

Gender Pay Gap Report

February 2024

In 2017 the UK Government introduced new reporting regulations under the Equality Act 2010 requiring companies with over 250 employees to disclose their gender pay gap annually.

Age UK has two reportable companies - Age UK the Charity, which includes colleagues in our influencing, services, and fundraising teams, and Age UK Trading CIC, which includes our back office and retail colleagues. This report outlines the results for both companies on the snapshot date of 5 April 2023.

Age UK also includes the legal entities Age Co and Age International, both these organisations employ less than the legally required 250 reportable colleagues and so they are not included in the gender pay gap report.

What is the gender pay gap?

The gender pay gap is the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of average male earnings.

A gender pay gap is indicative of labour market sex inequity and can result from a number of factors including differences in the occupations and types of roles carried out by women and men, level of seniority and engagement in part time work.

The gender pay gap does not compare salaries earned by men and women in the same or like for like roles and is not a measure of equal pay. It is solely the difference in average gross hourly earnings between the sexes. Equal pay, on the other hand, is the legal requirement for men and women to be paid the same for performing the same work or work of equal value. Both Age UK the Charity and Age UK Trading CIC are equal pay employers.

Age UK's Workforce

On 5 April 2023, the snapshot date, Age UK employed 402 reportable colleagues and AgeUK Trading CIC employed 1041, broken down as follows:

	Age UK the Charity	Age UK Trading CIC
% of the Workforce Female	78%	78%
% of Workforce Male	22%	22%
	2% increase in favour of males compared to the last reporting period.	2% increase in favour of males compared to the last reporting period.

The Median Gender Pay Gap

	Age UK the Charity			Age UK Trading CIC		
	2021	2022	2023	2021	2022	2023
Median Gender Pay Gap	16.96%	10.87%	3.43% ↓ Decreased 7.44% since 2022	0%	0%	2.12% ↑ Increased 2.12% since 2022

For statistical purposes the median gender pay gap is considered to be a more accurate measure, than the mean, as it is not skewed by outliers in terms of very low or very high rates of hourly pay.

The 2023 median gender pay gap at Age UK the Charity is 3.43%. It has decreased significantly year on year from 22% in 2020, to 16.96% in 2021 and 10.87% in 2022. This fall of 18.57 percentage points, in three years, demonstrates significant progress towards permanently closing the gap. It also compares favourably to the 2023 national median which is 14.3%.

The median gender pay gap for Age UK Trading CIC is 2.12%. This is a rise of 2.12 percentage points over the last two years when the gap was 0%. This is a slight increase which is being actively monitored, however it is not a cause of significant concern as the median gap has consistently remained either very low or non-existent in Age UK Trading CIC.

The Mean Gender Pay Gap

	Age UK the Charity			Age UK Trading CIC		
	2021	2022	2023	2021	2022	2023
Mean Gender Pay Gap	8.51%	7.98%	7.21% ↓ Decreased 0.77% since 2022	22.29%	8.81%	17.6% ↑ Increased 8.79% since 2022

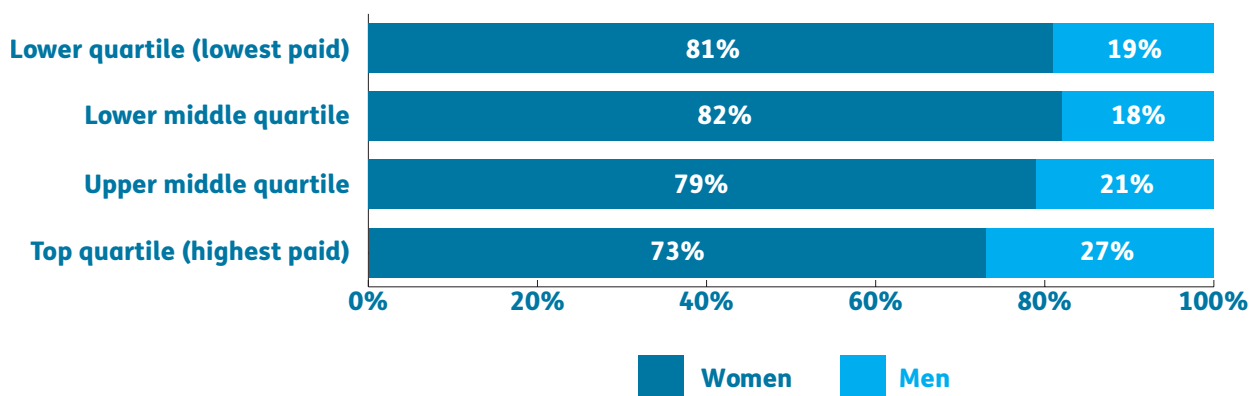
The mean gender pay gap at Age UK the Charity continues to close year on year. For 2023 it's 7.21%, a decrease of 3.22 percentage points since 2020 (10.43%).

For Age UK Trading CIC, the mean gender pay gap for 2023 is 17.61%. This represents an increase of 8.79 percentage points since 2022, however it is still notably lower than the preceding years including 22.29% in 2021, 20.92% in 2020 and 22.28% in 2019.

Males are overrepresented in senior roles in Age UK Trading CIC, making up 22% of the total workforce, they account for 31% of top quartile roles. This overrepresentation is reflected in the mean pay gap.

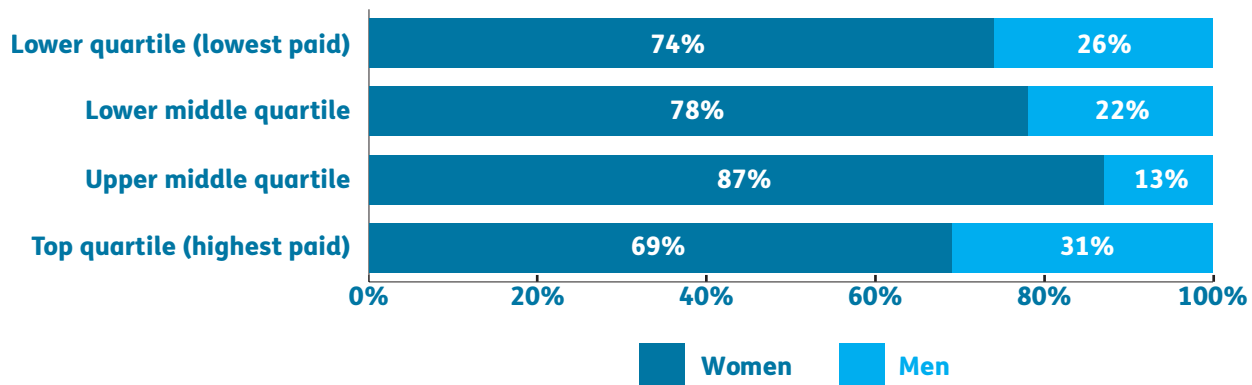
Pay Quartiles

Age UK the Charity Pay Quartiles 2023



In Age UK the Charity, women occupy 73% of the highest paid roles and 81% of the lowest paid roles. The percentage of females in the lowest paid quartile has decreased slightly from 85% over the last three years to 81% in 2023. Conversely, the percentage of females in the highest paid quartile has increased from 64% in 2020 to 73% in 2023, a positive upward trend of 9 percentage points.

Age UK Trading CIC Pay Quartiles 2023



In Age UK Trading CIC, women occupy 69% of the highest paid roles and 74% of the lowest paid roles. The percentage of females in the lowest paid quartile has increased slightly by 2% since 2022. Conversely, for the same period, the percentage of females has decreased in the top quartile by 5%, and in the upper middle quartile by 2.5%, reflecting a slight reduction in the proportion of females in management positions.

Males in Age UK Trading CIC account for 22% of the overall workforce, they are however overrepresented in senior positions, making up 31% of the top quartile. Age UK Trading CIC includes our retail division, where the workforce is 82% female. Whilst retail salaries are sector competitive, and meet national minimum wage requirements, rates of pay are still in the lower quartile. As the workforce is majority female, which is indicative of an occupational bias, this impacts the pay gap. We are committed to actively tackling this by seeking to recruit more men into frontline junior positions and continuing to support the recruitment, development and retention of women into senior management positions.

Bonus Gap

Age UK does not pay bonuses as they are commonly understood. However, we do deliver a nomination-based reward scheme that provides a small net payment to colleagues in recognition of special achievements. For the purposes of gender pay gap reporting, the scheme falls into the definition of a bonus.

We also have a legacy long service award which we have honoured in some very old contracts that pre-date Age UK's existence. For 2023, in Age UK the Charity, 5 females received the reward and 4 males, representing a 79.65% mean bonus gap and a 16.71% median bonus gap favourable to women.

For Age UK Trading CIC 11 males, compared to 27 females, received the award. The mean gap is 23% in favour of men and the median gap is 0%.

Explaining and Addressing the Gender Pay Gap

78% of the workforce of Age UK the Charity and Age UK Trading CIC is female. Whilst we are proud to be an employer of choice for women, we recognise this level of female representation is indicative of structural sex bias within the charity sector, where women are more likely than men to be employed, particularly in part time, junior positions. At Age UK the Charity and Age UK Trading CIC, the overall percentage of men in the workforce is low (22%) however men are overrepresented in senior positions and underrepresented in frontline junior positions. This is a sector wide occupational disparity, and it is driving the continuing, albeit in part falling, gender pay gap. To close the gap, we are:

1. Seeking to recruit more men into frontline junior positions, particularly in our call centres and retail stores.
2. Delivering changes to our salary structure and pay transparency, to provide consistency, reduce inequities and improve workforce trust and confidence.
3. Improving our hybrid and flexible working model, including supporting employees to work from abroad. We have always been committed to flexible working which means that varied working patterns, homeworking, job-share and other ways of working are common at Age UK. This, along with paid family leave, carer's leave and support with childcare costs, is particularly valued by our female colleagues, who as a result of sex inequities disproportionately have caring responsibilities for child and adult dependents. Expanding our flexible working offer should continue to have positive impacts on workforce productivity, engagement, and retention, with notable benefits for women.
4. Investing in our staff networks, including Menopause Champions and Mental Health First Aiders, so that colleagues are actively engaged in creating an inclusive working culture, policies and practices.
5. Continuing to develop talent management strategies that focus on supporting colleagues from minoritised groups including women, to thrive throughout their career journey at Age UK.

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www.ageuk.org.uk