



Gender pay gap report 2023

Building a fairer workplace, together



Introduction

At Pay.UK we remain committed to being an inclusive organisation where we respect and enable everyone to thrive and feel valued to make a significant difference to the UK economy.

Our reporting of our gender pay gap is an important element in holding ourselves accountable to this commitment.

Our 2023 report indicates that we have made some progress in closing our median pay gap but we continue to see a significant bonus gap which reflects our internal structures. We have much more work to do.

During our 3 years of reporting we have completed the actions we set ourselves and have made positive improvements to our policies, procedures and practices – from recruitment and on-boarding through to promotion and development.

During 2023 we implemented quarterly pay audits which allows us to track pay movements more regularly and which continue to reassure us that our gaps are not a result of pay inequality but reflect the structural inequality within our organisation.

During 2022 we significantly improved our diversity at Board level and now have 40% female representation. Across our Head of and Exco job families we also have nearly 42% female representation for the first time.

We also recognise that to tackle structural gaps between males and females at junior and senior levels, will require longer-term action plans both for existing colleagues but also targeting initiatives at early career stages to encourage more females into our industry and into low represented subjects such as technology, data and architecture.

We remain committed to working hard to close our pay and bonus gaps and from 2024 we will develop targets on diversity and inclusion in line with the FCA’s diversity and inclusion targets.

We look forward to reporting on our continued actions and progress.



David Pitt
Chief Executive Officer

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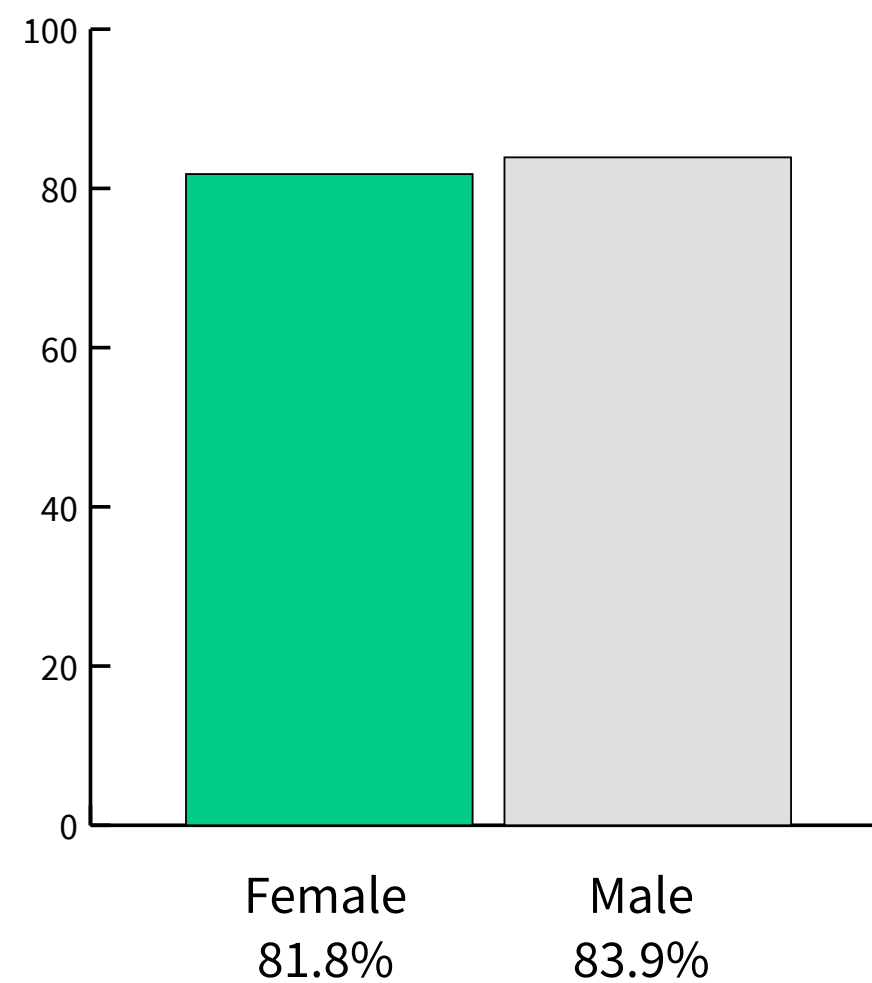
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Our gender pay gap

On 05 April 2023 (our snapshot date), 345 relevant colleagues were employed by Pay.UK with a contract of employment for payroll purposes. Our pay & bonus gaps are therefore based upon this population. Of the 345 of colleagues who were receiving their full contractual salaries on the snapshot date; 158 were female and 187 were male.

The proportion of colleagues receiving a bonus in 2023 are shown below



2023 pay gap & 2023 bonus gap

		2023
Pay gap	Mean	17.6%
	Median	19.4%
Bonus gap	Mean	37.0%
	Median	58.2%

For every £1 male colleagues earn, female colleagues earn		
Pay gap	Mean	£0.82
	Median	£0.81
Bonus gap	Mean	£0.63
	Median	£0.42

Compared to 2022, our median pay gap has decreased by 0.9%.

This small movement in closing our pay gap is positive and we are committed to continuing the actions we feel are contributing to this progress.

This year, 82.9% of colleagues received a bonus compared to 73.9% in 2022 and 2.9% in 2021.

Our bonus gap remains an area of concern and reflects not only gender representation across grades but also the maturity of our bonus policy. This is our second year of awarding bonuses across the whole organisation. Although we have increased the percentages of those receiving a bonus we must continue our work towards closing the gender bonus gap.

See page 7 for useful definitions.



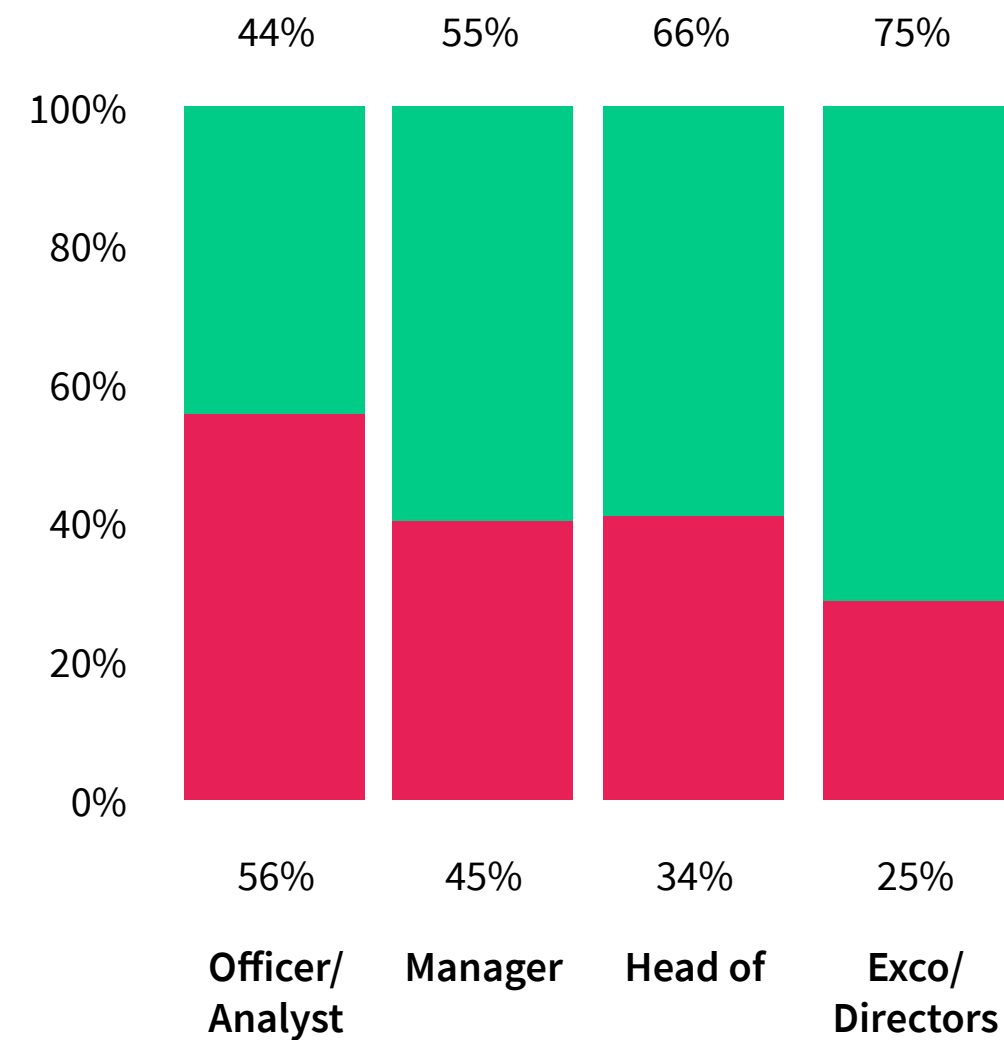
Gender distribution

The data presented on the following charts identifies that our pay gap continues to be a result of a higher proportion of male colleagues occupying senior roles across our organisation. This is despite an increase in female representation in senior roles over the reporting period.

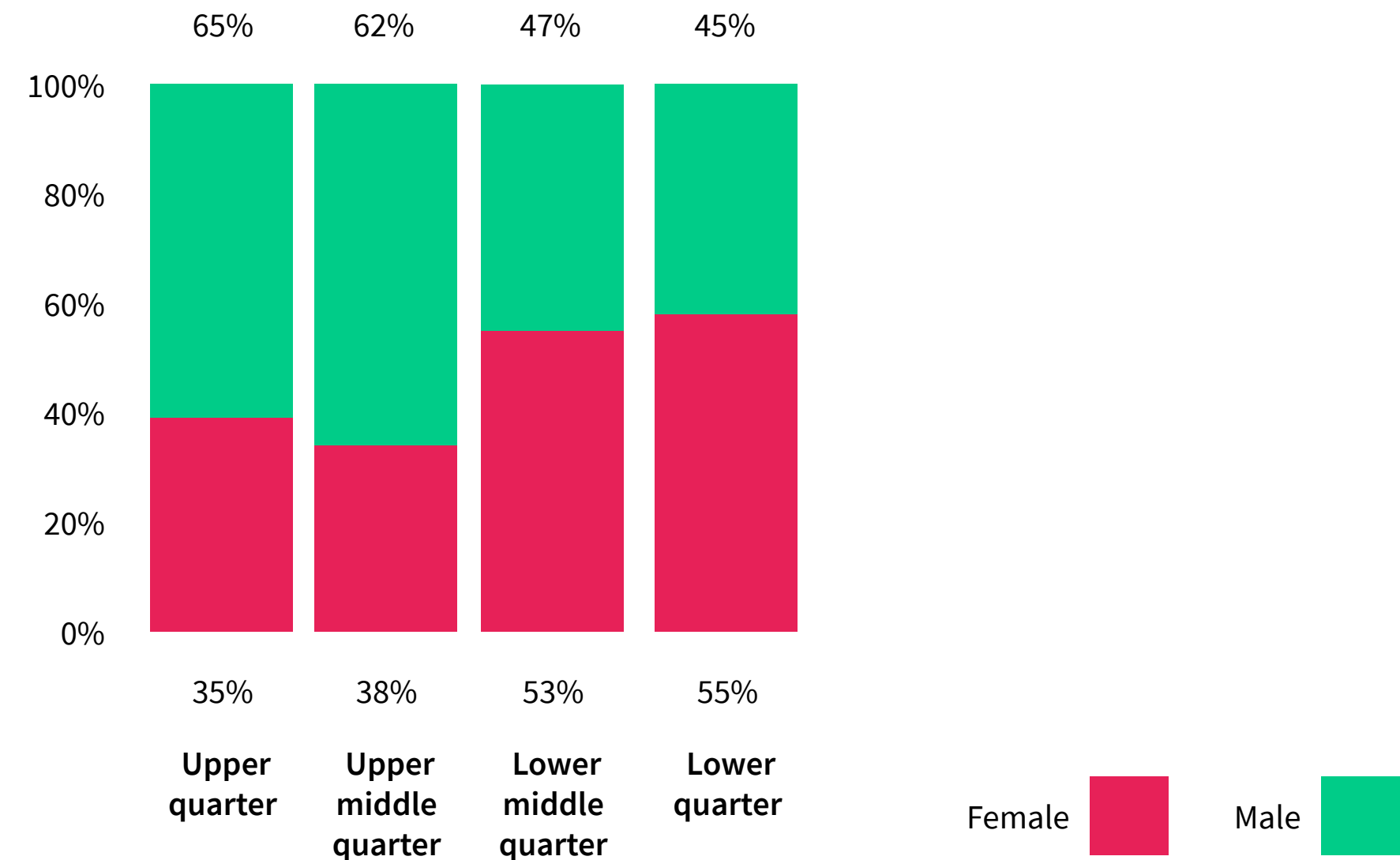
There is no quick fix for this sort of imbalance but we are working hard to ensure we manage this as effectively as possible and continue to strive toward gender equality across all roles and grades.

We already know that across job families we have more female concentration at lower levels and less representation at higher levels. The concentration of female colleagues at lower level grades is also reflected in the proportion of females in upper middle and upper pay quarters, when compared with lower-middle and lower pay quarters.

Gender distribution across job families.



Gender distribution by salary divided into quarters.



Female ■ Male ■



How we benchmark

	Gender pay gap median	Gender pay gap mean
Pay.UK's gender pay gap	19.4%	17.6%
Private sector	19.6%	16.7%
All industries & services	14.9%	13.9%
Financial & insurance activities	31.2%	28.8%
Other financial service activities, except insurance & pension funding	36.6%	30.8%

Source: Office for National Statistics, ONS, 2022.



Pay.UK currently benchmarks favourably against our Financial Services and private sector counterparts, according to ONS 2022 gender pay gap data. However, we recognise we have more work to do in order to reduce our gaps. We remain focused on key initiatives which aim to redress gender imbalances.

How we are working to close our gap

We already know and previously reported on areas we feel we can improve throughout the entire lifecycle and colleague journey in Pay.UK; from recruitment and attraction, onboarding and retention, performance, development, exit and reporting. Below is an update on our progress to date against our commitments. These actions are helping us build a fairer workplace, together.



Reward

Our Pay Policy is embedded and more clearly understood by colleagues, providing transparency of pay approach.

We now undertake quarterly pay audits as well as quarterly gender pay gap snapshots. This enables us to quickly identify any trends or areas of concern and adjust our action plans as may be necessary.

This also ensures we are fairly and consistently applying policy and report to an Executive level Resourcing Committee our observations or recommendations.



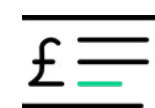
Recruitment

We met our 2022/23 recruitment actions which focus on the end to end process from attraction to selection.

Where we work with third parties, our Preferred Supplier List (PSL) partners are now instructed on our requirements for greater diversity at all recruitment stages.

Our Talent Acquisition team have developed 'Licence to Hire' training which is now mandatory for all hiring managers and which helps to identify and eliminate bias from the interview and selection process.

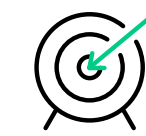
We have also upgraded our applicant tracking system (ATS) to provide improved reporting functionality. This will enable us to analyse demographics at all recruitment stages and help us understand where increased action may be needed.



Additional pay gap reporting

We continue our work in the voluntary collection of ethnicity, disability and other protected characteristics data across Pay.UK through continued colleague engagement and socialisation. As yet, our data is not comprehensive enough to produce useful

analysis and reporting. We welcome the recent Government guidance on ethnicity reporting and maintain our ambition to report on ethnicity with the support of our colleagues through enhanced data collection.



Clear and transparent routes to progression

We are committed to ensuring our female colleagues have equality of opportunity for all internal job opportunities and aim to transparently advertise all roles at all levels.

Our new Talent Framework launched in 2023 and has enabled a Company-wide talent and succession review. This will provide The data to enable us to identify where we should focus opportunities for accelerated development for under-represented groups in senior roles.

By fostering the talents, experiences and skills of female colleagues and offering fair, clear and transparent routes to progression, we aim to support our female colleagues to reach their full potential.



Training & development

As reported in 2022, we have delivered as part of our Inclusion Strategy a programme of inclusion learning and development which includes Active Bystander training. This achieved a 93% participation rate with high levels of engagement. Our new target for In My Shoes which launched in 2023 is to achieve 100% colleague attendance over the next 12 months.

We also continue to build on the success of our Learning Management System and have developed a range of blended learning programmes, such as Leadership Insights on Developing Women Leaders. We have also recently launched learning channels to support inclusion.



Flexible working

Having identified and assessed our business requirements with clear policies in place to support hybrid working, we continue to offer individual choice for all.

By enabling flexible working, remote working or family friendly working patterns, we aim to support all our colleagues to balance work and home life and currently 78% of non-standard contracted hours arrangements relate to female colleagues.

Useful definitions

Equal pay

Under Equal pay, there should be no difference in salaries for a man and woman working for the same employer and undertaking equal work (equal work defined as the same work, work rated as equivalent under a job evaluation scheme or work of equal value).

Gender pay gap

A gender pay gap (mean or median) can be referred to as “structural inequality” rather than pay inequality. It is the difference between the hourly rate of female and male colleagues, expressed as a percentage of male pay.

Gender bonus gap

A gender bonus gap (mean or median) is the difference between the bonus paid to male colleagues and that paid to female colleagues. This is expressed as a percentage of the bonus paid to male colleagues.

Mean

A mean average is calculated by adding up the salaries of all relevant colleagues and dividing the figure by the number of colleagues. The mean gender pay gap is a calculation based on the difference between the mean female pay and the mean male pay.

Median

The median is the figure that falls in the middle of a range when the salaries of all relevant colleagues are lined up from smallest to largest. The median gender pay gap is a calculation based on the difference between the colleagues in the middle of the range of male salaries and the middle colleagues in the range of female salaries.

Snapshot date

Gender pay gap calculations are based on payroll data drawn from a specific date each year, called the snapshot date. For private sector employers the snapshot date is 5 April each year.



Declaration

I confirm that the information and data reported are accurate and in line with the UK Government’s Equality Act 2010 (Gender pay gap information) Regulations 2017.



Sherree Schaefer
Chief Culture & People Officer, Pay.UK

If you'd like to
find out more...

Please contact AskPeople@wearepay.uk

