

Make UK's Gender Pay Gap report

Foreword – Stephen Phipson CBE, Chief Executive, Make UK

Make UK is backing manufacturing - helping our sector to engineer a digital, global, and green future.

From the first industrial revolution to the emergence of the fourth, the manufacturing sector has been the UK's economic engine and the world's workshop.

The 20,000 manufacturers we represent have created the new technologies of today and are designing the innovations of tomorrow. By investing in their people, they continue to compete on a global stage, providing the solutions to the world's biggest challenges.

Together, manufacturing is changing, adapting and transforming to meet the future needs of the UK economy. A forward thinking, bold and versatile sector, manufacturers are engineering their own future.

Make UK has staff based at locations in England and Wales: London, Bristol, Bridgend, Reading, Leamington Spa, Birmingham, Sheffield, Gateshead and a number of home based staff. We strive to be an inclusive and flexible employer and therefore support and encourage flexible working practices which in turn helps us to recruit and retain a talented and professional team.

In 2019 we introduced a new five year strategy to ensure our business continued to grow, and support our membership and commercial services. Our employees are at the heart of this strategy – working to a set of core values and creating a good place to work for our current and future employees

Part of this strategy includes a commitment to reduce our gender pay gap, which in turn helps us to ensure that Make UK, as a workplace, works equally well for our male and female employees. I am pleased to report that we continue to make progress in this area.

In line with government reporting requirements, this is the third year Make UK has published its UK gender pay gap. We are publishing this written statement on our public-facing website as well as reporting our data on the government's gender pay gap reporting service.

I, Stephen Phipson CEO, confirm that the information in this statement is accurate.

Signed:



Date: 9th March 2020

What are the reporting requirements?

Gender pay gap legislation requires employers in the UK with 250 employees or more to calculate and publish their gender pay gap data each year. The metrics which employers are required to report are:

- Mean and median gender pay gap – based on an average hourly rate or pay
- Mean and median gender bonus gender pay gap (considers bonus pay received in the 12 month lead up to the snapshot date_
- Proportion of men and women receiving a bonus
- Proportion of men and women in each pay quartile.

What is the difference between equal pay and the gender pay gap?

The Gender Pay Gap is a means of measuring the differences in pay according to gender. In general, it measures the difference between the hourly average earnings of men and the hourly average earnings of women.

This is different to equal pay which is the differences in pay between men and women who carry out the same or similar roles.

Make UK's gender pay gap 2019

Since our last published figures we have had a number of changes to our Executive Board and Senior Management team who are all focussed on developing our business and our five year strategy which includes a review of reward and recognition. Reducing our gender pay gap is a core part of our strategy over the next five years and we are taking, and will continue to take measures to achieve this ambition.

We are pleased to report that on all key statutory pay gap reporting criteria, the gender pay gap has reduced for 2019 in comparison to last year's snapshot (5 April 2018).¹ The snapshot data as at 5 April 2019 for all reporting metrics are shown in the table below.

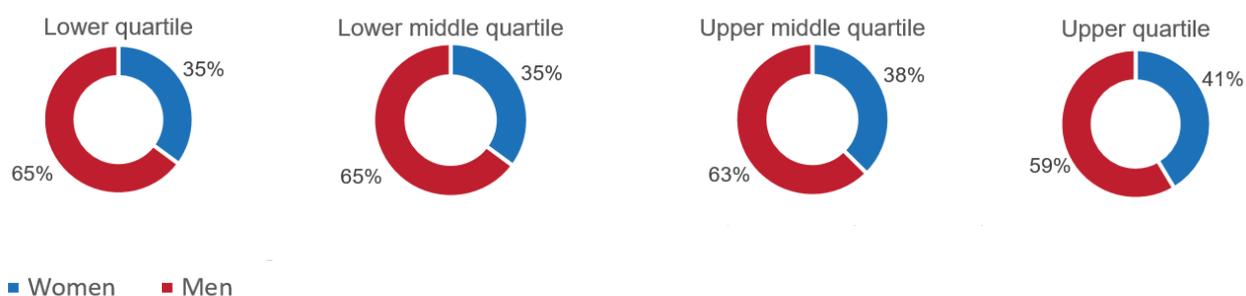
Our results display a median gender pay gap of 16%, down from the median gender pay gap of 21% for the snapshot date of 5th April 2018 and a median gender pay gap for the snapshot date of 5th April 2017 was 18% which was Make UK's (then EEF's) first report. Our mean gender bonus gap is 21%, down from 25% from the previous year.

¹ All figures have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Snapshot data as at 5 April 2019:²

	Percentage
Mean gender pay gap	16%
Median gender pay gap	16%
Mean gender bonus gap	21%
Median gender bonus gap	-4%
Proportion of males receiving a bonus payment	15%
Proportion of females receiving a bonus payment	12%

Pay quartiles across male and female employees



The pay quartiles show the proportion of male and female employees in each pay quartile. Our figures show that there is a higher proportion of men than women in each quartile, reflecting the fact there are more male employees than female employees in the organisation. There have been some changes to the quartiles. For example there are now 41% of men in the upper quartile, compared to 30.3% on the previous year. We are seeking to address this through a range of measures covered later in this statement.

Understanding the gap

There are a number of factors that are driving Make UK's gender pay gap on both overall pay and bonuses. These include:

- **The gap being reflective of the wide range of different jobs that are undertaken across the organisation including hospitality, education and professional job roles.** For example, it is widely reported that there is a serious under-representation of women in engineering at all levels. This is reflected in the number/ratio of male/female teaching staff at our Apprentice & Skills Centre. It is also widely known that the hospitality sector attracts more female job applicants and

² The above table shows our mean and median hourly gender pay gap and bonus gap as at the snapshot date (i.e. 5 April 2019) for pay and in the 12 months reference period to 5 April 2019 for bonus.

this is reflected in the numbers of casual staff that are recruited from time to time at our Venues and Conferencing locations.

- **The rates of pay where staff work will be affected by geographical variations.** This could affect the gender pay gap subject to the proportion of men and women working at its different locations.
- **A contributory factor to the median gender pay bonus gap is reflection of a much higher number of female staff than male staff in Business Development / Sales roles.** It is these roles where there is the opportunity to earn commission/bonus of a higher weighting.

Make UK is therefore confident that its gender pay gap is not as a result of paying men and women differently for the same or equivalent work (equal pay). Instead, its gender pay gap is the result of the different roles in which men and women work within the organisation and the salaries that these roles attract. However, we know that this is still an area we need to explore, and below we have set out measures to close the gender pay gap.

Measures to close the gender pay gap

- **Promoting and encouraging flexible working**

Make UK believes that all our staff have the opportunity to maintain a reasonable work life balance. As a result, Make UK has a long standing commitment to flexible working practices and policies. For example, from a total number of 436 staff, we currently employ 75 part time members of staff (57 female and 18 male) as well as a number of home-based staff.

We want to ensure that flexible working is seen as available to all – for men and women, and for new and existing staff. As a result we will ensure that our interview and selection procedures are clear that flexible working practices and patterns are supported, including part time working and job-sharing where feasible and subject to the needs of the business.

- **Reviewing pay and benefits**

Make UK carries out pay and benefits audits at regular intervals (including analysis at pay review times and during recruitment projects). Both men and women in business development and sales roles have an equal opportunity to participate in and earn bonus.

Make UK will continue to carry out pay and benefits audits at regular intervals (including analysis when pay is due to be reviewed). We will also commit to review how bonuses are awarded and which roles attract bonuses to ensure that everyone in the organisation has the opportunity to be rewarded and recognised for their work.

- **Maternity pay above the statutory minimum**

Make UK's maternity pay is above the statutory minimum and in line with competitors. We want to ensure we are leading on this and therefore commit to review our Family rights policy every 12 months.

- **Recruitment of a Culture, Inclusion and Engagement Manager**

We are currently recruiting for/ a Manager of Culture, Inclusion and Engagement. The aim of this new role is to deliver the national staff engagement and support strategy for Make UK.

- **Staff training on unconscious bias**

We will commit to lead by example and introduce unconscious bias training for all staff with interviewing responsibilities at Make UK.

- **Introducing a new mentoring programme**

We understand the benefit that mentors can bring both for our employees and our business. We will look to introduce a new mentoring programmes that brings together employees to help and support them achieve their goals and ambitions.

- **Supporting wider campaigns that promotes and champions diversity**

As an organisation we will support and champion external campaigns such as International Women's Day through our various channels, including social media, to act as a voice for change and to be seen as leader in championing equality in the workplace

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