

Gender pay gap

Centra



The background

UK companies with 250 or more employees must publish their gender pay gap data by April 2018. The data published is based on a snapshot in April 2017.

Below we outline the ways in which the different measures are calculated, and our results. The calculations have been made according to a strict formula, with all the results published on the Government's Gender Pay Gap Service website. This shows that on some of the measures the pay gap in Centra compares well with other employers, especially on hourly pay rates. The gap in terms of bonuses is significantly wider and requires explanation. In part this is due to the way in which the bonus gap is calculated (see below), however, it is also as a result of some historical terms and conditions that affect some staff. In particular this is caused by the operation of 'All Factor' pay, and we will review this so that by 2019 we significantly close that gap.

What is it?

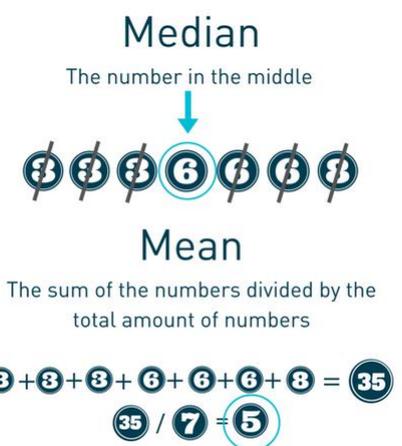
The gender pay gap is the percentage difference between the average hourly earnings of *all men* and *all women* in a workforce. The main measure is the '**median**' hourly pay – in other words, the 'middle' amount that men and women earn. This is calculated by sorting the men's hourly rate from the lowest to the highest and selecting the middle point. The same is then done with the women's hourly rates. The median Gender Pay Gap is the difference between these two middle points.

We are also required to publish the difference in '**mean**' as this is a good indication of how salaries of men and women are spread throughout an organisation. This is calculated by adding all the men's hourly rates and dividing them by the number of men in the organisation. We then do the same for all the women's hourly rates, and the mean Gender Pay Gap is the difference between these two numbers.

In addition we publish how men and women are spread throughout the organisation by salary brackets. To do this, all hourly rates for men and women are sorted by size and divided into equal quarters (or quartiles).

We also publish information about bonuses. We publish the difference between the mean bonus and median bonus, calculated in the same way as hourly pay. However there is one important difference - the gender salary gap is worked out using data for hourly pay rates rather than annual/weekly pay, which disregards the difference between those working part-time hours and those who are full time. The same isn't the case for reporting bonus payments. These are compared as 'absolutes' meaning that the greater number of women working part-time hours is reflected in lower pro rata bonuses, and therefore a pay gap. For example, a man and a woman could both be in a job with a FTE salary of £30,000 with each paid a 10% bonus. If the woman works part-time for 2 ½ days a week, her bonus will be £1,500 whilst the man's will be £3,000. This would be reported as a 50% pay gap.

Finally we publish the percentage of men and women who have been paid a bonus in the previous twelve months.



Our results

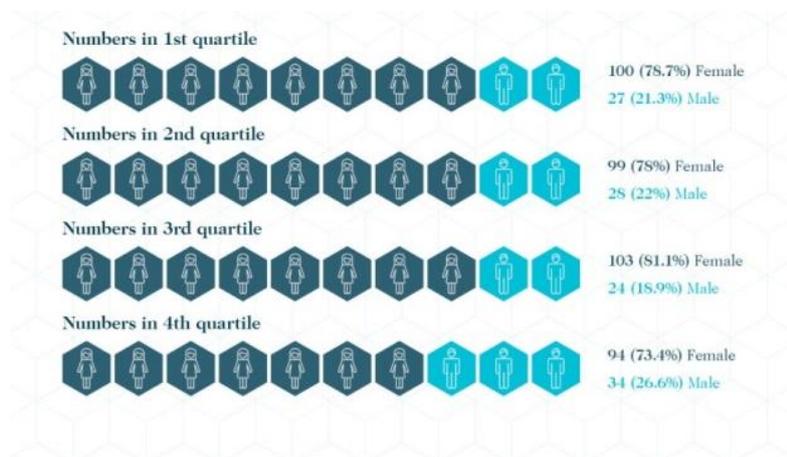
Median: Our median gender pay gap is 1.8%, so by this measure men are paid fractionally more than women.



Mean: Our mean figure is slightly different, and shows men's mean hourly pay as 10.4% higher than women's.



Centra has 20% men and 80% women. They are distributed throughout the organisation's salary bands in the following proportions.



Bonus

Mean: There was a 46.1% gap between men's mean bonus and women's. As explained above, in part this is because the calculation uses absolutes, and as bonuses are pro rated to reflect part time hours this has a disproportionate effect on women.



Median: The median bonus gap is 67%, as with the mean figure this is partly as a result of part time hours having a disproportionate effect on women.



NB Gender Pay Gap is *not* the same as equal pay. Equal pay - that men and women doing the same job should be paid the same - has been a legal requirement for 47 years.