



# Merseytravel Gender Pay Gap Report 2017-2018

## Keeping the Liverpool City Region Moving





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## Background

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6th April 2017. Under these Regulations, any organisation that has 250 or more employees must publish and report specific figures about their gender pay gap.

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. It is different to equal pay which is concerned with pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. Paying men and women differently for carrying out the same or similar work is unlawful.

As a public sector body, Merseytravel is also covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017. This requires Merseytravel to publish and report gender pay gap data following the public sector rules, i.e. the figures must be calculated using a specific reference date - this is called the 'snapshot date'. The snapshot date each year is 31 March for public sector organisations.

Merseytravel is required to publish the following four types of figures on our own website and on a government website:

- Gender pay gap (mean and median averages)
- Gender bonus gap (mean and median averages)
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the organisation's pay structure

The purpose of this report is for Merseytravel to meet its statutory obligations in respect of reporting of gender pay gap information. The data and analysis will be used to inform further investigation and, where appropriate, identify actions that Merseytravel will take to address any arising gender pay gap. Merseytravel is fully committed to ensuring that employees are paid fairly for the work they undertake, irrespective of their gender.



## **1. Merseytravel – who we are and what we do**

Merseytravel is the Executive body that provides professional, strategic and operational transport advice to the Liverpool City Region Combined Authority to enable it to make informed decisions. It is also the delivery arm, making transport happen.

Merseytravel oversees the public transport network and is responsible for coordinating bus and rail services, maintaining transport infrastructure, providing public transport information and operating the Mersey road tunnels, the Mersey Ferries and their associated visitor attractions.

Merseytravel works in partnership with central, regional and local government, the Local Enterprise Partnership, public transport operators, other Passenger Transport Executives, the business community, community groups and members of the public.

Merseytravel currently employs 746 employees across a number of sites within the Merseyside area. This includes office-based employees at Mann Island in Liverpool City Centre, Mersey Ferries terminals, Mersey Tunnels and bus stations containing travel centres, with other employees working out on the transport network.

Due to the diverse nature of our operations, Merseytravel has a wide range of job posts including Professional, Technical, Administration and Operational roles.

## 2. Gender Pay Gap Analysis

The gender pay gap is the difference between the mean or median hourly rate of pay for male and female employees.

This section sets out Merseytravel's position in respect of:

- ♀♂ Gender pay gap (mean and median averages)
- ♀♂ Gender bonus gap (mean and median averages)
- ♀♂ Proportion of men and women receiving bonuses
- ♀♂ Proportion of men and women in each quartile of the pay structure

### Organisation Composition



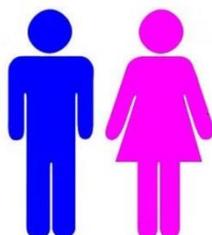
Male – 63.5%



Female – 36.5%

### Gender Pay Gap

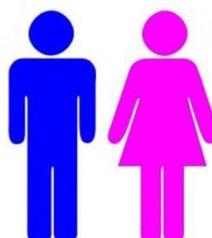
#### Mean Pay Gap



14.61% gap

This means that, on average, male Merseytravel employees are paid 14.61% higher than female Merseytravel employees.

#### Median Pay Gap



13.22% gap

This is slightly higher than the public sector gender pay gap which is 13.1% (which is the highest gender pay gap in the public sector since 1999)

### Bonus Pay Gap

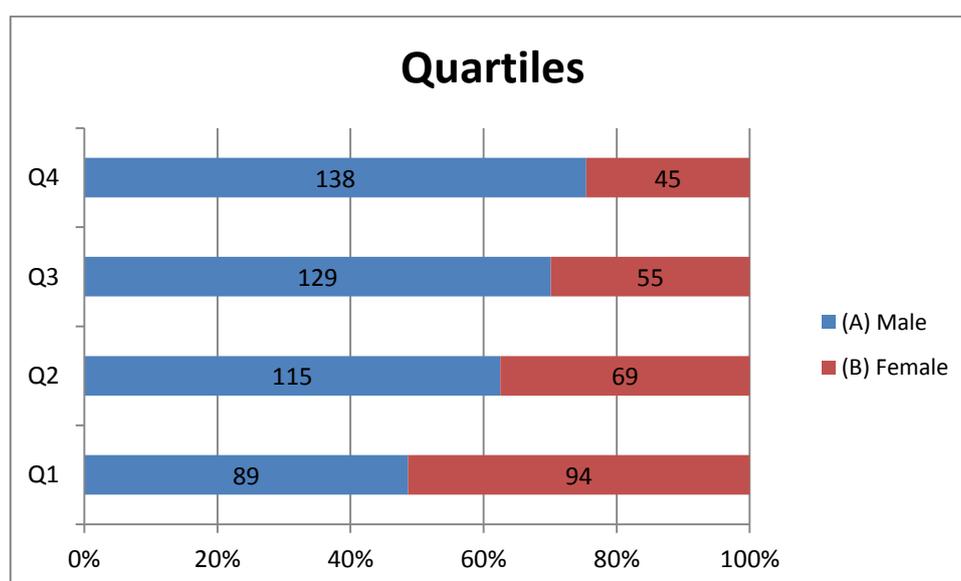
Merseytravel does not pay bonus payments.

## Proportion of male and female employees in each pay quartile

The chart below shows the proportion of male and female full time equivalent employees in four pay bands.

To calculate these figures, we:

- ranked our full time equivalent employees from highest to lowest paid
- divided this into 4 equal parts ('quartiles')
- worked out the percentage of men and women in each of the 4 parts



### Lower Quartile



**Male – 48.6%**



**Female – 51.2%**

### Upper Quartile



**Male – 75.4%**



**Female – 24.6%**

The figures show that the split within the lower pay quartile is fairly even however this is not the case in the upper quartile where three quarters are male and only one quarter female.



## **What does this mean?**

It is important to reinforce that gender pay gap and equal pay are different things. All pay within Merseytravel is determined through a job evaluation scheme which evaluates the appropriate level of pay based upon the factors within the job. Our approach to pay is therefore gender neutral, ensuring that men and women in equivalent roles receive the same pay.

Merseytravel is therefore confident that our gender pay gap is not due to paying men and women differently for the same or equivalent work, rather it is the result of the roles in which men and women work within Merseytravel and the salaries that these roles attract.

Just over two thirds of Merseytravel's employees are male. It is therefore evident that there is an under-representation of female employees in the Organisation. This is a common issue amongst Passenger Transport Executives. It would appear that local transport as a career choice is not as attractive to women as it is to men. This is also true within the wider transport sector, including the Department for Transport whose mean pay gap figure is higher than that for Merseytravel (16.9% compared with 14.61%).

Our data also shows that the proportion of females decreases through the higher pay quartiles and is at its most significant in the uppermost quartile. It is therefore evident that the under-representation of women in those higher paid roles is the main reason behind our gender pay gap.

The calculation for average pay for the purposes of Gender Pay Reporting includes allowances such as shift pay, weekend enhancement and night rate. In some cases, the rate of pay does not necessarily reflect the levels of seniority within the Organisation. A non-managerial level employee may earn more than a manager due to the allowances the role attracts. There is a higher proportion of male employees who work shifts, nights and weekends than women. The exception to this is in Customer Service type roles which attract a lower rate of shift pay as they work alternating rather than rotating shifts. Significantly less women than men work night shifts.



## Merseytravel's Action Plan

At the same time as being a public sector body, Merseytravel's public profile is as a transport industry which is historically male-dominated. Addressing the gender pay gap will therefore require a long term, focussed plan which will involve working collaboratively with partners both in the Liverpool City Region and other organisations in the transport sector.

### On the Right Track

Merseytravel already undertakes a great deal of work to ensure the promotion and importance of equality in employment practices. This work was reinforced following the introduction of the Public Sector Equality Duty.

The actions Merseytravel currently takes to ensure gender equality in employment include:

- ♀♂ All people policies are designed to promote equality and are screened to ensure that any equality implications are identified and addressed;
- ♀♂ Recruitment advertisements and role descriptions are reviewed to ensure they do not contain gender bias;
- ♀♂ Personal information is recorded separately on the application form and is not provided to the shortlisting manager. This means that candidates are shortlisted purely on the basis of their qualifications, skills and experience;
- ♀♂ Selection methods are reviewed to ensure that there are no equality issues;
- ♀♂ Flexible working is available to all employees which also assists with female employees returning to work after maternity leave and this has been taken up by a significant proportion of returners.
- ♀♂ Career breaks are available to employees and are often taken up by female employees wishing to extend their time off following maternity leave
- ♀♂ A job evaluation scheme which sets salary levels objectively and ensures that we pay equally for work of equal value.

### Continuing the Journey

Merseytravel is fully committed to working to address the gender pay gap. The first step will be to undertake further detailed analysis to identify the root of the problem. Only then can we begin to truly tackle the gender pay gap in a way that is meaningful and sustainable.

Merseytravel's Action Plan for 2017/18 involves the following principal themes:

#### 1. Data Analysis

The analysis undertaken to prepare this report is only the starting point. It has thrown a useful spotlight onto areas that require further investigation. Further data will be produced and analysed in the following areas:

- ♀♂ Gender split in senior positions – the analysis of pay shows that there is a significant difference in the percentage of males and females in the upper



pay quartile. As this will be due, in part, to enhancements such as shift and night pay, we need to identify an accurate position in relation to females in senior roles based on salary grade.

- ♀♂ Is there occupational segregation? Further analysis will be undertaken to determine which areas of the business are predominantly male/female and the types of jobs they undertake.

## 2. Recruitment and Selection

Linked to the data analysis section above and on the basis that two thirds of Merseytravel employees are male, we will investigate:

- ♀♂ Whether or not we are attracting female candidates.
- ♀♂ Are we attracting female candidates for certain jobs and not others?
- ♀♂ Do female candidates apply for senior positions?
- ♀♂ Are we attracting female candidates but they are not making it through the selection process? If so, is there any pattern to the stage at which female candidates are not taken any further in the process?

We will also investigate whether Merseytravel's Apprenticeship programme can be utilised as a tool to address the gender imbalance in the Organisation, particularly if data analysis shows that there is occupational segregation.

## 3. Training and Education

- ♀♂ Merseytravel is investing in an e-learning package which we can utilise to roll out training programmes across the Organisation, including Equality and Diversity training. We will also investigate developing a training programme specifically for those in supervisory and managerial positions to support managers to better understand the positive impact of 'difference' within teams, with a focus on removing unconscious bias.
- ♀♂ We have previously run programmes such as Springboard, to develop women into senior roles and such interventions will be investigated for the future.
- ♀♂ We will investigate ways to support and progress our most talented women so that they are able to compete successfully for our most senior roles including those which may be regarded as non-traditional.
- ♀♂ Where appropriate we will celebrate and highlight the achievements of women from within the organisation and use their positive inputs as inspiration for others.

## 4. Working with Partners

Merseytravel is a member of the Urban Transport Group (UTG) which is a professional network on urban transport issues, including people and skills. Through this group, which includes TfL, we will investigate national initiatives that promote skills and diversity. Possible avenues to explore include:

- ♀♂ Consulting the CIHT Routes to Diversity and Inclusion toolkit which was designed specifically for the transport sector. It provides tips and case studies to help employers to recruit, retain and develop a more diverse workforce;



- ♀♂ Linking into the TfL “Women in Transport” programme;
- ♀♂ Investigating STEMNET which connects employers with young people and educators in order to promote the study of STEM subjects and work towards addressing the STEM skills shortage. This is funded by the Department for Business, Innovation and Skills;
- ♀♂ Investigate other schemes and resources for best practice ideas on attracting girls and women into careers in STEM subjects, e.g. WISE and TeenTech.