

Pay Gap Report: London & Partners

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Executive summary

At London & Partners (hereafter referred to as L&P), we are committed to fostering a fair, inclusive and transparent workplace. As part of our commitment to equity, we voluntarily report on our gender, ethnicity and disability pay gaps. This year's report provides our 2025 pay gap figures and outlines the steps we are taking to address disparities and ensure all our colleagues can thrive.

This report details our analysis and the actions we are taking to build a more equitable workplace.

We believe in transparency and accountability. Publishing our data annually enables us to:

- Evaluate progress
- Assess disproportionality
- Deliver tangible change

L&P recognises the GLA preferred terms for referencing the ethnicity of workforce. Throughout this report we are using the term Ethnic minority when referring to the following groups of workforce: Black, Asian, Minority Ethnic workforce; Asian or Asian British workforce; Black or Black British workforce; Mixed ethnicities workforce; Other Ethnic Group workforce.

The information has been calculated in accordance with the regulations and is legally compliant.

This is the third year we have produced a combined pay gap report which provides the following analysis:

- Ethnicity pay gap
- Disability pay gap
- Gender pay gap

In addition, this year where possible we have carried out intersectional analysis.

This report is consistent with our overarching objective and commitment to tackling inequalities and developing a workforce that is reflective of London's active working population. Salaries at L&P are determined through a role benchmarking scheme commissioned to an Independent Pay Consultancy. L&P sets salary as a median paying organisation within the Social Enterprise sector, comparing roles of equal weight to similar-sized organisations within London. The benchmarking exercise evaluates the role against other similar roles in the market and not the post holder. It makes no reference to any personal characteristics of existing or potential role holders.

The median pay gap is the difference between the median hourly pay of two groups of interest. This is calculated by looking at all hourly pay from lowest to highest, and identifying the median hourly pay for each group – this is the middle value of each group. This median avoids distortion from very high or low earners (e.g. executive or entry-level roles) and it gives a clear snapshot of the “typical” pay difference in the workforce.

The mean pay gap is the difference between the average hourly earnings of two groups of interest. It is the sum of all the numbers in each group divided by the number of people in that group.

Pay gap summary

Overall pay gap summary (hourly rate)

	Median pay gap (2025)	Median pay gap (2024)	Median pay gap percentage point change	Mean pay gap (2025)	Mean pay gap (2024)	Mean pay gap percentage point change
Ethnicity (Black, Asian and Ethnic minority)	-2.18%	3.43%	-5.61pp	-5.66%	-0.10%	-5.56pp
Disability	-3.42%	-2.01%	-1.41pp	-1.82%	0.00%	-1.82pp
Gender	6.09%	7.33%	-1.24pp	0.76%	1.90%	-1.14pp

The table shows both the pay gap analysis for three protected characteristics – race, gender and disability.

- Reference groups: White / non-disabled / men.
- Negative values (–) indicate the comparison group earns more than the reference group.
- Positive values (+) indicate the comparison group earns less than the reference group.
- pp = percentage points.

Data insights:

1. Ethnicity pay gap

- Median pay gap: improved from 3.43% in 2024 (Ethnic minority staff earning less than White staff) to -2.18% in 2025 (Ethnic minority staff earning slightly more).
- Mean pay gap: improved from -0.10% to -5.66%. Showing Ethnic minority staff on average now earn more than White staff.
- Both indicators are negative, reflecting progress in equitable pay practises and representation at senior role levels.
- Sustained monitoring is needed given the growing “not disclosed” group, which shows a persistent gap (earning less).

2. Disability pay gap

- Median pay gap: moved from -2.01% in 2024 to -3.42% in 2025, indicating disabled staff earn more than non-disabled staff at the midpoint.
- Mean pay gap: shifted from 0.00% in 2024 to -1.82% in 2025, showing disabled staff earning slightly more on average.
- Both mean and median pay gaps are small and negative, meaning disabled staff earn slightly more than non-disabled staff. However, given disclosure rates remain at 66%, the findings are being treated with caution.

3. Gender pay gap

- Median pay gap: narrowed from 7.33% to 6.09%, showing women continue to earn less than men but the gap is closing.

- Mean pay gap: decreased from 1.90% to 0.76%, both positive values, meaning men earn more on average, but the difference is reducing year on year.
- This suggests improved female representation in higher-paid roles, though disparities remain at the median level.
- The remaining gap likely reflects higher female representation in lower-paid roles.

The 2025 analysis shows an improvement in our Ethnicity pay gap, with both median and mean gaps now favouring employees from Black, Asian and Ethnic minority backgrounds. This indicates progress in representation and equitable pay practices.

The disability pay gap remains small and in favour of disabled staff at both the median and mean levels. Given lower disclosure rates, these results should be treated cautiously, but they suggest that pay parity is broadly being achieved.

The gender pay gap has continued to narrow. Both the median and mean gaps narrowed by roughly 0.1pp. Further efforts are required to close the gap completely and ensure equity across all pay bands and seniority levels.

In 2024, L&P provided a breakdown of ethnicity data, categorising it into five ethnic groups for the first time. As a result, where year-on-year comparisons are required, the data has been grouped into just three ethnic categories to align with previous years' reporting. This enhanced granularity has meant that in some cases, subgroup sizes fell below five individuals, which does not meet the minimum reporting threshold.

This was also the first year that disability data was disaggregated into three categories: disabled, non-disabled and not disclosed. In previous years, data was grouped by only two categories: non-disabled and not declared. This additional disaggregation has enabled us to more accurately identify the non-disabled (declared) group, resulting in noticeable changes in percentage point difference when comparing year-on-year data.

It's important to note that L&P does not operate a formal grading structure. Instead, pay quarterlies are used to group employees into four evenly sized salary bands, which are not based on the GLA's grading system. As a result, salary groupings may vary slightly year on year.

L&P also does not use a formal role evaluation system. Instead, roles are benchmarked externally against comparable roles in similarly sized social enterprise organisations across London. Salaries are then set at the median pay point based on this benchmarking.

To protect individual confidentiality, any group with fewer than five individuals has been redacted for consistency where applicable.

Workforce

There has been a growth year on year (YoY) in the number of employees employed by L&P.

In 2022-2023, there were 164 workforce employed in the UK.

In 2023-2024 (established 31 March 2024), there were a total of 232 workforce employed in the organisation, a **41% increase** in workforce, which is a substantial number.

In 2024-2025 (established 31 March 2025), there are a total of 262 workforce employed in the organisation, a **12.9% increase** of workforce as expected with growth in the organisation.

- YoY change = the difference in the number of staff between 2024 and 2025.
- YoY pp change = the change in workforce share (percentage points) compared with 2024.
- Negative values (–) mean a decrease in representation.
- Positive values (+) mean an increase in representation.

Workforce disclosure by protected characteristics (2024-2025)

Characteristics	Disclosure	2024	2024 %	2025	2025 %	YoY Change	YoY PP Change
Ethnicity	White	123	53.0%	130	49.6%	7	-3.4
	Black, Asian, Mixed, other	40	17.2%	42	16.0%	2	-1.2
	Not disclosed	69	29.7%	90	34.4%	21	4.7
Disability	Non-disabled	153	66.0%	161	61.5%	8	-4.5
	Disabled	11	4.7%	12	4.6%	1	-0.1
	Not disclosed	68	29.3%	89	34.0%	21	4.7
Gender	Male	82	35.0%	90	34.4%	8	-0.6
	Female	150	65.0%	172	65.6%	22	0.6
	Not disclosed	0	0.0%	0	0.0%	0	0.0

Ethnicity breakdown of workforce (2024-2025)

Ethnicity	2024	2024%	2025	2025%	YOY Change	YOY PP Change
White	123	53.0%	130	49.6%	7	-3.4
Asian or Asian British	18	7.8%	23	8.8%	5	1.0
Black or Black British	11	4.7%	9	3.4%	-2	-1.3
Mixed	11	4.7%	10	3.8%	-1	-0.9
Not disclosed	69	29.7%	90	34.4%	21	4.7

While overall headcount has grown, proportional representation shifts show some groups increasing in absolute numbers but losing share (e.g. White staff, men, non-disabled staff). At the same time, the “not disclosed” categories for both ethnicity and disability rose sharply (21 staff each, 4.7pp), which reduces the reliability of representation and pay gap analysis. Improving disclosure rates remains a priority to ensure accurate insight.

Ethnicity key findings

Ethnicity pay gap

- **Disclosure rates: why it matters**
 - The ethnicity pay gap analysis for 2025 is based on a **disclosure rate of 65.65%**.
 - Of the disclosed, 130 (49.6%) are White and 42 (16%) are from an Ethnic minority.
 - While this is a reasonable number for data purposes, it does set the context for data reliability – including blind spots.
 - There is an organisational effort required to increase EDI declaration and literacy by linking the disclosure to meaningful EDI action.
- **Hidden disadvantage: shift in median pay**
 - The median pay gap for disclosed Black, Asian and Minority Ethnic workforce **has improved, shifting from 3.43% in 2024** (Ethnic minority staff earning less than White staff) **to -2.18% in 2025** (Ethnic minority staff earning slightly more).
 - However, the **large negative pay gap for the non-disclosed group** indicates that individuals who do not disclose their ethnicity may be disproportionately represented in lower-paid roles. This highlights systemic issues not visible through headline statistics, including blind spots, hidden inequality and data skewing.
 - While the improvement in the disclosed ethnicity pay gap is encouraging, the non-disclosed result underlines the need to increase disclosure rates to improve accuracy and understand patterns of non-disclosure, including how role level and distribution contribute to persistent gaps.
- **Strategic shift: mean pay gap**
 - The mean pay gap for disclosed workforce has shifted **in favour of Ethnic minority** employees, moving from -0.10% in 2024 (near parity) to -5.66% in 2025. This suggests that on average, Ethnic minority employees who disclose their ethnicity are now earning more than their White counterparts.
 - However, the non-disclosed group shows a larger and worsening mean gap, indicating they are consistently earning less than White employees.
 - This may suggest a concentration of non-disclosed employees in lower-paid roles or discomfort around disclosing ethnicity – both of which point to potential **hidden inequity**.
 - While the improvement in the mean pay gap is encouraging, it does reinforce the need to improve disclosure rates to ensure equity is achieved for all ethnicities.

Disability key findings

Disability pay gap

- **Disclosure rate: sets the data foundation**
 - The disability pay gap analysis for 2025 is based on a disclosure rate of 66.1%.
 - Of the disclosed group, 161 (61.5%) are non-disabled and 12 (4.6%) are disabled.
 - Increasing declaration is essential to improve data quality, accuracy and actionability.
 - 2024 was the first year we have been able to differentiate between declarations of “non-disabled” and “not disclosed”, which should improve accuracy going forward.
- **Widening in “not disclosed”**
 - The non-disclosed group continues to show the largest negative median pay gap.

- This may indicate individuals who do not disclose their disability are disproportionately represented in lower-paid roles or less comfortable disclosing due to concerns about bias.
- Increasing disclosure and exploring role level and job function among non-disclosed staff will help to better understand the gap's causes.
- **Median pay gap widened slightly**
 - The median pay gap for disclosed disabled employees has widened slightly, from -2.01% in 2024 to -3.42% in 2025.
 - Both figures are negative, meaning disabled staff earn marginally more than non-disabled staff at the midpoint.
- **Mean pay gap has widened**
 - The mean pay gap has widened from 0.00% in 2024 to -1.82% in 2025, with disabled employees now earning slightly more on average than non-disabled employees.

Gender key findings

Gender pay gap

- **Full disclosure rate**
 - The gender pay gap analysis for 2025 is based on a **disclosure rate of 100%**.
 - Gender representation is 172 female (65.6%) and 90 male (34.4%).
- **Median gender pay gap is narrowing**
 - The median gender pay gap has decreased from 7.33% in 2024 to 6.09% in 2025 (-1.24pp).
 - This is a positive indicator of progress towards midpoint pay equity.
 - There is still room for improvement, as men continue to earn more than women at the median.
- **Female pay is increasing slightly faster**
 - Female median hourly pay increased from £23.12 to £24.05 (↑4.1%), compared with male pay growth (↑2.6%).
 - Female representation also increased by 1.4pp, now making up 65.6% of the workforce.
- **Mean gender pay gap is also narrowing**
 - The mean gender pay gap reduced from 1.90% in 2024 to 0.76% in 2025 (-1.14pp).
 - This suggests progress towards parity, with women earning closer to men on average.
 - Monitoring pay gaps by grade level will be important to ensure progress continues, as disparities remain most evident at senior levels.

Next steps

Tackling our pay gaps remains a key priority within our corporate Equality, Diversity and Inclusion (EDI) theme, which is a key focus of the L&P People Strategy. Our EDI Action Plan supports this strategy and is reviewed annually in response to our latest pay gap data. We do this to ensure it continues to have meaningful impact and uphold the integrity of our commitment.

We are committed to building on the progress we've made by continuing actions that drive real impact – particularly by ensuring inclusive recruitment and that the workforce at all levels reflects the diversity of London's population.

The action plan attached to this report outlines the steps we will take in response to the latest data, alongside ongoing actions already in place to drive continuous improvement.

Introduction

Background and supplementary data

London & Partners (L&P) is committed to fostering a working environment that provides equal opportunity and is free from discrimination. We promote equality regardless of race (including colour, nationality and ethnic or national origin), religion, sex, sexual orientation, age, gender reassignment, marriage and civil partnership, pregnancy and maternity, or disability.

We are equally committed to building a workforce that reflects the diversity of London's population. Our Equality, Diversity and Inclusion (EDI) policy underpins this commitment by ensuring compliance with equal opportunities legislation and recognised best practice. The policy supports our ambition to embed diversity and inclusion into our organisational culture, processes and values.

We believe that a diverse workforce and inclusive culture lead to:

- Broader perspectives and better decision-making
- Enhanced quality of service
- Improved outcomes for London and Londoners

Our priorities are inclusiveness, fairness and dignity, and creating a workplace free from discrimination.

All job applicants are invited to complete an anonymous and voluntary Equal Opportunities Monitoring Form. This helps us understand:

- Ethnic diversity of applicants relative to the wider population
- Effectiveness in attracting underrepresented talent
- Gender balance in recruitment
- Age diversity within applicant pools

This data enables us to identify underrepresentation and seek new approaches to improve inclusion. All information is processed in accordance with GDPR.

We are committed to ensuring:

- No one is disadvantaged during recruitment or selection
- Everyone can succeed in their role with appropriate support and adjustments

Through this framework, we aim to ensure equal access to opportunities in recruitment, training, and progression – regardless of work pattern or contract type.

Supplementary analysis and benchmarking

Once employees have joined L&P, they are encouraged to update their EDI data through self-service in our HR system. This helps improve the quality of our reporting and better informs action.

L&P uses external benchmarking to determine salary levels, working with Inbucon to ensure fairness across similarly sized organisations. Salaries are typically set at the market median for equivalent roles.

Intersectional pay gap analysis

To better understand the intersection of characteristics and pay, we have conducted additional analysis across the following groups:

1. Ethnicity and gender:

- Female / Black / White hourly pay
- Male / Black / White hourly pay
- Pay gap comparisons

2. Disability and ethnicity:

- Disabled / Black / White hourly pay
- Non-disabled / Black / White hourly pay
- Pay gap comparisons

3. Disability and gender:

- Disabled / male / female hourly pay
- Non-disabled / male / female hourly pay
- Pay gap comparisons

To maintain confidentiality, where fewer than five individuals exist in each group, the number is redacted and replaced with “<5”. This has also been applied retrospectively for consistency.

Methodology

The pay gap is a measure of the difference in average earnings between two workforce groups. There are two types of pay gaps reported in this analysis:

- **Median pay gap:** the difference between the midpoints (medians) of hourly earnings for each group. Salaries are lined up from lowest to highest, and the middle value is used for comparison.
- **Mean pay gap:** the difference between the average hourly earnings of each group.

The pay gap is calculated using the following standard formula, in line with government guidance:

$$\text{Pay Gap (\%)} = \frac{(A - B)}{A} \times 100$$

Where:

Variable	Description
A	Mean or median hourly pay of the reference group (eg White employees, non-disabled employees or men)
B	Mean or median hourly pay of the comparison group (eg Ethnic minority employees, disabled employees or women)

Pay gap calculation groups

Pay gap type	A (reference group)	B (comparison group)
Ethnicity pay gap	White workforce	- Black, Asian and Minority Ethnic workforce - Asian or Asian British workforce - Black or Black British workforce - Mixed ethnicity workforce
Disability pay gap	Non-disabled workforce	Disabled workforce
Gender pay gap	Men	Women

This approach ensures that pay gaps are consistently measured and comparable across all workforce groups.

- A **positive percentage** indicates that the comparison group earns less than the reference group.
- A **negative percentage** indicates the comparison group earns more.

Date of reporting

As a public sector body, the snapshot date for gender pay gap data collection is 31 March each year. For consistency, the ethnicity and disability pay gap data are also collected on this date. This report is therefore based on our pay gaps on 31 March 2025.

Disclosure rates

On 31 March 2025, we had 262 employees. The numbers of workforce included in the pay gap reporting exercise were as follows:

- Ethnicity pay gap: 172 (disclosure rate 65.65%)
- Disability pay gap: 97 (disclosure rate 66.1%: 12 disabled; 161 non-disabled)
- Gender pay gap: 262 (disclosure rate 100%)

We are a single status organisation and do not have different workforce groups. Board members are excluded from this pay gap analysis, along with volunteers and agency workforce.

Data collection

Everyone who applies for a role within the organisation is given the option to complete an

Equal Opportunities Monitoring Form. Upon successful recruitment, they are provided with a further opportunity to complete their EDI data. Once they have commenced employment, they can complete or update their data on ethnicity, disability and gender via self-declaring on our internal HR system. We collected the up-to-date (at 31 March 2025) workforce data from the HR system to complete this pay gap analysis.

Our Black, Asian and Minority Ethnic group includes all workforce who have self-identified as Black, Asian, of mixed ethnic backgrounds or of other ethnic backgrounds. Workforce can select their ethnic group from a more detailed list.

As “disability status” is simply self-declared, we do not ask for further details.

Next steps

All next steps are being captured under the relevant section and action plan at the end of this report.

Pay gaps

Overall

In this report, we compare the overall ethnicity pay gap between Black, Asian and Minority Ethnic workforce and White workforce, taken as a whole. There is further analysis by separate groups (Asian or Asian British; Black or Black British; workforce with a mixed ethnic background; and workforce from other ethnic groups), where numbers allow. The White group includes White British, White Irish and White other.

On 31 March 2025, our overall median ethnicity pay gap was -2.18% (indicating Ethnic minority staff earn more than White staff) and our mean ethnicity pay gap was -5.66%.

Ethnicity workforce representation and pay gap comparison (2024-2025)

Ethnicity	Workforce (%)		Mean pay gap		Median pay gap	
	2025	2024	2025	2024	2025	2024
White	130 (49.6%)	123 (53%)	-	-	-	-
Ethnic minority	42 (16%)	40 (17%)	-5.66%	-0.10%	-2.18%	3.4%
Not disclosed	90 (34.4%)	69 (30%)	32.6%	26.4%	22.1%	22.9%

Insights

- The total UK workforce increased from 232 in 2024 to 262 in 2025, which represents a 12.9% growth.
- Apparent stability in diversity composition should be interpreted cautiously, as 21 of the 30 new joiners did not disclose their ethnicity, suggesting a need for more targeted and inclusive recruitment efforts.
- The proportion of White and Ethnic minority workforce has shifted only slightly. White representation decreased from 53% to 49.6%. Ethnic minority representation remained stable from 17% to 16%.
- The number of “not disclosed” entries increased notably, with 21 of the 30 new joiners not sharing their ethnicity. This group now makes up more than a third (34.4%) of the 2025 workforce and 10% of the total increase.
- The ethnicity pay gap has shifted in favour of Ethnic minority staff, with the median pay gap improving to -2.18%. The mean pay gap shifted to -5.66%, suggesting stronger average pay.
- There is a large pay gap for the non-disclosed group, earning less than those who have disclosed, suggesting a potential correlation between non-disclosure and lower-grade roles.

Changes in the workforce composition and ethnicity hourly pay (2024 v 2025)

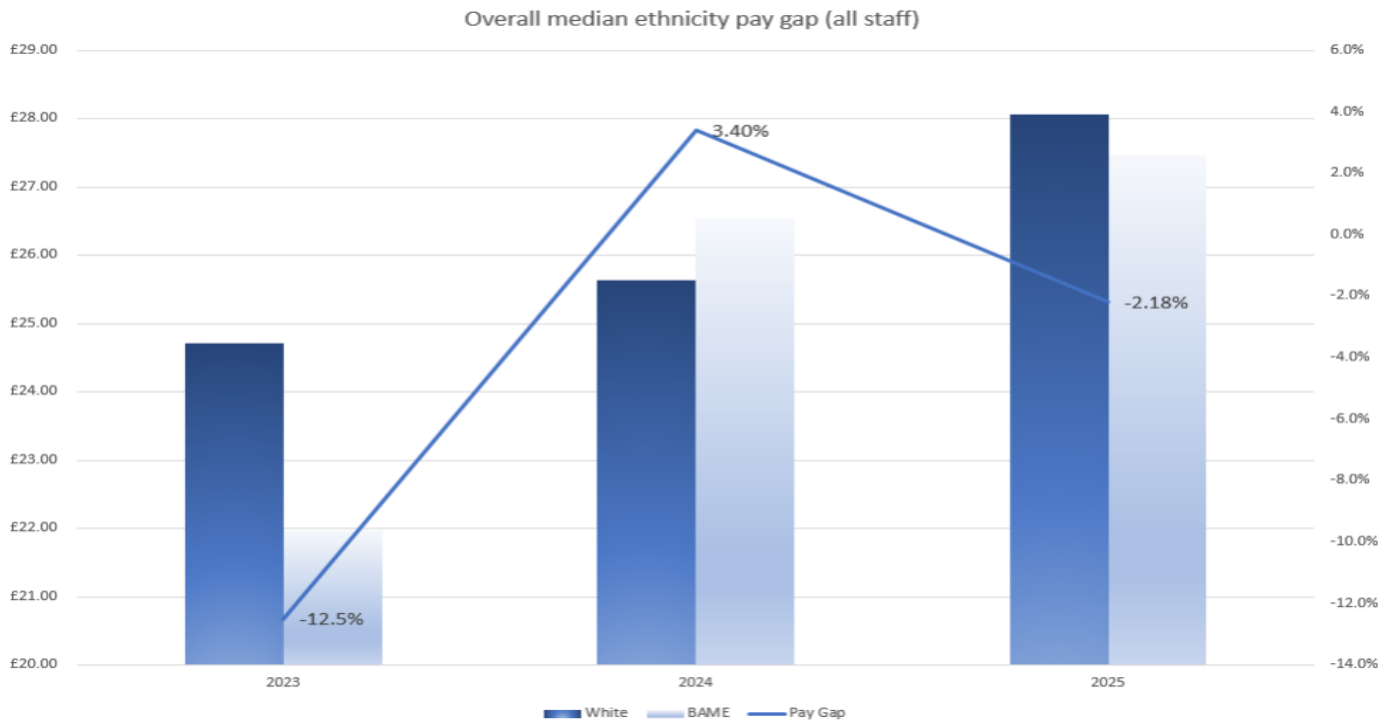
Ethnicity	Workforce (%)		Mean hourly pay		Median hourly pay	
	2025	2024	2025	2024	2025	2024
White	130 (50%)	123 (53%)	£30.79	£29.02	£28.07	£25.64
Ethnic minority	42 (16%)	40 (17%)	£29.14	£28.98	£27.47	£26.55
Not disclosed	90 (34%)	69 (30%)	£23.22	£22.96	£22.99	£20.87

Hourly pay analysis by ethnicity (2024 v 2025)

- Overall pay has increased across all the groups in hourly pay from 2024 to 2025, indicating positive movement in pay.
 - White mean increased by £1.77, median by £2.43.
 - Ethnic minority mean increased by £0.16, median by £0.92.
 - Not-disclosed mean increased by £0.26, median by £2.12.
- Mean and median hourly rates for Ethnic minority workforce remain slightly below White workforce, but the gap has narrowed.
 - This supports the earlier finding that the ethnicity pay gap has shifted in favour of Ethnic minority staff (-2.18% median, -5.66% mean), though difference in hourly pay remain relatively small.
 - These small differences suggest pay equity is improving between White and Ethnic minority workforce.
- Not-disclosed workforce is earning less than other groups.
 - 2025 mean: £7.57 lower than White.
 - 2025 median: £5.08 lower than White.

- Indicates a possible link between non-disclosure and overrepresentation in lower-paid roles.
 - 34% of workforce did not disclose ethnicity in 2025 (up from 30% in 2024).
 - This limits the reliability of the pay gap data and highlights the need for ongoing focus on trust and inclusive disclosure.

Median pay gap movement between ethnic groups (2023 to 2025)



Median ethnicity pay gap trends 2023-2025

- **The pay gap has changed over time**
 - 2023: the graph shows a pay gap of -12.5%, meaning Ethnic minority staff earned more than White staff at the median.
 - 2024: the gap shifted to 3.4%, meaning Ethnic minority staff earned less than White staff.
 - 2025: the pay gap has moved back to -2.18%, meaning Ethnic minority staff earned more.
 - Given the high non-disclosure rate and small Ethnic minority sample (n = 42), year-on-year figures should be treated as indicative only.
- **Steady increase in median pay for all groups**
 - Median hourly pay has risen each year for both Ethnic minority and White workforce.
 - This is a positive indicator of general pay progression across the organisation.
- **The gap is narrowing compared to 2023**
 - While the pay gap in 2025 is -2.18%, it is smaller than -12.5% in 2023, meaning Ethnic minority staff are still earning more, but the margin has reduced.
 - This shows apparent improvement, though limited reliability.
 - **The data is sensitive** to small changes in workforce composition or role types.
 - High variability could be influenced by a small number of high/low earners joining or leaving and concentration of Ethnic minority workforce in specific roles or levels.

Full-time/part-time status

Median ethnicity pay gap by working status (2025)

Ethnicity	Workforce (%)		Median hourly pay		Median pay gap	
	Full time	Part time	Full time	Part time	Full time	Part time
White	125	5	£28.07	£27.47	-	-
Ethnic minority	42	0	£27.47	-	2.14%	-
Not disclosed	90	0	£22.99	-	18.1%	-

Median ethnicity pay gap by working status (2025)

Ethnicity	Workforce (%)		Mean hourly pay		Mean pay gap	
	Full time	Part time	Full time	Part time	Full time	Part time
White	125	5	£30.72	£32.68	-	-
Ethnic minority	42	0	£29.14	-	5.14%	-
Not disclosed	90	0	£23.22	-	24.4%	-

Insights from full-time/part-time ethnicity pay data

The workforce is predominantly full-time

- Out of 262 staff, only five are part-time, and all are White.
- This limits comparative analysis and may indicate a lack of part-time flexibility or uptake among ethnically diverse staff.
- No part-time staff identified as Ethnic minority or not disclosed, so pay gap insights are currently limited to full-time staff only.

Pay gap for full-time staff differs from the overall picture

- Among full-time employees only, Ethnic minority staff earn 2.14% less at the median and 5.14% less at the mean than White staff.
- This contrasts with the overall workforce (-2.18% median, -5.66% mean), where Ethnic minority staff earn slightly more than White staff.
- The difference arises because all five part-time staff are White, with lower median hourly pay (£27.47), which reduces White averages in the overall figures and makes the total workforce gap appear in favour of Ethnic minority staff.

Not-disclosed group continues to show the largest gap

- Median pay gap of 18.1% and mean gap of 24.4% compared with White staff.
- This group is likely overrepresented in lower-paid roles, indicating a persistent risk of inequality.
- Improving disclosure will be key to producing more reliable ethnicity pay gap analysis.

Earning quartile

Analysing by earnings quartile involves dividing our workforce into four equal-sized groups and separating them according to the hourly pay rate. This starts from the lowest paid to the highest paid.

We can then analyse the pay gaps within these four groups, by both a median and a mean average analysis.

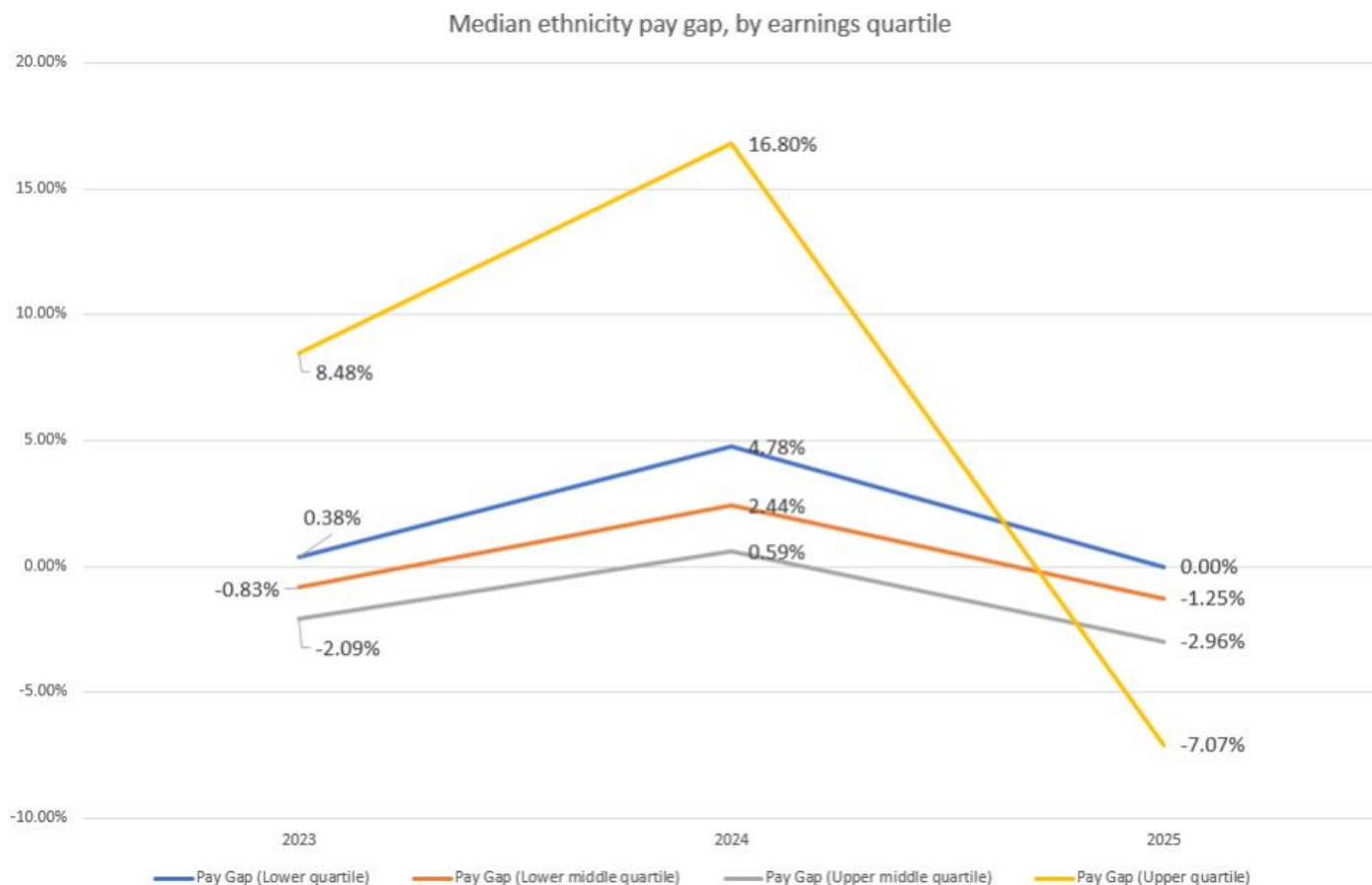
Median ethnicity pay gap by earnings quartile (2025)

Quartile median hourly pay								
	Lower		Lower middle		Upper middle		Upper	
	Hourly rate	Pay gap	Hourly rate	Pay gap	Hourly rate	Pay gap	Hourly rate	Pay gap
White	£17.29	-	£22.73	-	£28.55	-	£38.93	-
Ethnic minority	£17.29	0%	£22.45	1.23%	£27.73	2.87%	£36.36	6.6%
Not disclosed	£17.29	0%	£23.59	-3.78%	£26.79	6.17%	£34.67	10.93%

Quartile insights: ethnicity pay gaps

- While pay is equitable in the lowest quartile, ethnicity pay gaps increase steadily with seniority, particularly for the not-disclosed group. This underlines the importance of focusing on representation, progression and disclosure confidence at L&P.
 - Lower quartile: **median pay is equal across all ethnic groups (£17.29)**, with no pay gap at entry-level pay. Equal lower-quartile rates reflect strong clustering around entry-level pay points.
 - Lower middle quartile: **Ethnic minority staff earn 1.23% less than their White counterparts**. Interestingly, the not-disclosed group earns -3.78%, showing a small reverse gap in this quartile.
 - Upper middle quartile: the pay gap widens, with **Ethnic minority workforce earning 2.87% less than White staff**, and the not-disclosed group earning 6.17% less.
 - Upper quartile: the largest gaps appear. **Ethnic minority staff earn 6.6% less**, and the not-disclosed group **10.93% less** than White staff.
 - This pattern suggests that while overall pay equity between ethnic groups has improved, underrepresentation and pay disparity persist anywhere above the median (and for disclosed staff, lower middle quartile too) to the highest levels of the organisation, particularly for Ethnic minority staff and those unwilling or unable to disclose their ethnicity.

Changes in median ethnicity pay gap by quartile (2023-2025)



Year-on-year insights by quartile

- **Pay parity achieved in the lowest quartile** – a positive sign of inclusive practices at entry levels, with the 2025 data showing no gap (0%).
- Lower middle and upper middle quartiles – both continue to show modest gaps favouring White staff, but these have declined since 2024, suggesting progress towards equity.
- **Upper quartile showing the most volatility** – the most significant fluctuations are in the upper quartile, shifting from a large gap favouring White staff (16.8% in 2024) to a reverse gap favouring Ethnic minority staff (-7.07% in 2025). This reflects high sensitivity to structural change and workforce movements at senior levels.
- **Data sensitivity** – year-on-year fluctuations, especially in higher quartiles, highlight that the pay gap is highly **sensitive to workforce composition**, particularly in smaller teams and at senior grades.

Mean ethnicity pay gap by earnings quartile (2025)

Quartile mean hourly pay								
	Lower		Lower middle		Upper middle		Upper	
	Hourly rate	Pay gap	Hourly rate	Pay gap	Hourly rate	Pay gap	Hourly rate	Pay gap
White	£17.75	-	£22.24	-	£28.88	-	£43.93	-
Ethnic minority	£18.09	-1.92%	£22.42	-0.81%	£28.16	2.49%	£43.90	0.07%
Not disclosed	£18.30	-3.10%	£22.84	-2.70%	£27.10	6.17%	£36.31	17.35%

Quartile analysis: mean ethnicity pay gaps

- Lower quartile: Ethnic minority staff earn -1.92% more than White staff, and the not-disclosed group earn -3.10% more. This shows a **small reverse gap at entry level**, suggesting strong equity.
- Lower middle quartile: Ethnic minority staff earn -0.81% more than White staff and the not-disclosed group earn -2.70% more. Again, this **indicates slightly stronger pay at this level** for these groups compared to White staff.
- Upper middle quartile: indicate **potential issues with pay progression or representation** at mid-senior levels. Ethnic minority staff earn 2.49% less than White staff, while the not-disclosed group earn 6.17% less.
- Upper quartile: Ethnic minority staff are almost at parity (-0.07%) with White staff. But the **not-disclosed group earn 17.35% less** – the largest gap across all quartiles, reinforcing a trend seen in other areas they may be concentrated in lower-paid roles.

Pay bands

L&P does not use formal internal pay bands; any band references are analytical groupings, not official grades.

Bonus payments

L&P does not pay bonuses and there is therefore nothing to report.

Intersectional analysis

This is the first year that we at L&P have carried out intersectional analysis, comparing the different ethnicity groups with the disability status groups. As such, there is no year-on-year comparison that can be made.

We use an intersectional approach in this report, to show how identities can overlap, which can sometimes create compounding experiences of disadvantage. This section looks at pay gaps by:

- Gender and ethnicity
- Ethnicity and disability

Gender and ethnicity

For 2025, the overall median ethnicity pay gap is -2.18% (indicating ethnic minority staff earn more than White staff). The table below shows that the pay gap differs by ethnicity and by gender. The table shows a larger pay gap for Black or Black British males.

Median pay gap by ethnicity and gender (2025)				
	Male		Female	
	Hourly rate	Pay gap	Hourly rate	Pay gap
White	£28.63	0.00%	£27.59	0.00%
Asian or Asian British	£28.07	1.96%	£27.21	1.38%
Black or Black British	£22.45	21.63%	£22.45	18.65%
Mixed	£32.56	-13.73%	£26.67	3.34%
Not disclosed	£22.99	19.70%	£22.39	18.83%

Insights

- Asian or Asian British staff: both males (1.96%) and females (1.38%) earn slightly less than White counterparts, showing near parity overall.
- Black or Black British staff: both males (21.63%) and females (+18.65%) earn significantly less than White counterparts. This represents one of the widest gaps across groups.
- Mixed ethnicity staff: males earn -13.73% more than White males, while females earn 3.34% less than White females, which shows a stark gender divergence within this group.
- Not-disclosed staff: both males (19.70%) and females (18.83%) earn substantially less than White staff, which is consistent with earlier findings that non-disclosure is correlated with disadvantage.
- Intersectional analysis highlights that while Asian staff are close to parity, Black and not-disclosed groups face the largest disadvantages, and Mixed ethnicity females are worse off despite males in the same group earning more. This underlines the need to address both ethnicity and gender dimensions together when tackling pay equity.

Mean pay gap by ethnicity and gender (2025)				
	Male		Female	
	Hourly rate	Pay gap	Hourly rate	Pay gap
White	£30.01	-	£31.14	-
Asian or Asian British	£38.14	-27.13%	£26.31	15.54%
Black or Black British	£22.60	24.69%	£25.11	19.37%
Mixed	£32.89	-9.60%	£31.59	-1.44%
Not disclosed	£23.45	21.83%	£23.06	25.96%

Insights

- Asian or Asian British males earn significantly more on average than White males (-27.13% gap), while Asian females earn less than White females (15.54%), highlighting a clear gendered imbalance within the same ethnic group.
- Black or Black British staff (both male and female) earn less than White staff on average, with gaps of 24.60% (male) and 19.37% (female).

- Mixed ethnicity staff show a different pattern: males earn more than White males (-9.60%), whereas females are close to parity with White females (-1.44%).
- Not-disclosed staff show the largest gaps, with males and females both earning substantially less than White staff (21.83% and 25.96%), reinforcing earlier findings that non-disclosure is linked to overrepresentation in lower-paid roles.
- Overall, this analysis shows that gender interacts strongly with ethnicity in shaping pay outcomes. In some groups (e.g. Asian), males are paid considerably more while females are paid less, suggesting structural imbalances.

Disability and ethnicity

Median pay gap by ethnicity and disability status (2025)

	Non-disabled		Disabled		Not disclosed	
	Hourly rate	Pay gap	Hourly rate	Pay gap	Hourly rate	Pay gap
White	£28.07	-	£23.65		£30.36	-
Asian or Asian British	£22.61	19.5%	£30.16	-27.5%	£27.47	9.5%
Black or Black British	£22.45	20.0%	£27.47	-16.1%	£22.48	26.0%
Mixed	£22.73	19.0%	£30.16	-27.5%	£30.16	0.7%
Not disclosed	£25.77	8.2%	-	-	£22.48	26.1%

Insights (Findings should be interpreted cautiously due to small sample sizes)

- Among the non-disabled workforce, all minority groups earn less than White staff: Asian/Asian British (19.5% less), Black/Black British (20.0% less), Mixed ethnicity (19.0% less) and not disclosed (8.2% less).
- Within the disabled workforce, Ethnic minority staff earn more than White disabled staff: Asian/Asian British (-27.5%), Black/Black British (-16.1%) and Mixed ethnicity (-27.5%). This suggests White disabled staff are more concentrated in lower-paid roles, or ethnic minority disabled staff are represented more strongly in higher-paid roles.
- For the not-disclosed disability group, pay gaps vary widely: Asian/Asian British (9.5% less), Black/Black British (26.0% less), Mixed ethnicity (0.7% less) and not disclosed (26.1% less).
- Overall, the findings suggest that disabled ethnic minority staff fare better than White disabled peers, while non-disabled Ethnic minority staff remain disadvantaged compared with White non-disabled peers.
- High gaps among the not-disclosed group highlight the importance of improving disclosure rates to enable reliable analysis and targeted interventions.

Mean pay gap by ethnicity and disability status (2025)

	Non-disabled		Disabled		Not disclosed	
	Hourly rate	Pay gap	Hourly rate	Pay gap	Hourly rate	Pay gap
White	£31.04	-	£27.45	-	£36.36	-
Asian or Asian British	£30.02	3.29%	£27.45	11.57%	-	-
Black or Black British	£24.00	22.69%	-	-	-	-
Mixed	£31.49	-1.45%	£27.47	11.51%	-	-
Not disclosed	£25.38	18.25%	£23.06	25%	-	-

Insights

Non-disabled staff:

- Asian/Asian British staff earn slightly less than White staff, with a pay gap of 3.29%.
- Black or Black British staff show the largest gap at 22.69%, reflecting significantly lower average hourly pay compared to White staff.
- Mixed ethnicity staff have near-parity, earning -1.45% more than White staff.
- Not-disclosed staff earn 18.25% less than White staff, again indicating possible concentration in lower-paid roles.

Disabled staff:

- On average, disabled staff earn 11.57% less than non-disabled staff.
- Disabled staff who did not disclose their ethnicity earn 25% less than non-disabled staff, highlighting a substantial disparity within this group.

Workforce composition

Ethnicity	Number of workforce
White	130 (49.6%)
Black, Asian, Mixed, other	42 (16%)
Not disclosed	90 (34.4%)

Insights

- White staff make up the largest proportion of the workforce (49.6%), just under half.
- Ethnic minority staff represent 16%, significantly lower than London's working population benchmark of more than 40%.
- Not disclosed has risen notably, now at 34.4% of staff (90 people), driven mainly by new joiners.
- High proportion of non-disclosure reduced confidence in representativeness of ethnicity data and remains a barrier to fully understanding workforce diversity.
- Encouraging and building trust in disclosure is a priority for improving future reporting accuracy.

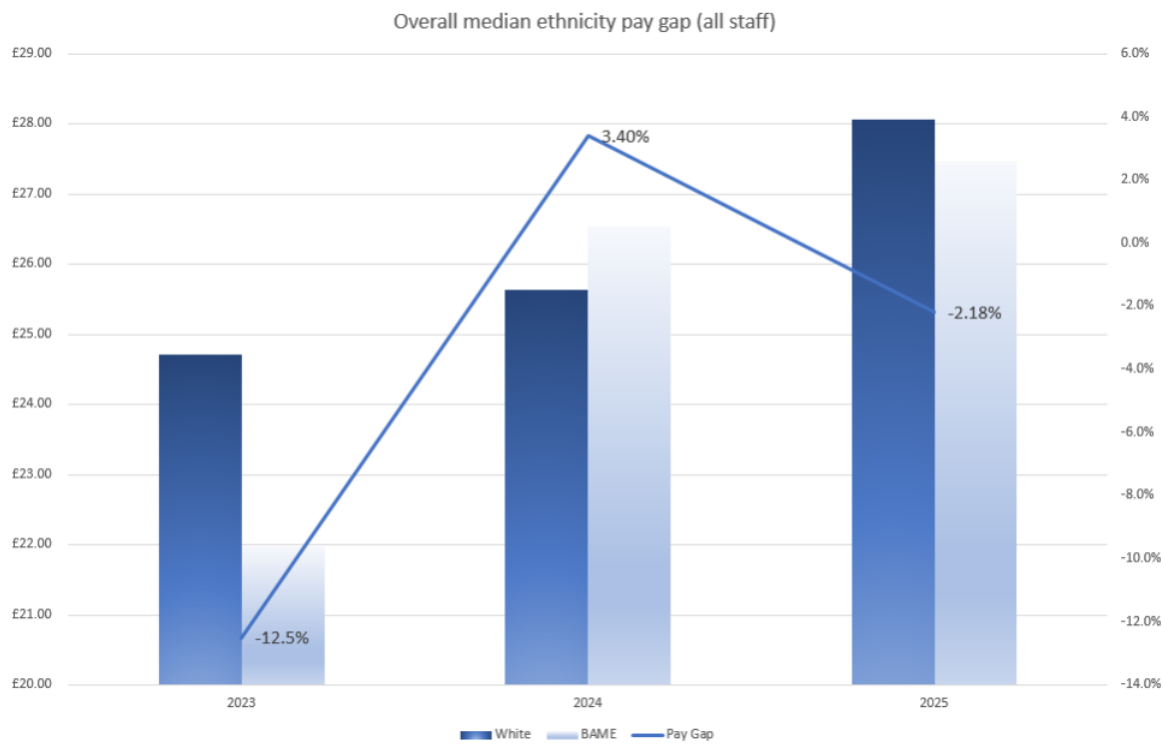
Conclusion

Ethnicity pay gap insights: 2023 to 2025

Analysis for the ethnicity pay gap over the past three years show fluctuation, with some short-lived progress in 2024, followed by a return to pay disparities in 2025.

Year	Pay gap	Pay gap (not disclosed)
2023	-12.5%	16.3%
2024	3.4%	22.9%
2025	-2.18%	22.1%

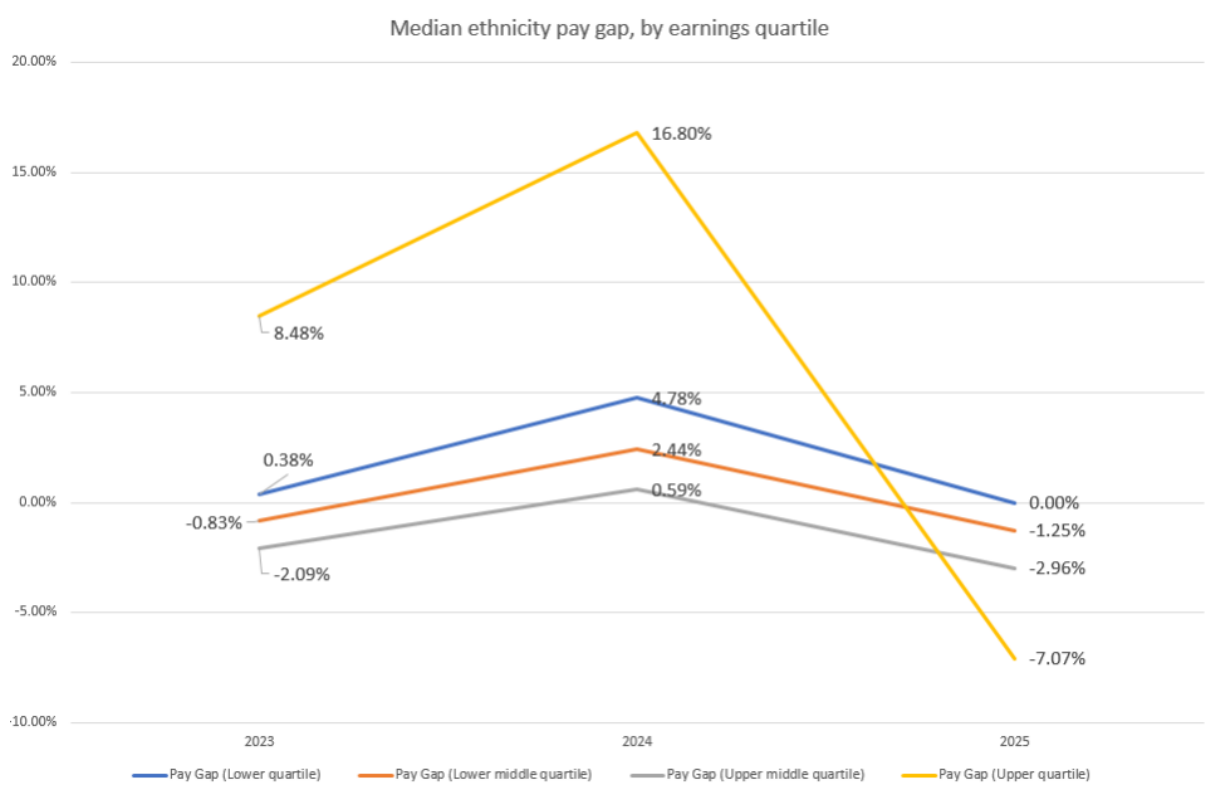
- In 2023, the Ethnic minority workforce earned 12.5% more than the White workforce (median).
- In 2024, this gap reversed to 3.4% less, indicating Ethnic minority staff earned less than White staff.
- By 2025, the pay gap shifted again to -2.18%, with Ethnic minority staff once more earning more than White staff on average.
- The pay gap for staff who did not disclose their ethnicity remained high and consistent – more than 22% lower pay than White staff in both 2024 and 2025. This persistent gap among the “not disclosed” group suggests underrepresentation in higher-paid roles and underscores the need to build trust and confidence in self-identification practices.



Pay gap by quartile

Quartile	2023	2024	2025	Key insights
Lower	0.38%	4.78%	0.00%	Gaps mostly closed
Lower middle	-0.83%	2.44%	-1.25%	Volatile year-on-year changes
Upper middle	-2.09%	0.59%	2.96%	Inconsistent progress
Upper (highest paid)	8.48%	16.80%	-7.07%	2024 spike followed by reversal in 2025

- Lower quartile: small gap of 0.38% in 2023 widened to 4.78% in 2024 but closed entirely by 2025 (0.00%), showing pay parity at entry levels.
- Lower middle quartile: volatile trend with Ethnic minority staff earning more than White staff in 2023 (-0.83%), less in 2024 (2.44%) and again slightly more in 2025 (-1.25%)
- Upper middle quartile: gap has shifted year on year, moving from Ethnic minority staff earning more in 2023 (-2.09%) to less in 2025 (0.59%) and 2025 (2.96%). This suggests instability in pay equity at mid-level roles.
- Upper quartile: the most volatile, with a large gap favouring White staff in 2023 (8.48%) and 2024 (16.80%), before reversing in 2025 (-7.07%) to favour Ethnic minority staff. This reflects sensitivity changes at senior levels.
- These shifts suggest a need to **stabilise progression pathways** and ensure consistency in **representation and reward practices** across grades and contract types.
- Ongoing monitoring of **ethnicity pay gaps by quartile** can help identify patterns and address potential **disparities in access to higher-paid roles**.

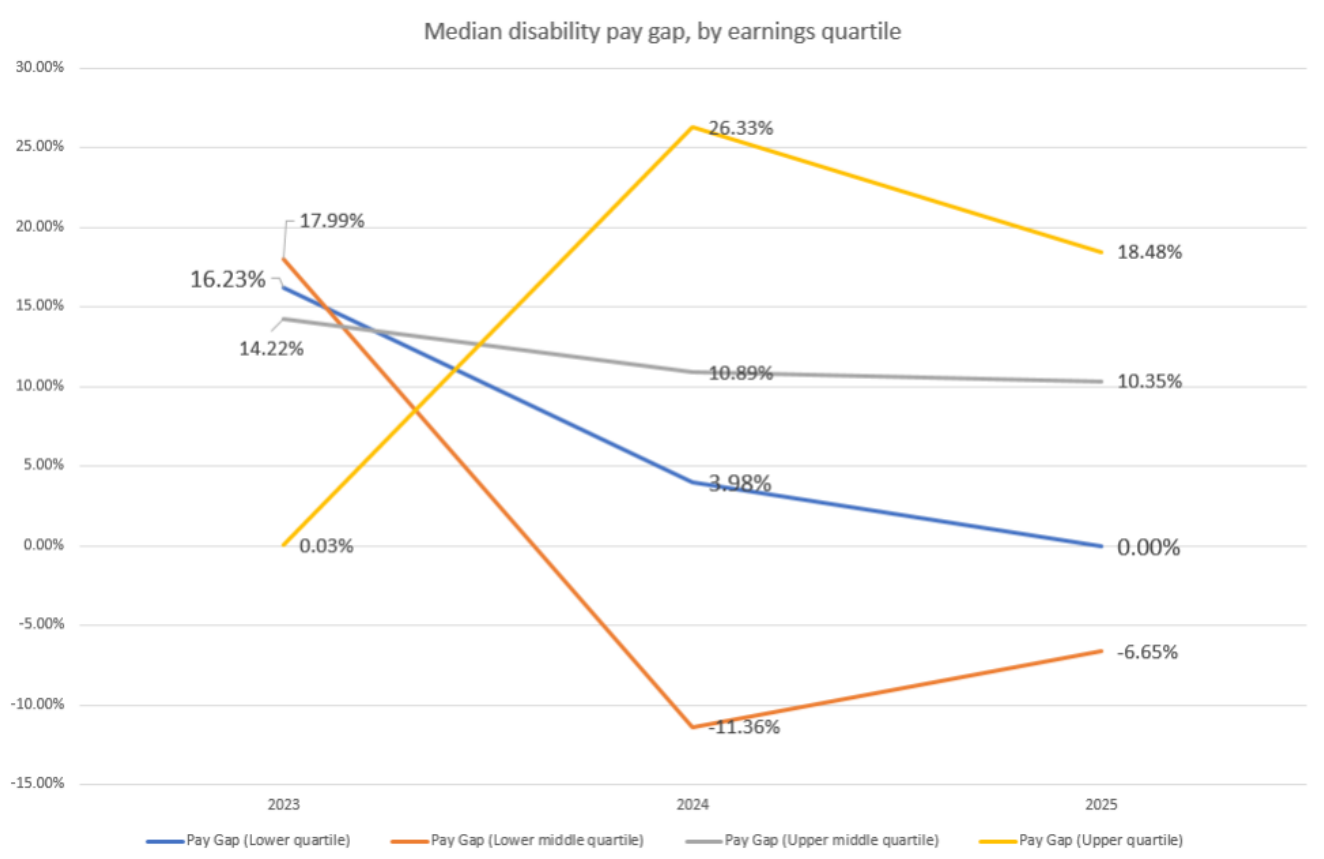


Disability pay gap insights: 2023 to 2025

- 2023: non-disabled employees earned 8.3% less than disabled employees, meaning disabled staff were paid more on average.
- 2024: the pay gap narrowed to -2.0%, with non-disabled staff still earning slightly less than disabled staff.
- 2025: the pay gap widened again to -3.4%, continuing to show non-disabled employees earning less than disabled staff.
- In the upper quartile, disabled staff earned 18.5% less than non-disabled staff, highlighting barriers to progression and representation in the highest-paid roles.

These findings point to the need to:

- Deep dive into part-time roles: assessing job types, grading and pay bands to understand drivers of high gaps.
- Review senior representation by focusing on improving disabled workforce progression into upper pay quartiles.
- Strengthen inclusive talent pipelines, ensuring equitable access to development and promotions pathways.
- Enhance data disclosure, by continuing to build trust and transparency to improve the quality of disability data.

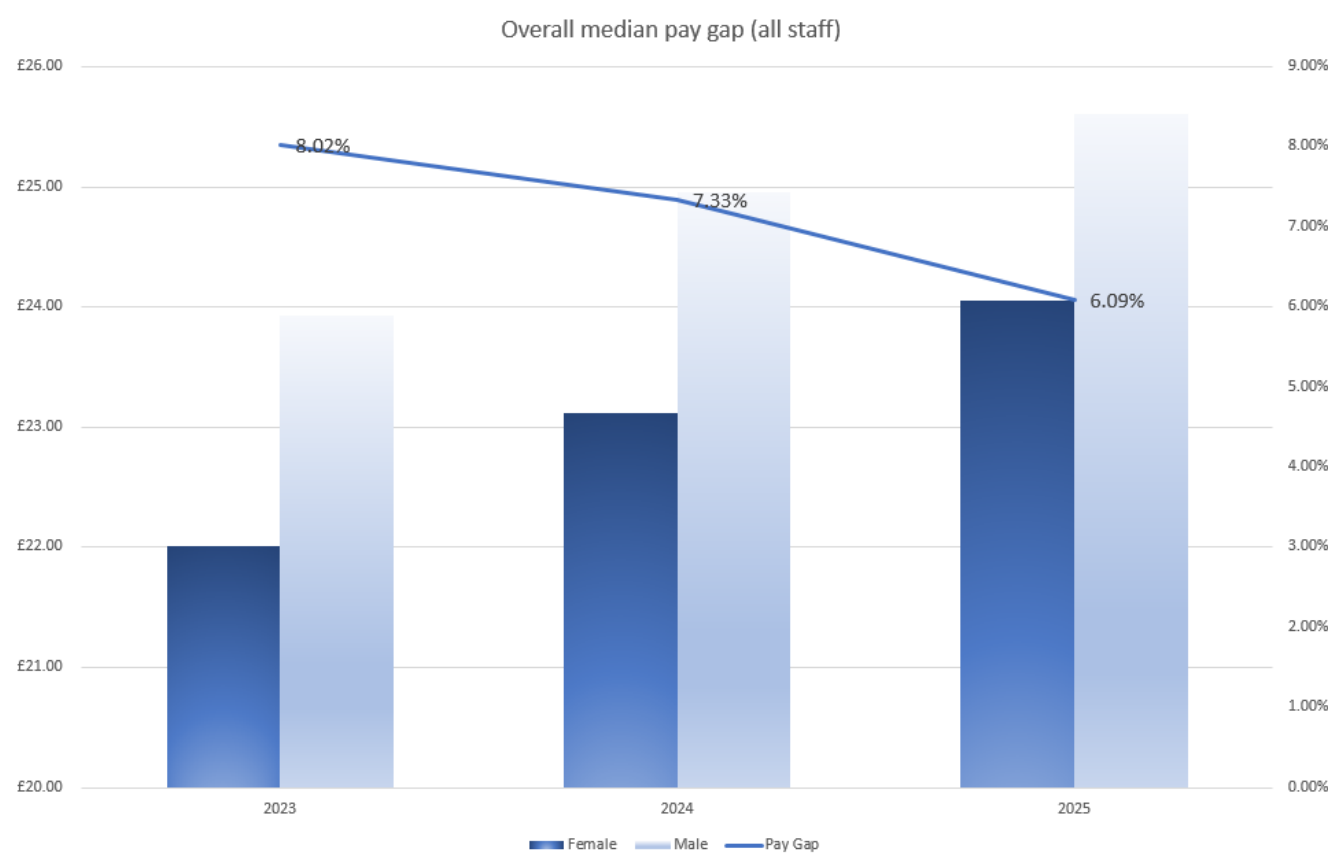


Gender pay gap insights: 2023-2025

Overall median pay gap (all staff)

Year	Female	Male	Pay gap
2023	£22.01	£23.93	8.02%
2024	£23.12	£24.95	7.33%
2025	£24.05	£25.61	6.09%

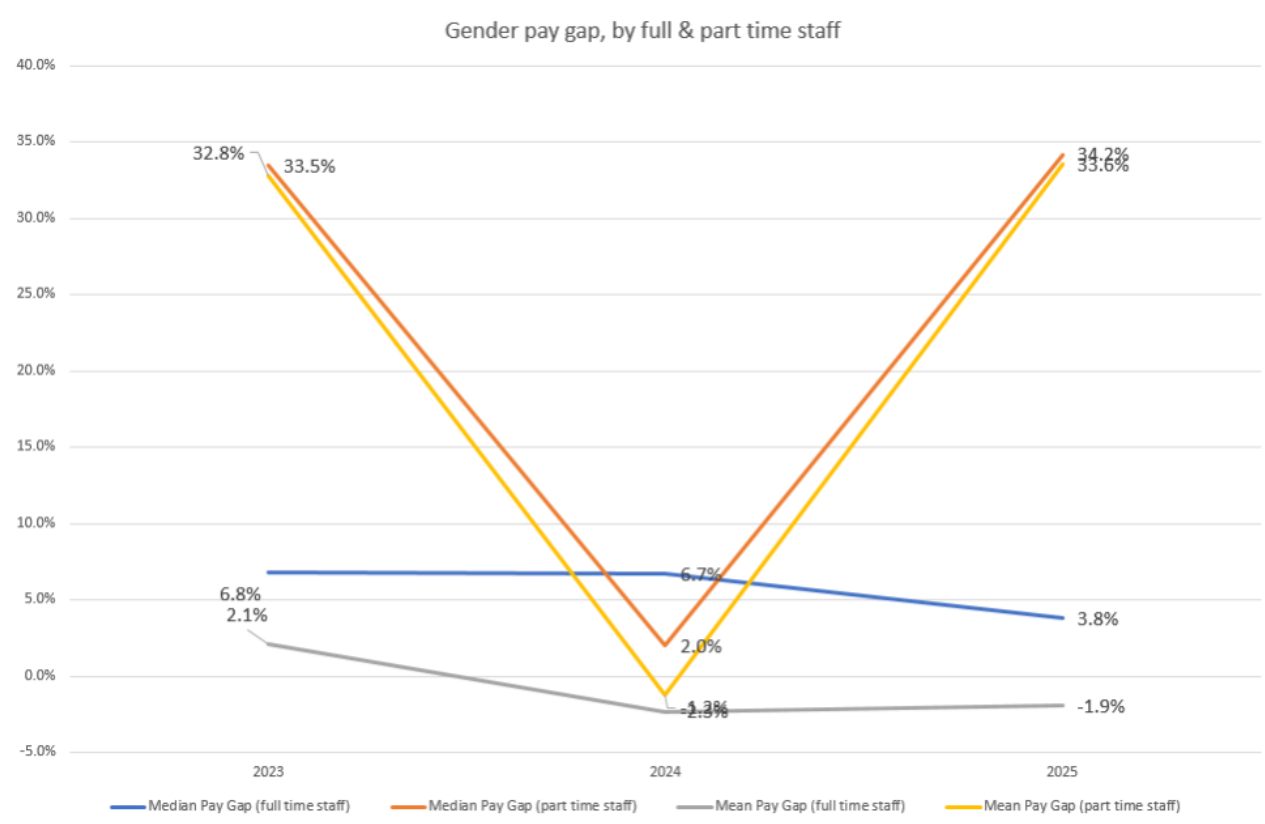
- The gender pay gap has consistently favoured men across the three-year period, though the gap has narrowed year on year.
- In 2023, female staff earned 8.02% less than male staff on median hourly pay.
- By 2024, the gap reduced slightly to 7.33%, and in 2025, it narrowed further to 6.09%, the lowest level across the three years.
- This steady reduction indicates progress towards gender pay equity, though a notable gap remains.
- Quartile data shows concentration of women in lower-paid roles remains a key driver.



Pay gap by work pattern

Metric	2023	2024	2025	Observation
Median pay gap (full-time)	6.8%	6.7%	3.8%	Gradual improvement (gap narrowing)
Median pay gap (part-time)	33.5%	34.2%	33.6%	Persistent and widening disparity
Mean pay gap (full-time)	2.1%	2.0%	-1.9%	Gap flip to favour women in 2025
Mean pay gap (part-time)	32.8%	1.2%	25%	Volatile, ongoing concern

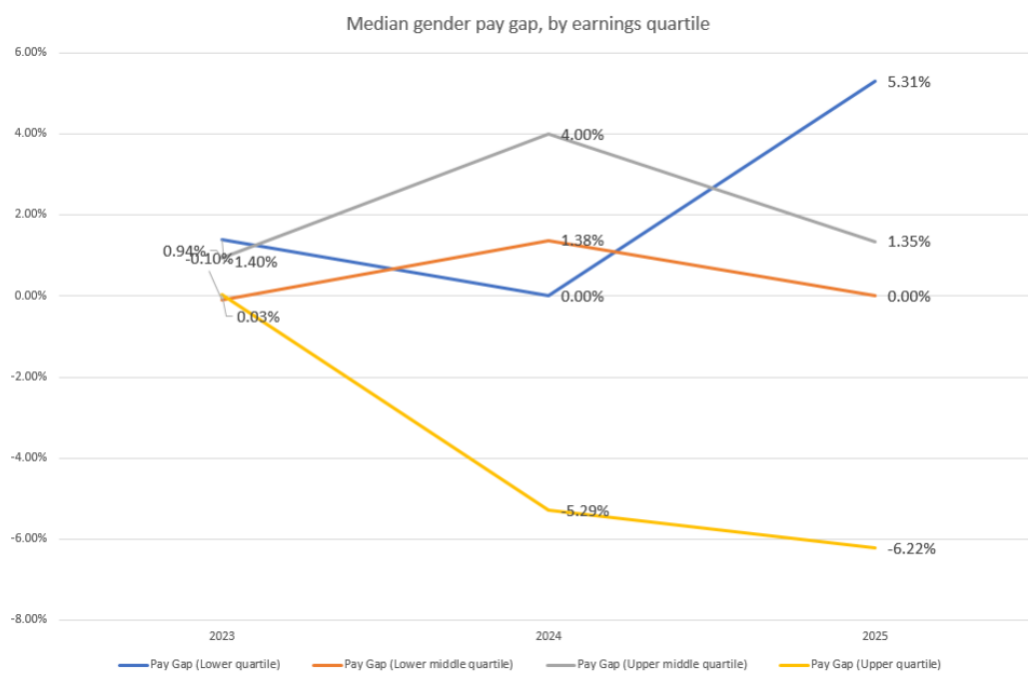
- Full-time staff: the median pay gap has gradually narrowed, from 6.8% in 2023 to 3.8% in 2025, indicating slow but steady progress towards parity. However, the mean gap flipped in 2025 (-1.9%), showing women earning slightly more on average than men in full-time roles.
- Part-time staff: both median and mean gaps remain high. The median gap has persisted above 33% throughout the three years, while the mean gap fluctuated sharply from 32.8% in 2023 to just 1.2% in 2024, before widening again to 25% in 2025. This pattern highlights disparity for part-time workers, who are predominantly women, and suggests systemic issues in how part-time roles are structured and rewarded.
- With only five part-time staff, figures should be viewed as indicative only.



Pay gap by pay quartile pattern

Quartile	2023	2024	2025	Insight
Lower	1.40%	0.00%	5.31%	Widening gap in 2025
Lower middle	-0.10%	1.38%	0.00%	Stable and balanced
Upper middle	0.94%	4.00%	1.35%	Favouring men but narrowing
Upper (highest)	0.03%	-5.29%	-6.22%	Favouring women

- For 2023-2025, quartile analysis shows fluctuating patterns. The lower quartile recorded a small gap of 1.40% in 2023, closed completely in 2024, but widened again to 5.31% in 2025, suggesting instability at entry-level pay.
- The lower middle quartile remained stable, with gaps close to parity (-0.10% in 2023, 1.38% in 2024 and 0.00% in 2025).
- The upper middle quartile consistently favoured men, though the gap narrowed from 4.00% in 2024 to 1.35% in 2025, indicating progress towards equity.
- At the upper quartile, women earned more than men in both 2024 and 2025 (-5.29% and -6.22% respectively), reflecting a continued female pay advantage at the highest-paid levels.
- We need to:
 - Focus on part-time roles: address the extreme disparities.
 - Support mid-career progression: help women bridge the gap from lower quartiles to senior positions, ensuing equity at every level.
 - Monitor leadership dynamics: maintain progress in the upper quartile, where the gap now favours women.
 - Flexible working reviews: evaluate how part-time and flexible roles are valued, paid and structured.



Action plan

Targeted steps we will take in response to our findings to address emerging gaps, strengthen workforce diversity and drive inclusive progression across all levels. We are focusing our efforts on:

1. Increasing disclosure rates to improve data and visibility.
2. Tackling structural and process barriers that impact Black minority and disability hiring.
3. Ensuring equitable pay and progression in senior-level roles.

Each action is tied to a measurable outcome ensuring we maintain momentum and accountability year-round.

Insight(s) from pay gap 2025	Goal	Action(s)	Measure(s) of success	Timeframe
Build trust and transparency around data	100% data disclosure rate	<ul style="list-style-type: none"> • Run quarterly Confidence in Disclosure campaign to build trust in self-reporting • Embed mandatory disclosure update during onboarding and annual review; reinforce as part of organisational culture 	<ul style="list-style-type: none"> • +20% increase in disclosure rate for ethnicity and disability • Achieve >80% staff awareness of how EDI data is used (measure via pulse survey) 	Apr 2026
Strengthen progression for Black minority and disability talent	Representation at senior levels	<ul style="list-style-type: none"> • Focus on career advancement opportunities 	<ul style="list-style-type: none"> • +10% increase in ethnic minority representation in upper pay quartile • Reduction in pay gap for non-disclosed groups by at least 5 percentage points 	Sep 2026
Inclusive performance and promotion processes	Equity lens check	<ul style="list-style-type: none"> • Introduce inclusive guidance and criteria with bias checks • Require balanced shortlists for all leadership and progression opportunities • Fair process on internal and secondment opportunities 	<ul style="list-style-type: none"> • Track demographic on internal promotion outcomes 	Sep 2026
Target inclusive recruitment at source	Targeting diversity hiring	<ul style="list-style-type: none"> • Partner with Black, Asian and disability-focused networks for target attraction • Review of ATS to ensure inclusive hiring and removal of bias • Require inclusive recruitment action plans for each vacancy (eg community outreach, alternative sourcing) • Ensure all recruitment panels are trained in inclusive hiring and reasonable adjustments 	<ul style="list-style-type: none"> • 20% hires from Ethnic minority backgrounds • ATS optimisation • 100% increase in hiring managers panel completion of inclusive hiring training 	Dec 2026