

Gender Pay Gap Report

Fourth Report - Data as at 31 March 2020
Published November 2020

Diversity & Inclusion at the CAA

At the CAA, we welcome Gender Pay Gap reporting. Our first report published March 2018 resulted in open, challenging internal discussions around the organisation that we are, and the organisation we want to be – one that reflects the diversity of the public and consumers whose interests we serve, which will make us better as a regulator and an organisation committed to its people.

This, our fourth report, reveals that we have maintained our year on year reduction in both our mean and median Gender Pay Gap figures. Whilst our Gender Pay Gap is not what we want, we are reassured that the work we are doing on D&I is starting to deliver our commitment to address our Gender Pay position in a sustainable way over the longer term.

At a time when the future requirement for Gender Pay Gap reporting is unclear, we have taken the decision to publish our report now as part of our on-going commitment to D&I. The publication of this report serves as a timely reminder why D&I is so important to the CAA, as it:

- Encourages different opinions, creative ideas and approaches to problem-solving which can lead to different ways of operating, evaluating risks and regulating.
- Injects creativity and innovation into the organisation.
- Reduces risk by increasing our thought leadership.
- Motivates colleagues by being open, trusting and respectful of differences.
- Creates a supportive environment to grow and develop within.
- Allows colleagues to be heard and understood regardless of hierarchy.
- Honours our social and moral obligations for equality.
- And creates a number of other benefits for colleagues, our organisation and our work on protecting the public.

“People matter – all of our people. With our core purpose being to protect the public, it’s vital that we do more as an organisation to reflect the diversity of our society and ensure we create a truly inclusive organisation so that every one of our colleagues feel they can bring their whole self to work. It is critical we have a culture where all colleagues feel valued, respected and a share an authentic sense of belonging. The CAA has come a long way but we are far from perfect. There is much to do and much we can learn. Myself, our Board and Executive Committee share an unwavering commitment to make positive change happen constantly over time and create a CAA for all.”

Richard Moriarty, Chief Executive Officer



Richard Moriarty
Chief Executive
Officer



Paul Smith
Director Consumers
and Markets



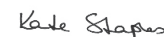
Peter Drissell
Director Aviation
Security



Rob Bishton
Director Safety and
Airspace Regulation



Jane Cosgrove
People Director



Kate Staples
General Counsel



Tim Johnson
Director Strategy
& Policy



Chris Tingle
Chief Operating
Officer



Ben Alcott
Director International
Directorate



Richard Stephenson
Director Communications

Understanding our Gender Pay Gap

Our Gender Pay Gap by Quartiles

When we analyse our gender distribution across our different pay quartiles, (i.e. where colleagues are in the organisation when looking at hourly rates of pay), we see fewer women than men occupying more senior positions, and more women than men in junior positions. This is the primary driver for our gender pay gap.

To narrow our gender pay gap, we need a closer alignment to a 50% : 50% gender split across all our quartiles.



From our last report, we have seen an increase in female in our upper and upper middle quartiles. Whilst we are encouraged by this, we aim to continue increasing the representation of females in more senior positions, whilst ensuring we recruit or promote the best person for the role regardless of gender.

Our 2019 Gender Pay Gap by Quartiles:



D&I at the CAA – A colleague’s perspective:

“We exist to make aviation safe and accessible for everyone and through our D&I work we aim to create an organisational culture that is representative of the community we serve. We aim to create an organisation where anyone can succeed.

This is not done by having quotas or targets. People are not solely defined by their physical or personal traits; we cannot be reduced to boxes that can be ticked on a form.

So how do we do it? By celebrating our individuality. By ensuring we have the right people in the right roles, whatever their background. By fostering an environment where everyone feels comfortable bringing their whole selves to work. It takes time and commitment and we won’t always get it right, but we are committed to making the changes needed to achieve our goal.”

Nina Singh, Regulation and Governance Officer, CMG

Our Gender Pay Gap

Mean and Median Gender Pay Gap

Our Mean Gender Pay Gap is 30.4% and the Median is 38.1%.

D&I at the CAA – A Case Study:

“Our Aviation Security division regulates security arrangements at UK airports and for air carriers, cargo and in-flight suppliers to ensure compliance with UK and international security requirements. It’s crucial to our effectiveness, that we continually recruit the best people for the best roles and to that end, we run an annual recruitment drive for new auditors.

In 2019, that recruitment drive was reviewed and refined at every stage, from the screening of applications, running assessment centres and finally appointment to role. Instead of seeking traditional skills and experience, we streamlined our focus to 3 core competencies - quality management, stakeholder engagement and experience of policy and process. This enabled us to shorten and refine job descriptions.

Consequently, we saw an increase in the number both of applicants and those assessed at our assessment centre. The pool was more diverse than ever before with 6 of the 9 appointed auditors female. We are proud to report that the intake of auditors achieved the highest scoring delegation we have ever seen in qualifying exams.”

Kirsty Richardson, Compliance Manager, AvSec

2020 (4th Report)



Mean
30.4%

2019 (3rd Report)



Mean
31.9%

2018 (2nd Report)



Mean
32.9%



Median
38.1%



Median
40.1%



Median
40.9%

Please note: This report follows the regulatory framework for how gender pay is calculated and reported.

Our Gender Bonus Gap

Mean and Median Gender Bonus Gap

We do not pay many bonuses, and when bonuses are paid, they are normally relatively modest.

When bonus payments are awarded, it is to recognise performance; this is irrespective of gender. In this report, 16.7% of women and 16.2% of men received a bonus, meaning women are slightly more likely than men to receive a bonus (see overleaf for more details).

However, a Gender Bonus Gap still exists as bonuses in the CAA are normally paid as a percentage of salary and the value of women's bonuses tends to be lower than men's. This is because in the CAA:

- Women tend to occupy more junior roles (as shown in our Gender Pay Gap by Quartiles).
- Women are more likely to work part time (and therefore receive a salary directly proportionate to the full time equivalent).

As we have seen an increase in the percentage of men receiving a bonus compared to last year, our Gender Bonus Gap has increased.

2020 (4th Report)



Mean
40.3%

2019 (3rd Report)



Mean
21.4%

2018 (2nd Report)



Mean
38.4%



Median
29.9%



Median
32.5%

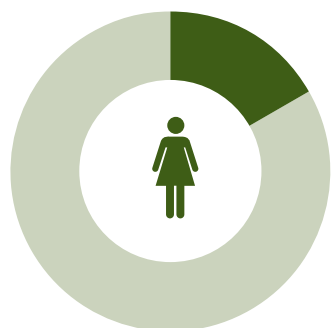


Median
33.9%

Our Gender Bonus Gap

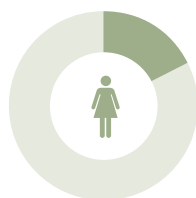
Percentage of colleagues who receive a bonus

2020 (4th Report)



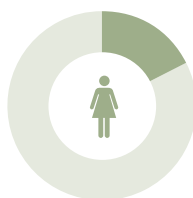
Women
16.7%

2019 (3rd Report)



Women
17.7%

2018 (2nd Report)



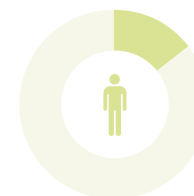
Women
17.3%

2020 (4th Report)



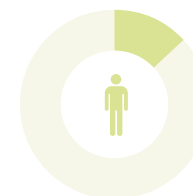
Men
16.2%

2019 (3rd Report)



Men
14.5%

2018 (2nd Report)



Men
13.1%

Our ongoing commitment to Gender Pay

Next steps for 2020

At the time of releasing our fourth Gender Pay Gap Report, we are in the midst of two potentially monumental societal changes; the Coronavirus pandemic and the Black Lives Matter movement. It is therefore important that our D&I strategy is maintained and strengthened at this time.

We are aware that Coronavirus will fundamentally change the aviation industry in both the short and long term, and that this will provide new opportunities to progress work on D&I. For the CAA, we recognise that our focus, in the short term, will move from our recruitment practices to development, to ensure that we are still providing opportunities for all colleagues to grow their careers. For example, our newly created opportunities register allows for short-term movement around the organisation for colleagues to gain new skills and increase their wider profile.

We also need to ensure that we exploit the opportunity provided around flexible working, as the CAA successfully moved to working remotely virtually overnight. Ensuring the flexibility our colleagues have told us they want is maintained is paramount to ensuring the CAA remains an inclusive employer for all colleagues.

The Black Lives Matter movement has brought the discussion of race to the forefront, including the discussion of racism at work, whether this be overt, systemic or through micro-incivilities. It has also led to wider discussions on intersectionality and the labels that we put on colleagues and the unintended consequences of doing so.

We still have a lot to learn and have run focus groups with our colleagues on D&I in the summer of 2020. These sessions have been designed to help us listen to colleagues, so we can understand what we can do better, how we can do better and why we can do better. This will help support the development of our further work on D&I.

“We seek to attract and retain talent, whilst recognising that the diversity of our talent is key to ensuring that we are a relevant and world-class regulator.

At a time when deadlines for Gender Pay Gap reporting have been suspended, the publication of our 4th Report demonstrates our unwavering commitment to diversity, to transparency and to addressing our pay gaps. We continue to achieve a year on year reduction in our Gender Pay Gap; however we cannot be complacent and will maintain momentum to ensure this trend continues.”

Jane Cosgrove, People Director

D&I at the CAA – A Case Study:

“Science, Technology, Engineering and Maths (STEM) is the umbrella term used to cover work promoting those subjects in education and to young people. Our work in the area is primarily about promoting the broad range of exciting jobs that are available in aviation along with the skills and knowledge that someone looking to enter into the sector could require.

Our STEM affinity network brings interested colleagues together to work as one team, providing support to schools and wider education. Since 2018 we have funded five educational organisations to help create career pathways in aviation for young people. We have also teamed up with The Learning Partnership who have established a range of inspirational classroom activities for children aged 9 – 14 years. The activities are specifically designed to support the UK curriculum and enable teachers to introduce and teach STEM concepts both interactively and socially.

In times of limited school budgets, the funding enables the schools to access high quality educational materials and resources. It also gives us the opportunity to interact with future generations of potential Aviation professionals.

The International Group has also been pleased to welcome our first apprentices as part of the CAA wider programme around future pathways to aviation careers. We are always looking to share career progression stories – encouraging our people to look beyond the outdated stereotypes surrounding apprenticeships, and to celebrate the diversity of opportunity and value that they bring to the country today.”

Sophie Jones, Head of Operations and Training,
International Group

Glossary

Terms

Mean: A method of arriving at an average. For gender pay gap reporting the mean average is calculated by adding up all men's salaries and dividing the total by the number of men, then adding up all women's salaries and dividing by the total number of women to arrive at a mean average salary and hourly rate of pay both for men and for women. The mean Gender Pay Gap is the percentage difference between the men's and women's average hourly rate of pay. The same method is used for calculating the mean gender bonus Gap.

Median: The middle point in a range. For Gender Pay Gap reporting the median is calculated by listing all men's salaries in ascending order and then taking the salary in the middle of the list and then doing the same for women's salaries to arrive at a median salary and hourly rate of pay both for men and for women. The median Gender Pay Gap is the percentage difference between the men's and women's median hourly rate of pay. The same method is used for calculating the median gender bonus Gap.

Quartiles: These are calculated by placing all employees' salaries in ascending order and then dividing them into four equal groups. The upper quartile represents the 25% highest paid colleagues in the organisation; the upper middle quartile represents the 25% second highest paid group of colleagues; the lower middle quartile represents the 25% third highest paid group of colleagues; and the lower quartile represents the 25% of colleagues who are paid the lowest salaries in the organisation. Within each quartile the proportion of men and women occupants is expressed as percentage.

Bonus: Lump sum cash awards paid as non-consolidated payments. Typically, in the CAA, these are awarded to recognise outstanding performance although the amount we spend varies from one year to another.

Glossary

		Second Report	Third Report	Fourth Report
Publication deadline		30 March 2019	30 March 2020*	30 March 2021**
Gender pay	Gender pay snapshot date:	31 March 2018	31 March 2019	31 March 2020
	Gender pay by quartile snapshot date:	31 March 2018	31 March 2019	31 March 2020
Gender bonus gap	Bonuses paid in period:	1 April 2017 to 31 March 2018	1 April 2018 to 31 March 2019	1 April 2019 to 31 March 2020
	Proportion of colleagues receiving a bonus in period:	1 April 2017 to 31 March 2018	1 April 2018 to 31 March 2019	1 April 2019 to 31 March 2020

*Date has been suspended.

**Date is to be confirmed.

Gender Pay Gap and Equal Pay

The difference between gender pay gap reporting and equal pay is not easily understood. Whilst they both deal with the difference in pay women receive in the workplace, they are two different issues.

The gender pay gap is the measure of the difference between the average hourly pay of all men and all women across a whole organisation. It is reported on a mean (average) basis, and median (middle point) basis. As shown by our own Gender Pay by Quartile profile, it helps to reveal potential inequalities in respect of the distribution of gender in an organisation. Organisations like ours, with a large proportion of men in senior roles, will typically report a Gender Pay Gap – this does not mean that there are any equal pay issues.

Equal pay is a measure of whether a man and woman receive “like pay for like work.” Since the 1970s, UK law has prohibited paying different amounts to men and women who are performing the same or comparable work, unless there is a “genuine material factor” for doing so. We have several existing measures in place for ensuring we provide equal pay for work of the same or equal value.

