

Race Equality Unit
Cabinet Office
1 Horse Guards Road
London, SW1A 2HQ

By email: equalitybill@cabinetoffice.gov.uk

10 June 2025

Dear Race Equality Unit

Re: BVCA Response to Equality (Race and Disability) Bill - Mandatory Ethnicity and Disability Pay Gap Reporting

The BVCA welcomes the opportunity to comment on the Government's call for evidence on the *Equality (Race and Disability) Bill - Mandatory Ethnicity and Disability Pay Gap Reporting* consultation. As an industry that invests in people and in businesses, we recognise the importance of a diverse, equitable and inclusive workplace. We also see its value in helping to create better-performing and more productive organisations more capable of attracting and retaining top talent.

The BVCA is the industry body and public policy advocate for the private equity and venture capital (private capital) industry in the UK. With a membership of over 600 firms, the BVCA represents UK-based private capital, as well as the wider ecosystem of professional advisers and investors. Private capital makes long-term investments to grow British businesses and build a better economy. Private credit and venture debt also provide active and engaged debt finance to businesses. The private capital industry backs 13,000 UK businesses, nine in 10 of which are small or medium-sized enterprises. Businesses backed by the industry employ 2.5 million people across the UK and contribute 7% to GDP.

The BVCA supports the Government's wider goals of advancing equality by identifying and addressing barriers to opportunity, including pay discrimination, workplace harassment and inefficiencies in job matching. We further support an approach which not only aims to promote justice but also to enhance economic growth by helping businesses fully harness the potential of a diverse and skilled workforce. The BVCA recognises the need for greater and more meaningful equality-related disclosures and is committed to ensuring the UK's private capital industry plays a leading role in the commitment to fair workplace practices.

We therefore value this opportunity to highlight the role the BVCA, and our industry, can play in helping the Government achieve these objectives and the key considerations needed to enable the effective implementation of the proposed legislation.

The BVCA's role

As the BVCA we recognise the importance of supporting our industry and member firms to build inclusive environments where everyone can thrive. We are leading on this by promoting diversity in its broadest sense through our internal governance, engagement with industry and government initiatives and events and networking.

As part of this commitment, we strive towards increasing the representation of women and people with wider diverse characteristics on our Council, Committees and in our senior leadership team. A member

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of our senior executive team is responsible for diversity and inclusion, we sit on the Invest in Women Taskforce and the Conditions to Scale Subcommittee and we are a signatory of the Women in Finance Charter.

The BVCA is also committed to doing our own research (see below), sharing and signposting best practice and enabling knowledge share on DEI. A key way we do this is via our member communications, DEI content featured across the wider programme of events and training courses, and a dedicated DEI event series focusing on, but not limited to, themes around gender, ethnicity, social mobility, sexual orientation and neurodiversity. These events encourage greater participation and representation in our industry and provide a forum to exchange experiences, share best practice, debate the issues and showcase what our members are doing to improve diversity and inclusion.

Below we have provided a summary of the key findings from our 2025 report - [*Diversity in UK Private Equity and Venture Capital*](#) report which shows an encouraging picture of progress since 2023 on both gender and ethnicity. Key findings show that:

- In 2025, 27% of UK-based investment professionals are women, up from 24% in 2023.
- Women now hold 15% of senior investment roles, up from 12% in 2023.
- 18% of investment professionals in the UK are from an ethnic minority group, in line with UK national averages.
- The UK is behind only France and Sweden when looking at representation of women in investment teams across Europe.
- Across seniorities, venture capital records better female representation than private equity.

Whilst we acknowledge the progress that is being made by the industry, we are also alive to the fact that more still needs to be done to achieve the full value from having an inclusive environment and have provided below some details on industry led initiatives led both by the BVCA and industry to help shift the dial further.

Walker Guidelines:

The BVCA leads on the Walker Guidelines, which were introduced in 2007 with the objective of improving accountability and transparency in the UK's private capital industry. The guidelines require enhanced public disclosure by large UK-based private-capital backed companies and their owners across a range of areas including financial performance, corporate governance and, more recently, environmental, social and governance (ESG) factors. In 2024, the BVCA partnered with Private Equity Reporting Group (PERG), publishing a [*refresh of the Walker Guidelines for Disclosure and Transparency in Private Equity*](#). The refresh marked the first time that diversity, equity and inclusion (DEI) considerations have been formally incorporated into the reporting framework, requiring companies to disclose information on whether they have established DEI policies that are aligned with their overall business strategy and with recognised DEI initiatives such as the *Investing in Women Code* or *Women in Finance Charter*. The PERG report recognises the need for improving the quality of DEI data collection to uncover barriers, monitor progress and ensure accountability. It further acknowledges the sensitivity of DEI data collection and the need for a scaled approach to collecting this data as opposed to imposing standardised targets on companies. This approach supports meaningful progress, whilst recognising the commercial and operational realities faced by private equity-backed businesses.

The findings from the refresh work in 2024 has helped guide and influence our response to the consultation and we would be delighted to provide further information regarding this work if of interest.

Other partners and industry groups:

The BVCA and the private capital industry engage with relevant government initiatives, such as the Investing in Women Code (IWC). The IWC commits all financial institutions to the principles of gender equality and transparent reporting of gender funding data. The BVCA acts as one of the code partners of the Investing in Women Code, currently running the Limited Partner Chapter of the code.

Furthermore, the British Business Bank (BBB), BVCA and UK Business Angels Association (UKBAA) are working on a pilot to expand the IWC data collection to cover investment into founders from different ethnicities.

Additionally, the BVCA engages with and supports Level 20, Diversity VC, the BBB and the UKBAA to champion and deliver policies and initiatives that improve diversity in the private capital industry.

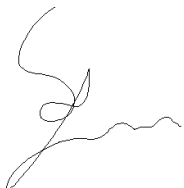
Summary of key messages

We are broadly in support of the proposed principle of mandatory ethnicity and disability pay gap reporting for large employers as an essential measure to promote workplace equity, transparency and accountability. We recognise that such reporting provides critical data that can help organisations identify disparities, foster internal reflection and drive meaningful actions toward inclusion, while meeting growing stakeholder expectations for social responsibility.

However, as detailed in our response below, we have highlighted various important practical and contextual considerations that should inform the design and implementation of this reporting regime to ensure its effectiveness. For example, it is crucial that workforce data includes ethnic and disability breakdowns alongside the percentage of employees who do not disclose this information, ensuring that no adverse inferences are drawn from non-disclosure. It is also our position that aspects of the regime should remain voluntary, whilst other elements should be complemented with guidance and educational resources to assist with effective implementation. It should also be ensured that the framework remains consistent with existing frameworks to prevent duplication.

To ensure that ethnicity and disability pay gap reporting is a powerful tool that drives meaningful change and enhances workplace inclusivity and accountability, it is essential it is implemented with thoughtful design, clear guidance and appropriate support. Please do not hesitate to get in touch with [Ciaran Harris](#) or [Harriet Assem](#) if you have any comments or questions.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Sarah Adams', written in a cursive style.

Sarah Adams and Isobel Clarke
Directors of Policy, BVCA

Responses to questions

Extending mandatory pay gap reporting to ethnicity and disability

Question 1. Do you agree or disagree that large employers should have to report their ethnicity pay gaps?

Question 2. Do you agree or disagree that large employers should have to report their disability pay gaps?

Yes. We broadly support the principle of increased transparency and agree that large employers should be required to report on their ethnicity and disability pay gaps. We agree that mandatory reporting, when implemented effectively, can act as a powerful tool to improve workplace equity and inclusion by driving transparency, measuring progress and uncovering systemic barriers, and holding firms to account for the wellbeing of their employees. Effective, credible and meaningful data can help provide important insights to inform employers of their required actions to address any inequalities and could, in some circumstances and contexts, help to mitigate the risk of any potential equal pay and/or discrimination claims. As seen with gender pay gap reporting since its introduction in 2017, data disclosures have helped some employers identify potential disparities, prompt internal reflection and catalyse action towards more inclusive workplaces.

However, at the same time, the introduction of mandatory ethnicity and disability pay gap reporting will be a major change for many UK employers. There are important practical and contextual considerations that should inform the design and implementation of such a regime and which necessitate the need for substantive and practical guidance for employers, which we have noted throughout this submission. In particular:

- **Data sensitivity and limitations:**

- It should be noted that some of this information can be sensitive, impeding the ability to collect complete, accurate and meaningful data sets. For some companies, reporting on their ethnicity pay gaps could have a negative effect where the data may not be meaningful or truly representative of their UK workforce. For example, in some sectors and industries, ethnic diversity in the UK can vary significantly across different regions.
- In the case of disability reporting, it may also be difficult for employees to correctly self-report without a very full explanation and understanding of the complicated and subtle legal definition in the Equality Act 2010, presenting a further burden on employers to explain this legal definition to their workforce.
- We refer to our response to question 27 in relation to proposed minimum reporting thresholds. Whilst we broadly support the proposal to have mandatory pay gap reporting, we are concerned that a minimum threshold as low as 10 employees could risk employees being identified.

- **Need for support and guidance:**

- Whilst many UK employers already voluntarily collate ethnicity data for their workforce, fewer employers then disclose data relating to their ethnicity pay gaps. Due to sectoral and regional variation of ethnic variation across the UK, it would be helpful for the UK government to publish guidance on how employers might consider these types of patterns

in data reporting in their results and accompanying narratives. Employers must not be penalised solely for reflecting existing demographic data where, for example, current diversity levels may be low. Rather, employers should be supported in making concerted efforts to build more inclusive pipelines and recruitment practices.

- Similarly, whilst some UK employers already voluntarily collate data on the disability status of their workforce, this is not as commonplace as with gender or ethnicity, and fewer employers then disclose data relating to their disability pay gaps. A mandatory reporting regime will be new to many UK companies which the government should bear in mind when designing and implementing the new regime and any accompanying guidance.
- Implementing mandatory reporting could risk becoming a 'tick-box' compliance exercise for some businesses. The Government should therefore consider providing substantive practical guidance and tools to accompany any reporting requirements to support firms with building inclusive employment spaces. Examples could include best practice resources or case studies to help employers take meaningful actions in recruiting and supporting disabled talent.

- **Legal implications and risk:** There may also be potential legal obligations triggered by the reporting of an employee's disability and the employer's notice of such disability under the Equality Act 2010. In accordance with the Equality Act 2010, employers are under a duty to make reasonable adjustments where the employee is known to have a disability, or where the employer ought reasonably to have known of the disability. Some of our members are concerned that self-declaration of a disability or long-term health condition may be used as evidence in any future claim that the employer had sufficient knowledge of the employee's disability.

Geographical Scope

Question 3. Do you agree or disagree that ethnicity pay gap reporting should have the same geographical scope as gender pay gap reporting?

Question 4. Do you agree or disagree that disability pay gap reporting should have the same geographical scope as gender pay gap reporting?

Yes. For reasons outlined in responses to questions 1 and 2, consistency of threshold and geographical scope with gender pay gap reporting is integral to avoid other forms of reporting to be overly burdensome for organisations.

Pay Gap Calculations

Question 5. Do you agree or disagree that employers should report the same 6 measures for ethnicity pay gap reporting as for gender pay gap reporting?

Question 6. Do you agree or disagree that employers should report the same 6 measures for disability pay gap reporting as for gender pay gap reporting?

We broadly support the use of the same six measures currently applied in gender pay gap reporting as the basis for ethnicity and disability pay gap reporting. From a reporting and governance perspective, it is sensible for the same processes and systems that are already in place for gender pay gap reporting

to be reflected in new reporting requirements in order to minimise duplication and consistency in reporting.

However, in some sectors and industries, ethnic diversity in the UK can vary significantly across different regions with different salary weightings. It would, therefore, be helpful for the government to publish substantive and practical guidance on how employers might consider these types of patterns in data reporting in their results and accompanying narratives.

Separately, we recommend that the government provide clear guidance for employers on how to account for the impact of reasonable adjustments when calculating disability pay gap data. In some cases, reasonable adjustments such as changes to working hours or responsibilities may result in a modified role that affects an employee's pay. Without clarification, comparisons between disabled and non-disabled employees, particularly on a full-time equivalent basis, may lead to misleading conclusions. Employers need practical direction to ensure pay gap reporting accurately reflects the context of such adjustments while supporting transparency and fairness.

Question 7. Do you agree or disagree that large employers should have to report on the ethnic breakdown of their workforce?

We broadly support the principle of reporting on the ethnic breakdown of company workforces and the percentage of employees who did not disclose their personal data on their ethnicity.

It must be considered that some sectors, industries and business types employ larger numbers of certain cultures and ethnicities which could provide additional context to an employer's ethnicity pay gap figures. It is also possible that some employers may have recently increased the number of ethnic minority employees based on business model changes, which could contribute to a larger pay gap if people from this group are joining at entry level, and so reporting on ethnic breakdown of a workforce could provide additional context to an employer's overall pay gap data. It would not be appropriate for adverse inferences to be drawn on such data relating to an employer's overall commitment to inclusiveness as the data itself may have additional context. We therefore propose that this is taken into consideration when designing and implementing the framework.

Question 8. Do you agree or disagree that large employers should have to report on the breakdown of their workforce by disability status?

We support the proposal for employers to report on the overall breakdown of their workforce by disability, and the percentage of employees who did not disclose their personal data on their disability.

However, similar to the points raised in question 7, it would not be appropriate for adverse inferences to be drawn on such data relating to an employer's overall commitment to inclusiveness as the data itself may have additional context. We therefore propose that this is taken into consideration when designing and implementing the framework.

Question 9. Do you agree or disagree that large employers should have to submit data on the percentage of employees who did not state their ethnicity?

Question 10. Do you agree or disagree that large employers should have to submit data on the percentage of employees who did not state their disability status?

Yes. We agree that large employers should submit data on the percentage of employees who did not state their ethnicity and/or disability. However, it is important for all employers to understand that they are not able to mandate that employees disclose such information, and employees will not be legally required to disclose their ethnicity or disability status.

It is recommended that substantive and practical guidance for how employers should collate this data is provided and the challenges associated with collating such data be considered when designing a new reporting regime. Collating data from employees can take time and will require the right communications and messaging from employers to build a culture of trust within the organisation where employees feel safe to provide their data and understand the purpose for which such data is being collected and used. Some employers will already have sophisticated systems in place for collating data on the ethnicity and/or disability of their employees. However, for many employers this will be a new process. It is, therefore, important that all companies submit data on the percentage of employees who did not state their data to avoid some companies having what may be perceived to be “better” pay gaps than others based on the limited data provided. The government should also consider whether to introduce a “prefer not to say” reporting option, in addition to “did not disclose”, which can help to give additional context to an employer’s narrative in response to any potential pay gaps. Some employers will already have sophisticated systems in place for collating data on the ethnicity and/or disability of their employees. However, for many employers this will be a new process. It is, therefore, important that all companies submit data on the percentage of employees who did not state their data to avoid some companies having what may be perceived to be “better” pay gaps than others based on the limited data provided.

The following considerations will be very important when finalising the reporting framework:

- **Reporting disclaimer:** reporting should be accompanied by a clear statement in the regulations that no adverse inference should be drawn from the proportion of employees who do not to disclose or prefer not to disclose. There are many legitimate reasons why an employee may not self-identify as disabled, including lack of awareness, uncertainty around the Equality Act 2010 definition, or concerns around privacy and stigma. Employers should not be penalised for disclosure rates that reflect the genuine sensitivities and complexities of collecting this type of data.
- **Guidance:** Additional substantive and practical guidance from the government is needed on how employers should frame the question of whether an employee is disabled, or thinks they are disabled.

Action Plans

Question 11. Do you agree or disagree that employers should have to produce an action plan about what they are doing to improve workplace equality for ethnic minority employees?

Question 12. Do you agree or disagree that employers should have to produce an action plan about what they are doing to improve workplace equality for disabled employees?

We broadly agree that action plans can help employers identify why they have a potential pay gap and how they may take action to close it. Action plans can help focus the minds of senior leaders and stakeholders within businesses to understand and address any perceived or known pay disparities and ensure equal treatment.

However, this analysis can be undertaken by organisations without the need to disclose action plans alongside publishing pay gap data.

The following considerations should be borne in mind when implementing this into the reporting framework:

- **Need for proportionate and phased-in approach:** Any requirement to produce an action plan should be implemented in a proportionate and phased manner. Producing action plans can be a resource intensive process, requiring not only the collection and interpretation of sensitive data, but also ensuring there is capacity to develop appropriate, evidence-based action plans that are unique to the company. Many companies may not have the capacity to collect the data and produce action plans at the outset. We recommend a phased-in implementation approach if this requirement is introduced where action plans are required from the largest employers first, followed by a staged rollout to include smaller firms. This would allow time to build the necessary infrastructure, capability and understanding to develop adequate action plans to improve workplace equality for ethnic minority and disabled employees.
- **Need for guidance and supportive resources:** For many employers, collating data and reporting will be a new process. In addition, many organisations will not be in the early stages in a position to produce an action plan which correctly identifies the needed actions to improve equality for ethnic minority and disabled employees. Providing guidance to support the employer on developing the action plan will help ease with this process. Companies, particularly those that are new to ethnicity and/or disability pay gap reporting, may need additional time to prepare action plans to consider and identify the correct actions needed to correct or mitigate any disparate treatment or inequalities. For disability pay gap reporting, action plans may also be more challenging for employers to prepare, as each disability is unique and will have separate adjustments or needs which will need to be considered. The provision of guidance and educational resources are therefore recommended which will support companies build appropriate action plans that meaningfully support disabled and ethnic minority employees.
- **Voluntary action plans:** The current environment for DEI is challenging for some firms, particularly those that contract with US federal government or have other ties to the US. A mandatory requirement to publish action plans may be difficult for some employers who are navigating global geopolitical challenges. It is therefore recommended that this provision is voluntary.
- **More clarity needed on action plans:** Employers have a duty to make reasonable adjustments for employees with a disability, and it is unknown at this stage how the government would expect employers to deal with reasonable adjustments in the narratives of any action plans. It is therefore questionable how meaningful an action plan on disability status could be.

Dates and deadlines

Question 19. Do you agree or disagree that ethnicity pay gap reporting should have the same reporting dates as gender pay gap reporting?

Question 20. Do you agree or disagree that disability pay gap reporting should have the same reporting dates as gender pay gap reporting?

Yes. We agree that any new pay gap reporting should align with the existing reporting dates used for gender pay gap reporting, specifically using a snapshot date of 5 April each year and requiring data to be reported within 12 months, by 4 April the following year. From a governance and reporting

perspective, it will be more efficient for companies to have consistent reporting dates, instead of multiple reporting dates throughout the year. In addition, it would be most efficient to use the same survey for collating data on gender, ethnicity and disability to avoid the risk of survey fatigue amongst the workforce. Having the same reporting date which aligns with other important dates for reporting data, such as the end of the tax/financial year, will assist with efficiency and effectiveness.

Question 21. Do you agree or disagree that ethnicity pay gap data should be reported online in a similar way to the gender pay gap service?

Question 22. Do you agree or disagree that disability pay gap data should be reported online in a similar way to the gender pay gap service?

Yes. We agree that, if ethnicity and/or disability pay gap reporting is introduced, the data should be reported on the UK Government's Gender Pay Gap Reporting Service. This portal should simply be renamed and extended to include the reporting metrics needed for ethnicity and disability. Having a centralised, accessible, and familiar reporting framework will support compliance, transparency, and ease of use for employers and stakeholders alike. Human resources functions for large companies already have systems in place to complete the gender pay gap reporting, so extending the platform to include both ethnicity and disability reporting metrics would facilitate a smoother transition for overall pay gap reporting.

Enforcement

Question 23. Do you agree or disagree that ethnicity pay gap reporting should have the same enforcement policy as gender pay gap reporting?

Question 24. Do you agree or disagree that disability pay gap reporting should have the same enforcement policy as gender pay gap reporting?

Yes. We agree it is sensible for the ethnicity and disability pay gap reporting regime to have the same enforcement policy as gender pay gap reporting.

Ethnicity: data collection and calculations

Question 25. Do you agree or disagree that large employers should collect ethnicity data using the GSS harmonised standards for ethnicity?

Yes. We agree, as this is a generally accepted standard for collating ethnicity data amongst UK workforces.

There are, however, some points that should be considered seriously when designing and implementing the reporting regime and any supporting guidance for employers:

- **Guidance and support:** Some companies who currently collate ethnicity pay data using different standards will need to make sure that their processes for collating such data are adapted to meet the standards of ethnicity required in the new rules. We would suggest the government mandates the use of the Government Statistical Service harmonised standards for ethnicity rather than recommending it as best practice to avoid inconsistent reporting across different companies. Some international companies who adopt a global approach to ethnicity classification may also need to change their approach and have a separate approach for the purposes of UK ethnicity pay gap

reporting. A phased introduction to support companies implement this new classification into their reporting should therefore be considered.

Calculating and reporting ethnicity pay gaps

Question 26. Do you agree or disagree that all large employers should report ethnicity pay gap measures using one of the binary classifications as a minimum?

We agree in principle with the proposal that all large employers should report at least one binary ethnicity pay gap measure as a minimum requirement. However, we recommend that the Government provides clear guidance on the acceptable binary classifications to promote consistency and comparability across employers and reporting.

Question 27. Do you agree or disagree that there should be at least 10 employees in each ethnic group being reported on? This would avoid disclosing information about individual employees.

No. We disagree with the proposal to set the threshold at a minimum of 10 employees in each ethnic group for reporting purposes. The current guidance for employers who voluntarily report on their ethnicity pay gap suggests a minimum of 5 – 20 employees in any ethnic category before the average pay for that category is analysed, and a minimum of 50 employees in any category before pay gaps relating to that category are published externally, in order to ensure statistical robustness and guard against identifying individual employees. The Government's suggestion to have a minimum threshold of 10 employees in each ethnic group is therefore against current guidance and may not be in line with common practice for companies that currently collate ethnicity data amongst their workforce.

We suggest that the threshold should be increased to reflect the current guidance, as a minimum threshold of 10 employees in any ethnic group could produce a small dataset and the average pay of such a small grouping of employees is unlikely to be meaningful or informative for an employer in addressing disparities or potential inequalities in the workplace, particularly as such data may be prone to significant fluctuations each year as employees at different levels come and go. A small dataset of 10 employees may also increase the potential for individual employees to be identified from the data.

Question 28. Do you agree or disagree that employers should use the ONS guidance on ethnicity data to aggregate ethnic groups? This would help protect their employees' confidentiality.

We broadly agree that employers should use the ONS guidance as this provides a recognised and standardised framework that supports consistency in reporting and helps safeguard employee confidentiality - particularly where certain ethnic groups are underrepresented in the workforce and would otherwise risk being identifiable in published data.

However, it is unclear when employers would use "white British" as the comparison group, and when they would use "white". The consultation suggests the government's preference is for "white British v other" to be the standard minimum comparison, unless employers do not have the data or have fewer than 10 white British employees. However, "white v other" may be a more sensible binary comparison on the basis that "white British" would not capture white employees who are not British and may be controversial to other ethnic groups and could skew data for many companies.

Disability: data collection and calculations

Question 30. Do you agree or disagree with using the 'binary' approach (comparing the pay of disabled and non-disabled employees) to report disability pay gap data?

Yes. We agree with the proposed binary approach as a pragmatic starting point for mandatory disability pay gap reporting. While a more granular breakdown by impairment type could offer deeper insights, the binary method recognises the significant challenges many employers face in data collection, categorisation, and analysis. It balances the need for meaningful transparency with the practical limitations around workforce data systems and reporting capacity, especially for smaller organisations. Over time, Government guidance should be considered which could help build employer capability to adopt more nuanced reporting where appropriate.

Question 31. Do you have any feedback on our proposal to use the Equality Act 2010 definition of 'disability' for pay gap reporting?

We broadly agree with the use of the Equality Act 2010 definition of 'disability' as the basis for pay gap reporting as it provides a consistent legal framework and aligns with existing obligations under equality law, offering a sensible foundation for identifying disabled employees.

However, the success of this depends on effective implementation of the new reporting regime and there are various considerations for the government to note when producing any accompanying guidance which may help employers overcome some of the associated challenges with using the Equality Act 2010 definition of 'disability'. Self-identification is appropriate given the sensitivity of disability data, but there are well-recognised barriers to consider: employees may be unsure whether their condition meets the legal definition of disability under the Equality Act 2010, or they may be unaware of their eligibility, or may choose not to disclose due to stigma or concerns about confidentiality. Whilst there may be a 'prefer not to say' option as well as a 'did not disclose' option in the reporting framework, these challenges are likely to affect the quality and completeness of the data.

To address this, clear Government guidance is needed on how employers should frame the question of whether an employee is disabled, or think they are disabled, in a way that supports employee understanding of the definition and encourages accurate disclosure.

It is important that all companies submit data on the percentage of employees who did not state their disability status to avoid some companies having what may be perceived to be better pay gaps than others based on the limited data provided.

Question 32. Do you agree or disagree that there should be at least 10 employees in each group being compared (for example, disabled and non-disabled employees)? This would avoid disclosing information about individual employees.

See response to question 27.

Question 33. Is there anything else you want to tell us about disability pay gap reporting?

We would add the following points for consideration by the Government when designing the scope and implementation of any new reporting framework and accompanying guidance for employers, some of which are already noted elsewhere in our response:

- Highlighting disparities in pay between disabled and non-disabled employees may lead to further stigmatisation of individuals with disabilities, as it can perpetuate negative stereotypes.
- Disability is a broad and diverse category. A simplistic approach to reporting may fail to capture the nuances and different experiences of various disability types, leading to incomplete or misleading data.
- Data on the disability pay gap can be misinterpreted or misused by external parties, including competitors or media, which may lead to reputational issues.
- Implementing disability pay gap reporting can create additional administrative work for Human Resources departments – which should be factored into timing of reporting.
- Companies may focus on addressing the pay gap reporting instead of taking meaningful actions to improve overall workplace inclusivity and support for employees with disabilities.
- Reporting may encourage a focus on metrics rather than creating long-term, sustainable change in workplace culture and practices that support employees with disabilities.
- Organisations that fail to address identified disparities may face legal repercussions or negative scrutiny, creating an environment of fear around compliance.
- If not handled sensitively, public reports on pay gaps can impact the morale of employees with disabilities, especially if they feel that their contributions are undervalued or overlooked.