



Gallagher

Insurance | Risk Management | Consulting

Gender Pay Gap Report

Dorchester Hotels

Findings

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1. Introduction

Under legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap data. Gallagher Reward Consulting has been tasked with providing the gender pay gap reporting requirements for Dorchester Hotels Ltd as of the 5th of April 2023 snapshot date.

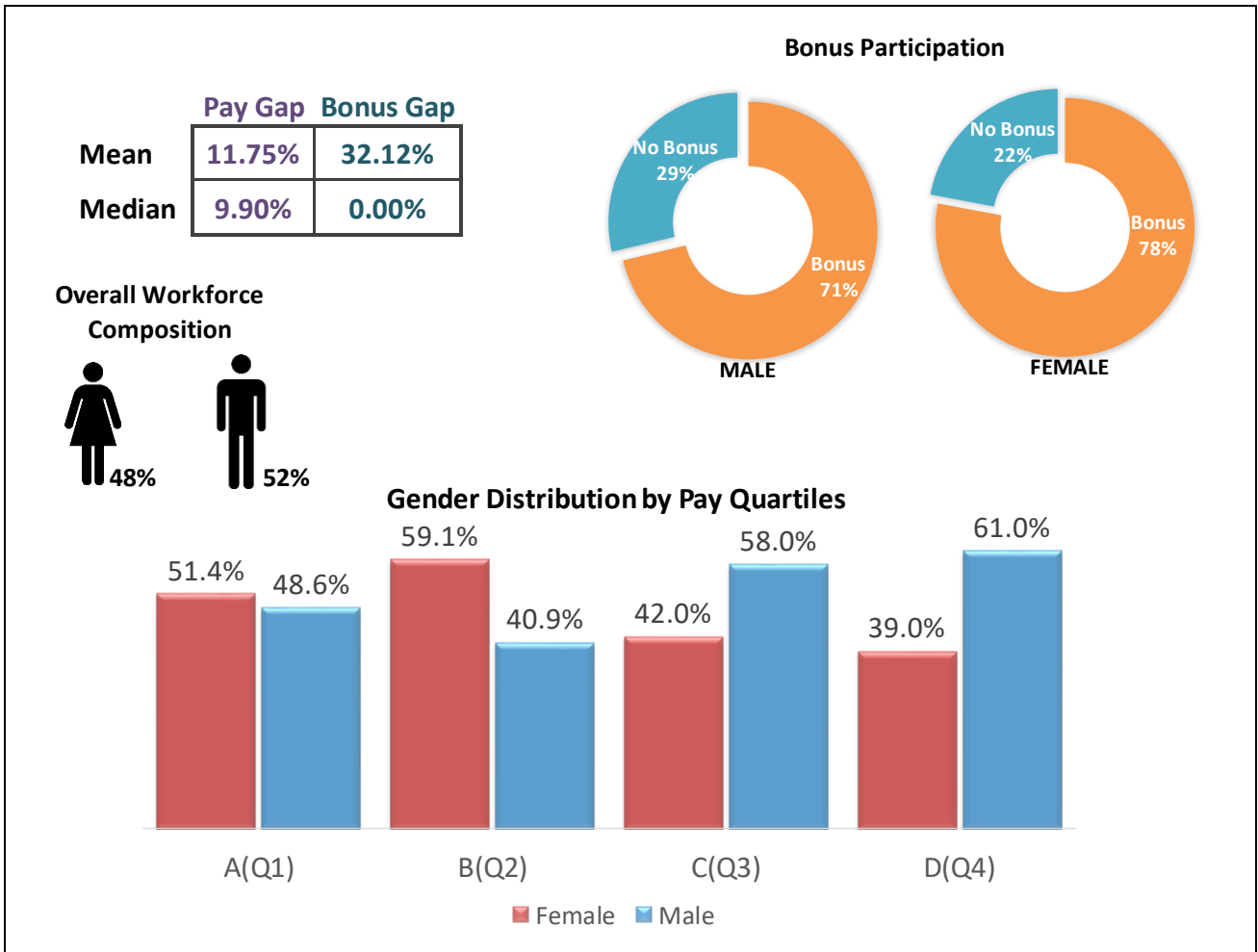
A gender pay gap is a measure of the difference in the average pay of all men and of all women in an organisation, regardless of the roles that they do. It is not the same as an equal pay comparison, which directly compares the pay of two or more people carrying out the same jobs, similar jobs or work of equal value.

The information submitted by complying employers is published on the government-sponsored website. Employers are required to publish the overall mean and median gender pay gaps, the difference in mean and median bonus payments paid to men and women, the proportion of male and female employees that received a bonus, and the gender distribution across the pay quartiles.

The calculations make use of two types of averages:

- A mean average involves adding up all of the numbers and dividing the result by how many numbers were on the list. This average places the same value on every number and so can be easily distorted by a small number of very high or low earners.
- A median average involves listing all of the numbers in numerical order and taking the middle number. This indicates what the 'typical' situation is, as extremes of low and high pay do not affect the median.

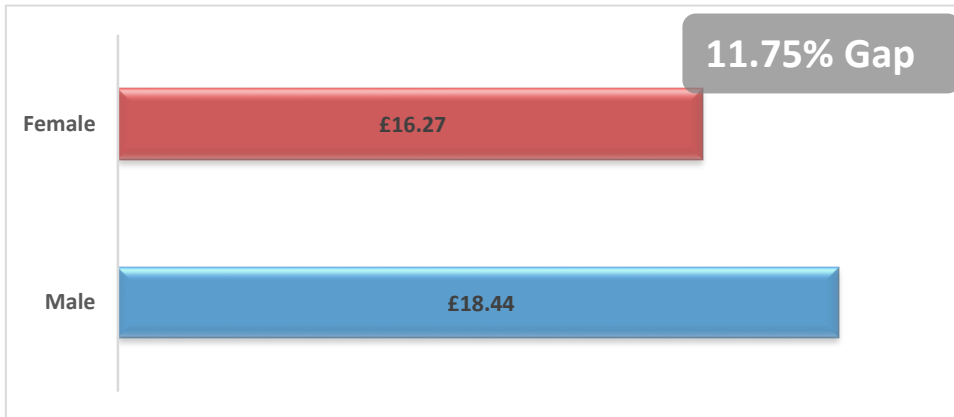
2. Summary of Gender Pay Gap Key Figures



3. Understanding the Data

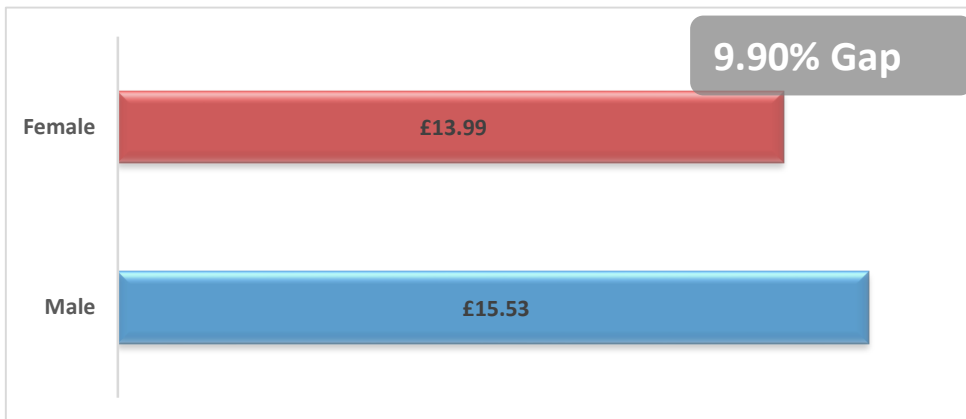
Mean Hourly Pay Rates

The mean hourly rates are currently favouring male employees by 11.75%, this is well below the national mean of 13.9% in favour of males according to the Office for National Statistics, 2022.



Median Hourly Pay Rates

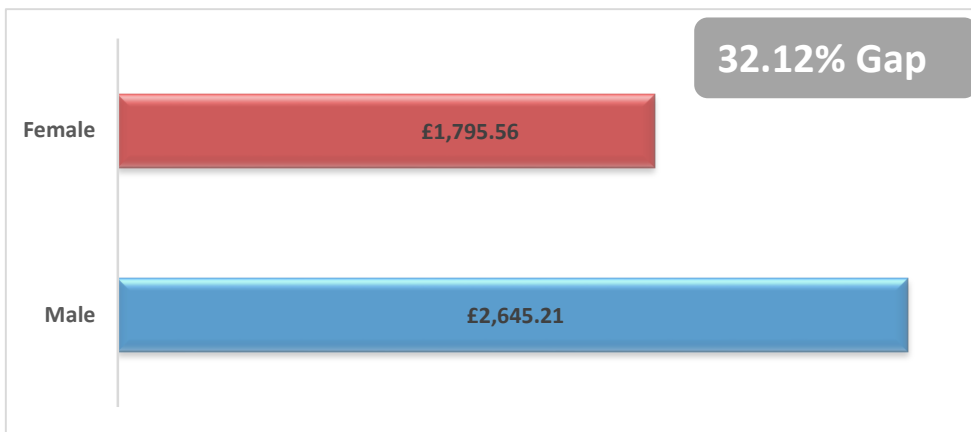
The median hourly rate gap is currently favouring male employees by 9.90%, sitting comfortably below the national median of 14.3% in favour of males according to the Office for National Statistics, 2023.



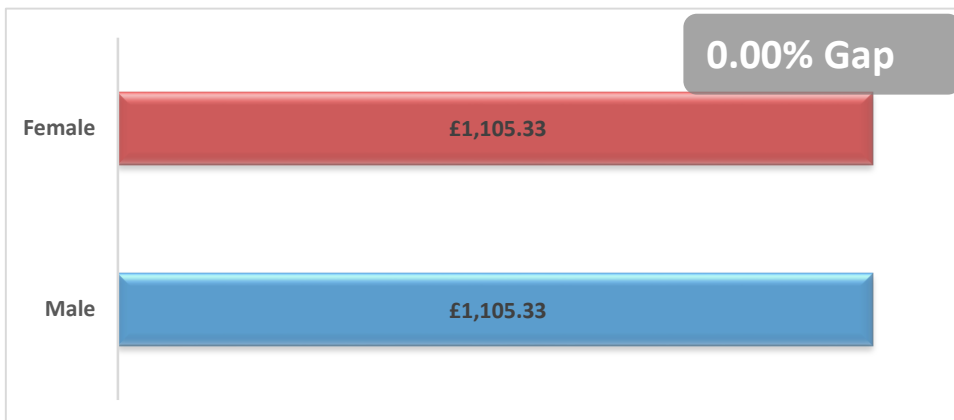
Bonus Payments and Participation

The bonus gap at Dorchester is currently favouring male employees at the mean by 32.12%, with the median gender bonus gap being eliminated this year. This indicates that the data set is skewed, with a wider range in the bonus amounts found in the slightly smaller male data set (n = 243) compared to a narrower range in the slightly smaller female data set (n = 230) who are in receipt of bonuses.

Mean Bonus Payments

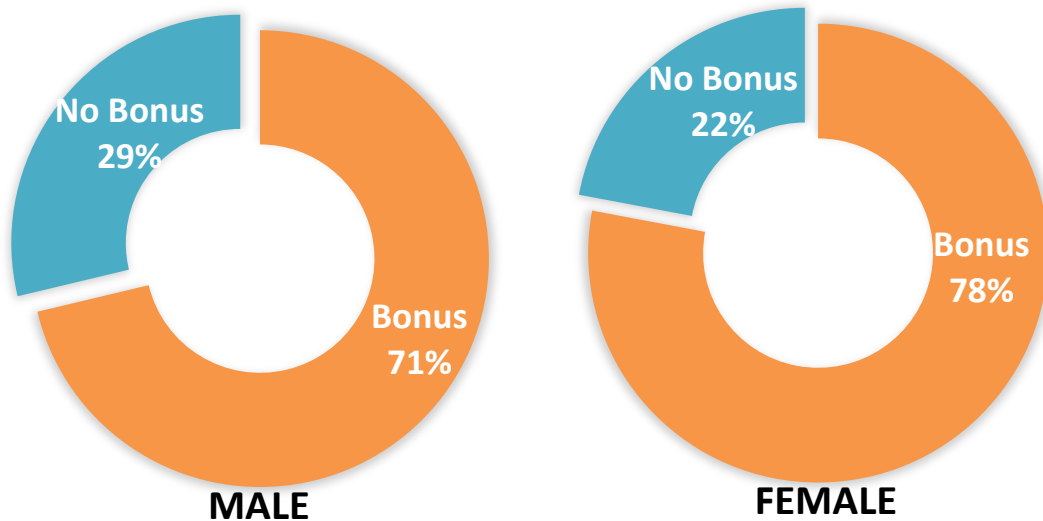


Median Bonus Payments



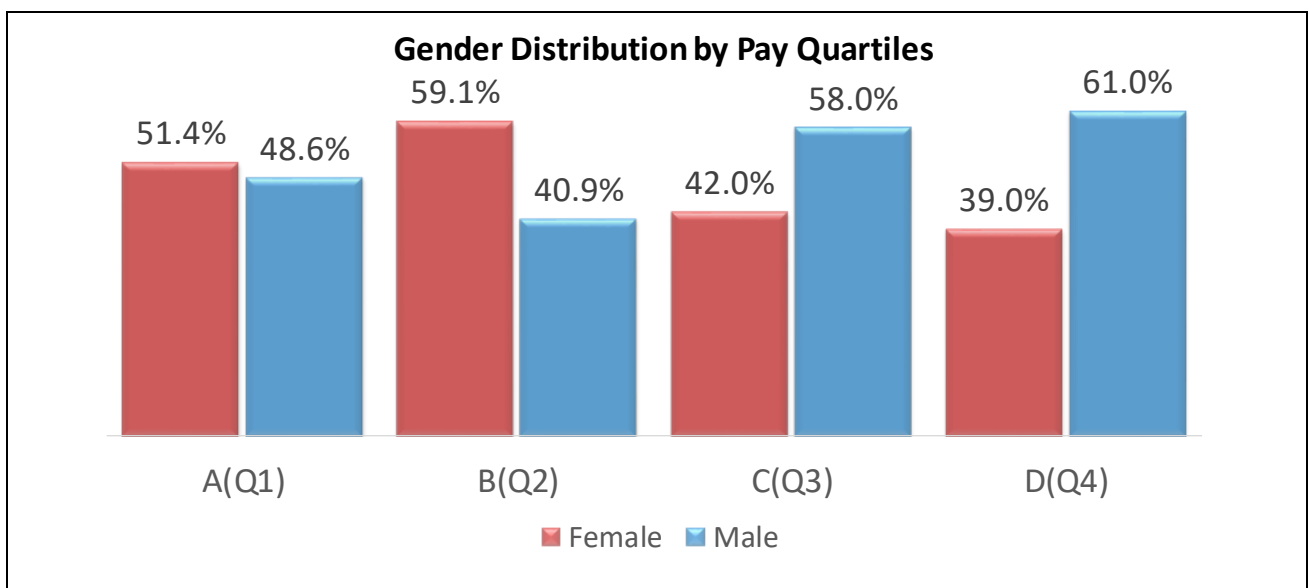
Bonus Participation

From the charts below we can see a slightly higher proportion of female employees are receiving a bonus.



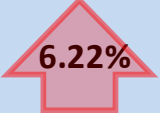
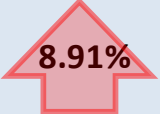
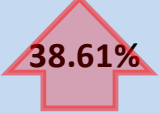
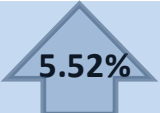
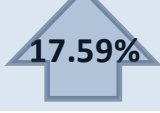
Pay Quartiles

When we observe the distribution of female and male employees within the quartiles, as shown in the bar chart below, we can see that while females are well represented across all quartiles, they are most underrepresented in the two highest pay quartiles.

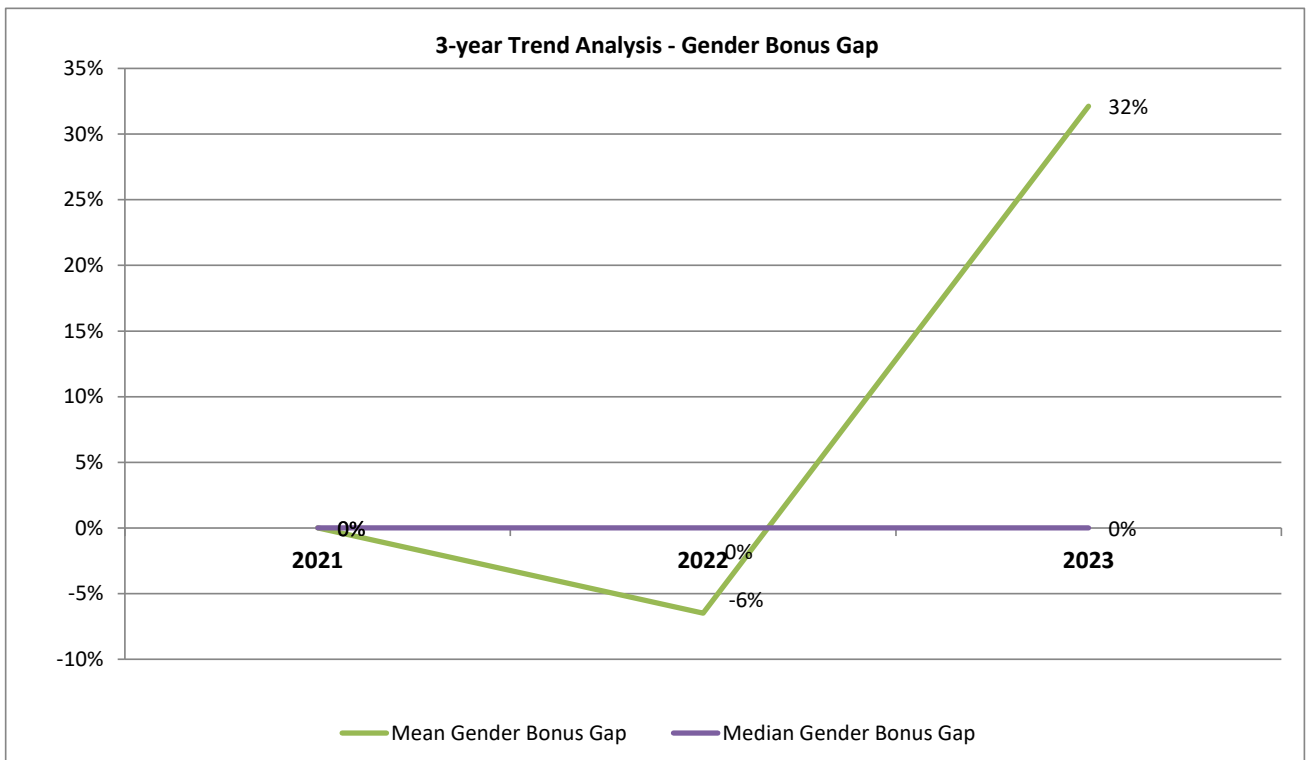
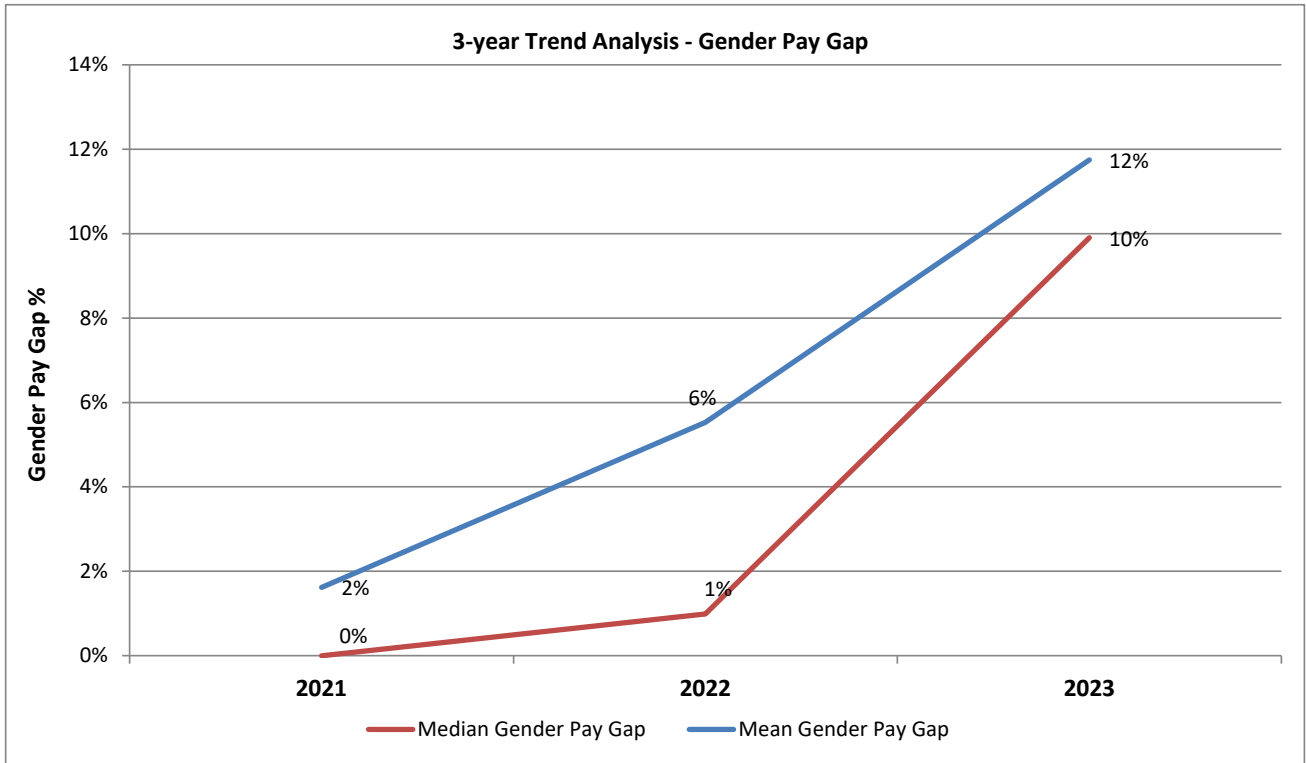


4. Trend Comparison

When we consider comparison between this year and that of the most recent reporting cycle in 2022, we see a widening gender pay gap at both the median and the mean. Turning to gender bonus gap, we see the median gender bonus gap has been eliminated, with a gap pivoting in favour of females to now being in favour of males. Encouragingly, we note increased bonus participation for both genders. We recognise that bonus pay, as defined by the regulations, includes a wide-ranging suite of awards including amounts relating to profit-sharing, productivity, performance, incentives and commission plans which can help drive a corresponding wide range in individual amounts reported.

	2021	2022	2023	2023 Vs 2022
Mean Gender Pay Gap	1.62%	5.53%	11.75%	 6.22%
Median Gender Pay Gap	0.00%	0.99%	9.90%	 8.91%
Mean Gender Bonus Gap	-	-6.49%	32.12%	 38.61%
Median Gender Bonus Gap	-	0.00%	0.00%	0.00%
Males receiving bonus	0.00%	65.74%	71.26%	 5.52%
Females receiving bonus	0.00%	60.38%	77.97%	 17.59%

When we look across the three most recent reporting cycles, we observe a widening gender pay gap during this period, most marked in the recent cycle. Turning to the gender bonus gap, we observe greater fluctuation at the mean, during the same period, with the median gender bonus gap having been consistently eliminated during the last 2 reporting cycles.



Appendix 1: The Regulations Explained

The UK Regulations on Mandatory Gender Pay Reporting require:

- Gender pay information to be reported by private and voluntary sector employers in England, Wales and Scotland with at least 250 employees
- Information to be published on a government-sponsored website by the 5th of April 2023, and annually thereafter

The main items to be reported on are:

- Mean and median hourly pay difference
- Mean and median bonus pay difference
- Proportion of male and female employees receiving bonus
- Male and female headcounts within each pay band*

*Pay bands are as follows:

- A. Lowest paid to lower quartile
- B. Lower quartile to median
- C. Median to upper quartile
- D. Upper quartile to highest paid

Definitions

- Lower Quartile: The point below which 25% of the recorded salaries fall
- Median: The mid-point (50th percentile) in a range of figures, i.e. 50% of the sample is paid above this amount, and 50% are paid below this amount
- Upper Quartile: The point below which 75% of the recorded data falls
- Mean: The sum of all the numbers in a group divided by the number of numbers in the group.

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