



**GENDER PAY GAP  
REPORT 2017**

## AN INTRODUCTION FROM LIZ PARRY, HEAD OF HR

Our customers, tenants and residents come from a wide range of backgrounds and communities and in order for us to understand them and provide the right care and support, our workforce needs be fully inclusive to reflect it's diversity.

Linc Cymru Housing Association is pleased to publish their 2017 Gender Pay Gap Report. We see the report as an important step in encouraging meaningful discussions about all aspects of equality and diversity. For the purposes of this report, our gender pay gap is calculated using the approach required by the regulations.

The gender pay gap is a topic of keen interest for many and in an attempt to increase awareness and improve pay equality, the UK government introduced compulsory reporting of the gap between men and women for organisations with 250 or more employees. Even though for the UK as a whole, the gap has reduced in the last 10 years, it is still in favour of men.

At Linc we are very proud of our diverse and inclusive workforce, and whilst we would like there to be no gap between the pay for males and women, we accept that our gap does in fact reflect the wider norms in UK society. Nevertheless we want to understand and address the reasons behind it.

We are keen to look into ways to ensure that all our staff members, regardless of gender or any other reason, are able to reach their full potential. We will use this insight to support our approach and benchmark our improvement.

The data raises questions for us and provides us with the opportunity to look at how we can challenge ourselves and ask "how can we create an even more inclusive place to work?" We already offer flexibility within the workplace, including flexi-time, part-time work (where possible) and we are mindful of the careful considerations with the services we provide in the Care and Support arm of Linc. Maintaining consistency and continuity of care provision for the people we support is key. We will continue to promote our very successful 'Learn & Grow' programme to help our staff be better prepared for the next step in their careers. However, this report reminds us that we must seek further opportunities to stretch our ambitions and there is always more to do.

We will continue to have open and honest conversations with colleagues, regardless of gender or level of seniority, so that we can truly understand any barriers that hinder or prevent people fulfilling their potential within our great organisation.



**Liz Parry, Head of HR**

## UNDERSTANDING THE GENDER PAY GAP

### WHAT IS THE GENDER PAY GAP?

The gender pay gap is a measure of the difference in the average pay of men and women - regardless of the type of work they undertake - across the whole organisation, business sector, industry or the economy as a whole. It can be influenced by the number of men and women across all roles.

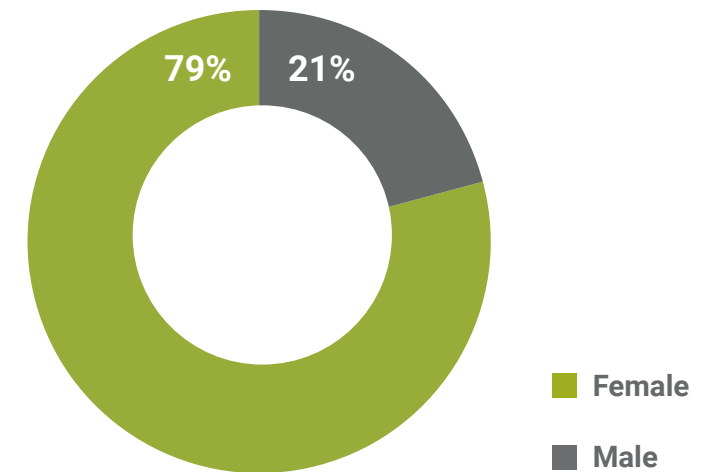
**It's important to remember that the Gender Pay Gap is not the same as Equal Pay.**

It is different from an equal pay assessment, which would involve direct comparison of two people, normally, one man and one woman, or groups of people carrying out the same, similar or work of equivalent value.

### WHAT ARE SOME OF THE REPORTED REASONS ACROSS THE UK FOR A GENDER PAY GAP?

- Women are often under-represented in senior roles where remuneration is higher
- Women are more likely to take time out of their careers to start a family or have carer responsibilities; the gap typically widens when women reach the age of 40
- Some sectors have a higher proportion of part-time roles e.g. health, retail and social care, commonly resulting in a higher proportion of women in entry level roles
- Educational choices where fewer women work in STEM sectors – Science, Technology, Engineering and Mathematics, leading to fewer women in higher-paid specialist roles such as Finance, IT, logistics

### LINC WORKFORCE BY GENDER



### EQUAL PAY COMPARISON



## UNDERSTANDING THE GENDER PAY GAP

### HOW ARE THE MEDIAN AND MEAN GAPS CALCULATED?

We have used the calculations as set out in the Gender Pay Gap reporting regulations, we have looked at pay data from all areas of our business taking into account information from more than 450 employees at April 2017. This data includes the various roles across Linc which attract a wide variety of rates of pay.

#### THE MEDIAN GENDER PAY GAP

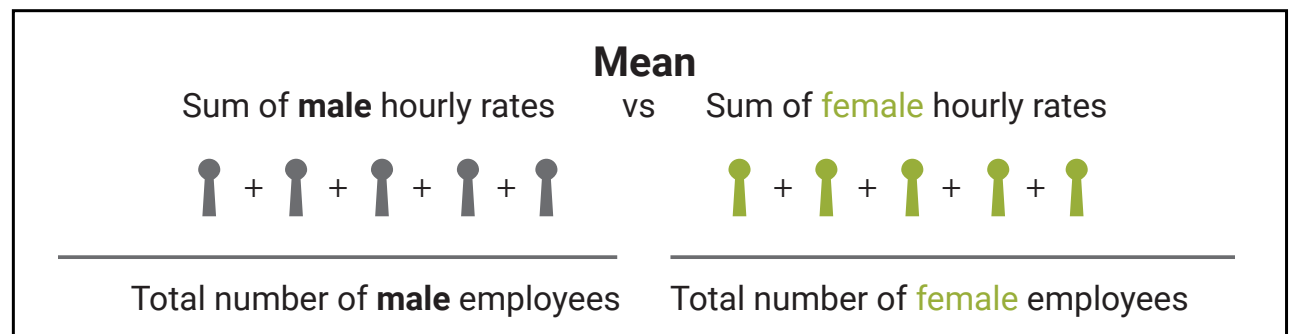
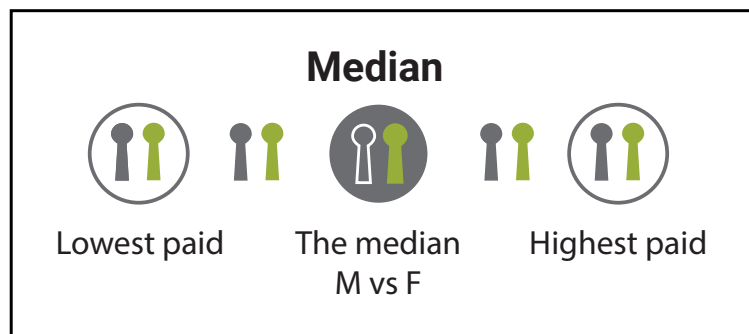
Imagine a picture where all our female employees stood next to each other in one line, in order of who is paid the lowest hourly rate of pay to the highest. Then imagine the same picture where all our male employees did the same. The median gender pay gap is the difference in pay between the female employee in the middle of their line and the male employee in the middle of theirs.

#### THE MEAN GENDER PAY GAP

The other measure is the mean gender pay gap, which shows the difference in average hourly rate of pay between men and women. As this figure is an average calculation it is affected by the different numbers of men and women in different roles.

These median and mean calculations are also carried out when comparing bonus pay over a twelve-month period. The proportion of men and women awarded any bonus pay over that period is also reported.

Our overall workforce across nursing homes, care and offices (including full time and part time employees) is in excess of three quarters female.



## UNDERSTANDING THE GENDER PAY GAP

### HOW ARE THE PAY QUANTILES CALCULATED?

In the report we are required to indicate the percentage of men and women in each pay quartile. The quartiles are calculated by listing the rates of pay for every Linc employee from lowest to highest.

We then split that list into four equal-sized groups based on the total number of employees. We then calculate the percentage of males and females in each group or quartile.

### WHAT'S INCLUDED IN LINC'S CALCULATIONS?

For the purpose of the Mean and Median Gender Pay Gap and quartile pay-band calculations, the following are included.

An employee who is employed on the relevant date, and who received their full basic pay. Where salary is exchanged or sacrificed for pension contribution, the post-exchange rate is used as required in the legislation.

Employees who, for whatever reason other than the above, received less than their full basic pay, are not included.

For the purpose of bonus reporting, everyone is included whether they receive full pay or not in the reporting month.

The details above of what is included is determined by the Gender Pay Gap legislation, which Linc has complied with.



## OUR RESULTS

### DID YOU KNOW

- There are more women than men in our lower paid roles, which is our main reason for our gender pay gap
- For the whole of care, our mean gap is positive towards women. This is due to the low numbers of men working in care and managerial higher paid admin posts are predominantly held by women.
- In making a gender comparison across our care assistant population, our median pay gap is -1.6%. This means women are paid more than men. This is mainly due to the numbers employed in senior and night care positions, of which attract a higher rate.

### PAY - HOURLY RATE

The difference between the hourly rate of men and women.

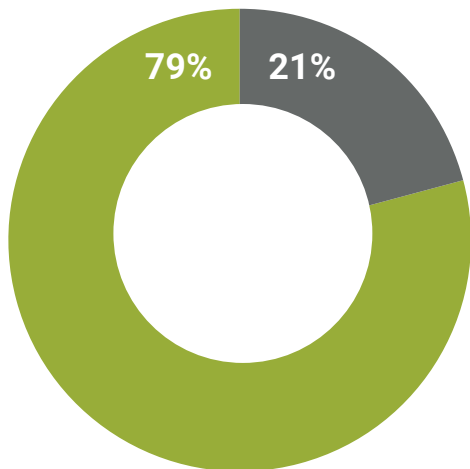
	Linc as a whole	Care Only	UK*
<b>Median</b>	<b>17%</b>	<b>-0.4%</b>	<b>18.4%</b>
<b>Mean</b>	<b>20.4%</b>	<b>-8%</b>	<b>17.4%</b>

\* Based on estimates from ASHE Survey 2017

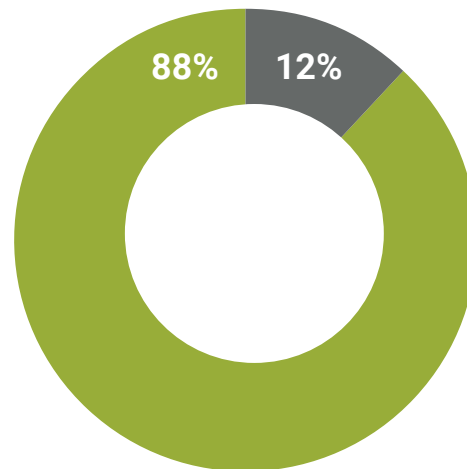
### PAY QUANTILES - LINC AS A WHOLE

Female ■ Male ■

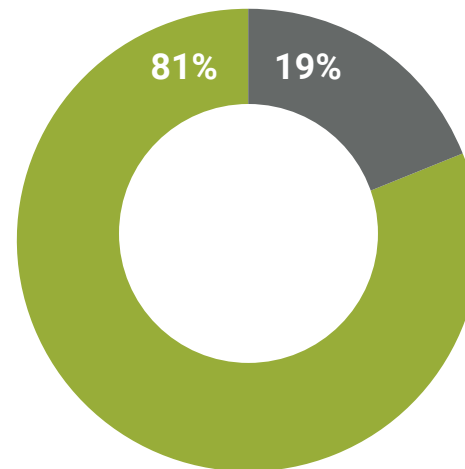
Proportion Of Male And Female Employees According To Quartile Pay Bands



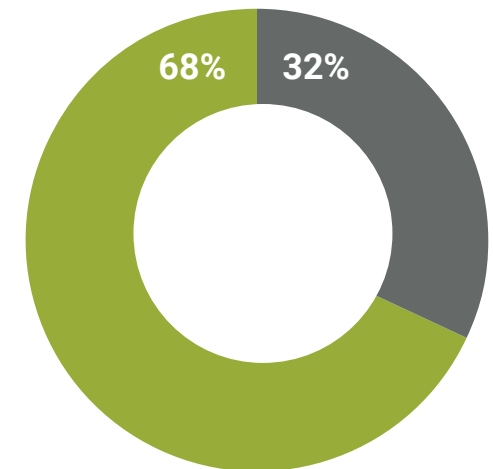
Lower Quartile



Lower Middle Quartile



Upper Middle Quartile



Upper Quartile

## THE DETAIL BEHIND THE DATA

At Linc we place a great amount of emphasis on fairness, it's at the heart of who we are, and our approach to pay is no different. But that doesn't mean we are complacent so a lot of work has gone into understanding what lies behind the numbers in our report.

As with many organisations, and the economy as a whole, the key factor behind Linc's gender pay gap is the balance of men and women across job levels.

We are delighted to note that our Median gender pay gap figure of 17% is lower than the UK figure of 18.4%.

Our commitment to equality at our senior roles is indicated by the fact that 58% of those in our highest paid senior leadership roles are women. This can be seen in our higher quartile figure where women represent 68%.

It is also important to note that:

- 84% of our professional nursing staff are women
- 83% of our workforce in our lowest paid jobs are women who are employed in our Care division.

As with most businesses, there are significantly fewer senior roles and the turnover at this level is much lower than at more junior levels, which means vacancies for such roles do not arise very often.

Beneath the headline numbers there are variations in the proportion of men and women in different functional areas. We employ more than 450 people in a variety of roles all with variable pay ranges informed by their market value.

Our pay ranges differ by function as well as job level, meaning that the gender split between functions also has an effect. For example, our HR department is made up of 85% female, compared to ICT in which 30% of the team are female. Where there are variations in market rates of pay between functions, this can contribute to the gender pay gap. Linc and its customers will benefit from a cohesive and balanced workforce. We will continue to ensure that barriers to progression do not exist and there is equality of opportunity for all, regardless of gender.



## PROPORTION OF BONUS PAID TO MEN AND WOMEN

You will see from the above that both men and women received a bonus, 68% and 65% of the total workforce respectively, however 188 staff did not receive any bonus at all. There are two main reasons for this.

- We took over a nursing home under TUPE arrangements on 1 April 2017, where approximately 100 staff were employed. These staff were included in the GPG bonus calculations as required under the guidelines. The bonus which is referred to in the report was paid to Linc staff in March 2017 prior to the TUPE staff joining, so the transferred staff did not receive bonus.

**If the TUPE staff were excluded from the calculations, approximately 90% of staff would have been in receipt, both men and women.**

- In order to be awarded the bonus staff had to be employed by a certain date. The higher levels of staff turnover that occurs in the nursing homes meant that a number of staff did not have the requisite service, so did not receive bonus, or if they did it was not for a full year.

## WHY IS THERE A MEDIAN AND MEAN DIFFERENCE IN BONUS PAYMENTS?

The 44% difference in the **Median** payment can be explained by the following.

- The Median bonus calculations require us to include all staff even those who were not in receipt of the bonus as mentioned above. For women the total number in the list is 437 employees and 153 of these did not receive a bonus. As the list is in order of lowest payment, starting with nil payments, to highest the mid-point was £175. For men, the total number in the list was 108 but only 35 did not receive a bonus. The mid-point figure for men was £315, this equates to 44% difference for the median difference in the bonus payment.

**If we were to discount the zero payments, the majority of which relate to the TUPE transfer, the difference would be only 21% in favour of men.**

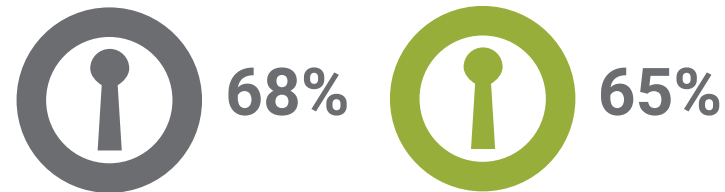
The reason for the Mean difference of 29% can again be partially attributed to the high number of staff who did not receive a bonus.

In addition, the following factors also impact the mean difference;

- A higher proportion of women work part-time; bonus is pro rata for part time staff
- A higher proportion of women work in the care sector of Linc where staff turnover is higher, this results in a greater number of starters throughout the year; bonus was pro rata for staff with less than a full year's service so the payment for this group was lower than those with a full year of service.

## PROPORTION OF MEN AND WOMEN EMPLOYED ON 5TH APRIL 2017 WHO RECEIVED A BONUS

Both male and female employees received bonus pay.



## BONUS PAY DIFFERENCE BETWEEN MEN AND WOMEN

<b>Median</b>	<b>44.4%</b>
<b>Mean</b>	<b>29%</b>



## OUR COMMITMENT TO PROGRESSION AND GREATER INCLUSION FOR ALL EMPLOYEES

### GIVING EVERYONE ACCESS TO NEW CAREER OPPORTUNITIES AND HELP WITH INTERVIEWS

We advertise internal vacancies across the whole organisation, allowing staff members looking for that next step the opportunity to search when a suitable vacancy becomes available. Everyone has access to our in-house Learn & Grow programme providing career guidance and interview support.

### STRENGTHENING ACCESS TO COACHES AND MENTORS

Linc is passionate about the benefits that mentoring and coaching has on employee progression. We provide an in-house course to create coaches to accredited standard. We also make use of a range of external coaches and mentors to enable employees to seek support, build confidence and make connections.

### PROMOTING OUR POLICIES TO SUPPORT PROGRESSION

Our flexible working and shared parental leave policies support our commitment to be an inclusive organisation and a place that develops the careers and well being of employees. We recognise that more can be done to promote their use and build a broader suite of opportunities.

### RAISING AWARENESS AND HELPING PARTNERS LEARN

A large part of our work takes us into the lives of elderly people and those from the lowest socio-economic communities. We want to ensure our staff have the skills and experience to help our tenants and residents but to also build the knowledge and confidence of our employees for their own career development and job satisfaction, management or hiring responsibilities.

We will be developing two learning initiatives to complement our current equality and diversity sessions undertaken by all employees.

We regularly monitor the Terms & Conditions that we offer to all staff, including benchmarking of salaries and rates of pay. We acknowledge that the different sectors in which Linc operates attract varying T&Cs and need to ensure we remain competitive to attract and retain high calibre staff.

We are pleased to pay our operational employees a rate in excess of the National Living Wage including those under 25, and in an area of our business where a higher proportion of women work.

## USEFUL RESOURCES AND DIRECTOR STATEMENT

Even though we are proud of all the activity we undertake at Linc Cymru Housing Association, the gender pay gap shown in this report demonstrates that male employees receive a higher average pay rate. This is largely due to the fact supporting the national picture that women make up the highest proportion of care and support roles which are traditionally lower paid. We are committed to improving this position.

We welcome the annual requirement to publish gender pay comparisons - it offers an important opportunity for us to look at the way we work and to look into new initiatives to enable our employees to reach their potential regardless of their gender or any other characteristic. We need to make equality and diversity a platform for everyone to maximise their abilities and contribution. Reporting annually also allows us to measure the progress we make, and encourage all of our employees to be aware of the contribution they can make to supporting opportunities for themselves and their fellow colleagues.

The gender pay gap calculations covers almost 500 employees as at April 2017. In light of the heavy emphasis on our Care numbers and the nature of the roles undertaken it is unlikely that our overall figures will change significantly in the short term. Rather than focus simply on these headline figures, we will continue to place our energy into the areas which support our commitment to allowing all employees to reach their full potential.

This report covers employees of Linc Cymru Housing Association at all levels, including the Executive Team.

As CEO for Linc Cymru Housing Association, I, Scott Sanders can confirm that the information contained herein is accurate.

**Scott Sanders, CEO - Linc Cymru Housing Association**

### USEFUL RESOURCES

ACAS guidance on Gender Pay Gap Reporting provides a full description of the reporting requirements, the distinction between Gender Pay Reporting and equal pay and links to useful communication materials:

<http://www.acas.org.uk/genderpay>

#### To join the debate:

The Women's Business Council provides some helpful resources to help improve gender diversity:

<http://www.womensbusinesscouncil.co.uk/toolkits>

The UK's leading charity campaigning for gender equality and women's rights:

<http://www.fawcettsociety.org.uk/>