

## GENDER PAY GAP REPORT & ACTION PLAN 2025

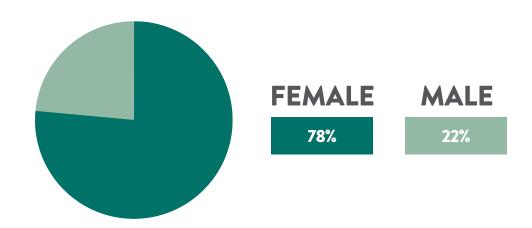
In 2017 the UK Government introduced new reporting regulations under the Equality Act 2010 requiring companies with >250 employees to disclose their gender pay gap annually. This report outlines the results for 2024 in line with legislative requirements. It sets out data for the reporting period 6 April 2023– 5 April 2024, based on the snapshot date of 5 April 2024. The gender pay gap is the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of average male earnings. A gender pay gap is indicative of sex inequity and can result from several factors including differences in the occupations and types of roles carried out by women and men, level of seniority, and engagement in part time work. The gender pay gap does not compare salaries earned by men and women in the same or like-for-like roles and is not a measure of pay inequity or equal pay. It is solely the difference in average gross hourly earnings between the sexes. At Royal Voluntary Service staff are paid equally for the same or equivalent work, and pay is determined through an objective 'job evaluation' scheme.

#### WHO MAKE UP THE ROYAL VOLUNTARY SERVICE WORKFORCE?

In April 2024 Royal Voluntary Service employed 611 reportable colleagues, broken down as follows:

- 496 (78%) female colleagues (466 & 76% in April 2023).
- 144 (22%) male colleagues (145 & 24% in April 2023).

Headcount has reduced over the period; however, the proportion of female and male colleagues has increased by female employees by 2% (previously 76%).



#### MEDIAN GENDER PAY GAP

The median gender pay gap is the difference in pay between the middle-ranking female employee and the middle-ranking male employee. The median gender pay gap has increased from 1.17% in 2023 to 1.93% in 2024. The median gap is less impacted by outlier numbers than the mean as it compares the 'middle' pay point for a woman and a man, if all pay for both were ranked from low to high. The median pay gap is generally regarded as more representative than the mean pay gap. The Royal Voluntary Service median pay gap compares favourably with the national median gender pay gap among all UK employees, which was 14.9% in 2022 (Office of National Statistics). When comparing median hourly wages, Royal Voluntary Service employees who are women earn 98p for every £1 that Royal Voluntary Service employees who are men earn.

HEADLINE: THE MEDIAN GENDER PAY GAP HAS INCREASED FROM 1.17% IN APRIL 2023 TO 1.93% IN APRIL 2024.

#### **MEAN GENDER PAY GAP (GPG)**

The mean GPG is the difference between the average amount earned by female employees and the average amount earned by male employees per hour. The mean GPG has increased from 16.64% in 2023 to 17.74% in 2024. This suggests that, on average, the Charity pays women 17.74% less than men, even though the Charity employs significantly more women. The gap is largely attributable to a greater proportion of women in lower paid roles, compared with the proportion of men in higher paid roles, particularly at the upper quartile. There are also more women working in part-time roles.

HEADLINE: THE MEAN GENDER PAY GAP HAS INCREASED FROM 16.64% IN APRIL 2023 TO 17.74% IN APRIL 2024.

#### GENDER PAY GAP MOVEMENT SINCE THE 2024 GENDER PAY GAP REPORT

The negative reduction in both the mean and median gender pay gaps since April 2023 is believed to be largely attributable to the Pay and Grading in 2023. The following elements of the Pay and Grading Review have had a positive impact on the Royal Voluntary Service Gender Pay Gap:

- Pushing the pay of the Charity's lowest paid colleagues above the National Minimum Wage, and taking further steps towards paying the Real Living Wage and phasing full achievement of this over the first few years of implementing the review.
- Introducing a job evaluation scheme that determines the pay of colleagues in a fair and objective manner.

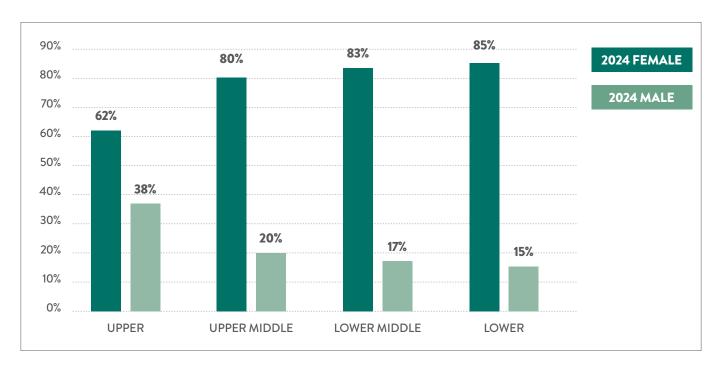
Overall the combined impact of these changes has disproportionately benefitted female employees, thus

# HEADLINE: IMPLEMENTING THE PAY & GRADING REVIEW IN OCTOBER 23 HAS NEGATIVELY IMPACTED THE MEAN AND MEDIAN GENDER PAY GAPS.

### **PAY QUARTILES**

The gender pay gap at Royal Voluntary Service is influenced by a couple of key issues. As with many charities, Royal Voluntary Service's staff are predominantly women. We have more than three times as many female employees as men. Analysis reveals that when employees are divided into 4 groups based on pay ('pay quartiles'), female employees outnumber male in all 4 quartiles. However, the pay quartile with the highest proportion of men is the upper quartile (38% men and 62% women). Further, the mean average pay for women and men is nearly identical for the lower quartiles, but men earn, on average, £1.57 more than women in the upper quartile. The proportion of women and men in each quartile is shown in the graph below.

#### **QUARTILE DISTRIBUTION**



The table below shows how the proportion of male and female colleagues across the 4 pay quartiles has shifted over the last 3 years. As shown, there is little change in the composition of men to women; but the proportion of women in the lowest quartile has increased from 78% in 2021 to 85% in 2024.

QUARTILE	2024		2023		2022	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
UPPER	62%	38%	64%	36%	64%	36%
UPPER MIDDLE	80%	20%	81%	19%	76%	24%
LOWER MIDDLE	83%	17%	81%	19%	85%	15%
LOWER	85%	15%	78%	22%	79%	21%

The changes in the proportion of male and female colleagues across the 4 pay quartiles over the last 3 years has impacted the gender pay gap over the period.

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**Dianne Hughes** 

Chair, People and Remuneration Committee

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.