



CASE STUDY

EQUAL PAY AUDIT



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A photograph of a woman and a man in an office setting. The woman, with long brown hair and wearing a red and blue plaid shirt, is leaning over a desk. The man, with short brown hair, glasses, and a beard, is wearing a green patterned shirt and has his hand on his chin, looking intently at a computer monitor. The background shows a modern office with large windows and indoor plants.

Equal pay audit

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No one sets out deliberately to have unequal pay practices. However, it is easy for history, bias and lack of clarity to have exactly that result.

Many organisations shy away from undertaking an in-depth equal pay audit for fear of what they might find. However, if you don't know what the actual problem is, how can you work towards alleviating it?

This case study outlines the actions and support we were able to offer our client in delivering an equal pay audit to make the board sit up and take notice.



THE CHALLENGE

Our clients GPG statistics compared favourably to others in their sector and there was a general reluctance to “open the can of worms”.

However, the HR team were increasingly finding incidents of inappropriate pay practices and were struggling to implement policies that would resolve this.

The general culture was to give in to those who shouted loudest, and take it to the top if you didn't get the answer you liked.

PROBLEMS INCLUDED

- Directors operated in silos and there was little thought to the impact of decisions across the business.
- The paybill was out of control as managers made unsupported decisions to increase salaries for staff in order to prevent attrition.
- Ad hoc pay increases were awarded by the CEO outside of the normal pay review.
- Directors approved appointments to pay rates that did not

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PROBLEMS INCLUDED

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fit the current pay structure.

- The HR team were the last to know about pay decisions.
- There was potential for an equal pay or gender discrimination case.

WHAT DID RRM LTD DO?

We worked with HR and The Directors to identify which roles were in scope and establish what information was needed to support the review.

KEY STEPS INCLUDED

- Identifying which staff were included in the audit.
- Understanding how the business was structured and what organisation codes were used.

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KEY STEPS INCLUDED

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- Identifying pay elements to be included and ensuring that all payroll elements were aligned by title.
- Identifying non-pay elements to be reviewed.
- Collecting and collating pay related policies.
- Establishing the parameters for the reports.
- Establishing security measures to ensure that data was transferred securely.
- Assessing and comparing the salary data using EHRC guidelines and preferred characteristics (age, length of service, alignment to structure).
- Creating a report summarising our findings.
- Working with employment lawyers to assess the risks in these findings and develop a plan for mitigation.

WHAT WERE THE OUTCOMES?



- The client was able to take a report to the Board showing exactly where and how unequal pay practices were occurring.
- A summary of the legislative requirements reminded the readers of their responsibility and the potential risks to the organisation of failure to comply.
- The assessment illustrated that there were some pockets of inequity in specific job roles that left the business at some significant risk, particularly when the cost impact was taken into consideration.
- A review of the policies illustrated that there were some governance issues that also needed to be addressed.
- The proposed action plan helped the client to present solutions and allowed the organisation to clearly demonstrate that it was “actively” seeking to address its issues.



GET IN TOUCH

We can help you alleviate your equal pay problems by developing an action plan backed by facts and figures, that will ensure your business is seen to be contributing to a fairer society in which all employees have equal opportunities. Contact us to find out more.

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