



2023 GENDER PAY GAP REPORT

A MESSAGE FROM GRAHAM CLEMETT, CEO



Graham Clemett
Chief Executive Officer

At Workspace, we know that a workforce made up of people with a wide range of backgrounds and experiences will contribute to our long-term success and help us achieve our goals.

We are committed to supporting diversity in all its forms and to creating an inclusive culture that attracts the best individuals to our company.

This report is our 2023 Gender Pay Gap Report and is based on a snapshot of our pay data as of 5 April 2023.

Why do we have a gender pay gap?

We are clear that our gender pay gap is not a result of unequal pay. In line with the Equality Act 2010, our pay scales ensure that we pay men and women equal pay for equivalent work.

As with last year, the underlying cause of our gender pay gap is gender imbalance at different role levels. While we have 58.3% of our workforce made up of women overall, men currently make up a larger proportion of senior, higher paying roles and women make up a larger proportion of junior, lower paying roles. Our more senior, higher paid roles also attract higher bonus payments, both in percentage and absolute terms.

Comparison to 2022

I am pleased to report that we have seen a decrease in our mean gender pay gap this year. Mindful of the pressures and challenges faced by many of our employees in the current economic climate, we increased our 2023/24 staff salaries by 6%, with a minimum uplift of £3,000 for staff earning below £50,000. In contrast, members of our Executive Committee received pay rises at lower than 6%. As we have a greater proportion of women in our lower paid roles and a smaller proportion in our highest paid roles, in practice this meant that, on average, women received a higher pay rise in percentage terms, helping us reduce our mean gender pay gap.

We recognise, however, that we have seen increases in our median gender pay gap, median bonus gap and mean bonus gap.

This year we have seen an increase in the proportion of men in our Upper Quartile compared to women. This has been driven by recruitment of a number of men into new roles in the Upper Quartile, in combination with a number of women with roles in the Upper Quartile being on parental leave on the Snapshot Date and therefore not included in the calculations. As our more senior, higher paid roles attract higher salaries and bonus payments, this has contributed to the increases to our median gender pay gap and our mean and median bonus gaps.

The increase in our mean and median bonus gaps has also been driven by new starters in our Executive Committee roles and higher bonus payments awarded to our CEO, CFO and other members of the Executive Committee in the twelve months to 5 April 2023.

For the purposes of calculating our bonus gap last year, as two members of our Executive Committee were new starters in that year, they had not yet received a bonus to be included in the bonus gap calculations. This meant, in terms of those included in our calculations, 33.3% of our Executive Committee were women and 66.6% men. This year, that has changed to 25% women and 75% men as all members of the Executive Committee received a bonus for the purpose of this year's calculations. In addition, bonuses were higher in the twelve months up to the 5 April 2023 Snapshot Date compared to the prior twelve months to 5 April 2022, when bonuses were affected by the ongoing impact of Covid-19 and resultant economic conditions. Combined with the proportional increase in men receiving a bonus at Executive Committee level, this has resulted in an increase in our mean and median bonus gap.

We remain committed to addressing the gender imbalance in our top quartiles in the long term.

OUR GENDER PAY GAP INFORMATION

This page shows our gender pay gap and our gender bonus gap, on both a mean and median basis.

The **MEDIAN** gender pay gap compares the midpoint of all male hourly pay within the organisation with the midpoint of all female hourly pay within the organisation. The **MEDIAN** bonus gap compares the midpoint of all male bonus pay within the organisation with the midpoint of all female bonus pay within the organisation.



= the purple figure is the MEDIAN

The **MEAN** gender pay gap shows the difference in the average hourly rate of pay between all men and all women in the organisation. The **MEAN** bonus gap shows the difference in the average bonus awarded to men and women.



/5 = MEAN pay

At Workspace almost all of our employees are eligible for and awarded an annual bonus, paid each year in June.

We are pleased to report that the difference in the proportion of men and women receiving bonuses has narrowed significantly this year. In our gender pay gap report last year, we explained that we had experienced a higher level of staff turnover and vacancies in mid and low level roles than we had seen pre-Covid. As women made up a greater proportion of these new starters and leavers, this was reflected in the lower proportion of women that had received a bonus (65.80% compared to 80.91% of men in 2022). This year there has been less of a difference in the numbers of men and women respectively leaving and joining, resulting in a much narrower difference between the proportion of men and women receiving bonuses as of the 5 April 2023 Snapshot Date.

Gender Pay Gap

The gender pay gap is the difference between men and women's average pay across an organisation, expressed as a percentage. It is determined by comparing the average pay for all men with the average pay for all women on the Snapshot Date, without accounting for different roles, tenure, experience, location or performance.

As explained in more detail on page 2, our gender pay gap is largely influenced by gender imbalance at different role levels. Further details on this imbalance can be found on page 4. Further detail on the reasons we have seen an increase in our median gender pay gap can be found on page 2.

Gender Bonus Gap

Our gender bonus gap is similarly influenced by the same gender imbalance, as our more senior, higher paid roles also attract higher bonus payments, both in percentage and absolute terms. Further details on the reasons we have seen an increase in our bonus pay gaps can be found on page 2.

MEDIAN GENDER PAY GAP

28.79%

2022: 22.69%

MEAN GENDER PAY GAP

34.06%

2022: 36.14%

MEDIAN BONUS PAY GAP

30.08%

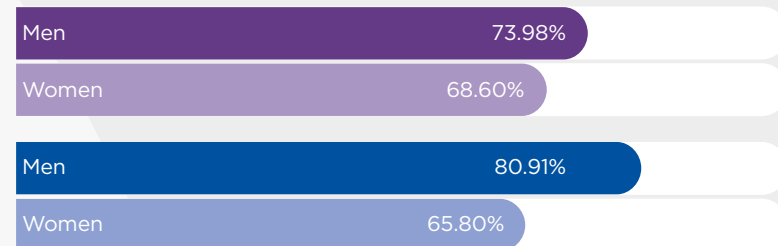
2022: 17.99%

MEAN BONUS PAY GAP

55.70%

2022: 48.25%

Proportion of employees who received a bonus



● 2023 ● 2022

OUR GENDER PAY GAP INFORMATION

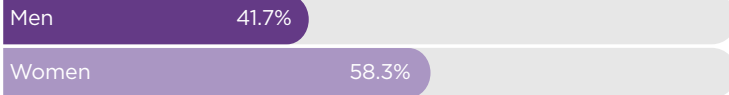
This page shows our total number of employees and the gender split of roles across four equal quartiles.

TOTAL EMPLOYEES AS AT 5 APRIL 2023

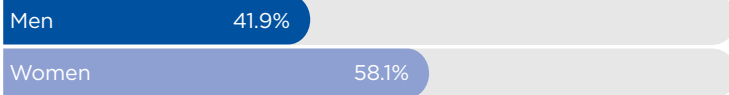
288

2022: 253

2023



2022



As with last year, we continue to have a good gender balance overall.

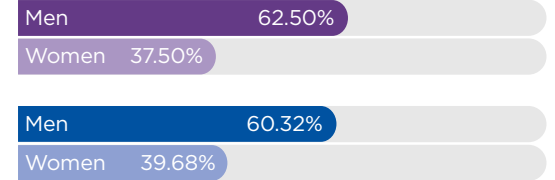
Proportion of male and female UK employees according to quartile pay bands

We have divided our workforce into four equal sections by number of staff and calculated the proportion of men and women in each quartile.

This shows we have a higher proportion of men in the upper quartile (higher paying, more senior roles) and a higher proportion of women in the three remaining quartiles (comparatively lower paying, mid-level or junior roles). It also shows that as of the Snapshot Date of 5 April 2023, we have had a small increase in the proportion of men in the Upper Quartile and an increase in the proportion of women in the Lower Quartile compared to 2022.

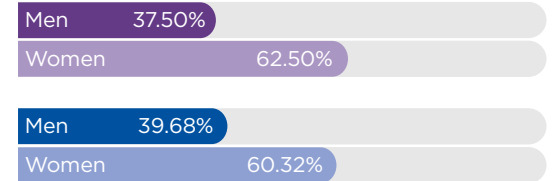
UPPER

● 2023 ● 2022



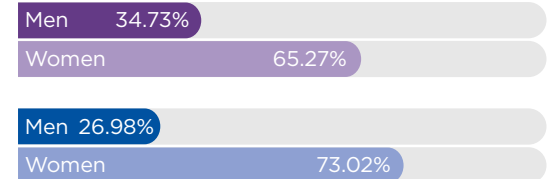
UPPER MIDDLE

● 2023 ● 2022



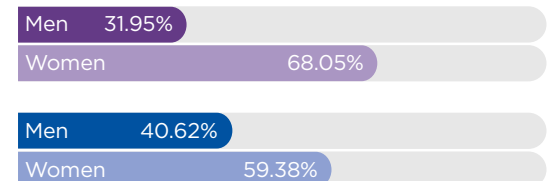
LOWER MIDDLE

● 2023 ● 2022



LOWER

● 2023 ● 2022



WHAT ARE WE DOING TO ADDRESS THE GENDER PAY GAP

CULTURE

Every employee has the right to be treated with respect and dignity throughout their employment with us and not to be discriminated against. We have a zero tolerance attitude to bullying, harassment or victimisation of any kind

Our recruitment and selection, training and development, performance reviews and promotion processes are all based solely on individual merit and free from bias

We monitor and analyse the diversity of our employees so that we can track and progress our diversity initiatives. This year, we made changes to how we collect diversity information from our staff in order to improve the quantity and quality of data available to us

Our Board and Executive Committee are regularly updated on our progress with diversity initiatives and external guidance and recommendations for improving diversity.

We offer flexible working options (including hybrid working) to support employees with family and/or caring commitments

We have an employee support network aiming to provide a forum for parents and carers, including how Workspace can better support them. In the coming year, we will factor any feedback from this network into our processes for supporting returners to work

We provide unconscious bias and harassment training for all employees

RECRUITMENT AND SELECTION

In 2022 we hired a Recruitment Manager to oversee our entire recruitment activity and process and we introduced a new recruitment policy which sets out fair and consistent recruitment procedures

We review and change job titles where appropriate.

This year we changed the role of Receptionist to Centre Co-ordinator to better reflect the role and to appeal to a wider pool of candidates

We review job specifications to ensure we consistently use inclusive language that encourages both male and female candidates

We provide unconscious bias and interview skills training for all hiring managers. In the coming year we intend to introduce further training for line managers, including managing difficult conversations

Guidance and support notes are provided to hiring managers to promote fair and thorough processes

We advertise all vacancies internally before undertaking any external advertisement, to encourage internal applications

When we do advertise externally, we have increased our use of social media and other direct recruitment methods in order to reach a wider pool of talent, including encouraging applications from people who may be returning to work and from local communities via local job centres, universities and schools. This year 23 roles were filled by direct applicants

Where we use recruitment agencies, we ensure they have a commitment and track record in diverse appointments

When a senior role becomes available, we seek to encourage diverse applications and to shortlist an equal number of men and women where possible

TRAINING AND DEVELOPMENT

We promote progressive career development through encouraging lateral job moves where opportunities arise

We hold bi-monthly meetings between the HR team and senior managers with a view to identifying opportunities for staff development

During our annual appraisal process, we identify employees who have strong potential for development, and put training and development plans in place for them

We provide a Group-wide internal training programme to offer employees opportunities to learn and develop skills such as organisation, people management and managing difficult situations

We offer Institute of Leadership & Management training for line managers

We support staff with further studies by sponsoring external learning and development where appropriate

We have implemented 'career pathways', for our centre team roles, to make it clearer to staff how they can progress their careers at Workspace

This year we made 35 internal promotions

WHAT ARE WE DOING TO ADDRESS THE GENDER PAY GAP

Our progress from last year

WHAT WE SAID WE WOULD FOCUS ON

Continue to advance our initiatives and remain focused on maintaining our inclusive culture.



Whenever a senior role becomes available we will seek to encourage applications from women and to shortlist an equal number of male and female candidates wherever possible.



Review and refresh our diversity and inclusion policies with a focus on the wellbeing and welfare of our staff, in particular our parental leave policies the possibility of offering job shares where appropriate to the role.



The Board and Executive Committee to continue to engage with our staff, in particular hiring managers, to further promote awareness of the importance of diversity.



OUR PROGRESS

We remain committed to our diversity & inclusion initiatives and maintaining our inclusive culture.

This year we have provided additional recruitment training for hiring managers. We have also focused on holding a greater variety of events, including external guest speakers and introducing podcasts.

We have continued building our 'Supporting Others' network, a forum in which those with caring responsibilities can share their experiences and discuss ways in which we can help support those with caring responsibilities.

We continue to seek to encourage applications from women and to shortlist an equal number of men and women for senior roles where we can, although our policy remains to always recruit the best person for the role regardless of their background and characteristics.

In early 2024 we implemented a new recruitment software module into our HR system, which enables us to anonymise and remove personal details from CVs so they are assessed on a 'blind' basis. We intend to use this to further reduce the risk of unconscious bias in our recruitment.

We have conducted a benchmarking exercise for our diversity & inclusion policies, including our parental leave policies.

We produced guidelines for line managers on people returning from parental leave and drafted an induction programme for new parents coming back from parental leave.

We have explored the possibility of job shares for certain roles and using recruitment methods which are more likely to reach returning parents, for example posting roles on Mumsnet Jobs.

Our Board and Executive Committee remain committed to diversity & inclusion. This year, they have been fully supportive of our initiatives, including additional training for hiring managers and our drive to increase awareness of the importance of diversity using external speakers and podcasts.

Our Executive Committee also received refresher diversity & inclusion training.

LOOKING TO THE FUTURE

Diversity & inclusion remains high on the agenda of our Board and Executive Committee. In the coming year we will continue to advance all our initiatives to encourage gender diversity at all levels, and particularly in our more senior positions.

In particular, in the next year we plan to:

- Continue to widen the pool of candidates from which we recruit by introducing apprenticeship schemes, encouraging staff recommendations, and working with job centres, charities and universities to reach candidates that may not come through more traditional recruitment methods.
- Use our new recruitment software to produce and analyse more detailed information, and to implement new recruitment initiatives such as standardising language used in job adverts and anonymising CVs.
- Continue our focus on internal development and promotions, including further development of our career progression pathways and implementing a new learning management system to enhance our training and development provision.
- Continue to improve awareness of diversity at all levels, by rolling out enhanced D&I training for the Executive Committee, hiring managers and all staff and increasing the use of external speakers to bring different perspectives.
- Introduce a D&I working group to provide a forum for discussion of ideas with staff representatives from across the organisation, with feedback to be elevated to the Executive Committee.
- Implementing recommended changes to our parental leave policies following completion of our benchmarking exercise this year.

STATUTORY DISCLOSURE

Our 2023 gender pay gap report is based on a snapshot of our pay data as of 5 April 2023 and has been prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Gender pay gap (mean and median)

Mean hourly pay gap	34.06%
Median hourly pay gap	28.79%

Gender bonus gap (mean and median)

Mean bonus pay gap	55.70%
Median bonus pay gap	30.08%

Proportion of men and women receiving bonuses

Men	73.98%
Women	68.60%

Proportion of men and women in each quartile of our pay structure

	Men	Women
Upper	62.50%	37.50%
Upper middle	37.50%	62.50%
Lower middle	34.73%	65.27%
Lower	31.95%	68.05%

I confirm that the calculations provided are accurate and meet the requirements of legislation.



Graham Clemett
CEO