

Gender Pay Gap Report

Introduction

Building a diverse and inclusive workforce is a priority at settle. We know that a diverse workforce performs better, which supports our vision to help people find comfortable homes so that they can live the life they choose.

As an organisation of over 250 colleagues we have a legal responsibility to report on our gender pay gap. However, we also understand the value in this in the interest of transparency and openness and therefore do so willingly to support the progression of equality for our colleagues.

Reducing the gender pay gap and having a more balanced workforce is a critical part of our vision where every colleague is able to succeed and is encouraged to reach their full potential.

Gender pay gap reporting

The gender pay gap metrics for this analysis are calculated using colleague data from 5 April 2021. This date is used as a 'snapshot' of settle's colleague population. This report outlines the 2021 position and how this compares to the 2020 data.

How is the pay gap calculated?

The gender pay gap is a high-level snapshot of pay within an organisation and shows the difference in the average pay between all women and men in the workforce. The mean and median differentials are based on hourly rates of pay for full and part time colleagues.

We recognise that although gender pay gap regulations require us to identify our colleagues as men and women, some of our colleagues may not identify with either the male or female gender. We continue to actively support our colleagues and customers of all gender identities and work closely with our 'value everyone' group to support the LGBTQ+ community.

Equal pay vs. gender pay gap

It is important to note that the gender pay gap is separate from equal pay. Equal pay is a more specific legal requirement that means women and men should be paid equally in the same employment performing equal work. The gender pay gap is a measure of the difference between women's and men's average earnings across an organisation. At settle we pay our colleagues according to their role, regardless of any other protected characteristic but we are aware there may still be a gender pay gap.

The mean

This is calculated finding the difference between men's average hourly rates women's average hourly rates and is a good indication of how salaries of women and men are spread throughout an organisation.

The median

If we were to rank our male and female colleagues separately, from the lowest to the highest paid, the middle paid colleague is the median. The median pay gap is the difference between the male median and female median.

Bonus pay reporting

It is worth noting that all bonus payments are standardised at settle with all colleagues earning this payment if they maintained a full-time or part-time contract prior to 31st December 2020. As this payment is not allocated on a performance review basis the percentage difference of mean and median bonus will reflect this. Any difference in mean bonus pay is a result of pro-rata amount which is applied to part time workers.

Salary sacrifice

It is important to note that we have implement pension salary sacrifice in 2021 which means that salary amounts to complete the analysis is based on salary after pension deduction, this will impact the salaries used for gender pay analysis, based on individual pension % contributions.

Our gender pay gap analysis

The tables below show our overall mean and median gender pay and bonus gap based on hourly rates of pay as at the snapshot date.

Mean (average)	Median (middle)
2021 gender pay gap	
11.63%	13.25%

Mean (average)	Median (middle)
2021 gender bonus gap	
4.00%	0.00%

This tells us that at settle, men's mean hourly rate is 11.63 per cent higher than women's. Men's median hourly rate is 13.25 per cent higher than women's.

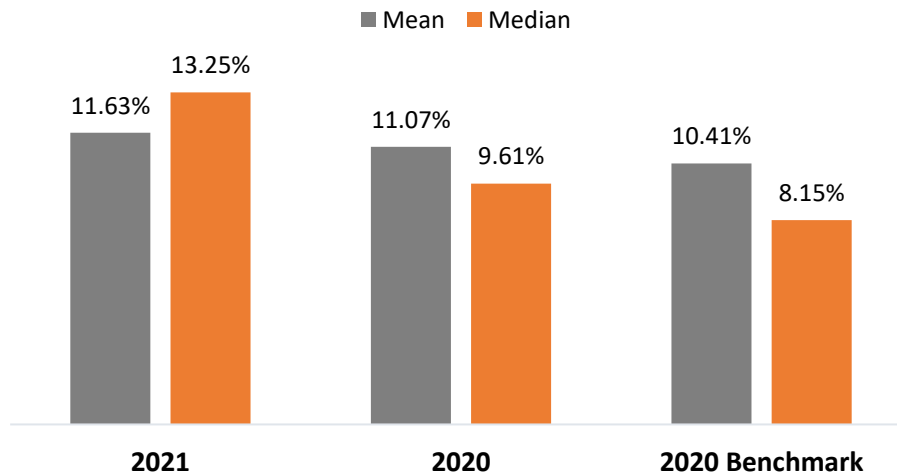
Observations

Since our 2020 analysis:

- Our mean gender pay gap has slightly increased by 0.56%
- Our median gender pay gap has increased by 3.64%
- Both our mean and median gender pay gaps still sit above the national averages
- Our mean gender bonus gap has decreased by 1.76%

Figure 1 below provides comparison of our mean and median pay gap with 2020 data and the average gap from the 2020 gender pay gap exercise. (Inbucon, Housing Associations of a similar size)

Figure 1: settle's mean and median pay gap against benchmark



The table below shows the proportion of women and men in each pay quartile and the comparisons to our snapshot data from 2020 and 2020 benchmark data.

Quartile	2021		2020 Benchmark		2020
	Women	Men	Women	Men	Women
Upper	45.59%	54.41%	48%	52%	50.79%
Upper middle	55.07%	44.93%	56%	44%	57.14%
Lower middle	34.78%	65.22%	60%	40%	60.32%
Lower	75.63%	24.64%	64%	36%	73.02%

Observations

Since our 2020 analysis:

- We continue to have a large number of women in high paid roles, and the split across the upper and upper middle quartile is fairly equal and sits close to benchmark
- The most significant change is in the lower middle quartile
- The percentage of women has decreased in the upper, upper middle and lower middle quartiles by 5.41%, 1.93% and 25.22% respectively.
- The percentage of women in the lower quartile has increased by 2.63%

Understanding our pay gap

1. Higher proportion of men than women in the upper quartile

Our workforce is predominantly female (60.65%) but the proportion of the male workforce in the upper quartile (52.17%) is higher than the proportion of the males across the whole of our workforce (39.95%). Additionally, the number of women in leadership roles at the data snapshot period dropped since the previous year's snapshot. This underrepresentation of women in our higher paid roles is a key driver in our gender pay gap where we continue to focus our attention.

2. High representation of women in the lower quartile

The other key driver of our gender pay gap is the significant representation of women in the lower quartile. This can be explained on examination of teams with numerous administrative roles. We have a high number of women in these administrative roles, particularly in the Compliance, Risk, and Health & Safety team (100%), Customer Contact team (93%), Housing Support team (80%), all sitting in the lower quartile. Comparatively the Homes & Maintenance teams, who's roles mostly sit in the lower middle quartile, are held only by men. The men and women distributed in this way across these roles is the main reason why we see 34.78% men in the lower middle quartile and only 75.63% in the lower quartile.

This is commonplace amongst many organisations as research tells us that women are more likely to occupy support roles like human resources and administration compared with the higher-paid roles that typically have a faster track to senior roles. There are various factors contributing to this imbalance, such as a lack of flexible working options in male typical roles and the undervaluing of women's skillsets. Working mothers also face disadvantages as the CIPD reports that women who take time off or reduce their hours, are more likely to be in a low-paid and low-skilled job and will remain there throughout their life.

In addition to this we appointed a number of graduates into the business in 2021, all sitting in the lower quartile and all female, we expect these graduates to progress and move up the salary range.

At settle we want to break this 'glass wall' and support women to progress outside of these gendered spaces. For this reason, creating pathways for men and women outside of gender typical roles, in particular encouraging more women in 'male dominated' spaces are a priority for us.

settle's approach and commitments

We expect our gender pay gap to fluctuate as we work to improve the gender diversity across settle. We saw a drastic decrease in the gap between 2019 and 2020 as a result of the final departure from the care business. Unsurprisingly with the uncertainty of the pandemic we saw less opportunity to tackle our lower paid roles due to lack of movement in these roles, very few people left which resulted in limited opportunity to change the balance. We recognise that gender diversity needs to be tackled at all levels, from our apprenticeship and graduate schemes that will feed our talent pipeline to executive leaders who drive business forward and make positive impact for our customers. This remains a focus area for us, as does changing the perceptions of traditionally female roles.

We also recognise that alongside pay inequality, women experience barriers with internal promotions or receiving a job offer. Therefore, we strive to equip our line managers with the tools to increase the inclusivity of our recruitment and development processes. This will be achieved through the diversity and inclusion training which will explore the effects of both conscious and unconscious bias on decision-making, ensuring managers feel consciously inclusive when reviewing for promotions and participating in any recruitment stages. To ensure we have considered the barriers and challenges faced by our colleagues we have also established Equality Impact Assessments. These assessments will ensure our policies and activities are accessible and address any inequality of opportunity.

Reflecting on 2021

Since our last gender pay gap report we have committed to nurturing employability across our communities. Through retraining jobseekers and informing younger people of the alternative paths available to them we hope to address the low gender mix for stereotypical roles and business areas. The approach we have taken:

- Tapping into younger talent pools: We are recruiting through the government's Kickstart Scheme, and working with ELSA next generation a Community Interest Company that delivers bespoke education programmes to young people nationwide.
- Apprenticeship and graduate programmes: We have recruited four new apprentices, and six graduate trainees.
- Skills training in the community: In partnership with Create Community's foundations4work programme we will be running four half day sessions for our customers and jobseekers in our local community to offer skills and increase employability and confidence.

Our colleague led diversity and inclusion group, 'value everyone' is well-established and takes a lead on diversity and inclusion related topics and initiatives for colleagues. The group has made 'women in leadership' a priority topic in their EDI talk series, focusing on the specific challenges women may face when looking at progression, this has enabled the authentic sharing of women's stories at settle.

Looking forward

Our ultimate goal is to achieve gender parity across our organisation at all levels. There is currently a disproportionate number of women working in lower paid roles at settle; we will encourage development and ensure there are pathways for progression for these roles.

Our ongoing focus on diversity and inclusion continues and our identified commitments provide further opportunity for us to better the culture and improve the working environment for our colleagues. These include:

- Engaging colleagues through our Equality, Diversity and Inclusion Strategy and Action Plan.
- Maintaining a learning culture to improve how we build and support a diverse culture.
- Supporting local schemes aimed at encouraging younger women into roles that are typically held by men and working with schools to support these programmes.
- Proactively source gender diverse pipelines for all future leadership opportunities.
- Monitor starting salaries for gender bias.
- Ensure our development programmes are accessible to part-time/flexible workers and meets the needs of women approaching/in the upper quartile.