



# Loans at Home

**Gender Pay Gap Reporting 2018**

## What it is about?

As part of the NSF family, we remain passionate about employing high quality people and ensuring that they are paid fairly, irrespective of their gender or any other aspect of diversity..

Under new legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap. The analysis is based on data as at 5th April of each year.

This report aims to highlight any differences in the average pay between male and female employees. This is different to equal pay which requires that men and women who carry out the same or similar jobs; or work of equal value, are paid the same. It is unlawful to pay people unequally because they are a man or a woman.

## Pay and Bonus Gap

The table below shows our overall mean and median gender pay and bonus gap based on hourly rates of pay as at the snapshot date of 5 April 2018, and bonuses paid in the year up to 5 April 2018.

Pay & Bonus Gap	Mean	Median
Hourly Pay Gap	20.0%	11.0%
Bonus Gap	12.6%	0.75%

This is the statutory calculation that we are required to publish. The mean is the average and the median is the middle value in all of the numbers listed in numerical order. It shows the difference in average pay and bonus between all men and women within our Company.

The principal reasons for the differences highlighted above are the fact that first, Loans at Home has a greater number of female employees working in entry level (administration) roles than male employees; and second, that a higher proportion of the most senior positions are held by men. Entry level positions at Loans at Home tend to attract more flexible working opportunities, with more women than men working on a part-time basis.

This is the second year that Loans at Home has disclosed its average (mean) gender pay gap, with the gap reducing significantly (over 7%) from 27.4% in 2017 to 20.0% in 2018. While pleased with this progress, we acknowledge there is still more to do.

The median hourly pay gap has also reduced from 15.4% in 2017 to 11.0% in 2018.

Whilst our median bonus gap has reduced from 13.6% to 0.75%, our mean bonus gap has increased from 3.4% to 12.6%.

An analysis of our 12.6% mean bonus gap shows that in the previous reporting year no bonuses were paid to the most senior employees (Directors) whereas in the current reporting year bonuses were paid to Directors, the majority of whom (80%) are male. Whilst we believe that the 12.6% bonus gap is a more accurate reflection of the true position of our business, if Directors are removed from the calculation then our mean bonus gap reduces to 0.56%.

This reinforces the position that the principal reason for the gap is a structural one rather than any differences in pay or bonuses between men and women and that we apply the same bonus eligibility rules to both men and women.

## Pay Quartiles

The charts below illustrates the gender distribution at Loans at Home across four equally- sized quartiles of our employees (dividing employees into four equal groups, from lowest to highest paid).

We are pleased to report an improved balance across the quartiles with an increase of 3% of women in our upper quartile, and a reduction of 11% of women in our lower quartile. We are confident that men and women are paid equally for doing equivalent jobs across our business however, as highlighted above, we recognise that whilst we have made some progress we still have more females in entry level roles and more males in technical and leadership roles.



# Our Actions

**We remain focused on ensuring that our recruitment processes are bias free and we never compromise on selecting the best person for the job, regardless of gender, or indeed any other measure of diversity.**

We continue to promote diversity through a range of different policies including the following:

- Family policies – we promote policies that help to remove barriers that may affect employees with family commitments;
- Annual pay review - through moderation of our performance ratings, pay increases and bonus amounts are compared across gender and work of equal value; and
- Development opportunities – we aim to always ensure that merit alone determines who our future leaders will be.

## Statement

We confirm that the information and data provided herein is accurate and in accordance with statutory and regulatory requirements.



David Thompson

CEO

January 2019

