

Gender Pay Gap Report 2023



Accessibility statement

This report has been approved for publication and is digitally available on our website.

We've created a plain text version to support those using accessibility tools such as translation, audio, changes to the size of text, ruler and screen mask.

We also aim to make our information and services more accessible by using plain English in our communication and offering sign language and language interpreters where required. If you would like this document in an alternative format or have any questions relating to the report, please contact inclusion@karbonhomes.co.uk.

About us

At Karbon Homes, we build, manage and look after homes for people across the North. And then we go further, we give them the strong foundations they need to get on with life.

Since our formation in 2017, we've been focused on delivering our three strategic aims - to provide as many good quality homes as we can; to deliver an excellent service to our customers; and to shape strong, sustainable places for our communities.

Our footprint covers the North of England and Yorkshire, with around 32,000 homes across diverse communities where customers face differing opportunities and challenges.

Some customers just need an affordable home, or a way onto the property ladder. Others might need a bit more – financial advice, community services, sheltered accommodation or even training that can lead to a new job. Whatever people need to feel more secure, confident and happy with where they're at, we'll aim to provide it.

We always make the effort to really understand our customers. We believe that everyone deserves respect. Everyone's voice should be heard. And everyone deserves someone in their corner now and then.

By focusing on our three strategic aims, combining a sound business head with a strong social heart and staying true to our values, we hope to build strong foundations for even more people.



Welcome

The issue of the gender pay gap has been gaining more and more attention in recent years – and rightly so. Here at Karbon Homes, we think it's crucial that we ensure equality, inclusivity and fairness in all aspects of life - including the workplace. I am therefore pleased to introduce our latest Gender Pay Gap report, where we explore our data and analyse the trends.

Like many organisations, we're on an ongoing journey to deliver our long-term ambitions to support gender equality, and encouragingly, I'm pleased that our focus has led to our gender pay gap remaining within 5% of parity for the sixth year running.

Recruitment and retention have been challenging for many organisations, both nationally and within the housing sector. Our ambitious growth plans and generous rewards and benefits package continue to make Karbon Homes an employer of choice in the region.

In this year's report, I'm proud to also share our preliminary findings from our first Ethnicity Pay Gap and Disability Pay Gap reports. Publishing these results ahead of legislative requirements has been unanimously supported by our leadership team.

We'd also really encourage you to read our Inclusion and Belonging Annual Report, where we share details of our broader work that we're focused on to improve equality, diversity and inclusion - here at Karbon Homes.

As the authorised signatory of this Pay Gap Report, I am pleased to confirm that the data contained within this report is accurate and meets the requirements of the gender pay gap reporting regulations. The report has been developed using data from a snapshot date of 5 April 2023 and data regarding bonus payments made between 6 April 2022 and 5 April 2023.

While it's a legal requirement to share this information with you, this is so much more than just data sharing for us. We are proud and pleased to share our gender pay commitments with you, which you'll find later in the report, detailing the meaningful steps we are taking to really make a difference.

Through our organisation's inclusion and belonging commitment of '**Developing Diversity and Creating Fairness**', we'll continue to focus on our pay gap reporting as a key measure, while working together to create an inclusive culture in which every new and existing colleague feels they can truly belong.

By closing the gender pay gap, we can genuinely show that our female colleagues are paid fairly and their contribution to the organisation is recognised and valued.

Scott Martin – Executive Director of Resources.



What is the Gender Pay Gap report?

The gender pay gap is the difference between the average hourly earnings for men and women in an organisation, regardless of their roles.

All UK employers with more than 250 employees have been required to report their gender pay gap since 2017 – and we welcomed this move, because we truly believe it's a really important step towards having a more inclusive, diverse and fair society.

The data is based on calculations set by the government and is significantly influenced by the difference in the number of men and women at various levels within the organisation and the roles they have.



Organisations have to report in the same way against the same measures to ensure that data is comparative, both over the years and against other organisations. Here's an overview of the measures:

- **Mean and median gender pay gap:** based on the hourly rate of pay of male and female colleagues.
- **Mean and median bonus gap:** based on the bonus pay of eligible male and female colleagues.
- **Bonus pay proportions:** The proportions of male and female eligible colleagues who are paid bonus pay.
- **Quartile pay bands:** The proportions of male and female eligible colleagues in the lower, lower middle, upper middle and upper quartile pay bands.



As a wholly-owned subsidiary, data from 54North Homes is not included in this report, nor are they required to be published, as their headcount is below 250 colleagues. However, activity across the group to improve gender equality includes all colleagues.



Understanding mean, median and equal pay

Equal pay

Equal pay is different to the gender pay gap. It deals with the pay differences between men and women who carry out the same or similar jobs, or work of equal value. It's unlawful to pay people unequally because they are a man or a woman. Even when pay is equal, there may still be a gender pay gap. All of our colleagues are paid the Real Living Wage or above.



Mean pay gap

The mean hourly rate is the average hourly wage across the organisation and the mean gender pay gap is a measure of the difference between the hourly wage for men and women.

Median pay gap

The median hourly rate is calculated by ranking all colleagues from the highest paid to the lowest paid and taking the hourly wage of the person in the middle. And the median gender pay gap is the difference between the middle hourly wages for men and women.

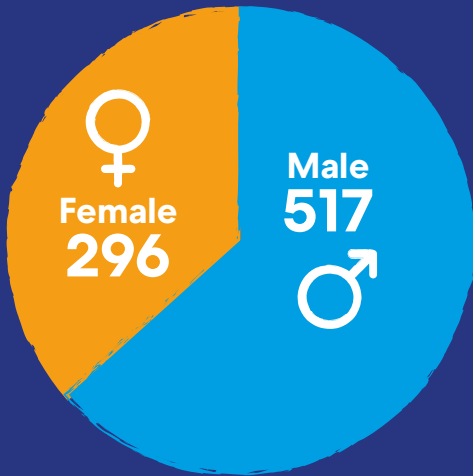
Bonus payments

Bonus payments are calculated in the same way independent from base salaries.

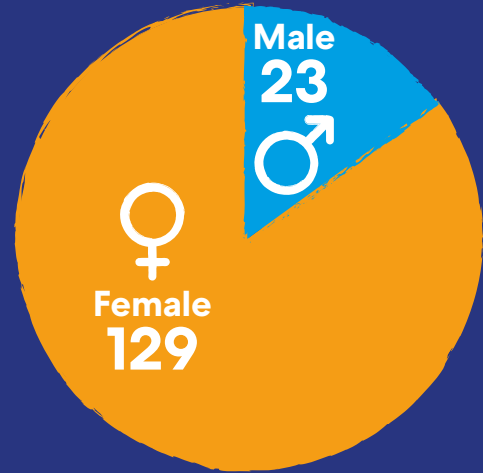


Our workforce data

Headcount



Full time



Part time

Mean pay gap
2023

4.7%

Median pay gap
2023

1.1%

Mean bonus gap
2023

-1.9%

Median bonus gap
2023

0.0%

Gender pay quartiles

Upper

Men
59%

Women
41%

Upper Middle

Men
55%

Women
45%

Lower Middle

Men
68%

Women
32%

Lower

Men
42%

Women
58%

What does the data tell us about Karbon?

There are several factors that influence our gender pay gap, many of which are not unique to Karbon Homes. We have a number of roles that have historically been performed by either men or women (male-dominated or female-dominated) which influences the gender split in our quartiles. We continue to build on our approach to flexible working, offering more flexibility to our colleagues in terms of their working patterns and location, and continue to see a rise in male colleagues requesting flexible working arrangements.

Headcount

The growth in our headcount has remained steady, but activity such as our New Start employability programme has brought more male colleagues into roles in the lower quartile, which is female dominant. This year has seen the largest increase and representation in male part-time roles.

Salaries

At Karbon Homes, all of our colleagues are paid the Real Living Wage or above. We operate a salary benchmarking scheme which supports and ratifies our approach to equal pay. As a result of the fluctuations in salaries in a buoyant recruitment market, we've accelerated our benchmarking timeline to respond to this volatility. The benchmarking scheme explains in part why our median pay gap is reported closer to parity than our mean pay gap.

Bonus pay gap

Our bonus data for this period is calculated from a one-off bonus and length of service payments. Through the length of service payments, we can often see fluctuations in our year-on-year data within our bonus payment reporting.



Our gender pay gap commitments

We'll continue to support gender equality at Karbon Homes through our long-term ambitions driven through our Inclusion and Belonging Action Plan. We've been making progress, but we know that there is more to do. These include:

Wellbeing - Our Wellbeing Strategy has five pillars, with mental health and the menopause being key campaigns to support our female colleagues. We've introduced Mental Health Allies to support people to thrive at Karbon.

Recruitment - Our New Start programme has improved the diversity within our recruitment, and we'll continue to evolve our approach following candidate feedback. We've made some improvements to the language we use and our application process.

Inclusion hubs - We've launched our Gender Inclusion Hub to ensure colleagues influence our plans around this important topic and we will develop our approach to allyship.

Data - We'll be using the data and insights from our pay gap reports to inform our planning. We've introduced a quarterly review to understand any emerging trends that are impacting our attraction, recruitment and retention.

Understanding our colleagues - We'll continue to improve our data collection of our colleagues to improve our reporting and insights. This will help with all elements of our pay gap reporting.

Development - We'll continue to develop our female colleagues through dedicated coaching interventions and our leadership pathways programme.



Introducing our ethnicity and disability pay gap report

Currently, we're not legally required to report on either our disability or ethnicity pay gap. However, we believe in being transparent, and consider it is equally important for us to publish these figures as it is our gender pay gap. We would hope to do this with other areas linked to our Inclusion and Belonging Action Plan, however the limited data held in these areas, as it currently stands, makes these reports less meaningful. We'll continue to work to improve our data, which will in turn improve our reporting.



We've used the same approach as the gender pay gap for these calculations, splitting our data into two categories – majority and minority cohorts.

For the disability pay gap, the majority cohort includes all colleagues without a disability and the minority cohort includes all colleagues that have defined having a disability or long-term health condition.

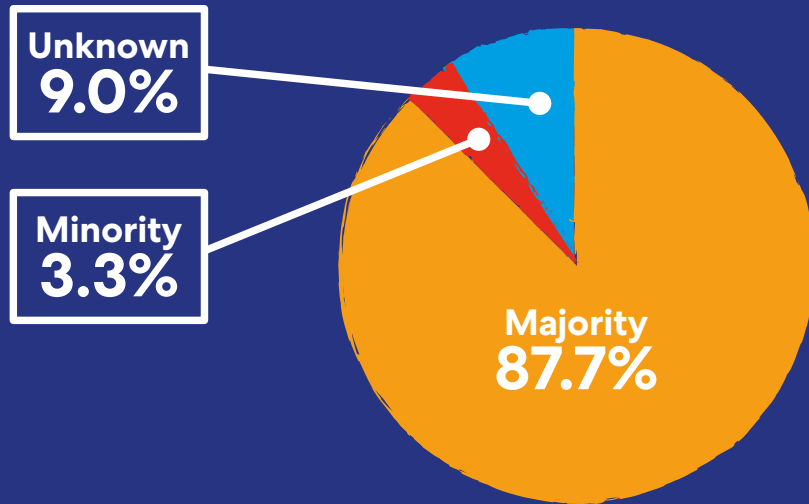
For the ethnicity pay gap, the majority cohort includes all white British colleagues, and the minority cohort includes all other ethnic groups.

Where we have unidentified data i.e., 'not known' or 'prefer not to say' this has been removed from the calculations but is shown in our overall headcount figures. Removing data from the data set provides a less accurate picture, but this is something experienced by all organisations that are reporting additional pay gaps.



Ethnicity pay gap reporting

Headcount



Mean pay gap
2023

11.2%

Median pay gap
2023

11.1%

Headcount

Majority
96.4%

Minority
3.6%

Upper

Majority
99%

Minority
1%

Upper Middle

Majority
99%

Minority
1%

Lower Middle

Majority
98%

Minority
2%

Lower

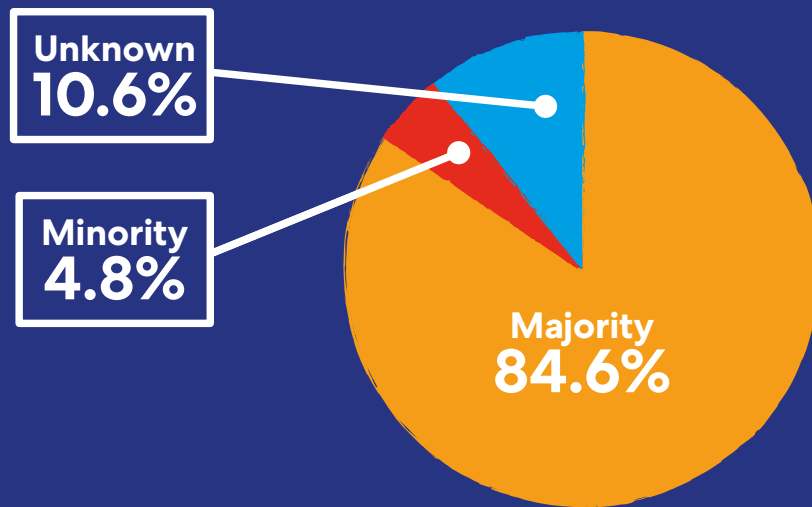
Majority
97%

Minority
3%

These figures are based on the identified data only with unidentified data removed from these calculations.

Disability pay gap reporting

Headcount



Mean pay gap
2023

7.2%

Median pay gap
2023

-0.4%

Headcount

Majority
94.6%

Minority
5.4%

Upper

Majority
93%

Minority
7%

Upper Middle

Majority
96%

Minority
4%

Lower Middle

Majority
99%

Minority
1%

Lower

Majority
91%

Minority
9%

These figures are based on the identified data only with unidentified data removed from these calculations.

We'll continue to improve our data and commit to publishing our ethnicity and disability pay gaps and take action within our Inclusion and Belonging Action plan to improve our representation at all levels of our organisation.