

# BPP Gender Pay Gap Report 2021

As a training and education provider we actively encourage career progression based on results and talent, regardless of gender or any other form of bias. We value diversity, and the knowledge and development of our workforce has a direct impact on the success of BPP.

We work hard to ensure there is consistency and transparency for our staff and potential employees.

In 2021, our workforce consisted of 59% female employees to 41% male.

Our gender pay gap report for 2021 indicates that our mean pay gap for the BPP Group has increased from 12.9% to 16.4%, after falling for the last couple of years. This is a one-off rise which is entirely attributable to the sale of BPP Group, and it is fully expected that this will be corrected in 2022. To provide transparency and make a relative comparison with our 2020 data we have also calculated our hourly pay gap without these payments. As a result, our mean pay gap has reduced to 12.8%. By contrast, BPP University Ltd, which employs the majority of our employees, has a median pay gap of only 2.8%. There are a variety of factors to consider when addressing the challenge of a gender pay gap.

We know that a pay gap will persist until there is equal or proportionate gender representation at every level in our organisation and that there is no quick fix for a gender pay gap, but we have put a number of long-term initiatives in place which are intended to reduce the gap over time. These are detailed later in the report. As a business we will continue to focus on talent acquisition, career development and retention, as well as how we pay and reward performance.

## The responsibilities of this report

BPP is required by UK legislation to share the data of our legal entities employing over 250 staff. BPP must report for **BPP Holdings Ltd** and **BPP University Ltd** on the gov.uk website. We have taken the decision to voluntarily provide data for the **BPP Group** as a whole.

The information we are required to publish includes:

- The differences in mean/median pay between men and women calculated on the basis of equivalent hourly rates
- The distribution of men and women between pay band quartiles, calculated using the range of hourly pay rates
- The differences in mean and median bonus pay between men and women
- The proportion of men and women receiving bonus pay in a year

## What is the Gender Pay Gap?

### Gender Pay vs Equal Pay

The **gender pay** gap is the difference between the hourly rate of pay of male and female employees (as set out in the regulations), expressed as a percentage of the hourly pay rate of male employees across the whole organisation. The gender pay gap is reported on both a mean (average) and median (mid-point on a distribution) basis.

In terms of **equal pay**, UK law has prohibited paying different amounts to men and women doing 'like work', 'work of equal value' or 'work rated as equivalent' unless there is a 'genuine material factor' for the difference.

### Mean vs Median figure reporting

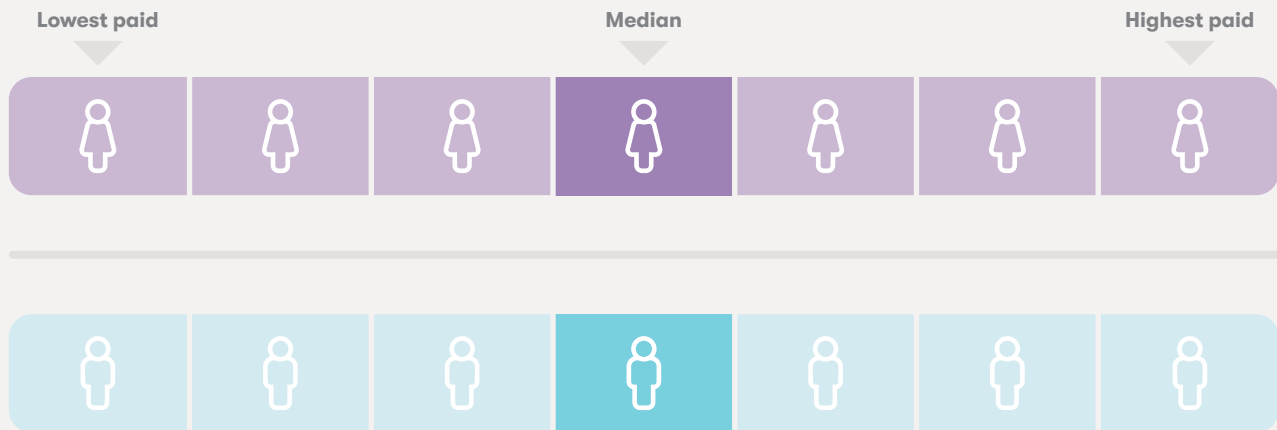
We are required to report both the mean and median figures for this report.

These metrics are complementary and illustrate different aspects on the distribution of pay across an organisation.



## Distinguishing between median and mean

### Median calculation



The median is the figure that falls in the middle of a range when the wages of all relevant employees are lined up from the smallest to largest.

The median gender pay gap is calculated based on the difference between the middle employee in the range of male wages and the middle employee in the range of female wages.

### Mean calculation

Sum of **women's** hourly rate of pay



Sum of **men's** hourly rate of pay



**VS**

Total number of **women**

Total number of **men**

The mean is calculated by adding up the wages of all relevant employees and dividing the figure by the number of employees. The mean gender pay gap is calculated based on the difference between mean female and male pay.

### What might cause a Gender Pay Gap?

A gender pay gap is the result of a number of internal and external factors. External studies have shown that it may be a result of, but not exclusively due to, the following circumstances:

- a) A higher proportion of males in senior positions
- b) A higher proportion of females in lower-paid roles
- c) Women are more likely to have breaks in service that might impact their career progression and long-term earnings

## BPP Statistics

Our gender pay gap report for 2021 indicates that our median pay gap has remained at 15.1% and our mean base pay gap for the Group has increased from 12.9% to 16.4%. The increase to our mean base pay gap can be explained due to the complexities of the regulations for calculating the statistic. As a result of the sale of BPP to TDR, a number of bonus payments were made during April 2021.

These bonus payments must be included in our base pay gap calculations and have negatively impacted the figures for 2021. To provide transparency and make a relative comparison with our 2020 data we have also calculated our hourly pay gap without these payments. As a result, our mean pay gap has **reduced to 12.8%**. We have displayed the comparable statistics in the table below.



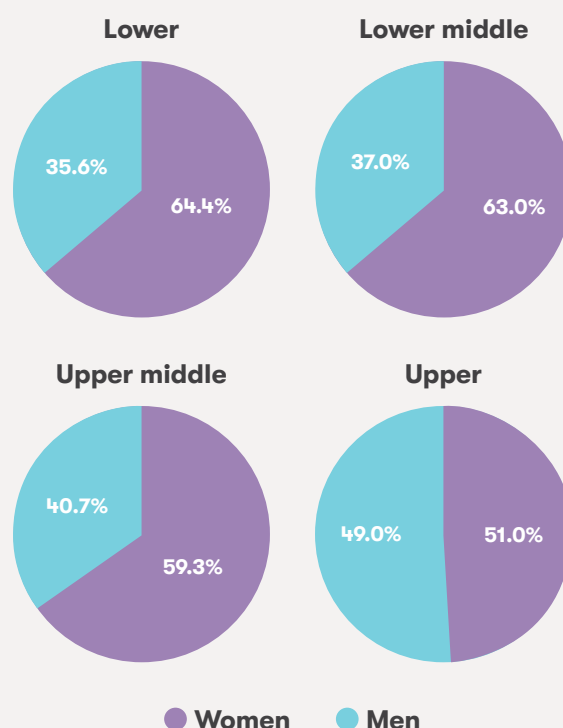
### Pay and bonus difference between women and men at BPP Group

Incl. payments (Excl. payments)

	Mean	Median
Hourly pay	16.4% (12.8%)	15.1% (15.1%)
Bonus pay	52.5% (52.5%)	9.6% (9.6%)

	Women	Men
Proportion receiving a bonus	12% (12%)	18.1% (18.1%)

### Pay quartiles across BPP Group





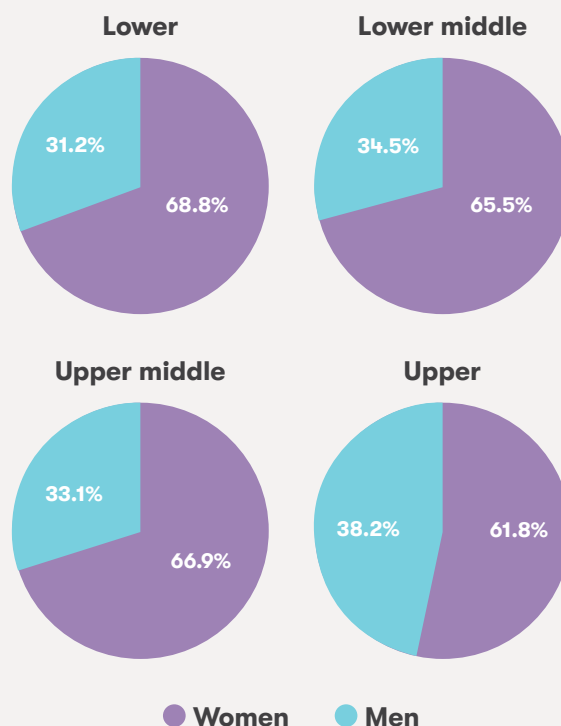
### Pay and bonus difference between women and men at BPP University Ltd

Incl. payments (Excl. payments)

	Mean	Median
Hourly pay	3.8% (3.2%)	2.8% (2.8%)
Bonus pay	20% (20%)	0.0% (0.0%)

	Women	Men
Proportion receiving a bonus	7.5% (7.5%)	6.5% (6.5%)

### Pay quartiles across BPP University Ltd



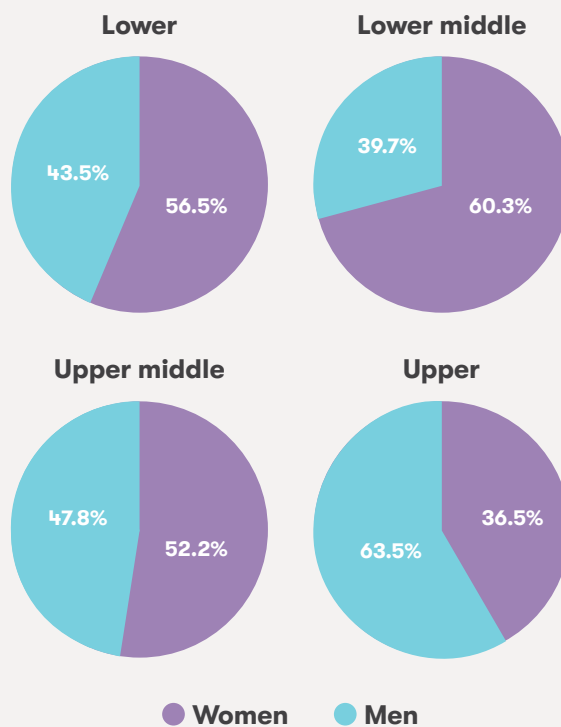
### Pay and bonus difference between women and men at BPP Holdings Ltd

Incl. payments (Excl. payments)

	Mean	Median
Hourly pay	30.4% (23.2%)	19.1% (19.1%)
Bonus pay	67.1% (67.1%)	42.6% (42.6%)

	Women	Men
Proportion receiving a bonus	20.6% (20.6%)	26.4% (26.4%)

### Pay quartiles across BPP Holdings Ltd





**ONS (Office for National Statistics) figures report the national median average base pay gap is 15.4% (2021) – BPP Group has a median average base pay gap of 15.1% and a mean of 16.4% (12.8% excl. payments).**

**BPP University Ltd** has a median pay gap of 2.8%. This is well below the ONS national average and well below the industry average for higher education providers of 13.7% which is extremely positive news.

**BPP Holdings Ltd** includes the majority of our executive team along with employees in support roles such as Client Services, HR, Finance, IT and Marketing. As a result, there is a very wide range of salaries within Holdings, with a high number of senior male leaders which will influence the pay gap. We are focusing on improving our talent acquisition and development processes to ensure that we have balanced recruitment and talent management processes to enhance opportunities for career progression within the business.

The **pay quartiles** for BPP Group are relatively comparable to the distribution of gender in our workforce (59% female, 41% male) apart from the upper quartile. The upper quartile for BPP Group is evenly distributed at 51:49 which indicates an equal proportion of males and females in our highest paid roles. BPP should also focus on the higher proportion of females in the lower paid roles and try to address the imbalance.

The **bonus pay gap** has decreased again from last year with the median bonus pay gap down to 9.6%. There is a relatively small proportion of employees who receive bonuses, and they are often only provided to senior positions within the company, which are predominately occupied by males. Discretionary bonuses are paid to positions which have a major impact to the overall results of BPP.

### What are we doing about our Gender Pay Gap?

We will continue to address any gaps and make sure our policies and practices are fair. This includes actively reviewing decisions around our annual performance, pay and bonuses.

Narrowing our gender pay gap is a long-term initiative. Over the past two years we have put in place a number of significant people initiatives that will have a positive impact over time. BPP wants to ensure that we have fair and transparent processes and policies, a gender balanced culture and that we remove any obstacles currently influencing progression. We encourage a flexible and positive work environment and future focused career development conversations.

### Activity currently underway

- i. Living Wage accreditation – BPP has increased its minimum wage to above the statutory minimum and now pays the Real Living Wage to employees.
- ii. Working Families Network – we have created an internal support group for working families. The group offers support to those employees either going or returning from maternity/paternity leave. This is a really active and successful affiliate group and has been particularly well received during the Covid-19 pandemic.
- iii. Senior Talent programme – we are currently taking a large group of our managers through a talent assessment and development process. This will give visibility of capability and aspirations leading to new development opportunities and succession plans based on robust and fair talent data. There is currently a 48:52 Male:Female split for delegates. Selection for this programme is driven by data to reduce bias and ensure decisions are fair and transparent.
- iv. Leadership for Professionals programme – this course is aimed at developing leadership and people management skills. The programme has enrolled 198 employees over the last 24 months with a gender split of 40:67 Male:Female for delegates.
- v. Recruitment Essentials – we have rolled out a new training programme to all people managers. The course addresses the need for fairness, balance and transparency in recruitment practice and aims to increase competence at interview skills and identifying talent.
- vi. We have incorporated Leadership Competencies and Core Competencies into our Performance Management and Recruitment process to ensure that employees are clear on the competencies and capabilities required at BPP.
- vii. Equality, Diversity and Inclusion (ED&I) – we have a group ED&I strategy to focus on employee initiatives across a wide range of issues that will create a more inclusive workforce.
- viii. Flexible working – we have a flexible working policy and during the Covid-19 pandemic we have ensured that all employees have the flexibility to work around their need to either care for children or other family members.
- ix. Gender neutral language within our job descriptions – research indicates that jobseekers (particularly females) can be put off applying for jobs that are advertised with masculine-coded or feminine-coded language. Guidance is provided to hiring managers to encourage the use of gender-neutral language.

### Future initiatives

- i. Apprenticeships – an apprenticeship strategy to give more development opportunities to internal employees to assist career progression and development.
- ii. Secondments – a more formal approach to secondments at BPP to assist with talent mobility across the business and to enable employees to get the breadth of experience required to enable them to progress to more senior positions paths.
- iii. Emerging Talent programme – we are currently designing an intervention for our emerging talent to ensure that high potential employees get exposure and career development opportunities to ensure talent mobility and progression.
- iv. We are launching a new employee-led online Women's Network to give employees a platform to discuss things like women's health, career development, career successes etc.
- v. Job Families – we are creating a formal grading structure of all roles in BPP. This will give visibility of potential career paths within the business and encourage career progression and talent mobility.

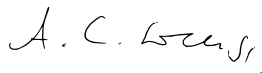
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### Declaration

We confirm that the information provided is accurate and in line with mandatory reporting requirements.



**Graham Gaddes**  
Chief Executive Officer



**Alison Wells**  
Director of Legal & HR

