

Gender Pay Gap Report 2018

The Bright Horizons Profile, April 2018

As at 5th April 2018 Bright Horizons had two legal entities in the UK – Bright Horizons Family Solutions and Yellow Dot Nurseries - and we are required to produce and report separate data for each legal entity.

This is the second year we have produced this data and therefore we are able to compare our results with 2017. Due to the nature of having two reports, we shall look at each legal entity separately.

Bright Horizons

What does the data tell us?

Some elements remain consistent with last years' results. We remain a predominantly female organisation, with the vast majority of our workforce employed as Early Years practitioners, paid sector market rates reflecting their experience and qualifications. In addition, our support offices continue to have a more mixed gender profile, with male and female colleagues working in a variety of different functions such as Finance, HR, Marketing and Facilities. Both of these elements are the largest contributors to the gender pay gap identified.

Our options for flexible working have grown significantly with the introduction of our own internal agency, Bright Start, which provides practitioners with a wealth of family friendly options to balance home and work life. Out of those who work part time, 89% are female. This in turn contributes to the gender bonus gap in our results, as base salaries will be lower than male counterparts who work predominantly full time. In addition, our employee benefit of utilising salary sacrifice for childcare costs contributes to a reduced basic pay once it is applied. As the salaries considered for the purposes of this report are the net salaries after the "sacrificed" elements are taken out it contributes to a gap in pay rates, as this benefit is utilised by more women in our business.

Our bonus profile is influenced by two key factors. We offer a generous recruitment referral bonus scheme with approximate values of around £500, which remains popular with our nursery based colleagues who are predominantly female. Our management bonus scheme tends to be of a higher financial value and has a more mixed gender profile. As we are required to report on these two very different schemes as one combined bonus offering, it influences our overall gender bonus pay gap.

What has improved?

We are delighted to share that since our first Gender Pay report our action plans have delivered improvements in key areas:

- Our median gender pay gap is not only significantly lower than organisations in a similar sector, but has also **decreased by 9.2 percentage points** since 2017.
- Our gender pay gap figure has **reduced by 6.1 percentage points** since 2017. This is a positive improvement, demonstrating our commitment to actions listed last year and taking a proactive approach to implementing consistency in pay rates across our nurseries, including those nurseries recently acquired. We are committed to further closing the gap to meet government targets.
- Our median gender bonus gap has significantly **reduced by 45.6 percentage points**. This is a huge difference since 2017 and one we are proud to share.
- The gap between the proportion of men receiving a bonus vs proportion of women has also reduced

Yellow Dot Nurseries

This is the first year of reporting for Yellow Dot nurseries within Bright Horizons, as they previously reported prior to acquisition. Given that the date of acquisition was extremely close to the data snapshot point for Gender Pay reporting, it is therefore difficult to provide detailed comment regarding the data as Yellow Dot was not part of Bright Horizons for the relevant data period. We will however provide a summary and comparison to the results from the previous year.

Yellow Dot nurseries are also a predominantly female organisation, with male employees within the company tending to take on less qualified positions than the female population, which warrant lower pay rates. From the data results this year, this demographic remains consistent, with the Yellow Dot data demonstrating a negative gender pay gap. Yellow Dot has historically encouraged men to join the childcare sector by providing apprenticeship opportunities and whilst this has attracted male employees, the apprenticeship reward structure is lower than other positions fulfilled by (mainly female) qualified practitioners. However the career development opportunities provided aim to support retaining male employees within the sector, a commitment supported by Bright Horizons.

What has improved?

- The mean gender bonus gap has narrowed by 48.3 percentage points.
- The proportion of males and females receiving a bonus is high compared to the sector, and in addition the gap between the number of males and females receiving a bonus has narrowed to a gap of 2 percentage points.

- The pay quartiles demonstrate a consistent distribution of females within the quartiles, with more working in the highest quartile. The distribution of male colleagues still show significantly more within the lower quartile, however there has been a shift within the upper middle quartile which previously did not contain any male employees.

In summary

Bright Horizons is committed to fair pay for everyone, irrespective of gender. We are delighted to be able to share some significant positive improvements in some of the key metrics around Gender Pay in our results this year. We remain committed to our action plans which, alongside new initiatives will enable us to continue to improve on these results in the coming years.

Statutory Disclosures

Bright Horizons Family Solutions has two legal entities with at least 250 employees (as at date of snapshot data 5 April 2018): Bright Horizons Family Solutions and Yellow Dot nurseries. Under the regulations we are required to report our gender pay gap for each of these entities:

Bright Horizons Family Solutions

	Median	Mean
Gender pay gap	5.90%	23.40%
Gender bonus pay gap	16.30%	56.70%

The proportion of males and females receiving a bonus payment

Males	9.70%
Females	10.50%

Proportion of males and females in each quartile band:

Quartile	Female	Male
Upper	88.50%	11.50%
Upper middle	94.20%	5.80%
Lower middle	92.60%	7.40%
Lower	94.90%	5.10%

Yellow Dot Nurseries

	Median	Mean
Gender pay gap	-80.70%	-39.70%
Gender bonus pay gap	-636.40%	-66.00%

The proportion of males and females receiving a bonus payment

Males	66.70%
Females	64.70%

Proportion of males and females in each quartile band:

Quartile	Female	Male
Upper	97.60%	2.40%
Upper middle	98.80%	1.20%
Lower middle	93.90%	6.10%
Lower	80.20%	19.80%

Declaration

We confirm that Bright Horizons Family Solutions and Yellow Dot Nurseries gender pay gap calculations are accurate and meet the requirements of the Regulations.

James Tugendhat

Managing Director

Lydia Hopper

General Manager