

Lincolnshire



Lincolnshire Co-operative Ltd Gender pay gap report

As at 5 April 2022

Published November 2022



Gender Pay Report – as at 5 April 2022

We are a co-operative, owned by our customer members. Our colleagues are also able to become members and engage in our democracy. At our heart is our purpose and approach, bringing together ideas, energy and resources to make life better in our communities. Key to the success of this approach are our colleagues.

Throughout Covid lockdowns, the health and wellbeing of our colleagues, most of whom were on the front line, was a key priority. As restrictions slowly lifted, we saw that many challenges remained for colleagues, and health and wellbeing continued to be a major focus for us. Having successfully implemented free counselling and coaching for colleagues during the lockdowns, we recognised the value of this support and have retained this service going forward. Our pharmacy teams, delivering Covid vaccines to our local communities, were able to provide these vaccinations to colleagues, as well as free flu jabs later in the year. The hard work and commitment of our colleagues was recognised through a variety of thank-you gifts and extra colleague discount throughout the year.

Like many businesses, recruitment has been more challenging. As vacancies have arisen, this has created opportunities for teams to restructure, colleagues to move internally and new colleagues to join us. At our entry level, we offered a range of work experience opportunities for people to develop their skills to become work-ready. Working with partners we have offered a variety of schemes covering all age groups, including Kickstart, Jobs22, Department for Work & Pensions (DWP) Employability Days and, as Silver Patrons of the Princes' Trust, our successful 'Get into' programme. We have also worked with schools and academies across our trading area to support career development programmes through our Enterprise Advisors, supported by Greater Lincolnshire Local Enterprise Partnership (GLLEP).

We have been recognised by the DWP as a Disability Confident Leader organisation, demonstrating our commitment to improving access, employment opportunities and raising disability awareness.

We have continued to expand our internal development courses and our apprenticeship schemes have grown providing new and established colleagues with the opportunities to develop their skills and enhance their future career choices. Our commitment to the health and wellbeing of colleagues and the creation of a culture of continuous improvement available for all, regardless of gender or other characteristics, remains a priority for the Society. Our Gender Pay Gap has been impacted by the consequences of lockdowns and domestic responsibilities. We are committed to decreasing this gap but recognise that real change will take sustained commitment and continued innovation.

A handwritten signature in blue ink that reads "Ursula Lidbetter".

Ursula Lidbetter
Chief Executive Officer

Our colleagues

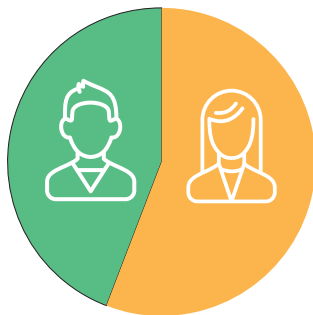
As at the reporting date of 5 April 2022, Lincolnshire Co-op employed 2,889 colleagues across our trading area in Lincolnshire and surrounding areas. With over 220 outlets, including food stores, pharmacies, funeral homes, florist and crematorium, travel, post offices, a craft bakery and head office, we offer a wide range of job opportunities many of which are available within the local communities we serve. The Society has always offered part-time hours but since Covid, the option of hybrid working for office-based colleagues spending part of their working week working from home has become part of our flexible working options.

Within the scope of the Gender Pay Gap Regulations, 2,392 colleagues were deemed to be relevant colleagues as at the snapshot date of 5 April 2022. Compared to the previous reporting period, the number of males within scope increased by 25, whereas the number of females fell by 95. Nationally, more females work in part-time roles than males, which impacts gender pay results and our data reflects this.



73% of our colleagues are female
of which **26%** work full-time

27% of our colleagues are male.
of which **40%** work full-time



56% of our managers
are female



50% of our Board of
Directors are female

Gender pay versus equal pay

All UK organisations with more than 250 employees are required by law to report on their mean and medium gender pay and bonus pay gap each year. We are also required to show the gender balance of our workforce based on quartiles.

The gender pay gap is often confused with equal pay, however the two are not the same. Equal pay is the right for males and females to be paid the same rate when carrying out the same jobs or similar jobs or work of equal value. The majority of our roles attract a fixed rate of pay, regardless of the gender or age of the colleague performing that role.

Gender pay is a measure of the difference between male and female average earnings across an organisation. Having a gender pay gap does not mean that there is an equal pay issue within an organisation. There can be a number of reasons for this, including a gender imbalance in different levels of roles, or if a particular type of role is dominated by one sex.

Lincolnshire Co-op is an equal pay employer and adheres to equal pay legislation.



Calculating our figures

The following figures have been calculated using Society data as at 5 April 2022.

Mean and median gaps explained

The mean pay gap is the difference between the average pay of males and females employed by the business. It is calculated by adding the hourly pay of all males, then dividing by the number within that group, and repeating the process for females. The two figures are then compared. The difference, in our results, reflects the higher proportion of males in more senior and higher paid roles.

This reporting period has seen an increase in the mean gap from the previous reporting period. We have reviewed our data to try to find the reason for this increase but cannot identify a single cause. Changes within the business which appear to have contributed to this increase include the timing of the management bonus in 2022, which fell in the pay period 5 April and has impacted on the reported data by over inflating the hourly rate for middle and senior management. Additionally, roles with higher levels of premium payments, such as call-out and unsocial hours, tend to have a lower representation of females. This is particularly relevant with our funeral operatives, who were extremely busy during the period under review. We also saw the retirement of one of our most senior female colleagues at the end of 2021 and have seen extensive recruitment into our management teams in governance, IT, finance and property. As with many other businesses, recruitment for some of these roles has been challenging during this period and on reflection these roles have been filled disproportionately by males. However, our key aim remains our commitment to reducing the mean payment between male and female colleagues over the longer term.

The median pay gap is calculated by separating out the male and female rates and ordering them from the lowest rate through to the highest rate. The median is the midpoint of each population, with the two points compared to give the median.

Gender Pay Gap

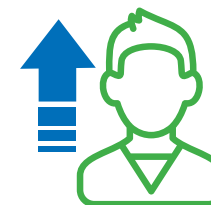
The table below shows the higher % for males for mean and median pay

Mean	Median
26.98%	8.59%
20.2% (2021)	6.52% (2021)

Gender Bonus Pay Gap

Our mean bonus pay gap is

38.03%
(2021 : 41.51%)
higher for males.



Our median bonus pay gap is

29.14%
(2021: 23.75%)
higher for males.



Proportion of males and females receiving bonus payments

Female colleagues receiving bonus payments was

86.42%
(2021: 90.28%)



Male colleagues receiving bonus payments was

81.83%
(2021: 90.01%)



Pay quartiles explained

Rates of pay for all colleagues within scope are listed in order of value and then divided into four equal sections (quartiles). Once the quartiles are established the % of male and female colleagues within each group is determined.

Pay Quartile	Female	Male
Lower Quartile	76%	24%
Lower Middle Quartile	75%	25%
Upper Middle Quartile	75%	25%
Upper Quartile	61%	39%

Females are well represented in all four quartiles which is reflective of the Society's gender distribution across the business. There has been an increase in the number of males in the two lower quartiles, with the most significant increase in the lowest quartile rising from 18% to 24%.



What are we doing to close our Gender Pay Gap?

We are working hard to reduce the pay gap between our male and female colleagues. Retail, historically, is attractive to females wishing to work part-time hours to fit around other responsibilities, such as caring and domestic duties, which stereotypically fall to them. Amongst the steps that we have taken to help address the gap are:

- Recruitment for entry level roles has moved to a central recruitment team, who conduct telephone interviews. Our job adverts and job descriptions are constantly reviewed to ensure they are written in gender neutral terms and skill requirements kept to a minimum. All posts are advertised on our website and national websites such as JobCentre plus and Indeed, which are accessible to all.
- With the exception of HMRC requirements, we have removed pronouns from all correspondence with colleagues and applicants. During the selection process there is no reference to gender in any of the data used.
- We have introduced hybrid working options for colleagues with office-based roles, to add to our previously available flexible working options.
- Creation and delivery of development opportunities, such as Emerging Leaders, Institute of Leadership & Management (ILM) accredited programmes Inspire and Aspire, which are open to all colleagues to help develop their careers and future potential.

Pay and benefits

As a co-operative, one of our founding principles is that membership is voluntary and open to all regardless of gender, wealth, ethnicity or other protected characteristic. As our colleagues are also members this ethos applies to all that work for us. We demonstrate this in the following ways with regards to our pay rates and other benefits:

- We believe that jobs of equivalent value are paid at the same rate regardless of gender. Job roles are evaluated to ensure parity.
- Hourly paid entry level roles are paid at the full hourly rate, rather than a starter rate. We do not apply the National Minimum Wage age rates for under 23s (known as Youth rates).
- We offer a range of benefits to all colleagues including a colleague credit union, Employees' Association, life assurance, 2 days paid volunteering per annum, free counselling and coaching, health cash plan, Cycle2work scheme, colleague discount and free tea and coffee in the workplace.
- Annual pay awards are negotiated with Usdaw, in conjunction with other Co-operatives and covered by agreements developed and jointly agreed with the trade union.



Future initiatives

We are committed to removing barriers that cause disparity with our gender pay gap and it is important to us that the work we offer is accessible, rewarding and fulfilling. Of equal importance is providing colleagues with the opportunity to reach their full potential, supporting them to access development opportunities to help build work and life skills to achieve this. Our future plans, amongst others, to address this include the following:



Launch of our new digital recruitment system in July 2022, providing career information, widening access to job boards and streamlining the application process for applicants.



Review, update and implement our commitment to inclusion and belonging – attracting diversity of applicants and ensuring our selection process is transparent and equitable so that our workforce reflects the society in which we trade.



Implementation of new HR/Payroll system in 2023, providing 'in the moment' metrics and data to ensure that all initiatives are fair and equitable to all.



Commitment to support local schools and colleges through the Business in the Community (BiTC) Opening Doors campaign



Enhancement of our Health and Wellbeing programme across our business. Supporting and upskilling colleagues in mental, physical, emotional and financial skills.



Implementation of digital skills programme to sit alongside literacy and numeracy initiative.



Commitment to development and enhancement of colleague learning through bespoke training schemes, apprenticeships and e-learning platform.



Participation in GROW (Good Recruitment for Older Workers) project, with the Centre for Ageing Better and the Behavioural Insights Team (BIT) and an Impact Action Learning project, with the University of Lincoln, to develop industry wide best practice recruitment and retention models.

