Committee(s)	**Dated:**
Equality, Diversity & Inclusion Sub-Committee Corporate Services Committee	17 June 2026 01 July 2026
Subject: Gender, Ethnicity and Disability Pay Gaps (March 2025 Snapshot)	**Public**
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	• **Providing Excellent Services** • **Diverse Engaged Community**
Does this proposal require extra revenue and/or capital spending?	**No**
If so, how much?	**N/A**
What is the source of Funding?	**N/A**
Has this Funding Source been agreed with the Chamberlain's Department?	**N/A**
Report of: Cliff Morton, Interim Chief People Officer	**For information**
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Summary

1. Overview

1.1. The City of London Corporation is committed to promoting equity, equality, diversity and inclusion (EEDI) across all areas of our operations, and we believe that pay should be based on the skills, experience, and responsibilities of our employees.

1.2. The report (appendix 1) provides the City Corporation's Gender, Ethnicity and Disability Pay Gaps as of March 2025.

1.3. The City Corporation has little to no gender pay gap across its workforce and the long-term direction of travel in other measures remains broadly positive.

1.4. Overall, the pay gap figures reported remain broadly consistent with those from previous years, with some small shifts compared to March 2024. Although the median binary ethnicity pay gap has reduced to 2.2% (from 9.7%).

1.5. Overall, these shifts seem to be indicative of a continued longer-term positive trend in all pay gap figures generally. However, due to the nature of the calculation method there will always be a natural mathematical variation in the workforce numbers included within the snapshot and therefore some deviation due to these measures used that are unrelated to pay practice.

1.6. The levels of non-disclosure observed highlights the continued need to actively work with the workforce to improve our data, especially the levels of disclosure on protected characteristics across employees and casual workforce. Better data, will make reporting more robust and allow us to report on other pay gaps, including social mobility. We will continue to monitor our progress and report on our results annually.

Recommendation(s)

Members are asked to note the report for information.

Main Report

2. Background & Context

2.1. Through the Corporate Plan 2024-29 and the People Strategy 2024-29, a clear vision, strategy and action plan has been established to ensure we continuously improve our culture, ethos and approaches to support our current and prospective workforce to feel that they belong and fit, and are actively engaged with the City Corporation, its ambitions and priorities.

2.2. In addition, our Equality Objectives 2024-29 are a dynamic framework advancing our commitment to equity, equality, diversity and inclusion as a leader, employer and service provider. These are owned across all departments and institutions. There are already a range of projects and measures underway to ensure we deliver that commitment. Including:

- A fundamental review of our pay and reward approach through the Ambition 25 project. Through this process we will ensure that we provide flexible, sustainable, fair, equitable and transparent reward and recognition opportunities for our people.
- A holistic review of our employee benefits offer to help us better attract and retain a diverse array of excellent people to work for the City Corporation.
- Promoting equity, equality, diversity and inclusion in career development through the implementation of job families that inform a variety of career pathways to ensure career progression opportunities are available to all eligible employees, regardless of job type.
- Work to develop leadership capacity and capability across all aspects of EEDI. For example, by widening the range of access and participation in working groups and meetings, actively listening to understand lived experience, and considering who is in the room and who has a voice.
- Creating a comprehensive EEDI training offering with a focus on awareness-raising, skills-building and the development of an inclusive culture, including coaching and embedding EEDI in general training.
- Through our approach to ‘Brilliant Basics’ we will be undertaking a programmatic approach to policy development, reviewing HR policies as required due to legislative, regulatory, and internal and external changes, embedding EEDI principles throughout.
- Continue to improve data and insights, including improving data gathering through extensive and sustained communications in partnership with EEDI and communications teams.
- Development of dashboards provision and reporting on all protected characteristics, along with social mobility. Breakdown by identity data will also be undertaken where possible.

2.3. In accordance with the Gender Pay Gap Regulations City Corporation has been required to publish and report its Gender Pay Gap (GPG) by 30 March annually since 2017. This is published on both the City Corporation and UK Government websites. Alongside the GPG, the City Corporation has also voluntarily elected to calculate both the Ethnicity Pay Gap (EPG) and Disability Pay Gap (DPG) annually.

2.4. This pay gap analysis is calculated in line with the government's standard methodology and reporting requirements for Gender Pay Gaps, which compares the median and mean hourly pay rates and bonusses of employee groups. It also examines the proportion of these groups within each quartile of our pay distribution. It is difficult to compare to our grades consistently as the quartile boundaries will often fall within a grade range, and regular additional payments might raise some groups of staff above others in the grade, as a rough guide:

- Upper quartile: Grade G and above
- Upper middle quartile: Grade E to F
- Lower middle quartile: Grade C to D
- Lower quartile: Grade A to B

2.5. Pay relates to the 'snapshot date' of 31 March 2025, and includes all workers paid on that date across the City Corporation and its Institutions, this includes employees and Casual Workers, and all professions except Police Officers. This means the data reported here may vary from other reports, due to the nature of the snapshot. The mean and median pay gap calculation is based on the total pay: this includes basic pay and additional payments, for example responsibility allowance in schools, unsocial hours payments and Market Forces Supplements (MFS) used for specific recruitment and retention purposes.

2.6. The 'bonus gap' relates to the 12-month period which ends on the snapshot date. Bonus payments include Recognition Awards for employees at the top of Grades A-C and honoraria payments. Contribution Payments, discretionary bonuses paid to employees at the top of Grades D-J and SMG were paid in this 12-month period of this report for the first time in several years. This was done at a default level of 1.5% to all eligible staff, to the numbers of bonus payments are very higher proportionally than previous years.

2.7. For the purposes of the analysis:

a. Reference made in respect of employees in the report includes employees and casual workers (who are not employees) unless otherwise stated.

b. Pay gap data reports the difference in the average pay between groups across a whole organisation. This is entirely different to equal pay, which deals with the pay differences between different groups (i.e. men and women) who carry out the same jobs, similar jobs or work of equal value. A large pay gap does not indicate the existence of equal pay issues.

c. Demographic information is drawn from payroll and HR information system data. Additional sensitive information is added on a voluntary basis by employees through the employee self-service facility on the HR information system. This information is collected in line with the nine protected characteristics identified in the Equality Act 2010.

d. The government gender pay gap regulations compare the pay of female and male employees, and do not address how employers should make their gender pay gap calculation if they have employees who do not identify as either male or female (e.g. non-binary). As per the City Corporation's approach to data collection outlined above, data is collected on the sex of employees, in line with the protected

characteristics of the Equality Act 2010. This data is held on 100% of the workforce and has been used in the calculation of the gender pay gap.

e. On ethnic origin, employees are asked to provide data using the standard classifications on the HR Information System. The level of non-disclosure for ethnic origin is 22.5% (compared to 18.3% the previous snapshot date). A large majority of this non-disclosure is again amongst the lower quartile of roles and is likely to be due to a large number of casual workers included in the snapshot.
f. Employees are asked to indicate whether they have a disability on the HR information system. Therefore, this indicator does not accurately measure whether an employee meets the definition of "disability" under the Equality Act 2010.
g. In accordance with the General Data Protection Regulations and the Data Protection Act 2018, all employees are provided with a privacy notice, signposted in the contract of employment, and contained within the Employee Handbook. The privacy notice describes how the City Corporation as a data controller collects and uses personal information during and after employment with the City Corporation. The privacy notice outlines that employees are not required to provide all personal and sensitive information. As such, not all the categories include 100% data capture. This includes cases where the employee has specifically recorded 'not stated' or 'declined to specify' on employee self-service.

2.8 Low disclosure rates on socio-economic background remain a key constraint in developing a comprehensive picture of social mobility pay gaps within the City of London Corporation's 2025 pay gap analysis. In the absence of robust data on indicators, it is difficult to assess how socio-economic background intersects with gender and other protected characteristics. Increasing disclosure will require continued action to build trust and improve understanding, including clearer communication on why the information is collected, how it will be used, and how insights will inform tangible improvements.

Socio Mobility: Completion & Disclosure Rates (by Department)	Completion Rates	Disclosure Rates
BARBICAN CENTRE [205]	**21.66%**	**20.37%**
Central London Forward [77EF]	**41.18%**	**33.82%**
CHAMBERLAIN'S [111]	**34.52%**	**32.47%**
CITY BRIDGE FOUNDATION [275]	**29.87%**	**27.11%**
CITY JUNIOR SCHOOL [264]	**6.06%**	**6.06%**
CITY OF LONDON POLICE (CIVILIANS) [255]	**2.26%**	**2.18%**
CITY OF LONDON SCHOOL [261]	**15.38%**	**15.17%**
CITY OF LONDON SCHOOL FOR GIRLS [263]	**10.59%**	**10.59%**
CITY SCHOOLS SHARED SERVICE [262]	**16.19%**	**14.77%**
CITY SURVEYOR'S [173]	**26.97%**	**24.86%**
COMMUNICATIONS & EXTERNAL AFFAIRS [180]	**47.50%**	**47.50%**
COMMUNITY & CHILDREN'S SERVICES DEPT [325]	**27.79%**	**26.48%**
COMPTROLLER & CITY SOLICITOR'S [115]	**41.38%**	**37.07%**
CORPORATE STRATEGY & PERFORMANCE [120]	**77.78%**	**77.78%**
ENVIRONMENT [343]	**30.29%**	**29.02%**
FREEMEN'S SCHOOL [265]	**9.15%**	**8.77%**
GUILDHALL SCHOOL OF MUSIC & DRAMA [219]	**4.84%**	**4.58%**
Heart of the City [77EG]	**42.86%**	**42.86%**
INNOVATION & GROWTH [377]	**50.28%**	**49.17%**
PEOPLE & HR [190]	**40.80%**	**38.44%**
REMEMBRANCER'S [159]	**25.96%**	**25.96%**
TOWN CLERK'S [177]	**37.93%**	**36.30%**

3. Analysis

3.1. The City Corporation’s gender, ethnicity and disability pay gaps as at the snapshot date of 31 March 2025 are presented in full at Appendix 1 of this report, which also includes further analysis and benchmarking.

3.2. The total headcount used for the mean and median pay gaps was 5,632 (this excludes police officers), noting that there has been an increase from 5,212 in the previous year because of organisational change and the numbers of casuals engaged at the time of the snapshot.

3.3. The key Pay Gap headlines are:
(Note: Bracketed figures represent the 2024, 2023, 2022 and 2021 reported figures)

3.4. Gender Pay Gap

- **Median Pay Gap is 0.0%** (0.0%; 0.0%; 2.7%; 2.2%); and
- **Mean Pay Gap is 3.5%** (5.1%; 4.5%; 4.5%; 7.1%).

3.5. Ethnicity Pay Gap – Binary:

- **Median Pay Gap 2.2%** (9.7%; 13.2%; 14.7%; 15.7%); and
- **Mean Pay Gap 5.6%** (15.2%;16.7%; 17.4%; 16.8%).

- **Level of non-disclosure 22.5%** (18.3%).

3.6. Ethnicity Pay Gap – Aggregated Category:

- **Median Pay Gap -4.5% to 17.5%**

Ethnic Category	Black	Asian	Mixed	OEG
White	17.5%	4.4%	6.5%	12.9%
Black		-13.1%	-10.9%	-4.5%
Asian			2.2%	8.6%
Mixed				6.4%

- **Mean Pay Gap -1.4% to 24.7%**

Ethnic Category	Black	Asian	Mixed	OEG
White	16.5%	12.2%	10.9%	24.7%
Black		-4.3%	-5.6%	8.3%
Asian			-1.4%	12.5%
Mixed				13.9%

OEG = Other Ethnic Groups, not contained within the aggregated categories.

Note: Analysis at the aggregated level results in 10 ethnicity pay gap figures. Positive figures in the table reflect that the pay gap is in the favour of the ethnic category on the left of the table. Negative figures indicate a pay gap in favour of the ethnic category at the top of the table.

3.7. Disability Pay Gap

- **Median Pay Gap is 0.0%** (0.0%; 7.1%; 2.4%; 7.1%); and
- **Mean Pay Gap is 5.9%** (6.8%; 6.9%; 8.8%; 8.9%).
- **Level of non-disclosure 31.55%** (28.09%).

4. Corporate and Strategic Implications

4.1. **Strategic Implications:** Ensuring that our employment practices and procedures are fair and free from bias will support the City Corporation to recruit, retain and most importantly engage a high calibre and diverse workforce, capable of high performance and delivering the organisations strategic ambitions. This work ties in with Corporate Equalities Objectives 2024-29 and activity to improve our data so better insights into the workforce can be provided to achieve EEDI ambitions.

4.2. **Financial Implications:** No direct financial implications.

4.3. **Resource Implications:** None related explicitly to this report.

4.4. **Legal Implications:** None

4.5. **Risk Implications:** None

4.6. **Equalities Implications:** This report forms part of our package of work to continuously review our performance on specific metrics to help inform the wider EEDI activity.

4.7. **Climate Implications:** None

4.8. **Security Implications:** None

5. Conclusions and Next Steps

5.1. Overall, the pay gap figures reported remain broadly consistent with those from previous years, with some small positive shifts compared to March 2024. The only exception being the median binary ethnicity pay gap, which has reduced to 2.2% (from 9.7%).

5.2. Overall, these shifts seem to be indicative of a continued longer-term positive trend in all pay gap figures generally. However, due to the nature of the calculation method there will be a natural mathematical variation in the workforce numbers included within the snapshot and therefore some deviation due to these measures used that are unrelated to pay practice.

5.3. The levels of non-disclosure observed highlights the continued need to actively work with the workforce to improve our data, especially the levels of disclosure on protected characteristics across employees and casual workforce. This will enable stronger analysis and greater insight.

5.4. As part of the work to support promoting and delivering our Equalities Objectives and People Strategy, we are addressing data quality and improving levels of disclosure with a campaign to increase disclosures undertaken.

5.5. City Corporation is committed to equal opportunities and equal treatment for all employees. Although many of the pay gap measurements are either already relatively small, or larger but moving in a positive direction, there will always be more that we can do to improve our culture, policy, process and practices to ensure a truly bias free work environment for all employees. Our aim is to create an environment, in which people irrespective of their background can expect to develop, progress, flourish and perform and be remunerated fairly for the work that they do.

5.6. To support our EEDI commitments, we will look to reduce any perceived barriers to engagement and progression and work towards greater pay equity. This will include:

- Guaranteeing the robustness of our job evaluation scheme and policy. This forms a key element of the Ambition 25 programme.
- Reviewing our pay structure and reward practices to ensure that these support fair and equal remuneration, and that any additional payments are minimised and where they remain necessary, actively monitored and moderated.
- Ensuring our work and engagement practices do not preclude or discourage capable individuals, from applying to, being appointed and progressing within the organisation (e.g. recruitment activities; where we advertise; the benefits we offer; our support for flexible working).

Appendices

1. City of London Corporation Pay Gap Report: Snapshot Date: 31 March 2025

Background Papers

None

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