

# National Express Limited (NEL) – Gender Pay Reporting

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## Introduction

This report provides statistics to meet the legal obligation on gender pay gap reporting for all companies with over 250 employees.

## Key reporting requirements:

- 1 Gender pay gap (GPG) - pay mean and median
- 2 Bonus pay mean and median
- 3 Bonus eligibility male and female
- 4 Quartile Analysis male and female

Analysis includes those on full pay at the reference date of 5<sup>th</sup> April 2017.

## Definitions:

**Pay** is defined within the regulations and now includes: basic pay, paid leave, area allowances, shift premium pay, bonus pay and other pay (including allowances paid via payroll, on call and standby allowances, clothing, first aider or fire warden allowances).

**Bonus** pay is defined as: *payments received and earned in relation to profit sharing, productivity, performance and other bonus or incentive pay, piecework and commission, long term incentive plans and shares.* Bonus data has been collected for the 12 months that ends on 4<sup>th</sup> April 2017.

## Analysis : Workforce Composition

Table 1	Male % of workforce	Female % of workforce	Notes
National Express Limited (NEL)	70.3%	29.7%	Total 1,216 employees (361 female).

National Express Limited (NEL) is our UK based Coach Business. This business includes frontline roles such as drivers, customer service advisors, contact centre advisors as well as depot and divisional administrative and professional roles. The gender split is reflective of the broader transport industry which has traditionally been a male dominated one.

## 1 GPG Pay Mean and Median

The table 2 below shows the mean and median difference between male and female pay in NEL. The percentages shown are the % by which female pay is lower than male pay in the business (the “gender pay gap”):

Table 2: Business Unit:	Mean	Median
National Express Limited (NEL)	16.15%	14.91%

the main driver of the gender pay gap is the ratio of head office positions to front-line driver positions; these head office positions both attract higher salaries and a larger number are currently occupied by men.

While at a headline level the figures would suggest a pay gap between males and females, we are satisfied that the issue is one of female representation in higher paying roles, rather than of equal pay for equivalent roles.

# Gender Pay Reporting – Continued

## 1 GPG Pay Mean and Median

The gender pay gap within NEL is below the UK average of 18% (as per the Institute of Fiscal Studies) and 19.2% as per the ONS.

## 2 GPG Bonus Mean and Median

The table 3 below shows the mean and median difference between male and female bonus payments in NEL. The percentages shown are the % by which female bonus is lower than male bonus in the business:

Table 3 Business Unit:	Mean	Median
National Express Limited (NEL)	82%	68%

NEL’s mean bonus pay gap is 82% - the median difference is also high at 68%. The main driver is that the majority of NEL senior positions are occupied by men and attract the highest paid bonus payments.

## 3 Bonus Eligibility

The table 4 below shows the percentage of male and female employees who are eligible to take part in the bonus scheme.

Table 4 – Business Unit	Male	Female
National Express Limited (NEL)	12%	14%

The percentage of total women eligible to be in the bonus scheme is marginally higher than men. This is because there is a greater concentration of women in professional roles that qualify for a bonus

## 4 Gender Spilt – Pay Quartiles

The pay quartiles show the proportion of male and female employees in the upper, upper middle, lower middle and lower quartile pay bands.

Quartile	% Male (NEL)	% Female (NEL)
Upper	80.66	19.34
Upper Middle	88.82	11.18
Lower Middle	61.84	38.16
Lower	49.83	50.17

# Gender Pay Reporting – Continued

## 4 Gender Split – Pay Quartiles

Like other transport companies, we have a lower proportion of females employed in our senior roles/ higher pay quartile than men – and this is the main driver of the gender pay gap. This situation has in main part arisen due to the traditional demographics of the transport industry in the UK which primarily attracts male employees – especially in front-line roles such as drivers and mechanics.

Within our most senior roles as represented by upper quartile pay, 59 roles are filled by women out of the 305 available. Whilst we have seen increases in female representation at all levels across the business in recent years, there is still significant differences in the male/female split.

### Next Steps:

- Continue to monitor our gender pay gap and activity.
- Provide and publish data for the next 3 years as required in order to make comparisons.
- Continue to inject momentum and initiatives to increase female participation in the broader workspace and to support development in to senior roles. Our action plan will include activities such as: developing and encouraging more female applicants for senior posts through our high potential programme; reviewing how effective our recruitment processes are in generating female applicants; ensure gender balance when recruiting graduates; providing robust career development programmes with role model mentoring; supporting and promoting family-focused options such as flexible working; acknowledging and challenging unconscious bias and inappropriate behaviors; and, ensuring our NX competency framework is utilised to support staff.