



Student Loans Company

GENDER PAY GAP REPORT 2019

March 2020

What is the legislation?

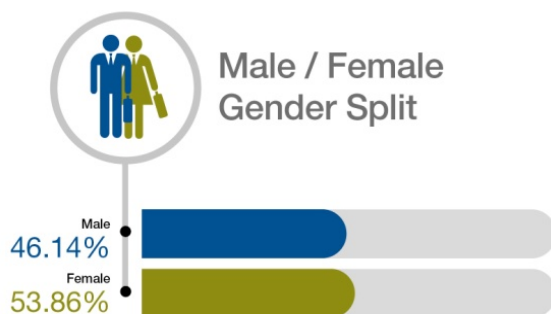
Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all organisations listed at Schedule 2 in the regulations that employ over 250 employees are required to report annually on their gender pay gap. Other organisations with 250 or more employees need to comply with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

What does the gender pay gap mean?

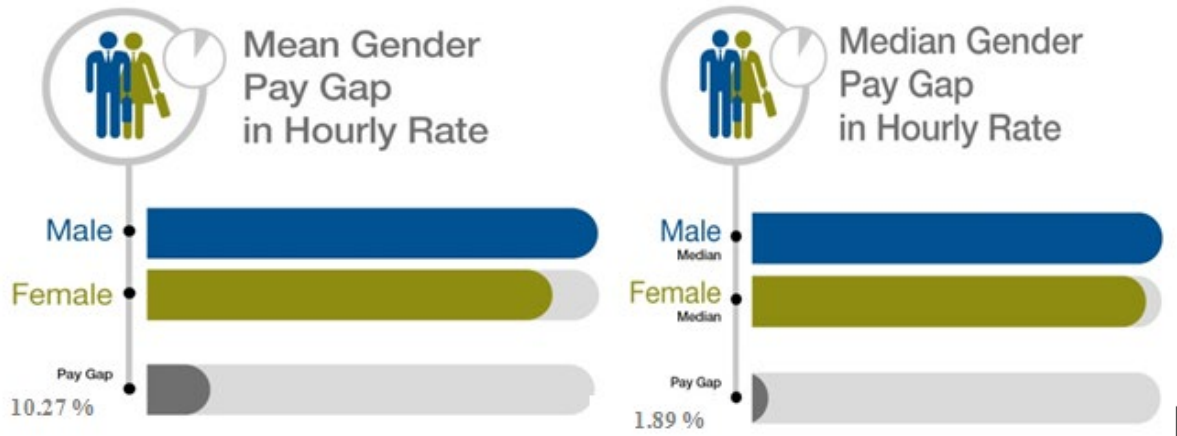
The gender pay gap is a high level overview of pay within an organisation and shows the difference in the average pay between males and females in the workplace. If a workforce has a particularly large gender pay gap, this can indicate that there may be a number of issues within the organisation, the individual calculations can give specific insight into what the key issues are. The existence of a gender pay gap does not equate to the existence of an equal pay problem, albeit a gender pay gap may be a trigger for further investigation about the reasons why the gap exists.

Gender profile of SLC

The SLC gender profile is 53.86% of the workforce are female and 46.14% of the workforce are male.



Gender Pay Gap

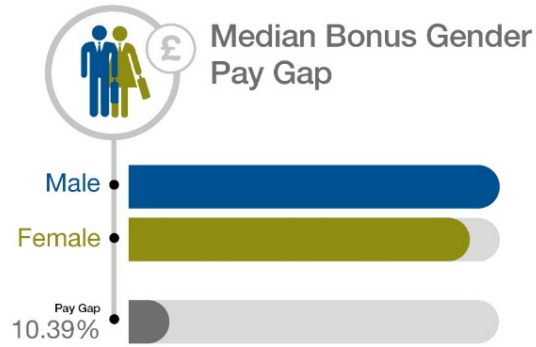
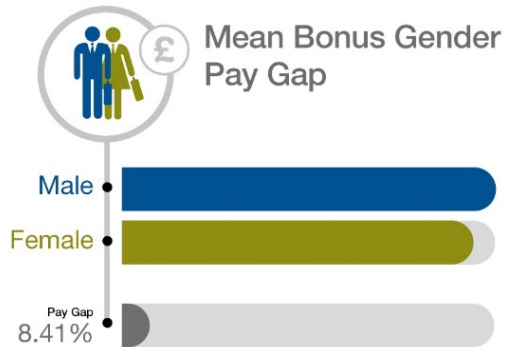
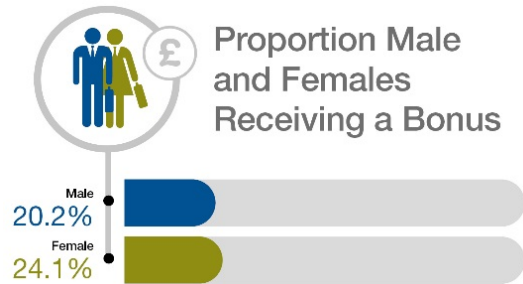


The mean female hourly rate is 10.27% lower than the mean male hourly rate. The median female hourly rate is 1.89% lower than the median male hourly rate.

There has been a decrease in the Gender Pay Gap in comparison to 2018. The following table details the Gender Pay Gap figures for the last two years and highlights the change between the 2018 and 2019 figures:

	2019 Pay Gap	2018 Pay Gap	Change between 2018 and 2019
Median	1.89%	2.5%	-0.61%
Mean	10.27%	10.87%	-0.6%

Performance Related Pay – Bonus



The proportion of female's receiving a bonus is 24.1% versus 20.2% of males. The mean female bonus pay is 8.41% lower than the mean male bonus pay. The median female bonus pay is 10.39% lower than the median male bonus pay.

As at 31 March 2019, performance related pay awards are made up of the top 25% of performers (those rated as 'Very Good' and 'Exceptional'). In addition there is a separate bonus scheme for a proportion of the workforce in the Repayments and Counter Fraud Directorate.

All awards are made irrespective of gender and are based on performance. From FY2018-19, SLC's performance related pay scheme will also pay a bonus to employees who receive an end of year rating of 'Good'. This change means more employees will be rewarded for their continued commitment and hard work.

Pay by Quartiles

From highest paid to lowest paid, the following table details the percentage of females in each pay quartile for the last two years:

	2019	2018	Change between 2018 and 2019
Upper hourly pay quartile	42.99%	43.25%	- 0.26%
Upper middle hourly pay quartile	58.88%	57.47%	+1.41%
Lower middle hourly pay Quartile	51.82%	51.67%	+0.15%
Lower hourly pay Quartile	55.57%	56.02%	-0.45%

What are we doing to close the Gender Pay Gap?

SLC continues to undertake a number of activities with a focus on closing the Gender Pay Gap. Key projects include:

- A newly launched People Strategy that focuses on the workforce and their rewards. A key element of this strategy is to recognise the strengths and commitment of a diverse workforce.
- To ensure that there is a focus on attracting, retaining and recruiting from the widest possible talent pools:
 - There is a focus on building a talent pool for those changing their working life through building a returners to work programme.
 - There is a continued focus on building apprenticeship and graduate programmes to enable better avenues for those starting their working lives.
 - A flexible working strategy is in development to support these objectives.
- We continue to invest in a total reward package for all of our employees with varied offerings, and targeted learning approaches to reflect a diverse workforce. The pay and recognition commitment will enable a culture of reward for performance, skills and contribution. This in turn will support the overall commitment to attract, recruit and retain from the widest possible talent pools.
- An empowered career pathway programme will be the refreshed learning and development approach. This will support personal development and career progression for our existing and future female leaders and individual contributors at all levels. Flexibility in learning opportunities and choice in career development will be core principles of this programme.
- To promote gender equality as a core element of the Equality Diversity and Inclusion strategy.
- A commitment to share Gender Pay Gap best practice using the SLC cross government and non-departmental public bodies networks.

Staff included in the Gender Pay Gap data

This report sets out The SLC's Gender Pay Gap based on the snapshot of data taken at 31st March 2019. The SLC data does not include agency workers or contractors as these are not included in the payroll. Agency workers and contractors will be captured in the Gender Pay Gap reports of their employing entity.

Declaration

We confirm that data reported by the Student Loans Company is accurate and has been calculated according to the requirements and methodology set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Chief Executive: Paula Sussex