



Institute
and Faculty
of Actuaries

IFoA gender pay gap report



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Background

Since April 2017, organisations with 250 or more employees have been required to publish specific data with regard to their gender pay gap. This is the difference between the average earnings of males and females in the organisation on the snapshot date of 5 April, expressed relative to male earnings. Due to employee numbers, the IFoA is not required to report on this but we are committed to ensuring the diversity, equity and inclusion of our colleagues and members, and are using this data to form part of our plan in this area. We are reporting on the data as at 5 April 2022.

This data comes from the IFoA's HR Information System, Cascade, so all data reflects that given by each colleague to the HR team upon joining the IFoA. Due to the statutory reporting format required by the Government, unfortunately, it is only possible to report on those identifying as male and those identifying as female, according to the information provided to the IFoA by those employees.

What is the gender pay gap?

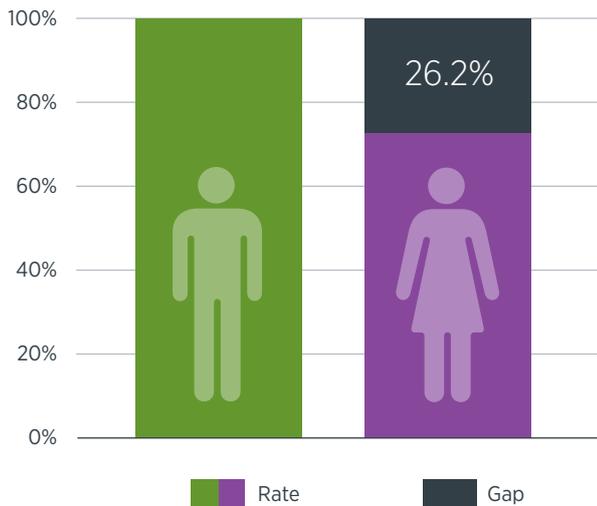
The gender pay gap shows the difference in the average hourly pay between males and females employed by the IFoA as at 5 April 2022.

Mean pay gap = 20.2%

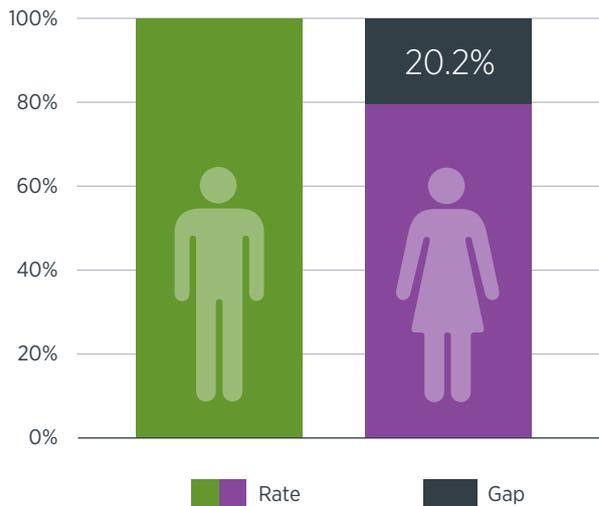
This represents a closing of the gap by 6% since April 2021, when the gap was 26.2%.

We now have an additional female director, which means that the Executive Leadership Team is 57% female, which has contributed to the closing of the pay gap. Our middle manager grade (grade 3) previously constituted 52% males, but the balance has now shifted considerably with 65% females. We have been able to offer internal development opportunities to many of our colleagues, which has contributed to this outcome. Our lowest grade is now occupied by all males (however, there are a very small numbers of colleagues involved).

Mean pay gap 2021



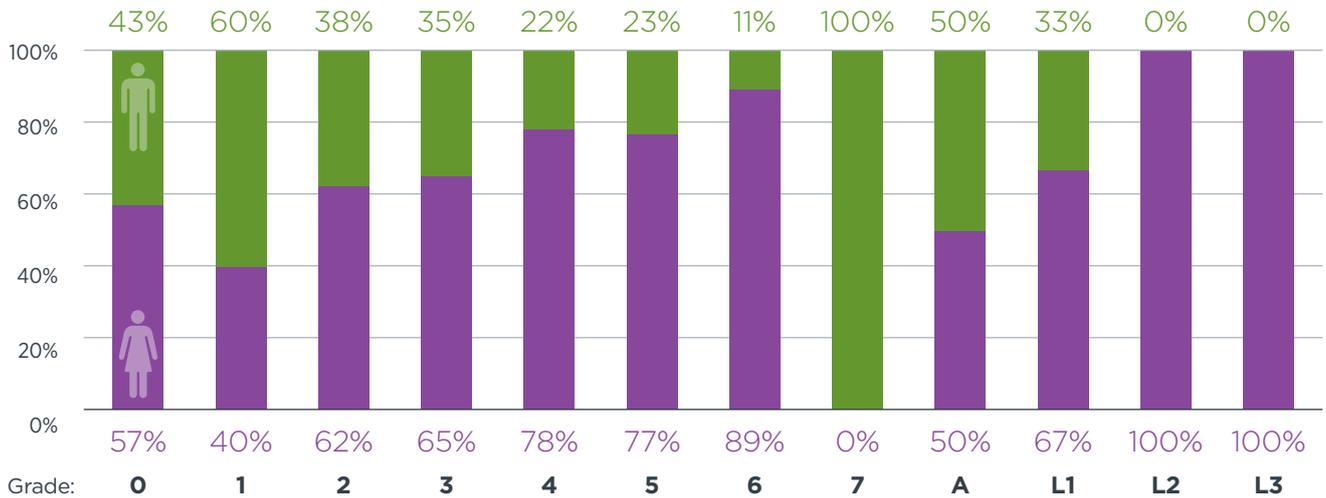
Mean pay gap 2022



Gender split by grade - 2021



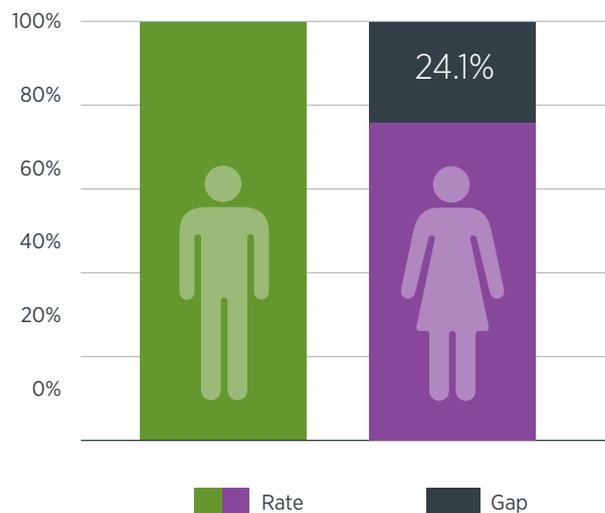
Gender split by grade - 2022



The median pay gap measures the difference in the mid-points of the pay ranges for males and females' pay.

Median pay gap = 24.1%, which is unchanged from the figures as at 5 April 2018. This reflects the fact that the majority of colleagues in a grade, regardless of their gender, will be paid the minimum of the pay range for that grade. This will change in future following the introduction of an element of performance-related pay. This will, however, be supported by rigorous checks to ensure that the approach does not disadvantage any particular group of employees.

Median pay gap



Quartiles

Company pay quartiles 2021



Company pay quartiles 2022



Gender pay gap regulations require organisations to report on the difference in representation of males and females in four equally sized quartiles, based on hourly pay. As you will see from the data above, in each quartile we continue to employ more females than males; however, the percentage of males increases significantly in the upper-middle and upper quartiles.

Female representation in the upper and upper middle quartiles has increased since 2021. The lower middle quartile is becoming more balanced between males and females and the number of males in the lower quartile has increased from 20% to 22%.

Bonus pay gap

Organisations must also report on bonus payments made during the 12 months prior to the snapshot date of 5 April 2022. For the IFoA, this would cover bonus payments made in May 2021. In this year, we paid a flat-rate corporate bonus to all colleagues. Therefore, all males within the IFoA received a bonus, as well as all females. The mean bonus gap was 17.3%. This is due to the fact that the bonus was paid as a percentage of salary, so the most highly paid colleagues received the highest amount of bonus.

The IFoA's commitment to Diversity, Equity and Inclusion



The IFoA has a clearly stated purpose to ‘champion and embody the benefits of a globally diverse and inclusive profession’ and does not tolerate discrimination in any form. We value differences and are committed to creating an environment where all colleagues are included, feel a sense of belonging and can thrive.

Since 2020, we have adopted outcomes-focussed working practices and provided flexibility wherever needed to assist with caring or other responsibilities. We have launched a formal hybrid working commitment, which gives colleagues control over where and how they carry out their work most effectively, with an emphasis on utilising office space for collaborative working and remote working for other tasks.

We have reviewed our recruitment practices to ensure there are no inherent biases, as well as providing further training for managers on fair recruitment and selection and in the area of unconscious bias. Wherever possible, CVs are anonymised during the recruitment process to ensure candidates are selected for interview purely on the basis of relevant skills and experience.

We have provided diversity, equity and inclusion training for all colleagues and regular refresher training.

We have introduced a DEI colleague group which is championing the DEI agenda within the IFoA, including communication activities, running an annual survey and co-ordinating events, such as National Inclusion Week.

We have a long-term plan in relation to our DEI strategy, with the next steps involving further work on recruitment processes and practices and carrying out impact assessments on HR policies when they are due for review.

Through a rigorous job evaluation and grading system, we are confident that we have a fair and consistent approach to paying IFoA colleagues, with fixed pay points for all but the most senior two grades, ensuring equity for employees regardless of gender.



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