

Pre-school Learning Alliance Gender Pay Gap Report 2023

Introduction

This gender pay report is for the snapshot date of 5 April 2023. The figures have been calculated using the standard format required by legislation – the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

In this report, the Pre-school Learning Alliance trading as the Early Years Alliance will publish the results of three of the six metrics as the Alliance does not pay bonuses:

1. Mean gender pay gap in hourly pay
2. Median gender pay gap in hourly pay
3. Proportion of male and female employees in each pay quartile

The gender pay calculations are based on ordinary pay, which includes basic pay, allowances, and pay for leave but excludes overtime pay, repayment of expense or season ticket loans.

Commitment to equality, diversity and inclusion

The Alliance is committed to recognising, valuing and respecting the diversity of its employees, job applicants, service users, members, volunteers and trustees. The Alliance recognises that everyone has a contribution to make, and it aims to ensure that all individuals, with whom it has contact, will be treated in a fair and consistent manner.

The Alliance is therefore committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability.

The Alliance uses clearly defined pay scales to ensure employees are paid for the same or equivalent work, regardless of their sex (or any other characteristic set out above).

The early years sector and pay

Little has changed as the government continues to underinvest and funding rates have not kept up with costs, leaving early years providers struggling to raise wages up to and above the living wage and provide progression and development for their workforce.

The Covid-19 pandemic has created further instability in the already struggling sector with many providers expecting significant operating losses and rising turnover as staff exit the sector looking for better pay opportunities, leaving the sector with a critical lack of qualified staff.

A number of reports have been released highlighting the crisis faced by the sector, such as the National Centre for Social Research in collaboration with the Education Policy Institute (EPI) “Understanding the Early Years Workforce in 2020” which focused on the barriers around recruitment, retention and development highlighting pay as a major barrier in all areas.

The Social Mobility Commission released a report, “The stability of the early years workforce in England” also highlighted the most common barriers identified as pay, work demands and training. The Commission calls on the Government to provide a package of changes for the Early Years Workforce.

The Early Years Alliance

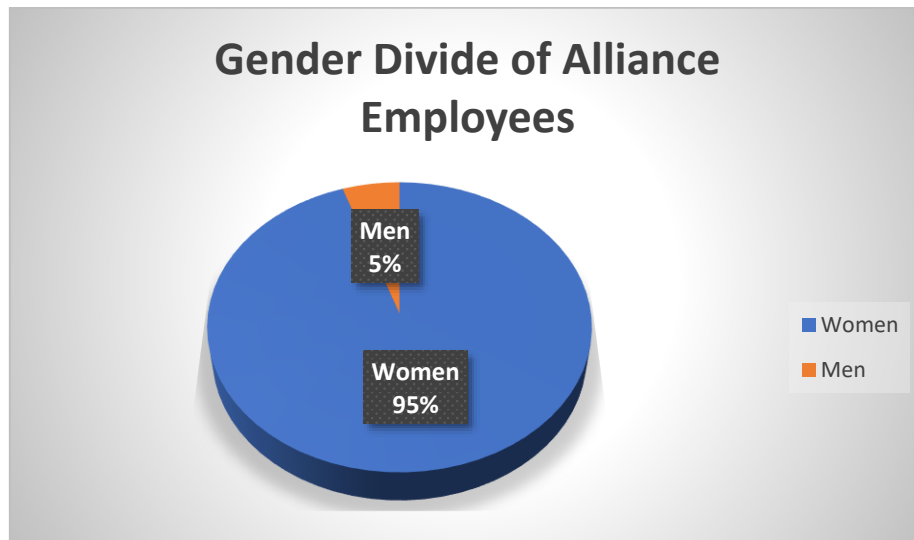
The Alliance uses defined pay scales based on the grading of a role. This means that two employees holding the same role will be placed in the same salary band, regardless of gender.

Where gender pay gaps do exist, this is due to differing gender demographics in different job roles, as outlined below.

The Early Years Alliance's operational management group consists of seven Directors, four of which are women.

Early Years Alliance demographics

The gender divide in the Alliance is shown below. The number of female employees is significantly higher than the number of male employees.



Out of 723 employees (eligible for gender pay gap reporting), 38 (5%) are male and 685 (95%) are female. This profile reflects the industry trend in the early years sector, which is still predominantly female.

Gender Pay Gap for the Early Years Alliance

1. The mean gender pay gap in hourly pay is 25% higher for men.
2. The median gender pay gap in hourly pay is 22% higher for men.
3. The proportion of male and female employees in each pay quartile as below:

Pay quartiles by gender

Band	Male %	Females %	Description
Lower	5	95	Includes all employees whose standard hourly rate places them at or below the lower quartile
Lower Middle	1.66	98.34	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
Upper Middle	3.30	96.70	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
Upper	11.11	88.89	Includes all employees whose standard hourly rate places them above the upper quartile

Gender Pay Gap Explained

Alliance staff fall into five groups: Management (includes the Operational Management team), Early Years, Admin & Technical, i.e. HR, IT and Finance and Communication, Project Delivery and Catering & Facilities, i.e. Cooks and Cleaners (all staff in this group are part-time). The largest group is Early Years and the smallest is Catering and Facilities.

There has been an improvement in the gender pay gap this year, which has seen a 20% decrease from last year, as a result of the early years staff receiving a higher percentage salary increase.

The majority of males as in previous years are in management and technical roles which have higher salary rates, while the Management group has a higher proportion of full-time high earning males.

The Alliance uses defined pay scales based on the grading of a role. These pay scales vary according to the nature, qualification and responsibility of the role. Each grade has a set pay range with set incremental spine points. In 2023 the lowest grades within the early years group saw a higher percentage increase in pay of 4.5% compared to those in the Management, Project Delivery and the Admin & Technical groups of 3.5%.

Employees are therefore being paid according to the job they do and not according to any other criteria. Hence, where females and males hold the same job role, they are paid on the same grade scale.

Conclusion and Next Steps

The Alliance's gender pay gap does not stem from paying men and women differently for the same or equivalent work. The gender pay gap is due to the under-representation of men in early years and part-time roles, which continues to be a challenge not just for the Alliance but for the wider early years workforce. In addition, with a predominantly female workforce and our on-going organisational commitment to work-life balance, a significant proportion of the Alliance's female workforce works part-time and term-time.

The Alliance each year completes a review of the pay and benefits for the staff in the early years group with staff in this group continuing to see an annual increase in pay and benefits. The charity continues to be committed to improving pay rates for its lower paid staff and when affordable moving from the National Living Wage to the Real Living Wage. This will result in an increase in the overall salary costs for all staff, but the charity recognises that this is a necessity and part of the process for improving pay and benefits for all our staff but especially those in the early years group and on lower grades.

In response to the results of the 2023 gender pay gap report the Alliance will ensure that we continue to:

- employ the highest quality of staff, assessed and selected only on their ability to meet the person specification criteria for roles;
- offer an extensive in-house learning and development programme, which is available to all staff regardless of any characteristic;
- promote existing female and male staff from within the organisation - this is one of our key HR performance indicators;
- provide management development, in order to encourage internal promotion to senior roles regardless of any characteristic; and
- promote a culture that is reflective, open, learning and engaging.

None of these initiatives will, in isolation, remove the gender pay gap – however we are seeing progress. In the meantime, the Alliance is committed to reporting on an annual basis on what it is doing to reduce the gender pay gap and any progress that it is making.

Statement

I confirm that the Early Years Alliance is committed to the principle of gender pay equality and has prepared its 2023 gender pay gap results in line with mandatory requirements.



Neil Leitch
Chief Executive
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