

Friday 12 February 2016

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The Government has today issued its [response](#) to the gender pay gap consultation. It has also published a follow-up [consultation](#) inviting feedback on the details of the draft regulations that will apply to those employers in the private and voluntary sectors in England, Scotland and Wales with at least 250 employees.

Under the draft Regulations, affected employers will be required to:

- Publish the difference in mean **and** median pay between male and female employees.
- Report on the number of men and women in each quartile of their pay distribution.
- Publish the difference in mean bonus payments between male and female employees during a 12-month period and the proportions of male and female employees who received bonus pay. Overtime payments will be excluded from the gender pay gap calculations.
- Publish the information on their website. A written statement confirming that the information is accurate will have to be provided. This information will have to be retained online for three years so that any progress can be monitored. Employers will also have to upload the information to a government-sponsored website.

Employers will have the ability to publish an additional voluntary narrative that provides context, explains any pay gaps and sets out what actions will be taken, if any, to address them.

Contrary to initial indications, there will be no civil penalties for non-compliance with these provisions. Mirroring the approach adopted in the Modern Slavery Act 2015, the Government appears to be relying on the risk of negative publicity, the threat to brand value, company reputation and investor relations as the principal incentives to comply.

Subject to the approval of Parliament, the Regulations will come into force on 1 October 2016, with employers being required to publish the required information for the first time in April 2018 (using data from April 2017) and annually thereafter.

The Government has indicated that it will be producing guidance for employers later this year.

Join us at our **March Employment Seminars** in [London](#) and [Birmingham](#) where we will be analysing the Government's proposals and discussing the practical steps that employers should be taking in order to comply with these new reporting requirements.

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