

A PRACTICAL GUIDE TO GENDER PAY GAP REPORTING



WHERE HAS THE LEGISLATION GOT TO AND WHEN ARE THE RULES EXPECTED TO COME INTO FORCE?

14 JULY 2015

Publication of a principles-based consultation (**First Consultation**) on the proposed gender pay gap reporting regime. Our report on the First Consultation can be read [here](#).

12 FEBRUARY 2016

Publication of the Government's response to the First Consultation (**First Response**). Our report on the First Response can be read [here](#).

Publication of a further consultation (Second Consultation) on the detail of the draft Equality Act 2010 (Gender Pay Gap Information) Regulations 2016.

6 DECEMBER 2016

Publication of the final draft of [The Equality Act 2010 \(Gender Pay Gap Information\) Regulations 2017](#) and an [Explanatory Memorandum](#).

9 DECEMBER 2016

Publication of the Government's [Response](#) to the Second Consultation (**Second Response**).

28 JANUARY 2017

Publication of [draft guidance](#) on the regime, jointly produced by the Government Equalities Office and Acas (**Guidance**).

5 APRIL 2017

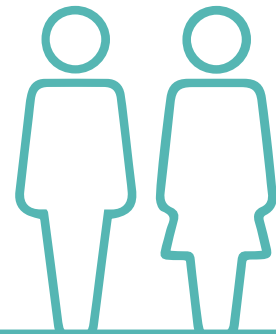
The "snapshot date" to which the gender pay information must relate (it will be 5 April each year thereafter).

6 APRIL 2017

Regulations came into force and [Guidance](#) finalised.

4 APRIL 2018

Affected employers must have published their gender pay information by no later than this date. This can be published on a date of the employer's choosing, provided it is done within 12 months of the snapshot date. The first snapshot date is 5 April 2017 (and 5 April each year thereafter), meaning the last possible date for publishing the information is 4 April 2018 (and 4 April each year thereafter).



A. WHO IS COVERED BY THE GENDER PAY GAP REPORTING REGULATIONS?

New rules requiring employers with 250 or more employees to publicly report a range of gender pay information came into force on 6 April 2017. Affected employers will need to gather and analyse their data by reference to a snapshot date of 5 April each year, and then publicly report the results within 12 months of that date. This means that the first snapshot date will be 5 April 2017 and the first reporting date will be on (or before) 4 April 2018.

In this Guide, we explain the new regime, as set out in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 Regulations (**Regulations**) and the associated Guidance.

The Regulations apply to all private and voluntary sector employers with at least 250 employees in Great Britain on the snapshot date (i.e. 5 April each year). The Regulations do not apply to Government departments, the armed forces or other public authorities. Separate regulations have been introduced to impose equivalent gender pay gap reporting obligations on public authorities in England, and cross-border authorities. Scottish and Welsh public authorities will be subject to devolved arrangements.

Did you know?

- ▶ The Regulations will apply to each separate legal entity within a group of companies which meets the 250 employee threshold. Corporate groups may voluntarily supplement this by reporting on a group-wide basis if they wish to do so in order to provide context to the results of each employing entity. Employers are also encouraged to publish gender pay gap information on a voluntary basis where the number of employees falls slightly below the 250 threshold on 5 April in any particular year.
- ▶ For the purposes of the Regulations, “employee” means all employees within the meaning of section 83 of the Equality Act 2010 (**s.83 EqA**). This means that the Regulations cover those employed under a contract of employment or apprenticeship or a contract personally to do work. Table 1 below explains which employment statuses are within the scope of this definition.
- ▶ There is no length of service requirement in order for an employee to be counted towards this figure and employees working overseas may have to be counted where it can be said they have a sufficiently strong connection with Great Britain. This will require an analysis of a range of relevant factors in each individual case.

Table 1: Employment statuses within the scope of Regulations

EMPLOYMENT STATUS	ARE THEY "EMPLOYEES" FOR PURPOSES OF THE REGULATIONS?
Employees	Yes
Employee shareholders	Yes
Apprentices	Yes
Workers (e.g. zero-hours workers, LLP members)	Yes
Agency workers	To be counted by the employer with whom they have the contract of employment. This will usually be the employment agency.
Independent contractors engaged by way of a contract between the contractor's own service company and the end-user employer	To be counted by the employer with whom they have the contract of employment. This will usually be their own service company.
Independent contractors engaged directly by the employer where the contract obliges the contractor to perform the work personally and the contractor cannot subcontract or employ their own staff to do the work	Yes
Independent contractors directly engaged by the employer where the contract does not oblige the contractor to perform the work personally	No

You must report the difference between the hourly pay rates of your male and female relevant employees on both a mean and median basis.

Relevant Employees

Once within the scope of the Regulations, employers must produce and report gender pay information for only their "relevant employees". A "relevant employee" is defined in the Regulations as someone who is employed by the employer on 5 April each year, with three important caveats:

- ▶ Partners and LLP members are expressly excluded from the definition "relevant employee". This means that they may count as employees for the purposes of triggering the application of the Regulations (see Table 1 above), but the employer is not obliged to include them in the reporting exercise.
- ▶ Individuals employed under a contract to work personally are included in the definition of relevant employee, however, an employer is excused from including them in the reporting exercise where it does not have, and it is not "reasonably practicable" to obtain, the data relating to that individual. The Guidance indicates this would mean asking the individual for the relevant data. It is also suggested that all new contracts should include a requirement for such individuals to provide the information needed to comply with the regulations.
- ▶ Individuals who do not self-identify as either gender can be excluded from the reporting exercise.

B. WHAT GENDER PAY INFORMATION MUST BE REPORTED?

If your business fulfils the criteria discussed in section A, then you will be required to report on the following four items:

- ▶ The gender pay gap between the hourly rates of pay of male and female full-pay relevant employees, calculated by reference to the specified pay period. This covers both mean and median hourly rates of pay.
- ▶ The gender bonus gap between the bonus pay paid to male and female relevant employees, calculated by reference to a specified 12-month period. This covers both mean and median bonus pay.
- ▶ The percentage of male and female relevant employees who received a bonus in a specified 12-month period.
- ▶ The percentage of male and female full-pay relevant employees who fell within four pay quartiles bands.

Each of these is discussed in more detail below.

C. THE GENDER PAY GAP: HOW IS IT CALCULATED?

Exclude any relevant employees who are paid reduced or nil pay during the pay period

You must report the difference between the hourly pay rates of your male and female relevant employees on both a mean and median basis. Special rules apply where you have a relevant employee who is paid less than their full rate of pay during the pay period:

- ▶ Any relevant employee who is being paid a nil rate of pay for any reason should be excluded from the calculations.
- ▶ Any relevant employee who is being paid at a nil or reduced rate of pay due to absence on leave should be excluded from the calculations.
- ▶ Any relevant employee who is being paid at their full rate of pay in respect of a period of absence on leave should be included in the calculations.

The rationale for this distinction is to avoid the pay gap results being skewed by absent employees who are paid lower rates of pay (e.g. those being paid statutory maternity or sick pay).

“Leave” includes, but is not limited to: annual leave; sick leave; maternity, paternity, adoption, parental or shared parental leave and any form of “special leave” (e.g. bereavement leave).



Work out the hourly rate of pay for all male and female full-pay relevant employees

The following 6-step process should be followed for each male and female full-pay relevant employee.

STEP 1

Identify all amounts of “ordinary pay” and “bonus pay” paid to the relevant employee during the “relevant pay period”

Tables 2 and 3 below identify what counts as ordinary pay and bonus pay. The “relevant pay period” means the pay period within which the 5 April snapshot date falls. In most cases, this will be weekly or monthly. For example, if you paid your relevant employees monthly in arrears on the last day of the month, the relevant pay period would be 1 April – 30 April.

STEP 2

Ordinary pay adjustment: exclude any amounts that would normally be paid in a different pay period

For example, if you erroneously underpaid a relevant employee in March and the underpayment was rectified in the April payroll, the amount of the underpayment would be excluded from the calculation as this would be an amount that would normally be paid in a different pay period.

STEP 3

Bonus pay adjustment: if a bonus payment is captured but it relates to a longer period then you must pro-rate the bonus payment to match the relevant period

Where a bonus is paid within the relevant pay period, but relates to a longer bonus period, the bonus payment should be pro-rated by dividing the amount by the number of days of the bonus period and multiplying it by the number of days in the relevant pay period. For these purposes a year is treated as having 365.25 days and a month is treated as having 30.44 days. For example:

- ▶ John is paid on a monthly basis, in arrears, on the 30th of the month.
- ▶ On 30 April, John is paid basic pay of £2,500 plus a bonus payment of £12,000 which covers his performance for the previous 12 months.
- ▶ The bonus payment should be pro-rated as follows: $12,000 \div 365.25 \times 30.44 = £1,000.22$.
- ▶ In calculating the overall pay gap, a bonus payment of £1,000.22 should be included for John.

STEP 4

Add together all of the amounts identified under step 1 (as adjusted by steps 2 and 3 where relevant)

In our example, the total amount of pay for John would $£2,500 + £1,000.22 = £3,500.22$.

STEP 5

Multiply the result of step 4 by the “appropriate multiplier” to find the weekly amount of pay

The “appropriate multiplier” is 7 divided by the number of days in the relevant pay period. For these purposes, a month is treated as having 30.44 days. In our example:

- ▶ The appropriate multiplier would be $7 \div 30.44 = 0.2299605781865966$.
- ▶ Amount from Step 4 $£3,500.22 \times 0.2299605781865966 = £804.91$.

STEP 6

Divide the result at step 5 by the number of working hours in a week for the employee to find the hourly rate of pay

Where an employee has normal working hours that do not change, the normal working hours will be those specified in the contract of employment, even if they frequently work additional unpaid hours.

Where an employee has no normal working hours, or the number of working hours change, then the normal working hours are to be calculated by working out the average hours worked per week over the 12 week period ending with the last complete week of the relevant pay period (save that any weeks where no hours have been worked should be excluded and the employer may need to extend back further to calculate the average figure). Special rules apply for pieceworkers.

In our example:

- ▶ John’s contractual hours are 40 hours per week.
- ▶ $£804.91 \div 40 = £20.12$.
- ▶ John’s hourly rate of pay = £20.12.

Table 2: Meaning of ordinary pay

Ordinary pay is to be calculated: (i) before any deductions made at source (e.g. PAYE; NICs; pension contributions) including any cash deductions that are compulsory for the employer or compulsory for the employee (e.g. court-imposed child support payments; attachment of earnings); and (ii) after the voluntary sacrifice of salary under a salary sacrifice scheme (i.e. the sacrificed amount of salary is excluded).

INCLUDED	EXCLUDED
Basic pay	Overtime pay (including any allowances earned during paid overtime hours)
Allowances including, but not limited to, the following allowances: <ul style="list-style-type: none"> ▶ any duty of the employee which is ancillary to their main duties (e.g. fire warden) ▶ geographical location allowance (e.g. London weighting) ▶ the purchase, lease or maintenance of a vehicle ▶ the recruitment and retention of an employee ▶ the purchase, lease or maintenance of an item ▶ on call allowances 	Expenses
Pay for piecework	Redundancy pay or other termination payments
Holiday pay	Payments in lieu of leave
Maternity / paternity / adoption / shared parental / parental pay where paid at the full rate only	Remuneration provided otherwise than in money (e.g. the value of salary sacrifice schemes and benefits in kind)
Sick pay where paid at the full rate of pay only	Interest free loans (e.g. season ticket loans)
Pay for any other special leave where paid at the full rate of pay only	
Shift premium pay	

Table 3: Meaning of bonus pay

Bonus pay is to be calculated before any deductions made at source (e.g. PAYE; NICs; pension contributions) including any cash deductions that are compulsory for the employer or compulsory for the employee (e.g. court-imposed child support payments; attachment of earnings).

INCLUDED (ALL PAYMENTS RECEIVED AND CHARGED TO INCOME TAX IN THE RELEVANT 12-MONTH PERIOD)	EXCLUDED
Any remuneration (whether in the form of cash, vouchers, securities*, securities options* or interests in securities*) which relates to: <ul style="list-style-type: none"> ▶ profit-sharing ▶ productivity ▶ performance ▶ incentive ▶ commission <p><i>*This remuneration is to be treated as “paid” to the employee at the time, and in the amounts in respect of which, the securities, securities options and interests in securities give rise to any taxable earnings or taxable specific income</i></p>	Anything which counts as “ordinary pay”
	Overtime pay
	Redundancy pay or other termination payments

Perform the calculations

Using the hourly rate of pay data that has been calculated, the gender pay gap should then be calculated in the following way:

STEP 1

Calculate the mean and median figures for both the male and female populations

The **mean** figure is calculated by adding together all the male full-pay relevant employees' hourly rates of pay and dividing it by the number of male full-pay relevant employees. The exercise should then be repeated for the female full-pay relevant employees.

The **median** figure is calculated by identifying the middle hourly rate of pay for both male and female full-pay relevant employees.

STEP 2

Perform the pay gap calculations

The hourly rates of pay which have been identified should then be applied to this formula:

$$(Male\ rate\ of\ pay - Female\ rate\ of\ pay) \div Male\ rate\ of\ pay \times 100$$

You will need to perform this calculation twice: once using the **mean** rates of pay and once using the **median** rates of pay. The two results are the gender pay gap figures. The results should be rounded to one decimal place.

D. THE GENDER BONUS GAP: HOW IS IT CALCULATED?

Prepare the data

In order to calculate the gender bonus gap, you must gather bonus pay data for the 12-month period which runs from 6 May 2016 – 5 April 2017 (and for the same 12 month period for each year thereafter). Table 3 above sets out the meaning of “bonus pay”. This highlights that in order for a bonus payment to be caught by the Regulations it must relate to at least one of the following: profit-sharing, productivity, performance, incentive or commission. You will need to give careful thought as to whether any variable payments paid within your business are in or out of scope. This will not always be a straightforward exercise.

For example:

- ▶ A flat-rate Christmas bonus of £250 paid to all of your relevant employees each year would arguably be outside of scope since it would not, on the face of it, relate to either of profit-sharing, productivity, performance, incentive or commission. However, if your policy was that such bonuses would only be paid where the business met a certain profit target, then it could be argued that the bonus relates to profit-sharing and should, therefore, be included.
- ▶ A long-service award paid to any relevant employee who achieved 25 years' service in recognition of their long-service would arguably be outside of scope since it does not, on the face of it, relate to either of profit-sharing, productivity, performance, incentive or commission. However, if your policy was that such an award should not be paid where the relevant employee was subject to a disciplinary or performance management process, then it could be argued that the award was related to performance as well as to long-service and should, therefore, be included.

It should also be noted that where a share award is made under an HMRC tax advantage share plan (i.e. a Company Share Option Plan, a Save-As-You-Earn Scheme, a Share Incentive Plan or an Enterprise Management Incentive Plan), the amount realised on the exercise or vesting of the share award will not count as “bonus pay” provided that no income tax liability arises. In normal circumstances, no income tax liability is associated with tax advantaged plans. However, in the limited circumstances in which an income tax charge does arise on the exercise or vesting of a share award, the amount on which the income tax accrues should be counted as “bonus pay” (since it will be “taxable specific income” within section 10(3) Income Tax (Earnings and Pensions) Act 2003). An example of where an income tax charge would arise is where a relevant employee removes partnership shares from a Share Incentive Plan within 5 years of purchase. In this case, the amount on which the income accrues will be treated as taxable specific income and should be counted as “bonus pay”.

In order to calculate the gender bonus gap, you must gather bonus pay data for the 12-month period.

You should gather data for only the relevant employees who have received some form of bonus payment within that period. This may include relevant employees who are absent on leave at a reduced or nil rate of pay. For example:

- ▶ Natalie is absent from work on 5 April 2017 on maternity leave. She is being paid statutory maternity pay only.
- ▶ Natalie received a profit-related Christmas bonus of £250 on 20 December 2016 and a performance bonus of £5,000 on 1 March 2017.
- ▶ Natalie should not be included in the gender pay gap calculations as she is absent on maternity leave on a reduced rate of pay on the snapshot date. However, Natalie should still be included in the gender bonus gap calculation.
- ▶ Both of Natalie's bonus payments should be included as they fall within the definition of "bonus pay" (see Table 3 above) and have been paid within the 12 month period ending on 5 April 2017.

Perform the calculations

Using the bonus pay data that has been gathered, the gender bonus gap should be calculated in the following way:

STEP 1

Calculate the mean and median figures for both the male and female populations

The **mean** figure is calculated by adding together all bonuses paid to the male relevant employees' during the relevant 12-month period and dividing it by the number of male relevant employees who were paid a bonus during that same period. The exercise should then be repeated for the female relevant employees.

The **median** figure is calculated by identifying the middle bonus pay figure for both male and female relevant employees who were paid a bonus during the relevant 12-month period.

STEP 2

Perform the bonus pay gap calculations

The bonus pay figures which have been identified should then be applied to this formula:

$$(Male\ bonus\ figure - Female\ bonus\ figure) \div Male\ bonus\ figure \times 100$$

You will need to perform this calculation twice: once using the **mean** bonus figures and once using the **median** bonus figures. The two results are the gender bonus gap figures. The results should be rounded to one decimal place.

E. PERCENTAGE OF MEN AND WOMEN THAT RECEIVED A BONUS IN A 12-MONTH PERIOD

When reporting on the gender bonus gap, you must also publish the percentage of male and female relevant employees within your business that received a bonus within the relevant 12-month period (i.e. 6 May – 5 April each year).

For example:

- ▶ An employer has 183 male relevant employees and 127 female relevant employees.
- ▶ 141 of the 183 of their male relevant employees received a bonus.
- ▶ 49 of the 127 of their female relevant employees received a bonus.
- ▶ Percentage of male employees who received a bonus:
 $141 \div 183 \times 100 = 77\%$.
- ▶ Percentage of female employees who received a bonus:
 $49 \div 127 \times 100 = 38.6\%$.

You would have to report these percentages alongside your gender bonus gap figures. The results should be rounded to one decimal place.

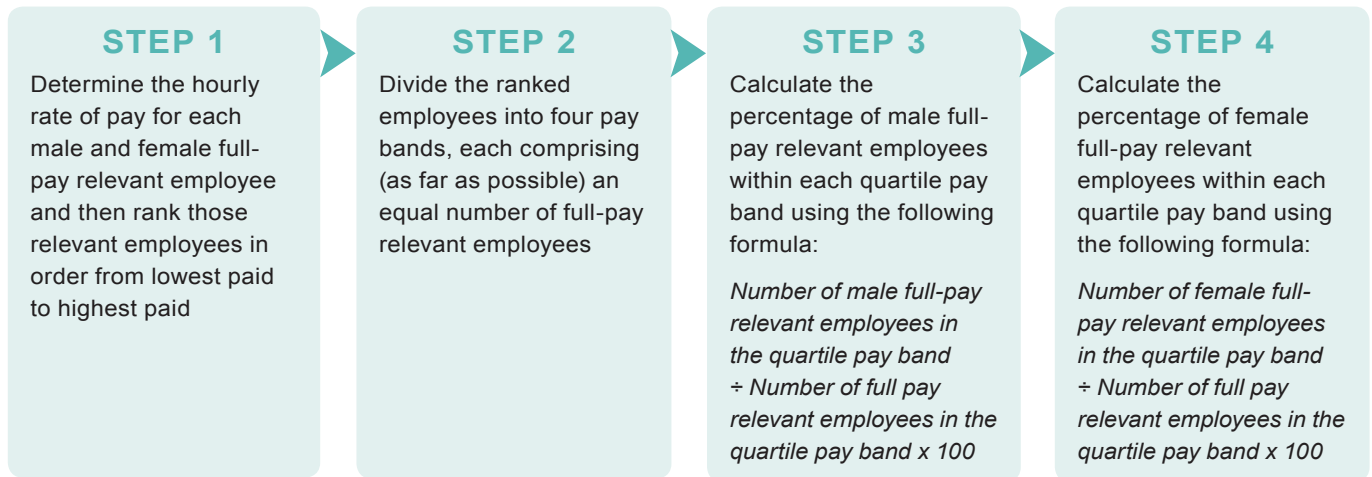
F. PERCENTAGE OF MEN AND WOMEN WORKING ACROSS PAY QUARTILES

You must also report the percentage of male and female full-pay relevant employees within your business working across pay quartiles. The rationale behind this is that it will help businesses consider where women are concentrated

in terms of their remuneration and whether there are any blockages to their progression. It will also be valuable in making comparisons with competitor employers.

Preparing the data

To calculate the distribution of full-pay relevant employee pay by gender you must:



Where relevant employees receiving the same hourly pay rate fall within more than one quartile pay band, you must (so far as is possible) ensure that, when ranking the relevant employees under Step 1 above, the relative proportion of male and female relevant employees receiving that rate of pay is the same in each of those pay bands.

The information should be presented in the format set out in Table 4 below. There is no requirement to include the actual rates of pay represented by each pay quartile band.

Table 4: Example of how to present pay quartile information

QUARTILE	FEMALE	MALE
Upper pay quartile (75%-100%)	40%	60%
Upper middle pay quartile (50%-75%)	45%	55%
Lower middle pay quartile (25%-50%)	54%	46%
Lower pay quartile (0%-25%)	73%	27%

G. FREQUENTLY ASKED QUESTIONS

Do our figures have to be broken down according to hours of work?

There is no requirement to break down the figures according to the full or part-time status of the relevant employees. The Government's view is that calculating separate figures for full-time and part-time employers would provide useful information where an employer has a large part-time workforce, however, this approach may not be appropriate for many employers. Some employers may voluntarily choose to break the figures down in this way given that the gender pay gap figures for full-time and part-time workers are likely to be lower when looked at in isolation.

Do our figures have to be broken down according to grade / job role?

There is no requirement to break down the figures according to grade or job role. The Government concluded that this would not be workable for all employers, as many do not have standardised grading structures, particularly those with complex and changing structures resulting from mergers and acquisitions. However, as with hours of work, some employers may elect to provide this further layer of information in order to present a more favourable picture. Although presenting pay gap figures by grade or job role is a more onerous exercise, it is likely to reveal pay gap figures which are considerably lower than the overall figure (assuming that there is no underlying pay discrimination).

Are we obliged to publish a contextual narrative and/or an action plan?

The provision of a contextual narrative is entirely voluntary but is strongly encouraged in the accompanying Guidance.

It is likely that many employers will elect to provide some form of contextual narrative, particularly where the pay gap is relatively high. As stated above, some may choose to provide more granular figures (i.e. broken down by hours and/or job grade) where this would help to present a more favourable picture.

Although there is no requirement for employers to publish or implement action plans setting out their proposed strategy to close any pay gap, the Government encourages employers to do so on a voluntary basis. Many employers will wish to accompany their pay gap figures with details of any remedial steps they are taking, or propose to take, to close the gap.

When will we have to report our gender pay information?

You must perform the data analysis by reference to the 5 April 2017 pay period (and the preceding 12-month period for the purposes of the bonus gap). You can then report this information on a date of your choosing, provided it is reported by no later than 4 April 2018. There is no requirement to publish at the same time each year (although the calculations will always be tied to 5 April).

How often will we have to publish our gender pay information?

You will be required to report your gender pay information on an annual basis. The remedial measures needed to tackle a high gender pay gap will generally involve longer-term actions (e.g. increasing promotion / recruitment of women into senior roles or better support for women returning to work following maternity leave). This is another reason why you may wish to accompany gender pay gap information with a contextual narrative. You can use the narrative to explain the proposed remedial steps and, importantly, set expectations on how long these measures will take to make an impact.

Where do we have to publish our gender pay information?

You must publish your gender pay information on your website in English and in a manner that is accessible to all employees and the public. If you do not have your own website, but your parent company does, it is acceptable for the information to be published on a website hosted by that parent company (even if the website is outside of the UK).

The information must be retained online for 3 years. In addition, you will be required to send evidence of compliance with the reporting regulations to the Government's gender pay gap data [website](#).



Does someone within our business need to approve the gender pay information prior to publication?

The gender pay information must be accompanied by a written statement which confirms that the information is accurate and be signed by an appropriate person. The signatory will depend on the legal status of your business. Table 5 below sets out the requirements.

What are the penalties for non-compliance?

There are no civil or criminal penalties for failing to comply with the Regulations. However, this will be kept under review in the light of rates of compliance by employers in the first few years of implementation.

The Explanatory Notes to the Regulations confirm that it is the Government’s view that a failure to comply with the reporting obligations will constitute an unlawful act within the meaning of section 34 of the Equality Act 2006 which empowers the Equality and Human Rights Commission to take enforcement action.

Although not set out in the Regulations, the Government has indicated that it will pursue the following actions to encourage compliance:

- ▶ Running periodic checks to assess for non-compliance.
- ▶ Producing tables by sector of employers’ pay gaps.
- ▶ Highlighting of employers who publish particularly full and explanatory information.
- ▶ Naming and shaming employers who fail to comply.

What support is available?

The Government and Acas have jointly published guidance to help employers understand and implement the Regulations. The Government has also published a tool which provides details of the pay gap across different professions, including by full-time and part-time status. This information may be useful reference material where the employer wishes to produce contextual narrative to accompany its pay gap figures.

Table 5: Identity of signatory to the accuracy of the gender pay information

LEGAL STATUS OF THE EMPLOYER	RELEVANT SIGNATORY
A body corporate (other than a limited liability partnership)	Director or equivalent
A limited liability partnership	A designated member
A limited partnership under the Limited Partnerships Act 1907	A general partner
Any other kind of partnership	A partner
An unincorporated body of persons other than a partnership	A member of the governing body or a senior officer
Any other type of body	The most senior employee

H. WHAT STEPS SHOULD YOU BE TAKING NOW?

Who will have ownership of the process?

You should establish which part or parts of the business will have responsibility for producing the gender pay information. This may involve establishing a working party consisting of representatives from HR, reward, payroll and diversity teams. In addition, senior level sponsorship will be vital when it comes to the reporting of the gender pay information.

Whoever is to be tasked with gathering and analysing the gender pay data may need some training, to understand what the exercise will involve (e.g. what population is covered; what data is needed; whether the results are to be broken down voluntarily by full-time and part time and/or different pay grades; and how to calculate the gap).

Ensure systems are in place to extract the data

You should check that you have systems in place to allow you to record and extract the following information:

- ▶ Total numbers of relevant employees by gender.
- ▶ Details of whether any relevant employees have been on leave in the relevant pay period where they have been paid nil or reduced pay.
- ▶ The ordinary pay paid to each full-pay relevant employee in the relevant pay period within which 5 April falls to enable generation of the gender pay gap.
- ▶ The bonus pay paid to each full-pay relevant employee in the relevant pay period within which 5 April falls to enable generation of the gender pay gap (and the period to which any such bonus payment relates so that it can be pro-rated if necessary).
- ▶ Details of the working hours of each full-pay relevant employee.
- ▶ The total bonus pay paid to each relevant employee in the 12-month period ending on 5 April to enable generation of the gender bonus gap.

Gather data and calculate gender pay gap

There are a number of practical issues to consider:

- ▶ Will you supplement the reports on each affected entity with a voluntary group-wide report?
- ▶ How granular will your analysis be i.e. will it meet the minimum requirements set down by the Regulations or will it go further and be broken down by hours of work and/or job grade?
- ▶ Is it intended that the results should attract legal privilege in order to avoid possible disclosure in any relevant disputes arising before you elect to publish the results?

Analyse results and consider remedial steps

Where a gap is identified you should consider whether there are any lawful reasons for the difference. The existence of a gender pay gap does not necessarily mean there has been a breach of equality legislation. There are non-discriminatory reasons for differences in pay (e.g. the fact that women are three times as likely to work on part time roles, which tend to be lower paid; the fact that women tend to predominate in lower paid and less senior roles; individual performance; and market factors).

If a gap is identified which is due to potentially discriminatory reasons then you should consider what remedial steps can be taken immediately to address the problem.

Where there are non-discriminatory reasons for the pay gap, consideration should be given to what steps can be taken to redress the gap (e.g. encouraging women to ascend into senior roles; supporting women's networking / mentoring; supporting women to return to work after periods of family leave; encouraging male employees to make use of shared parental leave; outreach to schools).

Consider when to publish the results

You should consider when to report once the regime is in place. Where you decide to report before the 4 April 2018 deadline, you should consider how external factors might affect any press coverage of their gender pay information (e.g. Equal Pay Day).

Internal and external communications

It is vital to have an effective internal and external communications strategy in place to run alongside the external reporting exercise. Internal communications should be undertaken at an early stage (perhaps in advance of the public report) to combat potential negative press coverage. The aim is to ensure that the employee population understand the results, the proposed strategy and future targets and progress. Acas has produced a [template communication briefing](#) for employees which can be adapted to your company style.

KEY CONTACTS

London



MICHAEL LEFTLEY
Partner

020 7788 5079
07909 996755
michael.leftley@
addleshawgoddard.com



RICHARD YEOMANS
Partner

020 7788 5351
07747 800591
richard.yeomans@
addleshawgoddard.com



ALASDAIR SIMPSON
Partner

020 7788 5129
07768 258586
alasdair.simpson@
addleshawgoddard.com



AMANDA STEADMAN
Professional Support Lawyer

020 7160 3310
07912 395249
amanda.steadman@
addleshawgoddard.com

Manchester



MALCOLM PIKE
Partner

0161 934 6443
07775 586443
malcolm.pike@
addleshawgoddard.com



JAMIE HAMNETT
Partner

0161 934 6497
07738 888813
jamie.hamnett@
addleshawgoddard.com



HELEN ALMOND
Professional Support Lawyer

0161 934 6243
07912 395813
helen.almond@
addleshawgoddard.com

Leeds



SALLY HULSTON
Partner

0113 209 7740
07894 251116
sally.hulston@
addleshawgoddard.com

addleshawgoddard.com

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