

GENDER PAY GAP REPORT 2023



Centrepoint is the UK's leading charity for homeless young people. Working with our partners we supported over 16,000 young people last 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 the UK's 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.

Since we began reporting on our Gender Pay Gap figures in 2017 we have made progress in ensuring greater equity between male and female pay within the organisation. This has been reflected in us having a negative gender pay gap in 2022.

The mean Gender Pay Gap at Centrepoint in 2023 is 2.9% which is a rise on recent years. However, it remains well below the national average of 11.1% which is pleasing but shows we need to remain vigilant in ensuring that the diversity and inclusion practices in the organisation continue to support the closing of this gap.

We have recently reviewed and made changes to our reward and remuneration practices with a key aim being to ensure greater fairness and transparency in reward outcomes. I believe that we will begin to see the benefits of this work in Gender Pay Gap figures over the coming years and this is one of many ongoing projects underway within the organisation that demonstrate our ongoing commitment to equality.

Looking to the future, we have set out in this report how we will be building on the positive work undertaken over the last 3 years to deliver the inclusive, diverse workforce underpinned by aligned policy and practice that we are committed to.

Seyi Obakin OBE
Centrepoint Chief Executive Officer

March 2024

GENDER PAY GAP AT CENTREPOINT

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 23 is 2.2%

2021 >>> 2022 >>> 2023



Mean Pay Gap 23 is 2.9%

2021 >>> 2022 >>> 2023



Median Bonus Gap 23 is 0%

2021 >>> 2022 >>> 2023



Mean Bonus Gap 23 is -0.5%

2021 >>> 2022 >>> 2023



Percentage of Men Receiving Bonus is 49.5%

2021 >>> 2022 >>> 2023



Percentage of Women Receiving Bonus is 47.3%

2021 >>> 2022 >>> 2023



GENDER PAY GAP AT CENTREPOINT

2021 – Total Headcount 543 Employees

PAY QUANTILES	AVERAGE HOURLY RATE		PAY GAP	PERCENTAGE HEADCOUNT	
	Male	Female		Male	Female
All Staff	£16.75	£16.31	2.6%	34%	66%
Q1 (Highest)	£26.12	£23.81	8.8%	34%	66%
Q2	£15.72	£15.81	-0.6%	33%	67%
Q3	£13.65	£13.61	0.3%	29%	71%
Q4 (Lowest)	£11.85	£11.98	-1.0%	39%	61%

2022 – Total Headcount 551 Employees

PAY QUANTILES	AVERAGE HOURLY RATE		PAY GAP	PERCENTAGE HEADCOUNT	
	Male	Female		Male	Female
All Staff	£16.67	£16.79	-0.7%	33%	67%
Q1 (Highest)	£26.48	£24.83	6.2%	32%	68%
Q2	£16.13	£16.08	0.3%	29%	71%
Q3	£13.76	£13.73	0.2%	29%	71%
Q4 (Lowest)	£11.79	£11.86	-0.6%	43%	57%

2023 – Total Headcount 562 Employees

PAY QUANTILES	AVERAGE HOURLY RATE		PAY GAP	PERCENTAGE HEADCOUNT	
	Male	Female		Male	Female
All Staff	£17.92	£17.40	2.9%	34%	66%
Q1 (Highest)	£27.04	£25.78	4.7%	36%	64%
Q2	£17.11	£17.27	-0.9%	34%	66%
Q3	£14.44	£14.45	-0.1%	28%	72%
Q4 (Lowest)	£12.40	£12.46	-0.5%	36%	64%

Analysis

We have included the figures for 2021 and 2022 in this report for transparency and to demonstrate trends in the figures to help provide greater context.

We acknowledge that our pay gap has changed away from the negative figures of 2022 and that for 2023 we have a current mean pay gap of 2.9% (i.e. on average men are paid 2.9% more than women at Centrepoint). However when you look at the data we have included in this report you can see that this increase has been driven by two main factors.

The first is a reduction in male representation in the bottom 2 quartiles. This has meant that although we have reduced pay disparity in the 2 upper quartiles it has increased in the lower two quartiles.

The second is the reduction in female representation in the upper 2 quartiles. Although the reduction is relatively small and the mean Gender Pay Gap has reduced in these 2 quartiles, the cumulative effect on the organisation as whole is to drive our overall gap upwards.

An additional factor to consider is that a number of our higher paid female colleagues were on maternity leave in this reporting period and this has further driven the disparity in average hourly salaries between men and women. We are proud of the fact we offer significant support to our female colleagues through enhanced maternity pay arrangements and believe this is a further demonstration of our commitment to diversity and inclusion within the organisation even if it has meant that our gender pay gap figures have fluctuated this year compared to last.

In order to address these factors we will take a number of actions detailed later in this report.

We have undertaken work to introduce checks and balances and to scrutinise grades awarded in appraisal that determine the level of colleague performance related pay (bonus). This work has seen the fair award of colleague bonus as evidenced by the 0% mean bonus gap and -0.5% median bonus gap.



How We Are Tackling Our Pay Gap

Representation

of women in the top two pay quartiles at Centrepoint has reduced since 2022 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.

As our CEO has already stated we have updated our pay and reward policy and processes and we believe that the additional transparency that this will achieve will help to address some of the pay disparities in senior grades. We should start to see the benefits if this in the reporting figures for 2024 and 2025 and we will be monitoring this closely over the coming year.

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

- To accelerate work plans that make up our 5 year EDI strategy
- To launch mandatory Inclusive Leadership training alongside our existing unconscious bias and EDI training offer
- To begin work on career pathways which will give female colleagues clear sight of progression opportunities and how to be able to progress within the organisation
- To introduce a new pay progression model that will focus pay decision making on objective rather than subjective factors which will help reduce the opportunity for unconscious bias to influence decision on rewarding female colleagues
- Accessing and attracting more diverse talent pools by actively promoting and modelling diversity
- Ensure that as an organisation we are able to provide better flexibility for those with caring responsibilities, the burden of which is disproportionately carried by female colleagues
- We will run test and learn recruitment campaigns to try and drive up numbers of male colleagues in our 2 lower quartiles
- 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

