

2017 Gender pay gap report



Gender pay gap report

Why are we reporting on our gender pay gap?

At BTP, we employ more than 4,700 police officers and police staff. Under the Equality Act 2010, employers in Great Britain with more than 250 staff are required to report on gender pay differences within their organisation. This is the first time since the requirement was introduced in April 2017 that we have reported on our gender pay gap.

What is the difference between equal pay and the gender pay gap?

It's important to understand the difference between equal pay and the gender pay gap.

Under the Equality Act 2010, men and women in the same employment performing equal work must receive equal pay. At BTP, police officers are paid according to pay points which they progress through incrementally throughout their service and according to their rank.

Police staff are paid according to spinal points which they progress through based on successful performance and according to their grade. These are the same for male and female employees.

We also use the HAY grading system, which evaluates job roles consistently and fairly with no reference to the individuals within those positions and operates a strict valuation process for all roles. Because of this, we are assured that we pay the same salary for roles that are the same, similar or of equal value.

At BTP, our male and female employees receive equal pay for equal work, but it is still possible to have a gender pay gap. The gender pay gap is the difference between what, on average, our male employees earn, and what, on average, our female

employees earn. It is expressed as a percentage of men's earnings. This can be affected by a range of factors, despite men and women receiving equal pay for equal work.

The gap can be expressed as a positive number, for example 5%, which indicates the extent to which women earn, on average, less per hour than their male counterparts. In this example, women would be earning 5% less than their male counterparts.

If the measure is a negative number, for example -10%, this indicates the extent to which women earn, on average, more per hour than their male counterparts. In this example, women would be paid 10% more than their male counterparts.

What will gender pay gap reporting tell us?

In this report, we will compare hourly rates of pay and bonuses paid to our male and female employees.

All of the data used in the report is a snapshot taken on 31 March 2017. For the purposes of the calculations, we used gross pay (before deductions).

We will use the results to identify imbalances and inequality between genders, and assess how effectively we are maximising and rewarding talent in the organisation.

What is included in the calculations?

For the purposes of the calculations, anyone on BTP's payroll on 31 March 2017 is included, including:

- Full-time and part-time workers
- Employees on fixed-term contracts
- British Transport Police Authority (BTPA) paid staff

For the purposes of the calculations, the following people on 31 March 2017 are excluded:

- Employees on maternity leave
- Employees on long-term sick leave
- Employees on unpaid leave
- Employees on a career break
- BTPA Chief Executive and Members

For the purposes of the calculations, pay includes:

- Basic pay
- Allowances
- Annual leave pay
- Shift premium pay

For the purposes of the calculations, pay doesn't include:

- Maternity pay
- Sick pay
- Overtime
- Expenses

What are we required to report on?

We must publish six measures of the gender pay gap:

1. Mean (average) gender pay gap

The difference between the average hourly rate of pay of all men and the average hourly pay of all women employed by BTP.

This is calculated by adding together all the hourly rates of pay of all male employees included in the calculations and dividing it by the number of male employees included in the calculations. The same is done for female employees included in the calculations. The difference between the two numbers is the mean gender pay gap.

2. Median gender pay gap

The difference between the median hourly rates of pay of all male employees included in the calculations and the median hourly rates of pay of all female employees included in the calculations. The median hourly rate of pay is the rate of pay that splits the top-earning 50% of employees from the bottom-earning 50%.

This is measured by putting in order the hourly rates of pay across BTP from the lowest to the highest, for male and female employees included in the calculations, and finding the rate of pay that is at the middle point for each. The median gender pay gap in hourly pay is the difference between what the middle hourly pay rate for men and the middle hourly pay rate for women is.

3. Mean (average) bonus gender pay gap

The difference between the mean (average) bonus pay paid to male employees included in the calculations and the mean (average) bonus paid to female employees included in the calculations.

This is calculated by adding together all the bonus payments made to male employees included in the calculations and dividing it by the number of male employees included in the calculations. The same is done for female employees included in the calculations. The difference between the two numbers is the mean bonus gender pay gap.

4. Median bonus gender pay gap

The difference between the median bonus payment made to male employees included in the calculations and the median bonus payment made to female employees included in the calculations. The median bonus payment is the payment that splits the top 50% of bonus payments from the bottom 50%.

This is measured by putting in order all of the bonus payments across BTP from the lowest to the highest, for male and female employees included in the calculations, and finding the bonus payment that is at the middle point for each. The median bonus pay gap is the difference between the middle bonus payment for men and the middle bonus payment for women.

5. Proportion of men and women receiving a bonus payment

This is the percentage of all male employees who received a bonus payment and the percentage of all female employees who received a bonus payment.

6. Proportions of men and women that sit within the lower, lower middle, upper middle and upper quartile pay bands

Quartiles are calculated by dividing the total number of employees included in the calculations into four equal parts to give the pay bands for each quartile.

What does the data look like?

Police staff and police officers - total workforce	
Gender	Employees
Male	3,329 (71%)
Female	1,371 (29%)
Total	4,700

Mean and median gender pay gap

- BTP's mean (average) pay gap in hourly pay is **4%**
- BTP's median pay gap in hourly pay is **10%**

Total workforce average (mean) and median				
	Male	Female	Gap	Percentage
Mean (average) hourly rate	£18.79	£18.09	£0.70	4% (3.73%)
Median hourly rate	£18.21	£16.39	£1.82	10% (9.99%)

Police officers average (mean) and median				
Police officers	Male	Female	Gap	Percentage
Mean (average) hourly rate	£19.56	£19.60	-£0.04	-0.22%
Median hourly rate	£19.67	£18.69	£0.98	4.98%

Police staff average and median				
Police staff	Male	Female	Gap	Percentage
Mean (average) hourly rate	£16.93	£17.13	-£0.20	-1.21%
Median hourly rate	£15.36	£15.42	-£0.06	-0.39%

What does this tell us about BTP's gender pay gap?

Overall, our mean (average) gender pay gap in hourly pay currently stands at 4%. This means our female employees earn on average 4% less an hour than their male colleagues.

Although our mean (average) gender pay gap is well below the national average of 18% and below those of other police forces that have published their data already, we are working hard to close the gap. Our ambition is to close it completely.

Our median gender pay gap for hourly pay is 10%, and tells us that we have fewer women in higher paid roles. This is an important area to focus on when trying to achieve our ambition to close the gender pay gap at BTP.

When looking at how the figures are split between police officers and police staff, the data tells us that:

- There is a pay difference between male and female police officers of 5%. Female police officers earn a median hourly pay rate of £18.69 in comparison to male police officers earning a median hourly pay rate of £19.67.
- There is a small pay difference between male and female police staff of -0.4%. Female police staff earn a median hourly pay rate of £15.42 in comparison to male police staff earning a median hourly pat rate of £15.36.

Quartile pay bands

Pay quartiles	Male	Female	Total	% Male	% Female	Pay Range (£)
Upper	875	300	1175	74%	26%	21.43 - 101.81
Upper Middle	946	229	1175	81%	19%	18.21 - 21.43
Lower Middle	790	385	1175	67%	33%	14.60 - 18.21
Lower	718	457	1175	61%	39%	9.39 - 14.59

Police officers – quartile pay bands

Pay quartiles	Male	Female	Total	% Male	% Female	Pay Range (£)
Upper	582	141	722	80	20	21.43-101.81
Upper Middle	615	107	723	85	15	19.67-21.43
Lower Middle	624	99	722	86	14	15.68-19.67
Lower	537	185	722	74	26	9.48-15.68

Police staff – quartile pay bands						
Pay quartiles	Male	Female	Total	% Male	% Female	Pay Range (£)
Upper	242	211	453	53%	47%	18.75 - 67.20
Upper Middle	236	216	452	52%	48%	15.36 - 18.75
Lower Middle	250	203	453	55%	45%	13.02 - 15.36
Lower	243	209	452	54%	46%	9.39 - 13.02

What does this tell us about BTP's quartile pay bands?

Across the total workforce, there are a higher proportion of men in each quartile pay band, showing that they are the highest earners in the force.

When separating out the data, there is a more equal gender balance in all quartile pay bands for police staff, but there remains a disparity for police officers. This shows that there is more to do to ensure female police officers progress through the ranks to Chief Officer level.

Bonus payments

Bonus payments for police officers are for 'unpleasant tasks'. Police regulations allow for payments of between £50 and £500. Chief Officers do not receive bonuses.

Police officers and police staff who achieve an 'exceptional' grading in their annual performance review can also receive a £500 bonus payment.

Bonus payments				
	Male	Female	Gap	Pay gap %
Proportion receiving bonus	19%	19%		
Number of employees	697 (165 police staff, 532 police officers)	293 (195 police staff, 98 police officers)		
Mean (average)	£229.10	£345.49	-£116.39	-50.8%
Median	£150.00	£250.00	-£100.00	-66.7%

What does this tell us about BTP's bonus payments?

The proportion of the total workforce receiving bonus payments is the same at 19%.

On average, female employees received higher bonus payments than their male colleagues. This doesn't indicate that bonuses are being paid to compensate for the gender pay gap.

What we do know is that we have a high proportion of female employees in lower rank or grade roles who are capable of performing at a higher rank or grade. Bonuses are paid for discretionary behaviour. This is when employees display behaviour above and beyond what is required of them in their role. Because we have a high proportion of women who could perform above their current rank or grade, they inevitably display discretionary behaviour and therefore receive bonuses.

Conclusion

The report finds that the average (mean) gender pay gap in hourly pay is 4%. This is lower than the national average of 18%. The median gender pay gap for hourly pay is 10%.

Whilst we have put a number of measures in place and plan to introduce even more to close the gender pay gap at BTP, there is a long way to go. Although progress is slower than we would like, we are confident that we have a robust plan in place to close the gender pay gap at BTP, but we have to be realistic that this won't happen overnight.

We accept the size of the challenge in continuing to develop a truly diverse and representative workforce. We will strive to ensure that all police officers and police staff are developed and supported to realise their maximum potential and that our leaders, policies and culture all work to make us the police force of choice for people looking to work in policing.

Next steps

- We are currently finalising our new equality objectives for 2018-22, which will provide the main focus for our activity in closing the gender pay gap. Although they are yet to be adopted formally, we expect the following actions to be included in our action plan:
 - Publish diversity data on our intranet quarterly, providing an analysis of the representation of women (and other under-represented groups) across the force, particularly at senior levels
 - Review police officer and police staff terms and conditions and our pay
 - Review our policies and practices concerning:
 - Pay, reward and recognition
 - Recruitment and induction
 - Equality, diversity and inclusion
 - Unwanted behaviour, bullying and harassment
 - Flexible working and family-friendly leave
 - Talent management and people development
 - Review our police staff starting salaries to establish if this affects the gender pay gap
 - Analyse in more detail our bonus payment data to understand the reasons for differences in payments to male and female employees
 - Provide training for employees involved in the recruitment or promotion processes to reduce the risk of unfairness and discrimination
 - Encourage more of our workforce to self-declare protected characteristics to help identify any inequalities

- Analyse information about people leaving the force to establish if there are specific reasons why women leave the organisation
 - Examine the take up of flexible working by police officers and police staff across the force to identify any barriers to this
 - Keep channels of communication open to enable employees to have make suggestions or have their say on equality, diversity and inclusion issues.
- Following the success of our Promoting the Difference programme for aspiring female Inspectors, we plan to launch a similar programme aimed at female Police Constables aspiring to reach the rank of Sergeant.