

Gender Pay Reporting 2018

Background

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (the “Regulations”) require employers to report on the gender pay gap in their organisation.

The Regulations apply to larger private and voluntary sector employers. Their stated aim is to help reduce the ongoing pay gap between men and women in the workplace.

Employers must publish six figures:

- their mean and median hourly pay gap;
- their mean and median bonus pay gap;
- the proportions of men and women receiving bonuses;
- the number of men and women in each of four pay quartiles.

This is done by using the data for the pay period which includes the “snapshot date” of 5 April. The figures must be published on an annual basis, with reports being produced on or before 4 April based on a 5 April snapshot date.

A negative result would show that women are paid more than men, a positive result would show that men are paid more than women

The Mean Gender Pay Gap

This shows the difference between the mean (average) hourly rate of pay that male and female employees receive. According to the ONS (Office for National Statistics), in 2017 the mean pay gap stood at 14.1% i.e. on average male employees earned 14.1% more than female employees.

In 2018 our **Mean Gender Pay Gap** is **-3.97%**, on average male employees earn slightly less than female employees. This has increased from -3.58% in 2017. This is not surprising given that around 85% of management/senior management positions are held by women.

This is again highlighted by looking at the mean hourly pay gap split by full time and part time staff.

Full time employees only - **-8.36%** (decreased from -10.08% in 2017)

Part-time employees only - **-2.02%** (Increased from -0.23% in 2017)

In both cases these results show that men have lower average pay than women. The result for full time employees is largely driven by the number of women in management and senior management rolls who are in the main full time.

The Median Gender Pay Gap

This shows the difference between the median hourly rate of pay that male and female employees receive. The median is the mid-point when all the hourly rates are listed in numerical order. This can be helpful to show what a “typical” rate is, without being distorted by very large or very small hourly rates.

Our **Median Gender Pay Gap** is **0.68%**, a slight increase from 0.61% in 2017 indicating that the difference between median male and female hourly rates is relatively small with men’s median pay being slightly higher.

The results are in fact extremely close and if the women’s median hourly rate had been seven places higher in the distribution, there would have been a median pay gap of 0%.

We have also compared the median gender pay gap for full time employee and part time employees independently.

Full time employees only – 0% (same as 2017)

Part time employees only - -1.53% (decreased from 0% in 2017)

The Proportion of Males and Females in each Quartile Pay Band

This requires us to calculate how many male and female employees are in each quartile when hourly rates are arranged in numerical order.

This will allow us to compare the distribution of male and females employees within each quartile and across the organisation as a whole.

Quartile	2018		2017	
	Male	Female	Male	Female
Lower Quartile (0 – 25%)	16.55%	83.45%	17.95%	82.05%
Lower Middle Quartile (26% – 50%)	23.32%	76.68%	26.01%	73.99%
Upper Middle Quartile (51% - 75%)	26.76%	73.24%	25.64%	74.36%
Upper Quartile (76% - 100%)	17.61%	82.39%	18.75%	81.25%

There has been little movement in terms of our distribution of female and male employees across the quartile pay bands. This distribution is consistent with gender split of our organisation, with 79% of employees being female along with 100% of our senior management team.

Gender Bonus Gap

The regulations request that we report on the distribution of bonus payments. Bonuses are defined as anything that relates to profit sharing, productivity, performance, incentive and commission. The vast majority of bonus payments that were made in the reference period were in relation to our loyalty bonus, where employees are awarded a monetary sum on reaching 10 years’ service, and every 5 years thereafter.

Given that our ratio of female to male employees is 3.7 : 1, as well as having an all female senior management team, it is not surprising that both the mean and median bonus gaps are skewed towards female employees receiving more than men.

Mean Gender Bonus Gap - **-212%** (increased from 288.11% in 2017. Mean male payment £146 vs female £456)

Median Gender Bonus Gap – **-20%** (no change from 2017. Median male payment £125 vs female £150)

