



Barnardo's Gender Pay Gap Report

March 2022

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Foreword



Building a diverse and inclusive workforce remains a top priority at Barnardo's. We know this is absolutely critical to improving outcomes for the children and young people we support, and to improving the experiences and opportunities of our colleagues and volunteers.

This is also in line with our commitment to make Barnardo's an 'employer of choice' in the sector, as outlined in our Strategy. It is central to our key enabler – Equality, Diversity and Inclusion – and it flows from the charity's core values, including our belief in the unique worth of every individual.

In presenting our latest gender pay gap report, I also want to make clear that for the second year running we will also be producing an ethnicity pay gap report, and for the first time we are looking to publish a disability pay gap report as well. Although ethnicity and disability pay gap reporting are not required by law, we believe they play an important role in fulfilling our commitments to Equality, Diversity and Inclusion.

Our latest pay gap report is based on data from April 2021, which shows that with 85% of our colleagues being female, Barnardo's overall median gender pay gap was 12.99% in favour of men and our mean gender pay gap was 18.78% in favour of men.

Whilst our median pay gap remains below the national average, the gap widened between April 2020 and April 2021, which highlights that we have much more work to do in addressing this.

Our pay gap for 2021 is based on snapshot data from April 2021, which falls during a significant period of challenge due to the coronavirus pandemic. Like many charities and other organisations, Barnardo's income was significantly reduced at this time, with our high street shops closed and many of our fundraising activities placed on hold. To address this, and to maximise the funds available to invest in our vital services, we took part in the Government's Job Retention Scheme (JRS) or furlough scheme.

Since the statutory gender pay reporting calculation requires the 'exclusion of full-pay relevant employees', for the purposes of this report we have excluded 1,672 who were on furlough leave at the time. Excluding these furloughed employees, who were largely in Retail and 331 of whom were male, means that in the sample we used to calculate our gender pay gap, the median hourly rate for male employees was higher than it would have been otherwise, which will have an impact on the gap between average pay for male and female employees.

Further analysis based on salary calculations indicates that including this furloughed staff group could potentially reduce both the median and the mean pay gap by approximately 40-50%.

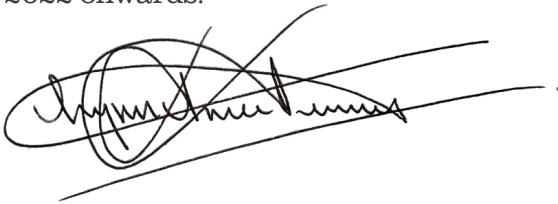
Whilst these calculations cannot be used as a direct comparison with last year, as they are based on annual salaries rather than hourly pay, we can estimate based on this analysis that including the furloughed staff group could bring our median gender pay gap to under 7% and our mean pay gap to around 11%, both of which would be below the gender pay gaps reported in April 2020.

Foreword (continued)

Barnardo's has been taking action to address our gender pay gap, and we know we have further to go. Significantly, for the second year running, in 2021 40% of our senior leaders (Director level and above) were women. We are also providing bespoke opportunities for women, as well as colleagues from Black, Asian and other ethnic minority communities, to develop within the charity. This includes our Emerging Leaders Programme, and a special mentor scheme run by our Women's Staff Network.

In addition, like many organisations, we are looking carefully at how we can support colleagues to work more flexibly, in a way that allows them to achieve a better work/life balance. Many of our colleagues work directly, face to face, with children and young people, or in our Retail shops. However, for those who can work in different locations, we have committed to a 'hybrid' approach. We hope this will be especially helpful for parents with young children and in improving the experience for women who are returning from maternity leave, as well as making sure we can recruit the right candidate for the role – regardless of where they live.

We are committed to doing more to understand the reasons for our gender pay gap, and how we can better support our female colleagues to progress to higher paying roles. This will help inform a revised list of commitments in our Equality, Diversity and Inclusion Action Plan for 2022 onwards.

A handwritten signature in black ink, appearing to read 'Lynn Perry', with a large, stylized flourish extending to the right.

Lynn Perry MBE

Chief Executive, Barnardo's

Gender Pay Gap – What does it mean?

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires Barnardo's to carry out Gender Pay Reporting.¹

This can help us to assess the levels of gender equality at the charity, the balance of male and female employees at different pay grades and how effective we are at nurturing and rewarding talent.

The gender pay gap is separate from equal pay. According to the Equality & Human Rights Commission, ‘...whilst both equal pay and the gender pay gap deal with the disparity of pay women receive in the workplace, they are two different issues:

1. Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.
2. The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.²

As an employer, failing to provide equal pay to employees is unlawful, while having a gender pay gap is not. Barnardo's is an equal pay employer. We do not engage in any practices that breach equal pay legislation.

As an employer, Barnardo's is committed to **tackling and eliminating gender inequality, and all forms of inequality.**

1. Following current requirements for gender pay gap reporting, gender must be reported in a binary way, recognising only men and women, and we are unable to report non-binary or other identities in this report. For the purpose of this report, we have used the terms ‘gender’, ‘men’ and ‘women’, although we understand that, for some people, this will be referring to their biological sex. Gender identity is often assumed from the sex assigned at birth. However, we know that sex is more complex than simply ‘male’ and ‘female’, and gender is more than ‘men’ and ‘women’. There are many people who do not fit into these binary categories, for example non-binary or intersex people. We are also aware that some people's gender identity does not align with the sex they were assigned at birth.
www.gov.uk/guidance/who-needs-to-report-their-gender-pay-gap#gender-identity

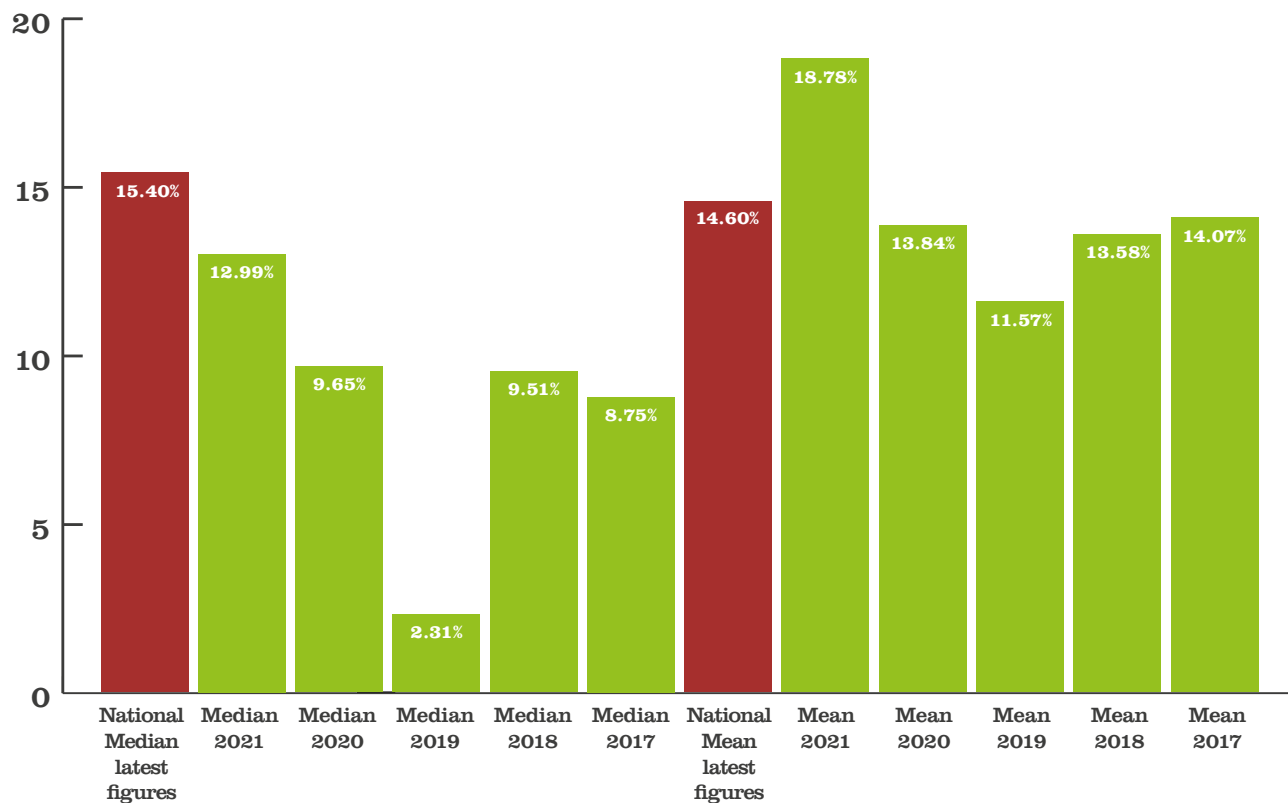
2. www.equalityhumanrights.com/en/advice-and-guidance/what-difference-between-gender-pay-gap-and-equal-pay

Barnardo's Gender Pay Gap

As of April 2021, **Barnardo's gender pay gap by median average is 12.99%**, significantly below the national median pay gap of 15.40% (ONS latest rate). The median gender pay gap is the percentage difference between the midpoints in the ranges of hourly earnings of female and male employees. These ranges are created by taking the hourly wages for employees and lining them up from lowest to highest. The middle wage in each case is then chosen for comparison.

Our overall gender pay gap by mean average was 18.78% in favour of men. This represents the difference between the average salaries of females and males across our total workforce. In April 2020 the figure was 13.84% in favour of men. There has, therefore, been an increase in the mean average of 4.94 percentage points.

Barnardo's vs National Gender Pay Gaps



Statutory Information: **Bonus Data**

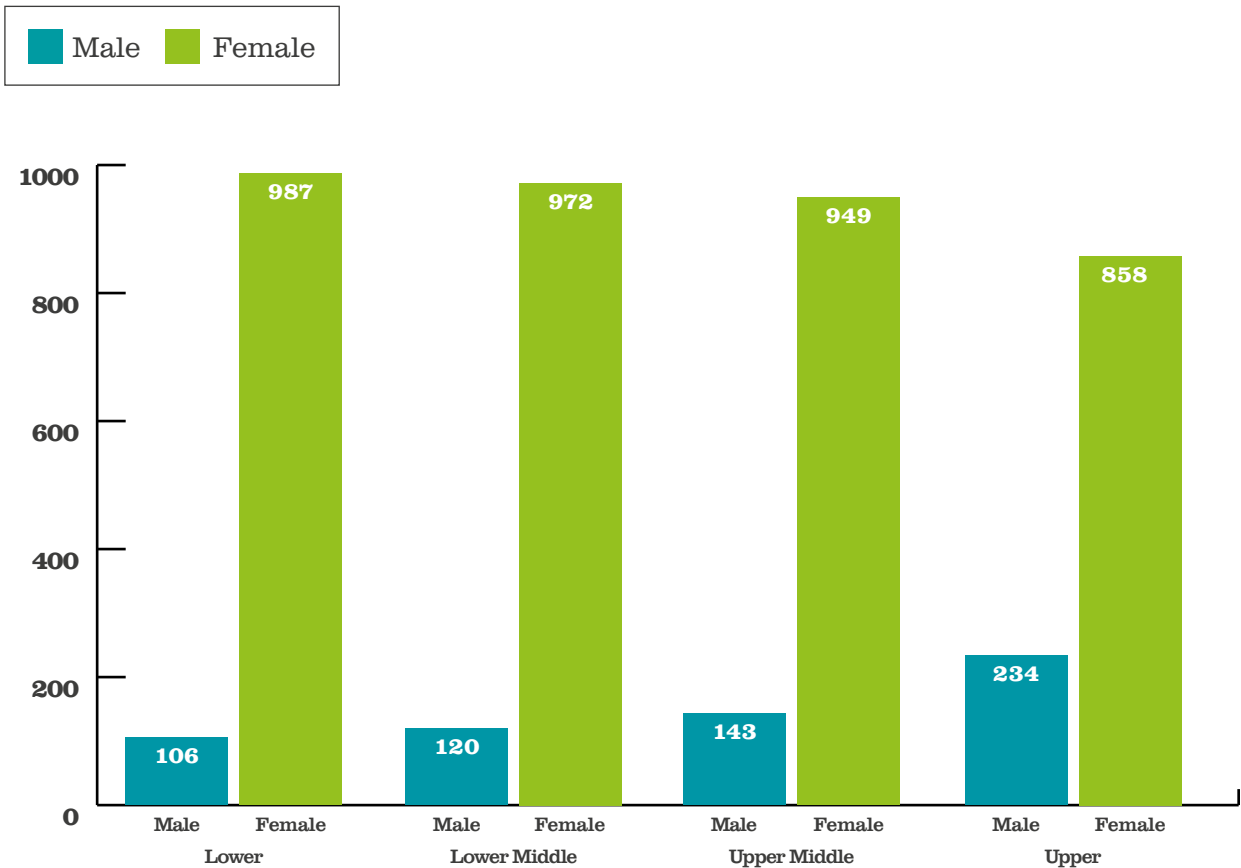
During the 2021 reporting period, no bonus payments were made to any Barnardo's employees.



Our gender pay gap: What does it show us?

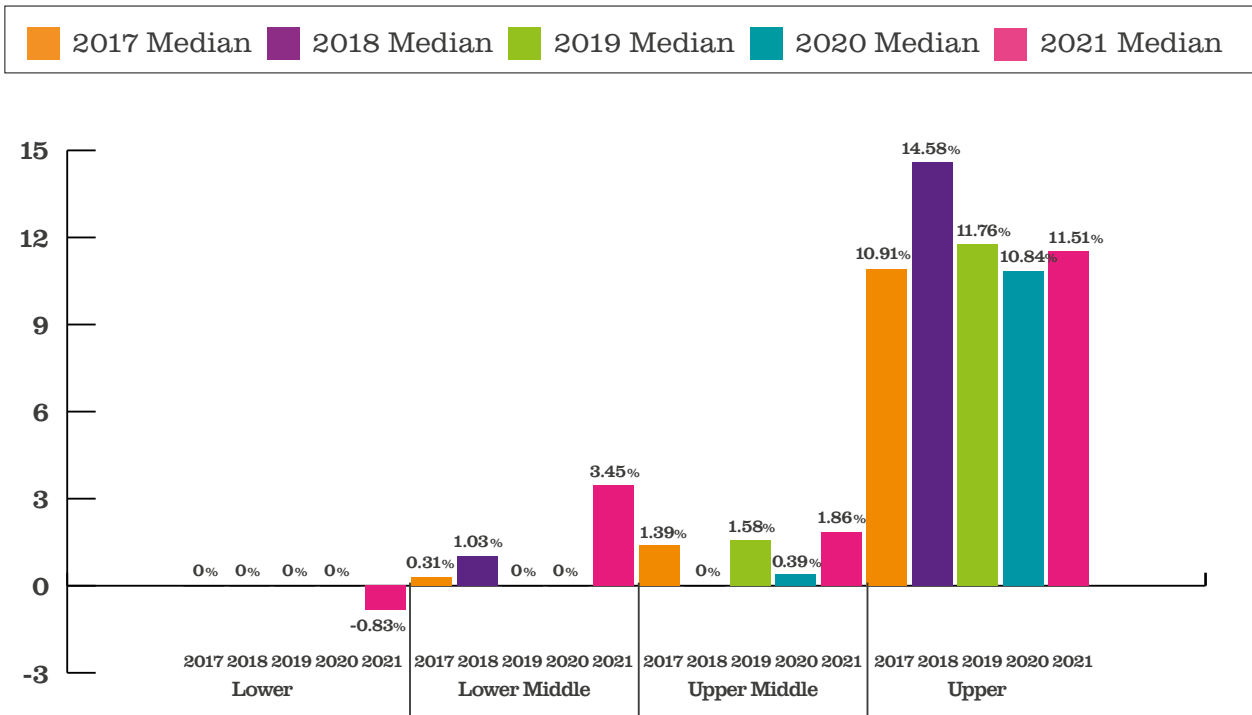
An analysis of our gender pay gap by quartile has helped to identify the key 'drivers' behind the gender pay gap at Barnardo's.

Number of men and women per quartile pay band

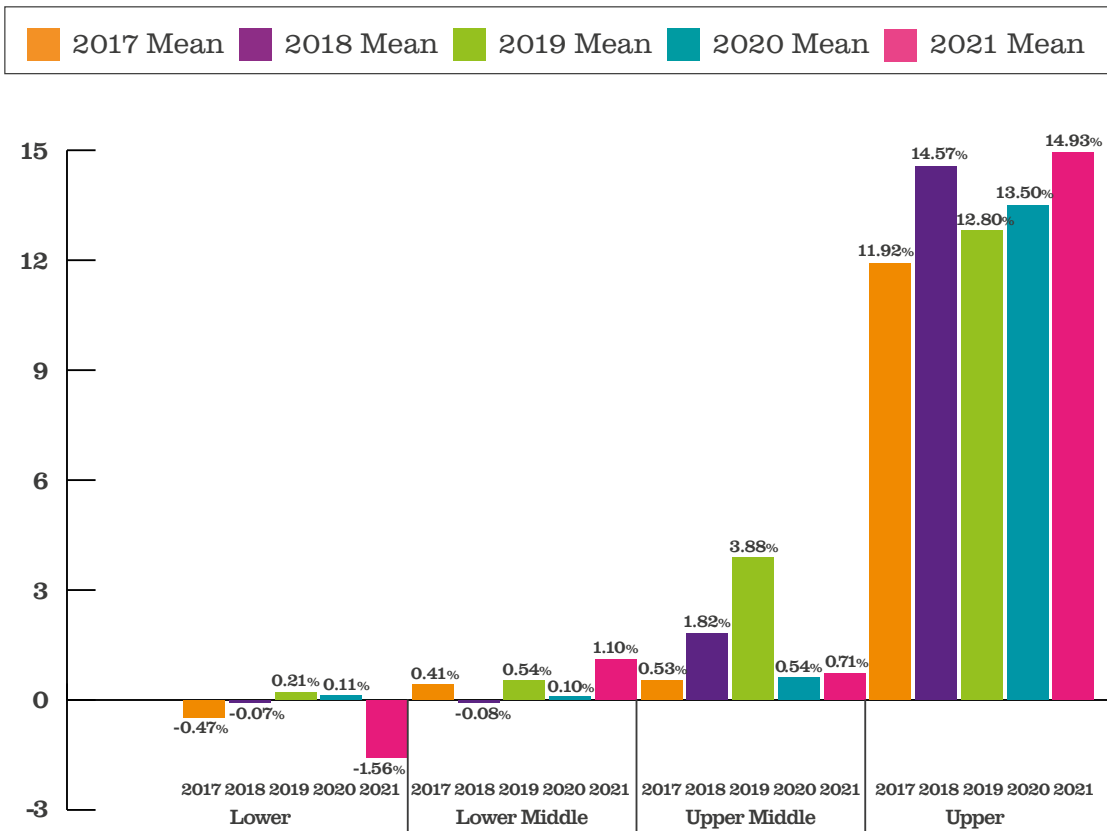


We are particularly aware that based on analysis of the upper quartile, and in particular the 211 employees in the highest pay bands, we can see that this group accounts for a significant proportion of our overall pay gap.

Barnardo's median pay gap per quartile 2017-2021



Barnardo's mean pay gap per quartile 2017-2021



Impact of excluding furloughed employees from our sample

It is important to note that the data for our 2021 gender pay gap should be treated with some caution. For the purposes of our statutory pay gap reporting, we excluded employees who were furloughed from the sample used for our calculations. The reporting ratios for our gender pay gap analysis are calculated from a workforce that is 85% female and 15% male. The furloughed employees who were excluded from the sample were predominantly Retail colleagues and were more likely to be in the lower pay quartiles, and of this group 20% were male. This contributes to the fact that based on the sample we used, our overall median wage rate in 2021 increased by a greater amount for males than females, as below.

Gender	Median wage 2020	Median wage 2021	Difference
Female	£10.96	£12.57	14.7%
Male	£12.14	£14.45	19.0%

Based on further modelling using salary calculations to gain an estimate of the potential pay gap had the furlough employees been included in the analysis, we found that our median pay gap would be under 7% and our mean pay gap around 11%. Whilst not directly comparable with figures reported last year, based on this analysis both would be below the gender pay gaps reported in April 2020.



Barnardo's Gender Pay Gap Taking Action

We have remained committed to taking continued action to address our gender pay gap in the short and longer term, including through our Equality, Diversity and Inclusion Action Plan.

This includes ongoing actions such as:

- Ensuring gender balance and wider diversity on recruitment panels and in shortlisting, including in senior recruitment processes;

- Our ongoing Emerging Leaders Programme focusing on female (and Black, Asian and other ethnic minority) colleagues;

- Introducing anonymous recruitment (in place from 2018) to help address recruitment bias;

- Continued support for our Women's Network; and

- Developing a more comprehensive data set to help us understand trends and factors contributing to our gender pay gap in different areas of the charity, so that we can take specific actions to address this.

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