



Gender Pay Gap 2024

Reporting Requirements

Nacro is an established, national social justice charity whose work focuses on helping and supporting thousands of people every day through our housing, health, justice and education services across England and Wales. We are driven by our values (Inclusive, Courageous, Inspiring, Compassionate and Reliable) to employ and retain the most talented people to enable us to deliver excellent support to our service users and students.

It's our legal responsibility to report our Gender Pay Gap every year. The data is taken from our payroll system on 5th April, which is the data snapshot date for our organisation. This report is for 2024 i.e. snapshot date of 5th April 2024. The Gender Pay Gap is the difference in average earnings between men and women and is typically expressed as a percentage of men's earnings.

We report the following information, details of which are in this report:

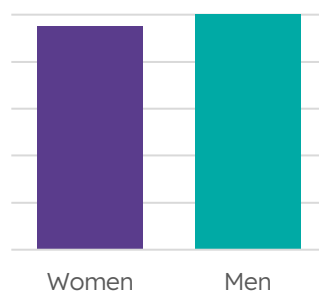
- Mean gender pay gap – this is the difference between the average hourly earnings of men and women;
- Median gender pay gap – this is the difference between the midpoint in the ranges of hourly pay when all employees of each gender are arranged from the lowest to the highest pay; and
- Proportion of males and females in each of four quartiles when the entire range of hourly pay is ordered from lowest to highest pay.

We do not pay bonuses to any of our employees, so this is not one of our reporting requirements.

Our 2024 Gender Pay Gap

Nacro's Gender Pay Gap for 2023-2024 is as follows:

- mean gender pay gap is 8.5%
- median gender pay gap is 4.9%



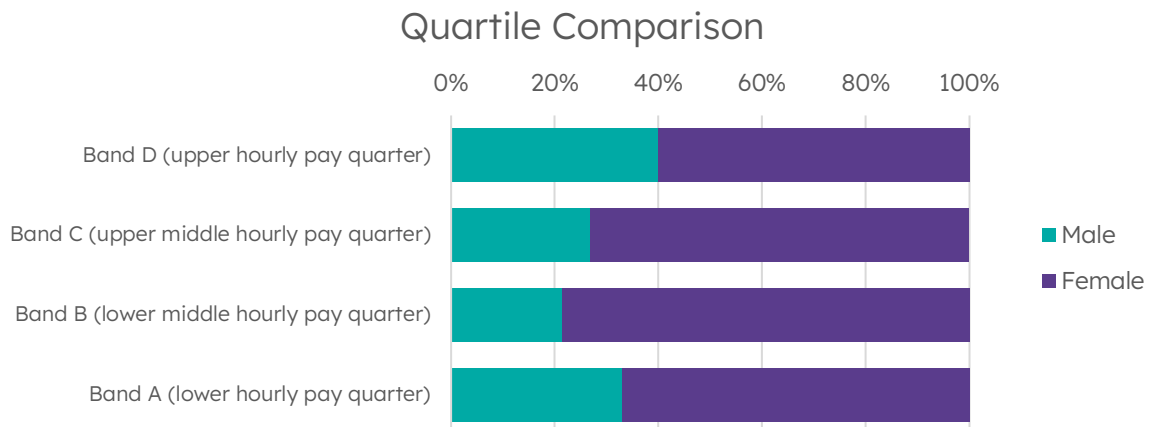
This is commonly expressed as “women earned 95p for every £1 men earned”

Pay Quartiles by Gender

Nacro's workforce is 69.7% female/30.3% male.

The graph below shows our workforce divided into four equal-sized groups based on hourly pay rate. A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The "lower quartile" is the lowest group. The "upper quartile" is the highest group.

- Band A is all employees whose standard hourly rate is within the lower quartile; this is the lowest paid 25% of employees.
- Band B is all employees whose standard hourly rate is more than the lower quartile but the same or less than the median.
- Band C is all employees whose standard hourly rate is more than the median but the same or less than the upper quartile.
- Band D is all employees whose standard hourly rate is within the upper quartile; this is the highest paid 25% of employees.



Nacro's Gender Pay Gap over time

	2024	2023	2022	2021
Mean	8.5%	9.2%	9.9%	4.6%
Median	4.9%	4.8%	5.3%	2.1%
Female proportion of quartiles (D↓A)	60% 73% 79% 67%	70% 72% 72% 65%	68% 69% 68% 68%	64.3% 65.2% 66.5% 70.1%

The median gender pay gap for the whole economy (according to the October 2024 ONS ASHE figures) is 13.1%, while in the social care sector the median is 8.8% and for education it's 17.2%. At 4.9%, our median gender pay gap is lower than similar industries and the whole economy.

Why do we have a Gender Pay Gap?

Pay Framework ensures Equal Pay

Legally, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

We are committed to equal opportunities and equal treatment for all employees, and through our pay framework we have a clear policy of structured pay bandings for all job roles. This is supported by our job evaluation process, so we can select the correct banding for new job roles at Nacro and check to make sure existing roles are in the correct banding.

Through our structured approach to pay, we are confident that we meet our equal pay obligations, and this is not the reason why we have a Gender Pay Gap.

Balance of Men/Women at different levels

We employ more women than men, and women at Nacro are the majority gender across all pay quartiles with significant numbers of women in higher paid senior or specialist job roles. On the data snapshot date of 5th April 2024, our executive leadership team of directors was made up of 3 women and 4 men, including a male CEO (the single highest paid individual in the organisation). If we had a female CEO (single highest-paid individual) our mean gender pay gap would fall from 8.5% to 6.2% with this change alone.

However, while still in the minority, there is a slightly higher weighting of men within our upper two pay quartiles than in our lower two quartiles, and especially within the top-quartile. The charity sector in which we operate is typically disproportionately female and Nacro's overall workforce reflects this sector-wide trend. In this context, it is a fair question whether our target should be a consistently 70/30% female/male gender composition of our workforce across all levels of grades and pay, or a more gender-balanced workforce at all levels representing the wider population. Regardless of our long-term target, it is important to ensure that our workforce has equal opportunity for progression regardless of gender.

We are working to improve our ability to precisely analyse internal progression. However, a desktop analysis of the c. 60 highest-paid people in the organisation (in our top 3 grades and executive team) - which is 60% female/40% male as per the whole of Band D (top quartile) of our pay distribution - shows that of those who progressed internally into these positions 65% are female, 35% male (closely mirroring our overall workforce composition), while of those who were recruited into these positions from

outside the organisation 55% were female and 45% were male (more closely reflecting the wider population, though still female-skewed as per sector norms). It is important to note in addition that of these c. 60 posts, 62% were filled through external appointment and only 35% internally (and 3% through TUPE in).

We believe this shows that we ensure that men and women have equal opportunity for internal progression, with opportunity to improve internal progression for all and to ensure that external senior recruitment is in line with candidate pool diversity and to ensure greater diversity in these pools.

What action do we plan to take to reduce our Gender Pay Gap?

Our action plan for reducing our Gender Pay Gap is commensurate with the relative size of our reported gaps. We recognise the need to continue to eliminate any Pay gaps as part of our wider Equity, Diversity and Inclusion initiatives, in which Gender is only one important dimension.

The actions we will be taking during 2025 are as follows: -

- Further analysis, and improvement of our data-tracking, to understand the drivers of different male/female representation at different levels within the organisation, and opportunities and support for progression.
- Development of an action plan to support internal progression, especially from early management roles into middle and senior management positions, with particular attention paid to overcoming any barriers to progression for women.
- Internal analysis of ethnicity and disability pay gaps in addition to the gender pay gap for the 2025 snapshot date, in order to start to understand any underlying intersectionality and opportunities for further action in these areas.

I confirm that the above is an accurate report of our Gender Pay Gap information for the snapshot date of 5th April 2024.



Campbell Robb
Chief Executive