

Ethnicity Pay Gap Report

Snapshot of Data: 31st March 2022

Publication Date: December 2022

Introduction

This year we are pleased to publish our first ever Ethnicity Pay Gap Report.

Whilst it is not currently a statutory requirement to report on our ethnicity pay data we believe that by voluntarily publishing this report this will help us to be more open and transparent about our workforce and set an example that will encourage other organisations to do the same. We believe that the continued publication of this report is an important tool to help us achieve our ambitions for greater equality, diversity and inclusion.

In calculating our ethnicity pay gaps, we have used the same principles that are applied to the statutory gender pay gap reporting, which includes the following;

- mean and median pay gaps
- mean and median gaps in bonus payments
- proportion who receive bonus payments
- proportions of employees by ethnicity in each pay quartile

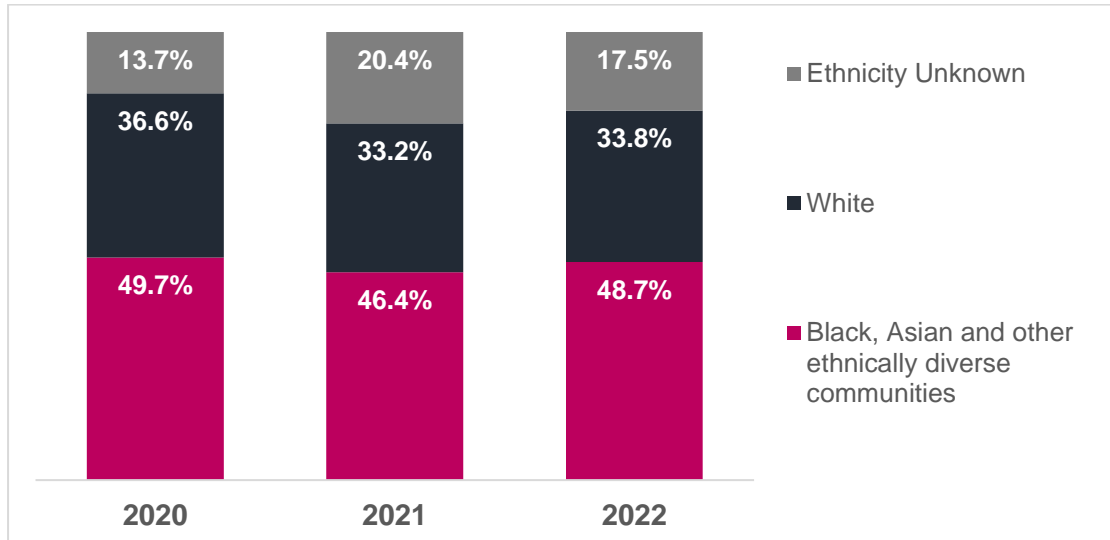
The ethnicity pay gap shows the difference in the average hourly rate of pay between our White staff and staff from Black, Asian and other ethnically diverse communities across the whole organisation. If a workforce has a particularly high ethnicity pay gap, this can indicate that there may be underlying issues that needs addressing.

A pay gap is different to equal pay. Equal pay deals with the pay differences between staff who carry out the same job, or a similar job of equal value. While a pay gap shows only the overall differences in the average pay of all staff.

This report is based on our workforce data as at 31st March 2022. This report also includes ethnicity pay gap data from 2021 (31st March 2021) and 2020 (31st March 2020) for comparison.

It should be noted that our ethnicity pay gap data is calculated using those staff for whom we know their ethnicity. The ethnicity profile of the directly employed workforce is shown below.

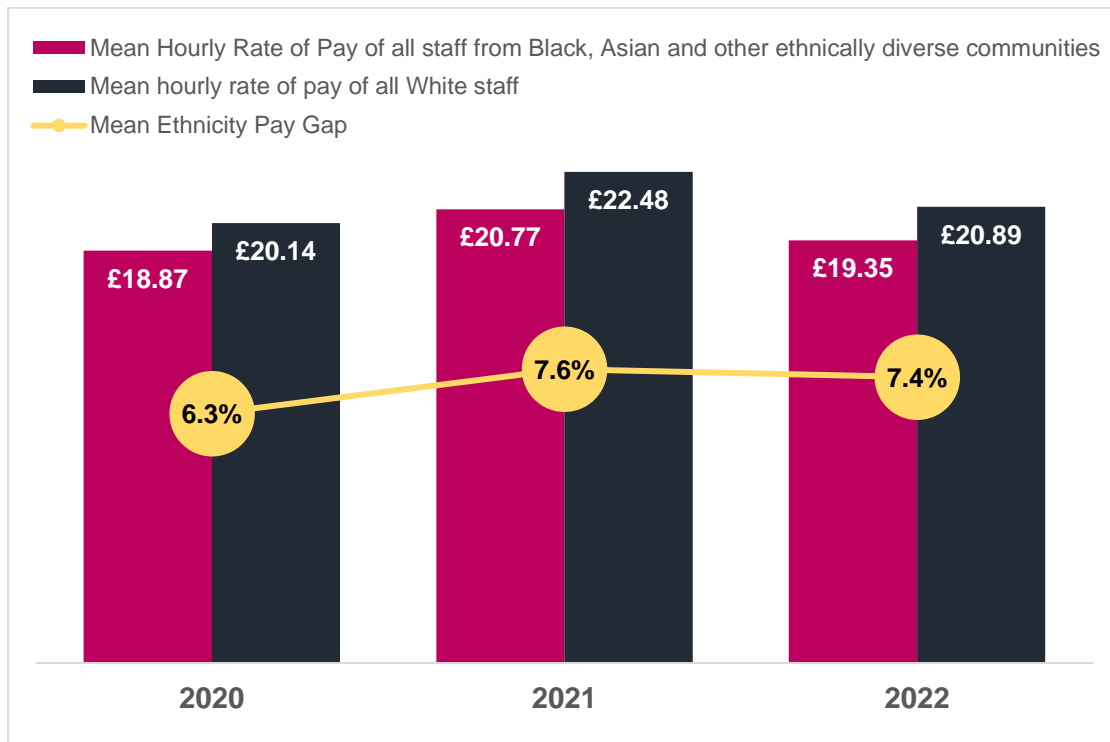
1. Ethnicity Profile – Directly Employed Workforce



2. Ethnicity Pay Gap

2.1 Mean Ethnicity Pay Gap

The chart below illustrates the average (mean) hourly rate of pay of all directly employed White staff compared to all directly employed staff from Black, Asian and other ethnically diverse communities, with the pay gap (%) this represents.

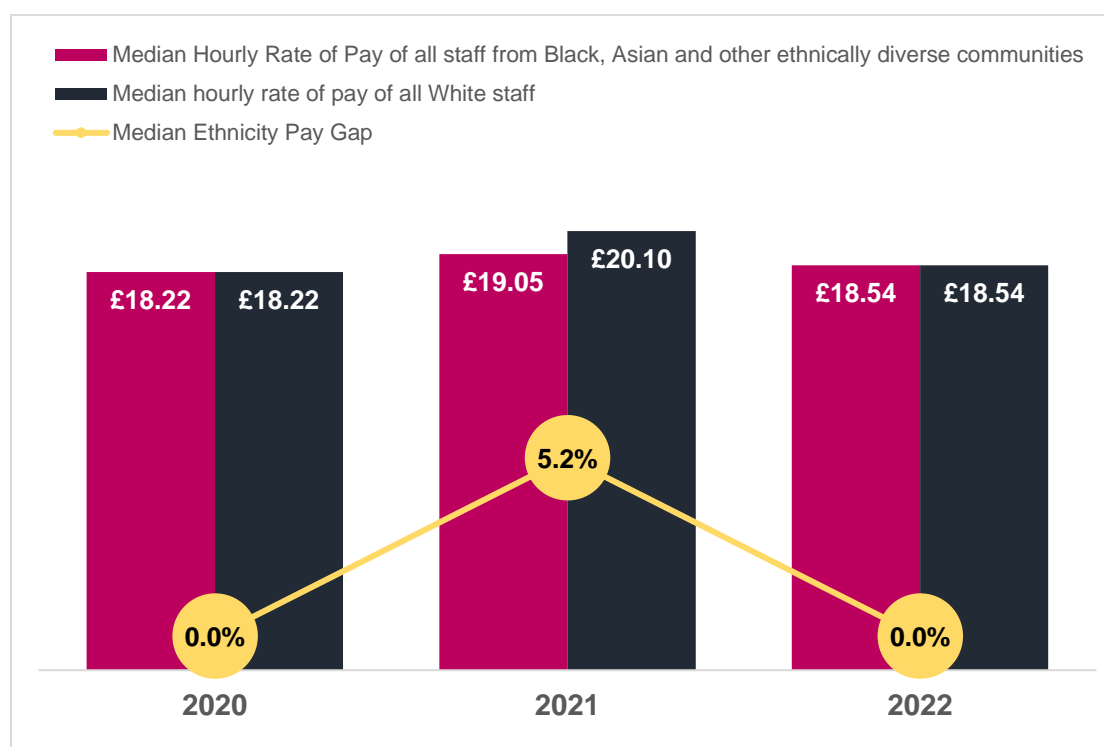


Currently, we have a mean ethnicity pay gap of 7.4%

This means that on average, White staff working for Newham Council are paid 7.4% more than staff from Black, Asian and other ethnically diverse communities.

2.2 Median Ethnicity Pay Gap

The chart below illustrates the median hourly rate of pay of all directly employed White staff compared to all directly employed staff from Black, Asian and other ethnically diverse communities, with the pay gap (%) this represents.



Currently, we have a median ethnicity pay gap of 0.0%

This means that the median pay point of all White staff working for Newham Council is the same as it is for all staff from Black, Asian and other ethnically diverse communities.

3. Bonus Payments (Non-Consolidated)

Non-consolidated bonus payments are payments that are made in addition to the basic salary that an employee receives that specifically relate to profit sharing, commission, productivity or performance.

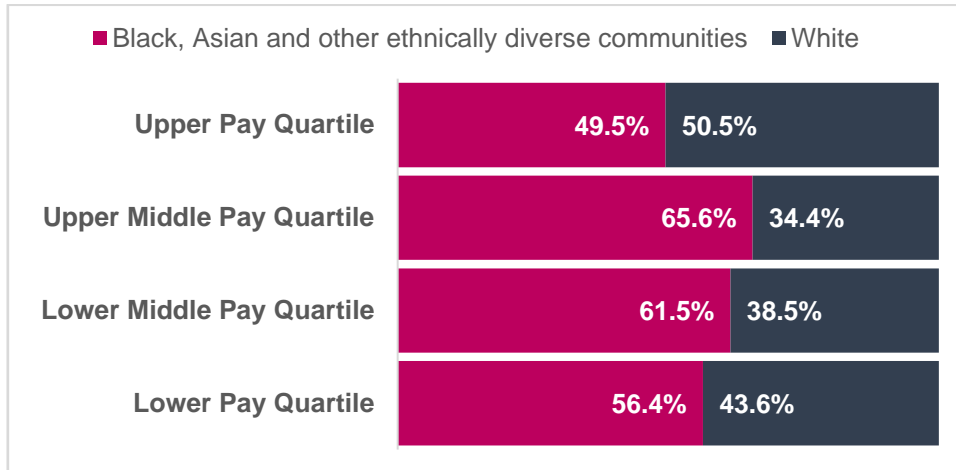
	2020	2021	2022
Mean ethnicity pay gap in bonus payments	0%	0%	0%
Median ethnicity pay gap in bonus payments	0%	0%	0%
Proportion of staff from Black, Asian and other ethnically diverse communities who received bonus payment	0%	0%	0%
Proportion of White staff who received bonus payment	0%	0%	0%

Newham Council does not pay bonus payments.

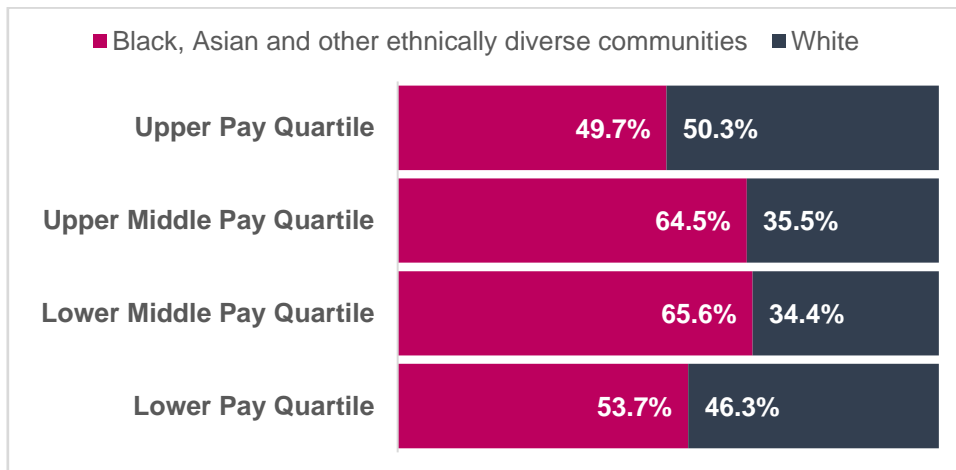
4. Pay Quartiles

The graphs below illustrate the percentage split of White staff and staff from Black, Asian and other ethnically diverse communities within each pay quartile for 2020, 2021 and 2022.

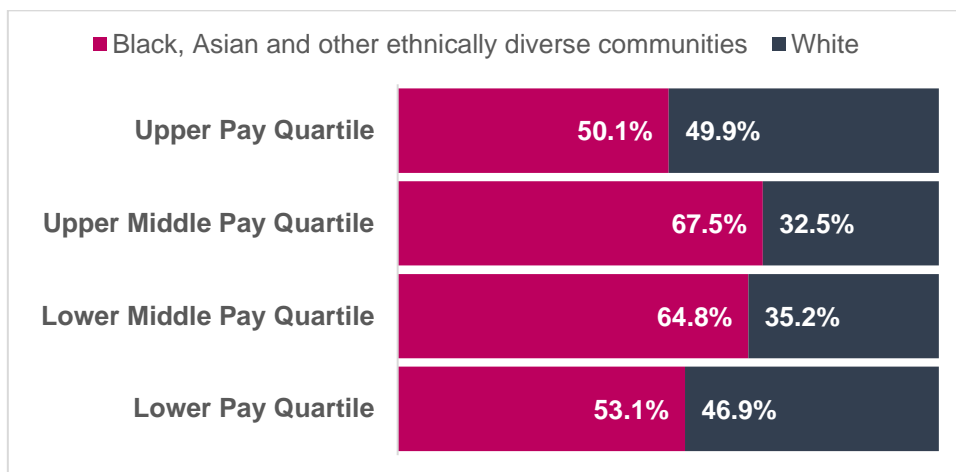
31st March 2020



31st March 2021



31st March 2022



Summary

The ethnicity pay gap (mean) of Newham Council's workforce is currently 7.4%.

This means that on average, White staff working for Newham Council are paid 7.4% more than staff from Black, Asian and other ethnically diverse communities.

This does not mean that White staff are paid 7.4% more for doing the same job - but that White staff occupy slightly more of the highest paid jobs than staff from Black, Asian and other ethnically diverse communities do.

Further, the median ethnicity pay gap is currently 0.0%. This means that the median (the middle point of all staff in ascending order by pay) pay point of all White staff is exactly the same as the median pay point of all staff from Black, Asian and other ethnically diverse communities.

This ethnicity pay gap data reflects only where the ethnicity is known, and currently for some 17.5% of the workforce their ethnicity is unknown. Therefore, such conclusions can only be drawn with this caveat and the true ethnicity pay gap may be higher or lower than reported here, until such a time the ethnicity is known of every employee.