

Orwell Housing Association Limited

Gender Pay Gap Report 2021

Results

Orwell's gender pay gap is as follows:

Mean gender pay gap:	0.5%
Median gender pay gap:	14.1%
Mean bonus gender pay gap:	2.3%
Median bonus gender pay gap:	0.0%

Proportion of males and females receiving a bonus payment:

Male:	45.8%
Female:	55.3%
Bonus Gap:	-9.0%

Proportion of males and females in each quartile band:

Lower Quartile:

Male:	11.6%
Female:	88.4%

Lower Middle Quartile:

Male:	18.3%
Female:	81.7%

Middle Quartile:

Male:	19.3%
Female:	80.7%

Upper Quartile:

Male:	30.2%
Female:	69.8%

Written Statement

These calculations are in accordance with the requirements, are accurate and will be published in an accessible place on Orwell's website and also on the Government's designated website, <https://www.gov.uk/report-gender-pay-gap-data> by 5 April 2022.



Wendy Evans-Hendrick
Chief Executive

Date: Friday 7th January 2022



Gender Pay Gap Report 2020 - Narrative

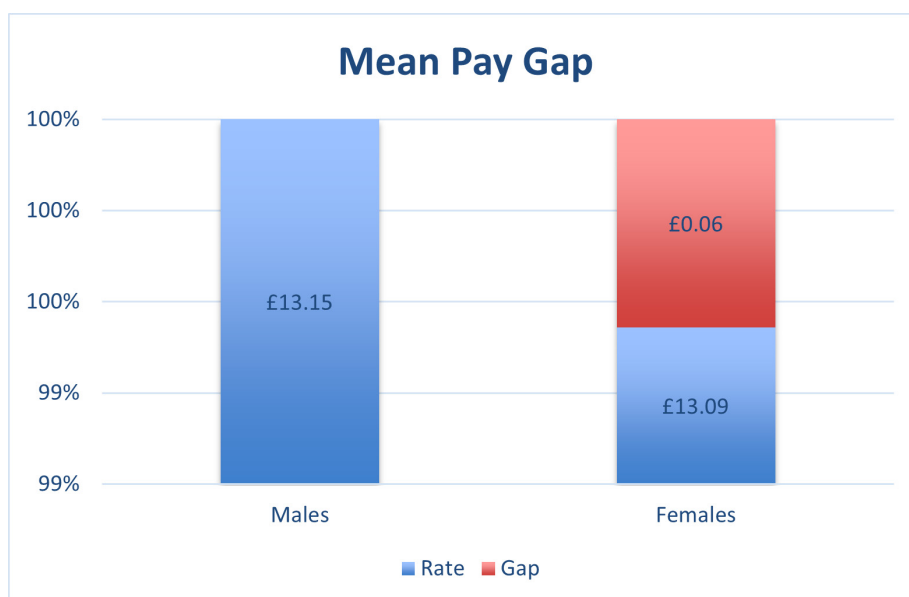
Based on the Government's methodology, Orwell is reporting a mean gender pay gap of 0.5% and a median gender pay gap of 14.1%.

How do we compare?

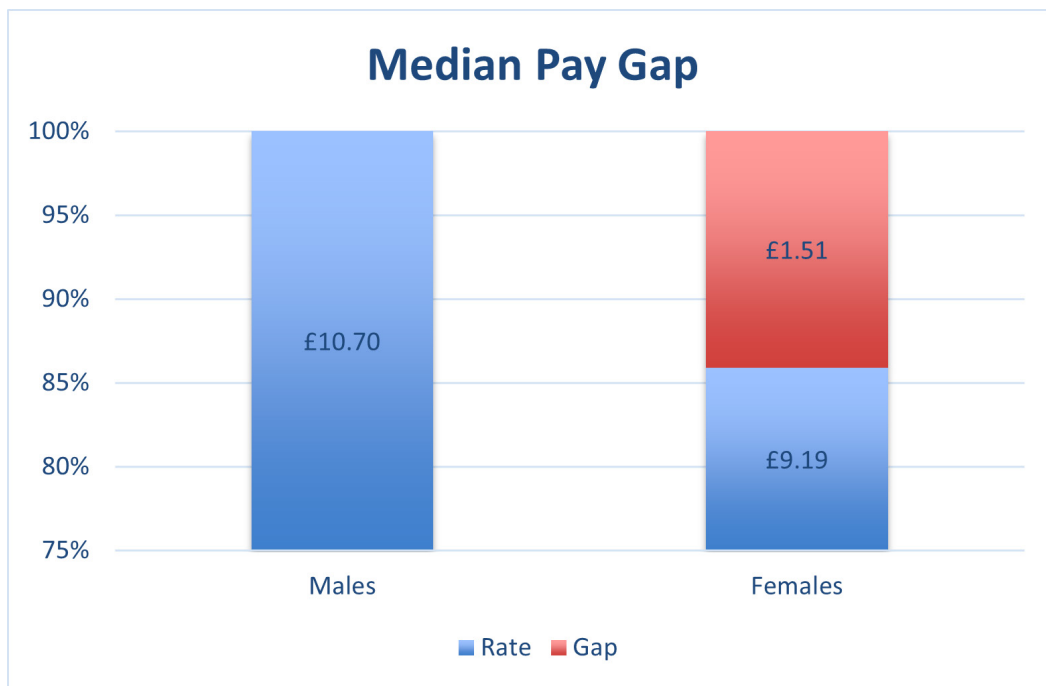
	Orwell 2021	Orwell 2020	Orwell 2019	Orwell 2018	Orwell 2017
Gender pay gap (mean)	0.5%	11.3%	9.4%	18.5%	18.1%
Gender pay gap (median)	14.1%	12.0%	5.0%	11.2%	14.7%
Gender bonus gap (mean)	2.3%	41.3%	-212.5%	-7.1%	38.9%
Gender bonus gap (median)	0.0%	60.0%	-100.0%	-25.0%	71.4%
Males receiving bonus	45.8%	16.4%	15.6%	24.6%	19.1%
Females receiving bonus	53.3%	13.2%	13.8%	14.5%	11.8%

These figures show the mean gender pay gap has significantly reduced in comparison to previous years and the median gender pay gap has increased when compared with all previous years, with the exception of 2017. Greater detail regarding influences is offered below.

The mean gender pay gap is the difference between the average hourly earnings of men and women and reveals a gap of just 6p per hour in favour of male colleagues (a decrease of £1.34 compared with last year):



The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle salary revealing a gap of £1.51 per hour, in favour male colleagues (an increase of 24p compared to last year):



Individually, the mean and the median figures can provide a misleading picture, particularly as we employ so many more female colleagues than male colleagues. It is recommended they are viewed alongside one another and this narrative, to give a more balanced view of the overall gender pay gap.

9.5% more female colleagues received bonus payments during the reporting year than male colleagues. The mean bonus gap of 2.3% (a decrease of 39% when compared to last year) is our smallest reported gap so far and the closest to the overall gender pay gap aim of 0%. We achieved the median gender pay gap aim of a 0% gap between the average value of bonuses paid to male and female colleagues:

	Received Bonus	Mean	Median
% Males	45.8	£423.74	£375.00
% Females	55.3	£413.90	£375.00
% Bonus Gap	-9.5	2.3	0.0

More female colleagues received bonus payments of lower value than male colleagues, accounting for the 2.3% mean bonus gap, in favour of male colleagues.

There is a significant increase in bonus payments during the reporting year (compared to previous years) owing to Thank You payments made to colleagues who volunteered in our care and support services during the COVID-19 pandemic, in addition to those rewarding performance and loyalty.



Due to the continuing impact of the Coronavirus (COVID-19) pandemic, 2020 national information became available from 3 November 2020 announcing a national median gender pay gap of 15.5% (down from 17.4% in 2019) and higher than Orwell has ever reported. 2021 reporting has been extended to 5 October 2021 and it is hoped that the national statistic will be available later this year.

Mind the Gap - influences

The narrative which follows provides more information about the current gender pay gap.

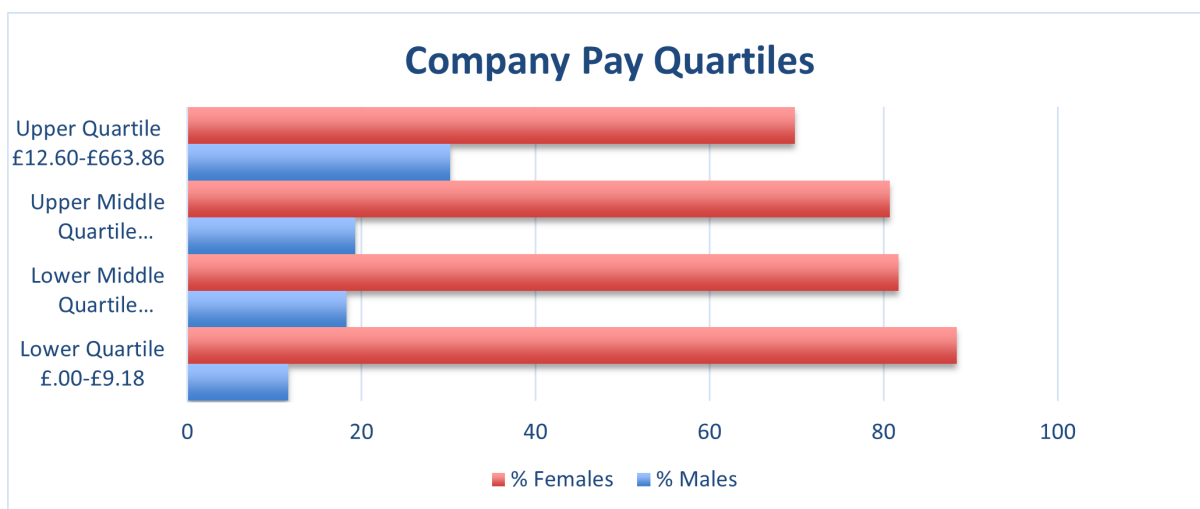
Accuracy of data

Government guidance in relation to the inclusion of allowances in pay was more specific this year, resulting in the collation and use of more accurate and complete data.

Pay Quartiles

The pay quartile breakdowns show the proportion of women and men at different pay levels (defined by the Regulations without taking Orwell's structure into account). The breakdowns show whether there is gender imbalance.

Orwell continues to experience an overall 80:20 gender split in favour of women which is less closely reflected in the upper (highest paid) and lower (lowest paid) pay quartiles:



Movement closer to 80% females in each quartile most closely reflects our corporate gender composition, whilst movement to 50% females in each quartile most closely achieves no gender pay gap between male and female median hourly earnings, the ultimate aim:

upper quartile (highest paid):	decreased by 0.1% to 69.8% females
upper middle quartile:	increased by 0.8% 80.7% females
lower middle quartile:	increased by 0.6% to 81.1% females
lower quartile (lowest paid):	increased by 4.9% to 88.4% females

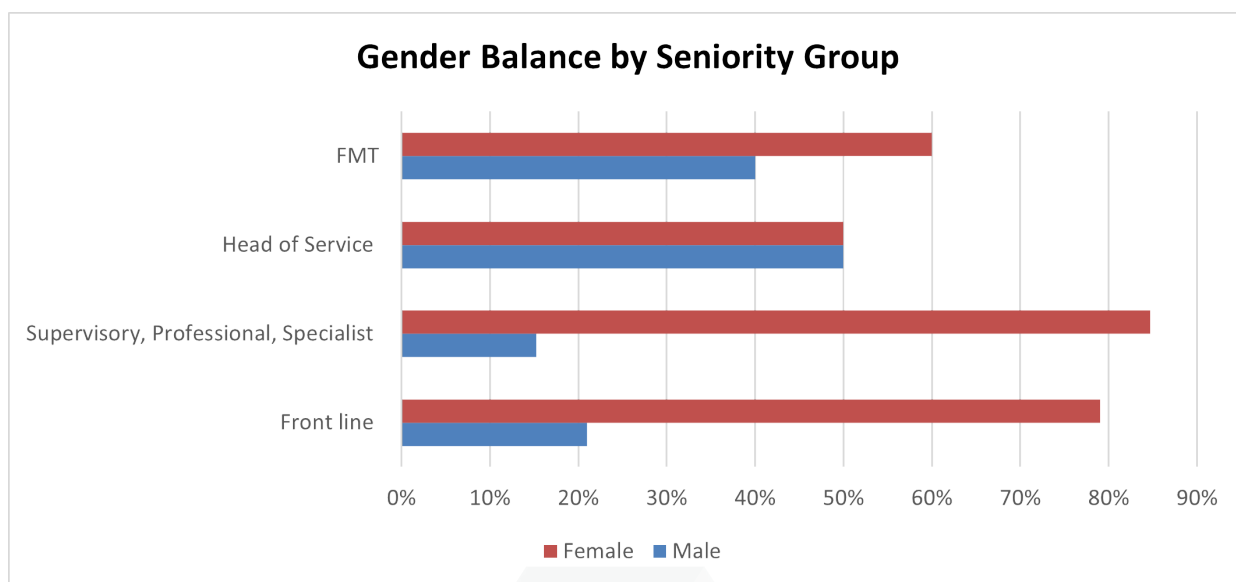


The upper quartile includes 48% of all unique roles within Orwell, is occupied by 20% of the total workforce and includes skilled/specialist/advisor/officer and professional roles, up to Chief Executive.

The lower quartile includes 8.1% of all unique roles within Orwell, is occupied by 10.2% of the total workforce and includes apprentice roles, entry level care assistant and support worker roles, entry level cleaners and one residential role (earning less than National Minimum Wage owing to the value of tied accommodation).

Examining our Care & Support directorate in greater detail, employing 76% of our overall workforce and occupying much of the lower and lower middle pay quartiles, 10.2% of this workforce are men.

Gender balance improves with seniority level (and represents an overall improvement on last year's composition):



FMT:	Females 60%	Males 40%
Heads of Service:	Females 50%	Males 50%
Supervisory etc:	Females 85%	Males 15%
Front line:	Females 79%	Males 21%

However, when it comes to pay, the gender pay gap is in favour of men in each category except for Head of Service, and the largest gap is at Supervisory, Professional, Specialist level:

Front line

Female average hourly rate = £9.60; male average hourly rate = £10.17 – a gap of 57p in favour of men.

Supervisory, Professional, Specialist

Female average hourly rate = £13.06; male average hourly rate = £14.48 – a gap of £1.42 in favour of men.



Head of Service

Female average hourly rate = £20.84; male average hourly rate = £20.57 – a gap of 27p in favour of women.

FMT

Female average hourly rate = £35.29; male average hourly rate = £36.41 – a gap of £1.12 in favour of men.

Promotions

Promotions during the reporting year amount to a 50:50 split between male and female colleagues for roles falling in Supervisory, Professional, Specialist and Head of Service categories / Upper Middle and Upper pay quartiles. The average hourly rate difference is 72p per hour, in favour of men.

Pay Increases

Successful pay increase nominations during the reporting year amount to a 57:43 split in favour of female colleagues, resulting in higher earnings and positively influencing the pay gap. The average increase of both male and female pay increases was 6% and the average hourly rate difference between male and female pay increases was 7p, in favour of women.

19% of successful pay increase nominations related to part time female colleagues (compared to 9.5% of part time male employees), contributing to closing the gender pay gap among part time employees. The average increase of part time female colleagues is 2% lower than the average value of all female pay increases.

In addition to these statistics, since our last report we have examined our pay transparency and created clear criteria to nominate and reward high performing employees (above median salaries), ensured that colleagues successfully passing probation are moved to the median salary for the role, and report that more females than males have been appointed to salaries higher than starting salary.

Our salary ranges are another influence in themselves as they reflect 95% and 105% of the market median. Salary ranges become larger as the median amount increases, for example, the amount which can be earned when completing probation on a median salary of £20k is £250 less than on a median salary of £25k. This has the impact of smaller pay increase amounts for the majority of colleagues occupying the Lower and Lower Middle pay quartiles in entry level roles, which are mainly occupied by women, contributing to gender pay gap.



As the gender pay gap is based on salaries paid to the workforce, this can be affected by the ability and willingness of employees to negotiate salaries at the start of, and during their employment. Studies have also shown that women tend to be less willing to negotiate over employment benefits and pay, whilst some may base their salary negotiations on their previous pay levels elsewhere, which may have been affected by discrimination or bias.

Recruitment and Retention

Recruitment during the reporting year resulted in more women (81% and 8% lower than previous year) than men appointed into new (9%) and vacant (91%) positions, across all pay quartiles/seniority groups.

25% of new hires joined on salaries higher than bottom of the salary range (across all pay quartiles/seniority groups). 77% were female who joined on salaries on average 4.5% above bottom of the salary range. 23% were male who joined on salaries on average 3.56% above bottom of the salary range.

Occupation

Senior/high-earning roles

The gender balance of our Full Management Team (highest level of seniority and earnings) demonstrates a gender imbalance in favour of women (opposite to 2020), positively impacting the gap and closer to our aim of 50:50 male to female ratio.

Part time working

45.8% of Orwell's workforce consists of part time employees. 93% are female with the majority occupying entry level roles in the lower and lower middle pay quartiles.

Care & Support

Within Care and Support, we advertise more part time than full time roles. This suits the flexibility required to deliver required services and has the effect of being more attractive to more women than men.

- ▲ Pay levels for caring/supporting roles are historically low in the external market owing to a combination of perceived low skill requirement and care contracts being awarded to the lowest price tendered/possible.
- ▲ The frequently advertised roles of Care Assistant (Extra Care) and Support Worker (Learning Disabilities) are also the most populated roles within the organisation and fall in the Lower and Lower Middle pay quartiles.



- ▲ The combination of a pay rate lower than the overall mean and median pay rates and occupied by females (in the majority) creates a gender imbalance and is the most significant contributory factor to the median gender pay gap .
- ▲ Since our last report we have established 27% of care assistant/support workers who joined Orwell during the reporting year have now left, largely owing to pay in relation to responsibility, 97% of these leavers were female.
- ▲ It is still hoped that the Coronavirus pandemic will improve the value of Care Assistants and Support Workers at a high enough national level to make a difference to commissioning contracts. From September 2021 we demonstrated our value of these roles and increased the starting salary to £9.21 per hour, moving out of the Lower pay quartile and almost mid-way through the Lower Middle pay quartile.

There continues to be an underlying structural problem regarding the number of men and women in different occupational silos and their relative experience and seniority; within Orwell it is not a matter of men and women being rewarded differently for doing the same jobs.

Family Caring Responsibilities

During the reporting year, 22% of colleagues taking family friendly leave were male whilst 88% were female.

Enhancing paternity leave to full pay has had a positive impact compared to no male employees taking leave last year.

All females were working part time at the time of taking leave and 100% of those females are currently employed and one promoted from Team Leader to Service Manager (Extra Care) on return, increasing her salary and improving the gender pay gap report for next year.

Agile Working

Since our last report we have embraced agile working among our office-based colleagues and surveys reveal a positive work/life balance is largely being achieved. This has the effect on enabling females to apply for roles which were previously considered out of reach in terms of seniority and salary, owing to a perceived lack of flexibility.

Partnering model

Since our last report we have adopted a partnering model (March 2021) having the effect of People Partners (previously HR Advisors) supporting a portfolio of teams in the business. This is enabling closer working relationships with leaders, offering opportunities to educate (policies) and challenge thinking (implementation of policies and opinion).

Since our last report (May 2021) we have delivered unconscious bias training to all leaders and hope that this raises awareness during interviewing/assessment and results in objective scoring and salary offers which reflect assessed skill and contribution.



Mind the gap – why bother?

There are no legal implications for an organisation publishing a gender pay disparity. Orwell does not have an equal pay concern or discrimination issues causing the current gap. The main point is that salaries are market benchmarked and Orwell pays for the role regardless of who is undertaking it. This means there should be no justification for equal or fair pay claims. Whilst it is not currently a legal requirement to take any steps to close the gap, as an organisation committed towards equity and fairness it is important to:

- ▲ **Avoid scrutiny or discrimination claims:** through equal opportunity for men and women and equal treatment: ensuring there is no unconscious bias in key decision making.
- ▲ **Keep our good reputation:** existing employees can become disillusioned if they feel they are not going to be afforded equal opportunities, especially in relation to pay. External candidates who review Orwell's gender pay gap report, may feel less inclined to apply for a role if they perceive the gender pay gap signals a lack of fairness and equity.
- ▲ **Benefit from diversity:** a mix of male and female viewpoints can lead to higher levels of productivity and innovation. Diverse groups of employees are better placed to understand customer needs.

Mind the gap – commitments

Orwell will continue its equal treatment of men and women with regard to policy, procedure, pay and reward, recruitment, selection, training and development and flexible working activities (except in cases of under-representation).

Orwell will continue to promote gender equality in role occupation; continuing to use the image of a male carer to promote under-representation in this role and the image of a female craftsperson to promote under-representation in this role.

Orwell will continue to use structured interviews to select candidates on an equal footing, based on values, skills and expertise.

Orwell will continue to salary benchmark each role against the external marketplace and apply a salary range which allows for increases in salary based on contribution (last achieved 2021).

Orwell will continue to develop leaders and to deliver quality leadership skills, develop self-confidence (to challenge bias and negotiate improved terms) and to nominate deserving team members for pay increases and bonuses.

Mind the gap – commitments

Orwell will continue its equal treatment of men and women with regard to policy, procedure, pay and reward, recruitment, selection, training and development and flexible working activities (except in cases of under-representation).



Orwell will continue to promote gender equality in role occupation; continuing to use the image of a male carer to promote under-representation in this role and the image of a female craftsperson to promote under-representation in this role.

Orwell will continue to use structured interviews to select candidates on an equal footing, based on values, skills and expertise.

Orwell will continue to salary benchmark each role against the external marketplace and apply a salary range which allows for increases in salary based on contribution (last achieved 2021).

Orwell will continue to develop leaders and to deliver quality leadership skills, develop self-confidence (to challenge bias and negotiate improved terms) and to nominate deserving team members for pay increases and bonuses.

Mind the gap – trying a bit harder

There is more that can be achieved to try to close the gap:

- ▲ Full time job opportunities: review the possibility of advertising a greater number of full-time posts within Care and Support.
- ▲ Targeted advertising: positive action to address gender imbalance/under-representation in particular roles, plus the inclusion of a diversity statement. Achieve a diverse representation of employees at recruitment fairs, school careers evenings, Suffolk Skills Show etc to showcase our commitment to EDI.
- ▲ Set gender targets: for job applications and shortlisting.
- ▲ Reward and pay transparency: review the salary range formula.
- ▲ Review of Care and Support terms and conditions: if there is enhancement within salaries within Care and Support, this may close the gap.
- ▲ Succession and progression policy: equal opportunity for career progression and an awareness of any risk of unconscious bias in decision making. Clear succession planning process with mentoring support. Sharing 'my story' of both male and female employees in Careers pages.
- ▲ Learning & Development: raise awareness of gender bias via training workshop to all recruiters (as part of the wider equality, diversity and inclusion section).
- ▲ Employee involvement: to share the latest gender pay gap report with Employee Voice group representatives asking them to identify internal factors and action plan gap reductions.
- ▲ Retention: understand gender composition and any trends in reasons for leaving.

Conclusion

Whilst there is a gender pay gap, it is not due to any level of inequity within Orwell terms, conditions, policies, procedures or processes. There are also steps that can be taken to minimise any increase in the future. All areas for improvement as outlined above are included within People team objectives for 2021/2022 and will be reviewed going forwards to ensure measures are progressed.



