# Gender Pay Gap Report 

Findings
5th April 2018

## 1. Introduction

Under new legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap data. Total Reward Group have been tasked with providing the gender pay gap reporting requirements for Brighton Palace Pier as of the $5^{\text {th }}$ of April 2018 snapshot date.

A gender pay gap is a measure of the difference in the average pay of all men and of all women in an organisation, regardless of the roles that they do. It is not the same as an equal pay comparison, which directly compares the pay of two or more people carrying out the same jobs, similar jobs or work of equal value.

The information submitted by complying employers is published on the government-sponsored website. Employers are required to publish the overall mean and median gender pay gaps, the difference in mean and median bonus payments paid to men and women, the proportion of male and female employees that received a bonus, and the gender distribution across the pay quartiles.

The calculations make use of two types of averages:

- A mean average involves adding up all of the numbers and dividing the result by how many numbers were on the list. This average places the same value on every number and so can be easily distorted by a small number of very high or low earners.
- A median average involves listing all of the numbers in numerical order and taking the middle number. This indicates what the 'typical' situation is, as extremes of low and high pay do not affect the median.


## 2. Overview of Gender Pay Gap Key Figures



## 3. Understanding the Data

## Mean Hourly Pay Rates

The mean hourly rates are currently favouring male employees by $13.27 \%$, this is below the national mean of $17.1 \%$ according to the Office of National Statistics, 2018.


## Median Hourly Pay Rates

The median hourly rates are currently favouring male employees by $5.75 \%$ which is significantly lower than the national median of $17.9 \%$ according to the Office of National Statistics, 2018.

The median being lower than the mean points towards the data set being skewed as the mean is more susceptible to outliers in the data. In this case there are a few very highly paid male employees pushing up the mean male average hourly rate.


## Bonus Payments and Participation

## Bonus Participation

From the pie charts below we can see that only a small percentage of employees overall are receiving a bonus and against that backdrop a slightly higher proportion of male employees are receiving a bonus than females.


## Bonus Payments

The bonus gap at Brighton Palace Pier is currently favouring female employees at the mean by $121.14 \%$ and at the median by 158.64\%.

As shown above, there are very few employees receiving bonus and only two female employees received a bonus payment compared to 9 males. This is driving the very wide bonus gap as the two female recipients are at the top and the bottom of the wide range of bonuses paid.

## Mean Bonus Payments



## Median Bonus Payments



## Pay Quartiles

When we observe the distribution of female and male employees within the quartiles, as shown in the bar chart below, we can see that female employees dominate in the first quartile but this reduces as we move through the quartiles until in the fourth quartile they are significantly underrepresented.


## 4. Year on Year Comparison

When we consider year on year comparison, we see positive trends in the form of a narrower hourly pay gap at the mean and only a slight increase at the median, with both figures now well below the national average.

We also note a narrower gender bonus gap at both the mean and median. We recognise that bonus pay, as defined by the regulations, includes a wide-ranging suite of awards including amounts relating to profit-sharing, productivity, performance, incentives and commission plans which can help drive a corresponding wide range in individual amounts reported.

We also see increased bonus participation for females and a reduction for males, bringing them closer together than last year.

|  | 2018 | 2017 | Percentage Difference |
| :---: | :---: | :---: | :---: |
| Mean Gender Pay Gap | 13.27\% | 31.15\% | $-17.9 \%$ |
| Median Gender Pay Gap | 5.75\% | 2.47\% |  |
| Mean Gender Bonus Gap | -121.14\% | 2483.25\% | -2604.4\% |
| Median Gender Bonus Gap | -158.64\% | 5822.75\% |  |
| Males receiving bonus | 4.69\% | 5.00\% |  |
| Females receiving bonus | 1.75\% | 0.40\% |  |

## Appendix 1: The Regulations Explained

The UK Regulations on Mandatory Gender Pay Reporting require:

- Gender pay information to be reported by private and voluntary sector employers in England, Wales and Scotland with at least 250 employees
- Information to be published on a government-sponsored website by the $5^{\text {th }}$ of April 2019, and annually thereafter

The main items to be reported on are:

- Mean and median hourly pay difference
- Mean and median bonus pay difference
- Proportion of male and female employees receiving bonus
- Male and female headcounts within each pay band*
*Pay bands are as follows:
A. Lowest paid to lower quartile
B. Lower quartile to median
C. Median to upper quartile
D. Upper quartile to highest paid


## Definitions

- Lower Quartile: The point below which $25 \%$ of the recorded salaries fall
- Median: The mid-point (50th percentile) in a range of figures, i.e. 50\% of the sample is paid above this amount, and $50 \%$ are paid below this amount
- Upper Quartile: The point below which 75\% of the recorded data falls
- Mean:

The sum of all the numbers in a group divided by the number of numbers in the group.

