

Private & Confidential

5 June 2024



GENDER AND ETHNICITY PAY GAP

Hightown Housing Association Ltd Summary Report

Summary – Gender Pay Gap

Background

Gender pay gap figures look at all the people employed in an organisation on the snapshot date (in this case April 2024) and compare the pay of all the women to all the men using a prescribed methodology from the UK government. RSM have used the government's prescribed methodology when calculating Hightown's gender pay gap. The gender pay gap is different from unequal pay.

The gender pay gap looks at the:

- percentage of men and women in each hourly pay quartile
- mean (average) gender pay gap for hourly pay
- median gender pay gap for hourly pay
- percentage of men and women receiving bonus pay
- mean (average) gender pay gap for bonus pay
- median gender pay gap for bonus pay

Hourly pay includes any monetary payments, such as:	Bonus pay includes any rewards related to:
Basic pay	Profit sharing
Allowances	Productivity/performance
Pay for piecework	Incentive
Pay for leave	Commission
Shift premium pay	Long service award with a monetary value

Excluded are payments such as for overtime, pension, redundancy and benefits-in-kind, termination payments, loan schemes provided by the employer and payments for untaken leave.



Summary – Gender Pay Gap

Background

What is the median?

The median involves listing all the numbers in numerical order. The median is the middle number or a combination of the two middle numbers. The median for both men's and women's hourly pay is calculated and the percentage difference is reported.

What is the mean?

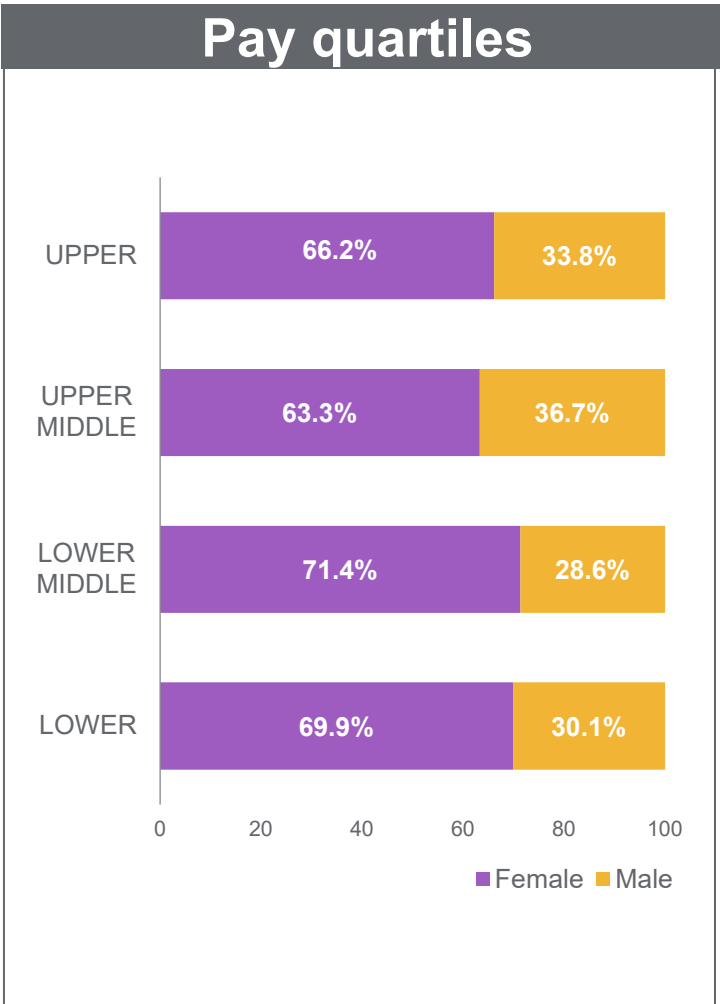
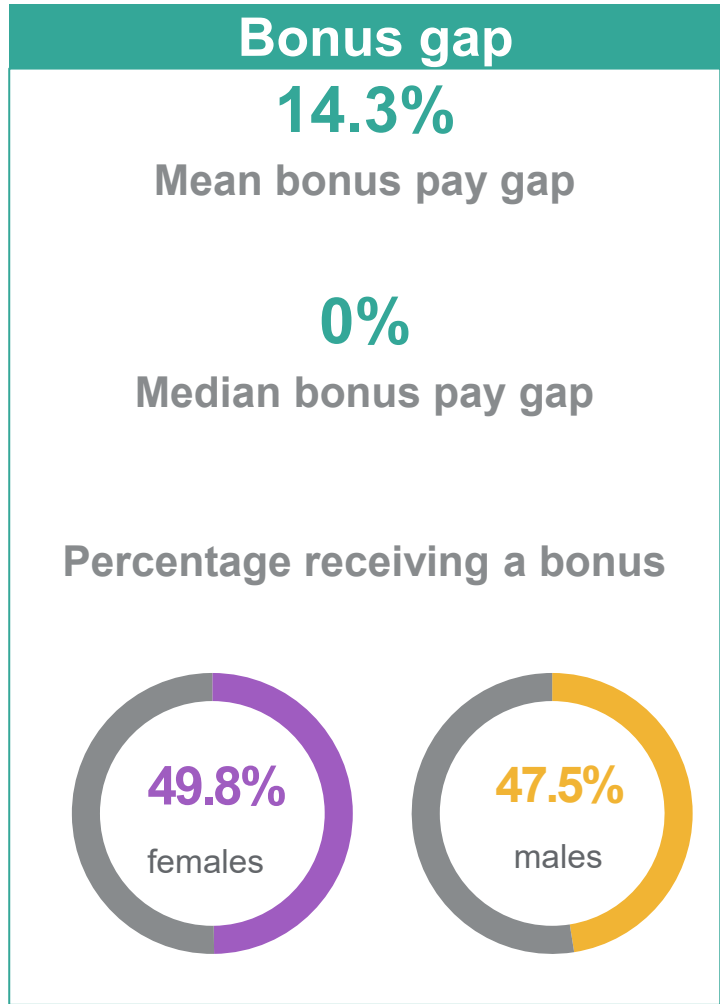
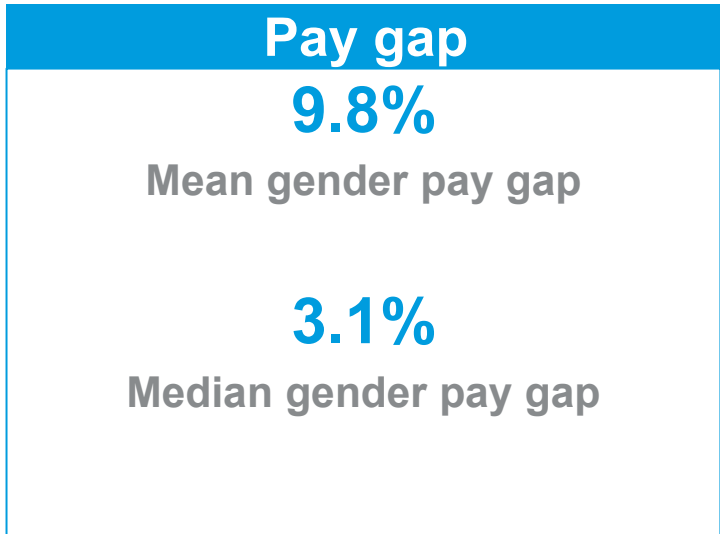
The mean average involves adding up all the numbers and dividing the result by the number of values in the list. The mean average for both men's and women's hourly pay is calculated and the percentage difference is reported.

What are the Pay Quartiles?



The distribution of men and women is shown in pay quartiles. In simple terms, these are calculated by splitting the whole workforce into four equal sized bands based on hourly pay, from highest paid to lowest paid. The percentage of men and women is calculated for each band.



Gender pay gap - summary dashboard







Figures based on the following employee numbers



Your organisation	Relevant employees	Full pay relevant employees
Male 	356	335
Female 	765	702
Total	1,112	1,037

Gender pay gap - details

Pay gap



Mean pay	
Hourly rate	
	£16.40
	£14.79



Median pay	
Hourly rate	
	£12.78
	£12.38

Key	
	Male
	Female

Bonus gap



Bonus metrics are calculated on all relevant employees, rather than only the fully paid relevant employees.

	Relevant employees	Received bonus #	Received bonus %
	356	169	47.5%
	765	381	49.8%
Total	1,121	550	49.1%



	Mean	Median
	£341.78	£241.41
	£293.03	£241.41

Pay quartiles

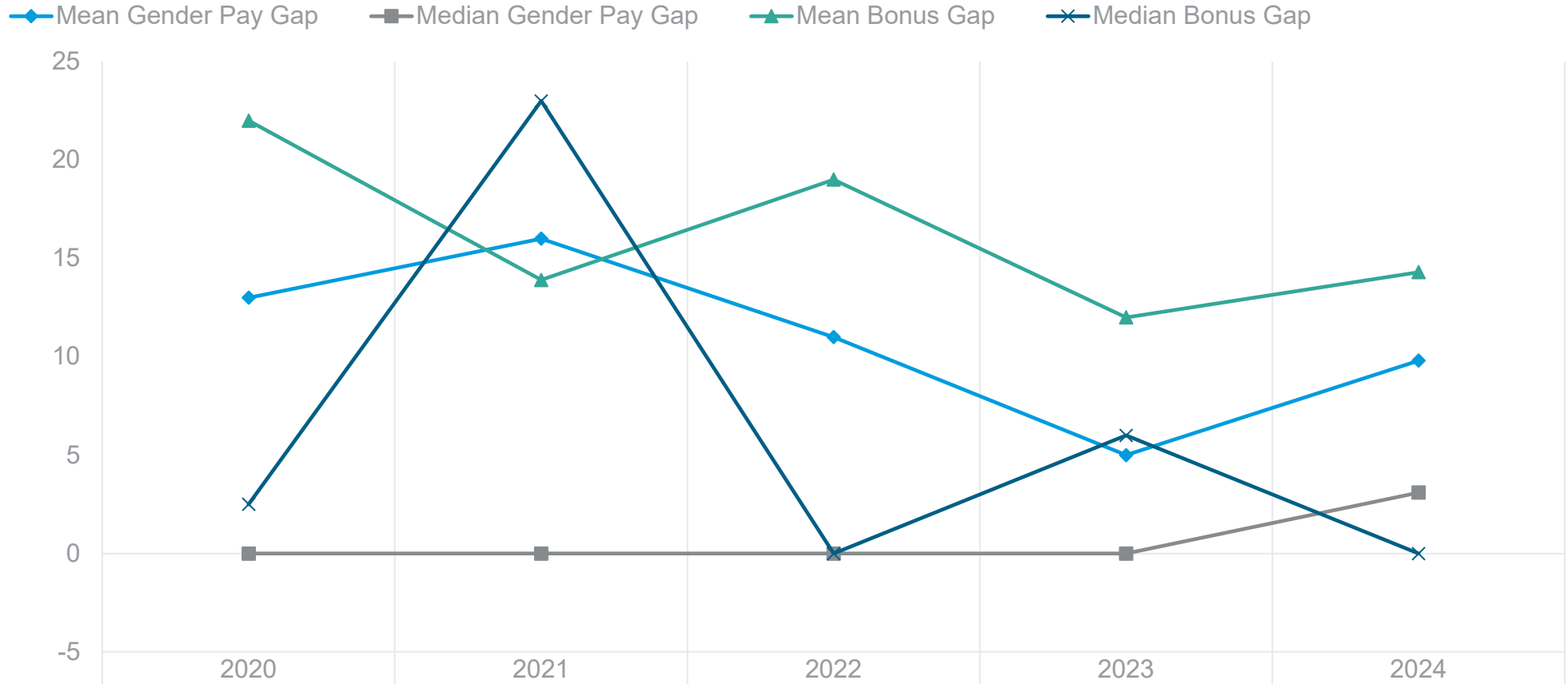
Number of employees

	Employees	Lower	Lower middle	Upper middle	Upper
	335	78	74	95	88
	702	181	185	164	172
Total	1,037	259	259	259	260

Percentage of employees

	Employees	Lower	Lower middle	Upper middle	Upper
	32.3%	30.1%	28.6%	36.7%	33.8%
	67.7%	69.9%	71.4%	63.3%	66.2%

GPG TRENDS – LAST 5 YEARS



	2020	2021	2022	2023	2024
◆ Mean Gender Pay Gap	13	16	11	5	9.8
■ Median Gender Pay Gap	0	0	0	0	3.1
▲ Mean Bonus Gap	22	13.9	19	12	14.3
× Median Bonus Gap	2.5	23	0	6	0

Summary – Ethnicity Pay Gap

Background

Despite many calls for mandatory ethnicity pay gap reporting the government has not yet made reporting a legal requirement for organisations in the UK.

The ethnicity pay gap is defined as a measure of the difference between the average earnings of ethnic groups within an organisation or across the labour market, irrespective of their role or seniority.

Where there is a positive percentage, this means that the average pay of a white British member of staff is higher than that of a member of staff from an ethnic minority group. The higher the percentage, the greater the ethnicity pay gap. A negative pay figure/percentage means that the average pay of the ethnic minority group is higher than that of the white British group.

The ethnicity pay gap is not a comparison between employees of different ethnicities who have the same job or duties. The Equality Act 2010 makes it unlawful to discriminate (both directly and indirectly) against employees because of their race. Therefore, unless there is a failure to comply with existing law, pay disparities between ethnic groups are likely to be due to other factors that impose a disadvantage on people from ethnic minorities without being explicitly discriminatory. An employer could still have a fair pay and reward policy, but the data might still reveal a pay gap.

In May of 2023 the government issued guidance on how to produce Ethnicity Pay Gap Figures. This followed the CIPD's recommendation to the government that ethnicity pay reporting should be based on the same pay quartiles as used for gender pay gap reporting and the methods of calculation but applied through a lens of ethnicity (where outcomes for ethnic minority groups are compared with white British ethnic groups).

This is the methodology adopted by RSM in the production of Hightown Housing Association's ethnicity pay gap reporting in the absence of specific legislation to be followed.

Therefore, the pay measures contained in this report are:

- the mean and median ethnicity pay gaps for each ethnic minority group, compared with white British ethnic groups;
- the mean and median ethnicity bonus gaps for each ethnic minority group, compared with white British ethnic groups;
- the proportion of each ethnic group who received bonuses; and
- the proportion of employees in each pay quartile for each ethnic group.



Ethnicity Gap - Summary Dashboard

Ethnicity Pay Gap			Ethnicity Bonus Gap	
Ethnicity	Mean Gender Pay Gap (%)	Median Gender Pay Gap (%)	Mean Gender Bonus Gap (%)	Median Gender Bonus Gap (%)
White British Pay	NA	NA	NA	NA
Any Other Pay	33.6	19.2	45.5	29.3
Any Other Asian Background Pay	16.1	16.0	(6.0)	19.7
Any Other Black Background Pay	35.5	19.2	38.2	29.3
Any Other White Background Pay	24.2	18.0	27.8	19.7
Asian (or Asian British) Bangladeshi Pay	35.4	19.4	36.3	24.9
Asian (or Asian British) Chinese Pay	(7.1)	(33.6)	3.1	(14.2)
Asian (or Asian British) Indian Pay	18.6	11.6	21.0	3.6
Asian (or Asian British) Pakistani Pay	31.6	19.2	43.8	32.5
Black African (or Black British) Pay	34.1	19.1	33.7	24.9
Black Caribbean (or Black British) Pay	25.8	19.2	28.3	19.7
Mixed: Other Pay	9.0	12.4	28.3	19.7
Mixed: White & Asian Pay	0.9	(23.7)	28.3	19.7
Mixed: White & Black African Pay	31.6	14.6	28.3	19.7
Mixed: White & Black Caribbean Pay	41.6	27.2	28.3	19.7
Prefer not to say Pay	34.9	18.8	28.3	19.7
White Irish Pay	8.7	(5.7)	28.3	19.7
Not disclosed Pay	28.6	19.1	28.3	19.7

Ethnicity Gap - Details

Ethnicity Pay Gap					Ethnicity Bonus Gap			
Ethnicity	Mean Hourly Rate Relevant People	Median Hourly Rate Relevant People	Relevant People	Total people	Received Bonus	Received Bonus %	Mean Bonus	Median Bonus
White British Pay	£18.68	£14.97	418	454	297	65.42	£354.44	£300.66
Any Other Pay	£12.40	£12.09	13	13	7	53.85	£193.02	£212.55
Any Other Asian Background Pay	£15.68	£12.58	34	35	9	25.71	£375.56	£241.41
Any Other Black Background Pay	£12.04	£12.09	130	138	32	23.19	£218.93	£212.55
Any Other White Background Pay	£14.16	£12.27	41	42	24	57.14	£255.96	£241.41
Asian (or Asian British) Bangladeshi Pay	£12.08	£12.06	4	5	1	20.00	£225.75	£225.75
Asian (or Asian British) Chinese Pay	£20.00	£20.00	1	2	1	50.00	£343.44	£343.44
Asian (or Asian British) Indian Pay	£15.21	£13.24	12	12	3	25.00	£280.08	£289.89
Asian (or Asian British) Pakistani Pay	£12.77	£12.09	24	26	12	46.15	£199.25	£202.85
Black African (or Black British) Pay	£12.30	£12.11	198	216	75	34.72	£234.98	£225.75
Black Caribbean (or Black British) Pay	£13.87	£12.10	32	35	19	54.29	£254.09	£241.41
Mixed: Other Pay	£17.00	£13.12	12	12	4	33.33	£329.84	£345.30
Mixed: White & Asian Pay	£18.52	£18.52	1	2	0	0	£0	£0
Mixed: White & Black African Pay	£12.78	£12.78	2	2	2	100.00	£222.62	£222.62
Mixed: White & Black Caribbean Pay	£10.90	£10.90	3	3	0	0	£0	£0
Prefer not to say Pay	£12.16	£12.16	2	3	2	66.67	£795.41	£795.41
White Irish Pay	£17.06	£15.82	6	7	6	85.71	£275.35	£274.86
Not disclosed Pay	£13.33	£12.11	104	114	56	49.12	£267.81	£212.55
Total			1,037	1,121	550	49.06		

Ethnicity Pay Gap - Quartiles

Inter Quartile range	Total number of entries #	Lower Quartile #	Lower Middle Quartile #	Upper Middle Quartile #	Upper Quartile #
White British	418	56	80	98	184
Any Other	13	4	6	2	1
Any Other Asian Background	34	9	8	7	10
Any Other Black Background	130	54	37	33	6
Any Other White Background	41	10	12	9	10
Asian (or Asian British) Bangladeshi	4	2	1	1	0
Asian (or Asian British) Chinese	1	0	0	0	1
Asian (or Asian British) Indian	12	2	3	3	4
Asian (or Asian British) Pakistani	24	8	11	3	2
Black African (or Black British)	198	61	65	62	10
Black Caribbean (or Black British)	32	12	7	7	6
Mixed: Other	12	3	2	3	4
Mixed: White & Asian	1	0	0	0	1
Mixed: White & Black African	2	0	0	2	0
Mixed: White & Black Caribbean	3	3	0	0	0
Prefer not to say	2	1	0	1	0
White Irish	6	0	2	1	3
Not disclosed	104	34	25	27	18
Total	1,037	259	259	259	260

Ethnicity Pay Gap - Quartiles

Inter Quartile range	Total %	Lower Quartile %	Lower Med Quartile %	Upper Med Quartile %	Upper Quartile %
White British	40.1	21.5	30.8	37.7	70.9
Any Other	1.3	1.5	2.3	0.8	0.4
Any Other Asian Background	3.3	3.5	3.1	2.7	3.8
Any Other Black Background	12.5	20.8	14.3	12.7	2.3
Any Other White Background	4.0	3.9	4.6	3.5	3.8
Asian (or Asian British) Bangladeshi	0.4	0.8	0.4	0.4	0
Asian (or Asian British) Chinese	0.1	0	0	0	0.4
Asian (or Asian British) Indian	1.2	0.8	1.2	1.2	1.5
Asian (or Asian British) Pakistani	2.3	3.1	4.2	1.2	0.8
Black African (or Black British)	19.1	23.6	25.1	23.9	3.8
Black Caribbean (or Black British)	3.1	4.6	2.7	2.7	2.3
Mixed: Other	1.2	1.2	0.8	1.2	1.5
Mixed: White & Asian	0.1	0	0	0	0.4
Mixed: White & Black African	0.2	0	0	0.8	0
Mixed: White & Black Caribbean	0.3	1.2	0	0	0
Prefer not to say	0.2	0.4	0	0.4	0
White Irish	0.6	0	0.8	0.4	1.2
Not disclosed	10.0	13.1	9.7	10.4	6.9
Total	100.0	100.0	100.0	100.0	100.0

BAME Gap - Summary

Pay Gap					Bonus Gap			
Ethnicity	Median Hourly Rate Relevant People	Mean Gender Pay Gap %	Median Hourly Rate Relevant People	Median Gender Pay Gap %	Mean Bonus	Mean Gender Bonus Pay Gap %	Median Bonus	Median Gender Bonus Pay Gap %
Non BAME	£18.68	NA	£14.97	NA	£354.44	NA	£300.66	NA
BAME	£12.98	30.5	£12.11	19.1	£243.84	31.2	£225.75	24.9
Unknown	£13.31	28.7	£12.11	19.1	£286.00	19.3	£16.02	28.2

For these calculations Non BAME is the dominant category and all other categories will be compared to the dominant category.

BAME Gap - Details

Pay Gap					Bonus Gap			
Ethnicity	Median Hourly Rate Relevant People	Median Hourly Rate Relevant People	Relevant People	Total people	Received Bonus	Received Bonus %	Mean Bonus	Median Bonus
Non BAME	£18.68	£14.97	418	454	297	65.42	£354.44	£300.66
BAME	£12.98	£12.11	513	550	195	35.45	£243.84	£225.75
Unknown	£13.31	£12.11	106	117	58	49.57	£286.00	£216.02
Total			1,037	1,121	550	49.06		

Inter Quartile range	Total number of entries #	Lower Quartile #	Lower Middle Quartile #	Upper Middle Quartile #	Upper Quartile #
Non BAME	418	56	80	98	184
BAME	513	168	154	133	58
Unknown	106	35	25	28	18
Total	1,037	259	259	259	260

Inter Quartile range	Total %	Lower Quartile %	Lower Middle Quartile %	Upper Middle Quartile %	Upper Quartile %
Non BAME	40.3	21.6	30.83	37.8	70.8
BAME	49.5	49.5	59.5	51.4	22.3
Unknown	10.2	10.2	9.7	10.8	6.9
Total	100.0	100.0	100.0	100.0	100.0

BACKGROUND – THE STATISTICS

Gender Pay Gap

The Office of National Statistics Figures

According to the Office of National Statistics (ONS) the mean gender pay gap among all employees in the UK fell slightly from **14.4%** in 2022 to **14.3%** in 2023. This is still below the levels seen in 2019 at **17.4%**

To find further information on the ONS and where the above data is sourced, we have provided a link below.

[Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

Ethnicity Pay Gap

The Office of National Statistics Figures

There is no data on ethnicity gap reporting for 2023 as of yet however the ONS have used data from the Annual Population Survey over the time period 2012 to 2022 to prepare earnings statistics for different ethnic groups, using regression analysis to provide more insight into factors that affect pay. The government guidance published in 2023 points out that the workforce in the UK is increasingly diverse but data indicates that there remains significant differences in earnings between ethnic groups. Some ethnic minority groups earn less on average per hour than white British employees while others earn more. By collecting and analysing ethnicity pay information employers can identify disparities in average pay and **begin to develop an action plan to address the differences.**

To find further information on the ONS and to review their findings, we have provided a link below.

[Ethnicity pay gaps, UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)



Next steps

We recommend the following:

1. A deeper-dive into the figures to work out if there are any specific areas that would benefit from more focus and ensure your efforts have as much positive effect as they can **in the right places**.
2. A programme to ensure that those who currently state they “prefer not to say” or “not disclosed” are educated into the importance of disclosing to ensure further validation of the figures.
3. Given the importance of GPG and EPG to EDI and ESG more generally, your organisation should make sure it implements an action plan for improvement. This needs to set out how you intend to address any disparities in your figures. Areas of focus for Hightown Housing Association are;
 - Given the high percentage of women in the organisation overall and in the upper quartile in particular why is there still a pay gap in favour of men?
 - Given there is a high percentage of BAME employees across the whole organisation why are there only approximately 20% of BAME employees in the upper quartile?
 - Your organisation should be looking at why these disparities exist in it’s dataset with a view to understanding this statistic better.
4. Important questions to ask oneself are; do employees from different groups (women and other ethnic groups) get “stuck” at certain levels or leave at certain points within your organisation. If so what interventions could be employed to remove obstacles and barriers to create change and enable greater promotional and career progression for individuals from all groups across the organisation.
5. The benefits of EDI, particularly within executive teams, have been proven time and again, and include better company performance and increased profits. Therefore, RSM recommend you create an action plan for improvement in this area.
6. Rebecca Finlinson (Rebecca.Finlinson@rsmuk.com) and Kerri Constable (kerri.constable@rsmuk.com) will be in touch shortly to arrange a time to talk to you about your action plan and what your next steps should be.

Did you know....?

The gender pay gap is not expected to close until 2051 – there is still much work to be done!



Kerri Constable

Associate Director

Kerri.constable@rsmuk.com

Rebecca Finlinson

Senior HR Consultant

Rebecca.Finlinson@rsmuk.com

RSM UK Employer Services Limited

25 Farringdon Street

London

EC4A 4AB

United Kingdom

T +44 (0)20 3201 8000

rsmuk.com

The UK group of companies and LLPs trading as RSM is a member of the RSM network. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm each of which practises in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction. The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, London EC4N 6JJ. The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

RSM UK Corporate Finance LLP, RSM UK Legal LLP, RSM UK Restructuring Advisory LLP, RSM UK Risk Assurance Services LLP, RSM UK Tax and Advisory Services LLP, RSM UK Audit LLP, RSM UK Consulting LLP and RSM UK Creditor Solutions LLP are limited liability partnerships registered in England and Wales, with registered numbers OC325347, OC402439, OC325349, OC389499, OC325348, OC325350, OC397475 and OC390886 respectively. RSM UK Employer Services Limited, RSM UK Tax and Accounting Limited and RSM UK Management Limited are registered in England and Wales with numbers 6463594, 6677561 and 3077999 respectively. All limited companies and limited liability partnerships are registered at 6th Floor, 25 Farringdon Street, London, EC4A 4AB. The UK group of companies and LLPs trading as RSM is a member of the RSM network. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

© 2024 RSM UK Group LLP, all rights reserved

