
Guide to publishing gender pay data

Following the news that many businesses will soon be required by law to publish gender pay data, law firm Burges Salmon has provided employers with a list of preparatory steps to help identify areas of potential risk.

Details of how the new gender pay gap regulations will be designed, including how data will need to be presented, will be determined following a consultation period due to end in September 2015. Regulations are likely in March 2016. In the meantime, Burges Salmon is urging those businesses with 250 employees or more to start auditing their current pay structures well in advance of the obligation to publish gender pay data, to ensure they identify any potential issues in time to address them. Without doing so, publication of these statistics could pave the way for equal pay claims from employees.

Review your current pay structures and grading systems to identify any areas which might require closer review or audit. Think about how you will manage any risks associated with conducting a more detailed review or audit, including the use of legal privilege. Explore any apparent gender pay disparities revealed and the reasons for them. Devise a strategy for dealing with any potential areas of concern. Develop an employee communication strategy

Adrian Martin, partner at Burges Salmon, said: “Despite the pay gap between men and women shrinking in recent years, yesterday’s announcement confirms there is still a considerable amount of work to be done to tackle pay inequalities: “Many organisations will have pay structures in place which might result in disparities in pay between groups of male and female workers because many of the reasons for the gender pay gap are, at least in part, attributable to historic and systemic inequalities in the economy and society as a whole. If businesses can put steps in place to audit their pay structures and rectify any issues they come across, they will be at an advantage when the time comes to publish their salary data.”

Statistics from the Office for National Statistics suggest that whilst the gender pay gap in the United Kingdom is reducing, it persists in most sectors of the economy. On average, women working full-time in the UK earn 9.4 per cent less than men in comparable jobs. The disparity rises to over 15 per cent for managers, directors and senior professionals and reaches 25 per cent in skilled trade occupations. When part-time employees are included the difference is 19.1 per cent across the whole workforce. Failure to publish gender pay data will be a criminal offence, attracting a fine of up to £5,000. In addition, Burges Salmon is encouraging organisations to consider the reputational and employee relations risks associated with any failure to comply.

Adrian continues: “As employees learn more about the gender pay gap and the work being done to mitigate the risk of inequalities in the workplace, they will undoubtedly have questions about their own organisations’ structures and processes. It is imperative that businesses have a solid communications strategy in place to deal with employee reactions and manage relationships within the workforce.”