

Gender Pay Gap Report

Report for the year 2016-2017

December 2017

Background

Earlier this year, the Government introduced world-leading legislation that made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require the relevant organisations to publish their gender pay gap data by 30 March 2018 [and then annually], including mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

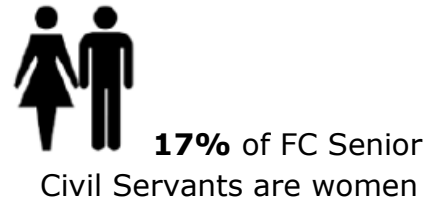
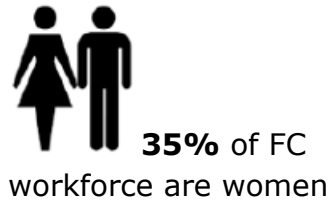
The gender pay gap shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with, and the individual calculations may help to identify what those issues are.

The gender pay gap is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

The Forestry Commission supports the fair treatment and reward of all staff irrespective of gender.

This report fulfils the Department's reporting requirements, analyses the figures in more detail and sets out what we are doing to close the gender pay gap in the organisation.

FC Gender Mix



FC Gender Pay Gap

Mean Pay Gap



Median Pay Gap



The average (mean) hourly rate for males is 6.2% higher than females. This has reduced since the recent 2017 Equal Pay Audit which reported a mean gender pay gap of 6.4% based on data at 1st October 2016. The median gender pay gap is lower than the mean gender pay gap at 1.4%. This means that of all the male and female employees of FC, the middle male salary is 1.4% higher than the middle female salary.

FC Bonus Pay Gap

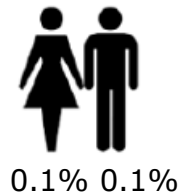
Mean Pay Gap



Median Pay Gap



Proportion of men and women receiving bonus



FC only operates a performance bonus for the senior staff group. Up to 31 March 2017, there were three recipients of a bonus across FC. This represents 0.1% of men and 0.1% of women. There was no pay gap between bonuses for men and women using both the mean and median calculations.

Pay Quartiles

Proportion of men and women in each hourly pay quartile



34% 66%
All Staff¹



46% 54%
Lower Quartile



25% 75%
Lower Middle
Quartile



34% 66%
Upper Middle
Quartile



31% 69%
Upper Quartile

¹ This measure excludes staff not on full pay at 31 March 2017 (e.g. statutory maternity pay, long term sickness or unpaid career breaks)

The lower quartile of staff comprises 46% female staff and the upper quartile comprises 31%. This compares with the wider FC population of 35% females². If all quartiles were made up of 35% women, the pay gap would reduce from 6.2% to 1.4%. This indicates that the pay gap is largely as a result of the higher concentration of women in more junior grades.

This can also be seen in the following table which shows the distribution of female and male staff by grade. The arrow denotes increasing seniority of grades from junior roles to senior roles. There is a greater proportion of female staff in the most junior grades, PB6B and PB7 and a higher proportion of males in more senior roles, PB4 and higher. Civil Service equivalent grades are shown for comparison.

FC Grade	Civil Service Grade	Number female staff (% female staff in this grade)	Number male staff (% male staff in this grade)	% female	
↓	PB7 & PB6B	AA/AO	288 (35%)	329 (21%)	47%
	PB6A		102 (12%)	271 (17%)	27%
	PB5 Ops & PB6A Ops		101 (12%)	440 (28%)	19%
	PB5	EO	138 (17%)	112 (7%)	55%
	PB4 & PB3	HEO / SEO	149 (18%)	333 (21%)	31%
	PB2 & PB1	Grade 6/7	38 (5%)	89 (6%)	30%
	SCS	SCS	2 (0%)	10 (1%)	17%
Total including contractors		822	1599	34%	

However, our recent Equal Pay Audit identified that there were no significant equal pay issues³ (greater than 5%) across the pay bands. Pay gaps varied from -0.3% to 3.3% with more than 50% of pay scales having a gap of less than 1%.

² This FC workforce is split 65% male and 35% female. These numbers cover all staff including those not on full pay at 31 March 2017 (e.g. statutory maternity pay, long term sickness or unpaid career breaks)

³ The equal pay gaps measure the pay gap between the average men and women's salaries in the same pay bands. Staff in the same pay bands are considered to be doing work of equal value. The gender pay gap considers the average male and females earnings across the Forestry Commission as a whole so is also influenced by the mix of genders between different pay bands.

Causes of the Gender Pay Gap at FC

Forestry work has historically attracted fewer female candidates than male candidates. Although more recently this imbalance has improved, within FC the majority of employees (65%) are male. Furthermore, male employees within FC have, at most grades, more service than their female colleagues. Since 2011, when time-served progression through the grades was stopped, employees no longer receive annual increments to move them up through their pay scale. As a result, employees with greater service are more likely to be at the top of their pay scale than those with shorter service.

In 2005 the gender pay gap at the Forestry Commission was 21%. Significant work has been undertaken over recent years to reduce this to the current position of 6.2%. This work has included shortening pay scales, removing incidences of overlapping pay scales, addressing issues around promotions and replacing pay spines with continuous pay scales.

Furthermore, greater focus on diversity and inclusion has led to the proportion of female employees increasing from 31% to 35%.

Working to reduce the Gender Pay Gap

The FC is committed to further improving our gender pay gap and are looking at a number of initiatives to reduce the gender pay gap, these include:

- **Pay**
 - Reduce the gap between the top and bottom of the pay scales with particular focus on operational pay bands.
 - Take targeted action as part of the annual pay increase to ensure pay differences in grades are reduced where possible
 - Conduct a gender pay gap analysis at FC and pay band level at every annual pay award.
- **Gender Mix**
 - Continue to carry out equality monitoring during post-filling and recruitment as well as reviewing language in recruitment literature to ensure it is gender-neutral.
 - Flexible working policies applicable to senior roles.
 - Unconscious bias training for all staff involved in recruitment.
 - Pro-actively engaging female role models to positively promote career choices.

I confirm the data reported is accurate

Jean Lindsay
Director Central Services
15th December 2017