



# Southway Housing Trust

## Gender Pay Gap Report 2023

### 1. Introduction

Organisations with 250 or more employees are mandated by the government to report annually on their gender pay gap. The requirements of the mandate within the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 are to publish information relating to pay for six specific measures, as detailed in this report.

The intention of gender pay gap reporting, is to focus organisational attention on taking action to reduce any inequalities, bringing to life our commitments from our corporate policy and, improving staff experiences within our workplace, improving retention as well as making Southway Housing Trust an employer of choice and a great place to work. Evidence indicates that disparity in pay has a lasting socio-economic impact on staff.

This gender pay gap report is a snapshot as of **3<sup>rd</sup> April 2023**. On this basis, the report gives an overview of the gender pay gap on our organisational performance.

As of 3<sup>rd</sup> April 2023, Southway Housing Trust employed a combined total of **258 staff**. This is a decrease of three staff from the previous year. For the purposes of this report, we are using iTrent electronic staff records to undertake this analysis, and therefore we are dependent on staff reporting their protected characteristics on iTrent (via self service).

### 2. What is our gender pay gap?

The gender pay gap reporting is based on the government's methodology for calculating difference in pay between female and male employees, considering full-pay relevant employees of Southway Housing Trust.

'Equal pay' means being paid equally for the same/similar work. 'Pay gap' is the difference in the average pay between two groups.

As of 4<sup>th</sup> April 2023, Southway's employees comprised **50% women and 50% men**. There was a reduction of three female employees in the organisation as a whole, compared to the previous year.

The gender pay gap trend for Southway Housing has marginally increased, on the previous year. The **mean gender pay gap was 5.01%** in April 2023, representing an increase in the gap of 1.39 percentage points, over the previous year. The **median gender pay gap was 7.66%** in April '23, increasing by 2.69 percentage points since April 2022.

**Figure 1**

| Gender Pay Gap 2022-2023 |        |        | 2023-2024      |        |        |
|--------------------------|--------|--------|----------------|--------|--------|
| HOURLY RATE              | Female | Male   | HOURLY RATE    | Female | Male   |
| <i>Average</i>           | £18.63 | £19.33 | <i>Average</i> | £19.81 | £20.86 |
| <i>Median</i>            | £16.05 | £16.89 | <i>Median</i>  | £16.87 | £18.27 |

In 2022, we engaged with Inbucon to carry out a job re-evaluation of all Southway jobs.

The pay structure review concluded successfully with Inbucon and has retained the following principals:

- An independent consultant evaluates all posts, against a Job Evaluation (JE) scheme and posts are placed within a Pay Band. Each Band covers a range of scores and has a set of Band Characteristics.
- There are ten Bands - 1 to 9C (excluding the Executive). Each Band has four increment levels which staff move up through annually, subject to performance.
- A cluster of different jobs fall within each pay band. Level 4 represents the median pay and Level 1 is set approximately 10% below the median.
- Every three years, an independent consultant reviews the scheme and the salaries in the Band to check that they are still in line with our Policy of Level 4 being the median.
- We have also (re) introduced 'Felt Fair Panels'. Each member is fully trained in the job evaluation process and checks the fairness of the job against predetermined criteria.



All jobs were independently assessed by Inbucon and were subsequently validated via an independent Felt Fair Panel. This resulted in 168 (66%) job roles remaining in the same Band, five roles (1.96%) downgraded (however, following appeal these posts remained in their current job band), and 33 (13%) resulting in a salary Band increase.

The largest staff group (building operatives - joiners, plumbers, electricians, painters, roofers, gas engineers, plasterers) were evaluated into a higher Band from Band 3 to Band 4. The majority of staff employed in this staff group are male, which accounts largely for the marginal increase. In addition, during the same period, we were experiencing high levels of vacancies and difficulty in recruiting building operatives. We believe this was due to Covid restrictions coming to an end and an upturn in building and construction work within the Greater Manchester area. As part of the job evaluation process, we also commissioned Inbucon to carry out a market assessment of posts which identified that this staff group were paid more in other organisations, and moving them from Band 3 to 4 has brought us more in line with market pay conditions and helped to reduce staff turnover and improved recruitment.

### 3. What is the bonus gender pay gap?

Generally, Southway Housing doesn't pay a bonus to staff. The main exception to this is our Gas Engineers and Electricians, who receive an additional annual payment, due to a legal requirement for them to 'sign off' all work done on gas appliances and any electrical work undertaken in our customers properties. This requires them to have an additional competence-based qualification which must be renewed on a regular basis. The majority of staff within the above staff groups are male.

### 4. What is the proportion of men and women in each pay quartile?

Overall, in Southway Housing, women occupied **40.6% of the highest paid jobs (upper quartile)**. **Most (58.4%) employees in the lower quartile (lowest paid) jobs were women**, reflecting that male employees were more highly represented in higher paid jobs.

**Figure 2: Proportion of men and women in each pay quartile (April 2023)**

| Lowest to Highest Paid (2022-23) |        |        | Lowest to Highest Paid (2023-24) |        |        |
|----------------------------------|--------|--------|----------------------------------|--------|--------|
| Quartile                         | Female | Male   | Quartile                         | Female | Male   |
| 1 <sup>st</sup> Quartile         | 56.92% | 43.08% | 1 <sup>st</sup> Quartile         | 58.4%  | 41.05% |
| 2 <sup>nd</sup> Quartile         | 52.31% | 47.69% | 2 <sup>nd</sup> Quartile         | 50.0%  | 50.0%  |
| 3 <sup>rd</sup> Quartile         | 43.08% | 56.92% | 3 <sup>rd</sup> Quartile         | 50.7%  | 49.3%  |
| 4 <sup>th</sup> Quartile         | 49.23% | 50.77% | 4 <sup>th</sup> Quartile         | 40.62% | 59.3%  |

*Image description:*

The graph above shows the proportion of men and women in each pay quartile. The graph shows that female representation is more evenly spread in the upper and lower middle quartiles:

- The upper quartile of the highest paid staff is 40.62% female and 59.3% male.
- The upper middle quartile is 50.7% female and 49.3% male.
- The lower middle quartile is 50% female and 50% male.
- The lower quartile of the lowest paid staff is 58.4% female and 41.5% male.

**Figure 3: Gender breakdown by pay band (April 2023)**

| Gender by Pay Band (Apr 2023) |        |          |
|-------------------------------|--------|----------|
| Band                          | Male % | Female % |
| <b>2</b>                      | 25     | 75       |
| <b>3</b>                      | 65     | 35       |
| <b>4</b>                      | 71     | 29       |
| <b>5</b>                      | 64     | 36       |
| <b>6</b>                      | 42     | 58       |
| <b>7</b>                      | 50     | 50       |
| <b>8</b>                      | 57     | 43       |
| <b>9</b>                      | 86     | 14       |
| <b>10</b>                     | 66     | 33       |
| <b>11</b>                     | 0      | 100      |
| <b>None</b>                   | 58     | 42       |

## 5. Addressing the gender pay gap

We aim to continue to reduce our gender pay gap year on year, with the intention to create greater equality in our pay framework.

Reducing our gender pay gap implies increasing the proportion of women in the organisation at higher grade jobs and continuing the focus on creating pay equity across pay bands.

Effective policies for closing the gender pay gap seek to address factors and barriers common to all women (such as the number in lower-grade jobs with lower pay) as well as target inequalities faced by women belonging to specific groups, based on characteristics such as ethnicity, age and profession.

We have implemented a number of actions over the last 12 months that will contribute to reducing our gender pay gap:

- Introducing an anonymised application process reducing the likelihood of biased recruitment. This also supports applicants from all protected groups expanding our inclusive approaches to **recruitment and talent management**.
- Promoting and updating our **flexible working policy** and supportive guidance to help colleagues achieve work-life balance.
- **Investment in our staff networks**, particularly the Staff Consultative Group; helping to place a spotlight and develop interventions for the key issues that are important to our staff.
- We offer an **enhanced maternity and adoption** pay scheme and will communicate this more widely and transparently in the future.

We propose to take further action in the forthcoming year to reduce our pay gap by:

- Developing talent management strategies such as 'How we Work' that focus on supporting our female colleagues through their career journey in the organisation
- Developing management guidance and resources to upskill line managers on inclusive people practices
- Refining inclusive recruitment practices; building on existing strategy, tools, resources and local promotion and recruitment practices to engage and employ applicants and retain employees from all communities.

## 6. Definitions, assumptions and scope

All employee data in this report is extracted from iTrent, showing a snapshot as of **04 April 2023**. Hourly rate is calculated using base pay, allowances and bonus pay (where applicable).

**Table 1: Definitions**

| <b>Key word</b>    | <b>Definition</b>   |
|--------------------|---|
| Pay gap            | Difference in the average pay between two groups.   |
| Mean gap           | Difference between the mean hourly rate for female and male employees. Mean is the sum of the values divided by the number of values.   |
| Median gap         | Difference between the median hourly rate of pay for female and male employees. Median is the middle value in a sorted list of values. It is the middle value of the pay distribution, such that 50% of employees earn more than the median and 50% earn less than the median.  |
| Mean bonus gap     | Difference between the mean bonus paid to female and male employees. Mean is the sum of the values divided by the number of values.   |
| Median bonus gap   | Difference between the median bonus pay paid to female and male employees. Median is the middle value in a sorted list of values. It is the middle value of the bonus pay distribution, such that 50% of employees earn more than the median and 50% earn less than the median. |
| Bonus proportions  | Proportions of female employees who were paid a bonus, and the proportions of male employees who were paid a bonus.   |
| Quartile pay bands | Proportions of female and male employees in the lower, lower middle, upper middle and upper quartile pay bands. Quartile is the value that divides a list of numbers into quartiles.  |
| Equal pay          | Being paid equally for the same/similar work.   |