What is Gender Pay Gap Reporting?

From 2017, all companies employing 250 or more employees are required to publicly report on their gender pay gap.

The gender pay gap uses the hourly rates of men and women taken at a specific date (the 'snapshot date') and shows the percentage difference in earnings across the organisation between men and women.

Reporting specifically requires: the mean* and median* gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses, and the number of men and women according to quartile pay bands.

The V&A operates as 2 companies; The Victoria & Albert Museum and V&A Enterprises. Due to the nature of each operating company, The Victoria & Albert Museum has a snapshot date of 31 March 2017 and V&A Enterprises has a snapshot date of 5 April 2017. There are often employees employed by each of the operating companies carrying out the same role, therefore the data for each company has been combined to show a true representation across the organisation as a whole. The individual reports for each operating company can be found in Appendix 1 of this report.

(* see glossary in Appendix 2)

What has the V&A done in recent years?

We had previously identified historical pay inequalities between male and females in the V&A. Steps have been taken over the last few years to address this through annual pay reviews, where pay increases have been weighted to deal with the imbalance of male and female salaries. On an annual basis, the V&A reviews the pay awards and bonuses awarded in the year to examine the distribution of pay across at all levels and across age, sex and ethnicity to ensure the pay systems in place are fair and reduce risk of inequality.
The V&A’s gender pay gap

The data presented is a combination of both reports in Appendix 1, taken at the respective snapshot dates, covering 929 employees, of which 70% are females and 30% are males. The data shows that the V&A has an overall mean gender pay gap of 7.1% and a median gender pay gap of 0%.

The V&A’s population is predominantly female, which is reflected at every level of the organisation with the exception of the most senior level, where the gender split is 56% male, 44% female. Having a smaller number of men means that even small fluctuations in the workforce can have a significant impact on the gender pay gap. Having a higher proportion of male employees in the upper pay quartile particularly impacts on the pay gap. For example, if the Director and Deputy Director were to be removed from the data, the mean hourly pay gender pay gap would reduce to 5.1%.

A large contributor to the mean gender pay gap is the difference in length of service between males and females. The average female length of service is 6.5 years and 10.9 for males. A larger proportion of men currently employed at the V&A have benefitted from historical pay progression arrangements which ceased in the public sector in 2011.
What action will the V&A take?

The following three areas are a priority for action to address the gender balance in the organisation:

**Pay awards**

The V&A will continue to review and act on any gender imbalances as part of the annual pay reviews. We will also ensure there is no bias towards either gender from recruitment through to career progression opportunities.

**Recruitment**

The V&A will explore how we can attract more men into the organisation to create a more even balance of gender. We will also look at how to attract females into the more male-dominated and higher paid roles, and continue to strive for balance at the top levels of the organisation. As an equal opportunities employer, we will always appoint the best candidate for the role, regardless of gender and other factors covered by the Equality Act 2010.

**Flexible working policies**

The V&A will continue to support flexible working across the organisation, in every role and at every level, to ensure all employees have the opportunity to work in a way that works for their home life and aspirations.
Appendix 1

1a. The V&A Museum Gender Pay Gap data (data taken at 31 March 2017)

<table>
<thead>
<tr>
<th>Female pay against male is:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean gender pay gap - hourly pay</td>
<td>6.5% lower</td>
</tr>
<tr>
<td>Median gender pay gap - hourly pay</td>
<td>4.5% higher</td>
</tr>
<tr>
<td>Mean gender pay gap - Bonus payments</td>
<td>10.2% higher</td>
</tr>
<tr>
<td>Median gender pay gap - Bonus payments</td>
<td>0% (the same)</td>
</tr>
</tbody>
</table>

Percentage of females and males in each pay quartile

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Female %</th>
<th>Male %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper</td>
<td>61.5%</td>
<td>38.5%</td>
</tr>
<tr>
<td>Upper Middle</td>
<td>73.3%</td>
<td>26.7%</td>
</tr>
<tr>
<td>Lower Middle</td>
<td>65.9%</td>
<td>34.1%</td>
</tr>
<tr>
<td>Lower</td>
<td>66.4%</td>
<td>33.6%</td>
</tr>
</tbody>
</table>

Percentage of females and males receiving a bonus payment

- Females: 46%
- Males: 44%
1b. V&A Enterprises Gender Pay Gap data (data taken at 5 April 2017)

<table>
<thead>
<tr>
<th>Gender Pay Gap</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mean gender pay gap - hourly pay</strong></td>
<td>5.3% lower</td>
<td>5.3% lower</td>
</tr>
<tr>
<td><strong>Median gender pay gap - hourly pay</strong></td>
<td>7.2% lower</td>
<td>7.2% lower</td>
</tr>
<tr>
<td><strong>Mean gender pay gap - Bonus payments</strong></td>
<td>4% lower</td>
<td>4% lower</td>
</tr>
<tr>
<td><strong>Median gender pay gap - Bonus payments</strong></td>
<td>73.8% higher</td>
<td>73.8% higher</td>
</tr>
</tbody>
</table>

Percentage of females and males in each pay quartile

<table>
<thead>
<tr>
<th>Pay Quartile</th>
<th>Female %</th>
<th>Male %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper</td>
<td>70.9%</td>
<td>29.1%</td>
</tr>
<tr>
<td>Upper Middle</td>
<td>72.6%</td>
<td>27.4%</td>
</tr>
<tr>
<td>Lower Middle</td>
<td>77.9%</td>
<td>22.1%</td>
</tr>
<tr>
<td>Lower</td>
<td>75.6%</td>
<td>24.4%</td>
</tr>
</tbody>
</table>

Percentage of females and males receiving a bonus payment

- Females: 31%
- Males: 22%
Appendix 2. Glossary

Mean: the mean refers to the numerical average of a set of numbers.
Median: the median refers to the number that is in the middle of an ordered set of numbers.