

National Veterinary Services Limited

2018 Gender Pay Gap Report



National Veterinary Services Limited

Employers in Great Britain with more than 250 staff are required by law to publish their gender pay gap information, covering pay and bonuses. In this report you will find our gender pay and bonus gap figures that reflect the gender profile of the workforce across the NVSL group for the calendar year ending 5th April 2018.

Mean Pay Gap

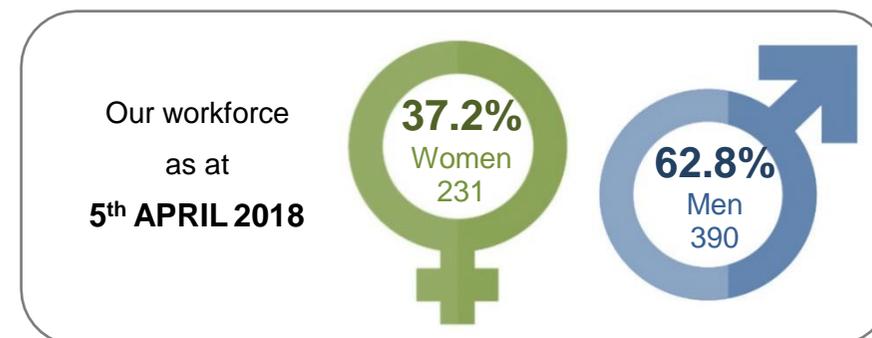


The mean gender pay gap is the difference in the average hourly pay for women compared to men, within a company.

Median Pay Gap

£5.00	£7.70	£8.31	£8.90	£19.20
£5.90	£7.40	£9.03	£9.60	£13.31

When you separately line up all the female pay rates and all the males, the median pay gap is the difference between the hourly pay rates for the middle woman compared to that of the middle man



	2017		2018			
Mean gender pay gap compares the average hourly earnings of men and women	-10.9%		-11.9%		1%	
Median gender pay gap compares the hourly earnings of the man and woman who are at the midpoint when all the hourly rates are listed from lowest to highest value	-6.8%		-8.7%		1.9%	
Mean gender pay gap for bonuses compares the average bonuses of men and women	58.0%		65.2%		7.2%	
Median gender pay gap for bonuses compares the bonus of the man and woman who are at the midpoint when all bonuses are listed from lowest to highest value	29.1%		0%		29.1%	
Proportion of men and women who received a bonus	Men	Women	Men	Women	1.2%	1.8%
	6.3%	9.1%	5.1%	7.3%		

(A negative pay gap indicates women are paid more than men)

AT A GLANCE - OUR GENDER PAY GAP STATISTICS

MEAN Gender pay gap
-11.9%

Mean Pay is the average hourly rate. The mean pay gap is the difference in average hourly rate of pay by gender. Our mean gender pay gap means that in our Company:

Women earn **£1.12** FOR EVERY **£1.00** Men earn




MEDIAN Gender pay gap
-8.7%

Median Pay is the midpoint value when all hourly rates are listed from lowest to highest. The median pay gap is the difference in the middle hourly rate of pay by gender. Our median gender pay gap means that in our Company:

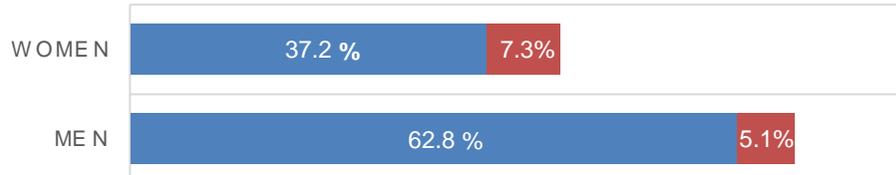
Women earn **£1.09** FOR EVERY **£1.00** Men earn




Proportion of Men and Women who received a bonus

■ Percentage of workforce ■ Percentage who received a bonus

Gender	Percentage of workforce	Percentage who received a bonus
WOMEN	37.2 %	7.3%
MEN	62.8 %	5.1%



On average, men received 65.2% more than women when receiving a bonus

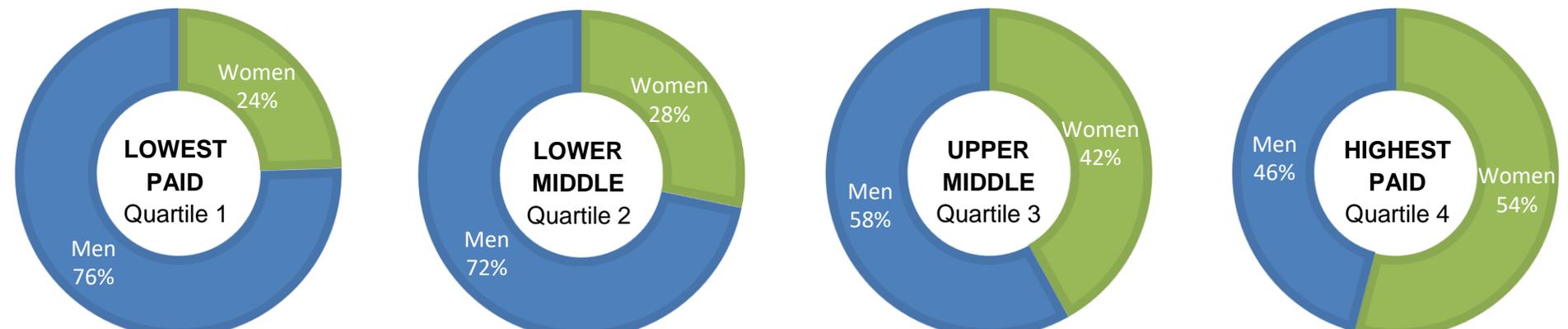
MEAN BONUS Gender pay gap
65.2%

The midpoint of bonus payments made to women was equal to payments made to men

MEDIAN BONUS Gender pay gap
0%

Proportion of Men and Women in each pay quartile (lowest paid to highest paid)

Quartile	Men %	Women %	M	F	PAY GAP
LOWEST PAID (Quartile 1)	76%	24%	117	38	1.29%
LOWER MIDDLE (Quartile 2)	72%	28%	112	44	-0.97%
UPPER MIDDLE (Quartile 3)	58%	42%	90	65	2.25%
HIGHEST PAID (Quartile 4)	46%	54%	71	84	14.27%



Gender Pay Gap 2018

This is the second year we have published our gender pay results. NVSL is unusual in that it has a negative gender pay gap (median -8.7%; mean -11.9%), meaning that on average, across our company, women are paid more than men.

When looking at the mean (average) figure, women are paid an average of £1.00 more per hour than men and the median (middle of range) shows an average of £0.72 more per hour. One reason for this is that women are well represented throughout NVSL's two highest pay bands, making up 48% of the workforce at this level.

The underlying reasons for our gap remain the same as last year, a high number of lower paid male employees in our warehousing and logistics division with men making up 74% of our two lowest pay bands.

Difference in hourly rates of pay

The negative gender pay gap has widened further since our last report in 2017, even though in April 2018 62.8% of our employees were male. In common with others in our industry, we have a greater number of men in roles that attract lower salaries than women and this means that our overall average hourly rate of pay for women is higher than that of men employed in our company.

As a business, NVSL needs to address the perception that warehousing and logistics roles is a career option for a very specific type of person. It's hard to escape the impression that roles primarily involving moving and lifting are more suited to a male workforce and the industry's position within the manufacturing sector has also meant that the legacy workforce is more male dominated and systems and processes that have been embedded since incorporation of the company have not developed as the business has become larger and more diverse. We need to ensure that we keep improving the diversity of our workforce, and we'll continue to analyse the words used in our job ads to identify potential gender bias.

Year on year, we commit to paying salary increases to the lowest paid members of staff, regardless of their gender, and to address pay imbalances created by making new hires at higher salaries, this year we commit to undertaking a companywide salary benchmarking initiative to have a fair and transparent salary scale for every role in the organisation, ensuring people are not paid excessively above or below that scale.

Difference in bonus pay

A total of 37 employees, which is 5.9% of NVSL's workforce, received an additional payment that is classed as a 'bonus' under the legislation. 17 females compared to 20 males received a bonus, meaning that a higher percentage of women (7.3%) received a bonus than men (5.1%) due to the gender profile of our Company.

Our bonus gender pay gap, based on a mean of our bonus payments, increased by 7.2%, which means that on average men received 65.2% more than women when receiving a bonus.

Although NVSL has an open, equal and fair bonus policy based on annual performance reviews, analysis of the figures show:

- 8.1% of the employees who received a bonus worked part-time and their bonus payments were pro-rated to reflect the number of hours worked. The bonus pay calculation doesn't recognise that individuals may be working part-time and all part-time employees in this category were women, including the Company's HR Director.
- 75% of NVSL's executive Board were men at this point in time, who have a larger overall bonus opportunity
- 60% of the top ten highest paid bonuses were paid to roles that had male incumbents, including the Company's Managing Director.



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Proportion of women in each pay quartile

Pay quartiles are calculated by splitting all employees in the Company into four even groups according to their level of pay. Looking at the proportion of women in each quartile gives an indication of women's representation at different levels of the Company.

The proportion of women in the two lower pay band quartiles is lower than the gender proportion split within the whole of the NVSL with employees in the lower quartiles a mixture of warehouse operatives, delivery drivers, laboratory scientists and support staff. The absence of women in these roles means the negative pay gap is inflated.

Included in the highest pay quartile are our senior laboratory staff, senior support staff, HGV drivers, pathologists, laboratory managers, heads of functions and our NVSL Director population. In 2017, we had an equal gender split in our highest pay quartile with an increase in females in 2018 of 4%.

Our next steps

NVSL is proud to be an inclusive, equal and fair employer with a diverse workforce. Whilst our gender pay gap report makes for positive reading for women in our workforce, we would like to reduce the gender pay gap in the future, improving the male/female ratio across our business.

We're planning to introduce unconscious bias training as part of the personal development for our leadership teams so we can make better hiring decisions and we're working on standardising starting salaries, advertising them as a non-negotiable range.

Over the next year, we will continue to support the development of a strong group of female employees, however our focus will be on reducing the negative gender pay gap with a commitment to recognising the potential of all our employees regardless of gender.

How to learn more

You can learn more about the Gender Pay Gap reporting by visiting: www.acas.org.uk/genderpay

DECLARATION

I confirm that the data reported is accurate and meets the requirements under the regulations.

Martin Riley

Managing Director