

Gender Pay Analysis

Executive Summary

Introduction

All employers (with 250 or more employees) are required to report on their gender pay gap, reporting on the following calculations, using a snapshot date of **5 April 2017**;

- Mean and median gender pay gap
- Mean and median gender bonus pay gap
- Proportion of males and females who have received a bonus
- Proportion of males and females in each quartile pay band

Although Frontline does not currently have 250 employees, and is unlikely to for some time, completing the analysis demonstrates our commitment to the employees and highlights that our approach to pay and award is treated fairly irrespective of gender. Having an open and transparent culture is key to our success and highly valued by employees internally, and reporting and monitoring the gender pay gap is an important step to tackle any inequalities.

Further to this we want to ensure that our actions mirror our values; by ensuring fairness and equality in terms of pay. In addition this analysis will help to bring about change, and encourage us to think differently about our current demographic.

For this reason, we have carried out the reporting and provided a supporting narrative providing context behind the figures.

For the purpose of this paper, as Frontline has experienced such significant growth since April the figures were also reviewed using payroll data from October 2017, and a further analysis has been completed to review the gender pay gap once the 2016-17 performance related increases were applied.

Breakdown of demographic

- Employed as of 5 April 2017 (42 female and 20 male; 62 employees overall.)
- Employed as of 31 October 2017 (73 female and 24 male; 97 employees overall)

In 2012¹ it was reported that just under two-thirds (66%) of those employed in the voluntary sector were female. This highlights that the demographic at Frontline is in line with voluntary sector trends.

The calculations

Employees Eligible for a performance related increase

- Of the 97 employees – 56 were eligible for an increase
 - 11 were not eligible due to being on a different contract/pay and progression policy
 - 30 were not eligible due to length of service
 - All 56 eligible employees received an increase

Results

Mean and Median Averages (full and part time employees)

April 2017	October 2017	November 2017
• Median gender pay gap: 10.0%	• Median gender pay gap: 3.9%	• Median gender pay gap: 2.9%
• Mean gender pay gap: 16.7%	• Mean gender pay gap: 10.7%	• Mean gender pay gap: 11.2%

¹ NCVO.org.uk, 2014 “Who works in the voluntary sector”

UK (Full & Part Time) Averages

At the time of the analysis the ONS publication (27 October 2017) indicated that the estimated **median gender pay gap** in the UK (for both full and part time employees) was **18.4%** and the **mean gender pay gap** was **17.4%**.

Non-profit Averages

Further breakdown showed that the estimated gender pay gap for “*Non-profit body or mutual associations*” is likely to be **22.1% (median)** and **19.4% (mean)**.

The ONS report highlights that the **median average** is their preferred measure of average earnings as it is less affected by a single high earners. **It therefore gives a better indication of “typical pay”**.

Males & Females in each Quartile

Below shows the breakdown of percentage of males and females in each quartile based on their hourly rate.

April 2017			October 2017			November 2017		
Pay Quartile	Male	Female	Pay Quartile	Male	Female	Pay Quartile	Male	Female
Upper	53.3%	46.7%	Upper	34.8%	65.2%	Upper	34.8%	65.2%
Upper Middle	25.0%	75.0%	Upper Middle	16.0%	84.0%	Upper Middle	16.0%	84.0%
Lower Middle	33.3%	66.7%	Lower Middle	25.0%	75.0%	Lower Middle	28.0%	72.0%
Lower	18.8%	81.3%	Lower	24.0%	76.0%	Lower	20.8%	79.2%

The tables above further exemplify the impact that the small sample size had on the figures with a significant difference to the upper quartile between April and October (**highlighted in red**).

Bonuses

There is no gender pay gap for bonuses as the same amount has been awarded to males & females

What do the Results tell us?

- 1) The changes that have been implemented over the past 18 months (job families, change to the performance review cycle) are making a positive impact on the gender pay gap at Frontline.
- 2) In comparison to the national average and specifically, not for profit organisations we are well below the average
- 3) In order to continue to close the gap we should continue to focus on developing women who are returning from work after periods of leave and address the gender imbalance in the entry level roles.

Recommendations

The figures demonstrate that there was still some work to do to close the gender pay gap in April. The further analysis using the October and November payroll data suggests that the gender pay gap in April was likely to be attributed to the small sample size, which has the potential for the results to be disproportionately influenced by a small number of high-paying roles.

It is expected that some changes that have already been implemented will continue to positively impact the results over the next few years, these include

- Introduction of Job Families and Salary Bands
- Change to the Performance Cycle; introducing Competency Framework and performance related increases.

The above is supported by the positive impact on the gender pay gap between October and November

The results show a reduced gender pay gap from April to October, however there is still some work to be done to address the gender pay gap some of the ways we can support this, and continue to close the gap at Frontline are highlighted below.

- Continued focus on diversity and equality in the workforce
 - Diversity and Equality workshop for key stakeholders at Frontline has highlighted a number of actions to support our long term diversity strategy
 - Resource online diversity and equality mandatory training
 - Recruiting Lawfully training - covering the equality act 2010 to be delivered
 - Reviewing the recruitment & talent development approach
 - Following the recent diversity and equality workshop this was highlighted as one of the areas that would benefit the organisation
 - Continue to develop the Return to Work plans for employees returning from maternity leave to support their long term career progression
 - Create and provide guidance for line managers to help those returning from work feel supported into when returning to their existing or new roles
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