

## **2gether Support Solutions Gender Pay Gap report 2020**

Gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the gap is between their male and female employees. Although the legal requirement for gender pay gap reporting for 2020 has been suspended, due to Covid-19, 2gether feels it is important to track progress following the first report made in March 2020 (for the snapshot date of 5<sup>th</sup> April 2019).

This report provides a snapshot of data as at 5<sup>th</sup> April 2020, compared to our position the previous year. In addition, it provides details of the findings from the progress made on reporting that was recommended in last year's report.

### **What is the difference between Equal Pay and Gender pay reporting?**

Gender pay reporting is different to the arrangements in place for equal pay. Equal pay legislation 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.

The gender pay gap shows the difference in the average pay between all men and women in our workforce. If the workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with, and the reporting may help us to identify what those issues are.

2gether is required to report the following:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay.

## 2gether Support Solutions workforce

2gether's overall workforce was 53.75% female and 48.69% male, as at 31<sup>st</sup> March 2020.

## 2gether Support Solutions pay gap report 2020

As at 5 April 2020:-

- The mean gender pay gap for 2gether Support Solutions is 2.09% compared to 3.7% in 2019
- The median gender pay gap for 2gether Support Solutions is 0.002% compared to 0.003% in 2019.
- 2gether Support Solutions did not pay bonus in this reporting period.

Band	2019		2020		Pay quartiles by gender
	Males	Females	Males	Females	Description
A	53.49%	46.51%	54.76%	45.24%	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	47.78%	52.52%	47.75%	52.25%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	45.95%	54.05%	38.60%	61.40%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	53.47%	46.53%	62.41%	37.59%	Includes all employees whose standard hourly rate places them above the upper quartile

*The figures set out in Table 1 above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.*

The table above depicts pay quartiles by gender. This shows 2gether Support Solutions' workforce divided into four groups based on hourly pay rates, with Band A including the lowest-paid employees (the lower quartile) and Band D covering the highest-paid (the upper quartile). In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each Band. However, within 2gether Support Solutions, whilst there are more men in Band A than women the balance shifts in favour of women in Band C and D – with 61.4% females in Band C going down to 37.59% females in Band D. This demonstrates, to some extent, the “glass ceiling” that operates in employment across organisations at more senior levels. Please note: The reporting of the first 3 quartiles for 2gether will cover mainly those on our minimum pay rate paid on 4<sup>th</sup> April which was £8.72. This means that the allocation of the male / female split is somewhat arbitrary across these groups.

## What are the underlying causes of 2gether Support Solutions gender pay gap?

Under the law, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

2gether Support Solutions is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above). As such, we evaluate our job roles and pay grades to ensure a fair structure.

2gether Support Solutions has adopted an industry standard job evaluation system (Inbucon) for all staff, except Executive Directors, and a grading structure has been put in place supported by this job evaluation system. The job evaluation process is a useful method of ensuring work of equal value is recognised through pay and grading mechanisms.

At the time of this report 2gether Support Solutions employed approximately 500 individuals who are on protected terms and conditions following TUPE transfers in 2018 from Serco and East Kent Hospitals University NHS Foundation Trust. Outside of this group 2gether Support Solutions is confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

Across the UK economy as a whole, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations), while women are more likely than men to be in front-line roles at the lower end of the organisation. In addition, men are more likely to be in technical roles, which attract higher rates of pay than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole is partly reflected in the make-up of 2gether Support Solutions' workforce.

### **How does 2gether Support Solutions gender pay gap compare with that of other organisations?**

The vast majority of organisations have a gender pay gap, and we are pleased to be able to say that 2gether Support Solution's gap compares favourably with that of other organisations, including those within our industry.

The mean gender pay gap for the whole economy (according to the November 2020 ONS Gender Pay Gap report figures\*) is 15.5%, while in the caring, leisure and other service occupations it is 6.2%. At 2.09%, 2gether Support Solutions' mean gender pay gap is, therefore, significantly lower than both that for the whole economy and that for our sector.

### **What is 2gether Support Solutions doing to address its gender pay gap?**

While 2gether Support Solutions' gender pay gap compares favourably with that of organisations both across the whole UK economy and within the service sector, this is not a subject that we are complacent about, and we are committed to doing everything that we can to reduce the gap. However, we recognise that our scope to act is limited in some areas

– such as those pay arrangements that are protected under TUPE and traditional choices of occupation for gender groups

2gether Support Solutions set out in April 2020 that it would commence the development of an evidence base, by analysing recruitment and employment activities by gender to assist in identifying areas for action. The monitoring will not, of itself, remove the gender pay gap – although it does assist us in identifying areas for action.

The initial findings of this work, and identified actions, are set out below:-

### **Recruitment and promotion**

Analysis of data provided by Cohesion for 2019 showed that you are more likely to secure a role with 2gether if you are female. However, a very high proportion of applicants preferred not to disclose their gender on application (39.63%), this was raised with our service provider when it was discovered, but their systems were unable to correct this. As a result of 2gether moving recruitment in-house from September 2020 it is hoped that more accurate data and reporting can be undertaken across all protected characteristics and the first of the annual reports on recruitment activity will be available by December 2021.

2gether's current systems do not allow the easy identification of internal promotions within the business. As a proxy measure for this, following the move to an in-house recruitment service, it has been possible to identify internal employees who have applied for a new role with 2gether. For the period October 2020 to December 2020, 88 2gether employees applied for a new role. The overall success rate for internal applicants in securing a new role with 2gether through the recruitment process is 9.09% but this was significantly different when compared for males and females. In the reporting period 4.76% of females were successful compared to 13.04% of males.

### **Actions identified:**

The move to an in-house team provides the opportunity to ensure more effective collection of personal characteristic information at application, shortlisting, interview and offer stages. Continue to monitor that this is improving through quarterly review by the Head of People and Talent.

Consider the development of resources to support both internal and external applicants when applying for work with 2gether.

### **Analysis of leavers**

An analysis of 221 leavers in 2020, of whom 53.8% were female and 46% were male roughly in line with the gender breakdown of the workforce, showed that males are more likely to be dismissed from the workforce than females. 20% of leavers left for reasons associated with performance, ill health or disciplinary dismissals, 16% of female leavers left for this reason and 25% of males. There was no other significant variance in reason for leaving identified.

### **Actions identified:**

Act to improve reporting of reason for leaving and review exit interview information as part of evidence base review for April 2021 report.

### **Breakdown of male and female by pay range**

Data produced in December 2020 showed that females are just over 50% of the workforce and are overrepresented in those earning less than £18.5k (57% are female) and in the pay ranges £60k and above (58.8% of those earning in excess of £60k are female). Males are overrepresented in the pay ranges £18.5k to £30k (60.9% are male) and £30k to £60k (61.6% are male). This may relate to the technical nature of some of 2gether's work and the gender bias that exists towards males in these roles but is worthy of further investigation.

### **Actions identified:**

Further analysis of roles by pay range should be undertaken during 2021.

### **Access to flexible working arrangements**

2gether does not hold records of many formal flexible working agreements, it is likely a number of these arrangements are informally in place for individual employees and arise from the high proportion of part time working in the business. Over 37% of 2gether's workforce are part time. As might be expected, a significantly higher number of part time workers are female (52% of all female employees are part time compared to 22% of male employees). This difference in part time working may be an underlying factor in access to internal promotion and further analysis of working time preferences should be undertaken in the longer term to understand if this is the case.

### **Actions identified:**

Consider including questions in regard to flexible working and access to promotion as part of annual staff survey.

### **Impact of taking maternity or paternity leave**

2gether set out, in 2020, to measure how many staff were in post one year after returning from maternity leave or paternity leave to determine if this is a factor in gender pay difference. Data is required for the business over two years and further work is planned to explore this metric during 2021.

### **Actions identified:**

Continue to monitor access to and return from maternity leave and paternity leave during 2021.

In addition, 2gether's Nomination and Remuneration committee asked for a pay benchmarking review to be undertaken for senior level roles within the business in the Autumn of 2020 with a report being initially considered in December 2020 and further work to be undertaken in 2021.

I, Kath Dean, Managing Director, confirm that the information in this statement is accurate.

Signed:

Date: 03.03.21

A handwritten signature in black ink, appearing to read 'Kath Dean', is written over the date.

*\*The Gender Pay gap reported by ONS is a long time-series, calculated from the Annual Survey of Hours and Earnings (ASHE) which samples from all employee jobs in all sizes of company.*