

Ethnicity pay gap report 2022

At Girlguiding, we're passionate about helping to build a society where all girls grow up to enjoy equal opportunities to fulfil their potential. We believe tackling differences in pay between people of different ethnicities (the 'ethnicity pay gap') is an important step towards this.

With this in mind, we're pleased to publish our third ethnicity pay gap report. While ethnicity pay gap reporting isn't a legal requirement for UK employers, and the current government is supporting voluntary and not compulsory reporting, we see it as a key part of our commitment to diversity and inclusion.

Our commitment to equality

Girlguiding is committed to the principles of equal opportunities and equal treatment for all employees, no matter their age, disability (physical or mental), gender reassignment, marriage or civil partnership, pregnancy, maternity, race, religion or belief, sex, or sexual orientation.

We have a clear pay structure to make sure we reward employees fairly, and without discrimination, for the work they do.

In January 2021 we introduced a new salary structure, where jobs of equal value sit in the same salary level. Our new policy means we no longer negotiate salaries, so pay is equal and transparent across our organisation.

Introduction

I can report that in 2022 we had a small ethnicity pay gap at the mean (-4.8%) in favour of ethnic minority employees (96p hourly pay difference). In 2021 we had a small gap of 1.5% in favour of white staff (31p hourly pay difference). We work out the mean for each group by adding up all white/ethnic minority employees' pay, then dividing it by the number of white/ethnic minority employees we have.

I can also report that in 2022 we had a -4.7% gap at the median in favour of ethnic minority employees (88p hourly pay difference). We work out the median for each group by listing all white/ethnic minority employees' pay from lowest to highest. The number in the middle is the median pay.

The reason for this 96p hourly pay difference at the mean is that 93.5% of roles ethnic minority employees held had a location allowance (where we pay more because the role is based in an area with higher cost of living). Only 80.6% of the roles white staff held had a location allowance.

Additionally, 39.1% of roles ethnic minority employees held attracted a market premium, compared to 18.3% of roles white staff held. For some roles, we have to pay a premium to make sure the salary attracts candidates with the right skills and experience. Deciding to offer a market premium happens by looking at market data before we advertise a role – it has nothing to do with the person in the role. Our pay practices are objective and transparent, with a clear separation between the role and the person in the role.

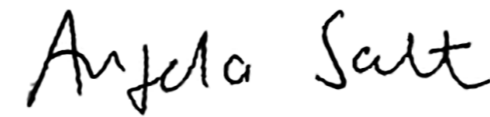
We changed how we report on our ethnicity pay gap in 2021. In 2020 we broke our employees from ethnic minorities down into 4 groups. We didn't do this in 2021, or 2022, instead keeping them in 1 single group. This is for data protection reasons, as numbers are relatively small in some groups.

We've reported 1 pay figure comparing average hourly earnings of ethnic minority employees as a percentage of white employees. In the absence of specific legislation, this is in line with the Chartered Institute of Personnel and Development (CIPD)'s recommendation to the government that ethnicity pay reporting should be based on the same information as gender pay gap reporting.

The CIPD acknowledges the challenges around collecting data on ethnicity and absent data. In 2021, 6.1% of Girlguiding full pay relevant employees either didn't disclose their ethnicity or preferred not to say, compared with 8.4% in 2022. We expect this figure to reduce for 2023 as

we have implemented a new HR system where staff can more easily enter their ethnicity information.

This report presents and explains information about our ethnicity pay gap in more detail.



Angela Salt
Chief Executive

Understanding the data

The ethnicity pay gap shows the difference between the **average** (mean or median) earnings of white and ethnic minority employees. The ethnicity bonus pay gap is the difference between the average bonuses white and ethnic minority employees receive.

We show the differences as a percentage of white employees' earnings. A negative calculation shows a gap in favour of ethnic minority employees and is shown in the tables below in brackets.

For gender pay gap reporting employers have to give 7 calculations. We use the same calculations in this report:

- Mean ethnicity pay gap
- Median ethnicity pay gap
- Mean bonus ethnicity pay gap
- Median bonus ethnicity pay gap
- Proportion of ethnic minority employees receiving a bonus payment
- Proportion of white employees receiving a bonus payment
- Proportion of white and ethnic minority employees in each quartile pay band

Relevant employees are all employees employed on the snapshot date of 5 April 2022.

Full pay relevant employees are employees employed on the snapshot date who were paid their usual full basic pay from 1-30 April 2022.

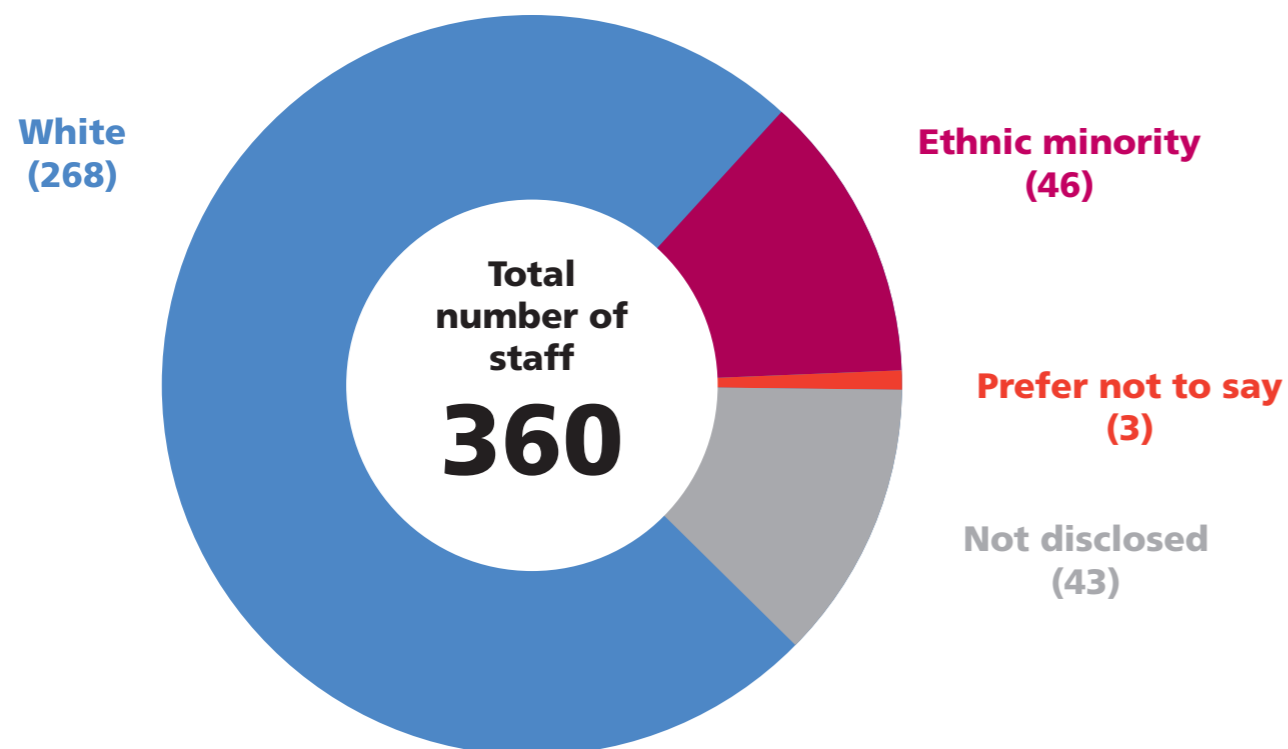
The **mean** is the sum of all the numbers in a set divided by the amount of numbers in a set.

The **median** is the middle point of a number set, in which half the numbers are above the middle and half are below.

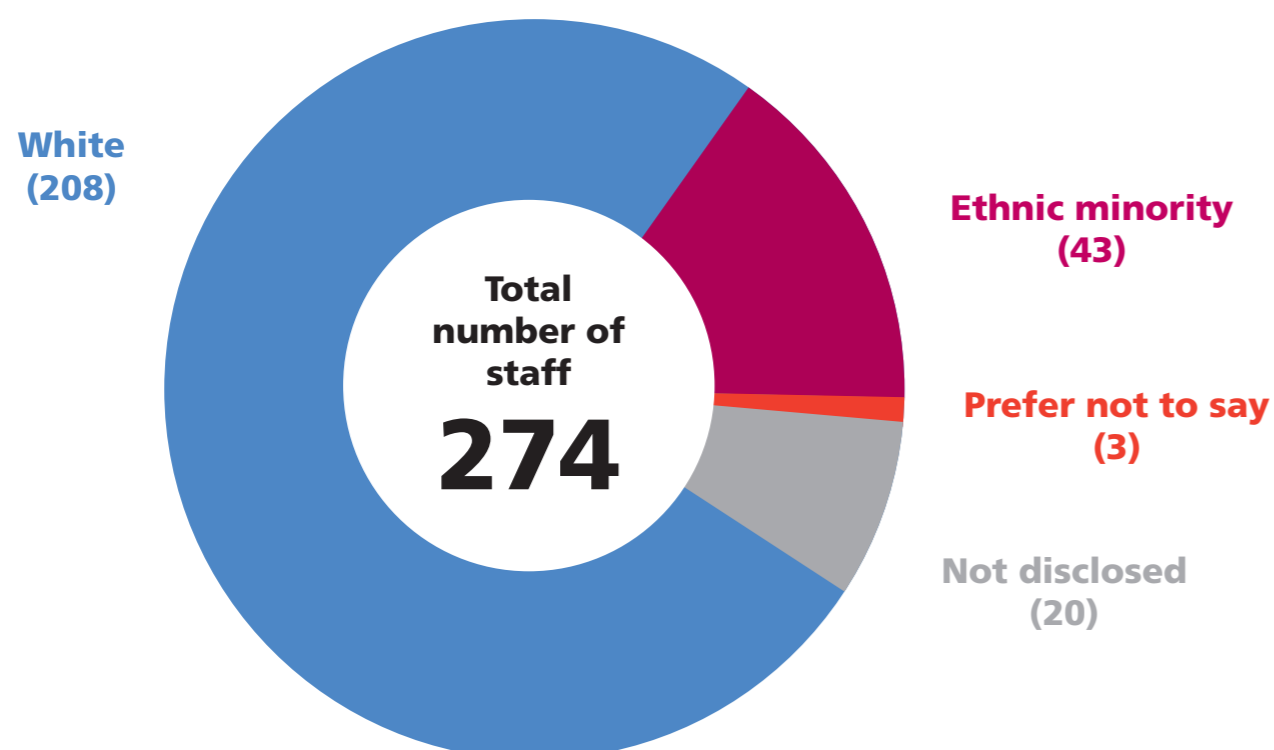
Data

Staff numbers

a) On 5 April 2022 we had 360 relevant employees:



b) We had 274 full pay relevant employees:



Ethnicity pay gap

Our mean ethnicity pay gap:

Ethnic origin	Full pay relevant employees	Mean hourly rate (£)	Mean pay gap (%)
White	208	19.97	
Ethnic minority	43	20.93	(4.8)
Prefer not to say	3	22.67	(7.4)
Not disclosed	20	17.22	29.2
Total	274		

Our median ethnicity pay gap:

Ethnic origin	Full pay relevant employees	Median hourly rate (£)	Median pay gap (%)
White	208	18.78	
Ethnic minority	43	19.66	(4.7)
Prefer not to say	3	25.20	(34.2)
Not disclosed	20	11.21	40.3
Total	274		

In 2022 Girlguiding had a small ethnicity pay gap in favour of ethnic minority employees at the mean (-4.8%, 96p hourly pay difference) and median (-4.7%, 88p hourly pay difference).

The reason for this difference is that 93.5% of roles ethnic minority employees held had a location allowance (where we pay more because the role is based in an area with higher cost of living). Only 80.6% of the roles white staff held had a location allowance.

Additionally, 39.1% of roles ethnic minority employees held attracted a market premium, compared to 18.3% of roles white staff held. For some roles, we have to pay a premium to make sure the salary attracts candidates with the right skills and experience. Deciding to offer a market premium happens by looking at market data before we advertise a role – it has nothing to do with the person in the role. Our pay practices are objective and transparent, with a clear separation between the role and the person in the role.

Bonus payments

Our mean bonus ethnicity pay gap:

Ethnic origin	Total employees	Received bonus (no.)	Received bonus (%)	Mean bonus rate (£)	Mean bonus gap (%)
White	268	73	27.2	338.36	
Ethnic minority	46	18	39.1	150	55.7
Prefer not to say	3	1	33.3	50	85.2
Not disclosed	43	2	4.7	550	(62.6)
Total	360	94	26.1		

Our median bonus ethnicity pay gap:

Ethnic origin	Total employees	Received bonus (no.)	Received bonus (%)	Median bonus rate (£)	Median bonus gap (%)
White	268	73	27.2	100	
Ethnic minority	46	18	39.1	100	–
Prefer not to say	3	1	33.3	50	(50)
Not disclosed	43	2	4.7	550	(450)
Total	360	94	26.1		

Bonus pay gap

Bonuses include long service awards, annual performance-related bonuses and vouchers.

In 2022 we gave bonus payments to 94 staff. 73 of them were white and 18 were from ethnic minorities. 1 preferred not to give their ethnicity. 2 didn't disclose their ethnicity. These figures mean we gave a bonus to 27.2% of our total white staff and to 39.1% of our total ethnic minority staff.

Our mean bonus gap is in favour of white employees. Of total relevant employees, the sample of white employees receiving a bonus is 77.7%, and 19.1% for ethnic minority employees. As the percentages are comparable with the percentage of total relevant employees, 74.4% white employees and 12.8% ethnic minority employees, the statistical averages don't provide conclusive evidence of a bonus pay gap in favour of white employees. The individual cash sums involved are relatively small, which reflects our policy of not paying large bonuses to individual members of staff.

We overhauled our practice on bonus payments as part of our salary and benefits review in 2019/20. Rather than quarterly bonus awards we now have a single annual, robustly moderated bonus award for our top 10% of high achievers. In line with good practice, we've also stopped service-related awards for new staff.

Pay quartiles

The proportion of white and ethnic minority staff in each quartile pay band:

Ethnic origin	Full pay relevant employees	Full pay relevant employees (%)	Lower quartile (%)	Lower mid quartile (%)	Upper mid quartile (%)	Upper quartile (%)
White	208	75.9	69.1	79.7	79.4	75.4
Ethnic minority	43	15.7	10.3	17.4	14.7	20.3
Prefer not to say	3	1.1	1.5	–	–	2.9
Not disclosed	20	7.3	19.1	2.9	5.9	1.4
Total	274	100				

Ethnic minority groups are spread across the quartiles fairly evenly with proportionally slightly lower representation in the lower quartile.

Final points

The number of our staff who preferred not to say or didn't disclose their ethnicity to us has increased from 6.1% in 2021 to 8.4% in 2022. An important part of our diversity and inclusion action plan is to continue working towards a more inclusive workplace. Ultimately our aim is to create an environment where all staff feel comfortable answering all the questions in our diversity questionnaire.

We're working hard to achieve this. We replaced our HR system in May 2022, so employees can now enter their ethnicity information more easily using self-service. This should mean we can gather more comprehensive data to inform our diversity and inclusion action plan.

Ethnicity pay gap reporting is an important part of our strategic diversity and inclusion plan, which has 3 overall ambitions:

- Values and culture: building an equitable culture, to enable a more inclusive girl, volunteer and employee experience
- Representation and power: becoming an organisation that properly reflects society, with representation of marginalised communities at all levels of the organisation, particularly in decision-making roles
- Collaboration and communication: collaborating internally and externally to ensure marginalised people feel represented and validated in Girlguiding

To promote a more inclusive employee experience, Girlguiding now has 7 staff networks for/focused on:

- Access/disability
- LGBTQ+ people
- Menopause
- Mental health
- People of colour
- People of faith
- Working parents

Each network has a sponsor from our senior leadership team. All our recruiting managers attend a workshop on inclusive recruitment. As a good employer, we continue to benchmark our salary and benefits package externally every 3 years. Our trustee remuneration committee oversees this work.