

ATB Group UK Ltd Gender Pay Gap Report

Introduction

From 2017, any organisation that employs 250 or more people must calculate and publish information about their Gender Pay Gap. The data for pay rate comparisons relates to a snapshot as at 5th April 2017. The date for bonus payments relates to bonuses received between May 2016 and April 2017.

The ATB Group UK Ltd has three sites in the UK, located in Norwich, Leeds and Birmingham. At the reporting date, the Group employed 280 people, comprising 254 males and 26 females. All three sites are engaged in the design, manufacture and test of electric rotating machinery. The Birmingham site manufactures small motors and generators. The other two sites manufacture progressively larger equipment weighing up to 40 tonnes and can be considered to be manufacturers of heavy industrial equipment. We believe this focus on manufacturing and in particular heavy industry does not appeal to female applicants. Despite this we are happy to say that we have female employees in manual shop floor roles, shop floor inspection, purchasing, planning, sales and finance.

Gender Pay Gap Data

Gross basic pay comparisons

A mean Gender Pay difference of 30.00% exists

A median Gender Pay difference of 22.00% exists

Total distribution of male and female employees by hourly pay quartile:

Quartile	Lower		Lower middle		Upper middle		Upper	
	Number	%	Number	%	Number	%	Number	%
Female	15	21.5%	7	10.00%	2	2.80%	2	2.80%
Male	55	78.50%	63	90.00%	68	97.10%	68	97.10%

Gross bonus pay comparisons

A mean Bonus difference of 83.00% exists

A median Bonus difference of 78.00% exists

Percentage of females / males who received a bonus:

19% of females

7% of males

Observations

At a glance the Gender Pay comparisons for the Company may suggest that unfairness exists, however the figures can be explained by a combination of factors.

- All Shop Floor positions are covered by a robust pay grading system which rewards skills and competencies. This ensures that all shop floor employees within each part of the business are paid the same rate for the job and associated skills / competencies regardless of their gender.

- All employees have the same opportunity to advance up the pay grade scale by learning additional skills
- Engineering is historically a very male dominated industry. 9.28% of our total workforce is female.
- Historically female applicants apply for either admin / support roles in areas such as Finance, Purchasing and Reception or for unskilled shop floor roles. Consequently this is where all our female employees sit in the organisation. Slightly over half of our female employees work in unskilled shop floor roles. The nature of our business means we have a limited number of unskilled positions.
- It is very difficult to attract females to our business and we receive very few applicants for the majority of our vacancies. For many of our recruitment campaigns we receive no female applicants
- For the reasons detailed above, there is a low representation of females holding management roles within the organisation. This is an issue across the Engineering sector and the low number of females in senior roles in our business is typical of the majority of Engineering organisations in the UK.
- All vacancies are advertised internally and open for both sexes to apply for, as long as they have the required skills, competencies, knowledge and experience required.
- We have a limited number of shift workers in the business at present, but all of these positions are filled by male employees as our female population failed to apply for the roles. Shift workers receive a shift premium which is payment for the unsocial hours worked. Any females working shifts would receive exactly the same premium and subsequently their gross pay would increase.
- There are three types of Bonus that can be earned by our workforce and all have to be approved by our parent Company prior to payment:
 - A contractual Variable Pay Bonus Scheme which is limited to the highest level Senior Managers, who make up just 5.3% of the workforce. Pay-out of this is dependent upon the performance of the business and success against specific personal targets for the individual.
 - A non-contractual Production Bonus Scheme, which is based on output and applies equally to all employees. This Scheme did not pay out over the period in review.
 - In exceptional circumstances ad hoc bonuses can be earned by employees who achieve results on specific business critical projects during the year. A small number of employees benefited from such bonuses in the period being reviewed.

Whilst the mean Gender Pay is 30.00% it can be argued that the median figure is equally as useful or more so as the median average indicates the situation at the middle of the organisation and it is not distorted by very large or very small pay rates. The median Gender Pay Gap is 22.00%, compared to the UK manufacturing average of 18.00%. When part time employees are included, the UK manufacturing average is actually 21.80%. The Company figure of 22.00% includes our part time population.

The mean and median Bonus Pay Gap can be a good measure when bonuses are paid throughout the organisation, however when this is not the case, very large or very small bonus payments can dominate and distort the figures. Whilst the mean and median Bonus Pay Gaps appear high for reasons stated above, it is interesting to note that a higher percentage of females than males received a bonus (19% compared to 7%) in the reporting period. Whilst the Variable Pay Bonus Scheme is restricted to employees in senior positions, ad-hoc Bonus rewards were enjoyed by a higher percentage of our female workforce, than male.

Action Plan

Recruitment

Unfortunately Engineering is and always has been male dominated. Fewer females than males study Engineering related subjects or obtain relevant qualifications to enable them to fulfil technical or skilled roles. The company offers roles equally to male and female applicants but roles offered do not appeal to female applicants and therefore the Company can only employ according to response to advertised vacancies. We will continue to ensure equality in our recruitment processes.

Training and Development

Continue to make development opportunities available to all employees irrespective of gender and where possible use the Apprenticeship Levy to help support such development. In addition we will actively encourage our female workforce to develop their skill set.

We will develop Skills Matrices for Shop Floor personnel which will act as a further check that employees are on the correct Pay Grade and will also aim to encourage all employees to multi-skill as much as possible within their own departments

Company Policies

We will conduct a review of Company Policies and Procedures in an attempt to encourage more females into the business. The focus will be on ensuring the effectiveness of family friendly policies.

Job Descriptions

Prior to September 2015, what is now the ATB Group UK Ltd was three separate businesses. Not all of those businesses had Job Descriptions in place. We will put in place a process to review all existing Job Descriptions and develop ones where they do not currently exist. This process will involve moving to consistency across the three parts of the business.

Declaration

I confirm that this published information is accurate for the dates referred to above

Ian Lomax,
Chairman, Managing Director
ATB Group UK Ltd