

CAF GENDER PAY GAP REPORT

Gender pay gap reporting came into effect in the UK to encourage employers to identify where gender pay gaps exist and to take action to address any imbalance.

A gender pay gap is a measure of difference (a gap) expressed as a comparison between what, on average, men earn and what, on average, women earn. This is different to equal pay, which is where individuals must be paid the same for performing the same or similar work, or work of equal value.

This is the second year of reporting and while our gender pay gap has not improved yet, we remain confident that men and women across CAF are paid equally for doing equivalent jobs. We take equality very seriously and have robust job evaluation, salary benchmarking and review processes in place to ensure this happens.

In the last year we have taken action to address some of the underlying causes of the pay gap, but recognise that closing the gap will take time. While our overall gender pay gap has not improved, our bonus gap has narrowed. We fully acknowledge there is a gender pay gap and while not believing this is due to conscious gender bias, remain committed to closing the gap in the coming years.

What we have done since April 2018

We have:

- **Set up a diversity group** with representatives from across CAF to consider and make recommendations on how we can be more diverse and inclusive.
- **Run a diversity and inclusion survey** for all staff and are currently reviewing the results.
- **Developed career paths in our customer service teams** where there is a high percentage of women in our more junior roles. This is designed to enable their development and promotion and encourage more men into these positions. This is underpinned by **introducing apprenticeships and general training**.
- **Introduced guidance** to enable greater flexibility in the workplace to include more home working, compressed hours and part time working.
- **Included unconscious bias training** into our key training sessions on recruitment, performance management and appraisals to raise awareness and eliminate bias as much as possible.
- **Provided coaching to support career and workplace development** and are particularly supportive of women wishing to progress their career with us or work on general development.

CAF's gender pay gap report provides a view of the overall mean and median gender pay based on figures for April 2018 and bonus pay gap based on bonuses paid in the previous 12 months from April 2018.

Mean gender pay gap is 29.1%

The mean pay gap is the difference between the average hourly pay of men and women.

Median gender pay gap is 35.5%

The median pay gap is the difference between the midpoints in the ranges of hourly pay of men and women.

Mean bonus gap is 35.7%

The mean bonus gap shown is the difference between the actual average bonus paid to men and women.

Median bonus gap is 20%

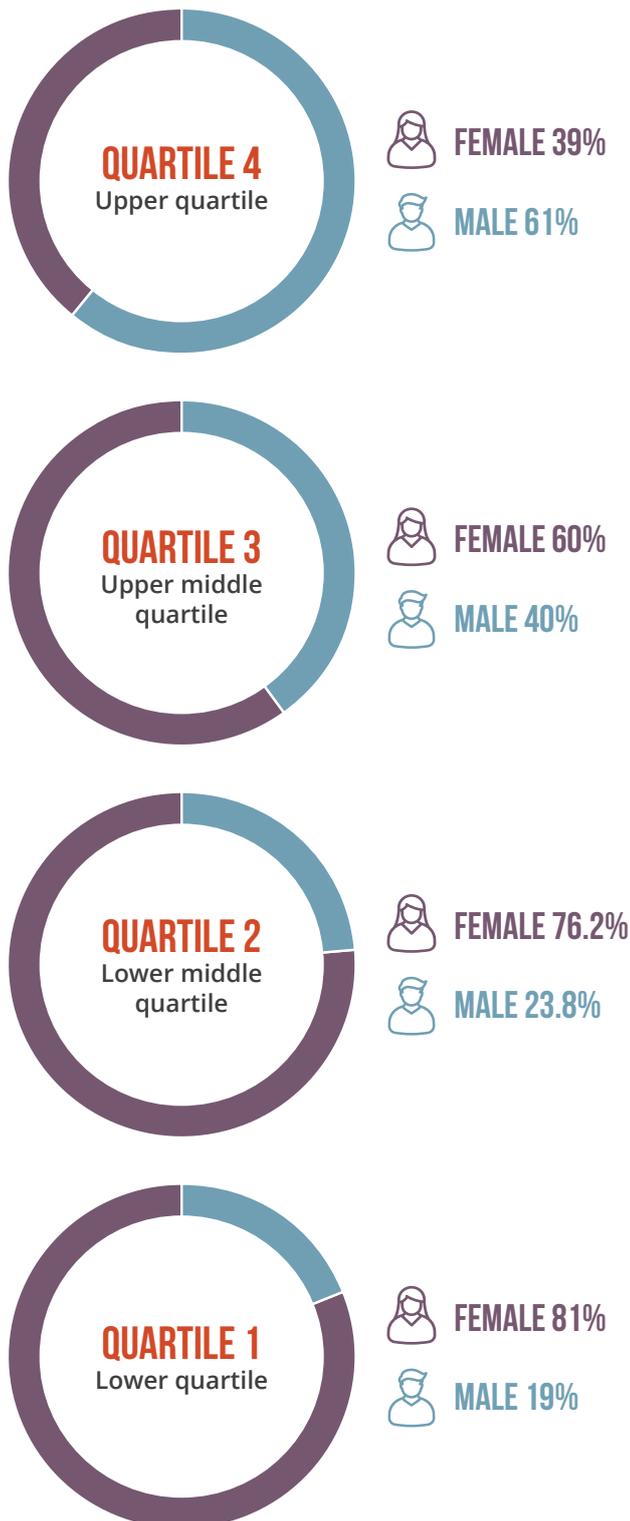
The median bonus gap is the difference between the midpoints in the ranges of actual bonuses paid to men and women.

CAF gender pay quartiles

The following charts show the percentage of women and men who were receiving full pay in April 2018 in four broadly equal quartile pay bands. This is achieved by splitting these employees according to their pay into four broadly equal bands – lower, lower middle, upper middle, and upper quartiles.

CAF Gender Pay Quartiles - 2018

(% of men and women in each pay quartile)



Pay gap by each individual quartile

Quartile	Mean	Median
Quartile 4 (upper quartile)	5.0%	-0.3%
Quartile 3 (upper middle quartile)	2.7%	5.3%
Quartile 2 (lower middle quartile)	0.0%	0.0%
Quartile 1 (lower quartile)	0.0%	1.9%

% of men who received a bonus	54.3%
% of women who received a bonus	44.8%

Why do we have a gap?

Our gender pay gap is primarily because we continue to have a large proportion of women in non-managerial, customer service and administrative roles (see lower and lower middle quartile figures above) and more men than women in senior roles which attract higher pay (see top quartile figures above). This is in part due to the market for staff in which we have to operate, but we do make strong efforts to ensure we recruit from the widest possible pool of talent. While we are a relatively small organisation, we are also anxious to grow our talent within CAF to ensure staff have the ability to progress.

We pay modest performance related bonuses. During the bonus period, bonuses were paid to 48.2% of our employees. In the calculation to determine the bonus pay gap, we report actual bonuses paid. We enable flexible working to both men and women as part of our culture and this is valued by our staff who work in this way. The average cash value of bonuses paid to women is lower than bonuses paid to men in CAF. This is because we are required to report the actual bonus paid after it has been pro-rated for part time working. As the vast majority of part time staff are women, bonuses are therefore reduced to reflect their part time hours. This contributes to a bonus pay gap. Additionally, because we link any bonus paid to an individual's grade, lower grades therefore receive a lower bonus. As the majority of our lower grades are held by women, this further contributes to the bonus pay gap.

While we have seen some improvement in the bonus pay gap this year, we continue to remain committed to closing this gap further in coming years.

WHAT WE PLAN TO DO IN THE COMING YEAR

We will:

- **Develop an Equality, Diversity and Inclusion Strategy.** We truly value a diverse and inclusive workforce and implementing a strategy to support and enable this going forward is important to us.
- **Develop an action plan** that takes account of the outputs from our diversity group and diversity and inclusion staff survey.
- **Develop a diversity and inclusion statement** that communicates our expectations and aspirations.
- **Introduce a framework to support women on maternity or adoption leave and men on shared parental leave,** and in particular to ensure we keep in contact with them and support their easy transition back to work.
- **Continue to provide diverse and comprehensive training and development,** including coaching, mentoring, apprenticeships, management development, and support to achieve professional qualifications.
- **Continue working with our preferred recruitment suppliers** to improve our processes around recruitment to ensure we recruit from the widest pool of prospective candidates and eliminate unconscious bias at the early shortlisting stage.
- **Develop a section on our intranet** to provide equality, diversity and inclusion information and resources for all staff.

I recognise there is a gender pay gap in CAF and while confident it does not result from an inherent gender bias, nevertheless, I will ensure every effort is made to close the gap in the coming years.

I confirm the accuracy of the data reported.

Sir John Low
Chief Executive
Charities Aid Foundation