



# Gender Pay Gap Report

Alternative Futures Group (AFG) Gender Pay Report for 2017

# Our Gender Pay Report for 2017

## Welcome from our Chief Executive Officer – Neil Campbell



As AFG Chief Executive my role is to lead the management of the organisation, ensuring that we deliver on our mission and purpose in a fully compliant way, and remain the best at what we do – delivering high quality, life enriching person centred support to people with learning disabilities and mental health needs.

At AFG we have a vision to create *'A world where people control their lives'*

Our mission is to *'Together with our people and partners we will unlock skills, gifts and talents to support everyone's right to choose and achieve their aspirations'*.

The delivery of our Vision and Mission are dependent upon the outstanding people that work for our organisation.

We are committed to supporting our people, and value the opportunity that the Gender Pay Regulations offer to reflect upon the gender pay profile and equality of opportunity between our male and female workers.

I am pleased to present the Alternative Futures Group Gender Pay Report for 2017

### Declaration

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

*N. Campbell.*

**Neil Campbell**

AFG Chief Executive Officer (CEO)

# Background to the Regulations and Pay Gap?

## Background to the Gender Pay Regulations

On the 1<sup>st</sup> April 2017 the Government introduced *The Equality Act 2010 (Gender Pay Information) Regulations 2017*. The regulations require that any private, voluntary and public sector employers that have 250 or more employees on the snapshot date of 5<sup>th</sup> April each year must calculate and publish their Gender Pay data.

The regulations set out a clear framework for the consistent calculation and reporting of Gender Pay differences (a summary of the reportable measures is provided to the right of this page).

## What is the Gender Pay Gap?

‘Equal Pay’ and ‘Gender Pay’ are often confused, but are very different measures of pay. Equal pay has thankfully been unlawful for many years and relates to the difference between individuals or groups performing the same or similar work. Gender Pay difference however relates to the average earnings for men and women, regardless of their role or seniority.

The Office for National Statistics (ONS) reported in January 2018 that there was a 9.1% pay gap between the median hourly rate of pay for men and women full-time employees (a man’s average hourly pay was £14.48 per hour, and women’s hourly pay was £13.16). ONS outline that Gender Pay differences can vary across sectors and at senior levels within an organisation. Industries such as Finance or ICT historically have more male employees than female and will therefore have a wider pay gap, whereas the Health and Social Care industry typically has a broader female population and would expect a lower pay gap as a result.

### The MEAN Gender Pay Gap

Compares the average hourly rate for men/women by adding all hourly rates and dividing by the headcount for that gender at the snapshot date

### The MEDIAN Gender Pay Gap

The Median GPG takes the middle value from a sorted list of hourly rates of pay for each gender and compares the difference between genders

### The MEAN BONUS GPG

Considers the Mean difference between the bonus pay received for men and women over a twelve month reference period leading to 5<sup>th</sup> April 2017

### The MEDIAN BONUS GPG

Considers the difference between the Median (midpoint) bonus pay for each gender over twelve month reference period leading to 5<sup>th</sup> April 2017

### The Proportion of Men / Women Receiving a Bonus

Two calculations that show the proportion of men and women that received any form of bonus over a twelve month period against the total relevant employees for that gender

### The Proportion of Men / Women in Pay Quartiles

This measures sorts the average hourly rate of pay as a single list and divides employees into four equal pay quartiles. The proportion of male and female employees in each quartile is reported

A written statement is required to confirm the accuracy of the submission as a minimum. Employers also have the option to publish an accompanying narrative.



# Our Mean & Median Gender Pay Gap

## Our MEAN Gender Pay Gap

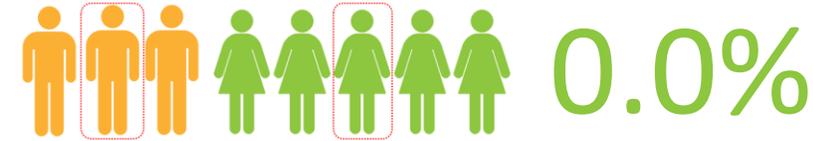


Our *Mean Gender Pay Gap* shows the difference between the mean hourly rate of pay that male and female employees receive. At the snapshot date of 5<sup>th</sup> April 2017, our Mean GPG showed that female workers earned 1.53% less than their male colleagues.

The mean average for each gender is calculated by adding the standard hourly rates of all men and dividing this figure by the number of male employees to create a standard male hourly rate. This exercise is then repeated for female workers.

On average, female workers within our organisation have an hourly rate of pay of £8.64 per hour, compared to an average of £8.78 per hour for men.

## Our MEDIAN Gender Pay Gap



Our *Median Pay Gap* at the snapshot date was 0.0%

Our Median Pay Gap is takes the middle pay value from a sorted list (lowest-to-highest hourly rate of pay) for each gender. The difference between the mid-point average rate of pay for male and female workers then provides the Median Gender Pay Gap.

When considering our data for 2017, the Median hourly rate of pay for male workers was £7.50, and the same for female workers (National Minimum Wage for 2017/18).

As we a registered charity, the long-term sustainability of our business is a key consideration for us so that we are able to continue to provide a high quality service to the people we support. As such, a large proportion of our people are paid the National Minimum Wage. This can be seen within our Median Gender Pay Gap of 0.0% as both genders have a mid-point average hourly rate of pay of £7.50. Although we do pay the NMW, as an employer we pay the 'National Living Wage' of £7.50 to all eligible employees regardless of their age.

# Our Bonus Gender Pay Gap

## The MEAN BONUS Gender Pay Gap

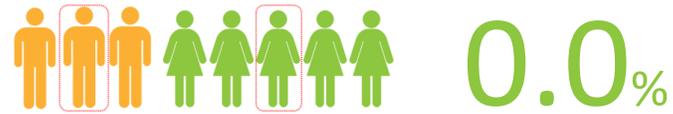


Our *Mean Bonus Gender Pay Gap* shows the difference between the mean bonus pay that male and female employees received over a twelve month period leading to 5<sup>th</sup> April 2017.

The mean bonus pay average for each gender is calculated by adding all bonuses' received and dividing this by the number of people of that gender that received a bonus.

In the twelve months leading to 5<sup>th</sup> April 2017, 41 female workers received a bonus (Long Service Awards). The average bonus received was £371.95 (this is a combination of 10 and 25 year awards). The average for male workers during the same period was £350.

## Our MEDIAN BONUS Gender Pay Gap



The MEDIAN Gender Bonus Gap takes the middle pay value from a sorted list of bonus payments received by each gender during the twelve month period leading to the 5<sup>th</sup> April 2017 (lowest-to-highest). The difference between the mid-point average rate of pay for male and female workers then provides the Median Bonus Gender Pay Gap.

Our result for this twelve month period is 0.0% as the mid-point values for both Genders was £350 (10 year Long Service Award)

## Proportion of Men/Women Receiving a Bonus



To calculate the proportion of male relevant employees who received a bonus, the number of male relevant employees receiving a bonus needs to be divided by the total number of male relevant employees and the resulting figure multiplied by 100, to express the total as a percentage.

As mentioned previously, any Bonus payments received relate to Long Service Awards, therefore within this reporting period, female workers typically reached milestones in their service more frequently than male colleagues.

The Gender Pay Regulations definition of 'Bonus Pay' extends the usual determination to include profit sharing, productivity, performance, incentive and commission. The data must also include benefits received in the form of cash, vouchers or securities. Typically, AFG do not pay bonuses to our employees, however we do recognise the commitment and loyalty of our people through Long-Service Awards which makes up the entire complement of our bonus pay data. During the twelve months leading to 5<sup>th</sup> April 2017, a total of 60 Long-Service payments were made in the form of Gift Vouchers to the value of £350 for 10 years' completed service, and £500 for 25 years' completed service

# Proportion of Men and Women in Quartile Bands

## What do our quartile bands tell us?

This measure shows the proportion of male and female full-pay relevant employees in four quartile pay bands which is completed by dividing the workforce into four equal parts. All relevant full-pay workers at the snapshot date are sorted by hourly rate (lowest to highest). This measure is particularly useful to demonstrate if there are any specific pay gaps in more senior roles within the organisation.

Provide below is a summary table of the proportion of male and female workers within AFG at the snapshot date of 5<sup>th</sup> April 2017.

	Female		Male		Total Headcount
Q1 - Lower	63.7%	352	36.3%	201	553
Q2 - Lower Middle	63.8%	353	36.2%	200	553
Q3 - Upper Middle	63.8%	353	36.2%	200	553
Q4 - Upper	68.5%	379	31.5%	174	553
Grand Total	65.0%	1,437	35.0%	775	2,212

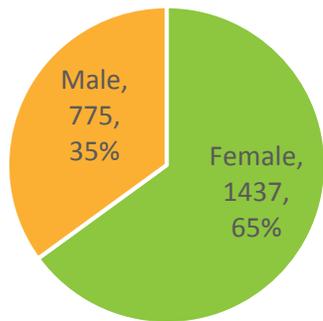
Note - Data includes % value and headcount values

In April 2017, AFG had 2,212 full-pay relevant employees. At this point in time, 85% of our workforce were Support Workers, and 1,698 of our relevant employees received National Minimum Wage of £7.50 per hour.

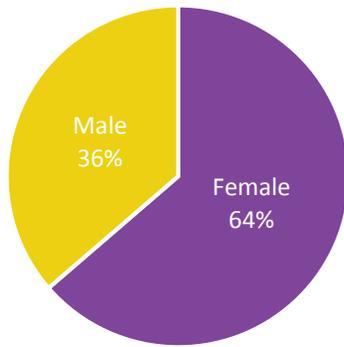
Female representation within AFG in April 2017 was 65%. The utopia for quartile band reporting is that there would be a 65% female representation across all pay bands.

The results for AFG in April 2017 showed that female representation across Q1 – Q3 was 63.8% on average, with 68.5% representation in the Upper Quartile. This is a very reassuring result which shows that female colleagues are well represented across the organisation and particularly within more senior roles within our organisation

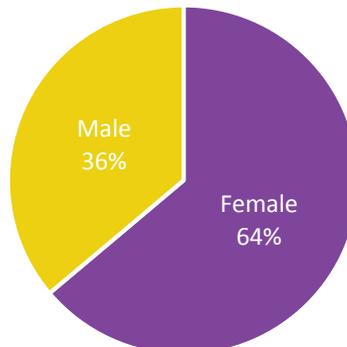
Gender Profile



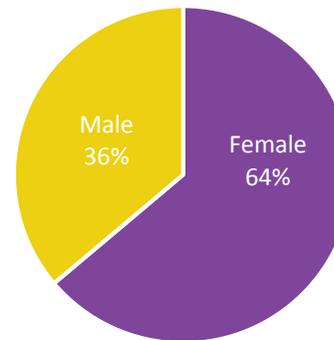
Q1 - Lower Quartile



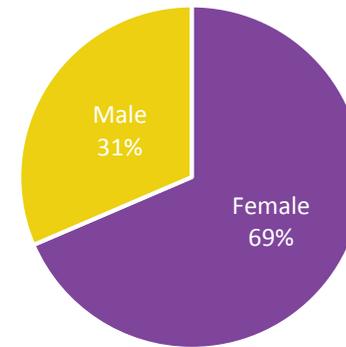
Q2 - Lower Middle



Q3 - Upper Middle



Q4 - Upper Quartile



# What next...?

## How will we use our Gender Pay Data?

The publication of our Gender Pay Data satisfies the legal obligations of the Gender Pay Regulations. As mentioned at the outset of this report AFG are a People Centred organisation and we are always looking for ways in which we can improve the support we provide to our people.

ACAS have produced a useful Info-graphic (attached) which helps to understand the causes of the Gender Pay Gap. This highlights that factors such as opportunities to flexible working, promotion opportunities, meaningful support, and role models are key factors that limit female workers opportunities to progress their careers as well as male colleagues.

Within AFG we have ambitious plans as part of our People & Organisational Development Strategy for 2018 – 2020 to improve the way in which we attract, retain and develop our people.

Some of the key programmes of work that we will undertake over the next year is to redesign our Organisational Development programme with a new Performance Management Framework, new opportunities for Continuous Development for all, and most excitingly the introduction of a Foundations Development Programme for newly appointed line managers.

In addition to this, we will also be implementing a new HR system which will provide us with invaluable opportunities to improve the quality of Management Information and learning we can obtain about the equality of opportunity in recruitment, development and progression for all of our people.



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