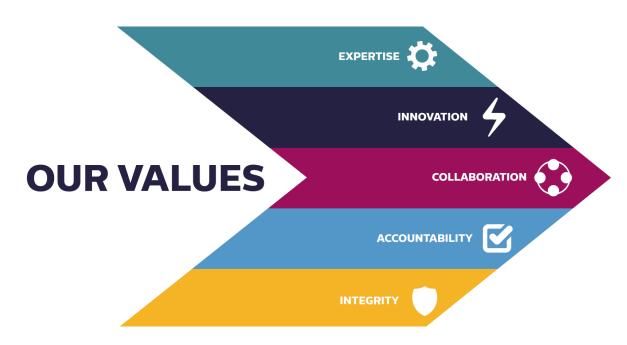


# Gender Pay Gap Report 2018



## Our gender pay gap report 2018



The Quality Assurance Agency (QAA) recognises the positive benefits of equality and diversity within the workforce and we are committed to providing opportunities, products and services which embrace diversity, the promotion of equality and inclusivity.

We aim to ensure that these commitments, reinforced by our policies, procedures and development interventions, are embedded into our day-to-day working practices with our employees, customers and partners through our values and organisational culture.

We value the differences that a diverse workforce brings to QAA and strive to be an organisation that is supportive, fair and free from discrimination.

The UK Government requires employers with 250 or more employees on the snapshot date (5 April) to publish their gender pay report, however, QAA, which has fewer than 250 employees on this date, considers there to be many business benefits to reporting the data. 'While QAA has continued to offer increasingly flexible working arrangements to its staff, we employ significantly more women than men, across all grades. As such, in calculating the gender pay gap, this spread across all levels, and the majority within some lower graded positions, the diminution of our gender pay gap will take time to resolve.

Following our first report in 2018, amongst the actions we committed to in addressing the gap, was to increase the number of men appointed into the lower grades. Although we have had some success in this, we recognise that it will be a longer journey involving further work, especially in how we attract candidates to all types of roles as part of our recruitment process.

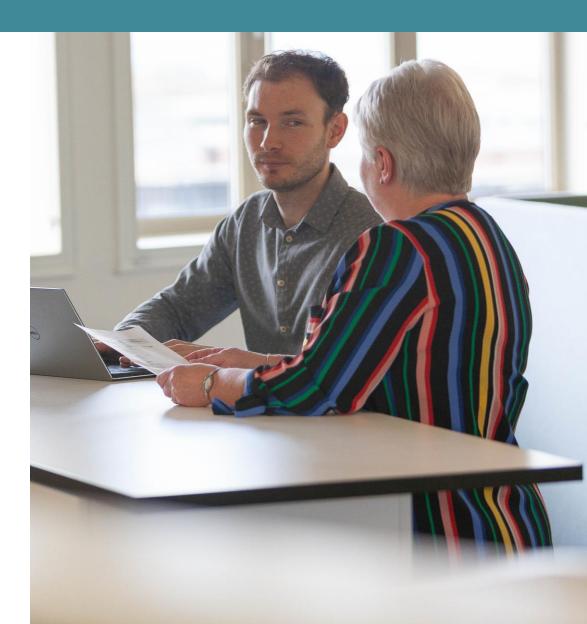
We welcome the valuable information this report provides and will continue to explore all avenues to achieve a gender balanced organisation with aligned pay.'

Douglas Blackstock QAA Chief Executive

#### What is the gender pay gap?

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. It is different from equal pay - where women and men receive the same pay for a comparative role - and takes into account all roles, at all levels of the organisation.

This report provides the gender pay gap data in QAA as at 5 April 2018 and allows a comparison with the report from one year ago.



### Calculating the gender pay gap

To allow national data to be comparable, strict definitions and methodologies must be complied with when generating the report.

For the purposes of gender pay reporting, data is collected in respect of full and part-time, salaried and hourly-paid employees and workers, defined as someone who, on the snapshot date:

- has a contract of employment with QAA
- is a worker or agency worker with a contract to do work or provide services to QAA
- is a self-employed person who is contracted to personally undertake work for QAA.

Six calculations are undertaken to show the difference between the average earnings of men and women in our organisation; it does not involve publishing individual employee data.

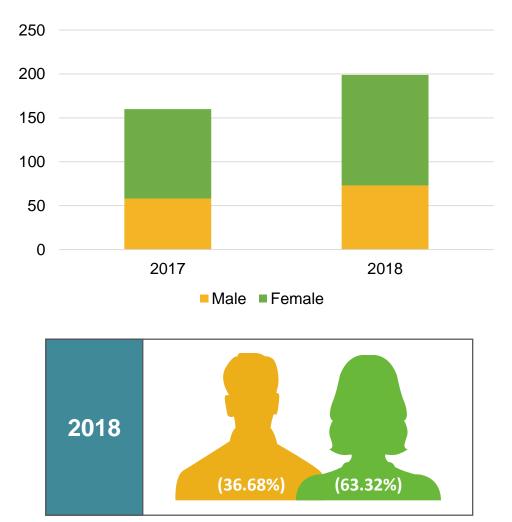
- 1. Average gender pay gap as a mean average
- 2. Average gender pay gap as a median average
- 3. Average bonus gap as a mean average
- 4. Average bonus gender pay gap as a median average
- 5. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- 6. Proportion of males and females when divided into four groups ordered from lowest to highest pay

#### Our gender pay gap data

#### **Our employees**

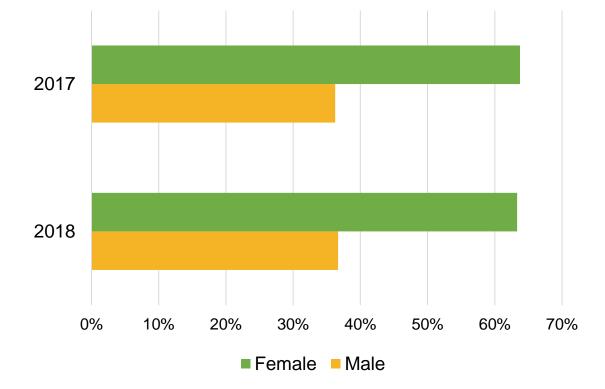
At the snapshot date of 5 April 2018, QAA employed 199 people - this includes 55 reviewers, of whom 28 are male and 27 female. (Reviewers are actually classed as casual workers in terms of employment status but are included in the relevant employee data if working for QAA on the snapshot date.)

One year ago, from a total potential employee base of 279, 160 were actually classed as relevant employees - that is, paid on the snapshot date. Total number of relevant employees on 5 April



#### Our gender pay gap data

The proportion of men and women employed on the snapshot date remains broadly similar in 2018 to that in 2017: Comparative percentage of relevant employees at snapshot date



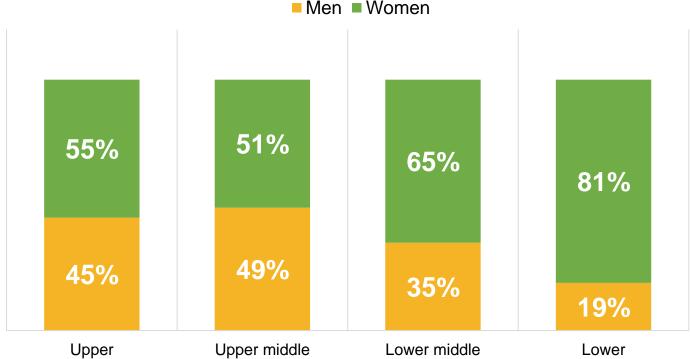
#### Our gender pay gap data

QAA pay gap	2017	2018
Mean gender pay gap	16.95%	17.22%
Median gender pay gap	10.93%	33.44%
Mean bonus pay gap	54.77%	42.09%
Median bonus pay gap	25.10%	1.31%
% of men paid bonus pay	30.80%	47.94%
% of women paid bonus pay	40.70%	55.55%

Although relatively small, the increase in our overall pay gap is disappointing. The percentage of women paid a bonus and the narrowing of the bonus gap is more significant and is largely due to the calculations being based on those being paid a bonus against relevant workers/employees at the snapshot date. As QAA moves towards a greater percentage of such workers, then the level of fluctuations within the report, year-on-year could well increase.

#### Pay quartiles 2018

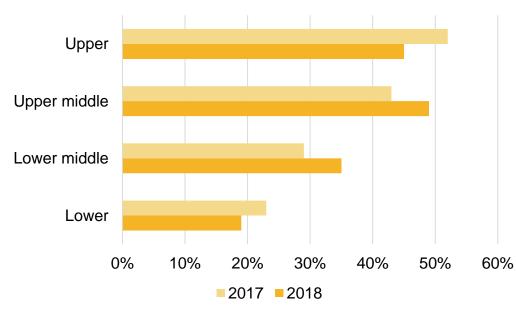
The split of employees in each pay quartile is shown below for 2018. The percentage of men and women in the upper and upper middle quartiles is relatively close, with greater differentiation (and a significantly higher proportion of women) in the lower middle and lower pay quartiles.

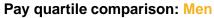


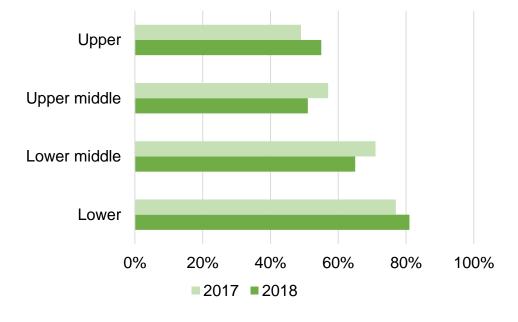
■ Men ■ Women

#### Pay quartiles comparison

The movement between pay quartiles for men and women across the two periods are:







#### Pay quartile comparison: Women

#### Analysis and commentary

- 63.2% of the workforce at the snapshot date is female, and proportionately remains broadly similar to the previous year.
- While there remains a significantly higher proportion of women employed in the lower two pay quartiles, the percentage of women on the upper pay quartile now exceeds the number of men.
- The bonus pay gap, and the percentage of women receiving bonus pay within the period is significantly narrower (median and mean).
- However, in spite of the increase in the number of women paid within the upper quartile, the gender pay gap has widened.
- Having a predominately female workforce means that even small variations can have a noticeable impact on our gender pay gap.
- This variation stems particularly from the more transient reviewer/self-employed contractor workforce, which can change significantly week-on-week and therefore greatly impact data collated on the snapshot date.
- From the 2017 report, QAA strove to increase the number of men recruited to entry-level positions, especially apprenticeships and administration roles.

#### Analysis and commentary

- Recruitment levels (2017-18) are low:
  - six men and 15 women left the employ of QAA
  - of the 14 roles recruited, applications received from 109 men and 97 women
  - five men and nine women were appointed
  - the grades (pay bands) were as follows:

Pay Band	Men	Women
2	-	2
3	1	1
4	1	-
5	1	3
6	2	3

#### Actions

QAA appreciates that the UK workforce is becoming increasingly diverse and includes a high percentage of parents and individuals with other caring responsibilities, as well as those whose interests and aspirations impact on their time. QAA offers flexible working arrangements to help employees balance their working life with other priorities. QAA will continue to encourage flexible working arrangements including job-sharing, part-time working, term-time working and annualised hours which, among other benefits, can help attract new talent and promote work-life balance.

- Over the 12-month period to the snapshot date, flexible working requests were made by three male employees (of which 2 were approved) and 15 female employees (of which 14 were approved).
- The overall number of employees working flexibly at the snapshot date totalled 37: 15 male and 22 female.

QAA reviews pay on an annual basis and operates performance-related pay awards. QAA will continue this process and also continue to monitor pay to identify any anomalies throughout the organisation and take targeted action where appropriate.



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