

Motability  
Operations | Ltd

# 2021 Pay Gap Report



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**At Motability Operations our culture is at the heart of everything we do and developing a deep understanding of our customers is core to providing excellent service delivery. Our aim is to ensure our employee base reflects our customers and the communities we operate within as we evolve our business strategy to meet the challenges and opportunities of the future.**

We believe that diversity of our employee base in the broadest sense will lead to more informed decision-making, a stronger customer offering and ultimately a more sustainable business for our customers.

We aim to increase the proportion of those in under-represented groups to reach parity over time with the UK working age population. Increasing the diversity of our leadership is central to this aim.

We will achieve this through positive actions, ranging from targeted initiatives to creating an inclusive working environment where all employees feel valued, involved and engaged and which is free from any form of bias and discrimination.

Our business is fully committed to these aims and therefore in addition to gender pay we have also chosen to calculate and publish our ethnicity and disability pay gaps to help us understand where we need to focus actions and drive improvements. Due to low numbers of disclosure on sexual orientation we don't yet have sufficient data to draw meaningful conclusions. However, through our programme of employee engagement on equality, diversity and inclusion over the years ahead it is our intention to report this in the future.\*

*\*Collecting diversity information is voluntary. All employees have the option to leave any response blank. Those employees who have not self-declared for each to the characteristics are not included in the pay gap calculations.*

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# Gender Pay

**The gender pay gap is a measure that shows the difference in average earnings between men and women. It is distinct from equal pay, which is about ensuring that men and women are paid the same for carrying out work of an equal value.**

At Motability Operations, the issue of equal pay is reviewed on a regular basis, and we are confident that we do not discriminate on the basis of gender or any other factor.

In 2020 we reported a mean pay gap of 24.6% and a median pay gap of 19%. Our analysis showed whilst men and women were paid equally for equal roles, the gender balance is unevenly distributed across our business.

Our figures for April 2021 have seen this gap increase marginally to 25.1% and 21.4% respectively. This increase is largely due to the increased demand for technical and digital skills to support our business's ambitious technical roadmap plans to digitalise many of our core IT platforms and improve our customer experience. Competition for technical skills, particularly during the pandemic was and remains very strong, with many organisations competing for excellent diverse talent.



**In our Edinburgh office  
our male/female split  
is 50/50.**

# Gender Pay

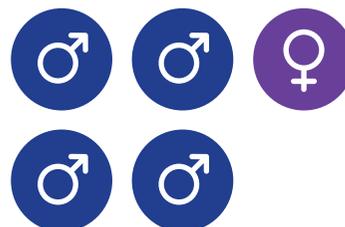
Our gap continues to be driven by a number of gender imbalances in our workforce, including;

- As at 5 April 2021, one of our five directors was female. Since this date, we have radically transformed the composition of our senior team and have appointed an additional four women to our Executive Team.
- Like many businesses, we continue to see higher numbers of men in more specialist, technical roles. Salary levels are generally higher in areas such as IT where skills are highly sought after and we are competing for talent in an employment market where there is a shortage of female applicants.
- We have a larger proportion of women in lower paid roles, such as our Customer Contact Centre, where roles are offered on flexible shift patterns. The reporting legislation does not take into account part-time working, for example, bonus gaps are calculated on actual bonus paid, rather than on a full-time equivalent.

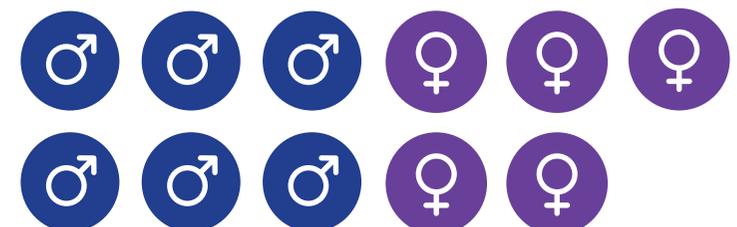
These factors are not unique to Motability Operations and reflect wider society and industry trends. Our Board remains committed to addressing the factors which are within our scope to change. We recognise that we are still on a journey and it will take time to put ourselves on a sustained path to reducing this gap further.

**According to [diversityintech.co.uk](https://diversityintech.co.uk) gender diversity in technology is currently sitting at 19% compared to 49% for all other jobs. We continue to grow our representation of women in our IT division, with over 27% of roles held by women. Four of our six most senior IT leadership positions are held by women.**

## Executive Team 2021



## Executive Team 2022



# Gender Pay 2021 Results

(for data as at 5th April 2021)

## Difference in pay between male and female employees

Mean pay gap is  
**25.1%**



Median pay gap is  
**21.4%**



### Mean and Median

The gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus of male and female employees, expressed as a percentage of male employee's earnings.

## Difference in bonus pay between male and female employees

Mean bonus gap is  
**39%**

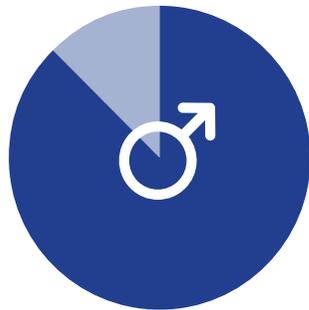


Median bonus gap is  
**24.2%**



# Gender Pay 2021 Results

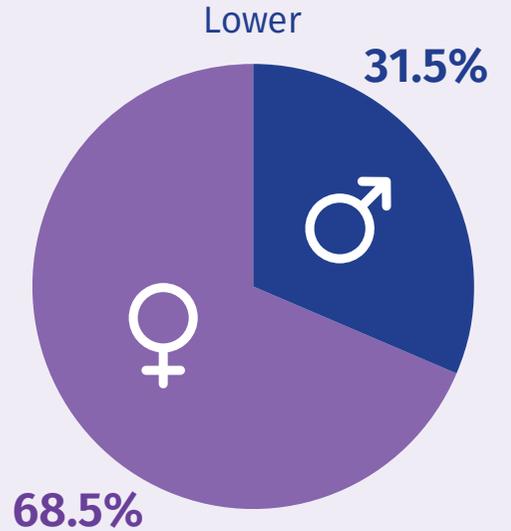
(for data as at 5th April 2021)



Proportion of male employees receiving a bonus

87.5%

Proportion of male and female employees in each pay quartile

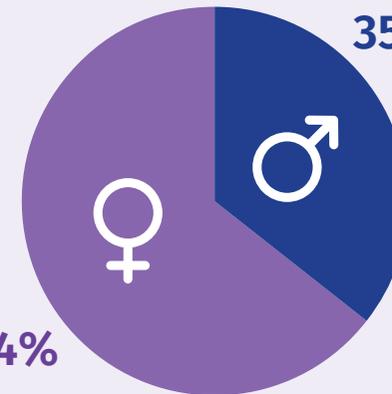


Lower

31.5%

68.5%

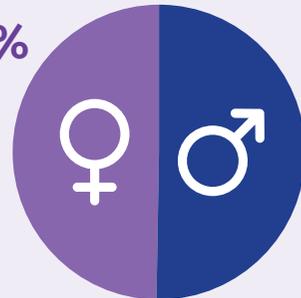
Lower middle



35.6%

64.4%

Upper middle

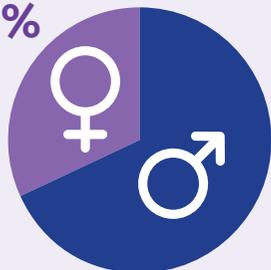


49.5%

50.5%

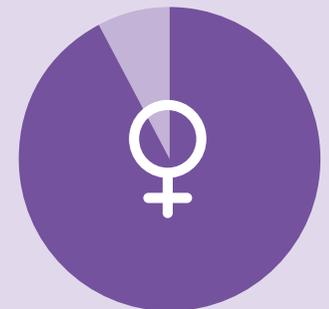
Upper

31.7%



68.3%

Proportion of female employees receiving a bonus



92.4%

# Ethnicity Pay

## **We are voluntarily disclosing our Ethnicity Pay Gap, comparing the average hourly earnings and bonus of those who identify as Black, Asian and Minority Ethnic employees with those who do not.**

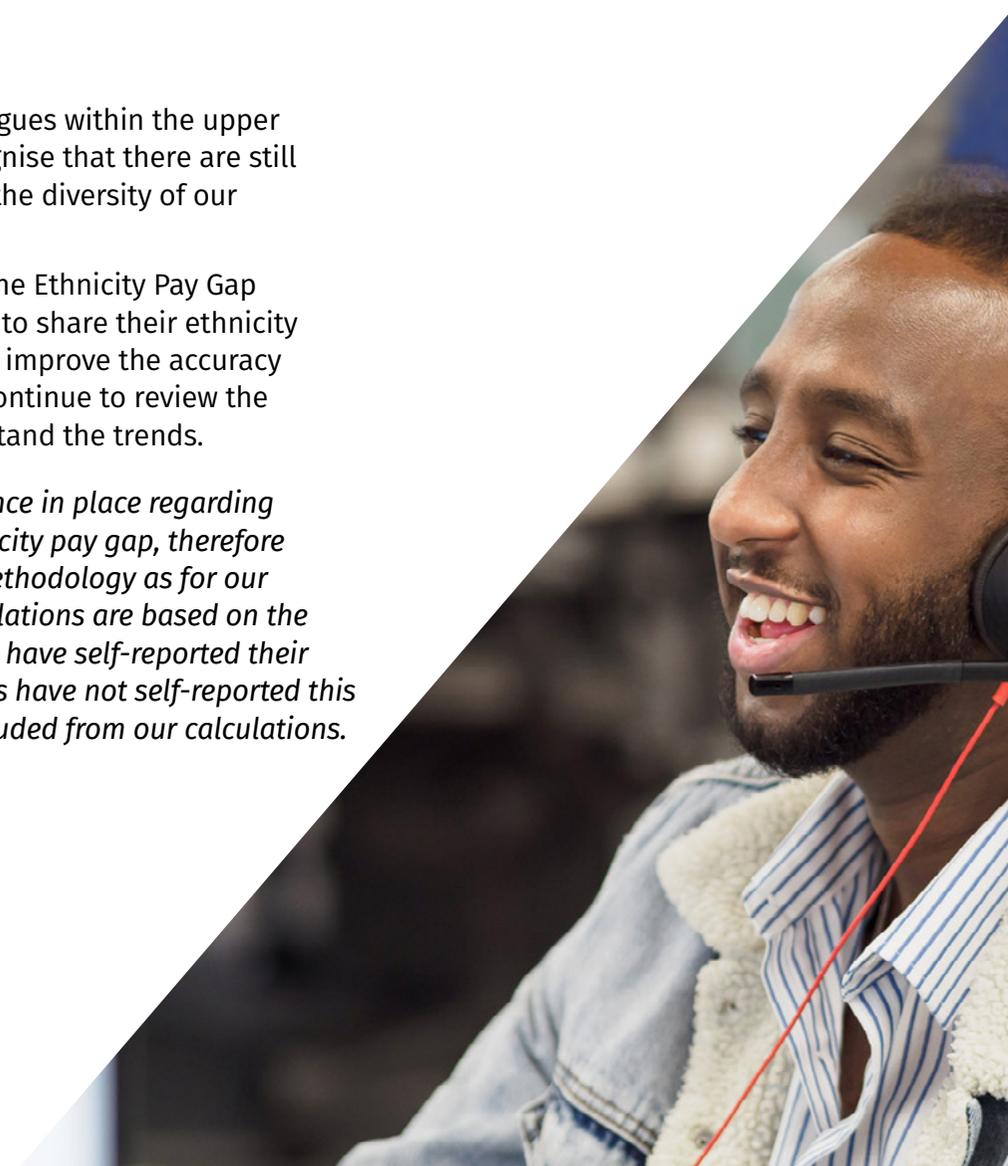
The results reported on the following page are based on those employees who have self-reported their ethnicity. As at 5 April 2021, 90% of employees disclosed their ethnicity, of which 12% indicated their ethnicity was either Black, Asian or Minority Ethnic\*.

Our negative pay gap and bonus gaps can be predominantly attributed to the diverse representation across our IT division where salaries are higher due to skills being highly sought after. Whilst we have strong representation of Black, Asian

and Minority Ethnic colleagues within the upper middle quartiles, we recognise that there are still opportunities to improve the diversity of our Senior team.

We hope that publishing the Ethnicity Pay Gap will encourage employees to share their ethnicity voluntarily, so that we can improve the accuracy of our reporting. We will continue to review the underlying data to understand the trends.

*\*There is no official guidance in place regarding the calculation of an ethnicity pay gap, therefore we have used the same methodology as for our gender pay gap. Our calculations are based on the data of our workforce who have self-reported their ethnicity. Where employees have not self-reported this information has been excluded from our calculations.*



# Ethnicity Pay 2021 Results

(for data as at 5th April 2021)

This represents the difference in the average pay for Black, Asian and Minority Ethnic and non-Black, Asian and Minority Ethnic employees.

Mean pay gap is  
**12.2%**



Median pay gap is  
**32.4%**



## Mean and Median

The ethnicity pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus of non-BAME and BAME employees, expressed as a percentage.

This represents the difference in the average bonus pay for Black, Asian and Minority Ethnic and non-Black, Asian and Minority Ethnic employees.

Mean bonus gap is  
**23.8%**



Median bonus gap is  
**8.8%**



# Disability Pay

**We are voluntarily disclosing our Disability Pay Gap, which compares the average hourly earnings of employees who have told us that they have a disability with those who have not made us aware of a disability. As at 5 April 2021, 61% of our employees self-reported whether they have a disability or not. Of this group, 9% told us that they have a disability. This is a marked increase on disclosure rates from 2020\*.**

Whilst disclosure has improved, the main drivers for the both the pay and bonus gaps are due to the balance of disabled employees in roles across our organisation with only a small number of employees with disabilities in leadership roles.

Similarly to ethnicity, we hope that by publishing the Disability Pay Gap and the positive actions we are taking, we will encourage employees to be comfortable in telling us that they have a disability, so that we can improve the accuracy of our reporting.

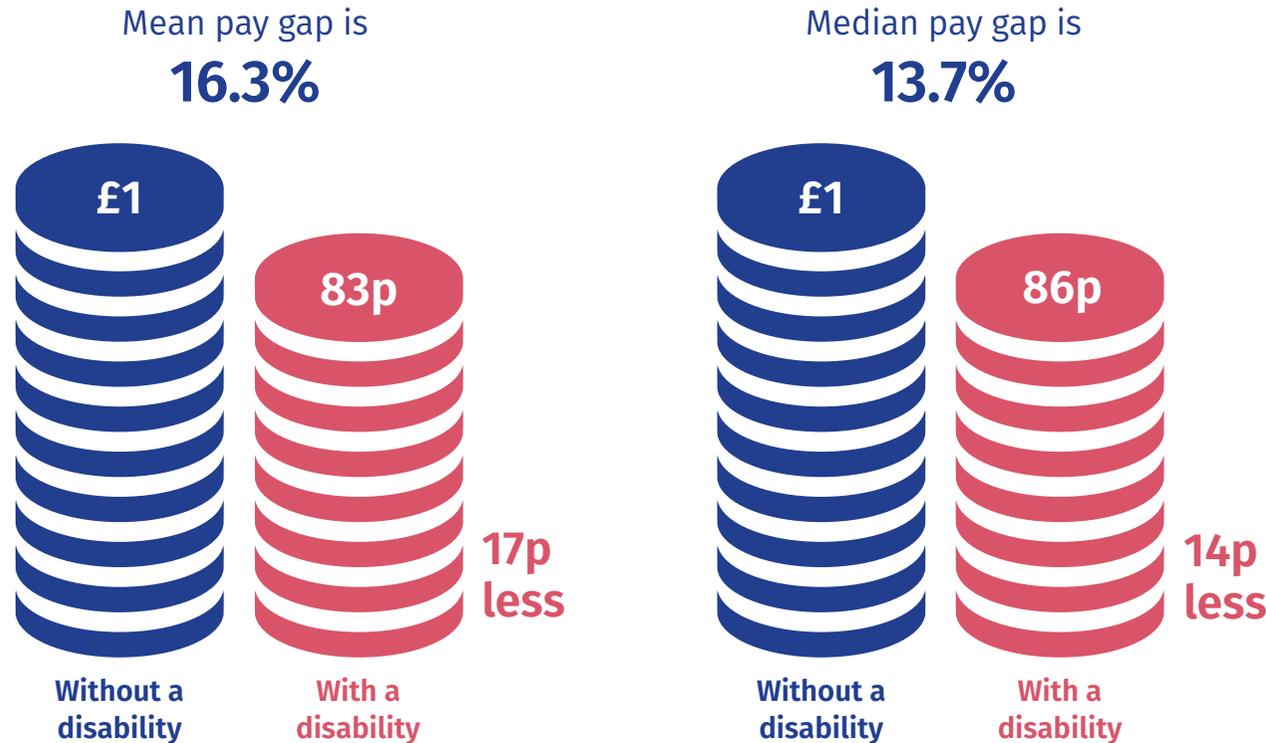
*\*There is no official guidance in place regarding the calculation of a disability pay gap, therefore we have used the same methodology as for our gender pay gap. Our calculations are based on the data of our workforce who have self-reported. Where employees have not self-reported whether they have a disability or not, this information has been excluded from our calculations.*

**...we hope that by publishing the Disability Pay Gap and the positive actions we are taking, we will encourage employees to be comfortable in telling us that they have a disability, so that we can improve the accuracy of our reporting.**

# Disability Pay 2021 Results

(for data as at 5th April 2021)

This represents the difference in the average pay for disabled and non-disabled employees.



## Mean and Median

The disability pay gap shows the difference between the mean (average) and median (mid-point) pay of employees without a disability and employees with a disability, expressed as a percentage of employees' without a disability earnings.

This represents the difference in the average bonus for disabled non-disabled employees.

Mean bonus gap is

**43.2%**



Median bonus gap is

**27.5%**



## Our progress

Our Equality, Diversity and Inclusion (ED&I) Committee has now become established and has driven a number of strategic initiatives during the past 12 months. Chaired by our Chief People Officer and supported by members of our senior leadership team the committee oversees and monitors the implementation of Motability Operations diversity and inclusion strategic goals.

One of the aims of the committee is to act as a channel to challenge the organisation in terms of our practice, approach and development of equality, diversity and inclusion; particularly where progress is limited or, in support of under-represented or disadvantaged individuals and groups. Achievements during 2020/21 include the development of Motability Operations' ED&I Strategy; launch of a two-way mentoring pilot and sponsorship of a scholarship programme aimed to support career opportunities for Black, Asian and Minority Ethnic (BAME) backgrounds, in parallel to the programme that has been run for a number of years for disabled under-graduates.

The key highlights from 2020/21 include;

### Building awareness and understanding

- In 2021 we launched a mandatory company-wide training programme called Valuing Difference at Motability Operations. Created and delivered by employees with a passion for diversity and inclusion, this programme has successfully introduced opportunities for groups of employees to talk about diversity and inclusion within the workplace. The feedback from the training has been overwhelmingly positive.
- Our diversity networking groups have continued to evolve and champion dialogue on equality, diversity and inclusion throughout our business. During the past year the networking groups have continued a programme of awareness, engagement and celebration, shining a light and encouraging participation in events such as International Women's Day, Black History Month, Pride and Mental Health Awareness amongst many others.

Our 'Women in Tech' networking group has continued to grow and evolve and from five core members in 2020 now has 94 members across our IT division. This is an informal self-managed community that plan events, share experience and contribute ideas to the wider IT people agenda.



# Our progress

## Talent management

- Our focus on succession planning and talent development for senior roles has enabled us to quickly identify high performing, diverse candidates to join our Executive team when opportunities became available. Throughout the business, our focus on internal development and career progression continues, with over 10% of employees developing into a new role or progressing within their current role between April 2020 – April 2021, despite the challenges from the pandemic.
- We continue to invest in our early careers programmes and recognise this is a great opportunity to attract enthusiastic diverse talent into our business. Our bespoke graduate programmes in both IT and Operational areas combined with industrial placement programmes and apprenticeships have gone from strength to strength.

In 2021, and in partnership with early intervention mentoring charity, Urban Synergy, we launched a new Scholarship Programme targeted at attracting candidates from Black Asian and Minority Ethnic backgrounds. The programme provides financial support whilst at University together with paid work experience during the summer breaks.

- To support our employees with disabilities, in 2021 we introduced our Personal Development Programme. The programme is designed to build confidence and equip participants with tools to present themselves and their impairment or health condition in a way that creates a positive impact.

### Feedback about the PDP Programme

I was a little nervous about going on the Personal Development Course at first as I wasn't sure what kind of topics we would cover or how much detail I'd need to share about my condition, but within 30 minutes of starting I felt totally at ease and was confident I'd benefit from attending.

The course gave me some real insight, confidence and effective ways to ask for support.

**Kelly – Customer Services**



# Our progress

## Supportive culture

- In 2021 we were awarded Disability Confident Leader status in the government-backed Disability Confident scheme, which encourages businesses to become better at attracting, recruiting and employing disabled people. To become a Disability Confident Leader, we were required to complete a self-assessment which was then validated independently by The Business Disability Forum, a membership organisation that has more than 20 years' experience in this field and aims to remove barriers for people with disabilities in and around the workplace.
- Our Mental Health Allies programme has gone from strength-to-strength and we have now successfully appointed 65 Mental Health Allies across our whole business.
- In 2021 we launched our Hybrid-Working model which was collaboratively designed by teams, managers and senior leaders. This approach builds on our excellent inclusive culture, encouraging teams to combine both face-to-face collaboration in the office with the flexibility of working remotely. We recognise each team has its own unique way of working and have empowered teams and managers to determine an approach that meets their business, customers' and teams' needs.



## Our plans for the year ahead

Maintaining all of the current initiatives we have in place and building on their success, we also plan to;

- Develop a stronger employer brand to ensure it engages and attracts diverse talent
- Proactively aim for diverse shortlists, wherever feasible
- Continue recruitment training for employees with hiring responsibilities
- Make greater use of apprenticeships as a tool for attracting diverse talent
- Following the success of our pilot, we will be rolling out two-way mentoring for members of our networking groups, providing an opportunity for employees to engage with senior leaders from the business to share perspectives, ideas and experiences.
- Provide access to development to improve the diversity of our talent pipeline at all levels, with a specific focus on the progression of under-represented groups into management and leadership roles
- Continue our focus in tracking and reporting data to enable a better understanding and more targeted actions across recruitment, succession planning, engagement and development.

## Our five year milestones

- To have an employee base that at all levels reflects the UK in population in each of the demographic groups. This will be measured as a % of those who have disclosed their personal data, with the aim of reaching a position of 90%+ disclosure across all groups\*
- To achieve parity between our employee engagement scores, as measured by our employee survey across all diverse groups of employees.

## In conclusion

Improving the diverse balance across our business remains a priority and something to which the Board is committed. We recognise that this will require time and sustained focus over the long-term.

## Declaration

I confirm that the information contained in this report is accurate.

*\*Groups include gender, disability, ethnicity and LGBTQ+*



A handwritten signature in black ink that reads "Andrew Miller". The signature is written in a cursive style with a long, sweeping underline.

**Andrew Miller, CEO**

