

GENDER PAY GAP REPORT

2021

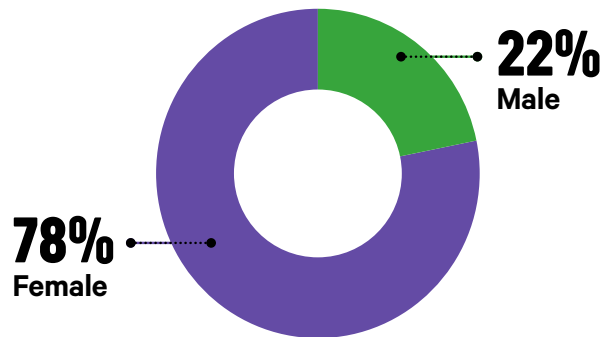


**VERSUS
ARTHRITIS**

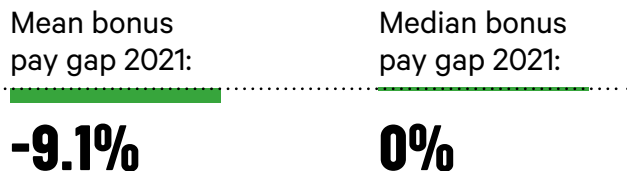
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AT A GLANCE

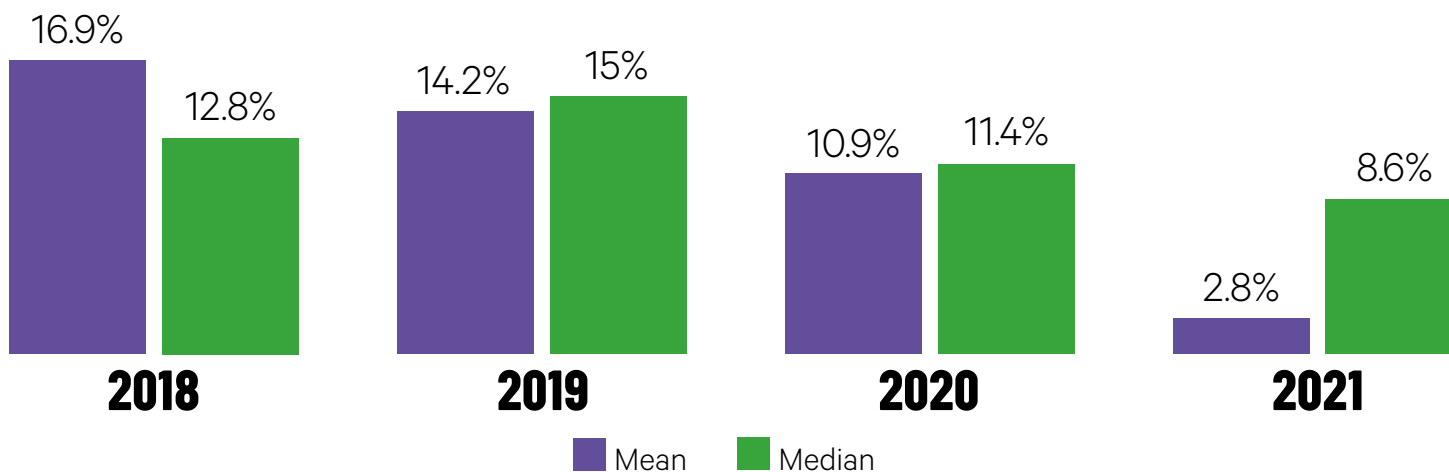
GENDER PROPORTION OF WORKFORCE 2021



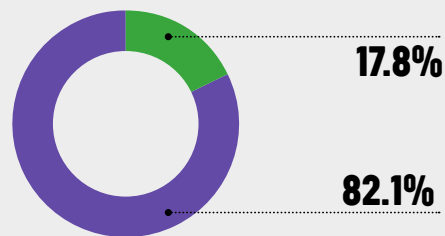
BONUS GENDER PAY GAP 2021



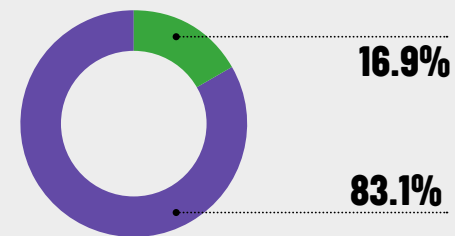
GENDER PAY GAP CALCULATIONS



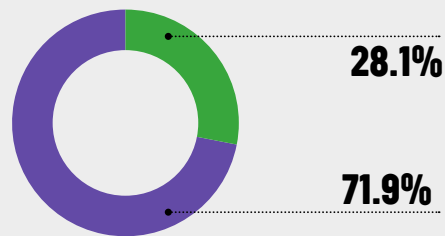
Upper quartile



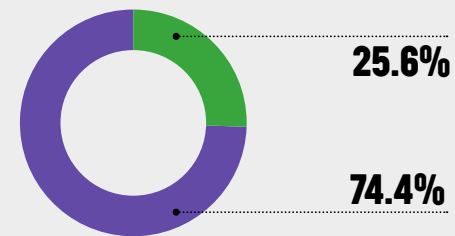
Upper middle quartile



lower middle quartile



lower quartile



■ Proportion of female employees
■ Proportion of male employees

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What we do

We are volunteers, healthcare professionals, employees, researchers, friends and loved ones all doing everything we can to push back against arthritis. Together, we will continue to develop breakthrough treatments, campaign relentlessly for arthritis to be seen as a priority and support each other whenever we need it. Together, we're making real progress. But there is still a long way to go.

Overview

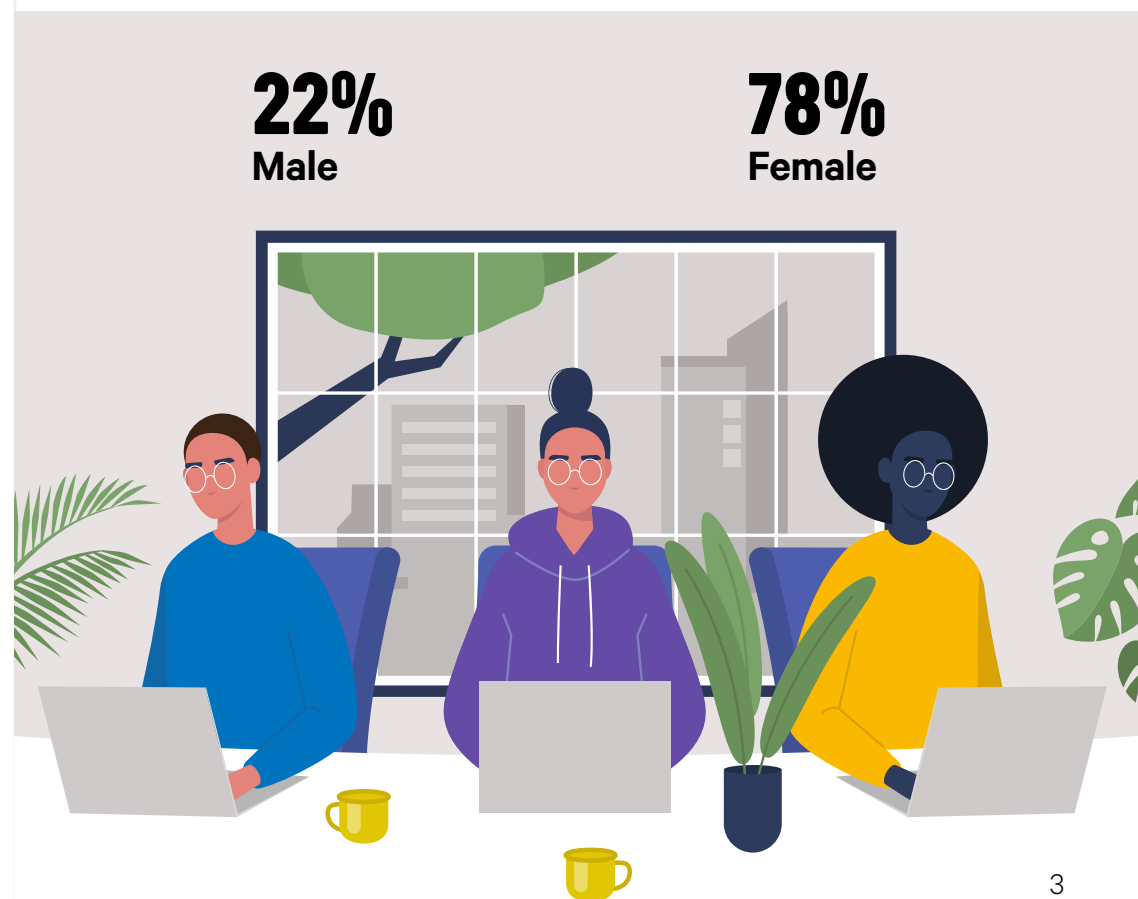
Government regulations on gender pay reporting for private, voluntary and charity sector employers with more than 250 employees took effect from April 2017, and the first report for Versus Arthritis was published from April 2018. The headline gender pay gap shows the difference in the average pay between all men and women employed by Versus Arthritis and takes no account of whether they are performing equal work. It is different to equal pay which deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value.

There are six required gender pay gap calculations based on a snapshot date of 5 April. Following Government guidelines set out on [GOV.UK](https://www.gov.uk) the charity is required to report on the mean and median gender pay gap; mean and median bonus gender pay gap; the breakdown of bonus payments by gender and the proportion of male and female employees who fall in to four equal quartile pay bands.

Calculations are based on full-pay of all relevant employees and exclude anyone who received less than their normal salary. Bonus pay gap calculations are based on all employees and any bonus received within the 2020-21 tax year.

The [2020 Gender Pay Gap report](#) is published in the [Values](#) section of the [About Us](#) pages on the [Versus Arthritis website](#) as part of the [Our Finances and Pay](#) subsection. A similar summary will be produced for 2021 and this information will be shared with all employees.

Versus Arthritis has a significant majority female workforce (78%), and the proportion of men and women employed by the charity has largely remained the same over the past 4 years.



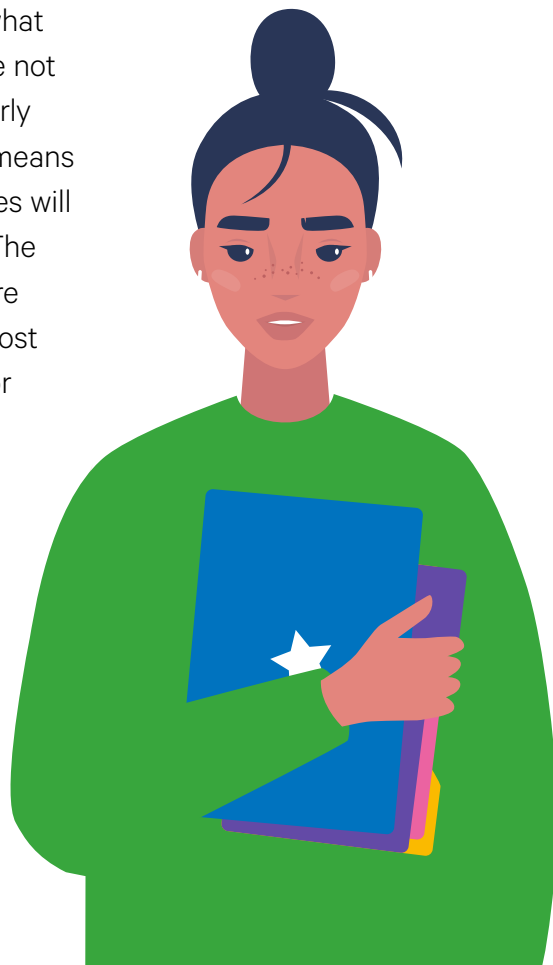
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Our gender pay gap

We are pleased to report that our gender pay gap continues to reduce. Our 2021 mean gender pay gap is 2.8%, and our median pay gap 8.6%, evidencing a downward trend over the past three years. Gender pay gap calculations since 2018 are set out in the table opposite.

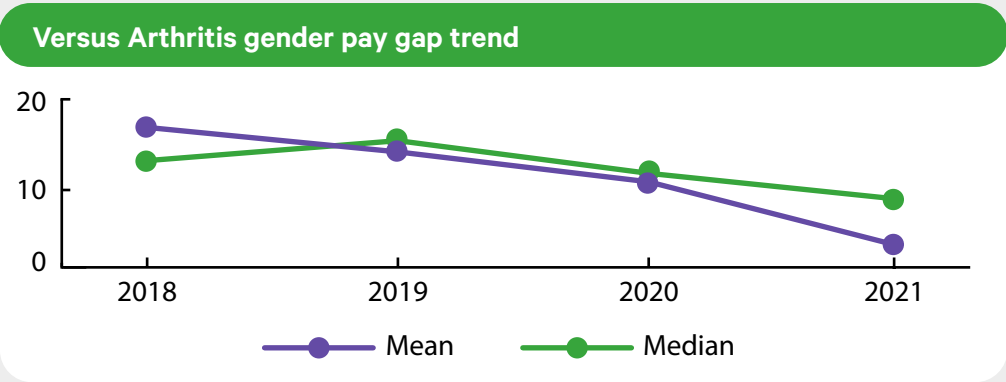
Mean averages are useful because they place the same value on every number they use, giving a good overall indication of the gender pay gap. very high or low hourly pay can 'dominate' and distort the figure, however.

Medians are useful to indicate what the 'typical' situation is. They are not distorted by very high or low hourly pay (or bonuses). However, this means that not all gender pay gap issues will be picked up within this figure. The median is also less effective where the gender pay gap issues are most pronounced in the lowest paid or highest paid employees.



The Versus Arthritis mean gender pay gap is the lowest amongst a sample of charities.

Gender pay gap	2018	2019	2020	2021
Mean gender pay gap	16.9%	14.2%	10.9%	2.8%
Median gender pay gap	12.8%	15%	11.4%	8.6%



Mean gender pay gap 2021: 2.8% <small>(UK estimate: 14.9%)</small>	Median gender pay gap 2021: 8.6% <small>(UK estimate: 15.4%)</small>
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The Versus Arthritis gender pay gap is considerably below the estimated 2021 gender pay gap for the UK (mean 14.9%, median 15.4%). The Versus Arthritis mean gender pay gap is the lowest amongst a sample of charities (including Richmond Group) who have published their 2021 data, whilst the Versus Arthritis median pay gap is around the middle of this range.

Pay quartile breakdown

Gender pay gap regulations require organisations to list employees in ascending hourly rates of pay, from the lowest to the highest, and then divide these into four equal quartiles reporting the gender breakdown in each one. There were 90 employees in each of the upper and lower quartiles, and 89 employees in the upper middle and lower middle quartiles. With a population split of 22:78 (male:female), we should expect to see a similar distribution across the four quartiles.

In 2021, there has been a reduction in the number of males within the upper and upper middle quartiles, and an increase in males within the lower middle and lower quartiles. This has contributed to the closing of the gender pay gap.

The differential in hourly rates is larger within the upper quartile and in 2021 this pay differential reduced significantly. This is also a contributing factor in the closing of the pay gap this year.

Population split (male : female)	22 : 78		24 : 76		24 : 76		22 : 78	
	2018		2019		2020		2021	
Proportion of male and female %	male	female	male	female	male	female	male	female
Upper quartile	33.3%	66.7%	28.8%	71.2%	28.2%	71.8%	17.8%	82.2%
Upper middle quartile	27.1%	72.9%	34.3%	64.8%	31.8%	68.2%	16.9%	83.1%
Lower middle quartile	18.6%	81.4%	15.1%	84.9%	17.6%	82.4%	28.1%	71.9%
Lower quartile	11.4%	88.6%	16.2%	83.8%	18.6%	81.4%	25.6%	74.4%

The hourly rate ranges for each of the quartiles are set out below:

Pay Quartile	Hourly rate range 2018	Hourly rate range 2019	Hourly rate range 2020	Hourly rate range 2021
Upper	£21.63 – £79.66	£21.63 – £79.66	£22.65 – £79.66	£22.92 – £68.04
Upper middle	£17.13 – £21.63	£16.75 – £21.63	£18.11 – £22.65	£18.17 – £22.78
Lower middle	£13.93 – £17.09	£12.78 – £16.71	£14.12 – £17.89	£15.10 – £18.11
Lower	£ 9.13 – £13.88	£12.59 – £12.78	£ 8.95 – £14.07	£ 9.29 ¹ – £14.78

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The bonus pay gap

Government regulations require the inclusion of all bonus payments whether they are paid in cash or vouchers.

The bonus gender pay gap for Versus Arthritis for the 2020/21 year is:

Bonus gender pay gap	2017-18	2018-19	2019-20	2020-21
Mean bonus pay gap	-14.1%	-32.0%	-40.0%	-9.1%
Median bonus pay gap	-70.0%	-233%	0%	0%



The mean bonus pay gap

There has been a significant reduction in the mean bonus pay gap this year. This is due to the implementation of the Versus Arthritis recognition and reward scheme, The Power of One. This scheme replaces the previous Long Service awards although this reporting year includes a combination of bonus payments from both schemes. With the new single value One Strength awards, the median bonus pay gap is expected to reduce to zero next year.

The number of employees receiving a bonus payment is small (35 employees equates to 9% of the workforce), and the total number of bonus payments made during 2020-21 reduced slightly on the previous year (42 in 2019-20, and 36 in 2020-21). The negative mean result reflects the larger number of females receiving the higher value Long Service (4 out of 4, 100%, receiving more than £50) and One Strength awards (4 out of 6, 67%).

It is noted that the new One Strength award appears to provide a more proportionate distribution of bonus payments (than the previous recognition and reward arrangements) in comparison to the male:female composition of the workforce.

The median bonus pay gap

The neutral median bonus pay gap has remained neutral this year and reflects the fact that £50 represents the most common bonus value (5 years' service), accounting for 72% (26 out of 36) of bonuses paid to 35 employees (one employee received two bonus awards).

Our progress and next steps

Although we are making good progress we want to further reduce our gender pay gap. Plans to do this include:

- Continuing to review and enhance our Flex ways of working. A further review in June 2021 extended our Flex working further, firstly by extending the time period for daily hours offering even greater flexibility to support family commitments and to promote better work/life balance. Secondly by providing options to work from home or office, to best meet individual and organisation needs. We believe that this will further support females in management roles, also contributing to more females being able to work full time.
- In October 2021, following a period of successful homeworking practices, we offered all roles (existing and new) the option of working from home on a permanent contractual basis. This has opened opportunities to recruit across the UK with our people being able to work from any location for the majority of roles. This widens up the candidate pool and increases opportunities for greater inclusivity. We expect this to have further positive impact on our gender pay gap next year.
- We are creating a new Women's Network to share experiences, careers advice and information. It will provide us with a mechanism to understand the female perspective and to inform policy and decision-making which will help us to reduce our pay gap further.
- We have introduced a new exit interview survey process to better understand our turnover. This includes a new platform to improve the collection of data and enable greater insight into the reasons for turnover, identification of trends, and inform policy and working practices.

- We are preparing to collect equality and demographic data ahead of procuring a new HR system which will create a platform to enable baseline data for future analysis and comparison.
- We know that our workforce has a high proportion of females (78%), and that this year, of the 87 new roles appointed, 85% of these were female. We know we need to do more to understand the reasons for this. We want to be able to monitor applications we receive by gender, as well as the reasons each candidate has been selected. Due to the volume of applications and recruitment activity we have not previously had the resource to collect this data, however, it is our intention to source a recruitment application tracker system which will enable us to collect and monitor our data. We have identified recruitment as a priority area for review to ensure we position ourselves as an employer of choice in the marketplace with diversity and inclusion as a critical focus.





Note on gender reporting

Gender pay gap reporting guidelines require us to report on the pay gap between men and women, meaning that reporting is unable to include data on other gender identities.

The data used for the calculation comes from Her Majesty's Revenue and Customs (HMRC) records, which we acknowledge won't have an accurate record of gender for many trans and non-binary people.


We are committed to continuing to take steps to create an inclusive culture for our trans and non-binary colleagues. For example, staff are able to record their gender identity (including non-binary identities) through our annual diversity data monitoring survey and we have introduced a pronouns section in our email signatures, enabling colleagues to share how they would like to be referred to.

We also continue to provide trans and non-binary inclusion resources to all staff.

For more information please visit our website [versusarthritis.org](https://www.versusarthritis.org)

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