



# Government Equalities Office

## Closing the Gender Pay Gap

### Responding to this Government consultation

Before completing this form, please refer to the Government consultation on closing the gender pay gap that provides background detail to all of the questions:

<https://www.gov.uk/government/consultations/closing-the-gender-pay-gap>

Depending on your views and experiences, it is estimated that this survey will take approximately 10-15 minutes to complete.

The closing date for responses is **6 September 2015**. Responses received after this date will not be considered.

### Disclosure of responses

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 [FOIA], the Data Protection Act 1998 [DPA] and the Environmental Information Regulations 2004).

The Government may publish responses received from organisations. If you want other information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory code of practice with which public authorities must comply and which deals, among other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department. The Department will process your personal data in accordance with the DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

**YOUR DETAILS**

**Please complete the following:**

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City	London
Postal Code	EC3P 3DQ
Country	UK
Email address	Simon.oswald@aviva.com
Contact number	0207 662 0847

**Are you completing this consultation as an (tick one):**

Individual	
Organisation	Y

**If you are responding on behalf of an organisation, please complete the following:**

Company name	Aviva Plc
Company address	St Helen's
Address 2	1 Undershaft
City	London
Postcode	EC3P 3 DQ
Country	UK
Email	
Contact number	0207 662 0847
Number of staff in company	250+

**Please select what type of company it is (tick one):**

Business representative organisation/ trade body	
Charity or Social Enterprise	
Business	Y
Legal representative	
Local Government	
Professional body	
Public Sector	
Trade Union or Staff Association	
Other, please specify	

## **YOUR RESPONSES**

**Q1: Publication of gender pay information will encourage employers to take actions that will help close the pay gap. Do you:**

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

**Do you want to provide any further comment in relation to your answer above (Q1)?**

We agree with this statement.

We believe that publishing gender pay gap information is an important first step in encouraging employers to close the pay gap and enabling further public discussion of the issue and how to address it. Publishing gender pay information will require employers to collate and measure their gender pay data and the understanding gained from this will give them a basis from which to address any issues.

Aviva Plc recently acquired Friends Life who were one of the first organisations to publish gender pay gap information, as part of the Think, Act, Report Initiative. Friends Life first published gender pay gap data in 2011 and have published data every year since. Since reporting their gender pay gap data Friends Life has increased the percentage of women employees at senior grades. Aviva are fortunate to be able to benefit from Friends Life's leadership in this area and we are committed to building upon this success throughout our enlarged organisation.

It is also important to stress that reporting gender pay gap data is not enough in itself. It should be seen as a precursor to taking action to reduce the gap.

**Q2: Transparency on gender pay will have an impact on (tick as appropriate):**

We believe that gender pay transparency may, to varying degrees, impact all of the behaviours listed above.

Essentially we believe that raising awareness and understanding of the gender pay gap within different organisations and sectors, will create the competitive pressure to reduce the gap. Employers will not want not be seen as laggards, investors may view a large gender pay gap as an issue of concern or potential talent may be deterred from joining the company. Employers will thus be incentivised to address the problem and in so doing will give serious consideration to how the gap can be reduced and what barriers are preventing improvement. This may include considering such issues as flexible working, shared parental leave or other examples of best practice. Greater transparency thus drives actions to encourage the gender pay gap to be measured, reported and reduced.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree	Don't know
Encouraging girls and women to consider working in a wider variety of occupations and sectors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouraging employers to develop their female talent	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouraging employees to take up flexible working or shared parental leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouraging employers to support flexible working or shared parental leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouraging employers to adopt good practice on how to manage/support a multigenerational	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

workforce						
Helping those who have a stake in the organisation such as investors, shareholders and clients	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helping employers to address equal pay in their organisation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Q3: Employees or other interested parties (e.g. shareholders) may want to gauge how an employer's gender pay gap compares with similar organisations. How important do you think comparability is (tick one)?**

- Not at all important
- Very unimportant
- Somewhat unimportant
- Somewhat important
- Very important
- Extremely important
- Don't know

**Do you want to provide any further comment in relation to your answer above (Q3)?**

Comparability is somewhat important as it would help to provide a useful benchmark to assess individual companies and sectors and enable investors to make informed investment decisions.

In order for the data to be comparable it also needs to be consistent. We therefore believe that the Government should set out a minimum standard of reporting requirement. Companies may wish to report additional data to this but there should be a set minimum disclosure which employers should be required to meet. We believe that an overall figure of gross hourly earnings of base salary for all men and for all women would be appropriate as a minimum baseline.

Additional granularity such as gender pay gap by job grade or by full time and part time employees would be beneficial but grades and job families are unlikely to be sufficiently aligned from company to company and even more so across industries to enable this information to be used without caution. Even without additional granularity being mandated, insights from the data will still be helpful in terms of developing actions and tracking progress, so we believe that more granular of disclosure should remain voluntary.

**Q4: Do you think the regulations should specify where the employer publishes their gender pay gap information - for example, a prominent place on their public website?**

- Yes
- No
- Don't know
- We believe that companies should be required to publish their gender pay gap data in a prominent and easily accessible place. In the case of Friends Life, they have published their data on their website. However, the most appropriately prominent place may differ for different organisations and so we believe that the regulations should not prescribe where the information should be published. Rather, we believe that the regulations should stipulate that the data should be published in a prominent place but not be too prescriptive as to where exactly this should be.

**Q5: Which of the following measures showing the difference in the pay of male and female employees are you currently able to calculate from existing data and systems?**

	Tick all that apply
An overall gender pay gap figure	<input type="radio"/> <input checked="" type="checkbox"/>
Gender pay gap figures broken down by full-time and part-time employees	<input type="radio"/> <input checked="" type="checkbox"/>
Gender pay gap broken down by grade or job type	<input type="radio"/> <input checked="" type="checkbox"/>
None of the above	<input type="radio"/>

**Q6: Do you think that any additional narrative information published by employers should be:**

	Tick one
Voluntary and not set out within the regulations or non-statutory guidance	<input type="radio"/>
Voluntary, not set out within the regulations, but set out in the non-statutory guidance	<input type="radio"/> <input checked="" type="checkbox"/>
Set out within the regulations	<input type="radio"/>
Other, please specify	<input type="radio"/>

**Q7: How often do you think employers should report gender pay gap information?**

	Tick one
Every year	<input type="radio"/> <input checked="" type="checkbox"/>
Every 2 years	<input type="radio"/>
Every 3 years	<input type="radio"/>
Other	<input type="radio"/>

**If you responded 'other' to Q7, please specify how often employers should report gender pay gap information below:**

**Q8: What is your assessment of the costs of conducting gender pay analysis and publishing results?**

We are unable to actively quantify answers to questions 8 and 9 but we do not believe the costs are material enough to prevent us from reporting.

	Actual Costs (£)	Estimated Costs (£)
Infrastructure (e.g. software)		



<b>Training requirements</b>		
<b>Publication</b>		
<b>Other, please specify</b>		
<b>Total</b>		

**Q9: What is actual / estimated time taken by the lead person assigned to the activity of analysing and publishing a gender pay gap estimate?**

	<b>Actual Costs (£)</b>	<b>Estimated Costs (£)</b>
<b>Number of hours</b>		

**Q10: Private and voluntary sector employers in Great Britain with at least 250 employees may fall within the scope of the proposed regulations. Do you think this threshold is appropriate?**

- Yes  
 No  
 Don't know

**If you said 'no' to Q10, do you wish to provide any further comment below?**

**Q11: The cut off period for any calculation of the gender pay gap will need to be specified in the regulations. Which of the following do you consider preferable (tick one)?**

- 1 January  
 6 April  
 1 October  
 The year-end date for each organisation  
 No preference  
 Other

**If you said 'other' to Q11, please specify which date you would prefer and why below:**

**Q12: The Government is considering a number of actions to help support employers implement the proposed regulations. How helpful do you think the following measures would be?**

We believe that we are already quite well advanced in understanding and calculating any issues on our own gender pay gap and so the options listed below are of limited value to us. However, this may not be the case for other organisations and they may well find further support useful- we will leave this for other employers to comment on. That said, we believe that Option D on helping employers to address the issues identified by a pay gap analysis may be of particular benefit as ultimately the aim is to address the problem rather than simply report on it. It may be that organisations other than Government may be best placed to provide this support and advice, such as employment umbrella organisations, or those closer to certain sectors.

	Very unhelpful	Not very helpful	Neither helpful or unhelpful	Somewhat helpful	Very helpful	Don't know
Helping employers to understand the new regulations e.g. through workshops and seminars	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helping employers to calculate their organisation's gender pay gap e.g. through access to software	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helping employers with other types of supporting analysis e.g. analysis of representation of women at different levels within the workforce	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helping employers to address the issues identified by a pay gap analysis	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other, please specify	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Q13: Do you think there are alternative ways to increase transparency on gender pay that would limit the cost for employers, for example reporting to the Government via the existing PAYE system?**

- Yes
- Don't know

**If you said 'yes' to Q13, what alternative(s) would you suggest?**

We believe that the proposals outlined in this consultation paper are the best approach. Any alternative system such as reporting via the existing PAYE system risks being less transparent and thus less effective in reducing the gender pay gap. Furthermore, we think consistency and comparability are important and so there should one standardised approach such as that set out in this consultation.

**Q14: Do you think that introducing civil enforcement procedures would help ensure compliance with the proposed regulations?**

We believe that, at least in the short term, a system of support for companies reporting their gender pay gap should be prioritised over a system of civil enforcement. Some companies may be willing to report on their gender pay gap but may initially find this difficult due to data compilation problems or other issues affecting their business. For this reason we would support a comply or explain approach whereby companies that fail to report on their gender pay gap should be required to explain why they have not done so. This comply or explain approach is a cornerstone of the UK Corporate Governance Code.

If companies consistently fail to report on their gender pay in the longer term we believe it may then be appropriate for the Government to consider introducing civil enforcement procedures but this should be a last resort.

- Yes
- No
- Don't know

**Q15: What, if any, do you consider to be the risks or unintended consequences of implementing section 78?**

We believe there is risk that some employers and employees may not fully understand the difference between gender pay gap and equal pay. Any misunderstanding risks compromising the quality of the data and could even give rise to spurious claims under equal pay legislation. We believe that it is incumbent upon the Government to clearly explain what is meant by the gender pay gap, how this differs from equal pay and provide clarity about employers' reporting requirements.

**Q16: Do you consider there are any risks or unintended consequences that warrant dropping or modifying the implementation of section 78?**

- Yes
- No

**If you said 'yes' to Q16, please explain why you think this is:**

**Q17: How do you think the Government can most effectively encourage young girls to consider the broadest range of careers?**

We regard questions 17-19 as being best answered by policy experts.

We are very willing to work with the Government to discuss what more business can do to support women to progress in the careers.

**Q18: How do you think the Government can work with business to support women to return to work and progress in their career after having children?**

**Q19: How do you think the Government can make sure that older women are able to fulfill their career potential?**



**Thank you for your time in completing this consultation.**

**You may email or post your completed response as follows:**

**By email:** [GenderPayGapConsultation@geo.gov.uk](mailto:GenderPayGapConsultation@geo.gov.uk)

**By post:**

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