

Dignity - Gender Pay Gap Report - April 2019

Introduction and summary

This report sets out the information that Dignity is required to publish in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This is the second year we have reported under these regulations.

A Gender Pay Gap is a measure of the difference in the average pay of men and women – regardless of the role they perform or their responsibilities – across an entire organisation, business sector, industry or the economy as a whole. The Gender Pay Gap is different from an equal pay comparison, which could involve direct comparison of two people or groups of people carrying out the same, similar or equivalent work.

Dignity remains committed to the principle of equal opportunities and equal treatment for all employees regardless of any protected characteristics including sex. Although gender pay gaps have been identified again this year at Dignity, these are driven by having a higher proportion of men than women in senior high paid roles, rather than men and women being paid differently for the same or equivalent work. Our industry is historically male dominated – although this is slowly changing - and is reflected by the figures outlined in this report. Regardless of that, we are committed to reducing these gaps by building a more diverse and inclusive workforce.

Dignity has two separate entities – Dignity Funerals Limited and Dignity Funerals No.3 Limited. The latter consists of funeral and crematorium businesses that Dignity has recently acquired and the employees are in more junior or operational roles compared to Dignity Funerals Ltd that employs the vast majority of Dignity’s workforce and therefore has the full range of job roles.

As legally required, we have reported the gender pay metrics for both entities below but have also shown a consolidated position for Dignity as this provides a more accurate representation of the gender pay profile for the whole organisation.

Consolidated Gender Pay Metrics for Dignity

Mean and Median Pay and Bonus Gaps		
	Mean	Median
Gender Pay Gap	19.4%	10.3%
Gender Bonus Gap	66.1%	22.5%

How is this calculated?

Median – The difference in pay between the female and male employee in the middle of the hourly pay range.

Mean – The difference in average hourly rate between men and women.

Proportion of employees receiving a bonus	
Men	24.1%
Women	60.5%

Proportion of men and women in each pay quartile band		
Pay Quartile	Male	Female
Upper	63.6%	36.4%
Upper Middle	53.3%	46.7%
Lower Middle	49.8%	50.2%
Lower	30.8%	69.2%

What does this show?

This shows the proportion of male and female employees in four quartile hourly rate pay bands ranked from the highest hourly rate to the lowest hourly rate.

The Gender Pay and Bonus Gaps Explained

The gender pay and bonus gaps show the difference between the mean (average) and median (mid-point) pay and bonuses of male and female employees expressed as a percentage of men's earnings.

This is different to equal pay, which refers to when men and women receive equal pay for performing the same or similar work.

At Dignity, we have a mean gender pay gap of 19.4% in favour of men, which has decreased significantly from 43.5% last year which is a function of a reduction in the variable element of staff pay in the upper quartile, the majority of whom are men. The median gender pay gap is significantly lower than the mean at 10.3% but has increased from 7.4% last year.

The mean bonus gap is 66.1% in favour of men, but has reduced from last year's gap of 75.6%. The median bonus gap is considerably lower at 22.5%, which has decreased from the 26.3% gap identified last year. A higher proportion of women (60.5%) receive a bonus than men (24.1%).

The gender distribution across the pay quartiles in Dignity indicates that 43.4% of the workforce is female and that there are more men than women in senior roles.

Although we have a gender pay gap when we compare the overall pay and bonuses for men and women, our gender pay gap is largely attributable to the lack of female representation at the more senior levels of the organisation, rather than an equal pay issue.

The bonus calculations above are based on the value of actual bonuses received rather than a full-time equivalent (as required by the legislation). Dignity is keen to support part-time working and the above figures do not take into account the large number of part-time employees in the workforce. It is important to consider this when analysing the mean and median bonus gaps. Although more women than men receive bonuses, Dignity is confident that its bonus eligibility criteria are fair and consistently applied.

Addressing the Gaps

Dignity is committed to building a more diverse and inclusive workforce and reducing its gender pay gap. For example:

- We already have a large part-time workforce and continue to support flexible working arrangements for all staff, where possible, throughout the organisation, subject to business requirements;
- We are committed – and will remain committed - to improving opportunities for progression and development for all employees regardless of gender;
- We have gender neutral practices in our recruitment including ensuring job adverts have gender neutral language and we select from diverse candidate shortlists;
- During 2019 and 2020 and beyond, we will focus on reviewing and developing our policies relating to recruitment, development and promotion processes.

Information Required to be Disclosed

Dignity Funerals Limited

Mean and Median Pay and Bonus Gaps		
	Mean	Median
Gender Pay Gap	20.1%	10.5%
Gender Bonus Gap	67.6%	28.6%

Proportion of employees receiving a bonus	
Men	24.9%
Women	60.3%

Proportion of men and women in each pay quartile band		
Pay Quartile	Male	Female
Upper	63.4%	36.6%
Upper Middle	52.5%	47.5%
Lower Middle	49.9%	50.1%
Lower	29.6%	70.4%

Dignity Funerals No. 3 Limited

Mean and Median Pay and Bonus Gaps		
	Mean	Median
Gender Pay Gap	10.4%	10.7%
Gender Bonus Gap	-43.2%	-77.4%

Proportion of employees receiving a bonus	
Men	16.6%
Women	64.2%

Proportion of men and women in each pay quartile band		
Pay Quartile	Male	Female
Upper	66.1%	33.9%
Upper Middle	60.3%	39.7%
Lower Middle	55.6%	44.4%
Lower	41.3%	58.7%

I confirm the data in this report is accurate:

Richard Portman
Corporate Services Director