

Spurgeons Gender Pay Gap on 5 April 2019

In 2017 the Government introduced a requirement that every organisation employing 250+ people must report a set of key data around gender and pay.

The calculation is based on a snapshot taken of the organisation, in the case of charities this is 5 April each year. The results presented use the Government prescribed methodology and as a result could be misunderstood. Therefore, this report highlights some aspects of Spurgeons and the methodology used that should be taken into consideration when reading the results we are asked to report.

Spurgeons has a clear pay and remuneration policy that seeks to live out our values of compassion, inclusiveness and hope, recognising our colleagues as central to us living out our mission and realising our vision.

Before reading the results

We seek to adhere to the best employment practices and do not tolerate discrimination. The gender pay gap should not to be confused with unequal pay. The Charity Commission website comment on this matter is helpful:

“The gender pay gap should not to be confused with unequal pay. Unequal pay is the unlawful practice of paying men and women differently for performing the same or similar work, whereas the gender pay gap is a measure of the difference between the average hourly earnings of men and women. Nearly all employers will have a gender pay gap this year, and for most, these gaps will not be the result of unequal pay.”

Spurgeons results are greatly affected by the small number of men who work for the charity. In our snapshot of the 356 members of staff employed by Spurgeons in April 2019 only 26 were men. As our two most senior employees are male, the figures do become skewed. The impact this has is reported below and must not be overlooked in any fair reporting of our gender pay gap position.

Our results

Workforce numbers

Total number of employees/casual workers	356
Female	330 (92.7%)
Male	26 (7.3%)

Pay figures

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|--|--------|
| • mean gender pay gap in hourly pay
(difference between M & F – M are higher) | 23.39% |
| • median gender pay gap in hourly pay | 23.09% |

The Government asks us to report on bonus payments, however, Spurgeons does not pay bonuses.

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|---|-----|
| • mean bonus gender pay gap | N/A |
| • median bonus gender pay gap | N/A |
| • proportion of males and females receiving a bonus payment | N/A |

Proportion of males and females in each pay quartile

Lower Quartile	5.62% Male 94.38% Female
Lower Middle Quartile	4.5% Male 95.5% Female
Upper Middle Quartile	4.5% Male 95.5% Female
Upper Quartile	14.61% Male 85.39% Female

Explaining the difference

The national average pay gap is 8.9% (based on full timers) in favour of men and is slanted due to the high proportion of women who work part-time. The national average gender pay gap among all employees is 17.3%. The gap seems to be greatest amongst older age groups which represent a significant portion of our colleagues. The average age of our employees is 43 and 49% are part-time. As you can see from the above, over 92% of our employees are female. This means that given the wider social and economic context we would expect our workforce to have an 'above average' gender pay gap. However, it is pleasing to see that we have reduced the mean gap by 9.3% since April 2018 and the median by 2.1%. This is partly as a result of including our casual workforce in the data from April 2019.

By far the biggest impact on our results is the impact of including the three most senior managers in the charity.

Just as a quick comparison here are the results with and without the senior three managers which then reduces our gender pay gap below the national average:

Measure	Whole staff group (including 3 senior managers)	Excluding the 3 senior managers (highest paid)
mean gender pay gap in hourly pay	23.39%	14.52%
median gender pay gap in hourly pay	23.09%	15.98%

(The % are the difference between Male & Female – Male being higher.)

How we intend to address our gender pay gap

This report has sought to place Spurgeons' results in the particular context that we have, especially the impact that employing a small number of men can have on the results. This has shown how the methodology used in this instance can be misleading. This does not mean that we are content with the position as it stands or passive in wanting to close the current gap. With the support of our Board of Trustees (made up of 3 men and 4 women at the time of reporting) Spurgeons intends to continue to take the following steps to promote greater equality of pay and has made some progress in 2019.

1. We will promote the development of colleagues within Spurgeons including women in senior roles.

During 2020 we will continue to look at how we can provide greater opportunities to grow our own leaders within Spurgeons through providing development opportunities. We will seek to ensure that all women, and especially those who work part time or have family commitments, are not disadvantaged when it comes to these opportunities, and that directors consider how to promote greater female representation in the most senior roles when these opportunities arise. The appointment of three female Heads of Department in August/September 2018 is a good example of this.

2. We will review our pay and reward system.

Spurgeons has a clear pay policy that seeks to ensure that we pay people fairly (including a commitment to paying at least the rate set by the Living Wage Foundation, and a grading system based on a competency framework published internally on our intranet) and that we seek to minimise pay inequality between the highest and lowest paid staff (we seek to stick to NCVO pay ratio recommendations). The objective is that we remain as near

as possible to a ratio of 1:5 in terms of the median FTE pay rate and the top salary. Currently we are closer to a 1:4 ratio. In addition, we do not tolerate any illegal discrimination in pay and recruitment and as part of a current review of pay and reward we will seek to ensure no unintended gender bias and consider further how we can seek to address our gender pay gap.

3. We will encourage the employment of more men, particularly in entry-level positions.

It could be argued that one of the reasons for our pay gap is that we reflect the sector's pattern of having a largely female workforce. We will consider how to encourage more men into the sector and into working for us, especially in entry-level positions that may be attractive to new Dad's or men who have left education with relatively few formal qualifications. This may mean exploring how we develop apprenticeships or new pathways into working for us. It is positive to see an increase of over 2.5% of male from 2018 in our lower quartile and we have recently recruited a male apprentice (out of 6 in total) into a welcomer/admin entry level role.

4. Seeking to promote the appointment of more women in the most senior positions

This report demonstrates the impact of having the two most senior and highest paid employees included in the pay gap calculation. In addition, while the absolute numbers may be low, the proportion of men employed in the upper quartile of pay is 10.1% (a positive reduction of 6% compared to 2018 due to some key female appointments) compared to the average for all colleagues of 7.3%. Therefore, one of the steps that trustees must consider is how to better reflect the gender balance in the senior team of managers. This may be dependent upon turnover but an aspiration that will be intentionally held by trustees and the Chief Executive.

This report has been approved by:

Ross Hendry, Chief Executive

Andrew Caplen, Chair of the Board of Trustees

April, 2020