

GENDER PAY GAP REPORT- 5 April 2021

As an organisation with less than 250 employees IRC UK is not legally required to publish an annual gender pay gap report. However, we have agreed to report the gender pay gap in order to inform actions to address any pay inequality that may exist between men and women; to demonstrate the organisation's commitment to transparency; and to enable our staff to contribute to dialogue around gender equality in the workplace.

Findings

The figures stated have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Bonus pay gap has not been calculated as these are rarely awarded even on a discretionary basis.

This report is for the snapshot date of 5 April 2021¹. IRC UK had 135 full-pay relevant staff of which 93 were Females and 42 Males.

The Mean and Median pay gaps:

The mean (average) and median (middle) is the recommended method for calculating pay gaps. Mean hourly pay rate is the average hourly pay for a particular group. Median hourly pay rate is the central value when salaries are organised from lowest to the highest order. It is generally seen as the more reliable average, as it reduces the impact of very high or very low salaries. The mean and median gender pay gaps are the difference between the mean and median hourly rate of pay of Male and Female employees. A positive pay gap denotes that the mean or median hourly rate of pay of Male employees is higher than that of Female. And a negative pay gap denotes that the mean or median hourly rate of pay of Female employees is higher than that of all Male employees.

- The **mean gender pay gap** for IRC UK was **-2%** on mean hourly salaries (£26.88 for Male staff and £27.52 for Female staff)
- The **median gender pay gap** for IRC UK was **-3%** on median hourly salaries (£24.33 for Male staff and £24.97 for Female staff)

¹ <https://www.gov.uk/guidance/the-gender-pay-gap-information-employers-must-report#report-publish>

Since the last measurement on 5th April 2020 the mean gender pay gap between women and men has decreased by 1.5% and the median gender pay gap has remained the same. Women thus on average have a higher hourly pay than men at IRC UK.

Quartile Pay Bands

Quartile pay bands are created by organising salaries from highest to lowest and then dividing the staff into four equal groups (25% of total staff in each quartile). There is an exploration of number of staff from each gender category as a percentage of the total staff numbers in each quartile. These figures enable us to better understand the distribution of staff and further enable us to understand the mean and median pay gap figures.

Pay quartiles by gender			
Quartile	Males	Females	Description
Lower	32%	68%	Includes all employees whose standard hourly rate places them at or below the lower quartile
Middle Lower	32%	68%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
Middle upper	29%	71%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
Upper	30%	70%	Includes all employees whose standard hourly rate places them above the upper quartile

Male and Female staff are uniformly distributed in all four quartiles with nearly three quarters of the staff in each quartile being women.

What are the underlying causes of IRC UK's gender pay gap?

Under the law, men and women must receive equal pay for:

- the same or broadly similar work.
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

IRC UK is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability or trade union membership. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above). As such, it:

- carries out pay and benefits audits at regular intervals; and
- evaluates job roles and pay grades as necessary to ensure a fair structure.

IRC UK is confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles which are on offer and the salaries that these roles attract and who fills the roles.

How does IRC UK's gender pay gap compare with that of other organisations?

According to the 2021 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE)² the estimated median gender pay gap for all employees was 15.4%. Thus, nationally the median gender pay gap favours men.

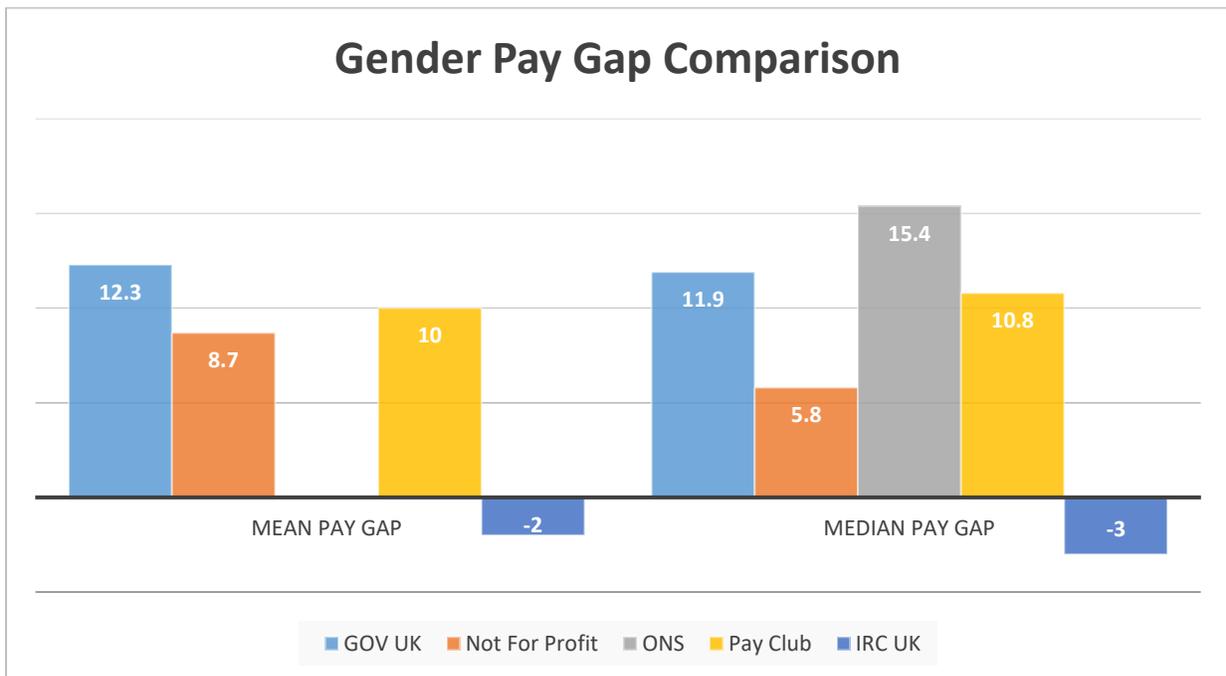
3481 organisations had reported their gender pay gap on the designated GOV.UK website for 5th April 2021 when this report was written. According to the reported figures, the median gender pay gap is 11.9% and the mean gender pay gap 12.3% in favour of men. According to the same data set, the median gender pay gap for non-profit sector organisations which fall into the

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<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2021#the-gender-pay-gap>

same standard industrial classification codes as IRC UK (166 organisations),³ is 5.8% and the mean gender pay gap is 8.7%.

The gender pay gap in the humanitarian sector also favours men. As per the gender pay gap data collated by Reward Connected on our closest comparators (including us), the average median gender pay gap for 2021 was 10.8% and the average mean gender pay gap was 10%. In this group of eleven UK based aid organisations, IRC UK was the only organisation to report a gender pay gap in favour of women!



What is IRC UK doing to address its gender pay gap?

- IRC UK is committed to establishing and presenting a full view of gender pay differences within our organisation and will continue to report on gender pay gap and share data publicly even when not mandated to do so.
- To understand better what drives our gender pay gap, we monitor salary and promotion trends throughout the year and conduct regular analysis of pay figures and the factors which may affect and explain gender pay differences. We conduct a regular pay

³ These are SIC Codes 85600,86900,88990, and 94990

benchmarking bi-annually and update our salary scales in line with results. Salary scales are accessible on our intranet for all staff to review.

- We aim to be as transparent as possible with regards to the pay range on offer for roles that are being advertised to help applicants to know what they can reasonably expect and if a salary for a role is negotiable, we aim to state this clearly. Where possible, we ensure selection pools and panels are gender balanced.
- We are committed to encourage more flexibility in senior level roles so that women and men alike can take these on regardless of their caring responsibilities. We have enhanced paternity/co-parental leave to make it easier for both parents to share childcaring responsibilities and review other family friendly policies regularly to the same end.
- Further dedicated actions will be formulated as part of the IRC UK Gender, Equality, Diversity and Inclusion (GEDI) longer-term strategy.