

LifeSEARCH

GENDER PAY

Report



Does gender matter to what you are paid?

2022 is our fifth year of reporting gender pay data. This summary details our current figures and what we're understanding from them.

There remains a similar level of difference between the total reward women and men receive. We're still confident that the difference is not because of unfairness or discrimination. Our approach to reward is driven by job families which means that regardless of gender (or any other characteristic), people are paid fairly against others in roles similar to them.



When looking at our pay difference we sometimes reference both the mean and median figures so let's go back to school for a moment;
You get the mean figure by adding up all the numbers, then dividing it by the amount of numbers there are. An anomaly (particularly high or low figure) here could throw the overall average off which is why the median figure is often a more reliable number to go by.
You get the median by putting all numbers in value order then selecting the middle one*

The table below shows our reported pay difference between men and women, both for hourly rates of pay (as of April 2021) and annual bonus pay (over the 12 months prior to April 2021)

	Mean (Average)	Median (Middle)
Difference in hourly pay	23.9%	22.6%
Difference in bonus pay	51.3%	51.5%

The criteria, as set by the Government, looks at four areas;

1) The difference in men and women’s hourly rate of pay

To calculate hourly pay we were asked to use payroll data from April 2021 only. Each person’s hourly rate consists of basic salary, any bonus pay received that month, shift allowance, adviser holiday uplift & adviser reward for protecting families.

We were also asked to include salary sacrifices (such as pension contributions or payments for childcare vouchers). As this is a deduction to pay, an individual’s hourly rate of pay is less than it would have been if no salary sacrifice took place. The figures in the table above show both the mean and median percentage difference between men and women’s pay.

2) The amount of men vs women within four equal segments

Using the hourly rates as calculated in our first point, everyone was added to a numerical list from highest to lowest paid, regardless of roles.

We then split the list into four equal segments and reported on the total number of men and women in each. The figures we publish in the pie charts later on show the percentage of men vs women in each of the four equal segments.

3) The difference in men and women’s bonus pay

To calculate bonus pay we were asked to use payroll data from the 12 months prior to April 2021. This figure includes those quarterly rewards for achieving objectives (for some this is paid half-yearly) as well as the monthly reward our advisers get for protecting families. It also includes Project Partnership payments.

Again, the figures in the table above show both the mean and median percentage difference between men and women’s bonus pay.

4) The percentage of men and women that received a bonus

As with point three, we looked at 12 months of data for this calculation.

Every role has scope to earn some sort of bonus payment (regardless of amount) but there were a few people that joined us towards the end of the reporting year who had not yet had the opportunity to earn any bonus which is why we’re not quite at 100%.

99% of women and
98% of men received a bonus

To Consider;

If you haven't noticed already, the figures we published included the reward that advisers receive for protecting families. This reward is significant for many, and advisers account for 35% of the total LifeSearchers that were reported on.

In April 2021, 79% of our advisers were men. So, proportionately their variable pay had a bigger impact on not just the average hourly rate (as of April 2021) but also the annual bonus pay that our total men received when compared with the remaining 21% of female advisers on the hourly rate and bonus pay that we pay our total women.

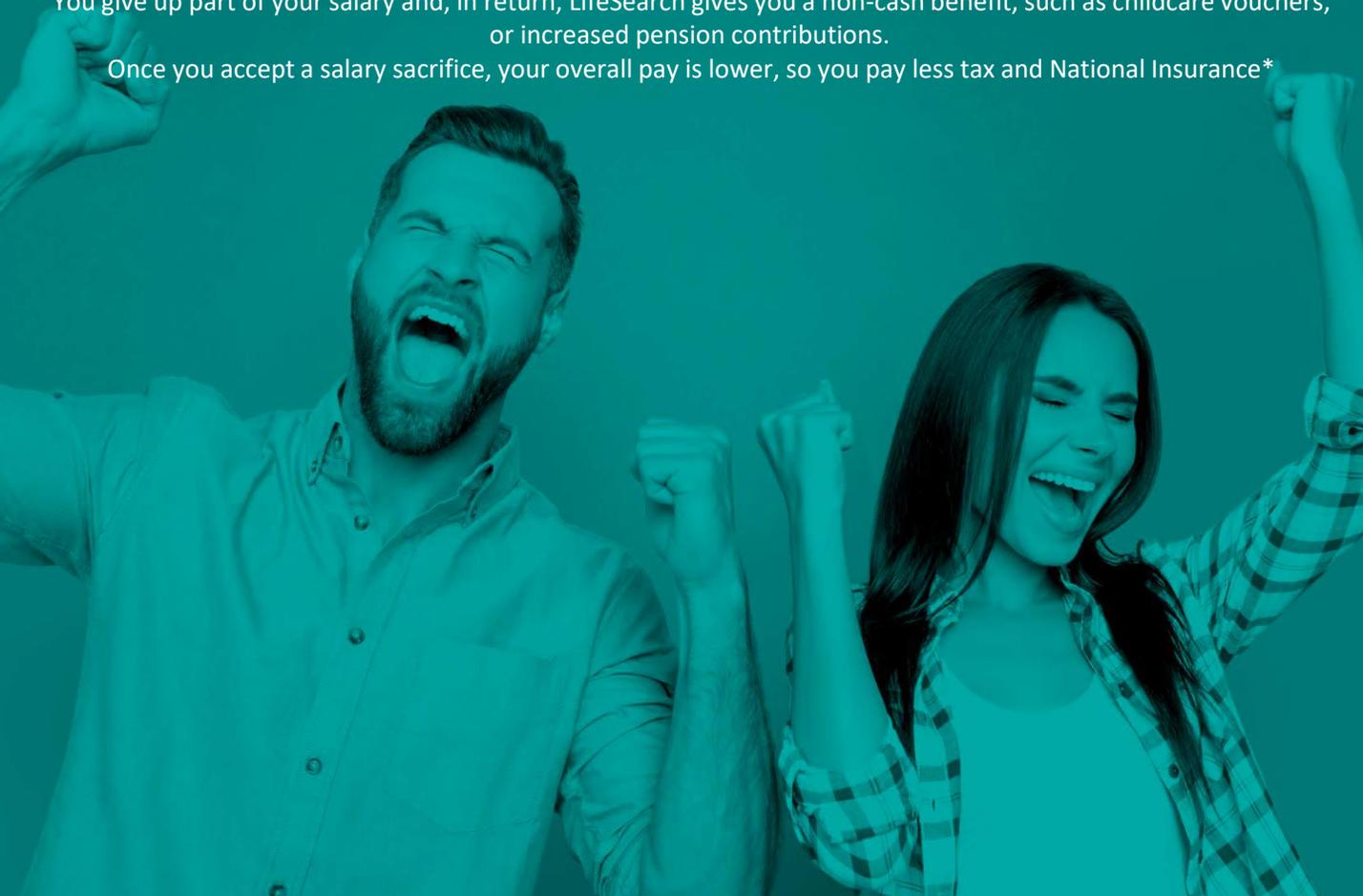
Our recruitment plans are aligned to our goals and our multi-strand approach to recruitment will see us continue to grow a diverse and successful team around us. We have more Protection Advisers than in any other team with attrition rate of just 6.7% meaning that it will take time to shift the gender balance here.

We also mentioned earlier that salary sacrifices were factored into our data.

What is salary sacrifice?

You give up part of your salary and, in return, LifeSearch gives you a non-cash benefit, such as childcare vouchers, or increased pension contributions.

Once you accept a salary sacrifice, your overall pay is lower, so you pay less tax and National Insurance*

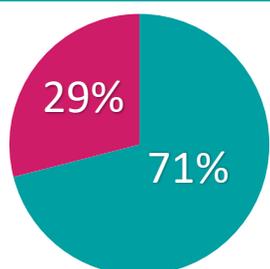


Understanding our pay segments

In April 2021 our gender split was 56% male & 44% women, so the ideal would be to have a similar split in each of our four segments. We'll come back to this a little later on.

From the charts below you can see that males dominate our upper segment. We already know that many of our advisers (with variable pay structures) are men. As the data is pulled from April 2021 alone, we'll find advisers in each segment because of this variable monthly pay each month.

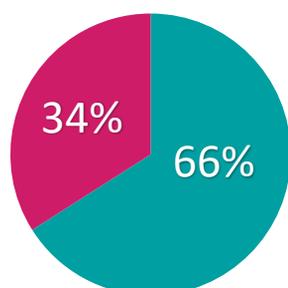
Just to remind you, we put everyone in numerical order of highest hourly pay to lowest (as of April 2021) then split into 4 equal segments (meaning that we could have people who do the same role sitting within different segments).



Upper segment

What do we know about this?

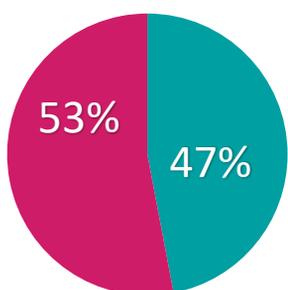
- This segment includes our Leaders & Influencers family right up to our Chiefs as well as many advisers.
- This segment has 29% of women who earn £3.09 less per hour, on average than the 71% of men.



Upper middle

What do we know about this?

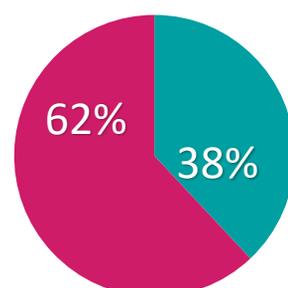
- This segment is home to our Client Heroes and our Groundbreakers as well as some advisers.
- There is a more even split of males and females in this segment and on average, the women earn 18pence less than the men per hour



Lower middle

What do we know about this?

- This segment holds our Senior Client Champions up to and including some of our Client Heroes
- There are more women than men in this segment and they earn 3pence less than the men per hour on average in pay



Lower segment

What do we know about this?

- Client Advocates up to Client Champs sit here as well as some of our newer advisers
- There are more females in this segment and they earn 21pence less on average each hour than the men.

Male



Female



SUMMARY

The data is pulled from April 2021 alone. Just to remind you, we put everyone in numerical order of highest hourly pay to lowest then split into four equal segments (meaning that we could have people who do the same role sitting within different segments)

“ We have seen improvements in our data this year which we are keen to maintain. We recognise that there is still a gap and understand that this is because of the uniqueness and idiosyncrasies of our business model and is not an issue of unfairness or discrimination. As we’ve identified historically, the main reason for our pay difference is because almost 80% of our Protection Advisers are men. If we remove the data of reward for protecting families, as well as salary sacrifice (which reduces women’s pay more than men’s), our gap reduces to just over 6% for hourly rate and just over 15% in bonus.

Our approach to reward is driven by job families which means that regardless of gender or any other characteristic, people are paid fairly against others in similar roles.

We hope that overall this paper reassures you that our approach to reward is fair, but you can also be assured that where

differences remain, we are committed to achieving equality.

I can confirm that the published information is accurate.”



Paula Bertram-Lax
Chief Customer Officer