in the upper (highest) pay quartile.
- Black and mixed groups have lower representations than their workforce profile in the upper quartile, whilst Asian and 'other' ethnicities have the same representation.
- Black, and 'Other' ethnicities have their highest representations in the lowest paid quartile. Their representations in this quartile are also higher than their workforce profile levels.
- All Global Majority ethnicities (as a group) have their highest representation in the lower middle and lowest paid quartile and their lowest representation in the upper (highest) paid quartile.
- White ethnicities have their highest representation in the upper (highest paid) quartile and their lowest representation in the lowest quartile.

## 8. Reasons for ethnicity pay gaps in Croydon Council

Ethnicity pay gap reporting has continued to be the highest pay gaps reported for Croydon council in 2024 (compared to gender and disability pay gap reporting). The reasons for ethnicity pay gaps may be that:

- The overall level of non-disclosed ethnicity (22%) for staff in scope may have impacted the accuracy of ethnicity pay gap figures (although it should be noted that non-disclosure is now at the lowest level since 2018).
- Levels of non-disclosure for ethnicity are particularly high in the lowest paid quartile (38%) mainly because:
  - Some non-disclosed staff in this quartile are 'casual workers' (i.e. are irregular hours/temporary workers) and have no equalities information logged for them.
  - Some directorates (such as Sustainable Communities, Regeneration and Economic Recovery) have a higher level of non-disclosed status staff than other directorates. This is because of areas in the directorate that have a variety of roles where staff do not have easy access to IT facilities so may find it harder to record equalities information. This will change throughout 2025 and 2026 as the Oracle Improvement Programme is rolled out which enables easier access for employees to update online information.
- Global majority ethnicity employees in Croydon have higher representations in adult and childrens' social care and housing areas but may be less represented in corporate council areas where some roles may be more highly paid.
- Research conducted by London Councils in 2021 has indicated that there is a 'glass ceiling' (for Global Majority ethnicity employees) across all
- London councils, which exists at around the £50-£60,000 pay band, where representation of these staff reduces dramatically. Croydon is making steady progress to reduce pay differentials at higher pay levels between Global Majority and White ethnic groups, which can be seen by the increase of Global Majority ethnicities in the highest and upper middle pay bands.
- As can be seen in the pay quartiles, Global Majority ethnicity staff tend to be over-represented in the lowest quartile but under-represented in the upper (highest) paid quartile compared to their workforce representation. However as indicated previously, levels of Global Majority staff are reducing in the lowest paid (bottom) quartile, year on year which will help to reduce pay gap disparities between ethnicities.

9. Croydon Council ethnicity pay gaps compared to London Councils

London Councils have produced recent analysis for pay gaps and pay quartiles by ethnicity in 2024. This may provide a useful benchmark regarding the progression of ethnicity pay gap, but it is worth highlighting that the data from London Councils is based on 56% of London boroughs reporting.

	Croydon Council pay gap - 2024	London Councils (average) ethnicity pay gap - 2024	Croydon Council pay gap - 2023	London Councils (average) ethnicity pay gap - 2023
Ethnicity pay gap: mean calculation	6.5%	8.5%	8.8%	11.5%
Ethnicity pay gap: median calculation	2.2%	6.0%	4.9%	8.6%

Figure 16: Table showing ethnicity pay gaps for Croydon Council and London councils averages: 2023-24

The table in figure 16 (above) shows that all of Croydon Council's ethnicity pay gap calculations in 2024 are lower than the London Council's average ethnicity pay gaps. In fact, Croydon has achieved the **fourth lowest mean** ethnicity pay gap and the **joint third lowest median** ethnicity pay gap within London councils (based on 56% of London councils reported).

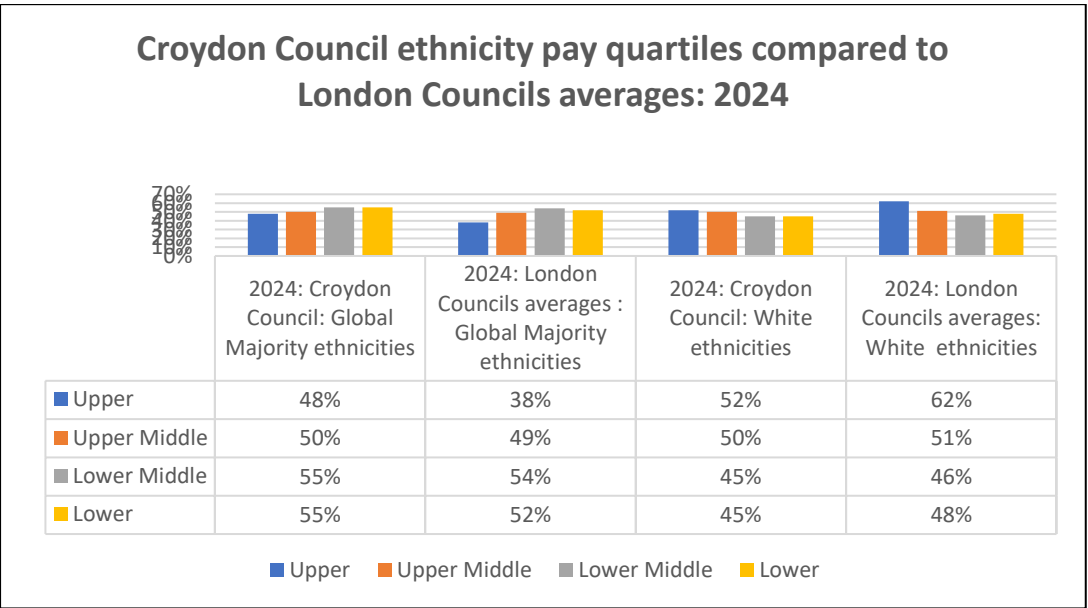


Figure 17: Chart showing Croydon Council's ethnicity pay quartiles compared to London Councils averages: 2024

This chart in figure 17 (above) shows that in 2024, the upper paid quartile showed Croydon Council Global Majority ethnicities having higher representation than London council's averages (48% v 38%). All other quartiles also showed Croydon as having higher representations for Global Majority ethnicities compared to London Councils. This indicates that Croydon is comparing well against London councils' average quartile figures with only slight differences between Croydon and London council averages for lower paid quartiles.

## 10. Croydon Council ethnicity pay gaps compared with overall UK pay gap

Croydon Council calculated its pay gaps using a method set by The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

The Office for National Statistics (ONS) use a different method for calculating the UK wide pay gap and therefore the two are not directly comparable.

[ONS reports](#) specify that between 2012 and 2022, Black, African, Caribbean or Black British employees were the only ethnicity group to be consistently earning less than white employees with an average of 5.7% pay gap

## 11. Action planning to reduce ethnicity pay gaps

Croydon Council is committed to improving equality, diversity, and inclusion within our workforce.

The actions we have taken to improve diversity have had a positive impact on ethnicity pay gap figures from 2023-2024.

It should be noted as positive that:

- Non-disclosure for pay gap reporting overall has decreased from 2020-24 and is now at the lowest level (22%) since reporting started in 2018.
- Both the mean and median ethnicity pay gaps have reduced from 2023-24.
- The reductions in mean and median ethnicity pay gaps are the largest reductions since pay gap reporting started and both ethnicity pay gap figures are the lowest, they have been since 2018.
- Black, Asian, and Mixed ethnicities have increased representation in the upper (highest) pay quartile by 6% from 2023 -2024.
- In 2024, all Global Majority groups increased representation in the upper, and lower middle pay quartiles compared to 2023.
- Global Majority representation in the lowest (bottom) paid quartile has reduced from 2023 -24 by 1%.
- Ethnicity mean and median pay gaps in both 2023 and 2024 were lower than London Councils average ethnicity pay gaps in the same time frame.

- Croydon council had a higher representation of Global Majority groups in the upper (highest) pay quartile than London Council average figures (48% v 38%).

However, the challenges the council faces are: (based on disclosed figures):

- Ethnicity pay gaps have continued to be the highest pay gaps reported for Croydon Council compared to gender and disability pay gaps since 2018.
- In 2024, all disclosed Global Majority ethnic employees (as a group) have their highest representation in the lowest pay quartile (55%) compared to White employees whose highest representation is in the highest paid quartile 52%. This trend was also present in 2023 for both Global Majority and White ethnic groups.
- Although Black ethnicities are the second largest (numeric) group in the council, pay gaps for this group tend to be higher against White ethnicities, whilst Asian ethnicities have lower pay gaps against White ethnicities.
- Non-disclosure of ethnicity is still highest in the lowest paid quartile (38%), although this has reduced by 4% from 2022.

Croydon Council also has seen tight financial restrictions in place since 2020. [The Future Croydon Strategy \(2024-29\)](#) will continue to control spending across the council, whilst delivering the Mayor's Business Plan priorities and radically transforming how the council works. However, the council will continue with its actions to improve ethnicity pay differentials.

We will be taking a data driven and employee 'lived experience' approach which will include taking actions around attraction of new employees and development of existing staff. We are particularly aware that Global Majority staff from grade 15 and above are not as represented as they should be compared to our residents so will be taking actions to address this.

We have observed an improvement due to our actions as we can now see that:

- Most new starters to the council from 2023-24 were from Global Majority ethnic groups (63%).
- Global Majority groups also comprise most new starters from Grade 15 and above (72% in 23/24)

Current actions to improve ethnicity pay gaps	Timescale
<b>Taking actions around the attraction of new employees includes:</b> <ul style="list-style-type: none"> <li>• Rebranding our website to highlight our commitment to a diverse and inclusive</li> </ul>	Ongoing

<p>workforce with video clips showing the diversity of our staff, the work they do, and why they work for the council.</p> <ul style="list-style-type: none"> <li>• Taking positive action around recruitment campaigns to encourage more applications from a wider range of individuals.</li> <li>• Capturing data to measure impact and progress.</li> <li>• Clarifying in job advertisements that the council is a hybrid working employer and flexible working options can be discussed at interview and agreed from the start of employment.</li> </ul>	
<p><b>Talent development of existing staff includes:</b></p> <ul style="list-style-type: none"> <li>• Developing leadership and management skills for staff in under-represented groups so that they can compete effectively for senior level roles.</li> <li>• Supporting employees to develop staff diversity network groups that support all protected characteristics including ethnicity.</li> <li>• Encouraging mentoring and leadership programmes.</li> <li>• Encouraging secondment opportunities across the council.</li> <li>• Capturing data to measure impact and progress.</li> </ul>	
<ul style="list-style-type: none"> <li>• We will continue to ensure that mandatory equality and unconscious bias training is undertaken by all employees.</li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>• We will continue to run regular campaigns to reduce non-disclosure rates within the council particularly for ethnicity. Non-disclosure is reducing for most of the council staff, but we acknowledge that there is more work to do regarding engaging with staff with limited access to IT</li> </ul>	Ongoing

systems in lower pay grades. With the rollout of the Oracle Improvement Programme in 2025 – 26, it is hoped that more staff will become digitally enabled.	
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Our [Equality Strategy 2023-2027](#) outlines our objectives to create a workplace where actions will be taken to address and reduce inequality.

In future months we also aim to implement actions to improve pay gap figures by implementing actions outlined below:

Upcoming actions to improve ethnicity pay gaps	People and Cultural Transformation Strategy (24 – 2026)	Timescale
Building on work to date, a workforce EDI dashboard will continue to be presented to the EDI internal control board to analyse the workforce profile and to highlight areas where positive action is needed to address underrepresentation.  This may highlight areas of low global majority representation in directorates	(Pillar 2) Build an equality driven, diverse and inclusive workplace.	2023 - 2026
The council will develop an inclusive and distributed leadership tool which aims to improve inclusion across the council, improving employees' lived experience. This initiative also enables Pillar one, strengthening the council's leadership capability.	(Pillar 2) Build an equality driven, diverse and inclusive workplace.	2023 - 2026
We will develop clear career and skills development pathways to ensure a systemic and holistic approach to workforce development which will be aligned to business planning and the fulfilment of the	(Pillar 4) Build our skills and capabilities and optimise our performance.	2023 - 2026

Mayor's Business Plan to optimise performance for residents' benefit.		
The council will invest in positive action development programmes for protected characteristic staff to ensure an equitable approach to address current and past organisational shortcomings.	<b>(Pillar 4)</b> Build our skills and capabilities and optimise our performance.	2023 - 2026
<p>We will develop a range of different resourcing methods to seek to attract diverse and high-quality candidates to work for the council. As covered under Pillar 4, we aim to redevelop our recruitment landing pages to provide an authentic brand and compelling package to attract the best candidates possible. We will also implement a values-based approach to recruitment to ensure candidates are assessed on their behavioural values, as well as knowledge, skills, education, and aptitude.</p> <p>We need to be mindful around the diversity of recruitment for grade 15 and above staff levels as we know that lower levels of global majority recruits is contributing to the ethnicity pay gap</p>	<b>(Pillar 5)</b> Acquire and retain talent, responding to skills gaps in the context of a more competitive recruitment market.	2023 – 2026
We will continue to take positive action in terms of talent development to enable more staff to progress and move into grade 15 and above, as well as using positive action to encourage more diversity in recruitment exercises for higher level and management grades	<b>(Pillar 2)</b> Build an equality driven, diverse and inclusive workplace.	2023 - 2026

## Appendix 1: Reporting Data Sets - as reported for March 2024

The tables below show the reported data sets.

### HOURLY RATE

CATEGEORY	2024: MEAN ETHNICITY PAY GAP	2024: MEDIAN ETHNICITY PAY GAP
Global Majority ethnicities hourly pay rate is:	6.5% lower than white ethnic groups	2.2 % lower than white ethnic groups
All Asian ethnic groups hourly pay rate is:	0.0% lower than white ethnic groups (no pay gap)	1.4% lower than white ethnic groups
All Black ethnic groups hourly pay rate is:	6.0% lower than white ethnic groups	2.2% lower than white ethnic groups
All Mixed ethnic groups hourly pay rate is:	6.6% lower than white ethnic groups	3.8% lower than white ethnic groups
All Other ethnic groups hourly pay rate is:	7.9% lower than white ethnic groups	3.8% lower than white ethnic groups

### PAY QUANTILES: 2024

CATEGORY (including non-disclosed)	UPPER QUANTILE	UPPER MIDDLE QUANTILE	LOWER MIDDLE QUANTILE	LOWER QUANTILE
All Global Majority ethnic groups (Black + Asian + Other + Mixed)	40%	42%	45%	34%
All White ethnic groups	44%	42%	37%	27%
Non-disclosed groups	16%	15%	18%	38%

CATEGORY (disclosed only)	UPPER QUARTILE	UPPER MIDDLE QUARTILE	LOWER MIDDLE QUARTILE	LOWER QUARTILE
All Global Majority ethnic groups (Black + Asian + Other + Mixed)	48%	50%	55%	55%
All White ethnic groups	52%	50%	45%	45%

CATEGORY	UPPER QUARTILE	UPPER MIDDLE QUARTILE	LOWER MIDDLE QUARTILE	LOWER QUARTILE
All Asian ethnic groups	8%	7%	8%	4%
All Black ethnic groups	25%	28%	27%	22%
All Mixed ethnic groups	3%	5%	7%	4%
All Other ethnic groups	4%	2%	4%	4%
All White ethnic groups	44%	42%	37%	27%
<b>All non-disclosed ethnicities</b>	16%	15%	18%	38%

## ONE-OFF PAYMENTS

CATEGORY	2024: MEAN	2023: MEDIAN
Global Majority ethnic groups 'one-off payments' pay is	4% higher than White ethnic groups	0.0% (no gap)

CATEGORY	2024: WHITE ETHNIC GROUPS	2024: GLOBAL MAJORITY ETHNIC GROUPS
Who received 'one-off payments?	2.0%	5.3%
	(of White ethnic groups)	(of Global Majority ethnic groups)

## Appendix 2: Ethnic Groups Definitions

(As defined by 2021 census and the Office of National Statistics)

### **White**

1. English/Welsh/Scottish Northern Irish/British
2. Irish
3. Gypsy or Irish Traveller
4. Roma
5. Any other White background, please describe

### **Mixed/Multiple ethnic groups**

6. White and Black Caribbean
7. White and Black African
8. White and Asian
9. Any other Mixed/Multiple ethnic background, please describe.

### **Asian/Asian British**

10. Indian
11. Pakistani
12. Bangladeshi
13. Chinese
14. Any other Asian background, please describe.

### **Black/ African/Caribbean/Black British**

15. African
16. Caribbean
17. Any other Black/African/Caribbean background, please describe.

### **Another ethnic group**

18. Arab
19. Any other ethnic group, please describe.

### **Appendix 3: Allowances included in ethnicity and disability pay gap calculations**

The following allowances are included in calculations for the ethnicity and disability pay gaps

- market supplements
- acting-up payments
- weekend and night working
- standby payments