

Gender Pay Gap Report 2020

Hello Student Management Limited



Introduction

As Hello Student Management Limited (“Hello Student”), a subsidiary of the Empiric Student Property plc, employed more than 250 employees at the gender pay reporting snapshot date of 5 April 2020 we are required by law to publish an annual report showing the difference in average female earnings compared to average male earnings.

Legally, men and women must receive equal pay for:

- the same or broadly similar work
- work rated as equivalent under a job evaluation scheme
- work of equal value

We are committed to 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. We have a clear Reward Policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above).

At the reporting snapshot date, females made up 57% of our workforce and 62% of our management team (defined as roles at Accommodation Manager level and above).

During April 2020 we furloughed 62 colleagues without taking any government funding. In line with statutory reporting guidance, these colleagues are excluded in our gender pay gap calculations but included for bonus comparison purposes.

Key headlines

- **Our overall gender pay gap reporting compares very favourably to nationally reported results.**
 - **Our gender pay gap for 2020 was -3.07% (mean) and 0.00% (median), showing very little difference in pay between the genders.**
 - **Our 2019 bonus design linked to a % of pay with actual sum paid dependant on performance.**
 - **Our gender bonus gap shows eligible females received a mean average of £114 higher bonus payment than eligible males, but this is skewed by the most senior and highest paid colleague in Hello Student (our Operations Director) being female.**
 - **When we calculate the median average bonus gap, eligible males received £238 more than eligible females. This is due to the proportion of males and females in differently paid jobs.**
 - **We are confident that our gender pay gap is not because we pay men and women differently for the same or equivalent work. Instead, our gender pay gap is because men and women work in different roles and those roles have different salaries**
 - **We are committed to minimising any gender pay and bonus gaps and to continuously improving the experience of all colleagues in respect of equality, diversity, and inclusion.**
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Supporting Detail

This is our annual gender pay gap report for the snapshot date of 5 April 2020.

- Our mean gender pay gap is **-3.07%** (females paid more than males).
- Our median gender pay gap is **0.0%** (females are paid the same as males).
- Our mean gender bonus gap is **-25.65%** (females paid more than males).
- Our median gender bonus gap is **25.17%** (males paid more than females).
- The proportion of male employees receiving a bonus is **45%** and the proportion of female employees receiving a bonus is **47%**.

Table 1: Pay quartiles by gender

This table shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile).

Band	Males	Females	What is included in this band?
A	23%	77%	All employees whose standard hourly rate is within the lower quartile
B	30%	70%	All employees whose standard hourly rate is more than the lower quartile but the same or less than the median
C	93%	7%	All employees whose standard hourly rate is more than the median but the same or less than the upper quartile
D	44%	56%	All employees whose standard hourly rate is within the upper quartile

Notes

A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The "lower quartile" is the lowest group. The "upper quartile" is the highest group.

The figures in this table have been calculated using the standard methods used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Across the UK economy, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). Women are more likely than men to be in front-line roles at the lower end of the organisation. Men are more likely to be in technical roles, which are paid more highly than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that may affect their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy is partly reflected in the make-up of our organisation.

Most cleaners at our locations are women working part-time and these make up the greatest proportion of the lowest pay employees in quartile A. In quartile B, this is made up exclusively of student ambassadors working on a casual fixed term basis and this is a role that appears to be more attractive to females. The high proportions of males employed in quartile C are predominantly maintenance operatives. The highest paid quartile D is made up of management team roles including site managers who are mainly woman and senior managers where the gender mix is evenly balanced. Our highest paid employee within Hello Student Management Limited is our Operations Director, a female.

How does our gender pay gap compare with that of others?

Most organisations have a gender pay gap, and we are pleased to say that ours is significantly smaller than that reported for the whole economy and there is hardly any pay difference between the genders.

The table below compares our results with the reported mean and median gender pay gap (according to the November 2020 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures).

Table 2: National Comparison

	Our organisation	2020 ONS ASHE whole economy
Mean gender pay gap	-3.07% (which equates to females being paid an average of 41p per hour higher than males)	14.6%
Median gender pay gap	0.0%	15.5%

Our mean gender pay gap is strongly influenced by one female Operations Director, the highest earning employee in Hello Student Management Limited. If we calculate our results without her pay being included, then the mean gender pay gap would reduce to 0.02%.

Our mean and median gender bonus gaps are: -25.65% and 25.17% respectively. However, if we convert these percentages to cash amounts the figures are small, at £114 and £238 respectively.

The highest bonus was £20,742, paid to our female Operations Director which again affects the mean result. If we had removed this individual from our calculation, then the mean bonus gap would have been 0.25% or £1 difference between genders. The median bonus gap is explained by more males working in higher paid roles receiving a percentage of their pay as bonus.

Forty-five percent of men at our organisation received a bonus in the 12 months up to 5 April 2020. For women this was 47%. All colleagues are eligible to participate in the discretionary bonus scheme subject to scheme rules (e.g. being in post for a minimum of six months in the bonus year).

How do our latest results compare with those we reported in 2019?

We reported our gender pay gap information for the first time in 2019 following a change in our business model meaning we brought more activities in-house (including cleaning and maintenance). The resulting increase in organisation size triggered the requirement for statutory reporting.

This coincided with a Human Resources team established to provide central support and guidance across the Group (Empiric Student Property plc).

Table 3: Previous Year Comparison

	2020	2019	Change
Mean gender pay gap	-3.07% (females paid higher)	1.65% (males paid higher)	(4.72%) swing to females
Median gender pay gap	0.0% (neutral)	3.99% (males paid higher)	(3.99%) shift to neutral
Mean gender bonus gap	-25.65% (females paid higher)	-15.59% (females paid higher)	(10.06%) no change
Median gender bonus gap	25.17% (males paid higher)	-9.15% (females paid higher)	+34.32% swing to males
Proportion by gender receiving a bonus	45% males 47% females	16% males 20% females	+29% males +27% females
Pay quartiles by gender (where A = lower, B = lower mid, C= upper mid and D = upper)	A = 23% males 77% females B = 30% males 70% females C = 93% males 7% females D = 44% males 56% females	A = 44% males 56% females B = 51% males 49% females C = 58% males 42% females D = 51% males 49% females	A = (21%) males +21% females B = (21%) males +21% females C = (35%) males +35% females D = (7%) males +7% females

What have we done to address our gender pay gap?

We are committed to doing everything we can to minimise any gender pay and bonus gaps and to continuously improving the experience of all colleagues in respect of equality, diversity, and inclusion.

Some examples of our actions in the year from April 2019 to the snapshot date, 5 April 2020 are as follows:

- We established a new Reward Policy supported by independent market testing. This introduced new hourly paid rates and salary ranges for the same job roles within a new banding structure for the Group.
- We amended the 2019 bonus scheme design to include all colleagues, subject to scheme rules.
- We made improvements in our performance management processes to help all colleagues achieve their potential and aspirations.
- We established an HR team inhouse to provide expertise and support to all managers who are involved in recruitment and pay review decisions.
- We set up a Colleague Forum made up of employee representatives across the business to support two-way feedback about a wide range of business topics and challenges.
- We conducted bi-annual Colleague Engagement Surveys to gain anonymous feedback about working for the organisation and what we can do to make improvements.
- We restructured our Hello Student senior management team, including the internal promotion of a female candidate to Operations Director.
- We introduced and proactively supported a range of flexible and agile working options to both enable our colleagues to effectively manage their work/life balance and as a core mechanism to support working pattern changes for our frontline essential workers during the COVID-19 pandemic.
- We continued to monitor and report people data to the Board as part of a regular HR update.

Over the next year, we will be focusing on:

- Internal development for all colleagues – growing their skills and awareness about different career options and project working opportunities across the Group.
- Defining our Environmental, Social and Governance (ESG) Strategy and programme. This will embrace further initiatives that will be launched throughout the year.

I, Duncan Garrood, CEO, confirm that the information in this statement is accurate.



Signed:

Duncan Garrood, CEO

Dated:

1 April 2021