



Gender Pay: Navigating the new reporting requirements



From April 2017, businesses with 250 employees or more are required to report on their gender pay gap. The first report must be published by 4 April 2018, based on the pay figures from 5 April 2017 snapshot date.

The main challenges will be in identifying, gathering, handling and analysing the pay data, as well as identifying the additional contextual information required to assist in interpreting an organisation's gender pay gap. HR professionals may be required to support this data collection process and also to manage the risks around the reaction of your own people to what you are reporting.

Reporting on any gender pay gap requires the identification of the correct pay data from which to calculate gender pay gaps in mean pay, median pay and bonus pay, as well as correctly identifying and reporting on quartile bands within the organisation.

Within your corporate group structure you will need to address the following:

Employment issues:

- Which employing entities are affected
- Who are the relevant employees and workers on the snapshot date of 5 April each year
- Capturing and collating data from external contractors
- Determining those employees on less than full pay

Pay data:

- What comprises 'ordinary pay' and 'bonus pay' on which to base calculations
- Verify that systems in place are robust enough to identify all components of basic pay
- Ensure that required payroll information for basic pay can be easily identified from payroll reports
- Assist with supplying supporting narrative to explain variances in gender pay gap and advise on remedial action to be taken

Your business will need to gather the data, both from the business in the UK and offshore where relevant, and calculate and provide pay data analysis. It is also important to assess the risks posed by a gender pay gap, such as potential equal pay issues, and to determine an approach for the organisation which ensures current and future employee engagement and retention.

Who needs to report?

Any organisation that has 250 or more employees

What you need to know

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. For example, 'women earn 15% less than men per hour'.



What you need to do

Employers must:

- Publish their gender pay gap data and a written statement on their public-facing website each year
- Report their data to government online – using the gender pay gap reporting service.

The calculations behind gender pay gap reporting are complex; however the interpretation of these calculations is key. Companies need to be able to articulate and support their numbers, which may come under wide public scrutiny. And while the regulations themselves are challenging overall, if complied with properly, they will give businesses an opportunity to enhance their brand and demonstrate their positive attitude to diversity issues.



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