

CIPR

CHARTERED INSTITUTE  
OF PUBLIC RELATIONS

70 YEARS 1948  
2018

# PR and Gender Pay Gap Reporting

#CIPR / @CIPR\_UK

**WOMEN  
INPR**  
womeninpr.org.uk

## Summary

### The law has changed and since 6th April 2017 employers in the UK with more than 250 members of staff are required to annually publish gender pay and bonus data.

Despite moves to tackle this gap, such as the introduction of The Equal Pay Act in 1970 which enshrines in law the right to pay equality between women and men for doing the same job, there remains a difference of 9.1% difference in hourly earnings in favour of men.<sup>1</sup> The CIPR's 2018 State of the Profession survey showed that whilst women make up over half of practitioners there is still a pay inequality gap of £6,725.<sup>2</sup>

Whilst the legal requirement to report on these criteria falls on larger companies with 250 or more employees, there is nothing to stop smaller businesses reporting their own figures. The PRCA Gender Pay Gap Report highlights that nearly 80% of professional surveyed believed the industry should voluntarily adopt a lower limit.

## The Law

From April 4th, 2018 employers in Great Britain with over 250 members of staff will legally be required to publish annual gender pay and bonus data under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The deadline for the public sector is March 30th, in line with their fiscal year. The following information needs to be available publicly on their own website as well as on the government website – [www.genderpaygap.campaign.gov.uk](http://www.genderpaygap.campaign.gov.uk):

1. mean gender pay gap in hourly pay
2. median gender pay gap in hourly pay
3. mean bonus gender pay gap
4. median bonus gender pay gap
5. proportion of males and females receiving a bonus payment
6. proportion of males and females in each pay quartile

This data should be presented as percentages and substantiated by a written narrative which can include recognised challenges, successes and long term plans.

<sup>1</sup> The Office for National Statistics [2017's provisional data](#) for their [Annual Survey of Hours and Earnings](#)

<sup>2</sup> 2018 CIPR State of the Profession

With some exceptions there are two sets of regulations:

1. **The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017** for some public sector bodies including most government departments, the armed forces, local authorities and NHS bodies.
2. **The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017** for all other private, voluntary and public sector employers.

## Compliance

Employers can register their organisation on the government's online reporting service at <https://www.gov.uk/report-gender-pay-gap-data> and must do so within one year (businesses and charities by April 4 and public sector organisations by March 30 each year). Enforcement falls under the responsibility of the Equality and Human Rights Commission. While failure to comply constitutes an "unlawful act", no sanctions have been specified although employers should also consider the reputational risk of non-compliance.

ACAS have outlined the following steps to take to comply with the regulations. Further detail on how to do these can be found [here](#):

1. Extract the essential information about staff numbers, bonuses and hours worked
2. Do the mean and median calculations
3. Create a supporting statement and narrative
4. Publish the gender pay gap information
5. Consider initiating plans to reduce the gender pay gap

## Staff

The definition of who should be counted as part of the reporting is set by the Equality Act 2010 and includes:

- Employees (those with a contract of employment)
- Workers and agency workers (those with a contract to do work or provide services)
- Some self-employed people (where they have to personally perform the work)

**Agency workers** will need to be counted as part of the agency which provide them and not the employer they may be currently assigned to.

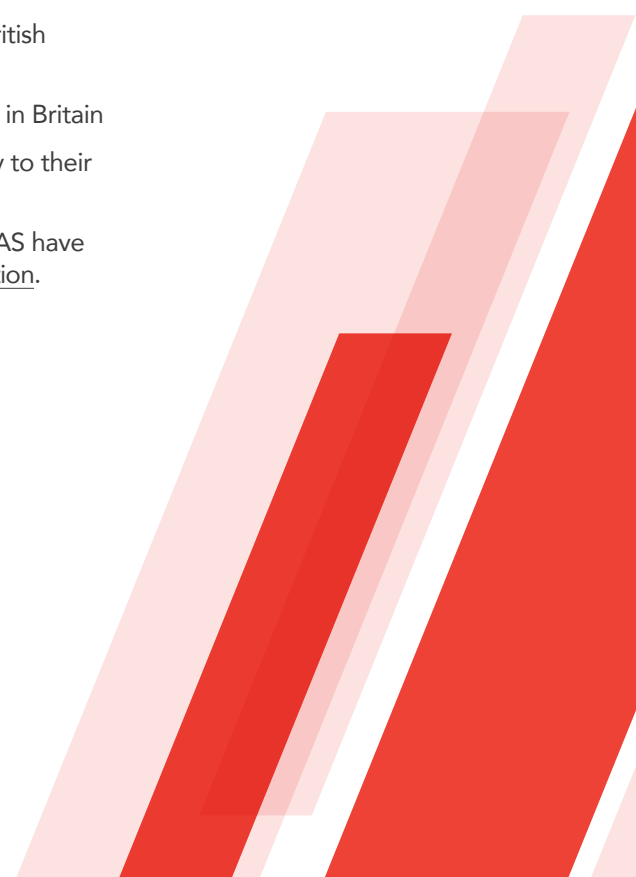
**Part time workers** and those involved in job-shares must be counted as one employee each irrespective of the number of hours/days they work a week.

**Partners** should be included in the employee head count if they would normally be considered "employees", but not as part of the calculations.

**Overseas and international workers** may need to be included in the Gender Pay Reporting regulations. As a general rule these include employees who:

- Have a contract subject to British legislation
- Continue to have their home in Britain
- Have UK tax legislation apply to their employment

For more detailed guidance ACAS have produced the following [information](#).



## Benefits of Reducing the Gender Pay Gap

Reducing the gender pay gap is not just the right thing to do – there is also a compelling business argument. Pay gaps can demotivate staff and result in higher staff turnover meaning employers are missing out on potential skills and talent that a diverse work place offer. The McKinsey Global Institute estimates that closing Britain's pay gap could add £150 billion to the country's annual gross domestic product by 2025 through an increase of 800,000 more women being in work. Companies with a higher representation of female directors have been shown to perform better financially<sup>3</sup>.

## Gender Pay Gap Reporting and the Role of PR

As the largest companies in the country publish their data this presents potential challenges to their public relations teams. Every organisation will have a gender pay gap with each employer having particular circumstances and factors contributing to this. The regulations require a commentary to go alongside the reported figures and it is here that PR should be taking the lead and not letting the numbers simply speak for themselves. Committing time to understand your figures, reflecting on what similar organisations are doing, preparing for any media and public scrutiny and communicating your platform for narrowing the gap in the future should be a central part of any organisation's approach to the reporting with PR leading this from the front.

**“Gender pay gap reporting should be seen as an opportunity to drive positive change and put equality at the heart of a business. An organisation that reports a poor gender pay gap should own the problem and focus on what they're doing to improve. An authentic commitment to closing the gap will be well-regarded both internally and externally. Reporting was not a legal requirement for Golin (with less than the required 250 employees), but we decided to voluntarily report our gender pay gap data as part of our commitment to championing women and diversity in the industry. This was a brilliant opportunity to show our people that they are compensated according to their skills and expertise, not their gender, life decisions, background or ethnicity.”**

**Bibi Hilton,**  
Golin MD and Women In PR president

<sup>3</sup> Catalyst, The Bottom Line: Corporate Performance and Women's Representation on Boards

## Case Study: BBC

When the BBC published details of their staff salary figures they were prepared for a fallout concerning how much high profile talent were paid. Instead the story became the gender pay gap with men being paid 9.3% more than women. More alarmingly nearly 500 employees appeared to be paid less than their colleagues in similar roles because of their gender. A public letter was released by high profile female stars and legal action was threatened. Although the BBC's gender pay gap is below the national average (18.1% at the time) senior female reporters have alleged the Corporation is actually breaking the law by not offering equal pay for equal work.

### The role of internal communications

As well as managing the public communication of the results, management needs to consider effective internal communications and be mindful of the benefits this can bring to the workforce. It is likely all organisations will have a gender pay gap. This can demotivate employees and lead to high turnover in staff. Employee engagement can help develop an action plan as well as offer valuable insights. The reporting process and messages to support the results should be passed to all line managers in an organisation – especially in the cases where changes in practice are required. Communicating these changes with staff and explaining the benefits this will bring to an organisation will have a positive impact.

### Planning to communicate your gender pay gap – tips and steps

An organisation that prides itself on treating people fairly may also find it has a gender pay gap. The existence of structural conditions does not excuse a gender pay gap but they are part of the route to addressing it.

1. Make sure you understand the figures and their context – take the time to properly get to grips with them and ask questions about them at every stage.
2. You will almost certainly be presenting evidence of a gender pay gap. A gender pay gap exists in a context – think about how you present the context as well as the figures.
3. Find out how other organisations are presenting their reports – such as the ones [here](#).
4. Present the figures clearly using infographics and charts – consider going beyond what is legally required. Avoid using jargon and acronyms.
5. Ideally, the communication will be owned by your organisation's senior leadership, with a personal statement.

6. Once the figures are presented, the important element of the communication is how your organisation intends to address the gender pay gap. This is an opportunity to show that the organisation “gets it” and will take steps such as:
  - a) Reviewing senior staff remuneration
  - b) Addressing opportunities for women to progress to more senior roles
  - c) Addressing gender imbalance in the wider workforce
  - d) Changing recruitment policies and how salaries are negotiated.
7. Be prepared to answer difficult questions which will probably be about senior salaries in your organisation.

## The CIPR

The issue of gender pay disparity is one the CIPR has highlighted in recent years through research, reports and campaigns such as our 2017 *PR and Pay Equality report* and 2015 *Four Point Plan*.

There is an ever growing issue that women who return to work after having a baby fall behind men in terms of their earning potential. The CIPR offers practical support through the following resources:

- [Managing Maternity Leave Package](#)
- [Managing Maternity Leave for Managers](#)
- [Flexible Working](#)

