Report on Gender Pay Gap Exercise – Reporting Period ending Mar 2022
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1. Introduction

The Equality Act 2010 (Specific Duties and Public Authorities) Regulation 2017 came into force on 31 March 2017. Employers are required to publish their pay gap taken on the snapshot date of 31 March each year. This report aims to provide insights on the data submitted for the period Apr 2021 – Mar 2022.

2. Data Collected

Data collected includes but does not limit to:

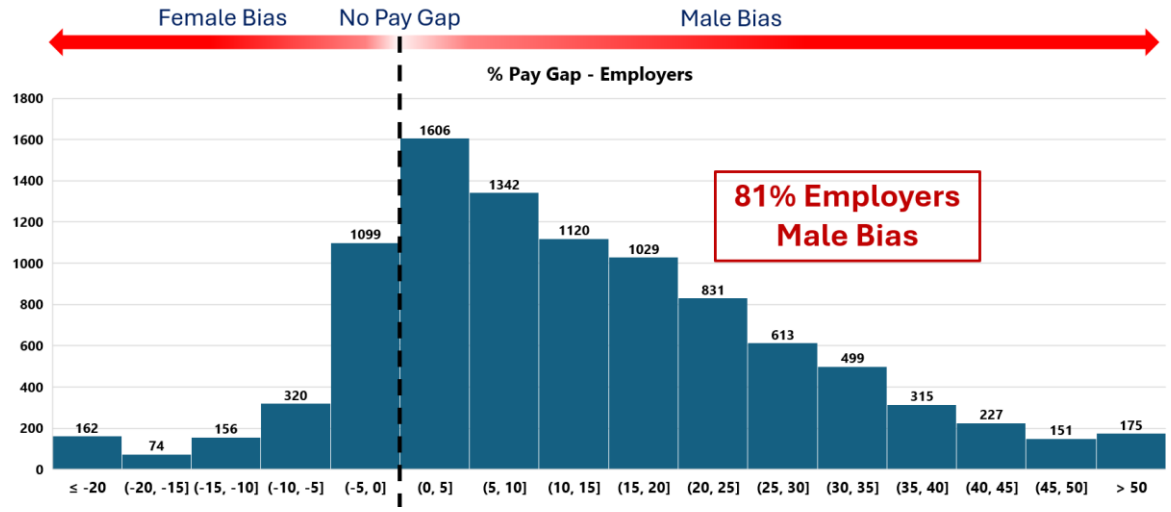
i. the mean and median gender pay gap based on hourly pay
ii. the percentage of male and female staff in each hourly pay quartile
iii. employer name
iv. employer company size

10,174 employers across the 12 UK Regions and across 20 sectors have submitted their data, of which 455 are removed from further analysis due to missing data or not being part of the UK.

3. Gender Pay Gap

3.1. Male & Female Bias

81% of the Employers have reported a Male Bias (Where males are paid more than females in the company, presented by positive percentage). Female Bias is represented by a negative percentage (e.g. -5%)



3.2. Pay Gap by Region

The UK average across all employers and regions is 10.6% male bias. With London, South West, South East, and East of England Regions being above the UK average.

Region	Average % Pay Gap
London	12.65
South West	11.75
South East	11.7
East of England	11

UK Average	10.6
Yorkshire and The Humber	9.95
West Midlands	9.95
East Midlands	9.55
North East	9.2
Northern Ireland	8.6
North West	8
Scotland	7.9

3.3. Pay Gap by Sector

Across 20 Sectors, the following 5 have the highest average pay gap: Construction (24.45%), Financial and Insurance Activities (23.3%), Education (22.1%), Mining and Quarrying (20.1), Information and Communication 17%), while the following 5 have the lowest average pay gap: Accommodation and food service activities (1.35%), Human health and social work activities (2.9%), Agriculture, Forestry and Fishing (4.2%), Public administration and defence; compulsory social security (5.8%), Arts, entertainment and recreation (5.8%).

3.4. Pay Gap by Employer Size

Across 9,719 analysed employers, smaller employers are observed to have a higher average % pay gap. The average % pay gap by employer size (no. of employees) is as follows: < 250 (10%, 203 employers), 250~499 (11.6%, 4,075 employers), 500~999 (10.35%, 2,384 employers), 1,000~4,999 (9.7%, 2,039 employers), 5,000~19,999 (9.5%, 449 employers), ≥ 20,000 (7.8%, 59 employers).

3.5. Pay Classification within Employer Company

Employers were required to submit the percentage of male and female that make up each band of salary in the company, split into 25% bands. For example, if the bottom 25% of employees in terms of salary has a 60% male and 40% female ratio, it is reported as 60% male and 40% female for the bottom 25%. The average percentage reported by employers is as follows: Bottom 25% (43% Male, 56% Female), 25-50% (47.2% Male, 51% Female), 50-75% (53% Male, 45.5% Female), Top 25% (61% Male, 37.3% Female).

4. Limitations

While the analysis can give us an idea where pay inequality or inequity can potentially lie, be it in employers, regions, or sectors, there are certain limitations:

i. Each employer's pay gap is represented by a non-weighted percentage, regardless of the company size. While it can still be used to gain insights on the general trend of employers, it can lead to inaccurate conclusions in the actual average % pay gap.
ii. There is insufficient data to conclude any pay inequity between men and women, as this does not factor for the role and years of experience.
iii. The data collected excludes employees that had unpaid leave or maternity leave. This leads to a lower quantity and quality of data, more so for females.
iv. There was a significant number of incorrect submissions or submissions with key data missing. It could possibly be due to reporting instructions being confusing or unclear.
v. No data on pay gap in terms of GBP is provided, which makes it difficult to draw conclusions in an absolute monetary aspect.

5. Recommendations

i. To remove the limitations on comparing between employers of different sizes, we can have employers submit their total employee count that was used for the calculation.
ii. To have a better view of any potential pay inequity, we can request for data such as years of experience and job role along with salary on an employee level.
iii. Employers can also extrapolate excluded employees by extrapolating to full-pay equivalent. This can lead to a more holistic view on all employees.
iv. To prevent missing or incorrect data, we can set up a submission portal which helps validate fields for employers making their submission, and it should reduce the amount of incorrect submissions.
v. In addition, having average salary for each gender and used in tandem with the employee count data, we can have a much more accurate analysis of the pay gap.