



Because good homes make everything possible

## Network Homes Gender Pay Gap Report 2017

March 2018

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## Background

Network Homes is committed to the principle of equal pay for all employees. It's important for staff engagement and for business success that we meet the requirements of the Equality Act 2010.

*"At Network Homes we pride ourselves on our commitment to diversity and inclusion for customers, staff and the wider community ensuring all stakeholders are free from prejudice and discrimination.*

*Diversity is about giving everyone the opportunity to achieve their potential regardless of race, age, gender, disability, religious beliefs or sexual orientation. Our aim is that the culture and values of Network Homes, embedded through our Equality and Diversity strategy, attract people from diverse backgrounds and make them want to stay with us to deliver excellent services".* **Dr Valerie Vaughan-Dick, Equality and Diversity Champion, Network Homes Board.**



# Pay

## Pay Gap

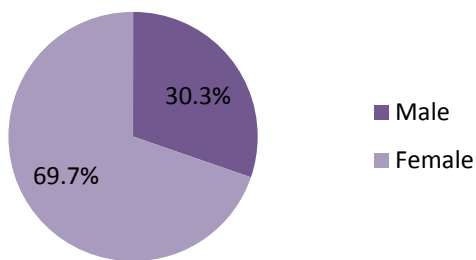
### Difference between men and women

	Mean	Median
<i>Hourly fixed rate</i>	19.2%	17.0%

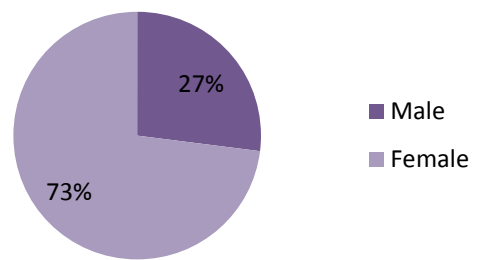
In our gender pay gap reporting, we have reported a mean gender pay gap of 19.2% (average) and a median pay gap of 17% (middle). Our gender pay gap is not an equal pay issue but the lack of female representation at senior levels – mostly in our technical, property development and IT roles.

## Pay Quartiles

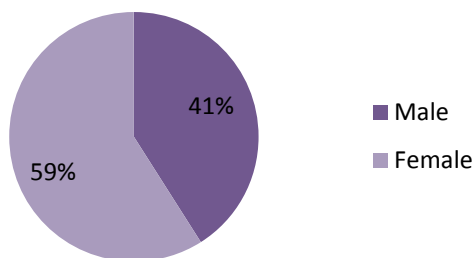
### Lower Quartile



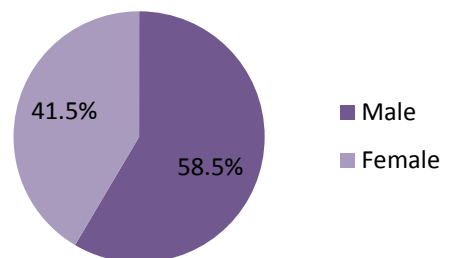
### Lower Middle Quartile



### Upper Middle Quartile



### Upper Quartile



The quartile information shows a predominance of women in lower paid positions across Network Homes. The split in senior position is the reverse where there are more men. This is in line with the percentage gender split in the Housing Sector of 60% women and 40% men with the representative ratio among senior management being the reverse.

The number of women represented at the upper middle level has increased. We need to come up with initiatives to move them into the upper quartile.

## Bonus payments

### Bonus Gap

#### Difference between men and women

	Mean	Median
<i>Bonus paid</i>	29.6%	0.0%

#### Proportion of staff awarded a Bonus

	Male	Female
<i>Received a bonus</i>	60%	69.6%
<i>Did not receive a bonus</i>	40%	30.4%

While 69.6% of all female employees received a bonus compared with 60% of male employees, we are reporting a mean gender gap 29.6% and a median gender gap of 0%. Network has introduced a flat rate bonus payment which, will in time, help to iron out the differences in average bonus payments between men and women. It's obvious from the figures we are reporting that this has already had some effect on the median figures. In line with the gender split of Network Homes' workforce of 69% women and 31% men, more women received bonus pay in both our 'good' and 'standout' categories – 190 women against 87 men for a 'good' rating and 47 women against 21 men for a 'standout' rating.

However, the disparity is in the large number of women in the lower 3 quartiles compared with roles in the higher paid quartile being filled by men. This affects not just pay but also bonus payments as there are other bonus arrangements in place for some senior people.

As we continue to benchmark and normalise pay, the need for market adjusted bonuses and retention payments (which are normally awarded to those in higher paid posts) will disappear.



## Issues

The quartile information shows variations in the salary range that we need to address. High earning individuals in the upper quartiles tend to fill individual posts, most of which are technical in nature and are filled mostly by men, whereas the two lower quartiles cover a number of high volume posts filled by a majority of our front line staff most of whom are women. Because of the large groups of staff on the same or similar salaries in the lower quartile earning brackets, the comparison with the high earning individuals in the upper quartiles becomes even more stark. We need to come up with ways to address this disparity.

## What we have already done/are doing

### Harmonisation of terms and conditions of employment

- Network Homes has undertaken an exercise to harmonise all of our terms and conditions of employment, including pay. All employees are paid at least the London Living Wage or the UK Living Wage (for those outside of London).
- A core tenet of our harmonised terms and conditions of employment is the implementation of a Pay Policy that ensures we maintain the principle of equal pay for equal work. The Policy enables a consistent approach to determining salaries by benchmarking all role profiles against the market using the same data sources irrespective of gender.
- The new pay policy has also removed or seriously limited ad hoc decision making about salaries, as managers are no longer able to exercise discretion about what salary to award.

### Recruitment and Referral Policy

- Our recruitment and referral policies ensure a consistent process is followed in sourcing and selecting to new appointments.
- We have organised regular workshops to brief/train managers on fair recruitment – to be consistent in their approach to recruiting; to appoint on merit and to help identify and address what could be construed as discriminatory practices or recruitment pitfalls.

### Equality and Diversity Strategy

- We have set up a Equality and Diversity Engagement group – made up of staff across all levels and all departments as well as Board members and resident representatives. The group is responsible for scrutinising our diversity and inclusion activities and suggesting/leading on initiatives for addressing any gaps.
- We continue to work on fostering an inclusive environment through diversity events.



- Through our equality and diversity strategy and action plan, we continue to monitor our employment practices for any gaps.

## Next steps

### Creating opportunities for women

- Men and women doing the same or similar jobs are paid the same and are treated equally when determining pay and bonuses.
- The next step is to explore initiatives that create opportunities for more female representation at the higher levels of pay.

### Enabling Leaders and managers to drive inclusion

- We have launched a talent initiative for all staff and we have signed up to Leadership 2025 aimed at increasing BME representation at leadership levels in the Housing sector.
- We could look at similar initiatives to increase the representation of women in higher earning posts.
- Through an internal mentoring and coaching programme, we can involve our senior people in identifying and nurturing high potential women to be competitive at senior and executive level posts.

### Continuous monitoring of our recruitment and selection process

- We will continue to monitor our recruitment practices and provide quarterly reports on who we are recruiting and promoting.

Our recruitment training for managers will include a session on unconscious bias and we will ensure all managers receive this training.



## Summary

Network Homes has put policies in place that will, hopefully, see an increased representation of women at higher levels. It's important to also note that Network Homes has a woman Chief Executive and a woman Chair of Board. The ratio of women to men in our Executive Leadership Team will switch from 30/70% to 40/60% later this year.

The foundation has been laid for realising a more gender-balanced workforce and pay that reflects our gender make-up. We intend to continue in this direction of travel and create a platform where women candidates and employees have the confidence to apply and be successful for higher paid roles.

Helen Evans

**Chief Executive**



Fiona Deal

**Executive Director of People & Culture**

