

UNDERSTANDING THE PAY GAP

What is the Gender Pay Gap?

The gender pay gap measures the difference in average pay between men and women across an organisation, regardless of their role or level. It reflects workforce composition, not unequal pay for the same work.

Since 2017, UK employers with 250 or more employees have been legally required to publish an annual gender pay gap report. The data presented here is a snapshot taken as at **5 April 2024**.

It's important to distinguish between the gender pay gap and **equal pay**. Equal pay compares men and women doing the same or similar work, while the gender pay gap shows broader trends across the workforce.

What's Included in the Calculations

- **Hourly Pay (as at 5 April 2024):** Includes basic pay, shift premiums, regional/area allowances, car allowances (if paid as cash), and a proportion of any bonuses paid in the April 2024 pay period. Employees on reduced pay (e.g. sick leave, maternity/paternity leave) are excluded from this calculation.
 - **Bonus Pay (for the period 6 April 2023 – 5 April 2024):** Includes performance bonuses, profit-sharing, incentive pay, commissions, piecework, and long-term or share-based awards.
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How the Gaps are Calculated

- **Mean Pay Gap:** The difference between average hourly pay for men and women.
- **Median Pay Gap:** The difference between the midpoint hourly pay of men and women.

These are also calculated for **bonus pay**.

- **Pay Quartiles:** All employees are ranked by hourly pay and split into four equal groups, showing the gender distribution within each pay band.

Our 2024 Results

Category	2024	2023
Mean Pay Gap	5.5%	-0.1%
Median Pay Gap	2.0%	0.0%
Mean Bonus Pay Gap	3.1%	63.2%
Median Bonus Pay Gap	0.4%	47.0%
Proportion Receiving Bonus		
- Men	52.3%	23.8%
- Women	52.8%	27.9%

Gender Representation Across Pay Quartiles

Quartile	2024	2023
Lower	76% M / 24% F	76% M / 24% F
Lower Middle	51% M / 49% F	51% M / 49% F
Upper Middle	69% M / 31% F	69% M / 31% F
Upper	56% M / 44% F	56% M / 44% F

Understanding Our Numbers

The **mean and median hourly gender pay gaps remain small**, with a median gap of just 2.0%. The gap is primarily driven by a higher proportion of men in senior roles.

The **mean bonus pay gap** has decreased significantly from 63.2% to 3.1%. However, this year's gap reflects **bonuses paid to a senior management team that remains male-dominated**, which also impacts the median figure.

Importantly, the proportion of men and women receiving bonuses is now nearly equal, reflecting improvements in bonus distribution.

Addressing the Gap

At Smart Solutions, we are committed to reducing our gender pay gap and promoting equality across the organisation. Key actions include:

- Maintaining our status as an **equal opportunities employer**.
- **Embedding diversity** in recruitment, promotion, and retention practices.
- Supporting **flexible working** arrangements for all employees.
- Encouraging career progression for all staff, with a focus on **supporting women into senior roles**.
- Regularly reviewing our **pay and reward frameworks** to ensure they are fair and gender-neutral.
- Partnering with external stakeholders to **promote underrepresented roles** to women.

We acknowledge that closing the gender pay gap is an ongoing journey. We remain fully committed to promoting diversity, equity and inclusion both internally and with our clients and partners.

Statement of Accuracy

I confirm that the figures and statements contained in this report are accurate to the best of my knowledge.