

Subject	GENDER PAY GAP REPORTING
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1 Executive Summary

- 1.1 New regulations introduced from April 2017 require employers with 250 or more employees to publish details of their employees' gender pay and any bonus differentials. The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 apply to private and voluntary sector organisations.
- 1.2 Career Connect has taken early steps to ensure data is available to meet the legal requirements to publish a report annually, commencing April 2018.
- 1.3 No unexplained disparities have been found in the benchmark data.

2 Background

- 2.1 Nationally, men's average pay is greater than that for women. The Office for National Statistics says that over the last 20 years the median gender pay gap has narrowed from 27.5 per cent to 9.4 per cent for full-time employees.
- 2.2 In line with legislation, Career Connect is required to report nationally via its website and upload its findings to the government web portal. This includes information on:
 - overall gender pay gap figures calculated using both the mean and median average hourly pay between genders;
 - the numbers of male and female employees in each of four pay bands (quartiles), based on the employer's overall pay range; and
 - for a 12 month period, both the difference between male and female's mean and median bonus pay and the proportion of relevant male and female employees who received a bonus.
- 2.3 An explanatory narrative, although not required, accompanies the data as a commitment to ensuring action is taken to close any gaps that cannot be satisfactorily explained on grounds other than sex.

3. Current Position

- 3.1 Career Connect took a snapshot of employees' pay data on 5 April 2017. This detailed report was reviewed by the HR team and Quality Workforce Development Manager.
- 3.2 Information has also been shared to all staff about the new legislation via ebrief articles published in the weekly newsletter.
- 3.3 Calculations have been prepared and reviewed, see summary at Appendix1.
- 3.4 PWC conducted an independent Equality and Diversity audit in July 2017, which included a review on actions taken to ensure compliance with Gender Pay Gap Reporting.

The External Auditor reported:

“The analysis done over the initial baseline data underpinning the gender pay gap reporting requirements to come in April 2018 is positive as it gives comfort over the completeness of the information required for the calculations, whilst providing a preliminary outline as to the existing gap and the reasons as to why.”

*“From review, the information in place on (HR Database) Cascade appears complete and suitable for analysis of the organisation’s gender pay gap position. Career Connect is not required to report upon the gender pay gap data until April 2018, however it was felt a worthwhile exercise to demonstrate proactivity in meeting the requirements and to identify potential areas of preliminary concern in advance. This was evident from the audit.” **PWC***

- 3.5 The Career Connect Board of Trustees reviewed the Career Connect analysis of Gender Pay Gaps in October 2017 and were reassured with the approach and commitment demonstrated by the organisation.

4. Risk Appraisal

- 4.1 Sex discrimination in employment is unlawful and it has always been the case that through its pay structures and incremental progression framework, Career Connect seeks to ensure equal pay.

- 4.2 Career Connect is well prepared to meet its legal duties under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Clearly, men and women who work in Career Connect are not earning identical rates of pay; but the structured incremental pay-scales in place determining the ‘rate for the job’ minimises any risk of discrimination occurring.

5. How can we do better?

- 5.1 Whilst there have been no major disparities identified, there are a number of trends identified through this Gender Pay Gap analysis, that indicate that Career Connect may need to look closer at its employment practices.
- 5.2 Career Connect is committed to equality in the workplace and will continue to review its payroll data alongside workforce demographics to ensure that any gender pay gaps are identified are addressed. As a family friendly employer, the organisation has in place a range of initiatives and benefits that promote inclusion. This includes flexible working, which for many people with care responsibilities, enables a healthy work-life balance.
- The organisation attracts a high proportion of female applicants, which is not unusual in any service sector or charitable organisation. Although the number of administration/ support function roles are now very few, these lower paid roles have historically been filled by females, often on a part-time basis. There is greater gender balance in the management tiers of the organisation but at the lower end of the pay-scales there are significantly more women in these roles.
- 5.3 Over the coming months, Career Connect will be reviewing its workforce development strategy to ensure that women in the lower paid administration/ support functions have equal access to professional development programmes that will enable them to progress through the organisation.
- 5.4 Career Connect will also review its recruitment strategy and conduct labour market research to identify why men are less attracted to the frontline roles, which form the greatest proportion of employment opportunities. This will include some analysis of workforce trends in the Careers Guidance sector using data and intelligence tool EMSI

APPENDIX 1

Career Connect Workforce at 05.04.17

- Total 396 Staff: 297 Female (75%), 99 Male staff (25%)
- 107 Part Time Staff (27% of total workforce are part time)
6 male and 101 female

38 staff earn £18,000 or less: 8 of these are male and 30 are female

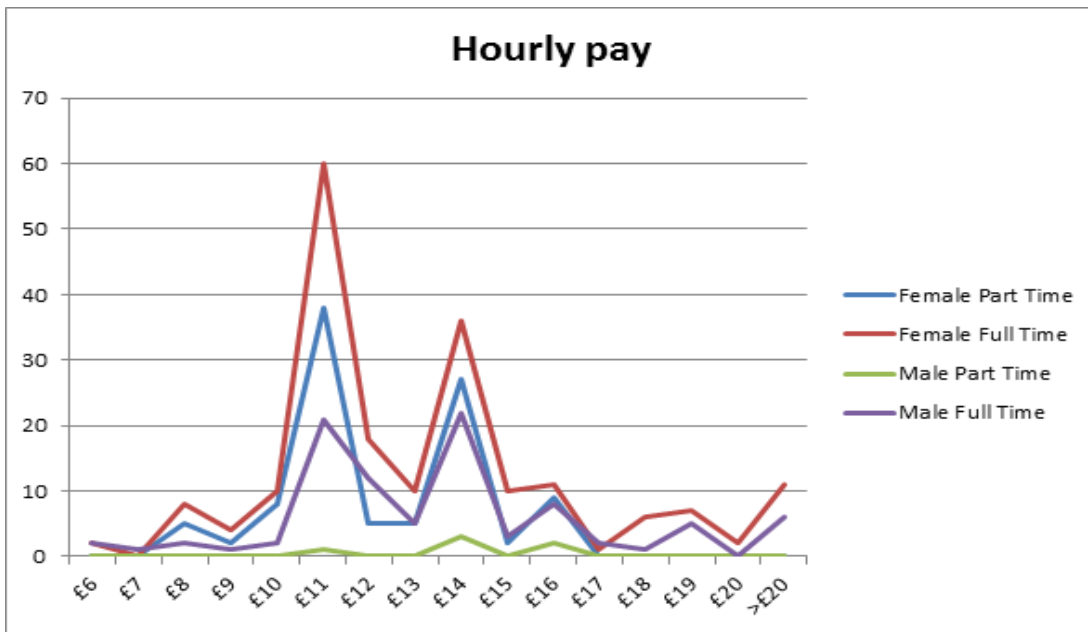
- 3 Company Directors: 2 male and 1 female
- 10 staff in Snr Leadership Team: 3 male and 7 female

Mean Hourly Pay				
	All	Full Time	Part Time	
All	£13.39	£13.77	£12.36	
Male	£14.27	£14.27	£14.14	
Female	£13.10	£13.53	£12.25	
Pay Gap	9%	5%	15%	Calculated as % of female pay

Median Hourly Pay				
	All	Full Time	Part Time	
All	£12.34	£12.64	£11.38	
Male	£14.08	£14.08	£14.15	
Female	£12.34	£12.34	£11.08	
Pay Gap	14%	14%	28%	Calculated as % of female pay

Pay Quartiles: % of each band by gender, by hourly pay

	Lower		Low Middle		Upper Middle		Upper	
	No.	%	No.	%	No.	%	No.	%
Female	91	92%	67	68%	76	77%	63	64%
Male	8	8%	32	32%	23	23%	36	36%



Bonus Payments

A non-consolidated lump-sum pay award was given to all staff in July 2017, in recognition of positive performance 2016/17. The same sum was paid consistently to staff regardless of grade or seniority. It was determined that in order to qualify for the 2016/17 pay award, staff needed to have been in post by 1st Sept 2016.

A pro-rata adjustment was made for all part time staff according to FTE. For example, an employee who works part time 0.5FTE, received 50% of the award paid to full time employees.

Proportion of males and females who were paid a bonus (all staff who joined before 01.09.16)

Bonus		
F	74.8%	Reflects the gender balance of the organisation.
M	25.2%	No gender pay gap identified
Gap	0%	

Confirmed as accurate by Danielle Kneale – Assistant Director (Workforce) – March 2018

