



Gender pay gap 2020 report

Prospect is committed to achieving a positive gender balance across the union. Though we still have some way to go, we have made positive progress since first reporting our gender pay gap in 2017. Prospect is also committed to making progress in relation to the ethnic diversity of our staff. This year we have reported for the first time on our ethnicity pay gap.

What is the gender pay gap?

The gender pay gap (GPG) shows the percentage difference between average hourly earnings for men and women in Prospect and the ethnicity pay gap (EPG) shows the percentage difference between hourly earnings on the basis of declared ethnicity. The mean and median pay gap percentage will either be a positive or negative number. If positive, the gender pay gap is in favour of men and if it's negative, it's in favour of women. A zero result means that there is no gap.

Gender pay gap vs equal pay

GPG is different to equal pay which is the legal requirement to pay men and women the same pay for the same or like work or work of equivalent value. Prospect is committed to equal pay and in

consultation with the GMB (our recognised trade union) evaluates job roles and reviews pay grades as necessary to ensure a fair structure.

Relevant employees

The gender and ethnicity pay gaps are calculated on the basis of all Prospect employees, including those on leave and receiving full maternity/parental/sick pay but excluding employees that were paid less than their full usual pay due to maternity/parental/sick leave. Prospect did furlough some staff during the relevant period, but all furloughed staff received full pay and are therefore included in the calculations.

As at the 2020 snapshot date there were a total of 251 relevant employees (2019: 252).

Mean pay gap

The mean pay gap is the difference in Prospect's average hourly pay. It is

calculated by dividing the overall pay for the group being measured by the number of employees in that group.

Median pay gap

The median is the difference in the hourly rate between, for example the median man and median woman, expressed as a percentage of the median man's figure. Similarly, the median ethnicity pay gap is the difference in the hourly rate between the median white employee and median BAME employee. The median represents the middle point of a population – in this context from highest to lowest paid.

We report the median as well as the mean pay gap because this mitigates against the overall result being skewed by the very highest and lowest rates.

Prospect does not pay bonuses to staff, so we do not report on this.

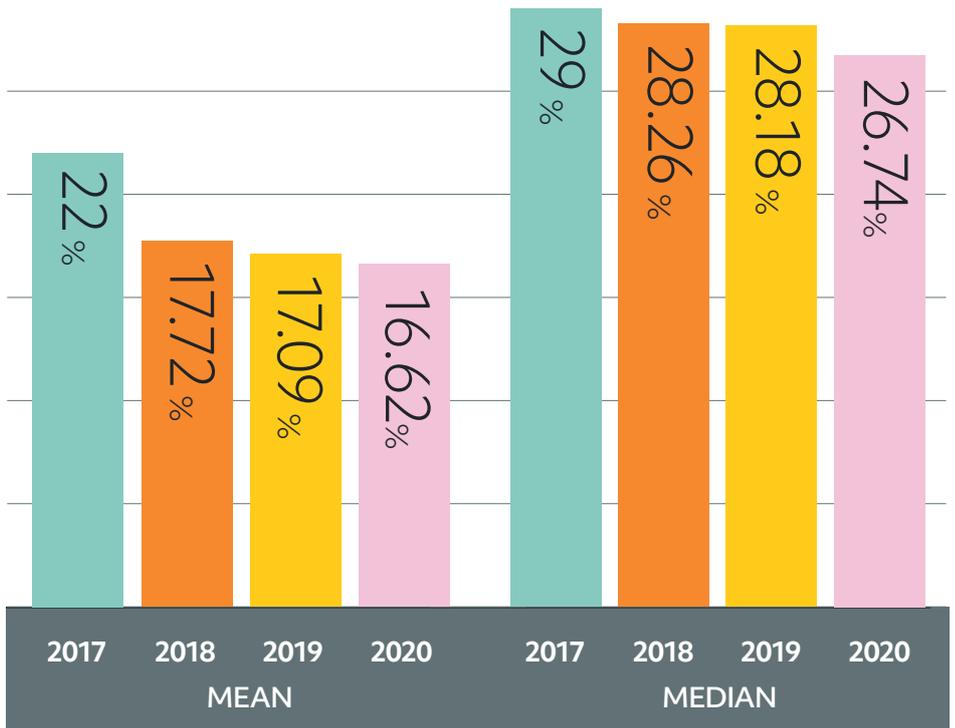
Prospect's gender pay gap results

Our mean GPG is 16.62% (2019: 17.09%) and the median GPG is 26.74% (2019: 28.18%). Since 2017 there has been a 5.38% improvement in the mean pay gap and 2.26% improvement in the median pay gap – see right.

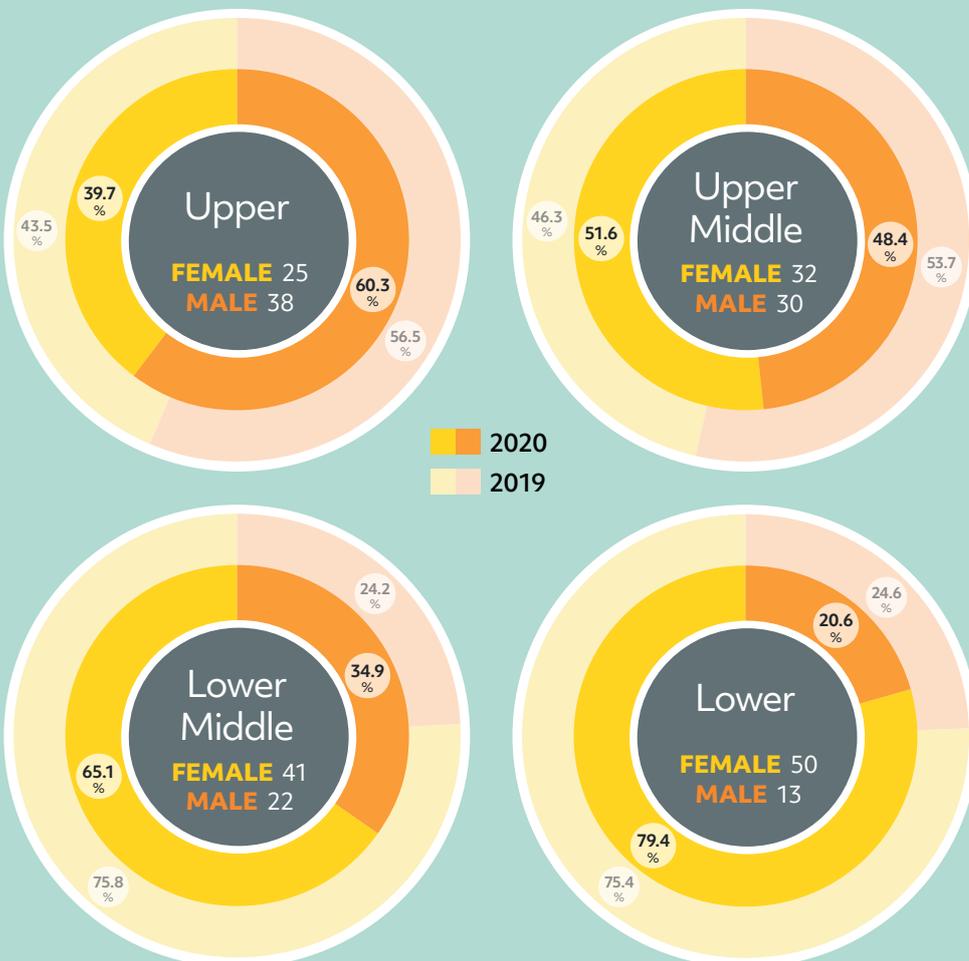
The underlying causes of Prospect's gender pay gap

Employee pay at Prospect is divided into grades, which involves progression to the maxima via defined steps which are achieved annually. Tables 1 and 2 (page 3) show the mean and median gender pay gap by grade, and table 3 (page 4) shows the significant effect London weighting has on the results.

Mean and median gender pay gap



Gender pay gap income quartile



Prospect's hourly pay quartiles by gender

The quartiles represent the hourly pay rates from the lowest to the highest for our employees split into four equal sized groups, with the percentage of men and women in each quartile.

Table 1: Mean gender pay gap by grade

Grades	Number of males	Male mean	Number of females	Female mean	2020 mean pay gap	2019 mean pay gap
GS	1	£62.67	0		100%	100%
A+	0		1	£ 54.52	-100%	100%
A	2	£45.61	2	£44.13	3.2%	3.4%
B	12	£37.65	1	£38.53	-2.3%	-0.2%
C	6	£35.35	8	£34.64	2%	0%
D	29	£30.21	23	£30.60	-1.3%	-1.1%
E	14	£26.25	13	£26.00	1%	0.4%
F	21	£21.94	29	£22.19	-1.1%	0.2%
G	5	£19.42	23	£18.86	2.9%	-4%
H	11	£16.38	45	£17.05	-4.1%	-3.6%
I	2	£15.07	3	£15.19	-0.8%	-2.6%
Total Mean	103	£27.47	148	£22.91	16.6%	17.2%

Table 2: Median gender pay gap by grade

Grades	Number of males	Male median	Number of females	Female median	2020 median pay gap	2019 median pay gap
GS	1	£62.67	0		100%	100%
A+	0		1	£ 54.52	-100%	-100%
A	2	£45.61	2	£44.13	3.2%	3.4%
B	12	£37.45	1	£38.53	-2.9%	-3.4%
C	6	£35.60	8	£35.10	1.4%	-2.9%
D	29	£30.42	23	£30.94	-1.7%	-2.7%
E	14	£25.97	13	£25.61	1.4%	0%
F	21	£21.83	29	£21.97	-0.7%	-1.5%
G	5	£19.97	23	£18.46	7.8%	-7.9%
H	11	£16.11	45	£16.81	-4.3%	-5.3%
I	2	£15.07	3	£15.26	-1.3%	-2.6%
Total Median	103	£27.80	148	£20.37	26.7%	28.2%

Mean and median pay gap analysis by grade

Employee pay in Prospect is divided into grades, which involve progression to band maxima via defined steps which are achieved annually. The tables below show the mean and median gender pay gap by grade¹.

Generally, the hourly rates demonstrate that the difference in pay between men and women by grade is marginal. This is not reflected in Prospect's overall GPG results. This is due to there being more men than women in the higher grades (B to GS) and a greater proportion of women being in lower graded specialist and administrative posts, where we have the most part-time employees. Of our 47 part-time employees, 37 are employed in grades H to F and 83% of part-time employees are female. Due to the family friendly policies we have in place, which particularly support women, there is low attrition in these grades.

London weighting analysis by grade

Inner London weighting (ILW), outer London weighting (OLW) and no London weighting (NLW) are key factors which affect GPG. For each grade, the proportion of male and female receiving ILW, OLW and NLW are detailed in table 3. From this data, the following can be seen:

- The overall male/female split for ILW is 54.4%/52.0% (2019: 60%/51.3%), OLW is 11.7%/20.9% (2019: 12%/19.6%) and NLW is 34.0%/27% (2019: 28%/29.1%);

¹ All calculations based on prevailing government guidance which is subject to change over time



- The bands that are most favourable for women are C to E. When we combine ILW and OLW, the male/female split for C is 83.3%/87.5% (2019: 85.8%/75%), D is 44.8%/69.6% (2019: 67.7%/79.2%) and E is 57.1%/92.3% (2019: 53.8%/81.8%);
- Between grades B to H, grade E has the highest percentage of women receiving ILW at 84.6%.

Overall, the higher percentage of men receiving ILW will increase the hourly rate for men, therefore widening the GPG. However, the reduction in the number of men and increase in the number of women receiving ILW and OLW respectively has contributed to the narrowing of the GPG.

Table 3: London weighting analysis

Grades	Inner London weighting		Outer London weighting		No London weighting	
	Male	Female	Male	Female	Male	Female
GS	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
A+	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
A	100.0%	50.0%	0.0%	50.0%	0.0%	0.0%
B	41.7%	0.0%	16.7%	0.0%	41.7%	100.0%
C	50.0%	62.5%	33.3%	25.0%	16.7%	12.5%
D	34.5%	52.2%	10.3%	17.4%	55.2%	30.4%
E	57.1%	84.6%	0.0%	7.7%	42.9%	7.7%
F	57.1%	31.0%	14.3%	37.9%	28.6%	31.0%
G	80.0%	69.6%	20.0%	8.7%	0.0%	21.7%
H	81.8%	42.2%	9.1%	22.2%	9.1%	35.6%
I	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%
2020 total	54.4%	52.0%	11.7%	20.9%	34.0%	27.0%
2019 total	60.0%	51.3%	12.0%	19.6%	28.0%	29.1%

Ethnicity pay gap results

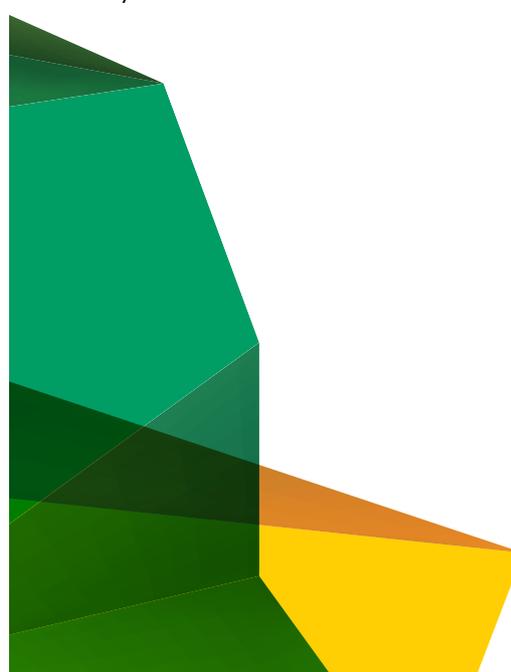
20% of all Prospect staff declare as BAME. As indicated in the table below, these are predominantly located in grades F-H and all are based in London. There are no BAME employees in the 4 most senior grades (GS-B), and this is a major cause of the EPG. Numbers of BAME staff by gender in each grade are too low to make meaningful comparisons. As shown below, the mean hourly EPG is 17.26%. This compares with the mean hourly GPG of 16.62%. The median EPG is 19.29%, which is below the median hourly GPG of 26.74%.

Table 4: Mean BAME pay gap by grade

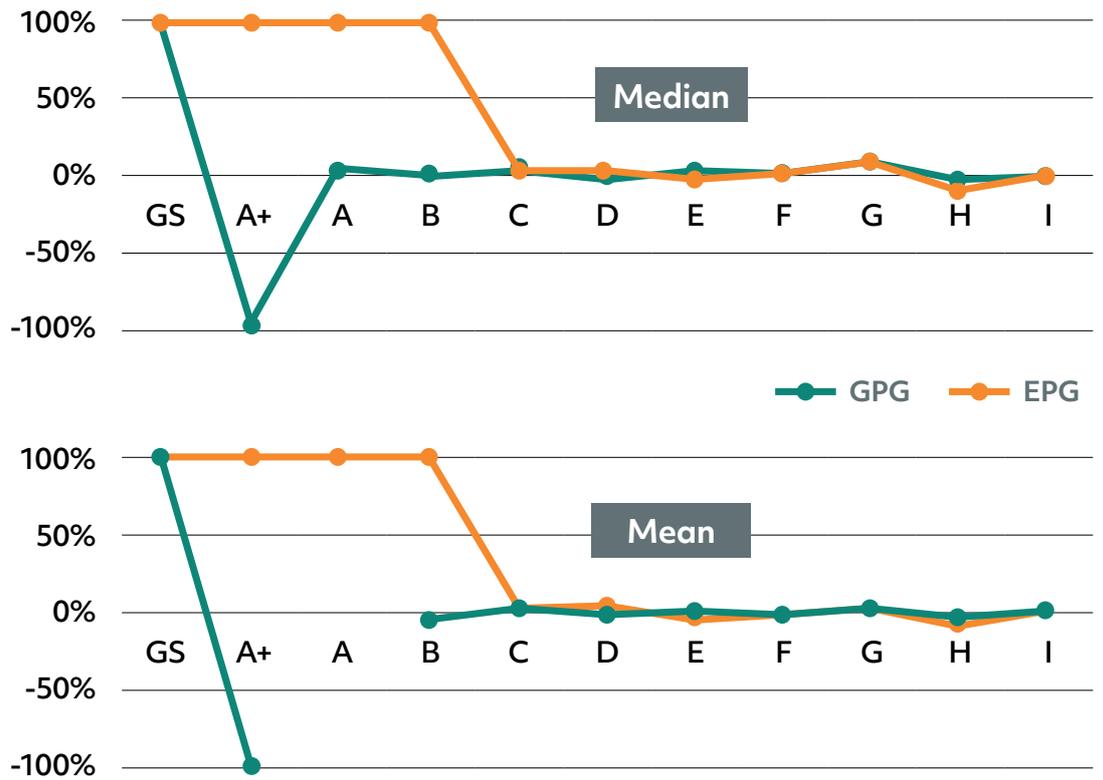
Grades	Number of non-BAME staff	Non-BAME	Number of BAME staff	BAME	2020 pay gap
GS	1		0		100%
A+	1		0		100%
A	4		0		100%
B	13	£37.71	0	£0.00	100%
C	13	£35.01	1	£34.08	2.67%
D	49	£30.41	3	£29.99	1.36%
E	23	£26.01	4	£26.80	-3.04%
F	41	£22.00	9	£22.48	-2.19%
G	18	£19.07	10	£18.76	1.65%
H	44	£16.65	12	£18.03	-8.27%
I	2	£15.07	3	£15.19	-0.81%
Total Median	209	£25.50	42	£21.10	17.26%

Table 5: Median BAME pay gap by grade

Grades	Number of non-BAME staff	Non-BAME	Number of BAME staff	BAME	2020 pay gap
GS	1		0		100%
A+	1		0		100%
A	4		0		100%
B	13	£38.49	0	£0.00	100%
C	13	£35.36	1	£34.08	3.62%
D	49	£30.42	3	£29.38	3.41%
E	23	£25.61	4	£26.70	-4.28%
F	41	£21.97	9	£21.97	0.02%
G	18	£19.65	10	£18.47	6.01%
H	44	£16.23	12	£18.07	-11.31%
I	2	£15.07	3	£15.26	-1.28%
Total Median	209	£24.23	42	£19.56	19.29%



Gender Pay Gap and Ethnicity Pay Gap by grade



The way forward

Although Prospect's gender pay gap has improved since 2017, more work is still needed to help narrow the gap. We have maintained the improvements to our recruitment practices including:

- mandatory unconscious bias training with additional training for managers.
- 'blind' shortlisting for posts.
- equality monitoring from application through to employment.
- systematic use of gender-neutral language.

- use of online training which can be accessed to suit flexible working practices.

These practices should also assist recruitment of a more ethnically diverse workforce but, in addition, we have begun a programme of vacancy advertising through different channels and reviewed and refreshed our competency-based appointment processes. This work should start to deliver improvements over the next few years. We have also established an apprenticeship programme. At the snapshot date, there were two female apprentices, and one female

completed an IT apprenticeship program (predominantly male staffed) shortly before the snapshot date. This creates the potential to introduce new, diverse talent into the union.

I, Mike Clancy, General Secretary, confirm that the information in this statement is accurate.

Signed

Mike Clancy

January 2021