

# Barnardo's Diversity Pay Gap Report

April 2022–23

Believe in  
children  
 Barnardo's

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# Foreword



**This is Barnardo's first Diversity Pay Gap report, which brings together data and analysis on our gender, ethnicity and disability pay gaps across the charity.**

At Barnardo's one of our core values is our belief in the unique worth of every individual.

Today, this informs our deep commitment to Equality, Diversity and Inclusion, which is at the heart of our Strategy, and is central to how we work.

In 2022, we published a new [People and Culture Strategy](#), which outlines the offer we make to our colleagues and volunteers, and sets us on a journey to becoming an 'employer of choice' in the sector.

One of the key pillars is our Equality, Diversity and Inclusion [Action Plan](#) which sets out the concrete, tangible changes we will make for and with our colleagues, our culture, and our communities.

In line with these clear commitments, I am proud that for the first time, we have published a report that sets out:

- Our gender pay gap (in line with statutory requirements)
- Our ethnicity pay gap (the second time we have published this)
- Our first disability pay gap
- Our intention to publish information on our LGBT+ pay gap for next year

Understanding and analysing this data is an important part of building a diverse and inclusive workforce, which 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 report is based on data from April 2022.

It shows that:

- With 84% of our colleagues being female, Barnardo's overall median gender pay gap was 5.69% in favour of men and our mean gender pay gap was 12.29% in favour of men. Our median pay gap remains well below the national average of 14.9%, and has reduced by 2% from our 2021 figures, and almost 4% (3.96%) since 2021<sup>1</sup>. Looking further back to the April 2020 when our total was 9.65%, we are moving in a positive direction, including thanks to the increase in female representation in the upper quartile.
- Barnardo's overall median ethnicity pay gap is -6.37%, in favour of Black, Asian, and Minority Ethnic colleagues<sup>2</sup> in comparison to white colleagues; and our mean ethnicity pay gap is -4.17% in favour of Black, Asian, and Minority Ethnic colleagues.
- In our first year of reporting on disability pay, our analysis shows there is a median disability pay gap of 3.0% in favour of colleagues who do not have a disability, compared with colleagues who are disabled. The mean disability pay gap however, shows a disability pay gap of -0.4% in favour of colleagues who are disabled being paid marginally more than non-disabled colleagues..

This report is based on the best data we have available. We seek to improve this every year, including by encouraging more colleagues to disclose their protected characteristics, to ensure they are included, supported and represented at the charity.

As part of our EDI Action Plan and our wider commitment to investing in our colleagues, we are taking steps to make Barnardo's as inclusive a workplace as possible.

This ranges from our bespoke Emerging Leaders Programme – aimed at nurturing talented individuals from under-represented groups; to a special mentoring scheme run by our Women's Network; developing our 'hybrid' workplace offer, to provide greater flexibility for colleagues who are parents with young children or carers; and enhancing our reward and recognition package – with a particular focus on family-focused benefits.

**Lynn Perry MBE**  
Chief Executive, Barnardo's

<sup>1</sup> The 2021 figures were affected by the Government's Job Retention Scheme (JRS) which distorted our true pay gap.

<sup>2</sup> We know that colleagues may choose to identify in different ways, including as Black, Brown, BAME, as people of colour and/or as members of Global South Communities. The terminology used throughout the report relates to that used by the charity during the relevant reporting period.



# Gender Pay Gap

## What is a gender pay gap?

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require employers like Barnardo's to report on our gender pay gap.

Calculating and analysing our gender pay gap provides a lens on our progress towards gender equality at the charity; the balance of male and female colleagues at different pay grades; and how effective we are at nurturing and rewarding talent.

To note, the gender pay gap is separate from equal pay:

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. This is a legal requirement.
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.<sup>3</sup>

Barnardo's is an equal pay employer and are clear that we act in line with equal pay legislation.

**Additionally however, we are committed to tackling and eliminating our gender pay gap.** Under current requirements for gender pay gap reporting, gender must be reported in a binary way – looking at the gap between men and women.<sup>4</sup> 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. However, at Barnardo's we appreciate that sex is more complex than simply 'male' and 'female', and gender can be more complex than 'men' and 'women'. There are colleagues who identify in a different way, for example non-binary people. We are also aware that some people's gender identity does not align with the sex they were assigned at birth.

We are also required to report on bonus pay, and during the 2022 reporting period, no bonus payments were made to any Barnardo's employees.

**For all diversity pay gap reporting, the median pay gap is the preferred measure, as it describes the percentage difference in pay of the 'typical' colleagues irrespective of role or other details. The mean pay gap can be skewed by outliers at the very top or bottom of the pay range.**



<sup>3</sup> [www.equalityhumanrights.com/en/advice-and-guidance/what-difference-between-gender-pay-gap-and-equal-pay](http://www.equalityhumanrights.com/en/advice-and-guidance/what-difference-between-gender-pay-gap-and-equal-pay)

<sup>4</sup> [www.gov.uk/guidance/who-needs-to-report-their-gender-pay-gap#gender-identity](http://www.gov.uk/guidance/who-needs-to-report-their-gender-pay-gap#gender-identity)

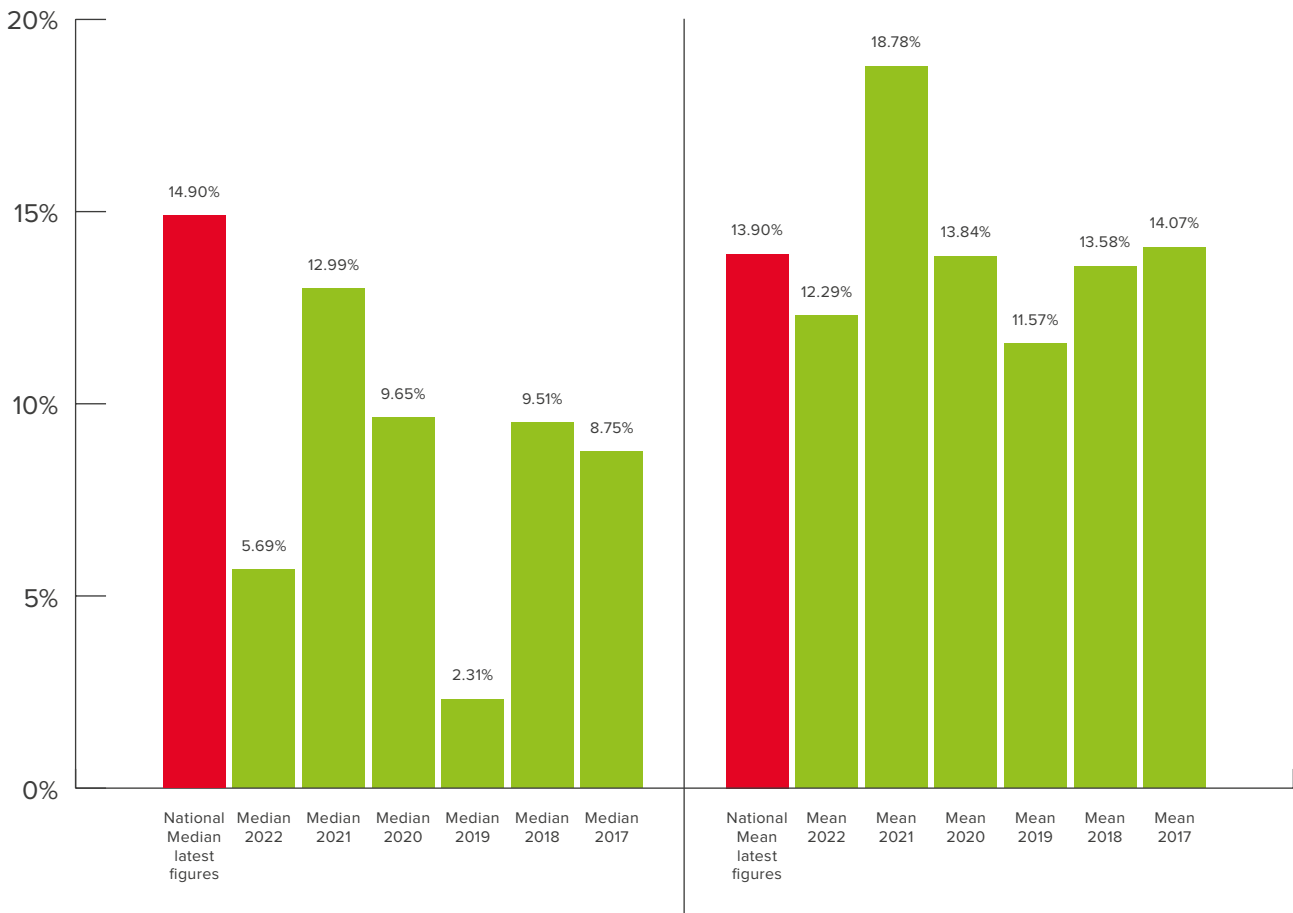
## Understanding our Gender Pay Gap

As of April 2022, our median gender pay gap is 5.69% in favour of men, (down from 12.99% the previous year). The median figure is now well below the national average of 14.9% (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 is 12.29% (down from 18.78% the previous year) in the favour of men. Whilst this does still mean our male colleagues are paid more than our female colleagues, it is positive news when compared to the national average of 13.9%. This represents the difference between the average salaries of females and males across our total workforce.

The above figures show that significant progress has been made in reducing both figures over the last year and provides evidence that the measures we are putting in place are working extremely well.

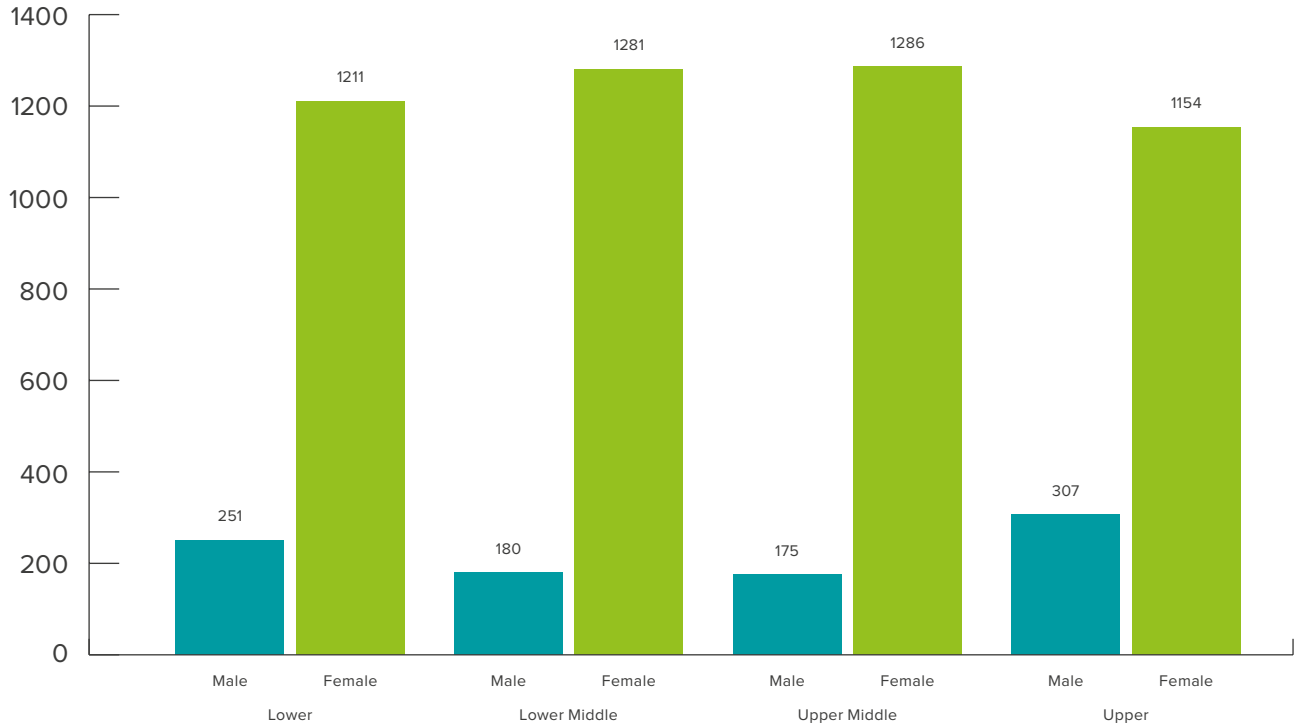
### Barnardo's vs National Gender Pay Gaps



### 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. A pay quartile shows the percentage of men and women in 4 equally-sized groups, ranked from highest to lowest hourly pay.

#### Number of men and women per quartile pay band



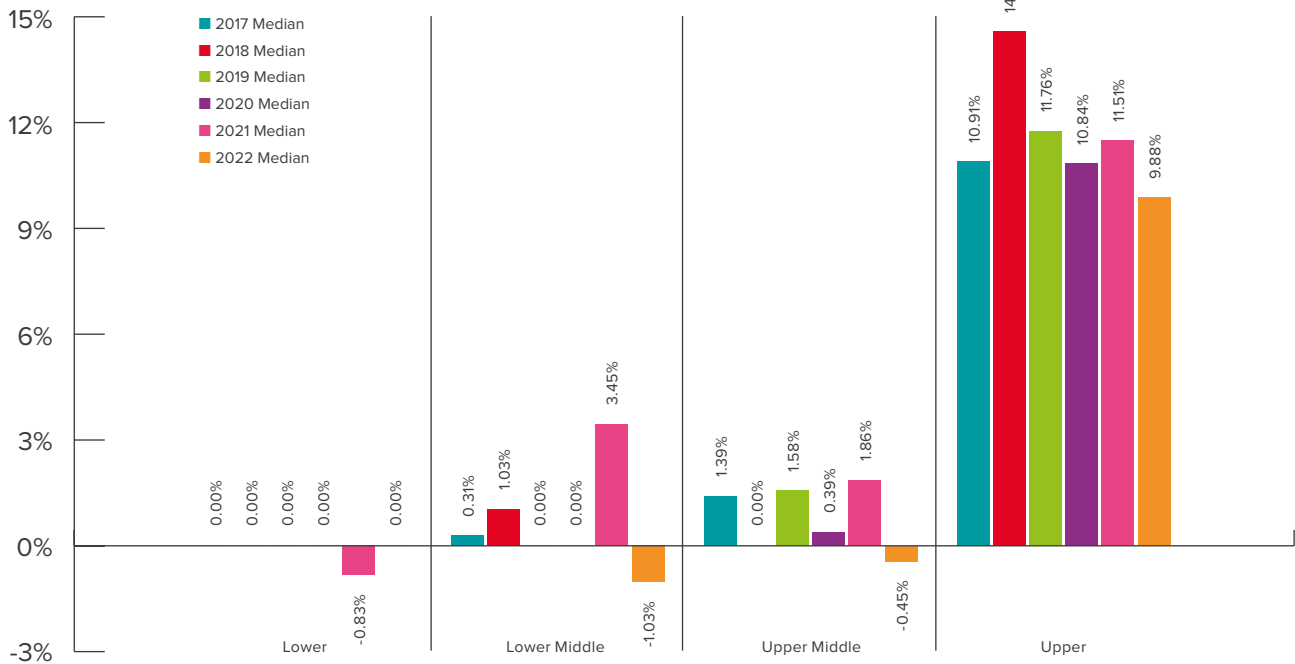
#### Gender by quartile



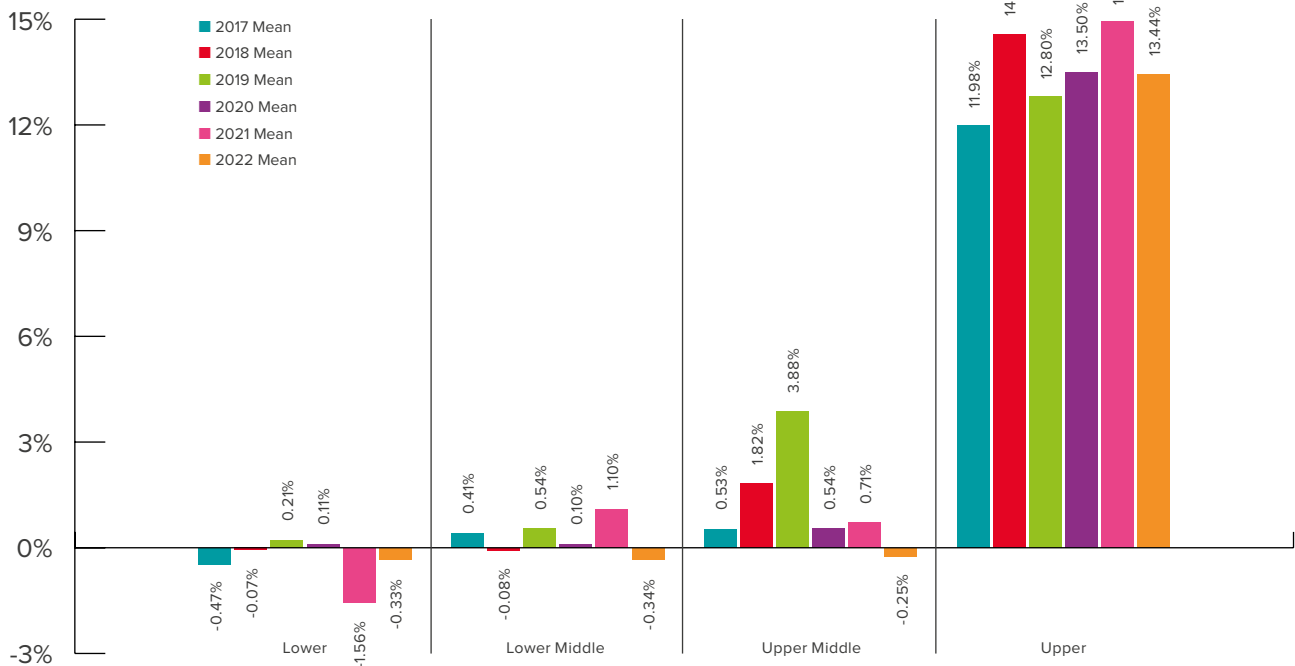
■ Female ■ Male ■ % Gender by Quartile ■ % Gender by Workforce

With the exception of the lowest quartile there has been an improvement in every quartile in terms of narrowing the gender pay gap. The main movement is in the upper quartile for both mean and median at 2% lower for both, which shows that there are now slightly fewer males in the upper quartile.

### Barnardo's median pay gap per quartile 2017-2022



### Barnardo's mean pay gap per quartile 2017-2022



**Key driver 1:** Higher proportion of men than women in upper quartile.

Barnardo's workforce is predominantly female but the proportion of the male workforce in the upper quartile is higher (34%) than the proportion of the males across the whole of the workforce (16%). This is one of the key elements affecting our gender pay gap and is therefore an area of continued focus in our action plan.

**Key driver 2:** The representation of women in the upper quartile has improved to 23% compared to last year, while our overall gender split remained roughly the same (84%:16% this year compared to 85%:15% last year). The median of 9.9% and mean of 13.4% shows a reduction of around 2% in both gaps since last year.

# Gender Pensions Gap

We are also fully aware we have a gender pensions gap, which is in part due to the gender pay gap. Indicative calculations suggest the pensions gap is around 25% in favour of men, double the size of the gender pay gap. Analysis is underway to confirm and understand this figure. The measures in place to redress the gender pay gap will in time feed through to the pension numbers and reduce the pensions pay gap, but even if there was no gender pay gap the gender pensions gap would persist with women more likely to work part-time and take a career break, resulting in lower pensions contributions; 55% of our female workforce working part-time compared with just 19% of our male workforce.

Barnardo's has measures in place to maximise pensions for staff including matching personal contributions up to 6%, making the whole salary pensionable, and by paying pension contributions for the full 52 weeks for colleagues on maternity leave. We continue to actively consider other measures that could further increase pension provision including ensuring employees are fully aware of the choices they can make.





# Ethnicity Pay Gap

## What is an ethnicity pay gap?

The ethnicity pay gap is the percentage difference between average hourly earnings for Black, Asian and Minority Ethnic colleagues<sup>5</sup>, compared with white colleagues across the charity.

Whilst it is not a statutory requirement to report on our ethnicity pay gap, we believe this is an essential step in our journey to becoming a more inclusive charity, which is representative of the communities we serve. Ultimately this is key to ensuring we can deliver excellent services that meet the needs of all children and families who need us.

We know that colleagues may choose to identify themselves in different ways, including as 'Black', 'Brown', 'BAME', as 'people of colour' and/or as members of 'Global South Communities'. For the purposes of this report, we are using the definition used in the Census, as this is how we currently collect our people data.

## Understanding our ethnicity pay gap

The data used to calculate our ethnicity pay gap is the same snapshot from April 2022 that we have used for our gender and disability pay gaps.

**Overall, we have a positive ethnicity pay gap in favour of Black, Asian, and Minority Ethnic colleagues.**

### Summary – Key Data – Mean and Median

For 2021/22, Barnardo's median ethnicity pay gap is -6.37% in favour of Black, Asian, and Minority Ethnic colleagues; and our mean ethnicity pay gap is -4.17% in favour of Black, Asian, and Minority Ethnic colleagues.

This is based on a smaller sample size compared with the gender pay sample used for calculation. This is due to the ethnicity data being provided by self-disclosure from our colleagues, of which 8% do not wish to disclose.

### Ethnicity pay gap

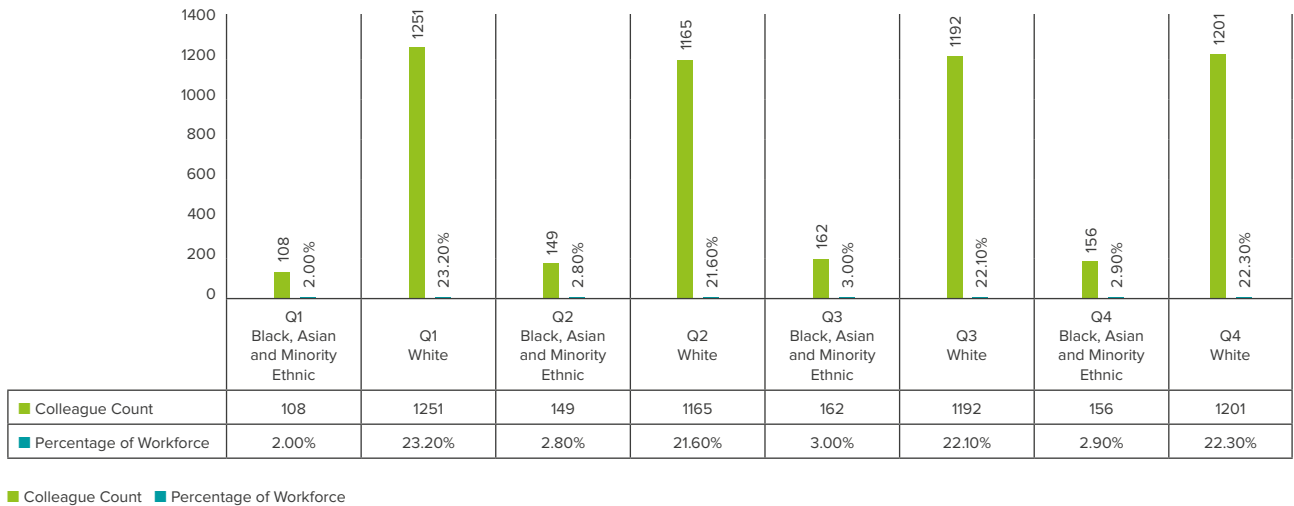


<sup>5</sup> We know that colleagues may choose to identify in different ways, including as Black, Brown, BAME, as people of colour and/or as members of Global South Communities. The terminology used throughout the report relates to that used by the charity during the relevant reporting period.

**Figure 3 – Black, Asian and Minority Ethnic colleagues; and white colleagues per quartile as percentage of reported workforce**

The analysis shows that the lowest percentage of Black, Asian, and Minority Ethnic colleagues are in Quarter 1 (which is the lower quartile) at 2%. The next lowest percentage of Black, Asian, and Minority Ethnic colleagues is in Quarter 2 (which is the lower middle quartile) at 2.8%. The highest representation for Black, Asian, and Minority Ethnic colleagues is within Quartile 3 (the upper middle quartile) at 3.0%. This is closely followed by representation in Quartile 4 (the upper quartile) at 2.9%.

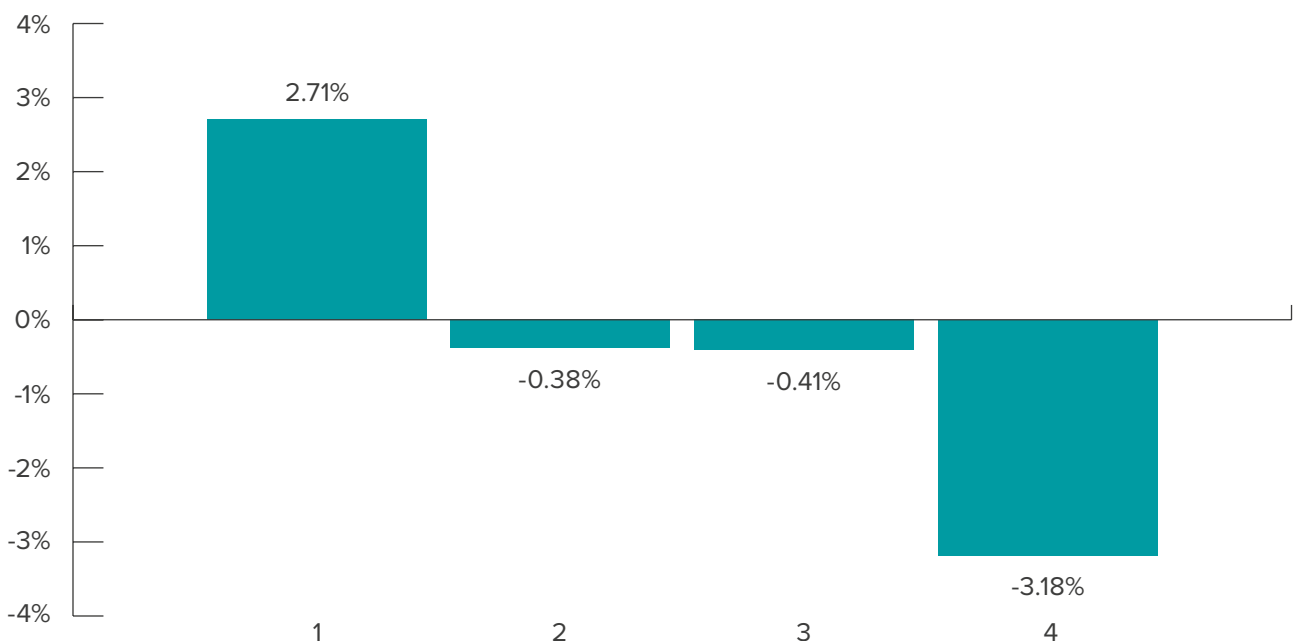
**Ethnicity of colleagues – Percentage of quartile**



**Figure 4 – Mean pay gap percentage differences by quartile**

The table and graph below show that there is a mean pay gap of 2.71% in Quartile 1 (the lower quartile), there is -0.38% difference in Quartile 2 (the lower middle quartile) showing a slightly higher rate of pay for our Black, Asian, and Minority Ethnic colleagues than for white colleagues. The third Quartile (upper middle) shows a similar pattern to Quartile 2 and in Quartile 4 (upper quartile) Black, Asian, and Minority Ethnic colleagues again earn a higher rate of pay driving a mean of -3.18%.

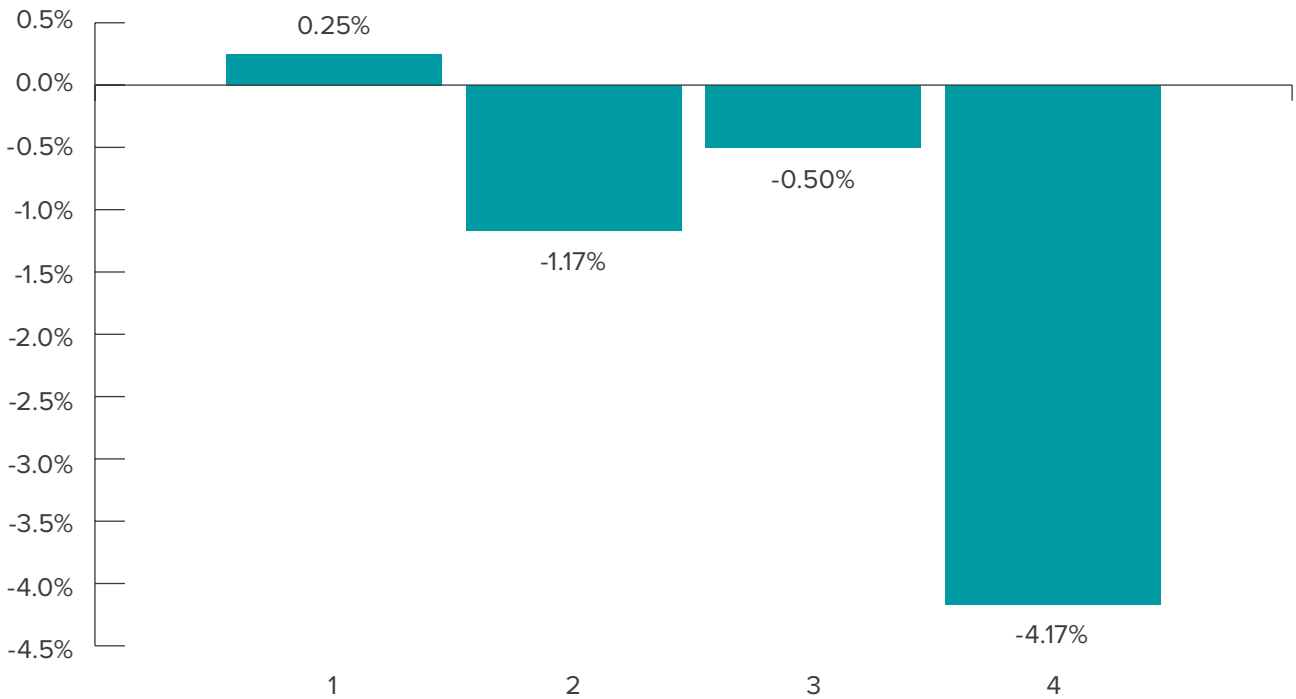
**Mean ethnicity pay gap by quartile**



**Figure 5 – Median pay percentage differences by quartile**

The table and graph below show the median pay percentage differences by quartile. There is virtually no gap at Quartile 1 (the lower quartile). At Quartile 2 the gap is -1.17%. At Quartile 3, there is virtually no gap at -0.5%. The biggest gap is at Quartile 4 at -4.17%. Black, Asian, and Minority Ethnic colleagues are paid more than white colleagues at this level.

**Median ethnicity pay gap by quartile**



Our analysis shows there does not appear to be a negative pay gap based solely on ethnicity. However, we know there is more we can do to improve our data quality which is an area of focus for us across the next year.



# Disability Pay Gap

## What is a disability pay gap?

The disability pay gap is the percentage difference between average hourly earnings for colleagues with a disability compared with those who do not have a disability across the charity.

As with ethnicity pay gap reporting, this is not a statutory requirement, but Barnardo's believes it is an important step on our journey towards ever greater equality, diversity and inclusion.

As with the rest of this report, data used in this section was accurate at April 2022. Data is based on self-disclosed information recorded on our HR system. As such disability covers mental, physical, and learning disabilities.

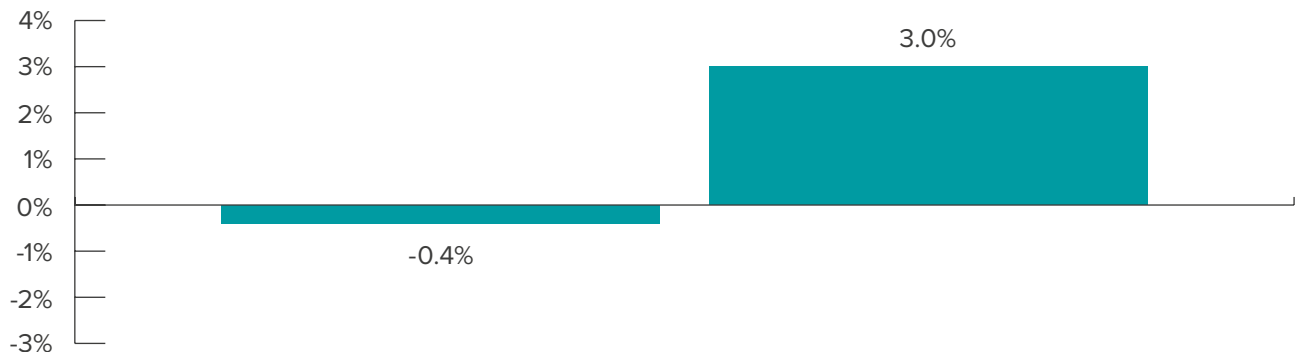
## Understanding our disability pay gap

Our analysis shows there is a marginal pay gap based solely on disability in our first year of reporting. However, we should note that the data used is a smaller sample size compared with our gender pay gap reporting. This is due to disability data being provided by self-disclosure, of which 11% of colleagues have chosen not to disclose whether they have a disability. (This means indicating 'prefer not to say'.)

## Summary – Key Data – Mean and Median

The chart below demonstrates that Barnardo's median pay gap is 3.0% in favour of non-disabled colleagues. However, it also shows a slightly favourable mean disability pay gap at -0.4% in favour of our disabled colleagues, being paid more than our non-disabled colleagues.<sup>6</sup>

### Median disability pay gap



### Quartile data

Quartile	Mean pay gap	Median pay gap
1	0.1%	0.0%
2	-0.1%	-0.1%
3	-0.2%	-0.2%
4	-1.1%	0.7%

The differences in mean hourly rates by each quartile shows that in Quartile 1 there is a pay gap of 0.1% compared to colleagues without a disability. In quartile 2 this is 0.1%; in quartile 3 it is 0.2%; and in quartile 4 -1.1%, showing colleagues with disabilities are earning slightly less per hour than colleagues without a disability. The median for the highest quartile however shows a pay gap of 0.7%, with colleagues with disabilities earning more than colleagues without disabilities, based on their hourly rate.

<sup>6</sup> For context, recent analysis published by the Trade Union Congress (15 November 2022) shows that non-disabled workers now earn 17.2% more than disabled workers. This is reported based on median reporting data.



# Taking Action on our Diversity Pay Gaps

## Closing our gender pay gap

We remain committed to taking continued action to address our gender pay gap in the short term and progress in our position can be seen in light of actions in the past year, including:

- 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 colleagues;
- 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.

## Wider action on equality, diversity and inclusion

We are also taking a range of other measures to improve our recruitment and retention of a diverse workforce, and our support for colleagues with protected characteristics, this includes:

- A specific cohort of our Emerging Leaders Programme focusing on Black, Asian and other ethnic minority colleagues.
- Continuation of our 'License to recruit' training programme to ensure colleagues practice inclusive recruitment.
- Making our recruitment process more inclusive, by reviewing our policies, practices, and overall approach.
- Onboarding new colleagues and volunteers in ways which are sensitive and responsive to disability, ethnicity, gender identity and sexual identity.
- Prioritising opportunities for continuous learning, development and progression on all aspects of equality, diversity and inclusion, for all our colleagues and volunteers.
- Improving our data quality so that our analysis and reporting is more accurate over time. This includes encouraging more colleagues to disclose their protected characteristics, so we can ensure everyone is included, supported and represented across the charity.
- Active progress towards Disability Confidence level 3 through a dedicated Working Group.
- Introduction of our new approach to Pay, Reward and Recognition guided by our 'Pay Philosophy' of three core principles: Fair, Attractive, and Progressive. This will be enabled by a new and simpler grade and band architecture, new processes and a broader concept of reward.
- Increased size and capacity of our Equality, Diversity & Inclusion team, whilst revising its role and focus so that it can better meet the needs of the whole charity.
- And a number of other measures outlined in our [Equality, Diversity and Inclusion Action Plan](#).

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**A:** Barnardo House, Tanners Lane, Ilford, Essex IG6 1QG

**T:** 020 8550 8822

**W:** [www.barnardos.org.uk](http://www.barnardos.org.uk)

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