

# Gender pay gap report

Larchwood Care Homes (South) Limited is required by law to publish an annual gender pay gap report.

This is its report for the snapshot date of 5 April 2017.

- The mean gender pay gap is 1.2%.
- The median gender pay gap is 1.84%.
- The mean gender bonus gap -40.87%.
- The median gender bonus gap is -81.82%.
- The proportion of male employees receiving a bonus is 1.39% and the proportion of female employees receiving a bonus is 1.67%.
- Pay quartiles by gender

Band	Males	Females	Description
A	21.94%	78.06%	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	10.53%	89.47%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	20.56%	79.44%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	22.50%	77.50%	Includes all employees whose standard hourly rate places them above the upper quartile

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

## What are the underlying causes of Larchwood Care Homes (South) Limited'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.

Larchwood Care Homes (South) Limited 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. 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;
- provides regular equal pay training for all managers and other staff members who are involved in pay reviews; and
- evaluates job roles and pay grades as necessary to ensure a fair structure.

Larchwood Care Homes (South) Limited is therefore 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 in which men and women work within the organisation and the salaries that these roles attract.

Across the UK economy as a whole, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations), while women are more likely than men to be in front-line roles at the lower end of the organisation. In addition, men are more likely to be in technical and IT-related roles, which attract higher rates of pay than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole is not reflected in the make-up of Larchwood Care Homes (South) Limited's workforce, where the majority of its workforce are women.

This can be seen above in the table depicting pay quartiles by gender. This shows Larchwood Care Homes (South) Limited's workforce divided into four equal-sized groups based on hourly pay rates, with Band A including the lowest-paid 25% of employees (the lower quartile) and Band D covering the highest-paid 25% (the upper quartile). In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each Band. In Larchwood Care Homes (South) Limited the proportion of male/female employees in each band is fairly consistent at roughly 20%/80% of the employees in each band.

### **How does Larchwood Care Homes (South) Limited's gender pay gap compare with that of other organisations?**

The vast majority of organisations have a gender pay gap, and we are pleased to be able to say that Larchwood Care Homes (South) Limited's gap compares favourably with that of other organisations.

The mean gender pay gap for the whole economy (according to the October 2017 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 17.4%. At 1.2%, Larchwood Care Homes (South) Limited's mean gender pay gap is, therefore, significantly lower than that for the whole economy.

The median gender pay gap for the whole economy (according to the October 2017 ONS ASHE figures) is 18.4%. At 1.84%, Larchwood Care Homes (South) Limited's median gender pay gap is, therefore, significantly lower than that for the whole economy.

Comparison with other organisations

	<b>Larchwood Care Homes (South) Limited</b>	<b>2017 ONS ASHE whole sector</b>	<b>2017 ONS ASHE Residential Care Activities</b>
Mean gender pay gap	1.2%	17.4%	7.4%
Median gender pay gap	1.84%	18.4%	12.2%

The mean gender bonus gap and the median gender bonus gap for Larchwood Care Homes (South) Limited are relatively large at -40.87% and -81.82%. However, less than 2% of both male and female employees receive a bonus and the figures involved are comparatively small reflecting our existing policy of not paying large bonuses to individual members of staff.

## What is happening regarding gender pay gap?

While Larchwood Care Homes (South) Limited's gender pay gap compares favourably with that of organisations both across the whole UK economy and within residential care sector, this is not a subject we are complacent about.

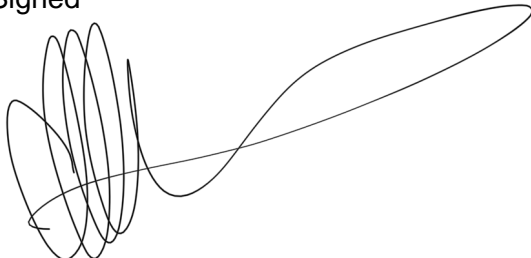
To date, the steps that Larchwood Care Homes (South) Limited has taken to promote gender diversity in all areas of its workforce include the following:

- **Creating an evidence base:** To identify any barriers to gender equality and inform priorities for action, in 2017 Larchwood Care Homes (South) Limited introduced gender monitoring to understand:
  - the proportions of men and women applying for jobs and being recruited;
  - the proportions of men and women applying for and obtaining promotions;
  - the proportions of men and women leaving the organisation and their reasons for leaving;
  - the numbers of men and women in each role and pay band;
  - take-up of flexible working arrangements by gender and level within the organisation;
  - the proportion of men and women who return to their original job after a period of maternity or other parental leave; and
  - the proportion of men and women still in post a year on from a return to work after a period of maternity or other parental leave.
- **Revising the flexible working policy:** In March 2017, Larchwood Care Homes (South) Limited's flexible working policy was revised to make it clear that employees in all areas and levels of the organisation will be considered for flexible working regardless of their role and level of seniority, and that flexible working need not be limited to part-time working.
- **Supporting parents:** Larchwood Care Homes (South) Limited has developed guidelines for managers on supporting employees prior to, during and on return from maternity and other parental leave.

Although the gender pay gap is relatively small we will be working to reduce it to nil.

I, Tony Stein, Chief Executive, confirm that the information in this statement is accurate.

Signed

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Date

03/04/2018