



**The
Children's
Society**

Gender Pay Gap Report

2017 / 2018

The Children's Society

Gender Pay Gap Report

25 September 2017

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Foreword

The Children's Society is a national charity that runs local services, helping children and young people when they are at their most vulnerable, and have nowhere left to turn. We also campaign for changes to laws affecting children and young people, to prevent issues being repeated in the future. Our supporters around the country fund our services and join our campaigns to show children and young people they are on their side.

Central to our vision of a country free from disadvantage is our commitment to diversity and inclusion. In our diverse society, too many children and young people face multiple barriers on the basis of their circumstances, experiences and identity. Therefore, this commitment runs through the delivery of change we want to see – through our services for children and young people, our campaigning, our work with volunteers, and in our role as an employer. Our aims are to understand the varying needs, strengths and expectations of young people we work with and also to make full use of the variety of exceptional skills and experience that our staff and volunteers bring to support our work.

Gender Equality is a significant part of this commitment to diversity and inclusion, which is why we welcome the implementation of mandatory gender pay gap reporting as one important step in terms of progression and transparency, and why we are working with the Government Equalities Office as an early adopter of this in the voluntary sector.

Our gender pay gap report suggests that while we can be proud of our progress we have areas where we can do more to support gender equality. We have a mean gender pay gap of 17.26% and a median of 20.83% which, although comparable to the national average, is a pay gap that needs constant attention until it reaches 0%.

When we break this down by quartile we see slightly different stories in our different pay ranges and so as well as actions that support the whole of our workforce, we will be specifically working to address the discrepancy we find in our upper quartile band of comparatively higher earners.

I am pleased to be able to commit to firm actions in response to this Gender Pay Gap Report. We look forward also to publishing our updated Single Equality Scheme in 2018, which will provide a comprehensive road map of what we are doing to address issues of diversity and inclusion across the organisation and in our work.

Liz Walker

Director of Finance & Corporate Services, The Children's Society

Gender Pay Gap vs Equal Pay

When understanding a gender pay gap it is important to be familiar with how this differs from equal pay. The Equality & Human Rights Commission outlines the differences as follows:

'Whilst both equal pay and the gender gap deal with the disparity of pay women receive in the workplace, they are two different issues:

- 1. Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.*
- 2. The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.¹*

Equal pay is unlawful and a gender pay gap is not. This is due to the causes of a gender pay gap not falling within the direct control of an employer. At The Children's Society (TCS), we are an equal pay employer and ensure that we do not engage in practices that breach equal pay legislation. Gender Equality is an issue we will tackle at TCS by going far beyond legislative compliance and addressing our gender pay gap is part of this.

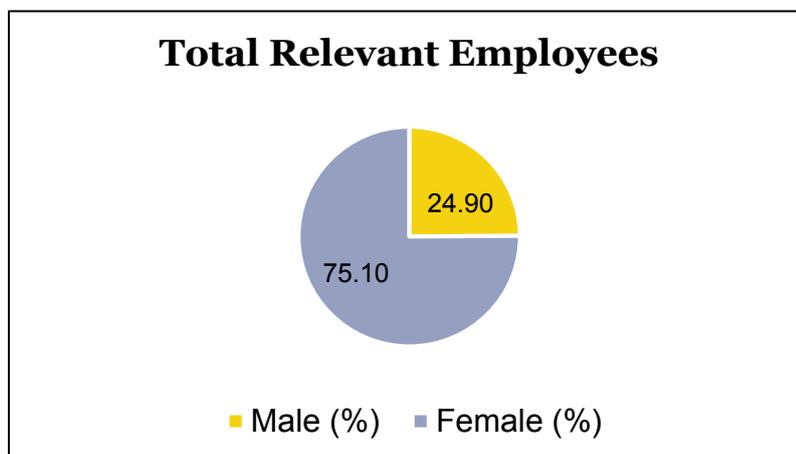
Statutory Information: Bonus Data

As part of the mandatory reporting process, employers are required to publish the gender pay gap within their bonuses. At The Children's Society, we do not award bonuses and therefore will not be able to report a bonus gender pay gap.

¹ <https://www.equalityhumanrights.com/en/advice-and-guidance/what-difference-between-gender-pay-gap-and-equal-pay>

Summary

At The Children's Society, the gender of our workforce is 75% female and 25% male². This female majority is greater than the voluntary sector average of around 65% female³.



Our overall gender pay gap, by mean average, is 17.26%⁴. This highlights the difference between the average pay of females and males in our total workforce. Our gender pay gap by median average rises to 20.83%⁵.

Total Relevant Employees	
Average	Gap (%)
Mean	17.26
Median	20.83

This gap is broadly comparable with the national picture. According to ONS figures, the national median pay gap for all employees of 18.1% in 2016⁶. There is not, at present, a national average for mean gender pay gap that we would favour using as a comparison (see section on *Taking Action*).

² This figure is on those in relevant employment on the "snapshot" date of analysis for gender pay gap reporting 5 April 2017

³ <https://data.ncvo.org.uk/a/almanac17/fast-facts-6/>

⁴ The mean figure is the difference between the average of men's and women's pay.

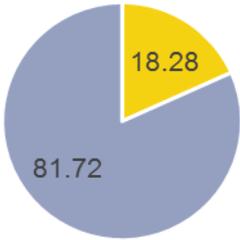
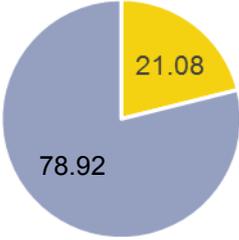
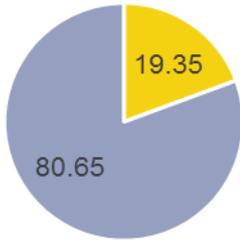
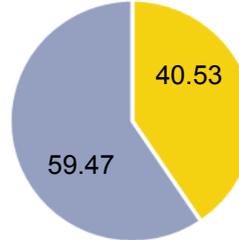
⁵ The median figure is the difference between the midpoints in the ranges of men's and women's pay

⁶ <http://visual.ons.gov.uk/the-gender-pay-gap-what-is-it-and-what-affects-it/>

Understanding our gap

To understand what drives this gap and what can be done about it, it is important to analyse by pay quartiles as set out by the Government Equalities Office (GEO). This allows us to understand in particular whether women are often over-represented in lower earning roles and men within higher earning roles. This is calculated by taking all male and female full-pay relevant employees across the whole organisation and dividing them equally into four pay bands.

When we analyse our pay gap by quartile, the gender pay gap increases in every quartile with a large increase in the final quartile:

	Quartile			
	Lower	Lower Middle	Upper Middle	Upper
Mean Gap (%)	0.00	1.66	1.36	7.34
Median Gap (%)	-2.44	0.41	0.62	3.95
% Relevant Employees F/M				

In three of our pay quartiles, the balance of the workforce is around 80% female to 20% male. In our upper quartile, this changes to 60% female and 40% male. The percentage of males doubles in the upper quartile and we have a larger majority of female staff occupying lower paid roles.

This suggests that, even though the upper quartile remains majority female, the increase in number of males in comparatively higher earning roles is driving an increase in our overall gender pay gap and is therefore the area in which we should concentrate.

Part-time and sessional work

One key driver for the gender pay gap on a national scale is that part time or sessional roles are more likely to be occupied by women. Higher-paid roles are more likely to be full time which causes a correlation between part time/sessional work being comparatively lower paid.

At The Children's Society, we have a high proportion of part time and sessional roles in our lower quartiles, with a high proportion of female staff occupying them. This is in contrast with our upper quartile where the male presence doubles and we have fewer part-time roles. When we analyse only part-time employees, our gender pay gap would be 13.82% (Median) and 12.78% (Mean) in favour of women.

Taking action

At The Children's Society, we are all too aware of gender disparity in the UK and we are committed to playing our part in tackling it.

1. Further analysis, transparency and reporting

- This is the first year we have reported on our gender pay gap and we will continue to do so. In response, we favour a thorough focus on clarity and transparency in our approach and more detailed analysis to understand what it means for our staff at a practical level.
- Before our next report, we will investigate what can be done to address the pay gap, particularly in the upper quartile.
- We will work with the Government Equalities Office to continue to seek advice and feedback to ensure legislative compliance but go beyond this to embed and pursue best practice.
- By April 2018, we will publish our new Single Equality Scheme that will outline all of our Equality, Diversity and Inclusion work over the coming years. Gender pay gap analysis will form a part of this to monitor internally throughout the year.
- We are likely to give prominence to the median average in our future analysis, recognising its suitability as a better indicator of typical pay⁷.

⁷<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2016provisionalresults#gender-pay-differences>

2. Senior leadership and upper quartile

Over recent years, we have come a long way to ensure gender balance in our senior leadership roles. At senior level, we are proud to say that of our six Senior Leadership Team members, three are women. Of our twelve board members, six are women. This includes the Chair of our trustee board, Janet Legrand (Partner and Senior Elected Board member at DLA Piper where she established and chairs their award-winning women's network) and Vice Chair Rt Revd Libby Lane (the Church of England's first woman bishop and formerly Dean of Women in Ministry). Further to this, we have a board of young trustees, of which two are young men and three young women.

- We know that role models in senior leadership can be a critical part. We will establish Lean In groups for women across our workforce, particularly in the upper quartile
- We will implement a mentoring scheme with the ability to focus specifically on career progression for female employees.

3. Initiatives Supporting Equality, Diversity & Inclusion

We have existing measures that are of benefit to a reduction in the gender pay gap. As part of our action planning, we will review and build upon these to understand how we can utilise them further to this end. The suite of relevant, existing provisions consists of:

- **Flexible working agreements:** The Children's Society offers its employees a range of flexible working arrangements. We currently have over 100 different working patterns in place, ensuring we consider all of our employees' needs in terms of finding that work/life balance.
- **Childcare vouchers:** Childcare vouchers are a tax-efficient way to pay for childcare, which will help reduce childcare costs. As a family friendly organisation, we offer a childcare vouchers scheme to our staff.
- **Diversity Champions:** This is our Equality, Diversity & Inclusion network that includes staff from all tiers of management and different areas of the business. We work with our champions to help engage staff and assist on some of the decision-making within our EDI work.
- **Learning & Development:** We offer a wide range of courses for staff through a variety of media. Among our courses are face-to-face and online training on Equality, Diversity & Inclusion (including unconscious bias training) as well as

management training. We have up-skilled staff members from our Diversity Champions group so that they can deliver this across the organisation.

- **Job sharing:** The Children's Society has a job share policy to maximise flexibility as an employer, to aid recruitment and retention and to respond to the needs of employees, where possible. Typically this would be offered in conjunction with our flexible working provisions.
- **Family leave:** Employees receive enhanced pay when taking maternity/paternity/adoption leave – we also advocate shared parental leave, and flexible arrangements to support with parental responsibilities.
- **Trade union:** We work closely with our recognised trade union, Unite, and support the process of collective bargaining. There is a specific post of Equalities Representative in-house. It is from this representative, and others, that we can seek both input and staff engagement on the topic of gender pay, along with other areas of EDI work.
- **Living Wage Foundation:** TCS is a living wage employer and pays due regard to the values of the Living Wage Foundation⁸. As we have a high proportion of female employees in our lower quartile, paying the Living Wage means that the range from those in the Lower Quartile to the Upper Quartiles is not as broad as it would be if we paid minimum wage.
- **Equality & Diversity policy:** This policy covers all employees and outlines the roles and responsibilities of Managers, HR and Employees when operating within our values as well as legal requirements. We recommend that this policy is read in conjunction with our **Dignity at Work Policy**, which covers relevant topics such as discrimination and whistleblowing.
- When carrying out our recent pay and grading review, we conducted an **Equality Impact Assessment** (as is standard process at TCS) to ensure that there wouldn't be a disproportionate impact on staff based on protected characteristics, including gender. As part of this process we implemented a **Job Evaluation Scheme** that is gender-neutral⁹.
- **Single Equality Scheme:** We currently have a Single Equality Scheme within TCS that is due to expire at the end of the year. In 2018 we will be launching a new Single Equality Scheme. The timing of our gender pay gap reporting means that we can now incorporate this into our planning over the coming years.

⁸ <https://www.livingwage.org.uk/>

⁹ Reward consultants Reward Connected <http://rewardconnected.co.uk/evaluation/>

It is a painful fact that many children and young people in Britain today are still suffering extreme hardship, abuse and neglect.

The Children's Society is a national charity that runs crucial local services and campaigns to change the law to help this country's most vulnerable children and young people.

Further information

To find out more, please visit
childrenssociety.org.uk/organisational-policies