

# Gender Pay Report

## For the year to April 2021



From April 2017, under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, all organisations that have over 250 employees are required to annually publish calculations showing their gender pay gap. Hertfordshire Catering Limited (HCL) is committed to providing equality of opportunity to all our employees. The Gender Pay Gap is defined as the differences in average earnings of men and women over a standard time period.

HCL is primarily an educational catering business, providing catering in schools which operate on a term-time basis. 90% of staff work part time / term-time hours.

HCL's workforce consists of a significantly higher proportion of female than male employees, which is reflective of the industry more broadly, with the percentage of woman employees being 95%. Our Gender Pay Gap figures should be considered in context of this distribution.

We are proud that we operate a fair and transparent pay system, where our grades have salaries which fall between set bandings. We believe this supports fairness and indicates that we have equal pay for all employees regardless of gender.

We offer great flexible and family friendly working patterns, including part-time and term-time contracts, which possibly appeal more to women than men.

### Workforce Demographic



During the reporting period, HCL had 1692 employees. However, due to the Covid pandemic and the closure of schools, many HCL employees were furloughed and so are not covered by the Gender Pay Reporting criteria. As a result there are only 566 employees who are deemed as relevant full pay employees and who are included in this Report.

All calculations have been calculated in line with the Gov.uk - Gender Pay Reporting Guidance, and periods calculated in months have been treated as having 30.44 days. All relevant employees have been included in our calculations as defined by the legislation. In line with the legislation, calculations of ordinary pay include reductions for salary sacrifice.

## Gender Pay Gap

The following results have been calculated in line with the mandatory requirements outlined in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

### Mean Gender Pay Gap

A mean average gender pay gap involves adding up all the hourly rates and dividing the result by the number of staff.

HCL's mean gender pay gap:

	Mean Hourly Rate: All staff
Female	£10.76
Male	£17.95

Mean Gender Pay Gap	40.06%
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### Median Gender Pay Gap

A median average gender pay gap involves listing all of the hourly rates in numerical order. If there are an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

HCL's median gender pay gap:

	Median Hourly Rate: All staff
Female	£10.10
Male	£14.00

Median Gender Pay Gap	27.86%
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### Key findings: Gender Pay Gap

At 40.06%, our gender pay gap data indicates an overall higher average hourly rate for males than for female. The median hourly rate for males is 27.9% higher than for females.

Our figures are above the Office of National Statistics (ONS) 2021 national average of 15.4% and we recognise that we have room for improvement.

The pay gap has increased since 2020 by 4.56% - this is due to approximately two thirds of employees being excluded from the gender pay gap calculations as they were not relevant full pay employees. This included employees who had deductions such as sick pay, maternity leave or unpaid leave. Furloughed staff who did not receive a 20% top up to full pay were also included in the gender pay calculations. Many of the furloughed staff were those who work in schools and are the lower paid staff in General Catering Assistant roles. The gender pay gap calculations have therefore been skewed as the data contains a higher proportion of the higher paid, mainly head office staff, than it would otherwise have had if all of the employees working in schools had been included.

## Bonus Gender Pay Gap

The following results have been calculated in line with the mandatory requirements outlined in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

### Mean Bonus Gender Pay Gap

A mean average bonus gender pay gap involves adding up all of the bonuses received and dividing the result by the number of staff. 35 staff received a bonus during this reporting period.

HCL's mean bonus gender pay gap:

	Percentage of Staff who received a bonus
Female	2.02%
Male	3.64%

Mean Bonus Gender Pay Gap	15.95%
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### Median Bonus Gender Pay Gap

A median average bonus gender pay gap involves listing all of the bonuses in numerical order. If there are an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

HCL's median bonus gender pay gap:

	Percentage of Staff who received a bonus
Female	2.02%
Male	3.64%

Median Bonus Gender Pay Gap	22.76%
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### Key findings: Bonus Gender Pay Gap

The Bonus Pay Gap figure is significantly lower than last year's 56.9%. This was mainly due to the effect of the Covid pandemic which caused the company severe financial hardship. As a result, no performance bonus payments were made as part of HCL's Performance Related Increments scheme, no company bonus payments were made and fewer Recommend a Friend payments were made because recruitment levels were extremely low. The number of bonus payments made were therefore significantly lower than last year and the type of payments made were a set value rather than based on a percentage of salary.

## Quartiles

The percentage, hourly rates and Gender Pay Gap in each quartile pay band for all of HCL staff is as follows:

Quartile 1		Quartile 2	
<b>97.9%</b> 	<b>2.1%</b> 	<b>97.2%</b> 	<b>2.8%</b> 
138 staff	3 staff	138 staff	4 staff
Mean: £8.80ph	£8.95ph	Mean: £9.78ph	£9.41ph
Quartile 3		Quartile 4	
<b>97.2%</b> 	<b>2.8%</b> 	<b>87.9%</b> 	<b>12.1%</b> 
138 staff	4 staff	124 staff	17 staff
Mean: £10.60ph	£10.53ph	Mean: £14.23ph	£23.29ph

### Key findings: Quartiles

In all four quartiles, women make up the majority of the workforce with the proportion of females and males being broadly consistent with the overall company profile. Quartile 4 shows the biggest deviance from the overall male/female split and has the largest number of male employees. The mean average pay of females and males in quartiles 1,2 and 3 is broadly similar; the gender pay gap is in favour of males in Quartile 1 and Quartile 4 and in favour of females in Quartile 2 and Quartile 3. The fact that males are paid significantly more than females in the upper Quartile (despite 82% of the 72 member Head Office team being female) and there is only a small difference in average pay between male and female workers in the other Quartiles, explains why overall HCL's gender pay gap is in favour of males. Data shows that most of HCL's males sit within the upper quartile, more so than at lower levels of the organisation. In our Head Office teams, which encompass 72 staff, 82% of these roles are held by females.

## Key Objectives for the coming year

- **Identify areas where males/females are under-represented and review our recruitment and selection strategies to these areas.** This will help in identifying and removing any obstacles deterring candidates from applying for specific roles.
- **Encourage and review career and talent development.** To provide more support, training and encouragement to employees to manage their learning and pursue opportunities to develop their skills, knowledge and experience. We are doing this via career development which is a key component of discussions twice yearly for all staff during their performance review. Develop and pay a Career Progression Incentive Payment to encourage staff to progress along our Career Path.
- **Ensure diversity in promotional materials/website, including internal staff communications.** To support attraction and career progression where there is under-representation as the opportunity to do so becomes available. Continue to innovate and trial different ways of advertising employment opportunities to attract a diverse mix of candidates.
- **Monitor our new Reward & Recognition Scheme for Operational Staff.** To ensure there is no unconscious bias in nominations and approvals.
- **Develop the Diversity & Inclusion Staff Group.** To continue to help HCL identify and act on issues and feedback coming from staff, to embrace greater diversity and inclusion within the workforce.

## Statement

I confirm that Hertfordshire Catering Limited has published accurate calculations in line with the mandatory requirements outlined in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Ian Hamilton  
Chief Executive