

## **Foreword from Helen Evans**

## **Deputy Chief Executive**

Our social purpose is at the heart of everything we do. We exist in order to have a positive impact on people's lives. This is demonstrated through the promotion of Equality, Diversity and Inclusion (EDI) that is present in all areas of the organisation and having a workforce representative of the communities we support.

In October 2023, Network Homes merged with Sovereign Housing Association to form SNG (Sovereign Network Group). It's important to note this report will only cover Network Homes data from April 2022 to March 2023. From March 2026 we will begin reporting as SNG.

The gender and ethnicity pay gap report provides a vital snapshot highlighting areas where

improvements are needed. By analysing and addressing these gaps, we can work towards creating a more equitable and inclusive workforce. We're pleased that the continued initiatives to help reduce the gap has resulted in a reduction for both the gender and ethnicity pay gaps compared to the previous year.

It's an exciting time as we look to the future as SNG. We'll be bringing the best from both former organisations, making it better for our colleagues and residents by continuing to focus on and improve in EDI. We know that having a diverse workforce at all levels helps us understand the communities we work in, and it is important for colleagues, customer engagement and business success.

## **About us**

We seek to promote equality in everything we do and are committed to creating an environment in which everyone is valued and can be their authentic self, allowing them to make a positive contribution to the services we provide and the culture of our business.

We are proud of our diverse workforce which sparks innovation from various backgrounds. This allows more creative ideas and ways to solve problems, improving employee performance and providing better services for residents.







## Our gender pay gap

At the time of the data for this report, Network Homes had 568 employees, 41% identified as male (234) and 59% identified as female (334).

Our mean gender pay gap is 19% which has reduced by 1.6% from last year which reported a mean pay gap of 20.6%. The presence of this pay gap is not an equal pay issue but a reflection that a higher proportion of men occupy senior positions and over 70% of women sit in the lower to lower-mid quartiles. Our median gender pay gap stands at 19.6%, a 1.7% reduction from the previous year of 21.2%.

A contributing factor for both gaps was the decision to consolidate our performance related pay (PRP) into basic salary in 2022. At Executive and Director level PRP was a percentage of their salary and as highlighted above more men are in the upper quartiles resulting in having a higher average mean and median compared to the UK average (national gender pay gap – mean 13.2%, median 14.3%). There has been a decrease for both figures, and we hope to reduce this even further by continuing our EDI initiatives and looking for more innovative ways to help balance out our pay gap.

## Our gender bonus pay gap

In the snapshot period of this report, 103 employees (41 male and 62 female) received a type of "bonus" made up of various one-off payments i.e. merit awards, retention etc. During this period no PRP payments were made as they were consolidated the year before.

The mean figure has increased by over 19% compared to 2022. This is a direct result of negotiating retention bonuses for business critical roles in senior positions, of which more men occupied.

The median bonus pay gap sits at -9.7%. The negative figure indicates the difference between the midpoint for bonuses was slightly higher for female colleagues compared to male colleagues. We expect to balance both these figures in the future as it's recognised there was a period of adjustment in 2022 to 2023 for the business moving from PRP.





## Our **gender** pay gap

The difference in pay between men and women.

Year to	<b>Mean</b> (average)	<b>Median</b> (middle)
5 April 2023	19%	19.6%
5 April 2022	20.6%	21.2%
National gender pay gap (ONS figures)	13.2%	14.3%

### Our gender bonus pay gap

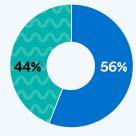
The difference in **bonus** between men and women.

A negative percentage figure means that women have a higher bonus than men.

Year to	<b>Mean</b> (average)	<b>Median</b> (middle)
5 April 2023	52.8%	-9.7%
5 April 2022	33.4%	0%

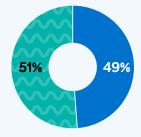
## Gender proportions in each pay quartile

#### Upper



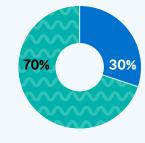
0.9% increase in women at the upper pay quartile however men occupy the majority, which impacts the average hourly rate for men compared to women.

#### Upper middle



A more balance spilt and a positive shift to more women being in the upper middle, 4.6% increase compared to 2022.

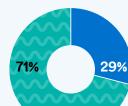
#### Lower middle



quartiles have a significantly higher representation of women compared to men (70% and over) lowering the average hourly rate for women

compared to men.

**Both these** 



Lower

## Our ethnicity pay gap

We're proud to have a diverse workforce with a 50/50 split of "white" and "other ethnicity" among colleagues.

Through our EDI 10-point plan, we ensure that we continue to be a place where inclusive talent is developed. We're also part of the G15 Diversity Pledge where we frequently collaborate and invest to support our Black, Asian and Minority Ethnic talent. Recently this was renewed, committing to more ethnic diversity at all levels of the organisation, more investment and celebrating colleagues' achievements.

Our mean ethnicity pay gap is 9% indicating on average, white colleagues are paid more. This has dropped from the last year, by 3.9%. A contributing factor to the decrease of the gap is the promotion of Black, Asian and Minority Ethnic colleagues into roles in the middle to upper quartiles. This is evidenced in the EDI Annual Report (2023) where it was recorded that we have 39.1% of Black and Minority Ethnic colleagues in senior leadership roles which exceeds our 2025 target of 30%. Our median ethnicity pay gap stands at -1.5% indicating the difference between the midpoint for hourly pay was slightly higher for Black, Asian and Minority Ethnic colleagues.

## Our ethnicity bonus pay gap

We had 103 employees (49 "white" and 54 "other ethnicity") receiving a "bonus" made up of various one-off payments. No PRP payments were made.

The mean figure has significantly decreased by -31.4% compared to 2022, with the gap currently at 14.8% in favour of white colleagues. Retention bonuses were awarded for senior business critical roles which had a higher representation of white colleagues. The median bonus pay gap is -17.6%, the negative figure indicates the difference between the midpoint for bonus, was higher for Black, Asian and Minority Ethnic colleagues than white colleagues.





of our workforce identified as being from a minority ethnic background

#### Our ethnicity pay gap

The difference in **pay** between employees identifying as white, and employees identifying from an ethnic minority background.

Year to	<b>Mean</b> (average)	<b>Median</b> (middle)
5 April 2023	9%	-1.5%
5 April 2022	12.8%	-6.8%

### Our ethnicity bonus pay gap

The difference in **bonus** between employees identifying as white, and employees identifying from an ethnic minority background.

Year to	<b>Mean</b> (average)	<b>Median</b> (middle)
5 April 2023	14.8%	-17.6%
5 April 2022	46.3%	0%

## Ethnicity proportions in each pay quartile





4.8% increase in Black, Asian and Minority Ethnic colleagues at the upper pay quartile however white colleagues still occupy the majority which impacts the average hourly rate.

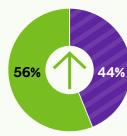
#### Upper middle



An increase of white representation by 6.9% however Black, Asian and Minority Ethnic colleagues hold the majority.

Over a 10% shift increasing

#### Lower middle



Black, Asian and Minority Ethnic representation and decreasing white representation, which is lowering the average hourly rate for Black, Asian and Minority



6.2% increase of white colleagues within this quartile.

Ethnic colleagues.

# How we're addressing our pay gaps

While it's clear that there's still work to be done, it's important to acknowledge the progress being made.

We currently offer talent programmes specifically for women and Black, Asian and Minority Ethnic colleagues including ASPIRE, Springboard, G15 Accelerate, and Leadership Now.

We've also implemented innovative recruitment strategies to attract diverse talent, including applying the Rooney Rule to senior vacancies and becoming a WISH (Women in Social Housing) corporate member. Alongside this, we continue to train our recruiting managers on selecting the best candidate and being aware of unconscious bias. These have all contributed to more women and Black, Asian and Minority Ethnic colleagues moving into middle management and leadership roles across the organisation.

In 2023 we rolled out organisation wide EDI training and Psychological Safety coaching for all managers to understand the importance in rewarded behaviour and encouraging everyone to be their unique, authentic self.

We have ambitious goals, by 2025 we're aiming for 40% of all senior positions being occupied by women (currently at 31.9%). We have already exceeded our 2025 target of having 30% Black, Asian and Minority Ethnic colleagues in senior leadership positions, we currently have 391%.

## How we're creating a more inclusive workplace

We're firmly committed to making sure our organisation and the communities we serve are places of equality, diversity and inclusion.

This means:

**Equality:** Everyone has equal opportunities to join and progress within our organisation. Everyone we work with and work for is treated with respect and dignity.

**Diversity:** Our organisation reflects the diversity of the communities we work with. We are made stronger by having a diversity of experience among our people and residents.

**Inclusion:** We understand the experiences of different groups of employees and residents and the specific issues facing them. We adapt our services so that no one is excluded or ignored.



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Sovereign Network Homes is a charitable organisation and a subsidiary of SNG (Sovereign Network Group)

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