

GENDER PAY GAP REPORT

Pentalver Cannock Ltd



a Genesee & Wyoming Company

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Pentalver Cannock Ltd (PCL) is required by law to publish an annual gender pay gap report. This is its report for the snapshot date of 5th April 2017.

Overall gender mix of the population within PCL is 5.31% female and 94.69% male.

The mean gender pay gap for PCL is 1.25%.

The median gender pay gap for PCL is +3.67%.

The mean gender bonus gap for PCL is 100%.

The median gender bonus gap for PCL is 100%.

The proportion of male employees in PCL receiving a bonus is 26.4% and the proportion of female employees receiving a bonus is 2.3%.

Pay Quartiles by Gender

Band	Males	Females	Description
A	95.2%	4.8%	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	94%	6%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	92.8%	7.2%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	95.2%	4.8%	Includes all employees whose standard hourly rate places them above the upper quartile

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

What are the underlying causes of PCL's gender pay gap?

Under the law, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

PCL is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or

disability. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above).

As such PCL commits to:

- carry out pay and benefits audits at regular intervals;
- provide regular equal pay training for all managers and other staff members who are involved in pay reviews; and
- evaluate job roles and pay grades as necessary to ensure a fair structure.

PCL is therefore confident that any gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

Across the UK economy as a whole, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations), while women are more likely than men to be in front-line roles at the lower end of the organisation. In addition, men are more likely to be in technical and IT-related roles, which attract higher rates of pay than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole is reflected in the make-up of PCL's workforce, where the majority of back office support roles within its depots are women, while the majority of line manager and senior manager roles are held by men. In addition, the majority of the relatively highly paid driving roles are held by men and not women.

This can be seen above in the table depicting pay quartiles by gender. This shows PCL's workforce divided into four equal-sized groups based on hourly pay rates, with Band A including the lowest-paid 25% of employees (the lower quartile) and Band D covering the highest-paid 25% (the upper quartile). In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each Band. However, within PCL, 4.8% of the employees in Band A are women and 95.2% men. The percentage of male employees is lower in Band B with 94% and then falls again to 92.8% in Band C and finally rises again to 95.2% in Band D. This reflects the heavily male dominated nature of the workforce.

How does PCL's gender pay gap compare with that of other organisations?

The vast majority of organisations have a gender pay gap, and we are pleased to be able to say that PCL's gap compares favourably with that of other organisations, including those within our industry.

The mean gender pay gap for the whole economy (according to the November 2016 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 17.5%, while in the Road Transport & Logistics sector it is 31.9%. At

1.25% PCL's mean gender pay gap is, therefore significantly lower than the average for both the whole economy and that for our sector.

The median gender pay gap for the whole economy (according to the November 2016 ONS ASHE figures) is 19.2%, while in the Road Transport & Logistics sector it is 35.8%. At +3.7% %, PCL's median gender pay gap bucks the trends as it represents a positive gap in favour of women employees.

Comparison with other organisations

	PCL	2016 ONS ASHE whole economy	2016 ONS ASHE Road Transport & Logistics sector
Mean Gender Pay Gap	1.25%	17.5%	31.9%
Median Gender Pay Gap	+3.7%	19.2%	35.8%

The mean and median gender bonus gap for PCL is 100%.

The proportion of men at PCL who received a bonus in the 12 months up to 5 April 2017 was 2.24%, while for women this was 0%. This reflects the higher proportion of men in the management and technical roles that, under our current policy, attract a performance bonus.

What is PCL doing to address its gender pay gap?

While PCL's gender pay gap compares favourably with that of organisations both across the whole UK economy and within the Transport and Logistics sector, this is not a subject about which PCL is complacent, and it is committed to doing everything that it can to reduce the gap. However, PCL also recognises that its scope to act is limited in some areas - it has, for example, no direct control over the subjects that individuals choose to study or the career choices that they make.

To date, the steps that PCL has taken to promote gender diversity in all areas of its workforce include the following:

Creating an evidence base: To identify any barriers to gender equality and inform priorities for action, in 2018 PCL will be introducing gender monitoring to understand:

- the proportions of men and women applying for jobs and being recruited;
- the proportions of men and women applying for and obtaining promotions;
- the proportions of men and women leaving the organisation and their reasons for leaving;
- the numbers of men and women in each role;
- take-up of flexible working arrangements by gender and level within the organisation;
- the proportion of men and women who return to their original job after a period of maternity or other parental leave; and
- the proportion of men and women still in post a year on from a return to work after a period of maternity or other parental leave.

The initial findings will be published in June 2018 in "Pentalver - working together to create equal opportunities". The publishing of this report will allow us to review and promote PCL's flexible working policy. PCL will also develop new guidelines for managers on supporting employees prior to, during and on return from maternity and

other parental leave, to be backed up by training for all line managers and senior managers. Roll-out of the guidelines will commence in June 2018.

These initiatives will not, of themselves, remove the gender pay gap - and it may be several years before they have any impact at all. In the meantime, PCL is committed to reporting on an annual basis on what it is doing to reduce the gender pay gap and the progress that it is making.

Right now, PCL has plans to extend its evidence-gathering to include qualitative data. It will do this through a consultation exercise across all areas and levels of the organisation to identify the barriers (and the drivers) for women employees.

In the coming year, PCL is also committed to:

- reviewing its policy on bonus payments;
- investigating affordable childcare options with local providers in the vicinity of all its depots; and
- launching a school-partnering pilot scheme with local secondary schools, to raise young people's awareness of the different career opportunities available within the Transport & Logistics sector, and to help dispel any misperceptions and stereotypes.

Any further initiatives launched throughout the year will be reported on the company intranet.

I, Chris Lawrenson, managing Director, confirm that the information in this statement is accurate.

Signed

Date

Appendix

Law relating to this document

Leading statutory authority

Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (SI 2017/172)

Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (SI 2017/353)