

# Gender Pay Gap Report 2019



# Introduction

A message from Georgina Bale, Head of HR, Police Mutual Group

**This is now the third year that UK companies with over 250 employees must report on their gender pay gap.**

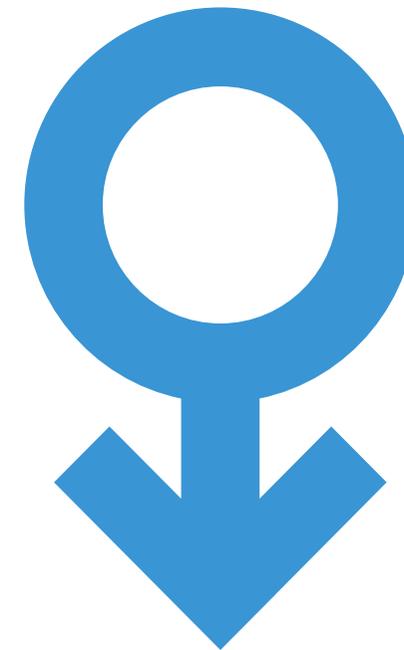
At Police Mutual Group, we believe that continuing to share our gender pay information each year is important to raise awareness, and in doing so, have meaningful conversations about our approach to inclusivity and diversity. We value diversity in our workforce and we work hard to ensure that we create equal opportunities for all.

We are pleased to share that our gender pay gap has improved compared to 2018. Whilst we still have a gap, we continue to be confident that it doesn't stem from paying men and women differently for the same or equivalent work and we understand that our gender pay gap continues to be driven by the structure of our workforce.

We have continued with the robust practices that have been implemented from our previous reports and will continue to embed these throughout 2019/20. We continue to be committed to creating opportunities that allow our colleagues to fulfill their potential and make a difference in our unique and special business.

**Georgina Bale**

Head of HR  
Police Mutual Group



# Understanding our gender pay gap

**At 37.2%, our mean gender pay gap has seen an improvement compared to 2018. We are happy with this improvement, however it remains above the national average. We have looked at what factors are contributing to our gap.**

We remain confident that our gender pay gap does not reflect equal pay issues. We undertake a robust analysis and monitoring process to ensure colleagues are treated equally when it comes to pay. We have previously identified that our gender pay gap is driven by the structure of our workforce.

This is evidenced by our median pay gap which has decreased to 35.2% (when each gender is ranked from lowest to highest hourly rate, this is the difference in pay between the middle female and the middle male).

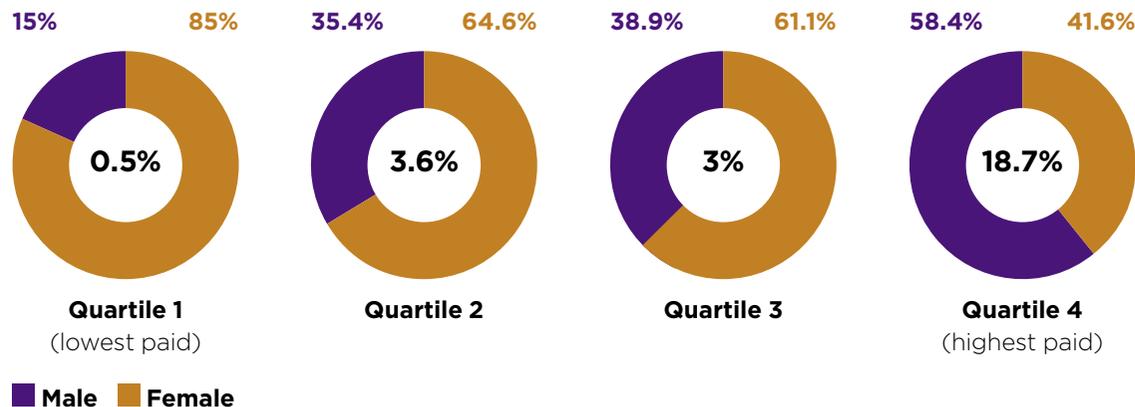
We have seen significant changes to our Senior Management and Executive population which has facilitated the reduction in the gap. However, in 2019, whilst the overall number of colleagues employed by the organisation reduced, the overall structure has remained the same. Females now represent a slightly greater proportion of total colleagues, at 63%, and the majority continue to be in roles which attract lower levels of pay.

The diagram below shows all colleagues' pay from lowest to highest, split into four equal groups or 'quartiles' (quartile 1 being the lowest paid). This shows that there are proportionally more male colleagues than female colleagues in the 'highest paid' quartile.

We have also shown the pay gap for each quartile. This shows that the pay gap is at its largest in the highest paying quartile, which is mostly populated by males.



**Gender representation: Pay gap by Quartile**



# Understanding our gender bonus gap

**Every colleague has a part to play in contributing to our Group's success, and all colleagues are eligible to take part in one of our bonus schemes.**

When each gender is ranked from lowest to highest bonus payment, the difference in bonus paid between the middle female and the middle male is the median bonus gap.

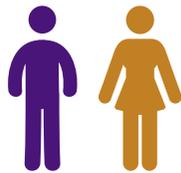
Our mean bonus gap has seen a slight increase of 1.3% from 66.6% to 67.9% with the median increasing significantly by 34.5% from 46.6% to 80.1%. The gender bonus gap is reflective of the smaller population in receipt of a bonus or commission payment. Over 50% of the females eligible for an incentive scheme work in our military affinity, which has been impacted by current market conditions. This has resulted in a larger than expected Median Bonus Gap.

Overall the percentage of colleagues receiving a bonus has significantly decreased. The business decision was taken not to award a colleague bonus across the organisation for 2018, however the bonus gap calculation does take in to account incentive schemes within our Sales teams.

We envisage that both the mean and median bonus gap will see a reduction in 2020 with the inclusion of our colleague bonus schemes. With the median bonus gap we predict a more dramatic reduction.

Mean

67.9%

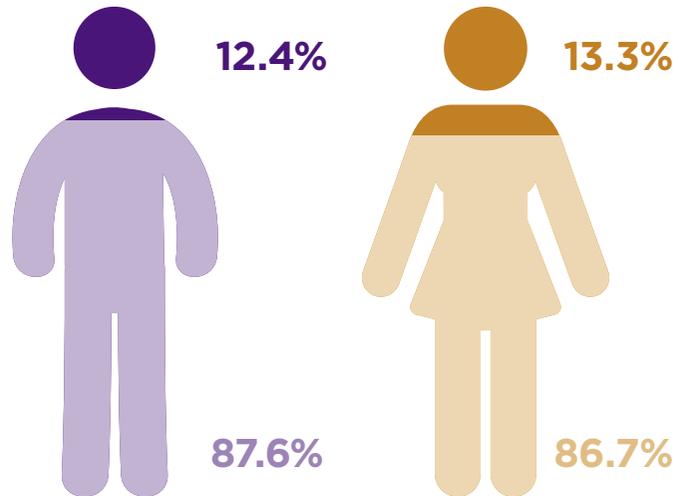


Median

80.1%

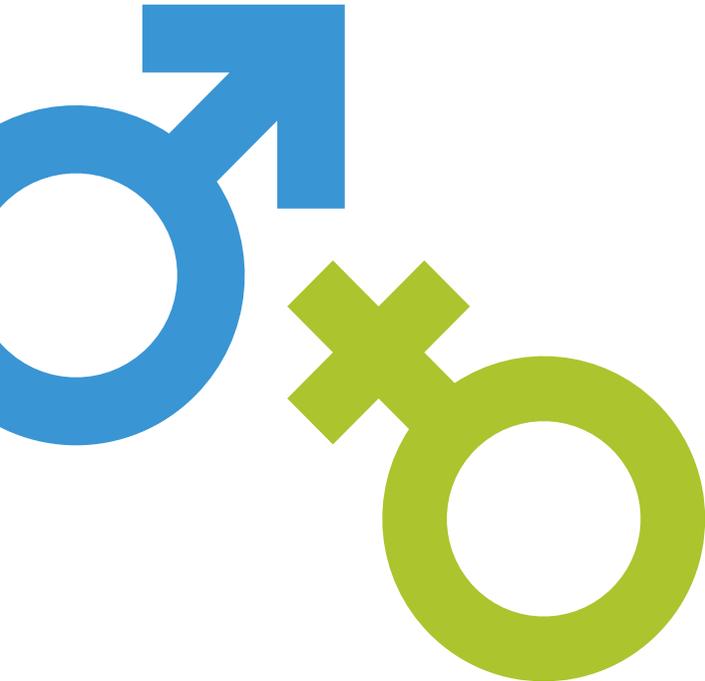


Percentage of colleagues who received a bonus



Percentage of colleagues who did not receive a bonus

**We've already taken some specific steps to help reduce our gender pay gap and we will continue to follow these. However, we are always looking at ways that we can help reduce our gap. We've set out some of the things we do which help towards managing our gender pay gap.**



## **Robust practices that offer equal opportunities for all**

We have gender neutral recruitment and selection processes, and we will continue to review them to make sure they remain free of bias and create equal opportunities for all.

We have a competency model which enables us to clearly define suitable selection tools. The competency model also makes clear performance expectations and so ensures that whether we're assessing colleagues for new roles or their performance against our reward framework, we do this in an objective and gender neutral way.

## **Robust reward practices**

We regularly review our policies, processes and decisions in relation to pay, bonuses and performance. We will continue to:

- Provide robust guidance and support on 'reward' for our leaders.
- Routinely monitor equal pay.
- Review our bonus rules for all schemes.

## **Promoting our policies to support progression**

We have a number of policies that help to make us a more inclusive organisation. These include our Flexible Working, Career Breaks and Parental/Shared Parental Leave Policies. We'll continue our commitment to offer flexible working opportunities for roles at all levels within the organisation and highlight those opportunities more prominently.

Pay Gap			
	Gap (%)	Female	Male
Mean	37.2	£16.34	£26.00
Median	35.2	£12.49	£19.26

Bonus Gap			
	Gap (%)	Female	Male
Mean	67.9	£3,184.85	£9,926.67
Median	80.1	£1,593.10	£8,000.00

Proportion receiving a bonus			
	%	Paid bonus	Total
Male	12.4	21	169
Female	13.3	40	300

The proportion of employees in each quartile pay band				
	1st	2nd	3rd	4th
Male	15	35.4	38.9	58.4
Female	85	64.6	61.1	41.6
Mean Pay Gap %	0.5	3.6	3	18.7

**This report shares the combined results for the Police Mutual Group and includes data for both Forces Mutual and Police Mutual colleagues.**

As the Head of HR of Police Mutual Group, I, Georgina Bale, can confirm that the information contained herein is accurate and complies with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, in relation to the pay period April 2019.



**Georgina Bale**  
Head of HR  
Police Mutual Group

**Useful resources**

ACAS provide guidance and resources on Gender Pay Gap Reporting:  
**[www.acas.org.uk/genderpay](http://www.acas.org.uk/genderpay)**

The Women's Business Council provides some great resources to help improve gender diversity:  
**[www.womensbusinesscouncil.co.uk](http://www.womensbusinesscouncil.co.uk)**

The Fawcett Society is the UK's leading charity campaigning for gender equality and women's rights:  
**[www.fawcettsociety.org.uk](http://www.fawcettsociety.org.uk)**

The British Association for Women in Policing embraces women of all ranks and grades within the Police Service. Their mission is to ensure that those women are heard and work toward gender equity in policing.  
**[www.bawp.org/](http://www.bawp.org/)**



