## **Gender Pay Gap FAQ**

## What is a gender pay gap?

A gender pay gap is the difference between a man's and a woman's average pay (regardless of their role) expressed as a percentage.

Following changes to equality regulations in 2017, all organisations with 250 or more employees are now required to publish statutory gender pay gap data before April 2018.

## What is the Alzheimer's Scotland gender pay gap?

The mean gender pay gap is 4.4% and the median gender pay gap is -6.6%.

#### Ok, but what does that all mean?

The gender pay gap mean measure is calculated by taking the average hourly rate of men and the average hourly rate of women's salaries and looking at the difference between these. The 4.4% represents the difference - the 'gap' - between men and women's hourly rate of pay as a percentage.

The median is calculated by arranging all the hourly rates, from lowest to highest, in a line and identifying the middle hourly rate. The -6.6% represents the difference between men and women's median hourly rate.

The final section that the organisation has to report on is showing the proportion of men and women in each quartile of the organisation's pay structure.

## Proportion of men and women in each pay quartile

	Male	Female
Upper quartile	17.2%	82.8%
Upper middle quartile	10.4%	89.6%
Lower middle quartile	11.2%	88.8%
Lower quartile	18.7%	81.3%

Broadly speaking, the gender pay gap exists because women tend to work in lowerpaid occupations and sectors and occupy less senior roles. This is particularly true of the care/third sector and we can see evidence of this within our own data.

However, the biggest influence on our data is the proportion of male to female staff and the gap between the highest/lowest paid male compared to the gap between the highest/lowest paid female. The average male hourly rate is unfairly weighted due to a smaller number of staff to base the average on compared to our female staff. Perhaps a better indicator for us is the average median rate of pay which actually shows a higher rate for female staff. This is because the median is less affected by the values at either end of the scale of hourly rates.

We can evidence that, proportionately, we have more female staff in senior positions than we do male staff. And we can demonstrate that we pay equal pay for females/males in the same role.

Does Alzheimer Scotland's gender pay gap mean we have an equal pay issue? No. Equal pay is looking at two people doing the same job or work of equal value. The gender pay gap is the difference in average earnings between men and women regardless of their job role or level. Our pay structure is underninged by job

The gender pay gap is the difference in average earnings between men and womer regardless of their job role or level. Our pay structure is underpinned by job evaluation which groups jobs of equal value into grades. The jobs in each grade receive the same salary. This ensures our employees, men and women, are paid equally when performing equal work.

# How does Alzheimer Scotland gender pay gap fair against others in the sector?

Whilst the UK's average is about 18% there hasn't been enough published data to get a good understanding of figures for other organisations, however we will examine this as more data becomes available. Alzheimer Scotland will be monitoring our gender pay gap on an annual basis and will compare against others within the sector.

Information for organisations that are required to publish their figures is available on the government's website. You can access all the published data by <u>clicking on the link.</u>

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Overall responsibility for Gender Pay Gap reporting for the organisation, contact Kevin Craik, Director of Finance & Corporate Resources.