

GENDER PAY GAP REPORT - 2023

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 and reviewed by Senior Management to ensure salaries are calculated consistently and only authorised if they fit within the company’s current broad based salary banding system. Salaries are based upon the job role, skills required, duties and level of responsibility but we know there is more work to do to improve the salary banding and benefits system currently in place.

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.

The official guidance states that we must exclude calculations for employees who do not self-identify as either gender, so our calculations only use the terms the 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 2023/24 reporting cycle, using a snapshot date of 5th April 2023 and is calculated using the requirements of the Equality Act 2010 (Gender Pay Gap Information) regulations 2017.

At this time there were 417 people within our company: 296 men (71%) and 121 women (28%).

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 13.9% which means that on average men are paid £2.13 an hour more than women. This gap has increased by 5.8% since the previous year.

Median

To calculate the median gap, we allocated men and women into two separate lists in order of hourly rate from highest to the lowest paid. The median hourly rate for men and women is the employee's rate of pay which falls directly in the middle of each list.

This results in a median gap of 12.0% which means that, based on this method, men are paid £1.70 an hour more than women. This gap has increased by 5.3% since the previous year.

	APRIL 2023			APRIL 2022	%
	Men	Women	Pay Gap	Pay Gap	Change
Mean Hourly Pay £	15.31	13.18	13.9%	8.1%	5.8%
Median Hourly Pay £	14.11	12.41	12.0%	6.7%	5.3%

Bonus Payments

The data shows us that 70.3% of women and 83.5% of men in the company received a bonus.

Mean bonus pay for women is 75.3% lower than men which has increased by 2.1% since the previous year.

The median bonus pay is 34.7% lower for women than men in the company – this has decreased by 22.6% 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 the median levels, this is still something that we would like to improve on in the future.

	APRIL 2023	APRIL 2022	% Change
Mean Bonus Gap	75.3%	73.2%	2.1%
Median Bonus Gap	34.7%	57.3%	-22.6%

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 33.7% of the first quartile are women, with this increasing to 44.6% in the second quartile and 15.8% in the 3rd quartile. The fourth quartile shows that 18.0% are women.

	NUMBERS		PERCENTAGES	
	Men	Women	Men	Women
Lower Quartile	67	34	66.3%	33.7%
Lower-Middle Quartile	56	45	55.4%	44.6%
Upper-Middle Quartile	85	16	84.2%	15.8%
Upper Quartile	82	18	82.0%	18.0%

Conclusion

Whilst the company has experienced an increase in its gender pay gap this year, it does not solely 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.

The company launched a year long Leadership Training programme in January 2024 for a number of middle managers. This team includes a high proportion of women and forms part of our plan to increase the number of women in senior positions within the business.

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 2024