

# Gender Pay Gap Report

## 2019 and 2020

**Centrepoint is the UK's leading charity for homeless young people. Working with over 13,000 young people every year, our vision is to end youth homelessness by 2037.**

To achieve our vision, we work with others to reduce the number of young people who become homeless each year; offer those who do become homeless a place to call home and a chance to acquire the skills they need to achieve a job and a home; and provide independent living accommodation for those who are ready to live independently. Thus, Centrepoint works nationally across England with the focus of our direct work in London, Yorkshire, Manchester and the North East of England.

### Message from the CEO

In my role as CEO of a leading charity for homeless young people, I welcome the opportunity to review the progress we have made in narrowing the gender pay gap at Centrepoint.

Centrepoint is a forward thinking organisation and we are passionate about ensuring that we establish a culture that is truly inclusive. I said in my introduction to Centrepoint's last Gender Pay Gap Report that we want to broaden the issue into one of diversity, inclusion and unconscious bias so that every one of our colleagues is supported to reach the fullness of their potential for the benefit of young people.

I am delighted with the progress we have made and continue to make. In spite of the unprecedented challenges the Covid 19 pandemic presented us with, we have launched a new People Strategy. This strategy is clear that a diverse workforce and inclusive working environment is fundamental to us being able to reach our vision of ending youth homelessness by 2037 and of representing the young people we support and communities in which we work.

I am therefore delighted that since we last reported our Gender Pay Gap figures in 2018, we have made good progress in improving gender pay equality. Our mean and median gender pay gaps have both reduced substantially and are significantly lower than the national averages. We have also been able to ensure a more balanced ratio of male to female employees in areas of the organisation where previously the ratio was not as representative of the gender of young people in our services.

Looking to the future, we will be building on the positive work undertaken over the last 2 years to deliver the inclusive, diverse workforce underpinned by aligned policy and practice that we are committed to. We believe that we will close the gap that still exists by doing these.

**Seyi Obakin OBE**

Centrepoint Chief Executive Officer

October 2021

# Gender Pay Gap at Centrepont

## What is a gender pay gap?

A gender pay gap is a high level picture of pay within an organisation, showing the percentage difference in pay between all men and women in a workforce. This is regardless of the type of work that they do.

It is important to remember that a gender pay gap review is different to an equal pay comparison. Equal pay deals with the pay of men and women carrying out the same, similar or equivalent jobs, whereas gender pay looks at the organisation as a whole.

In this report we show the percentage of men and women in each of four pay quartiles, the mean and median gender pay gap, the mean and median bonus gap and the percentage difference in the proportion of men and women receiving bonus pay.

Our quartiles were determined following the Government's guidance. This sees all relevant employees ranked in terms of pay rates from highest to lowest and this is then divided into four groups of equal numbers.

Government guidance also determined how we calculated the mean and median gender pay gap and gender bonus pay gap. The mean hourly pay rate is calculated by adding up the hourly rates for men and dividing this by the total number of men and then doing the same for women. The percentage difference between the two is the mean gender pay gap. The median rate identifies the figure that is in the middle of the hourly pay range. The median pay gap is then the percentage difference between the median pay for men and women. The same calculations are applied to the sums received by male and female colleagues to work out the mean and median bonus gaps.

## What is Our Gender Pay Gap? Year on year trends

### MEDIAN PAY GAP

2018 >>> 2019 >>> 2020



### MEDIAN BONUS GAP

2018 >>> 2019 >>> 2020



### MEAN PAY GAP

2018 >>> 2019 >>> 2020



### MEAN BONUS GAP

2018 >>> 2019 >>> 2020



### PERCENTAGE OF MALES RECEIVING A BONUS

2018 >>> 2019 >>> 2020



### PERCENTAGE OF FEMALES RECEIVING A BONUS

2018 >>> 2019 >>> 2020



## 2018 – Total Headcount 440 Employees

PAY QUANTILES	AVERAGE HOURLY RATE		PAY GAP	PERCENTAGE HEADCOUNT	
	Male	Female		Male	Female
All Staff	£16.16	£14.72	8.9%	35%	65%
Q1 (Highest)	£24.35	£22.27	8.6%	44%	56%
Q2	£14.83	£14.77	0.4%	30%	70%
Q3	£12.54	£12.52	0.1%	30%	70%
Q4 (Lowest)	£10.36	£10.42	-0.6%	36%	64%

## 2019 – Total Headcount 477 Employees

PAY QUANTILES	AVERAGE HOURLY RATE		PAY GAP	PERCENTAGE HEADCOUNT	
	Male	Female		Male	Female
All Staff	£16	£15.51	3%	34%	66%
Q1 (Highest)	£25.63	£22.97	10.3%	37%	63%
Q2	£15	£15.22	-1.5%	29%	71%
Q3	£13.07	£12.95	0.9%	31%	69%
Q4 (Lowest)	£10.45	£10.83	-3.6%	41%	59%

## 2020 – Total Headcount 524 Employees

PAY QUANTILES	AVERAGE HOURLY RATE		PAY GAP	PERCENTAGE HEADCOUNT	
	Male	Female		Male	Female
All Staff	£16.19	£15.67	3.2%	35%	65%
Q1 (Highest)	£25.03	£23.50	6.1%	37%	63%
Q2	£15.25	£15.28	-0.2%	30%	70%
Q3	£13.26	£13.08	1.4%	31%	69%
Q4 (Lowest)	£10.88	£11	-1.1%	40%	60%

## Analysis

The last gender pay gap figures Centrepont published were for 2018. Due to the Covid pandemic the government scrapped the legal requirement to report on the gender pay gap for 2019 but we have included the figures for 2019 alongside those for 2020 in this report for transparency and to demonstrate our success in reducing the gender pay gap within our organisation by 64% since 2018.

We acknowledge that we have a current mean pay gap of 3.2% (i.e. on average men are paid 3.2% more than women at Centrepont) and that we still have work to do to try and reduce this figure further. We will provide details of how we plan to do this later in this paper.

However, it is pleasing that the action taken by the organisation over the past 2 years has led to a reduction of our pay gap and that we have a substantially lower gap than the national averages for mean (14.6%) and median (15.5%) in the provisional 2020 data.<sup>1</sup>

We have been able to reduce our pay gap via a number of initiatives brought in over the past 2 years which include attracting a greater number of strong female applicants to senior positions via targeted advertising and use of a more diverse range of advertising sources. As an organisation that currently has a workforce that is 65% female, we also recognised the need to ensure that we provided greater opportunity for internal progression for female colleagues. Work undertaken in this area has seen a number of internal appointments to roles in the top 2 quartiles and this has contributed to us being able to close the gap.

We have also recognised that retaining talented female colleagues in roles in the upper 2 quartiles was important and as such ensured that we promoted our flexible working options that have enabled colleagues with childcare needs to remain in the workplace. Success in attracting more women to senior roles and in progressing and retaining talented female colleagues can be evidenced by the percentage of women working in the top pay quartile rising from 56% in 2018 to 63% in 2020 and the mean pay gap in all but the lower middle quartile dropping between 2018 and 2020.

One of our stated aims in our 2018 Gender Pay Gap report was to increase the number of male colleagues working directly with young people. This was to ensure that the demographics of the young people we work with were reflected in our staffing cohort but also to ensure that men were better represented in Lower Quartile roles to reduce the gap in this section of the workforce. Since 2018 we have increased the male representation in this group by 5% which has helped close the overall pay gap.

In 2018 we identified that the mean bonus gap had increased from the previous year and stood at 7.3%. This meant that on average, the amount that men got as a bonus was 7.3% more than the amount received by women. At Centrepont bonuses are awarded in line with performance and this is assessed as part of the annual appraisal process. The figures from 2018 alerted us to the possibility of unconscious bias playing a role in how bonuses were awarded and so we made sure we reviewed our in house unconscious bias training and introduced a peer review stage of the appraisal process. Both of these measures have helped us ensure that there was no mean bonus gap at all in 2020.

<sup>1</sup>Source: Office for National Statistics Provisional 1 2020 Dataset

## How we are tackling our pay gap?

One of Centrepoint's values is Energy and while we are proud of the work we have undertaken to reduce the gender pay gap at Centrepoint since we began reporting on it in 2017, we need to continue to devote energy to ensuring that we close the gap further.

Representation of women in the top pay quartile at Centrepoint is still below the percentage of women in the organisation as a whole and this will be looked at in more detail so that we are able to understand why this is the case and seek to put in place interventions to address any issues.

**We will strive to embed equality, diversity and inclusion in everything that we do. For this year our aims are to:**

- Undertake an organisation wide pay and reward review , and as part of this, we will explore any need to increase salaries within certain groups.
- Increase the headcount of women in the top quartile to better align with the distribution of women in the wider workforce.
- Review and enhance mandatory diversity and unconscious bias training to all staff. Scope of this training will be enhanced and learning will be followed up to ensure it is embedded across the organisation.
- Explore the introduction of blind recruitment to reduce the opportunity for unconscious bias to play a role in the recruitment process.
- Accessing and attracting more diverse talent pools by actively promoting and modelling diversity.
- Set up a new ways of working group to explore the possibility of introducing hybrid working to provide better flexibility for those with caring responsibilities.
- HR data analytics will be enhanced to improve the collection and reporting of data to better inform actions within our Equality, Diversity and Inclusion work streams.