

Gender Pay Gap Report 2021

About Karbon Homes

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 focused on delivering on our three strategic aims – to provide as many good quality homes as we can; to deliver excellent service to our customers; and to shape strong, sustainable places for our communities.

Our footprint covers the North East of England and Yorkshire, with almost 30,000 homes across diverse communities, where customers face differing opportunities and challenges.

Some customers just need an affordable home, or a way on to 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 work our heart out to provide it.

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

It is very important that Karbon reflects the communities we work with. We understand the value, innovation and better outcomes that diverse communities and workforces can bring.

I am proud that amidst the challenges of the last two years and the COVID-19 pandemic, our mean Gender Pay Gap has narrowed from last year and remains within a 5% margin of parity. We'll continue to focus on gender diversity as part of our overall equality, diversity and inclusion action plan. We'll build on our success so far and stay true to our commitment to balance a sound business head and a strong social heart.

As the authorised signatory of this Gender Pay Gap Report, I can confirm that the data contained within this report is accurate and meets the requirements of the gender pay gap reporting regulations.



Scott Martin – Executive Director, Resources.

What is the Gender Pay Gap Report?

Since 2017, all organisations who employ 250 people or more have a legal requirement to submit a Gender Pay Gap Report. In line with the guidance, there are six measures based on colleagues receiving normal pay. 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 is 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 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 across Karbon homes.

The gender pay gap looks at the difference in the average pay of men and women because different jobs pay differently, and the number of males and females performing these jobs varies.

As a wholly owned subsidiary, data from York Housing Association (YHA) is not included in this report. YHA's headcount is below 250 employees so it is not required to publish its gender pay gap however, this is monitored closely internally.

Understanding mean, median and equal pay

The gender pay gap is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman. All of the people we employ are paid the living wage or above.

The mean hourly rate is the average hourly wage across Karbon Homes and the mean gender pay gap is a measure of the difference between women's mean hourly wage and men's mean hourly wage.

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; so the median gender pay gap is the difference between the hourly wage of the middle paid woman and the hourly wage of the middle paid man.

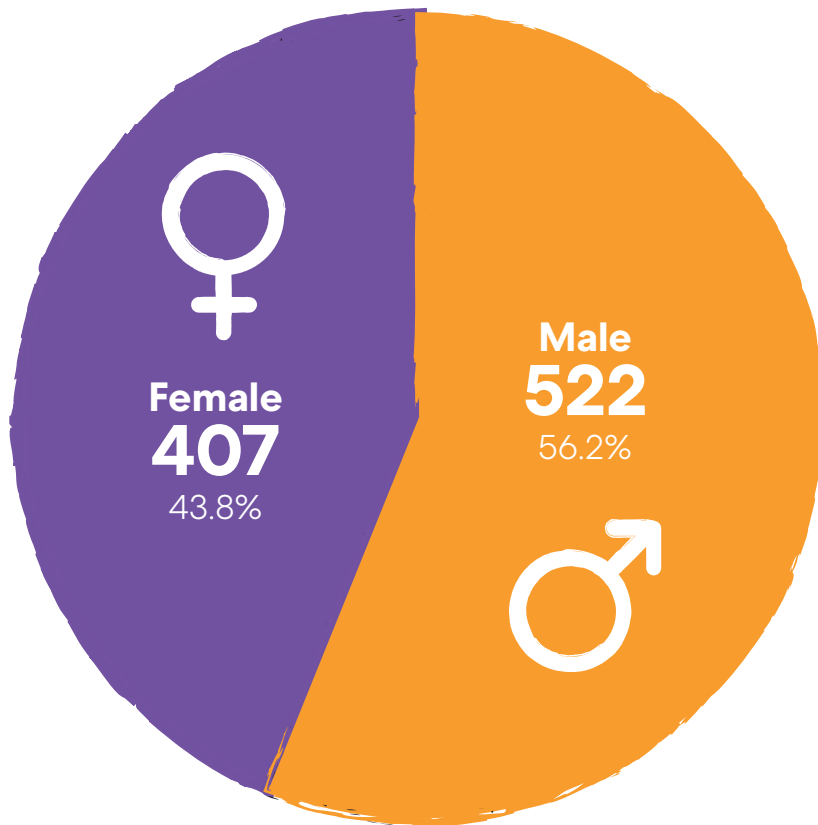
Bonus payments are considered in the same way and are calculated independently from base salaries.

Our Karbon Homes report has been developed using data from a snapshot date of 5 April 2021 and data regarding bonus payments made between from 6 April 2020 to 5 April 2021.



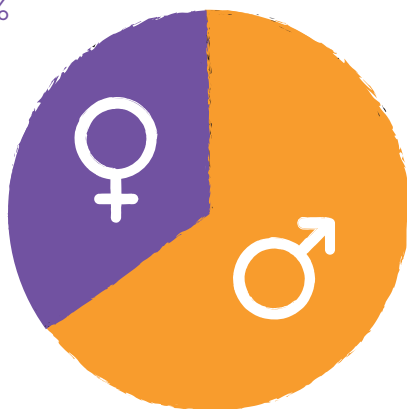
Our workforce data

Total number of colleagues
929



FT (37 hours +)
777

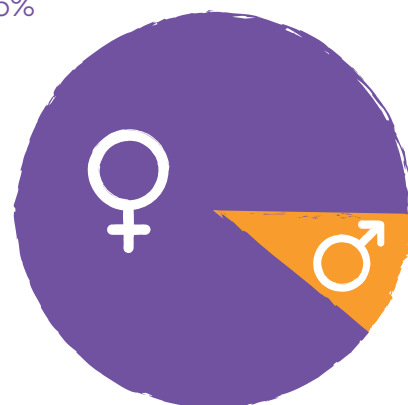
Female
271
34.9%



Male
506
65.1%

PT (under 37 hours)
152

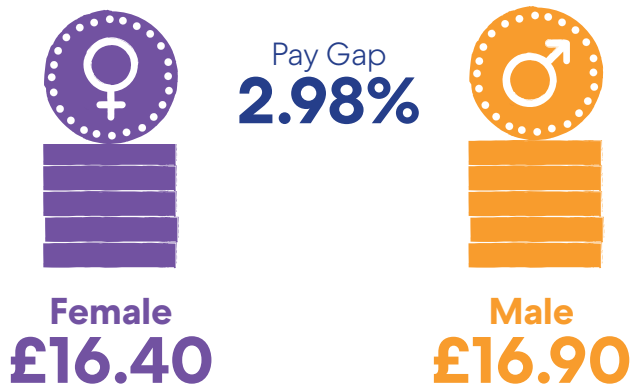
Female
136
89.5%



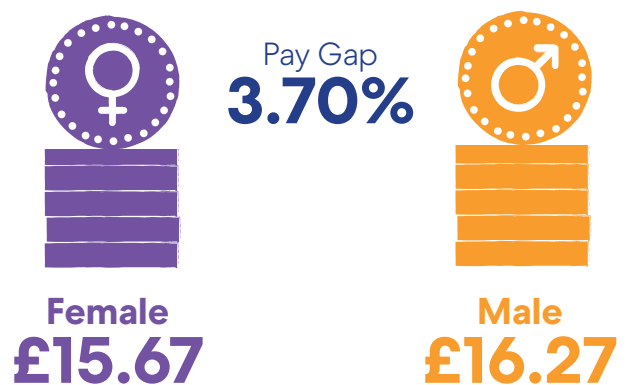
Male
16
(10.5%)

Our gender pay gap figures

Mean hourly rate



Median hourly rate



Our bonus pay gap

Mean bonus pay gap

2020

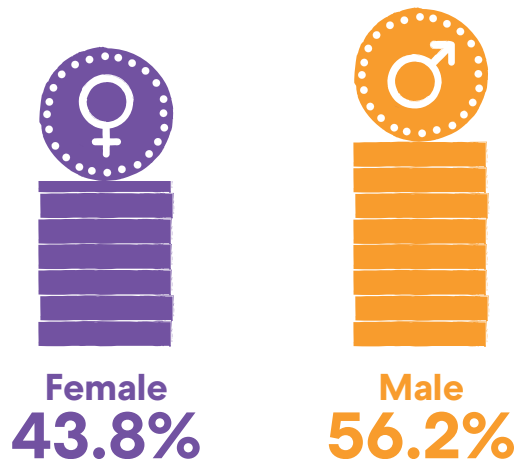
0.99%

Median bonus pay gap

2020

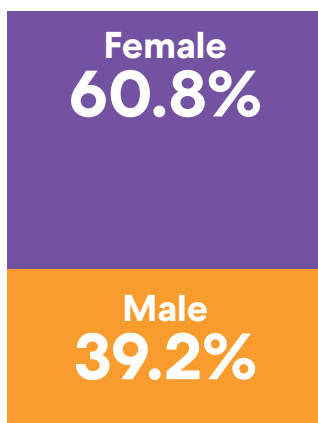
0.00%

Bonus pay gender proportion

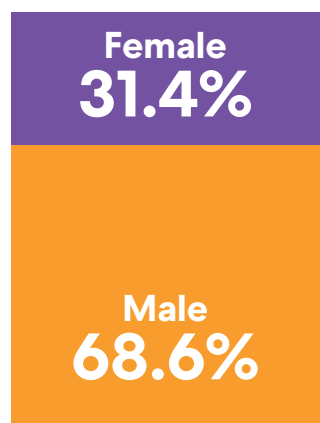


Our gender pay quartiles

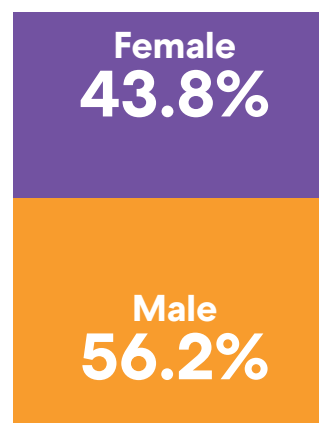
Lower



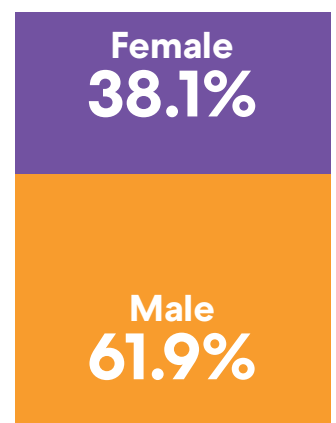
Lower Middle



Upper Middle



Upper





What does the data tell us?

A key outcome of the reporting requirements is for organisations to take accountability for looking at their own gap, to understand the reasons behind it, and to work out how best to address it. It is also accepted that this is not an issue which can be solved overnight.

There are a number of factors driving our gender pay gap, many of which are not unique to Karbon, and in particular, organisations that have been formed via mergers and have varied sets of terms and conditions to address.

Our mean gender pay gap is 2.98%. This is an improvement in our mean pay gap of 3.82% since our first report in 2017.

We have significantly more females than males in part time roles as well as within the lower paid quartile.

The upper middle quartile is the most gender balanced which supports the ambition to achieve a better balance at senior levels in the organisation, although our Executive Team demonstrates good balance where two of the five positions are held by women.

The contractual obligations to colleagues from former organisations in terms of bonus payments has now ended and this has been reflected in a more balanced view of our bonus pay mean and median gap.

Based on our current approach to reward and recognition, the bonus payments in future calculations will be based on length of service payments so will be subject to disparity. A review of our reward and recognition scheme will take this into account.

What does this mean for Karbon?

There will be roles in any organisation that have historically been performed by either men or women (male-dominated or female-dominated) and that is true of Karbon Homes and social housing in general. National employment data has demonstrated the impact of the COVID-19 pandemic and how that has disproportionately affected lower paid roles and women more generally. At Karbon we are very proud that during the pandemic we have minimised the impact of this on our workforce.

Our gender pay gap commitments



We have reviewed all new people policies and those that have been updated during the last year.

This year, working with our steering group and gender network, we will review our approach to our Equality Impact Assessments and share our detailed action plan with a focus on the gender agenda.



We have continued to recruit in spite of the pandemic and monitor our starters, leavers and movers' data. Our workforce has increased by 10.8%.

We have completed our salary benchmarking (reviewing salary data of different roles at the same level).

Following the progress and success of our Karbon Way of Working project, (which includes our approach to flexible working at Karbon), we will continue to develop our approach to support more people to work flexibly and in a hybrid way.



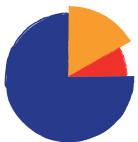
We have completed our first inclusion and belonging survey and the data and insights have supported the recommendations for the inclusion and belonging action plan that will be launched later this year.

This year we will work to improve our colleague data so we can consider the broader picture of representation within our genders across the organisation.



We remain focused on our commitment to mental health and have started conversations around menopause. This has been supported by expert external training, an internal support group and a toolkit. The approach has been directed at not only the women experiencing the menopause, but also for managers, men and partners in their role in supporting them.

This year we will continue this focus as part of our health and wellbeing strategy and our commitment to achieving the Gold Standard of the Better Health At Work Awards.



The launch of our customer experience training and learning circles have targeted some key equality, diversity and inclusion areas.

These will continue to evolve during the next year and we will develop communities that support gender equality alongside our work with the Women in Social Housing Network.

