

# City & Guilds Ethnicity Pay Gap Report 2025

**Based on data as at 5 April 2024**

Last modified 18-August-2025



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## Introduction

**At City & Guilds, our purpose is to help people, organisations and economies grow through lifelong learning.**

We believe in the power of skills to change lives, and we know that creating a fairer, more inclusive workplace is essential to making that happen.

That purpose is grounded in our values - building *trust* through openness, empowering people to *achieve* their potential, striving to *improve*, and creating a space that *inspires* and ensures everyone's contributions are seen and celebrated. These values guide how we work and how we hold ourselves accountable.

As proud signatories of the Race at Work Charter, we have committed to improve the experiences of Black and Ethnic Minority colleagues. That's why for the last five years we've chosen to proactively report our ethnicity pay gap, because we believe transparency and targeted action drives change. This approach is guided by our Diversity, Equity & Inclusion (DE&I) strategy and our long-term vision to be the global skills partner of choice.

This report shares our ethnicity pay gap data as of 5 April 2024. It reflects both the progress we've made and the challenges we continue to address.

Of the 137 UK-based Ethnic Minority background employees who have disclosed ethnicity data, 76 (55.5%) identify as of Asian/Asian British ethnicity, 38 (28%) Black ethnicity, 21 (15%) mixed/multiple ethnicities and 2 (1.5%) Other ethnicity.

This year's report shows a nuanced picture: while colleagues from Ethnic Minority backgrounds continue to earn slightly more (by 3.6 percentage points) than those from a White background, the gap in earnings has narrowed. We continue to monitor these trends as we look at our annual pay gap reporting.

## Understanding the Ethnicity Pay Gap

Ethnicity pay gap reporting is not a legal requirement in the UK, however the Government are currently consulting on introducing reporting for all organisations with 250 or more employees. We've chosen to report proactively, using the same methodology to calculate our ethnicity pay gap as we used to calculate our gender pay gap.

The ethnicity pay gap looks at the average earnings of ethnic groups across the entire organisation, regardless of their roles.

In this report, the ethnicity pay gap is shown as a percentage of White employees pay. This helps highlight the overall difference in average earnings between Ethnic Minority and White colleagues across the organisation.



There are 3 measures we report on:

	Measure	What it means
1	<b>Mean Hourly Pay Gap</b>	The average hourly pay difference between Ethnic Minority and White employees. Calculated by adding all White employees' hourly pay and dividing by the number of White employees and doing the same for Ethnic Minority employees. The gap is the difference between these two averages.
2	<b>Median Hourly Pay Gap</b>	The middle value of hourly pay when all employees are lined up from lowest to highest. The gap is the difference between the middle (median) value of pay for White and Ethnic Minority employees.
3	<b>Proportion by Hourly Pay Quarter</b>	Shows the percentage of White and Ethnic Minority employees in each of four pay bands (quarters), from lowest to highest. All employees are ranked by hourly pay and split into four equal-size groups.

For more definitions and explanations of terms used in this report, see the [glossary](#).

Key Findings

Summary of our 2025<sup>1</sup> data

Hourly Pay Gap			
	2024	2025	Trend
Mean	-6.3%	-3.6%	+2.7pp 
Median	-9.0%	-2.1%	+6.9pp 

Ethnicity proportions by Hourly Pay Quarters					
Year	Ethnicity	Upper	Upper Middle	Lower Middle	Lower
2024	White	78%	81%	80%	87%
	Other ethnicities <sup>2</sup>	22%	19%	20%	13%
2025	White	79%	82%	80%	85%
	Other ethnicities	21%	18%	20%	15%

What does the data tell us

This year’s data shows that, for the second year running, we have a negative ethnicity pay gap. This means that on average colleagues from Ethnic Minority backgrounds earn slightly more than those from a White background. The gap has narrowed compared to last year, with the mean hourly pay gap increasing by 2.7 percentage points and the median by 6.9 percentage points.

Factors likely behind this shift include a small decrease in the proportion of Ethnic Minority colleagues in higher-paying roles, alongside slightly more in lower-paying roles.

<sup>1</sup> In the charts shown, for the year defined as 2024, this is based on data as at April 2023. This is the same for the year defined as 2025, this is based on data as at April 2024.  
<sup>2</sup> Other ethnicities refers to all Ethnic Minority employees grouped together (aggregated).

We have also been working to improve the quality of our ethnicity data, encouraging colleagues to share their demographic information. Whilst we have some way to go, as at April 2024, our ethnicity disclosure rate has increased by 5 percentage points compared to the previous year. This data set is improving year-on-year, strengthening the accuracy of our reporting so we can have greater confidence in the progress we have made, and are clearer on the drivers behind any changes in the gap.

As we improve the quality and completeness of our ethnicity data, it's not yet clear whether this shift reflects actual changes in workforce composition or simply more accurate reporting.

We will continue to work to build trust in how we collect and use our colleagues' demographic information. By demonstrating how we are taking action to improve equity and measuring the impact of our activity, through work like this report, we aim to create an inclusive environment where everyone has the opportunity to thrive.

## **Our actions**

We remain committed to taking targeted, evidence-based action to close the ethnicity pay gap. Our approach is guided by our Diversity, Equity and Inclusion (DE&I) strategy and our belief that everyone should have the opportunity to thrive, grow and progress.

### **What does this look like?**

- **Ensuring fair pay at entry**

We are strengthening our processes for reviewing pay decisions at the point of hire to ensure consistency and fairness from the outset.

- **Monitoring internal progression**

We are enhancing our oversight of promotion practices and pay progression to ensure equity in how opportunities and rewards are distributed.

- **Strengthening DE&I data and transparency**

We are improving our demographic data sets, and how we analyse and report DE&I data internally, through initiatives like our data disclosure campaign and improved reporting tools. This helps us better understand where inequities exist and take targeted action to close gaps in pay, progression and representation.

- **Investing in inclusive leadership**

We are investing in leadership training on inclusive behaviours and practices on topics such as, cultural competence, disability, neurodiversity and menopause inclusion. These sessions help leaders understand the lived experiences of underrepresented groups and lead with inclusion to create more equitable workplace environment.

These actions build on what we're already doing to bring our people together and put their voice at the heart of our DE&I approach with our colleague-led Community Support Groups (CSGs), Local Feedback Group (LFG), and the Future Group (FG) continuing to be a vital part of how we listen, learn and act.

By embracing intersectionality, they help us better understand the lived experiences of our people and shape a more inclusive culture. This year, we've strengthened our approach: coordinating CSG activities more strategically, refreshing our DE&I content, and launching a shared language lexicon to ensure we speak about inclusion in a consistent, respectful and empowering way. Together, these efforts are building stronger communities and a workplace where every voice is heard.

## **Our commitment**

Closing the ethnicity pay gap isn't just about numbers - it's about people. It's about making sure everyone has a fair chance to grow and succeed, whatever their role or background. That's why we are focused on the things that matter: how we hire, how we support progression, how we embed flexibility, and how we hold ourselves accountable.

With the support of our Trustees, Executive Leadership Team, colleagues, and wider community of partners and suppliers, we're committed to building a more inclusive organisation and culture that reflects the diversity of the world we live in and delivers better outcomes for everyone we work with and serve. Equity isn't just a goal - it's a shared responsibility.

### **Signed by:**

Kirstie Donnelly MBE

**Chief Executive**

18 August 2025

### **Signed by:**

Kathryn Bowe

**Executive Director of People**

18 August 2025



## **APPENDIX**

### **Glossary**

#### **Ethnicity Pay Gap**

Difference in average earnings between White and Ethnic Minority employees across the organisation.

Calculations use the following formula: (average White employees' pay – average Ethnic Minority employees' pay) / average White employees' pay.

#### **Hourly pay**

Hourly pay includes base pay and any allowances, or sales incentive paid out in the snapshot month (e.g. data from April 2024 which will be shown in the 2025 report).

#### **Hourly Pay Quarters**

Employees are divided into four-equal sized groups ("quarters") based on their hourly pay, ranked from the lowest to the highest. This shows how White and Ethnic Minority colleagues are spread across the different grades.

#### **Mean**

The mean is calculated by adding up pay of all employees and dividing the sum by the total number of White or Ethnic Minority employees respectively.

#### **Median**

The median is the middle value in a sample after values are sorted from the lowest to the highest.

#### **Snapshot date**

This is the date the report data is based on. For this report, it's 5 April 2024, as we are using the same methodology as for the gender pay gap.

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## About City & Guilds

Since 1878, City & Guilds has been dedicated to advancing the skills that people, organisations and societies need to thrive, both now and in the future.

As the global skills partner, we empower organisations to grow by creating and delivering comprehensive end-to-end solutions. These include high-quality skills training and credentials designed to meet the evolving needs of industries and workforces. Through our trusted network of colleges and training provider partners, learners across the globe develop skills and competencies that lead to employment and career progression.

Each year, over 5.1 million learners of all ages and backgrounds benefit from City & Guilds learning programmes, which have contributed £15.3bn to society in the UK alone. We champion workforce development and technical training routes that drive social mobility, prosperity, and success. By working closely with industries and governments, we also advocate for improvements across the global skills landscape.

Our City & Guilds Foundation amplifies this purpose by focusing on high-impact social investment, recognition, and advocacy programmes. These initiatives aim to remove barriers to employment, celebrate best practice on the job, and advocate for jobs of the future.

City & Guilds Training, Gen2, Intertrain, ILM, and The Oxford Group brands are all a part of City & Guilds.

For further information please visit [cityandguilds.com/about-us](http://cityandguilds.com/about-us)

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