



Gender & Ethnicity Pay Gap Report 2025

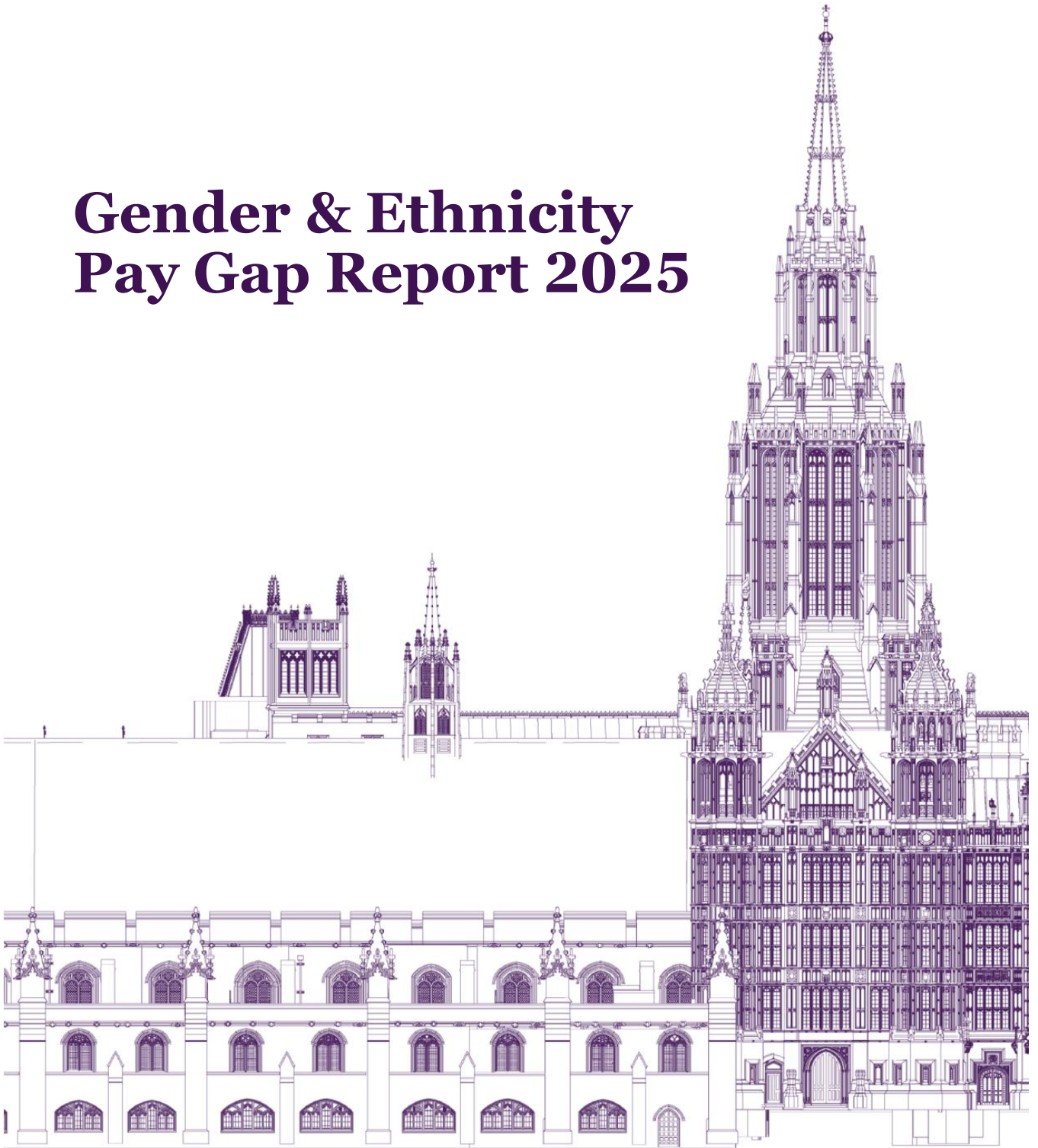




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1 Introduction

1.1 Purpose

This is the Delivery Authority's Gender and Ethnicity Pay Gap report for the 2024/25 reporting period, using a snapshot date of 5 April 2025. Although the Delivery Authority is not legally required to publish gender pay gap data, as our workforce is below the reporting threshold of 250 employees, we have chosen to voluntarily report both our gender and ethnicity pay gaps. This reflects our commitment to transparency and our ambition to build an inclusive and equitable organisation.

2 Definitions

Term	Explanation
Pay gap	The difference between the median and the mean hourly rate of pay between two colleague groups, based on the snapshot date of 5 April 2025.
Bonus gap	The difference between the median and the mean value of bonus pay between two colleague groups over the 12 months to 5 April 2025.
Quartile pay band	When the workforce is ordered by hourly pay and split into four equal groups (lower, lower middle, upper middle, upper), the quartiles show the proportion of colleagues in each group.
Mean	The average of all values in a dataset (e.g., all hourly rates for female employees divided by the number of female employees).
Median	The midpoint of a ranked dataset of hourly rates. If the dataset has an even number of values, the median is the mean of the two central values.

We apply the Equality Act 2010 definition of an employee, which includes agency workers and self-employed individuals who are required to personally carry out the work.

It is important to explain the distinction between equal pay and pay gaps, as they are often confused. Equal pay means providing the same pay irrespective of protected characteristic for those doing the same or similar work. Pay gaps highlight the difference between average pay of one group (females) and the average pay of another group (males), irrespective of any differences in the work they do. As a result, pay gaps are affected by how the workforce is made up, including the number of individuals in the respective groups, types of jobs and levels of seniority.



3 What does the pay gap report cover?

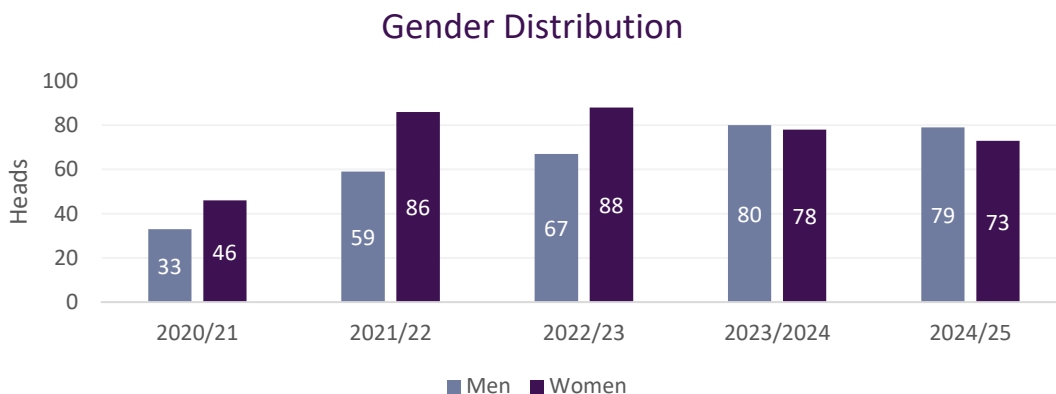
There is a standardised, legally defined method for calculating gender pay gaps in the UK, but no equivalent approach for ethnicity pay gaps. To ensure consistency and comparability, we have applied the same methodology used for the gender pay gap when calculating our ethnicity pay gap.

The pay gaps outlined below show the differences in average pay between groups, comparing the 2024/25 reporting period with previous years.

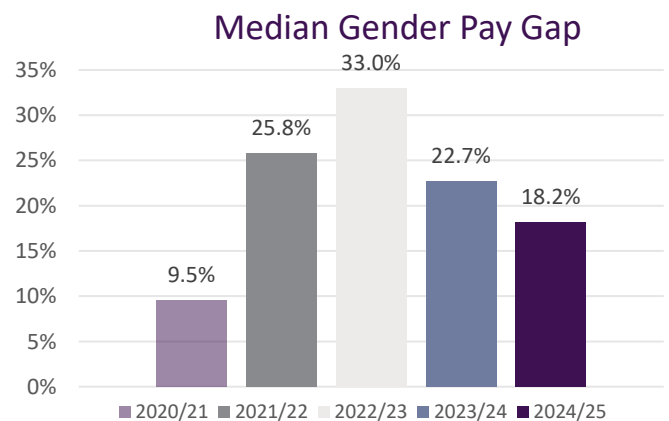
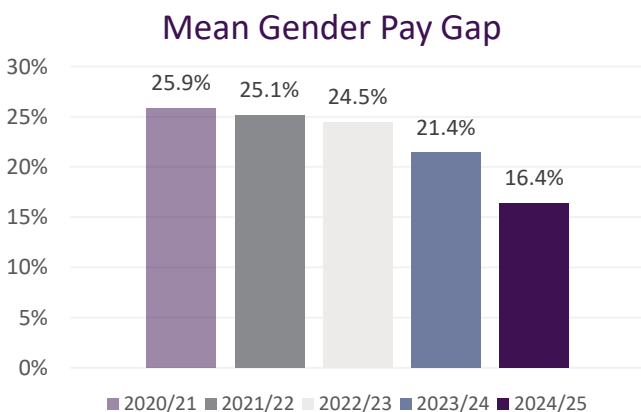
Pay gap	Group	Group
Gender	Male	Female
Ethnicity	White	Any Other Ethnic Group

4 Gender pay gap

4.1 Gender distribution



4.2 Hourly pay gap





The Delivery Authority (DA) mean gender pay gap has reduced by 5.0 percentage points, falling to 16.4% in 2024/25. This marks the fifth consecutive year of improvement and represents the smallest mean gap since reporting began. The median gender pay gap has also seen a significant improvement, reducing by 4.5 percentage points compared with the previous year.

The reduction in the mean gap reflects continued progress in narrowing the disparity between average male and female earnings. This improvement has been driven by proportionally higher increases in female average pay and ongoing shifts in the distribution of men and women across senior roles.

The median pay gap has seen notable improvement as well, influenced primarily by changes in the gender balance across the lower pay quartiles. In particular there has been a reduction in the proportion of women in the lowest-paid quartile and an increase in female representation in higher-paid areas of the organisation. These shifts have helped lift the median female hourly rate relative to that of male colleagues, contributing to the overall narrowing of the median gap.

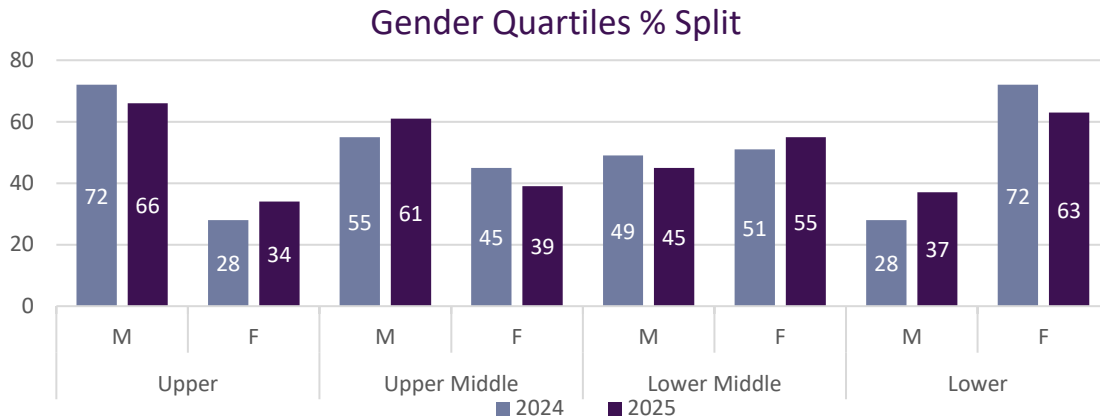
While the DA continues to make year-on-year progress in reducing both the mean and median gender pay gaps, it recognises that further opportunities remain to improve gender representation across all levels of the organisation and build on the positive trends seen in this reporting period.

The Delivery Authority is committed to being an inclusive and progressive employer for women and has taken targeted steps to reduce gender disparities in recruitment. These include using gender-inclusive language in job adverts, ensuring pay transparency, limiting role criteria to essential requirements, and reducing bias through diverse interview panels and Diversity Recruitment Champions.

While these actions have strengthened gender balance at the recruitment stage, further progress relies on improving development, progression, and retention. Strengthening career pathways and enhancing flexible working support will help deliver long-term, sustainable improvements across the organisation.

4.3 Gender Quartiles

The 2024/25 quartile distribution shows positive progression in reducing gender imbalance across the pay structure. Female representation in the upper quartile increased from 28% to 34%, indicating greater participation of women in the highest-paid roles. At the same time, the proportion of women in the lowest quartile fell from 72% to 63%, reducing female concentration in lower-paid positions. While there was a slight decrease in female representation in the upper middle quartile, this was offset by a small rise in the lower-middle quartile. Overall, these shifts reflect a gradual rebalancing of gender distribution across the organisation, supporting the improvements seen in both the mean and median gender pay gaps.



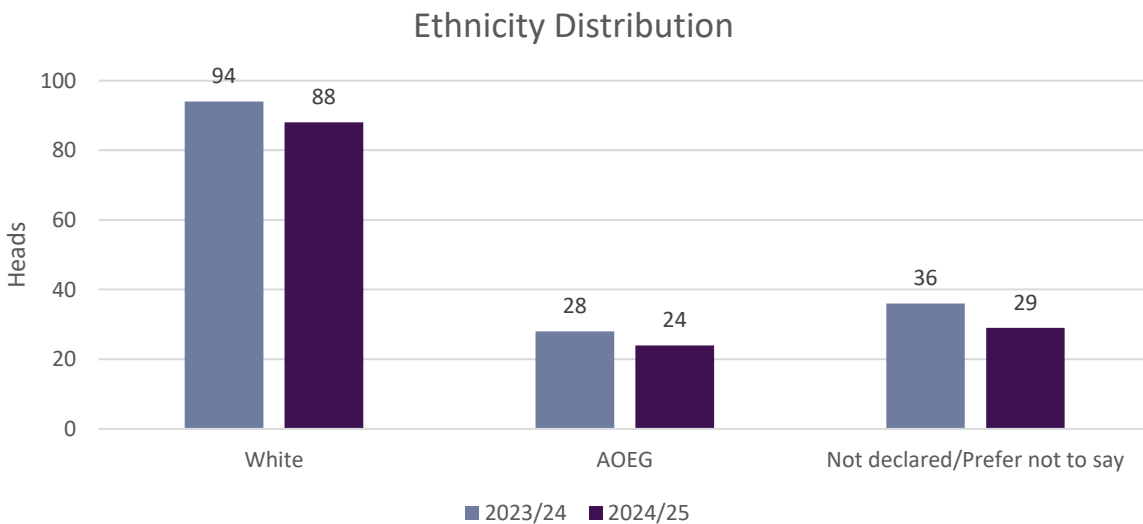
4.4 Bonus

No bonus payments were made to any employees during the reporting period. As a result, our bonus pay gap figures are reported as 0%.

5 Ethnicity pay gap

For the purposes of this report ‘Any Other Ethnic Group’ includes all employees who have declared their ethnicity as Black, Asian, Minority Ethnic or other.

5.1 Ethnicity distribution



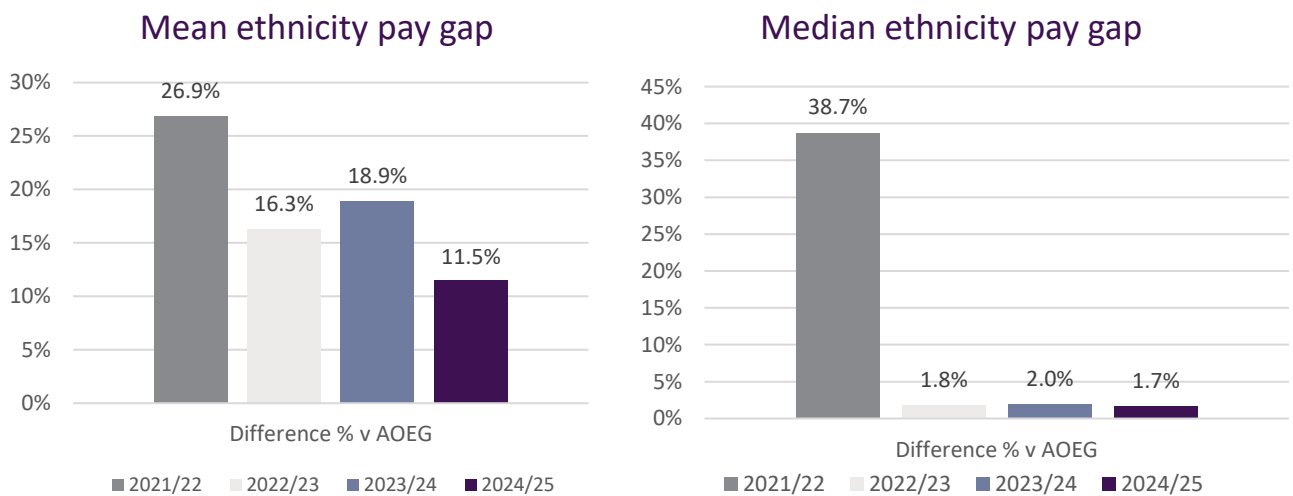
Between 2023/24 and 2024/25, overall workforce numbers decreased by approximately 11%, with reductions seen across all ethnicity categories. Despite this reduction, the proportion of White employees increased slightly (59.5% to 62.4%), while both AOEG representation (17.7% to 17.0%) and the Not Declared group (22.8% to 20.6%) saw small proportional declines. This indicates a



broadly stable workforce composition, though with a marginal shift towards a higher proportion of White colleagues. The largest proportional reduction occurred within the Not Declared category.

Although more colleagues have chosen to share their ethnicity compared with the previous year, there remains an opportunity to further encourage disclosure. Improving declaration rates will enable the Delivery Authority to build a more accurate understanding of its workforce demographics and enhance the quality of future reporting.

5.2 Ethnicity hourly pay gap



Across 2024/25, the organisation saw an improvement in ethnicity pay equity.

The mean ethnicity pay gap between White and AOE employees narrowed significantly, falling from 18.9% in 2023/24 to 11.5% in 2024/25. This reflects strong relative pay growth for AOE employees over the period.

Median pay metrics show smaller but steady progress. The median gap between White and AOE employees decreased from 2.0% to 1.7%, indicating modest improvement across the central pay distribution. However, the median variance between White and Not Declared employees widened from -0.04% to -7.24%, suggesting that employees who choose not to declare their ethnicity remain concentrated in higher-paid median roles.

Overall, percentage changes across both mean and median measures indicate tangible movement toward reducing ethnicity-related disparities, with the most substantial improvement seen in the mean pay gap.

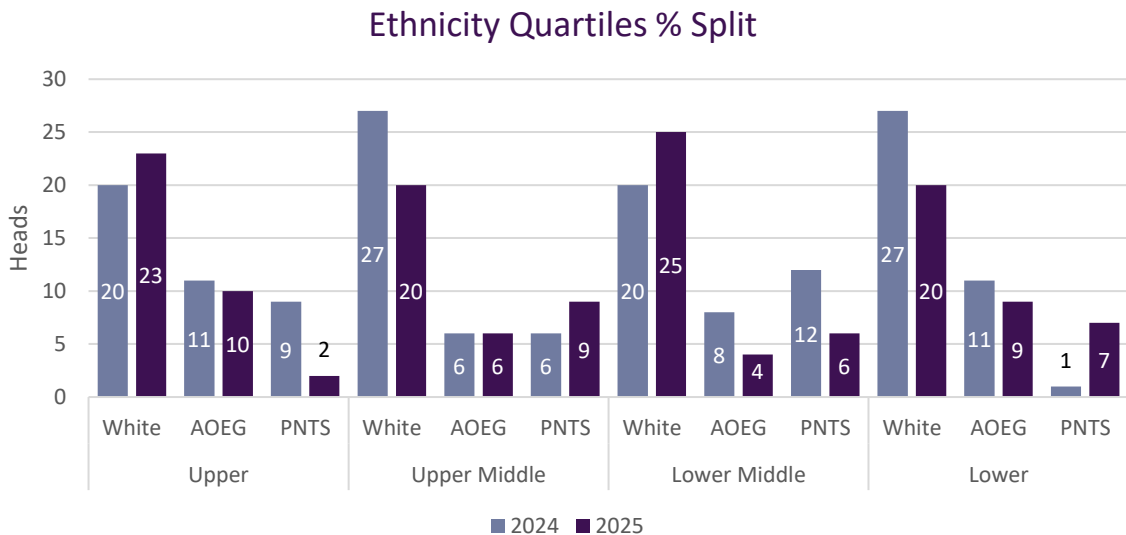


5.3 Ethnicity Quartiles

The quartile data shows that the ethnicity pay gap continues to be influenced by workforce distribution. AOEG colleagues remain more concentrated in the lower quartiles, while White colleagues are better represented in the upper quartile, where higher-paid roles sit. Although 2025 shows some improvement in AOEG representation at the upper levels, the overall pattern remains broadly unchanged.

PNTS rates also affect the clarity of the data. With nearly 30% of colleagues not declaring their ethnicity, variation in PNTS representation across quartiles may mask underlying trends and limit the precision of the analysis.

To address this, we will continue work to improve ethnicity declaration rates and strengthen recruitment and progression activity aimed at increasing AOEG representation across all grades within the Delivery Authority.



5.4 Ethnicity Bonus Gap

No bonus payments were made to any employees during the reporting period. As a result, our ethnicity bonus pay gap figures are reported as 0%.

6 Summary

Across 2025, wider labour-market trends continue to show that men are more likely than women to hold senior roles, and a similar pattern exists between White and AOEG populations. These trends are reflected within the Delivery Authority, where White men remain more represented in senior positions.



Ensuring colleagues are paid fairly and equitably for their role, skills, experience, and performance remains central to our reward approach. We review and challenge our job evaluation and reward frameworks on an ongoing basis to ensure they are applied consistently, and we remain confident that our pay gaps do not reflect an equal pay issue.

While we understand the workforce distribution patterns that contribute to our reported pay gaps, we remain concerned about the disparities. We are committed to taking meaningful action to reduce them. Our 2025 action plans focus on improving representation in senior roles, strengthening development and progression pathways, and building a more diverse talent pipeline, while continuing to appoint the best person for each role.

7 Limitations

Factors to be considered when interpreting the data:

- The Delivery Authority's relatively small workforce means year-to-year changes may appear more pronounced.
- Around 30% of colleagues remain PNTS, which limits the precision of ethnicity pay gap analysis.
- During the data collection period, the Delivery Authority was in the middle of a reorganisation. While this activity did not affect the calculation of the gender pay gap figures reported for the snapshot date, we are aware that this review may influence the distribution of roles and grades and therefore could have an impact on gender pay gap outcomes in the next reporting year.

8 Key Actions

We continue to take targeted action to reduce our pay gaps and strengthen gender and ethnicity diversity across the Delivery Authority. Our recruitment processes have been enhanced to attract diverse talent, with people managers trained in inclusive hiring practices and diversity monitored throughout the recruitment journey to identify and address any barriers.

We have also introduced a mentoring scheme to support development and progression. All new colleagues receive EDI awareness training, alongside equality analysis and active-bystander training to support an inclusive culture.

The Executive Committee remains committed to placing EDI at the centre of our approach and driving progress on reducing the gender and ethnicity pay gaps.