What is the Gender Pay Gap?

A gender pay gap is a measure of disadvantage (a gap) expressed as a comparison between what, on average, men earn and what, on average, women earn (gender pay). It is not ‘equal pay’.

What is equal pay?

Equal pay means that there should be no difference in the pay and contractual terms of a woman and a man doing equal work (or work of equal value) for the same employer.
How is the Gender Pay Gap Expressed?

- As above, the gender pay gap is a measure of disadvantage (a gap) expressed as a comparison between what, on average, men earn and what, on average women earn (gender pay).

- A positive pay gap means that females on average earn less than males. A pay gap of zero means the average pay across the entire workforce is exactly the same for males and females. A negative pay gap means that the average for female employees is higher than that for males.

- In 2018 (latest available) the national gender pay gap for all employees was 17.9%, meaning that average pay for female employees was 17.9% lower than for full-time male employees. The gap was 17.4% in 1997.

- The Government considers that this gap is not acceptable, and has committed to closing the gender pay gap within a generation. There is an expectation that where a gender pay gap exists employers will take actions to increase the number of females in senior roles through removing any glass ceiling and ensuring that their reward strategies, policies, practices and procedures reduce any gender pay gap and, in particular, remove any obstacles having a negative effect on the pay of female employees (or potential employees) or from applying for jobs or promotions.
Productivity

It has been estimated that the under-utilisation of women’s skills costs the UK economy 1.3-2% of GDP annually, and that eradicating the full-time gender pay gap would contribute additional spending into the economy of £41 billion each year.

The reporting requirements

Abbeycroft Leisure had a workforce (including casuals) of 376, who worked during the relevant measurement period in 2017/2018.

Figure 1: The gender pay gap reporting measures

<table>
<thead>
<tr>
<th>Mean gender pay gap</th>
<th>The difference between the mean hourly rate of pay of male employees and that of female employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median gender pay gap</td>
<td>The difference between the median hourly rate of pay of male employees and that of female employees</td>
</tr>
<tr>
<td>Mean bonus gap</td>
<td>The difference between the mean bonus pay paid to male employees and that paid to female employees</td>
</tr>
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<td>Median bonus gap</td>
<td>The difference between the median bonus pay paid to male employees and that paid to female employees</td>
</tr>
<tr>
<td>Bonus proportions</td>
<td>The proportions of male and female relevant employees who were paid any bonus pay during the relevant period</td>
</tr>
<tr>
<td>Quartile pay bands</td>
<td>The proportions of male and female full-pay employees in the lower, lower middle, upper middle and upper quartile pay bands</td>
</tr>
</tbody>
</table>
The Mean or the Median

The ONS prefers median earnings because the median is not affected by extreme values, such as changes in the earnings of small numbers of very high earners. However, as the mean gap captures the fact that the upper end of the earnings distribution is dominated nationally by men, the mean is an important measure of women’s labour market disadvantage.
The Figures

Composition of Workforce (Abbeycroft Leisure)

<table>
<thead>
<tr>
<th>Composition of Workforce</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>159 (42%)</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td>217 (58%)</td>
</tr>
<tr>
<td>No. of relevant employees</td>
<td>376</td>
<td></td>
</tr>
</tbody>
</table>

Abbeycroft Gender Pay Gap (averages)

<table>
<thead>
<tr>
<th>Abbeycroft Gender Pay Gap (averages)</th>
<th>Mean GPG</th>
<th>Median GPG</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-10.38%</td>
<td>-4.18%</td>
</tr>
</tbody>
</table>

On average female employees earned 10% (mean) or 4% (median) more than male employees in 2018
The Figures Continued ...

**Mean/Median Bonus Gender Pay Gap**

<table>
<thead>
<tr>
<th>Bonus Gender Pay Gap</th>
<th>0</th>
<th>No Gap</th>
</tr>
</thead>
</table>

There is no bonus gender pay gap.

**Proportion of Males and Females in Each Quartile Pay Band**

- **Lower Quartile**
  - Males: 56%
  - Females: 44%

- **Lower Middle Quartile**
  - Males: 56%
  - Females: 44%

- **Upper Middle Quartile**
  - Males: 53%
  - Females: 47%

- **Upper Quartile**
  - Males: 67%
  - Females: 33%
At Abbeycroft 48% of the workforce is part-time and female but the data shows these staff are not impacted in any negative way in terms of pay.
Abbeycroft Leisure Pay Gap Data

- Abbeycroft Leisure data shows that females on average earn more than males (Median -4.18% and Mean -10.38%), compared to national pay gap of +17.9%.
- The median average is negligible given the relevant workforce of 376, and there is no negative impact on the females employed.
- The mean average shows that the average female earns 10.38% more than the average male. This reflects the fact that 67% of those at the upper end of the pay scale (i.e. in the upper quartile) are females.
- Abbeycroft paid two discretionary bonuses during the reporting period of equal amounts, one to a female employee and one to a male employee. There is no bonus gender pay gap. This measure is to identify any inequalities in the distribution of, or ability to, earn commission or extra bonus payments.
- The other three quartiles have a fairly equal number of males and females employed at that pay level. The data indicates that females have the opportunity to be employed or to progress to roles attracting the higher levels of pay; and progression is not restricted in any way.
Abbeycroft Pay and Reward

- Abbeycroft adopted a new, revised single Pay and Reward Strategy in 2017. This report reflects the first year in which the new pay spine has been in place and indicates pay practice is fair and transparent.

- The leadership and culture of Abbeycroft has been consistent in assuring that all aspects of people management including recruitment, and access to development opportunities and promotion, has been fair and transparent. Practices have not been more favourable to one gender than the other. The data demonstrates that there is no significant difference in equality of opportunity or in average levels of pay.

- Abbeycroft has a number of approaches and policies that underpin this transparency, fairness and equity.

  - Recruitment is based on merit/skills and competency and sound and thorough process
  - Clear, consistent, single approach to pay and reward and formal authorisation processes are in place for any changes in pay
  - Community Leisure Benchmarking is used as the basis for setting pay rates for all roles
  - Well-designed pay scales are in place

- Given the information in this report it is not felt that a specific remedial action plan is required.

- This report will be published on the Gov.uk website and Abbeycroft’s website and communicated to Unison and staff.