

BIG SOCIETY CAPITAL

The title 'BIG SOCIETY CAPITAL' is rendered in large, bold, sans-serif capital letters. The word 'BIG' is light blue, 'SOCIETY' is a vibrant green, and 'CAPITAL' is a light grey. Three small, square inset photographs are placed within the text: a smiling man with glasses and a beard is positioned behind the 'B' of 'BIG'; a smiling woman with blonde hair is positioned behind the 'P' of 'CAPITAL'; and a young child in a yellow jacket and grey scarf is positioned behind the 'Y' of 'SOCIETY'. A vertical blue line runs down the center of the page, passing through the middle of the text.

Gender and ethnicity pay gap report

October 2022

Introduction

Our equality, diversity & inclusion (EDI) action plan for 2020 – 2025, published in December 2020, sets out our objectives to continue to build an inclusive culture. We have continued to make significant progress on delivering against our EDI Action plan and ensuring it remains a priority.

At Big Society Capital we voluntarily disclose both our gender pay gap and ethnicity pay gap as we recognise using both gender and ethnicity data can help us support the drive for positive change and action in striving for equality.

Message from CEO

"We are pleased to be moving in the right direction with closing our gender pay gap, though recognise we have not made so much progress on the ethnicity gap. We will continue to seek strategic ways to close the gap further. At Big Society Capital we want to make sure that all our employees have the opportunity to fully realise their potential. We are actively working to improve our gender and ethnicity balance and are fully committed to being an inclusive employer."

Stephen Muers, CEO



Pay gap and equal pay

The gender pay gap is the percentage difference between the average hourly earnings of men and women.

The ethnicity pay gap is the percentage difference between the average hourly earnings of individuals who have declared themselves ethnically diverse (People from ethnic minority backgrounds).

Is a pay gap the same as equal pay?

Pay gaps are sometimes confused with equal pay, but the two are different. A pay gap is the difference between the average pay, of say, men compared to the average pay of women within an organisation, across all levels of the business.

Equal pay is the legal requirement for men and women to be paid the same for performing the same work or work of an equal value. The same applies to ethnicity and all other protected characteristics.

A pay gap may exist if there is a majority representation of a particular demographic in the most senior positions.

Our pay gap figures are calculated based on the snapshot date of April 1st 2022.

Big Society Capital gender pay gap

Total number of employees at Big Society Capital: 87

The total number of employees who identify as male or female: 87

Total number of women employed: 56 (64%)

Total number of men employed: 31 (36%)

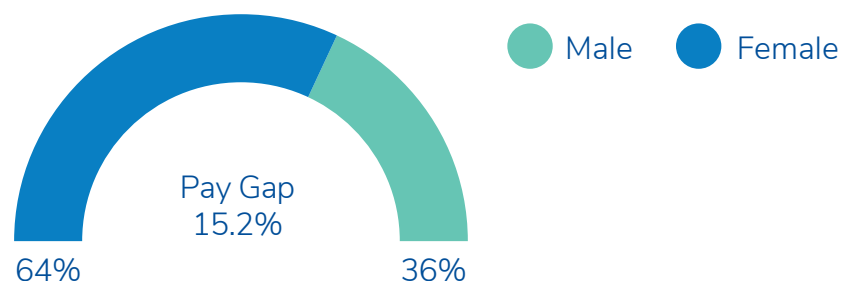
The mean gender pay gap: 15.2 %

The median gender pay gap: 16.4%

The Big Society Capital mean pay gap has further reduced from the previous years. This has largely been achieved by continuing to diversify the proportion of women in the highest pay quartile and men in the lowest quartile.

The data shows the proportion of male and female colleagues across four pay quartiles in Big Society Capital; the lowest (Quartile 1), lower middle (Quartile 2), upper middle (Quartile 3) and highest quartile (Quartile 4).

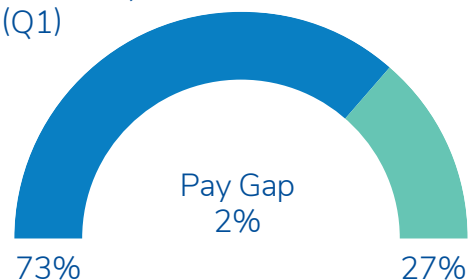
Big Society Capital gender distribution



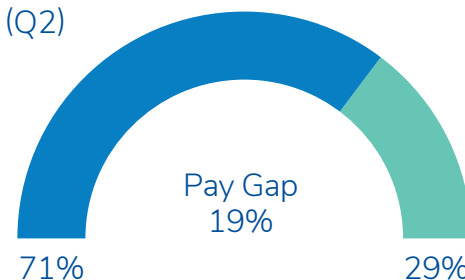
Year	Mean Gender Pay Gap	Year on Year Variance
2019	28%	n/a
2020	21%	-7%
2021	17%	-4%
2022	15%	-2%

Proportions of male and female staff in each quartile

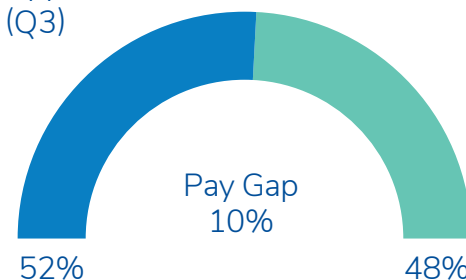
Lowest Quartile (Q1)



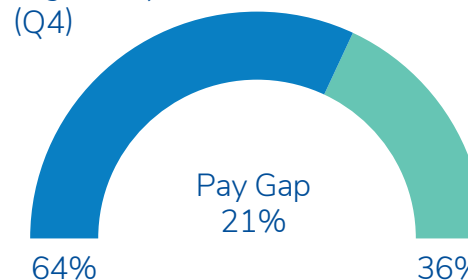
Lower middle (Q2)



Upper middle (Q3)



Highest Quartile (Q4)



Big Society Capital ethnicity pay gap

Total number of employees at Big Society Capital: 87

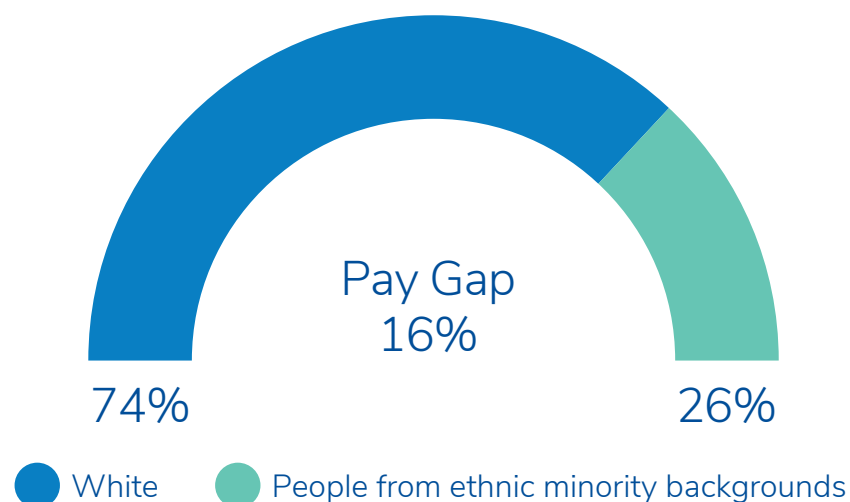
The total number of employees who identify as white: 64 (74%)

Total number of employees who identify as people from ethnic minority backgrounds: 23 (26%)

The mean ethnicity pay gap: 16%

The median ethnicity pay gap: 19%

Big Society Capital ethnicity distribution



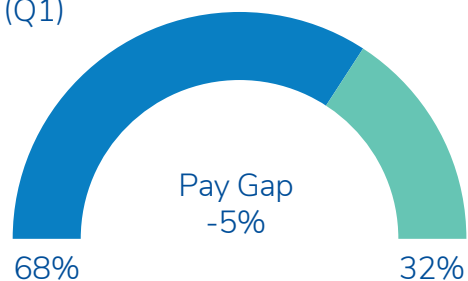
Our ethnicity pay gap in detail

The data shows the proportion of people from ethnic minority backgrounds and white employees across four pay quartiles in Big Society Capital; the lowest (Quartile 1), lower middle (Quartile 2), upper middle (Quartile 3) and highest quartile (Quartile 4).

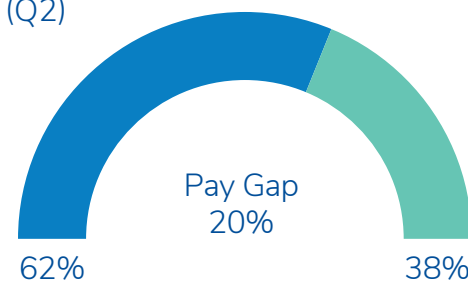
Year	Mean Ethnicity Pay Gap	Year on Year Variance
2021	14%	n/a
2022	16%	2%

Proportions of people from ethnic minority backgrounds and white employees in each quartile

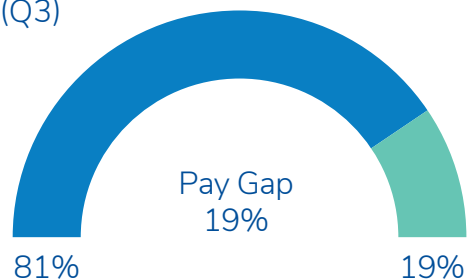
Lowest Quartile
(Q1)



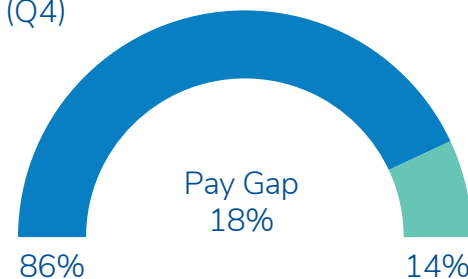
Lower middle
(Q2)



Upper middle
(Q3)



Highest Quartile
(Q4)



We are disappointed to see our ethnicity pay gap increase in our second year of reporting and we acknowledge it will take time to close the pay gap completely. At Big Society Capital we note being a small organisation, a slight movement in a handful of employees can have a disproportionate effect on the pay gap percentage. That being said, we recognise the importance and continue our desire to further close the gap. We know that as employees from ethnic minority backgrounds make up a smaller proportion of our workforce (26%), the paygap will be sensitive to large fluctuations. We also know that the ethnicity pay gap may go up, as well as down, as we look to increase representation at all levels of Big Society Capital.

What has Big Society Capital been doing to help close the pay gaps

Gender and ethnicity pay gaps

Diversity Forum Manifesto 2.0

We are proud to report that we have signed the Diversity Forum Manifesto 2.0 showing our commitment to work with other social investment sector organisations to address equality, diversity and social inclusion. By working transparently and collaboratively on shared goals and aims we can be held accountable and access support from fellow signatories and the Diversity Forum.

Equal pay audit

We recently conducted an independent equal pay audit. The scope of the audit examined gender, ethnicity and the impact of full time and part time working. Whilst nothing noticeable came out of the audit, it rehighlighted the areas for improvements, such as the need to increase women and people from ethnic minority backgrounds employees at a senior level.

Benefits review

In a recent benefit review our aim was to ensure our package reflects our growing diverse staff group therefore adopted a more individualistic approach to our benefit package.

Reverse mentoring

We have piloted a mentoring scheme where female colleagues or employees from non white backgrounds were matched with senior leaders in the organisation. In reverse mentoring, a junior team member enters into a "professional friendship" with someone more senior, and they exchange skills, knowledge and understanding.

Following the successful pilot, we are extending the mutual mentoring programme to more new employees from protected characteristic groups.

Gender pay gap

Redefining how we work

We have promoted our flexible working framework and principles. Our staff survey highlighted the positive impact this has been having on our employees with 89% of employees choosing our flexible working approach as their favourite benefit.

Enhanced shared parental leave

We have enhanced our shared parental pay (SHPP) which is now paid at the same level as our enhanced maternity pay (which has also recently been increased). Statistics show the gender pay gap opens up after the birth of a child. We hope that by enhancing our SHPP it will create equality in the opportunity for both men and women to take time away from work after the birth of a child and over time contribute to closing the gender pay gap which opens up at that point.

Increased paternity leave: We have increased our paternity leave and pay offer to a total of 4 weeks of full pay, to be taken before the child's first birthday.

Learning and development

A Women in Leadership programme has been designed and delivered for 12 of our female leaders. Providing a network of support, tools and techniques to allow female leaders shape their future and grow their careers.

Ethnicity pay gap

Careers event

We have reintroduced our social investment careers events, aimed at attendees from a diverse range of backgrounds. The purpose of the careers event is for attendees to learn about the opportunities in social investment and think about starting a career in the sector.

Special leave policy

Our special leave policy has been updated to include the concept of swapping Good Friday for an alternative recognised religious festival.

Race at work charter

We have made a public commitment through being a signatory to the Government's Race at Work Charter to tackle barriers ethnic minorities face in recruitment and progression.

Future plans to further reduce the pay gap

Women's health provision

We need to ensure we reflect the wellbeing needs of women, especially as women account for 64% of BSC workforce. We need to look at how we tailor woman's wellbeing initiatives to meet the demands of specific employee groups, this includes taking a gender-based view of health, and considering the specific and unique health demands of each group.

Recruitment

We will monitor candidate attraction and diversity through all stages of the recruitment lifecycle. We will track ethnicity, sexual orientation, gender and disability responses from all candidates that choose to participate, from initial application, through shortlings, interview and offer stage (on an anonymous basis). This will help us to track trends and from here we can identify a range of potential solutions and support, such as expanding our advertising reach, or stimulating conversation around unconscious bias in hiring decisions.

Review of our pay and promotion process

We will continue to ensure our pay and grading structure is robust and fair and are committed to ensuring compliance with equal pay legislation. Along with our job matching framework and salary bands one more step to provide a structured and objective environment will be the introduction on an agreed set of principles and training for line managers to ensure that this process is being conducted in a fair and equitable manner.

Talent management framework

We will be launching a robust talent management framework that supports the identification of high potential employees and a focus on their development. This framework will be used to ensure underpenetrated groups have the opportunity to develop and grow in their careers. This framework will align to our pay and promotion process and create further transparency.

