



# Ethnicity pay gap report

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2022

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# Introduction



This report is our second annual ethnicity pay gap for Seetec. This continues to be an important tool in supporting our equality, diversity and inclusion strategy. Being open about our pay gap, demonstrates our commitment to holding ourselves to account and driving positive change across our business.

At Seetec, we believe in creating an inclusive workplace by encouraging people to express their individuality, experiences, cultures, approaches, and views. We believe in employing and supporting people from all backgrounds and demographics, and will strive to represent the diversity of the communities we work in. This demonstrates the way we embrace one of our core values 'We celebrate everyone's uniqueness. We are free to be ourselves. We celebrate and embrace each other's uniqueness and ensure everyone has access to the same opportunities'. We actively listen to colleague feedback and work closely with our colleague inclusion groups to seek improvements and proactively develop plans to make the Seetec an even better place to work.

In our 'inclusive by nature' - equality, diversity and inclusion strategy, and as a signatory to the Race at Work Charter, we have committed to publishing an ethnicity pay gap report annually. Therefore, this is our second ethnicity pay gap report, reflecting data

taken as of 5 April 2022, alongside our accompanying narrative. It includes all legal entities within the Seetec Group as at that date; Seetec Business Technology Centre Ltd, Seetec Employment and Skills Ireland DAC (SESI), Seetec Pluss Ltd, Pluss Community Interest Company (Pluss CIC) and Seetec Outsource Training and Skills Ltd (SOTS).

While we are not legally obliged to report our ethnicity pay gap data, reporting on this supports our journey towards further improving ethnic diversity amongst our colleagues. It is an important tool to measure our progress and to inform our future actions. By making this data transparent we want to shine a light on those areas which need more intervention and I hope that this report will help us to build on the good practice we have implemented so far.

I am pleased to report that our efforts over the last year to increase overall representation across our organisation, and within both management and senior management levels have meant that this year's median ethnicity pay gap has seen a positive movement from 2.66% to -2.58%. This now represents a pay gap in favour of colleagues from ethnic minority backgrounds and is significantly better than the UK median ethnicity pay gap of 2.3% (ONS last data release October 2020).

**'We celebrate everyone's uniqueness. We are free to be ourselves. We celebrate and embrace each other's uniqueness and ensure everyone has access to the same opportunities'.**

However, we recognise that the report reflects a specific date in time, and we are committed to continuing to driving forward our inclusion agenda. We have outlined some of these actions at the end of the report.

I encourage everyone to read this report and encourage critical reflection across our businesses about how our colleagues from ethnic minority backgrounds are represented in our recruitment, supported in their roles, and rewarded for their contribution.



**Sasha Ashton,**  
Group HR Director



# Introduction

“As sponsor for the Seetec Ethnicity Empowerment Network, I am pleased that while mandatory ethnicity pay gap reporting is currently being considered by the Government, Seetec is publishing its second annual pay gap report and we have made positive progress since our last report. This report

will continue to help us focus on our long-term diversity and inclusion goals and look at gaps and ways of reducing them. This report will enable Seetec to broaden the emphasis on equality in the workplace to focus on all colleagues, particularly those from ethnic minorities”



*Suki*

Suki Binning,  
Chief Social Worker/  
Group Operations  
Director





# Ethnicity definitions and classifications

In this report, we compare pay for our colleagues from ethnic minority backgrounds to pay for White colleagues.

For the purposes of this report ethnic minorities is defined as all ethnic groups except White ethnic groups. It does not relate to country of origin or affiliation and comprises all Mixed, Asian, Black and Other (non- White) ethnicities. White ethnic groups comprise White British; White Irish; and Other White.

In order to calculate an overall ethnicity pay gap, we have grouped together ethnic minority colleagues and compared their salary with colleagues who are White.

However, we know that categorising colleagues in this way poses several challenges: for example, it inaccurately suggests that colleagues have the same experiences or level of representation. We recognise that any nuances would be lost by grouping all ethnic minority colleagues into one and overall figures could be masked if one or two people from ethnic minorities occupy more senior positions. It is our ambition to explore these issues further in future, as we develop our reporting.



# Ethnicity pay gap reporting explained

As ethnicity pay gap reporting is not yet a legislative requirement, there are no guidelines or best practice for how to calculate the data. We expect this will change in coming years and are proactively choosing to take the opportunity to analyse our ethnicity pay data, However, we currently report our gender pay gap and for consistency, comparison, and ease of understanding we have followed the same methodology

The ethnicity pay gap shows the difference in the full-time equivalent earnings between ethnic minority colleagues and White colleagues, expressed as a percentage of the average earnings for White colleagues. An ethnicity pay gap can be driven by a number of factors including, crucially, a lack of representation in senior positions.

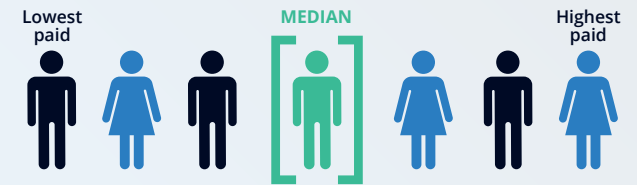
Pay gaps are often reported using both the median and the mean averages – which is what we have done in this report.

It is important to note that the pay gap is different from the issue of equal pay – namely the legal requirement to pay two individuals the same for equal work – which is governed by the Equality Act. This means that even when pay is equal there may still be an ethnicity pay gap. Seetec has always been committed to ensuring that we treat people fairly and do not pay colleagues differently for doing the same or equivalent work and our pay structures reflect this

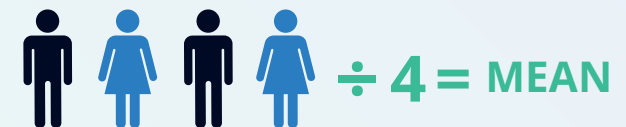
## Distinguishing between median and mean

The **median gap** is calculated based on the difference between the colleague in the middle of the range of ethnic minority salaries and the middle colleague in the range of White salaries. We rank our ethnic minority colleagues and White colleagues separately, from the lowest to the highest paid, the middle-paid colleague in each group is the median and the difference is expressed as a percentage. A positive figure indicates there is a pay gap with

White colleagues earning more than colleagues from ethnic minority backgrounds and a negative figure indicates a pay gap with ethnic minority colleagues earning more than White colleagues.



The **mean gap** (or average) is calculated based on the difference between the mean salary for ethnic minority colleagues and mean salary for White colleagues. It is calculated by adding up the salaries in the relevant group and dividing the figure by the number of colleagues in the group. The difference between the two averages is then expressed as a percentage. Again, a positive percentage shows a pay gap in favour of White colleagues and a negative percentage a gap in favour of colleagues from ethnic minority backgrounds.





# Our people

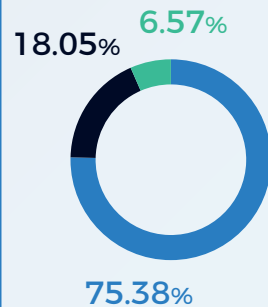
One key difference with ethnicity pay gap reporting versus gender pay gap reporting is that the results may depend significantly on how many colleagues are willing to provide information on their ethnic origins, which colleagues are not legally obliged to do.

At the time of reporting (5 April 2022) 81.95% of our 1,856 people disclosed their ethnicity. Whilst this is a significant proportion of our colleagues, we recognise that 18.05% are undisclosed and limits the accuracy of our reporting.

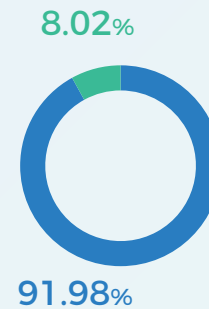
Our data shows that 6.57% of our total workforce are from ethnic minority backgrounds and of those who we hold ethnicity data for, 8.02% are from Black, Asian, Mixed and Minority Ethnic groups. We recognise that this is less than the UK ethnic minorities population of 14% (2011 census) however, this is in part reflective of the lower community representation in the geographies we operate within, and further analysis to assess our representation against regional demographics will commence when the 2021 census data is released.

Our ethnicity pay gap data is based on those individuals who have chosen to declare their ethnicity.

Ethnicity profile (including non disclosed)



Ethnicity profile (disclosed only)



- White
- Ethnic minorities
- Unknown



# Our results

## Summary

- Overall, 81.95% of our colleagues have disclosed their ethnicity data compared to 78.88% in 2021.
- Of those declared, 8.02% of colleagues are from an ethnic minority background, up from 5.96% in the previous year.
- Our overall median ethnicity pay gap is -2.58% and mean gap is -11.17%, both gaps are in favour of colleagues from ethnic minority backgrounds.

## Our ethnicity pay gap

Our overall median and mean ethnicity pay gap based on hourly rates of pay as at the snapshot date of 31 March 2021.

	Median pay gap 2022	Mean pay gap 2022	Median pay gap 2021	Mean pay gap 2021
Ethnicity Pay Gap	-2.58%	-11.17%	2.66%	5.07%

The UK national median pay gap is 2.3% (Source: Office for National Statistics 2019).





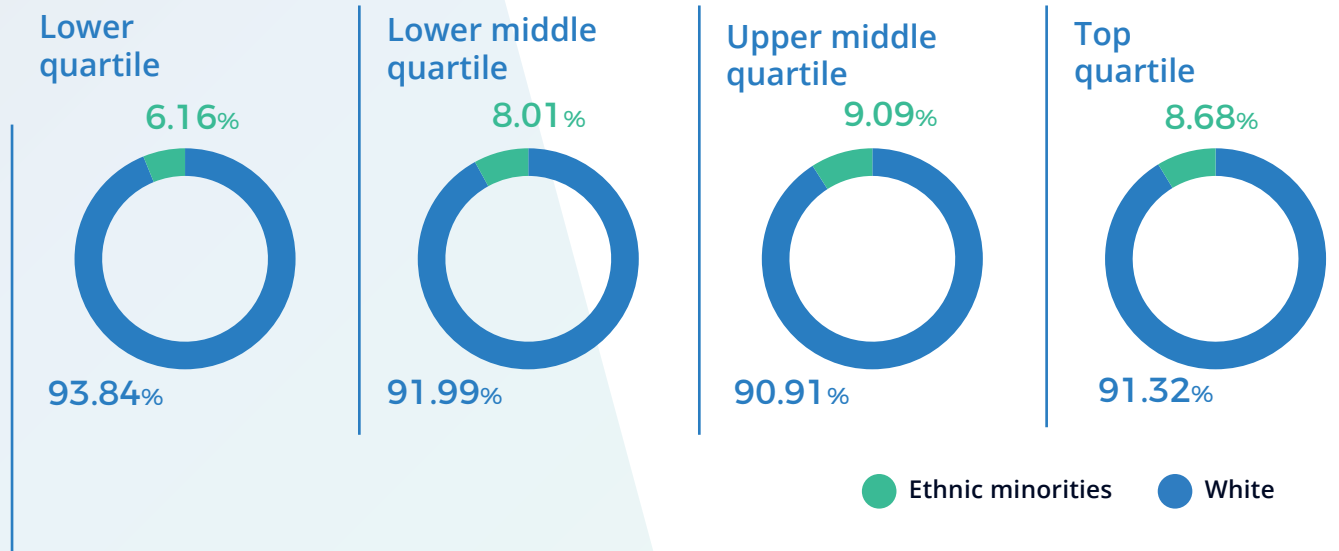
# Our results



## Ethnicity by pay quartile

This information helps to identify where people from ethnic minorities are concentrated in terms of pay. Our data shows that ethnic minority colleagues are more represented in the upper pay quartiles, with the highest representation in the Upper Middle quartile resulting in our ethnicity pay gap in favour

of ethnic minorities. This is a reversal of last year's position in which the greater representation was within the lower pay quartiles.



Pay quartile	% of colleagues from ethnic minority backgrounds 2022	% of colleagues from ethnic minority backgrounds 2021
Lower quartile	6.16%	6.11%
Lower middle quartile	8.01%	8.53%
Upper middle quartile	9.09%	7.81%
Top quartile	8.68%	4.63%

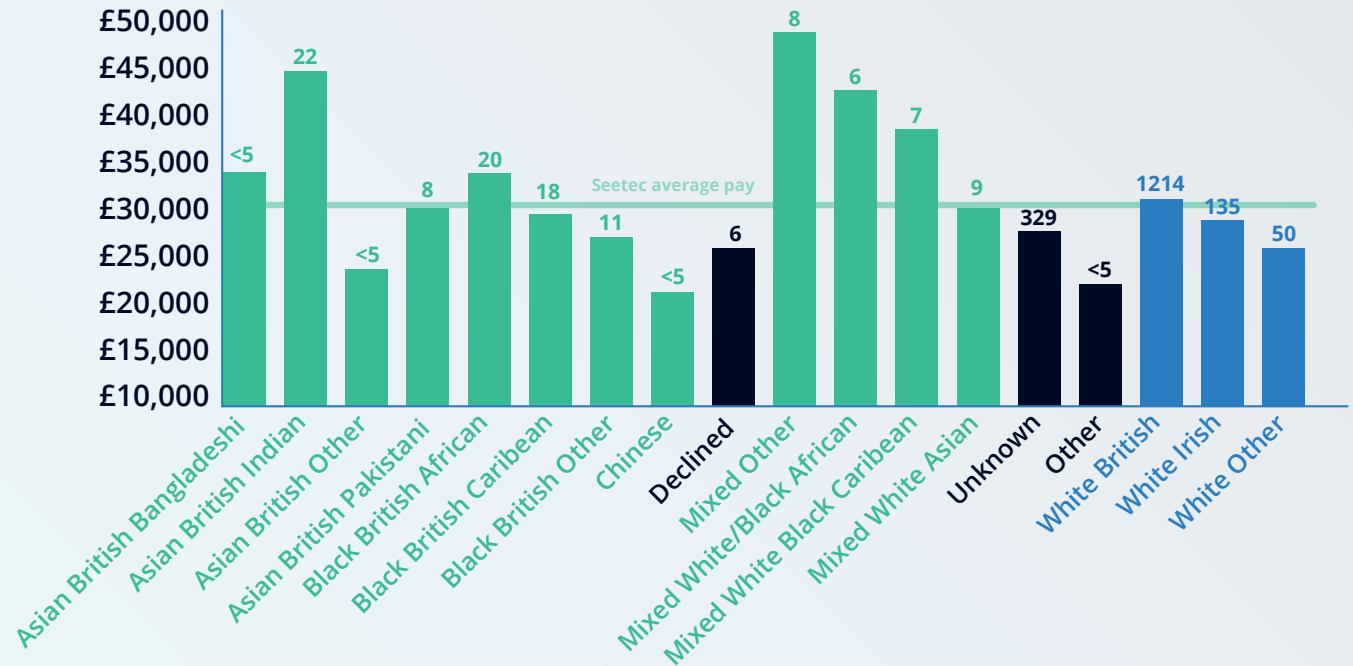
# Our results



## Average pay by ethnicity

As already outlined, for the purposes of this report ethnic minorities is defined as all ethnic groups except White ethnic groups and we recognise that by grouping all ethnic minority colleagues this may not give us a true reflection of any pay disparities experienced by any one single ethnic minority. In the interest of transparency here is the breakdown by ethnicity background of average pay across our organisation.

## Average pay across Seetec by ethnicity





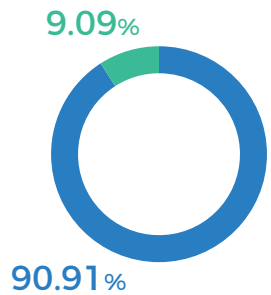
# Our results

## Ethnicity representation by job level

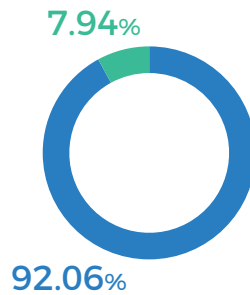
Our data shows that there is a higher representation of ethnic minority colleagues across all job levels than in our 2021 report - most notably at management levels.

	Ethnic minorities % 2022	White % 2022	Ethnic minorities % 2021	White % 2021
Directors/Senior managers	9.09%	90.91%	3.77%	96.21%
Managers	7.94%	92.06%	3.74%	96.26%
Colleagues	7.99%	92.01%	6.41%	93.59%
All colleagues	8.02%	91.98%	5.96%	94.04%

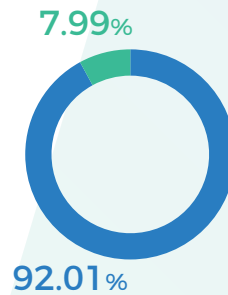
Directors / senior managers



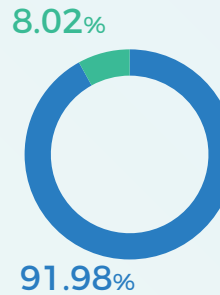
Managers



Colleagues



All colleagues



● Ethnic minorities ● White



# Our results

## Pay analysis by job level

In the same way as gender, our approach to pay and reward is based on fairness, and we have robust processes and salary structures in place to ensure that our people are treated equally. Our analysis of pay within job levels supports that these are effective, and at colleague level our median pay gap pay is 0% and for Senior Managers/Directors is in favour of ethnic minority colleagues and for both these categories the mean gap has also improved. However, while the mean (average) pay gap for managers has more than halved, the median gap has increased. Given that the representation of managers from ethnic minority backgrounds has increased, from 3.74% to 7.94%, this is possibly the effect of new colleagues joining at our appointment rate at the minimum of the relevant salary band.

	Median pay gap 2022	Mean pay gap 2022	Median pay gap 2021	Mean pay gap 2021
Directors/Senior managers	-96.19% *	-61.16%*	17.77%	-29.65%
Managers	7.94%	5.22%	3.48%	12.81%
Colleagues	0.0%	-4.88%	1.71%	2.17%
All colleagues	-2.58%	-11.17%	2.66%	5.07%

\*Insufficient sample size to provide meaningful data.

# Understanding our ethnicity pay gap

We can conclude that our median ethnicity pay gap of -2.58% for April 2022 is driven by a higher representation of ethnic minority colleagues at Senior Manager/ Director level and, as a result, a higher proportion in the upper middle and top pay quartiles.





# Addressing our ethnicity pay gap

Below are some of the ways in which we will address our ethnicity pay gap:

## Our pay structure

We provide fair and equal pay opportunities for all our colleagues. In our pay and grading structure, each job or group of jobs has an associated salary range with defined performance benchmarks at a number of levels. We ensure that salaries for roles are competitive by comparing jobs against rates of pay in the same occupational sectors and we have been a Real Living Wage Employer since June 2020. Having a clear grading structure helps to provide a logical basis for objective decisions about pay and progression.

### **Commitment:**

We commit to keep our pay and grading structure under review, taking into account the impact on ethnic minority colleagues, to ensure we continue to provide fair and equal pay opportunities. This includes an analysis of job hierarchies and consideration of market pay rates. We will also analyse gaps in attainment, pay and progression of our colleagues from ethnic minority backgrounds.

## Management training opportunities

We operate a Management Development Academy for all our managers and Accelerated Development Programme (ACD) for our talent population. We have a robust system of one-to-ones between managers and colleagues to identify training needs and progression opportunities.

### **Commitment:**

We commit to enrolling new managers and reviewing attendance of current managers from ethnic minority backgrounds on the MDA and ACD programmes. We will produce metrics on participation from ethnic minority colleagues and develop a plan to address any areas of concern.

## Employee voice

As an Employee-owned business our colleagues' help shape our strategic direction and inform our decision making. The Employee Council regularly meets with Senior Leaders and our Employee Representatives are embedded within our Governance meetings.

### **Commitment:**

We commit to sharing the results of this year's Ethnicity Pay Gap Report with our Employee Council, our Seetec Ethnicity Empowerment Network (SEEN) and wider colleagues, so continue to explore ways in which to prevent an ethnicity pay gap. We will work with SEEN to support delivery against our EDI action plan and to positively and proactively address any direct or unintended discrimination. We will seek the views of the inclusion group and survey colleagues across the organisation to understand how they feel we are currently performing, as well as to continue to measure progress.

## EDI training

We provide a wide range of opportunities for colleagues at all levels to develop their skills, including learning around equality, diversity and inclusion (EDI). For managers and aspiring managers, EDI is firmly embedded in our Management Development Academy and Accelerated Development Programmes.

**Commitment:** We commit to continuing to deliver training to all colleagues regarding unconscious bias, and other EDI topics. This will support managers to make objective decisions around recruitment and promotions, leading to greater representation from ethnic minorities in the workforce and particularly in more senior roles. We will monitor and report on training completion rates.

# Addressing our ethnicity pay gap

## Recruitment

We are committed to ensuring all recruitment is fair and transparent in line with our organisational values, behaviours, safeguarding principles, our Equality, Diversity and Inclusion Policy and wider employment legislation. We will always recruit the person who is most suited to each particular job. We operate an anonymous application process, and we recruit solely on the basis of the applicant's abilities and individual merit as measured against the predetermined criteria for the job. Qualifications, experience and skills are assessed at the level that is relevant to the job.

### **Commitment:**

We commit to regularly reviewing how and where we attract our people from and to identify methods to address the disproportionality experienced by underrepresented groups. Our Recruitment Team will continue to work with hiring managers to ensure diverse interview shortlists. We are aiming for our new hires to be reflective of the different ethnicities of UK society, as measured by the 2021 census. We will further analyse the census information to understand whether our representation from ethnic minorities is reflective of the communities in which we operate in.

## Management information

We request diversity details from new colleagues following appointment and we currently have an 81.95% disclosure rate for ethnicity data. Workforce profile statistics are reported via our monthly People Management Information (MI).

### **Commitment:**

We commit to continuing to encourage colleagues to complete their ethnicity data to get close to a 100% completion rate. We will also seek to understand the reasons why colleagues are actively choosing not to disclose information and whether there is a wider cause for concern. We will further develop a Diversity MI Suite, to include more detailed reporting on ethnicity, to include training opportunities, promotions, and other information.

## Accreditations and pledges

We are signatories to the Race at Work Charter and members of Inclusive Employers, the UK's leading membership organisation for employers looking to build inclusive workplaces. We have been a Real Living Wage Employer since June 2020.

### **Commitment:**

Commitment: We will deliver against our Race at Work Charter commitments and work towards achieving the Inclusive Employer Standard, an evidence-based accreditation.

