

Dignity Gender Pay Reporting 2020

Background

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 third 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 is a direct comparison of two people or groups of people carrying out the same, similar or equivalent work.

Although gender pay gaps have been identified again this year at Dignity, these are a result of 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 –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 acquired and the colleagues 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. The results for the separate entities are shown in the Appendix. 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

Table 1 Mean & Median Pay & Bonus Gap

	Mean		Median	
	2018	2019	2018	2019
Gender Pay Gap	19.4%	18.8%	10.3%	14.0%
Gender Bonus Gap	66.1%	67.9%	22.5%	4.9%

How is this calculated?

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

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

We have reduced the Mean Gender Pay, Gender Bonus Gaps and our Median Gender Bonus Gap, however our Median Gender Pay Gap has increased. Our median gender pay gap is also better than the National average of 17.3% (February 2020 ONS).

The bonus calculations above are based on the value of actual bonuses received rather than a fulltime 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 fairly and consistently applied.

Table 2 Proportion of colleagues receiving a bonus

	Proportion of colleagues receiving a bonus	
	2018	2019
Men	24.1%	27.8%
Women	60.5%	59.2%

The proportion of male colleagues receiving a bonus has increased whilst the proportion of female colleagues receiving a bonus has decreased. This is driven by an increase in the proportion of males in our more senior positions which attract a management bonus.

Table 3 Quartile pay bands

	Male		Female	
	2018	2019	2018	2019
Upper quartile	63.6%	72.3%	36.4%	27.7%
Upper Middle quartile	53.3%	63.5%	46.7%	36.5%
Lower Middle quartile	49.8%	45.3%	50.2%	54.7%
Lower Quartile	30.8%	43.4%	69.2%	56.6%

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.

Whilst we are progressing towards a more equal distribution of males and females in the lower quartiles we are losing the diversity of gender in the Upper Middle and Upper quartiles. We will continue to review our working practices and recruitment practices to attract a more diverse workforce.

It is clear from our analysis that our gender pay gap is attributable to the limited female representation at Senior Management level rather than to Dignity having an equal pay issue.

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 colleagues, where possible, throughout the organisation, subject to business requirements;

- We remain committed - to improving opportunities for progression and development for all colleagues irrespective of gender;
- We have gender neutral recruitment practices including ensuring our job adverts are gender neutral and we select from diverse candidate pools based on skill and competence;
- During 2020 and beyond, we will continue to focus on reviewing and developing our policies relating to recruitment, developing our colleagues, as well as modernising our working practices further to allow for greater flexibility.

Dignity remains committed to the principle of equal opportunities and equal treatment for all colleagues regardless of any protected characteristics including sex.

The separate entities results are shown in the Appendix

Appendix

Table 1 Mean & Median Pay & Bonus Gap

	Mean		Median	
	DFL	DF3L	DFL	DF3L
Gender Pay Gap	18.7%	6.2%	14.2%	11.7%
Gender Bonus Gap	62.1%	-3.4%	10.7%	-100%

Table 2 Proportion of colleagues receiving a bonus

	Proportion of colleagues receiving a bonus	
	DFL	DF3L
Men	28.9%	16.0%
Women	58.6%	66.2%

Table 3 Quartile pay bands

	Male		Female	
	DFL	DF3L	DFL	DF3L
Upper quartile	72.5%	69.9%	27.5%	30.1%
Upper Middle quartile	63.3%	67.9%	36.7%	32.1%
Lower Middle quartile	44.2%	56.0%	55.8%	44.0%
Lower Quartile	42.6%	52.4%	57.4%	47.4%

I confirm that the data provided in this report is accurate

Richard Portman
Corporate Services Director