

GENDER PAY GAP REPORT 2018



Introduction

Lovewell Blake is one of the leading accountants, business advisers and financial planners, operating in its region.

Our culture and ethos at Lovewell Blake is 'different because you are'. We believe that our people are our most valuable asset and recognise that each of our employees is different. We are committed to providing our employees with tailored valuable training and support to ensure they reach their own individual potential, through both industry related qualifications and internal continuous professional development courses.

We have built up an industry leading reputation for our apprenticeship and graduate schemes, which is evidenced by our accredited employer status with AAT and ACCA and Platinum status with the ICAEW. We have once again been named as one of the top 100 UK employers for School/College leavers and recruit up to 20 trainees/apprentices on an annual basis, which form approximately a third of our overall workforce.

This report relates to the data for the snapshot date of 5 April 2018 and the figures included have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. In line with this legislation we are required to publish an annual gender pay gap report and provide the following statistics:

- Mean gender pay gap
- Median gender pay gap
- Mean bonus gender pay gap
- Median bonus gender pay gap
- Proportion of males and females receiving a bonus payment
- Proportion of males and females in each pay quartile

Our gender pay and bonus gap

We are pleased to report that the gender balance across our workforce is 64% female and 36% male, on our previous report the balance was 66% female and 34% male. 20% of our workforce have chosen to make use of our flexible working policy and work on a part-time arrangement.

Gender pay gap	
Mean	18.6%
Median	24.06%

Our mean gender pay gap has decreased by 7% and our median has decreased by 0.74%

We are committed to the principle of equal opportunities and equal treatment for all employees and believe that the gender pay legislation has assisted our firm in understanding the causes of our gender pay gap statistics and the barriers to overcome in order to reduce these.

We are confident that our mean and median gender pay gap statistics do not arise from paying our female and male employees differently for the same or equivalent work.

When we undertook a comparison of the data based on our grading structure and the number of male vs female employees within these roles, we identified that our gender pay gap reduced dramatically and is in fact caused by our gender balance and structure of our workforce.

We have 54% male and 46% female employees within our higher paid senior positions, in comparison to 33% male and 67% female employees within the lower grades. Our current structure reflects the UK economy as a whole, where it is more likely for men to be in senior positions and for administrative support positions to be predominantly undertaken by women.

Our pay framework is made up of salary bandings (including a structure for our administrative support employees and those in chargeable roles that range from trainee to manager grade). The bandings vary according to the level of responsibility, skills and competencies required, and staff are expected to move through the pay band according to their grade. Salary increases are based on performance in line with our competency framework, level of responsibility, study progression and professional development.

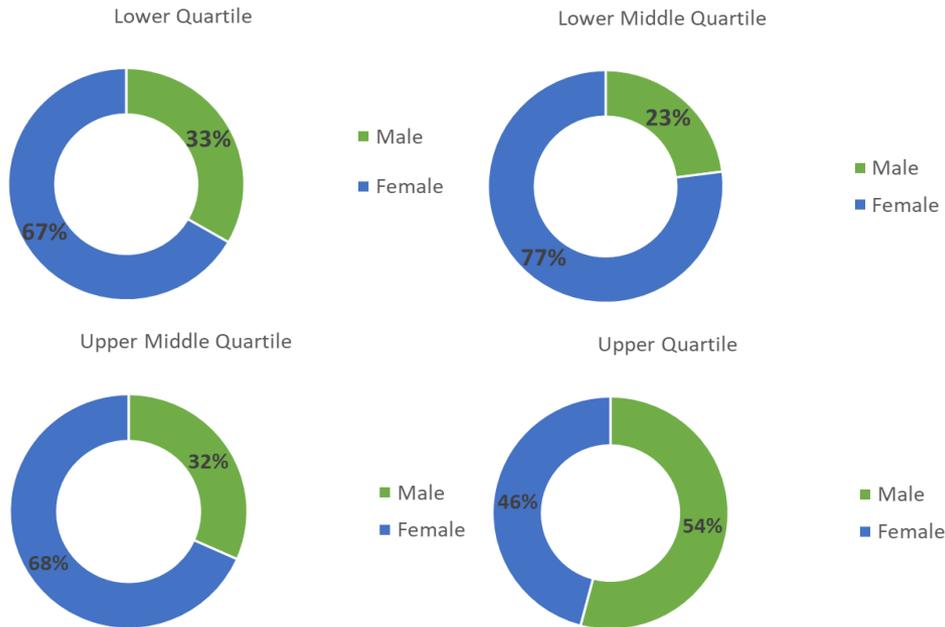
Gender bonus pay gap (year ending 5 April 2018)	
Mean	-18.5%
Median	-32.8%
Proportion of males and females receiving a bonus (year ending 5 April 2018)	
Female	Male
5.5%	12.6%

We do not currently have a bonus scheme in place or have an existing policy of paying large bonuses to individual members of staff. Therefore, the definition of 'bonus' in this report are the payments made to individuals in line with our recruitment and client referral schemes, which are entirely voluntary gender-balanced schemes open to all employees within the firm.

The proportion of men within our Firm who received a bonus in the 12 months up to 5 April 2018 was 12.6% and for women this was 5.5% yet we can see the women received more for these bonuses and the pay gap has actually turned negative. Similarly to last year, only 8% of all of our employees received a bonus during this period.



Proportion of males and females in each pay quartile



The pattern from the UK economy as a whole (along with other employers in our sector) is reflected in the structure of our workforce, where the majority of our employees in support/administrative roles and those in the first salary quartile are female, in comparison to those in senior positions and in the upper salary quartile where they are predominantly male.

The charts illustrate the four equal sized pay quartiles (based on hourly rates) across our workforce by gender. In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each band. However, 67% of the employees in the lower quartile are women and 33% are male. It is appropriate to note that last year the make-up of this lower quartile was 77% female and 23% male.

As highlighted in the chart above, the percentage ratio of male and female employees remains relatively similar across the next two pay quartiles, and show similar percentages to last year. However, the difference between the ratio decreases in the upper quartile, where there are 54% male and 46% female employees, compared to last year's figures of 59% male and 41% female.

We're pleased to see there are more females in the upper quartile compared to last year and also that there are less females in the lower paid quartile which demonstrates the initiatives we are putting in place to balance out our gender pay gap are working.

How will we achieve improved gender balance?

The figures in this report show we are moving in the right direction and we will continue to review our policies, processes and procedures to ensure the gender pay gap continues to decrease.

The key areas we will focus on in order to promote good gender balance and equality, will include career development opportunities, retention of employees, flexible working opportunities and support for those individuals with parental and caring duties.

Our employees describe Lovewell Blake as rewarding, friendly, diverse and motivating, and in order to be part of the team we require a 'can-do' attitude.

Whilst we have made a good start, we appreciate that it will still take time for initiatives to have a sustainable impact on the gender representation, balance and equality that we wish to achieve within all grades of the firm, particularly with the current structure of our senior roles. However, we are confident that with the 'can-do' attitude and collaborative working of our employees, we will continue to progress towards the firm's aim, and for our gender pay gap statistics to replicate this and will report the progress that we have made on an annual basis.

I confirm that the information provided in this report is accurate and is in line with the requirements of the regulations.



Colin Fish
Managing Partner
For Lovewell Blake LLP
23 January 2019