

GENDER PAY GAP REPORT - 2022

Introduction

As an equal opportunity employer, we want to ensure that all employees across the business are treated fairly and consistently with regards to pay, recognition, promotion opportunities and rewards. This is evident from one of our key business objectives where we aim to put “People First”.

Employee pay is managed by our People Team to ensure salaries are calculated consistently and only authorised if they fit within the company’s salary banding. Salaries are based upon the job role, skills required, duties and level of responsibility.

We regularly benchmark our salaries against similar roles in the industry and within the local employment market to ensure we are paying a competitive salary. We also ensure that all pay rates are above the national minimum wage applicable for the age of the employee.

Although we are confident that we offer fair pay to all employees this report does highlight that we have more senior males than we do senior females within the business. We know that we have much more work to do on this including promoting more women within the organisation to more senior roles.

We do not currently have any employees in the business who identify as non-binary so we have used the term men and women throughout the analysis and subsequent reporting.

What is The Gender Pay Gap?

The gender pay gap is a measure of the difference in the average hourly pay and bonus pay received by men and women irrespective of their roles, across the whole business.

This report covers the 2022/23 reporting cycle, using a snapshot date of 5th April 2022 and is calculated using the requirements of the Equality Act 2010 (Gender Pay Gap Information) regulations 2017.

At this time there were 396 people within our company: 291 men (73%) and 105 women (27%).

Mean

The mean gap is the difference in average hourly pay between men and women. This is calculated by adding all pay rates together and then dividing by the number of employees included.

Our mean average has been calculated as being 8.1% which means that on average men are paid £1.10 an hour more than women. This gap has increased by 6.7% since the previous year.

Median

To calculate the median gap, we allocated all of our men and women into two separate lists in order of hourly rate from highest to the lowest paid. The median gap is the difference in hourly rates between men and women.

This results in a median gap of 6.7% which means that, based on this method, men are paid £0.85p an hour more than women. This gap has decreased by 0.4% since the previous year.

	APRIL 2022			APRIL 2021	%
	Men	Women	Pay Gap	Pay Gap	Change
Mean Hourly Pay £	13.62	12.52	8.1%	1.4%	6.7%
Median Hourly Pay £	12.64	11.79	6.7%	7.1%	-0.4%

Bonus Payments

The data shows us that 12.6% of women and 53.3% of all men in the company received a bonus.

Mean bonus pay for women is 73.2% lower than men which has decreased by 9.3% since the previous year.

The median bonus pay is 57.3% lower for women than men in the company – this has decreased by 26% since the previous year.

Historically our business operates in an industry dominated by men and we have seen good retention rates and therefore low attrition in the last year. Bonuses are typically paid in areas of the business dominated by men so it's natural for there to be a difference in the number of men and women receiving bonuses.

Whilst the gap has narrowed at both the mean and median levels, this is still something that we would like to improve on in the future.

	APRIL 2022	APRIL 2021	% Change
Mean Bonus Gap	73.2%	82.5%	-9.3%
Median Bonus Gap	57.3%	83.3%	-26.0%

Quartile Percentages

Pay quartiles are calculated by listing the rates of pay for each employee across the Company from lowest to highest, before splitting that list into four equal sized groups and calculating the percentage of men and women in each one.

The results of the review demonstrate that 38.4% of the first quartile are women, with this reducing to 34.3% in the second quartile and 12.1% in the 3rd quartile. The fourth quartile shows that 21.2% are women.

	NUMBERS		PERCENTAGES	
	Men	Women	Men	Women
Lower Quartile	61	38	61.6%	38.4%
Lower-Middle Quartile	65	34	65.7%	34.3%
Upper-Middle Quartile	87	12	87.9%	12.1%
Upper Quartile	78	21	78.8%	21.2%

Conclusion

Whilst the company has experienced an increase in its gender pay gap this year, it does not mean that women are paid less than men for doing the same job but it does show that on average, more men occupy higher paid roles than women.

We know that we need to do more to recruit and promote more women in the business. Brexit and the COVID-19 pandemic have changed the employment market landscape and this has affected our ability to attract and retain employees generally within the business and not just women.

However, it is widely recognised that senior roles typically attract more applicants from men than women. We are always looking at ways to increase flexible working and to encourage more women to join the business. All roles are now benchmarked against the local employment market and this will help to ensure we pay both men and women a fair wage.

We are continuing to use and develop our internal salary banding system in order to ensure our teams are rewarded based on their skills and to encourage personal development. During the next year we will review our shift patterns to offer a wider range of shift flexibility, creating further opportunities to suit individual needs and or commitments.

We have also trained a number of Mental Health First Aiders in the business and have developed our Employee Voice forum where employees from all departments can share their thoughts and comments with Senior Management.

We are also a “Disability Confident” employer and have a cash healthcare plan open to all employees to allow them to have access to funded healthcare.

Internal and external training programs are available to all employees and Management encourage their teams to take the opportunity to develop their skills for both progression and succession opportunities.

Arthur David (Food with Service) Ltd are committed to providing an equal place of work and key changes will be shared with all employees.

Jason Skuse

Finance Director

April 2023