

WHO ARE CHANCELLORS?

Chancellors (The Chancellors Group of Estate Agents Limited) are a private, independent limited Estate Agency company specialising in sales, lettings, and property management. It consists of 57 branches over London, Buckinghamshire, Berkshire, Surrey, Oxfordshire, Herefordshire, Hampshire and Mid Wales. Its Head Office is based in Bracknell, and this houses its administrative and central support functions.

During the period since this review, 'normal' business operations for many businesses and industries (including estate agency) has been significantly disrupted by the COVID-19 pandemic. Pay for all employees in this snapshot had not been impacted by the pandemic.

PAY STRUCTURE

Our pay structure is heavily commissionable in order to appropriately and fairly reward those employees who get results. Commission structures are standardised across each department albeit considering geographical area, seniority, length of service (some employees may be on historic pay deals). At Chancellors, commissions are uncapped meaning that it is down to individual performance as to their earnings.

Basic pay is offered based on a candidate's job role and location but is on a standard scale. Two years ago, we launched a progression plan for all branch-based staff which provides a fixed basic salary at each job level to ensure basic pay is fair and transparent for all. This was then supported 12-months later by the introduction of a harmonised pay structure for other senior positions including Regional Directors.

The gender pay gap calculations include commission earnings and are therefore heavily impacted by individual's personal performances. As a company, we are confident that we offer fair and equal pay deals to employees who perform the same role, at the same level, in the same area.

SUMMARY

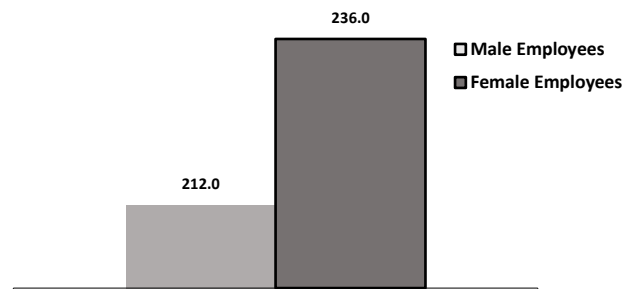
The Gender Pay Gap Report 2020 highlights that Chancellors has a gender pay gap which we believe is created by fewer females in the senior tiers of the company and by a higher proportion of females opting to take support and administrative positions which are paid less commission/bonus.

We are confident that employees working the same job in the same area are paid fairly and have the ability to earn the same monies dependent on their personal performance.

We have identified that we do have a disproportionately low level of females in more senior positions in the Company, but our initiatives launched in 2019 are showing positive movement and we look forward to seeing them continue to balance the number of females in senior positions internally or externally where these positions become available moving forwards.

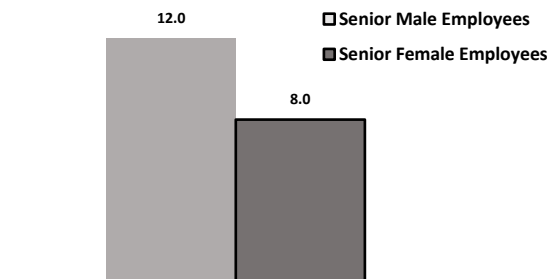
NUMBER OF MALE AND FEMALE EMPLOYEES

In 2019 we were pleased to have an equal number of male and female employees. Like most of the estate agency industry, our business traditionally had more male employees than female employees. For the first time in recent years, the number of female employees has surpassed the number of male employees.



We welcome diversity and completely agree with the ideals behind the gender pay gap report however it is important to note when considering the results of any gender pay gap report that the report does not measure the pay difference between a male and a female doing the same job, in the same area, with the same working pattern. It also does not include any other pertinent information that may impact a person's salary or pay structure such as longevity of service.

The number of male and female employees in the senior team within Chancellors (Directors, Regional Directors and Department Heads) has moved further towards a balance and is reflected in these results. These figures (shown below) support our understanding of why the average male hourly rate is above that of the female hourly rate and would be expected where you have more males in senior positions.

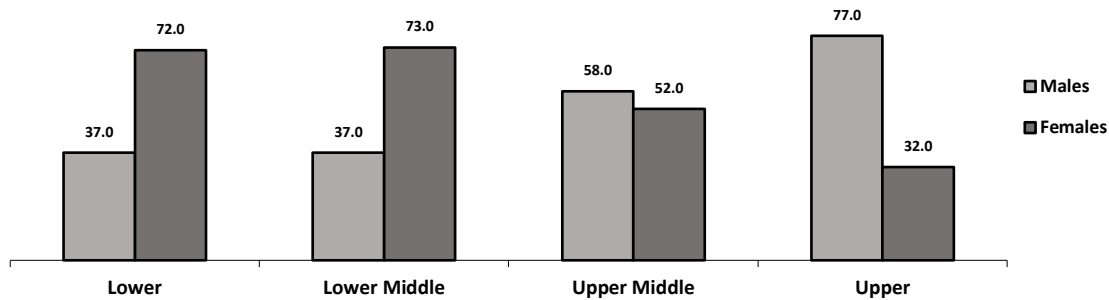


These results therefore reflect what we would expect to see however we appreciate that this highlights its own issue in that although we have been conscious of attracting more females to the business, we do not have a fair distribution of males and females throughout the company and into the upper quartiles across the entire business.

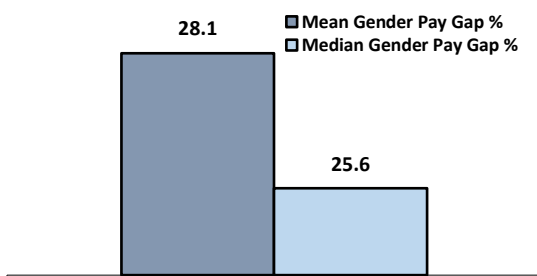
Our recruitment process for all vacancies will involve more than one stage and at some levels may involve developing a business plan or strategy on a small scale. We have a very clear policy against discrimination of all forms, including positive discrimination. All candidates are considered based on their suitability for the role and their performance during the interview and selection process.

PROPORTION OF MALES AND FEMALES IN EACH QUARTILE PAY BAND

This calculation organises the employees by hourly rate of pay and then splits the employees into quartiles. It then looks at how many males and females are in each quartile.



Whilst there is still work to do, we can see there are a greater number of female employees moving from the lower quartiles into the higher quartiles. This trend is a positive progressive result that we hope to continue into the future and is reflected by the drop in our gender pay gap by over 4% in the last 12 months leading up to this snapshot.

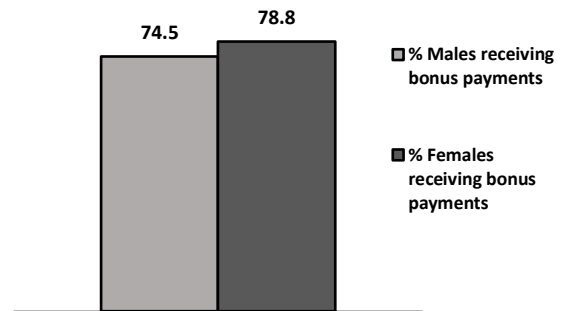


The gender pay gap is based on the hourly pay for employees that were employed on 5 April 2020 and who received full pay for that pay period. It includes basic pay, commissions and performance or role bonuses.

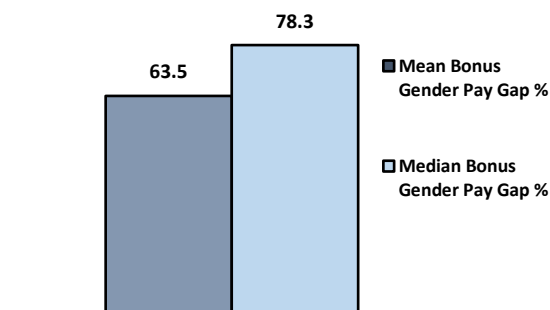
BONUS PAYMENTS

This calculation works out how many male and female staff we have in total and what percent of these earned a bonus (including any commission payments, competition win vouchers etc) in the 12 months preceding the snapshot date.

Technically, all employees are eligible to receive bonus/commissions as we have standard schemes in place for Employee Referrals and so. There are a number of support and administrative jobs which either do not generate small, large commission payments or do not have a specific commission scheme associated with the role. Therefore, you would not expect these staff to earn high values of commission as standard. Given there is a higher level of females in Head Office administrative positions, this difference is not unexpected.



The bonus gender pay gap is based on the total bonus pay received by employees who were employed on 5 April 2020 in the 12 months directly preceding this date. Bonus pay includes things such as commissions, performance bonuses, competition win vouchers and long service awards with a cash value (e.g. vouchers).



There is some distortion where Administration and support roles based in Head Office have earned very small amounts of commission where they have happened to upsell or refer a customer they are speaking to. Because this is rare, this then amounts to a small amount over the year but because they have earned some payment, they are included in the calculations which then brings down the average.

We were disappointed by the bonus gender pay gap especially given that bonuses are awarded for meeting specific performance criteria over a set period of time and are completely unaffected by anything other than an individual's personal performance. Commissions are paid at standard rates (albeit can be varied based on factors such as geographical location, seniority and department) and these are uncapped therefore the figure is determined by the performance of the employee in question.