

Fair Ways Community Benefit Society
Gender Pay Gap Report 2021/2022

Introduction

The UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires employers with over 250 staff to publish their gender pay gap both on the organisation’s website and the designated government website.

The information reported is the difference between the average earnings of male and female employees in our organisation on 31st March 2022 (the snapshot date); it does not involve publishing individual employees’ data.

The gender pay gap shows the difference in average pay between women and men, regardless of their role. This is different to equal pay, which requires that women and men who do the same or similar jobs, or work of equal value, are paid equally.

Fair Ways supports gender pay gap reporting and what this sets out to achieve. We appreciate that we have work to do to close the gap and are committed to developing a deeper understanding of the reasons for our gender pay gap and to creating and implementing an appropriate plan to help us make positive changes.

As this is the fourth year of reporting data, we are taking the opportunity to reflect on our results in that time.

Our findings

Table 1- Headline pay gaps

Pay Gaps	2017/18	2018/19	2019/20	2020/21	2021/22
Mean Pay Gap	+19.9%	+16.9%	+21.3%	+15.4%	+18.6%
Median Pay Gap	+8.4%	+3.0%	+21.5%	+11.0%	+14.3%

The gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of male and female employees. A pay gap preceded by ‘+’ favours men whilst a pay gap preceded by ‘-’ favours women.

NB – the apparent increase in the 2019/20 period reflected the temporary absence of some senior women colleagues (due to maternity leave) on the snapshot date and therefore excluded from the statutory calculation.

Of the five years’ data available to us, we have reported an overall slight reduction in our mean pay gap as well as between our bonus pay gaps. The median pay gap has fluctuated and reflects both the inherent gender balance of our workforce, typically found within the care sector. Whilst we are encouraged by this early evidence, we recognise that we have further work to do.

Due to the way the gender pay gap is calculated, it is important to understand the concentration of male and female colleagues in different pay brackets across the business (vertical segregation), differences within those pay brackets (horizontal segregation) and the factors that can influence this, both internal and external to Fair Ways. This can, for example, include societal expectations of women to be primary care givers in the home and the impact time out of the workplace can have on a woman’s long-term opportunity for career progression.

Table 2 = Pay quartiles (segmenting the workforce into four quarters by pay)

Pay Quartiles	2021/2022	
	Female	Male
Upper Quartile	62.7%	37.3%
Upper Middle Quartile	71.6%	28.4%
Lower Middle Quartile	74.2%	25.8%
Lower Quartile	74.2%	25.8%

As demonstrated in Table 2, there is good representation of woman in the two upper quartiles of the business suggesting that women are well represented in the higher Pay Bands of our pay framework. Women occupy 62.7% of the highest paid jobs and 74.2% of the lowest paid jobs. However, there is also a statistically significant over-representation of women in the two lower quartiles (and lower Pay Bands of our pay framework) which will have a significant impact on the average pay of women across the business, contributing to the pay gaps we have reported.

This position is very common in the healthcare sector across the UK and other countries, that sees a high proportion of women in caring professions and often in the lower pay quartiles. For these reasons there will likely be a continual ‘drag factor’ on Fair Ways pay gaps reporting for many years.

Table 3 - Bonus pay gaps

Bonus Pay Gaps	2017/18	2018/19	2019/20	2020/21	2021/22
Mean Pay Gap	+98.5%	+75.8%	+75.8%	-11.75	+34.1%
Median Pay Gap	+82.6%	+75.2%	+75.2%	+17.65	+66.0%

NB – the significant reduction in the bonus pay gaps reflects an increase in the number of women on the board of directors of Fair Ways.

The bonus pay trend indicates a downward trajectory albeit there is a significant gap. However Fair Ways does not employ a bonus culture and the relatively small number of colleagues in receipt of bonus payments, indicates the disproportionately large impact small variations can have on data.

Fair Ways is wholly committed to reducing all pay gaps and the past four years have seen the company focused on a policy of flexible working for women, especially those returning to work for childcare reasons. This focus is aimed at encouraging all women, including those in more senior roles, to return to work or remain at work through greater support and flexibility. Examples of this were job sharing, flexible hours to fit in with lifestyle changes and support to have greater quality time.

Fair Ways has also invested hugely in training and especially leadership courses with the introduction of future leaders and senior leaders’ courses aimed to identify, retain and promote colleagues of either

gender to senior positions within the organization.

In 2021, one of the few positives results of the COVID pandemic has been to radically accelerate the move to hybrid working for those staff that can avail of this. The early adoption of this practice now sees staff with options to work from home, or multiple locations and this has been fully enabled with the roll out of technology and other support equipment. In addition, the organisation has significantly invested into both Wellness and Mental Health support. It is expected that this flexibility will disproportionately benefit women employees and provide greater career options.

Fair Ways will continue to positively support pay gap reporting and also continue in our efforts to reduce gender pay gaps through the promotion of gender equality. Of the five years' data available to us, we have reported an overall slight reduction in our mean and median pay gap as well as between our bonus pay gaps. However, the 2021/22 uptick in gender pay gaps is noted and it is possible that this pattern reflects the 'pandemic effect' on gender pay noted in national studies. We will monitor this trend ongoing.

We reaffirm our commitment to treat all employees equally and to promote a diverse and inclusive culture and we will explore ways of enabling flexible working to suit employees' lifestyles wherever possible.

The HR team will continue to review recruitment and development practices to ensure females are encouraged into higher paid roles, and we have a diverse workforce and all recruiters are suitably trained to recognise the potential they may have for unconscious bias in recruitment decision making.

I confirm the gender pay gap data contained in this report is accurate as of the snapshot date 31st March 2022.

A handwritten signature in black ink, appearing to read "G Webb", is positioned above the printed name.

Gareth Webb
Chief Operating Officer