

Gender pay gap report 2024/25



Message from our Chief Executive

This year, we're pleased to report another reduction to both our gender and ethnicity pay gaps:

- Mean gender pay gap has decreased from 6.49% to 4.65%.
- Median gender pay gap has decreased from 6.49% to 4.75%.
- Mean ethnicity pay gap has decreased from 14.89% to 13.68%
- Median ethnicity pay gap has decreased significantly from 12.44% to 0.76%

In August 2024 we launched our new pay framework, a huge reward project that saw us committing to being a median payer (the middle in the market) which resulted in over 70% of staff receiving a pay increase to bring all roles in line with the benchmarked median and a positive impact to this year's pay gaps.

We've worked hard to balance our finances while recognising the diverse customers and communities we serve. We have 38 tower blocks to maintain and keep safe, which cost a huge amount – no other housing association outside of London has this many. At the same time, our rents remain lower than most other housing associations in the Midlands, meaning we face growing cost pressures without the ability to increase our income.

Financially it was challenging but we were absolutely committed to doing the right thing for both our customers and colleagues.

For our people our commitment was to link pay to the median which will now take a significant financial investment each year.

Every role in Citizen was evaluated using our job evaluation system and benchmarked. We said goodbye to an outdated pay structure which linked pay to length of service and introduced spot salaries. We also removed bonus pay from our framework, meaning that our bonus pay gap is now 0%. Our overall pay approach is to ensure equal pay for roles regardless of how long a colleague has worked for Citizen.

For a seventh year running we have reported on both our ethnicity and gender pay gap. You will see that we have a significant reduction to our median ethnicity pay gap. This report takes a closer look at this, and all the data and provides some information in relation to some of the action we have taken.

We hope you enjoy reading our 2025 Pay Gap report and finding out more about Citizen.



Kevin Rodgers
Chief Executive Officer

Message from chair of the board

To echo what Kevin has said, I too am delighted that we have seen decreases in our gender and ethnicity pay gaps, which reflects both our progress and the challenges we continue to address in our journey toward greater equity.

This year our progress has been driven by several key initiatives; EDI training is clearly important to all our colleagues; we continue to achieve the target set for all colleagues to have completed their EDI training. Programmes were launched for the new Leadership Academy and Talent Development Programme in 2024 and early 2025 and the CPD Certification service has been appointed to ensure what we design is benchmarked to an industry standard and our first 4 leadership courses have already been accredited.

We have reviewed our approach to Customer Service training ('Citizen First') with a view to building on our current offer and creating a new bespoke customer excellence holistic training offer that equips colleagues with the skills and behaviours to deliver excellent service to their customers. We also wanted to ensure the training was more aligned and relevant to colleagues' role, practical and linked to Citizen behaviours.

Since 2023 Citizen has measured internal mobility and has a target of 35%, in 2024/25 27% of appointments were because of internal promotions.

Working with the Employment Coaches to support career development and talent management, the recruitment team have created helpful guides to support internal candidates through the recruitment processes, including CV writing and interview skills.

Kevin has spoken about the new pay framework, and to complement this, 'My Perform', Citizen's new performance management digital platform, was successfully launched earlier this year. This new model and system for performance management simplifies the process, making it more engaging for employees and Managers, with a link to Citizen's behaviour framework. My Perform is used for recording objectives, performance 121 reviews, feedback and annual performance reviews and has a direct link to our Learning Management System, 'My Learn'. Citizen also has a new Performance Management Policy.

While we celebrate these positive steps, we also remain committed to learning and improving. As part of our focus on belonging and inclusion we are going to be working with an external partner, Housing Diversity Network (HDN) to review our current EDI practice within the organisation, identify opportunities for improvement, and refresh the delivery of EDI initiatives across the business.

There is plenty of good practice for Citizen to build on, however, to ensure continuous improvement HDN will be working with us over the next year to support us with identifying areas for improvement, reviewing our EDI initiatives, providing feedback, and creating an action plan, identifying action owners for customer and colleague objectives.

I want to thank all our colleagues for their dedication to making Citizen Housing a great place to work and for their dedication and hard work. Together, we will continue to always strive to be 'an employer of choice' not only in the housing sector but wider, attracting people from diverse backgrounds with various skills, knowledge and experiences.



Sue Brooksbank-Taylor
Chair of the Board



Introduction

Citizen's gender pay gap has been calculated in line with Government guidelines. The report is based on a snapshot date as of 5 April 2025.

This year, we're pleased to report:

4.65%

Mean gender pay gap
↓ 1.84% less than the previous year

13.68%

Mean ethnicity pay gap
↓ 1.21% less than the previous year

4.75%

Median gender pay gap
↓ 1.74% less than the previous year

0.76%

Median ethnicity pay gap
↓ 11.68% less than the previous year

Whilst we're not required to report on and publish our ethnicity pay gap, we believe that continued publication and review of insight is important to providing transparency of our organisation and ultimately towards achieving our ambitions towards equity. The primary reason for the reduction in both gender and ethnicity is the outcome of our reward review; we introduced a new simplified pay structure in August 2024, which ensures that all colleagues in the same role are paid at the same level regardless of how long they have worked for Citizen, previously pay was determined by length of service.

Terminology

Mean: The mean is the average and is calculated by adding up all the values and dividing that score by the number of values.

Median: The median is the middle figure, the 'midpoint' which is the value in the middle of the list of numbers.

Pay quartiles: We divide the total number of relevant colleagues into four equal parts, from highest pay to lowest pay to create the four quartile pay bands.

Equal Pay: Equal pay means making sure all people carrying out the same or similar work are paid the same regardless of their characteristics. Citizen carries out regular pay reviews to ensure we are meeting this requirement.

Pay Gap: The average difference between hourly pay for different groups (men and women, and white and other ethnicities) across the workforce.

Having a pay gap is not the same as having unequal pay. Equal pay is being paid the same for the same job, and Citizen always does this. Pay gaps are about the average pay between different groups recognising that some of this difference might be that they are in more senior and higher paid jobs.



Overview

At Citizen we are committed to fostering an inclusive and equitable workplace. As part of our transparency efforts, we publish our gender pay gap data annually. This report outlines our 2025 figures and compares them to 2024, highlighting our progress and ongoing areas of focus.

Gender Pay Gap Figures

£21.09

Men's mean hourly pay
↑ £0.44 more than the previous year

£20.11

Women's mean hourly pay
↑ £0.56 more than the previous year

4.65%

Mean gender pay gap
↓ 0.68% less than the previous year

On average, women earn

95p

for every £1 earned by men



These figures indicate that, on average, women earn approximately 95p for every £1 earned by men at our organisation. The narrowing of the gap reflects positive movement toward pay equity.

Ethnicity Pay Gap

£21.42

White employees' mean hourly pay
↑ £0.46 more than the previous year

£18.49

Minority Ethnic employees' mean hourly pay
↑ £0.60 more than the previous year

13.68%

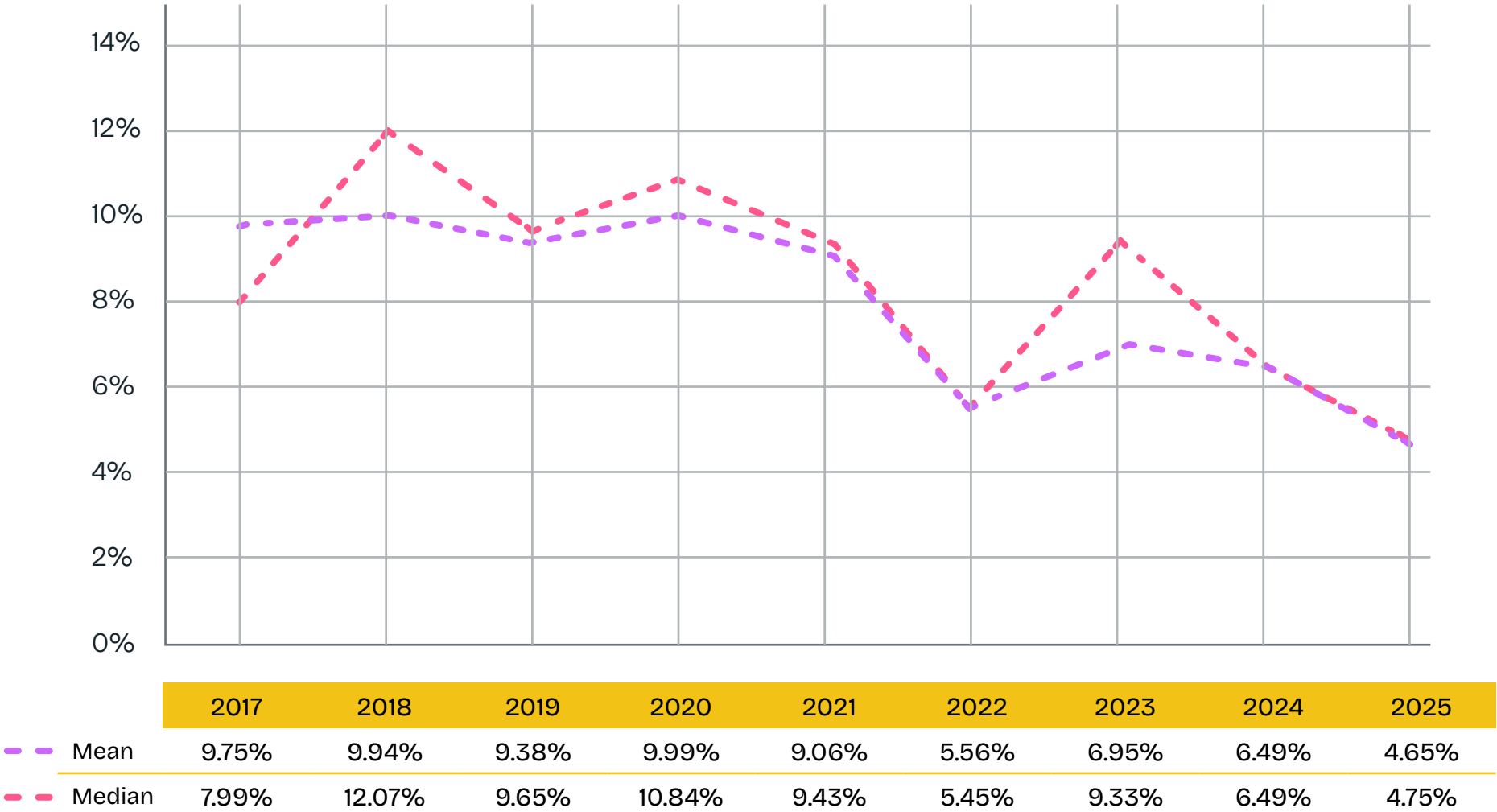
Mean ethnicity pay gap
↓ 0.97% less than the previous year

Our gender bonus pay gap

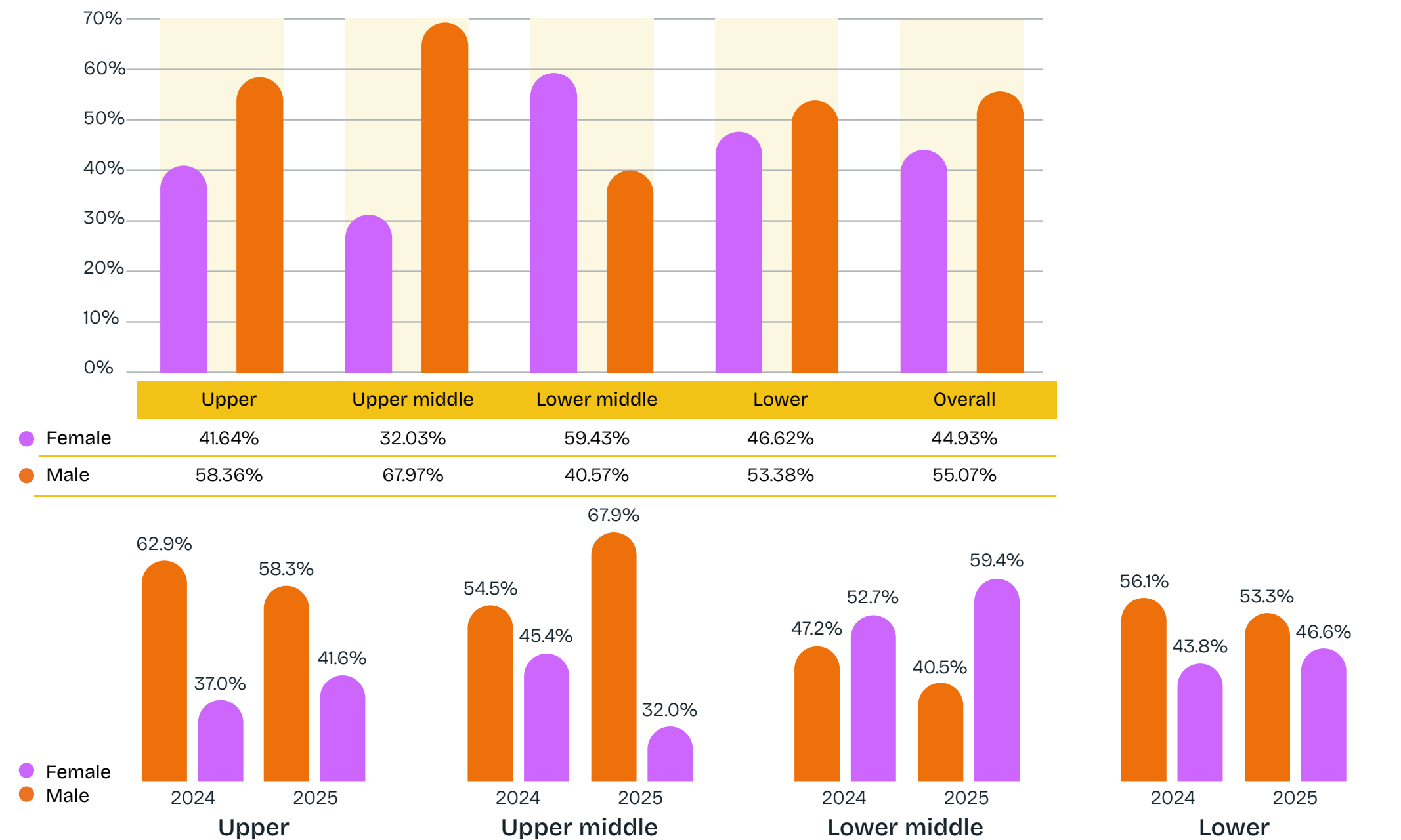
As bonus wasn't available to all, to create equity across Citizen the reward review removed bonus pay from our framework, meaning that our bonus pay gap is now 0%.

Our 2025 gender pay gap.

When we started to report our mean pay gap was 9.75%, since then we have seen a steady trend of decreases in our average gender pay gap.



Gender Pay Quartiles



Encouragingly, since last year, we've seen an increase of female representation in the upper quartile by over 4.5 percentage points. However, we have however seen a drop of 13.42% females in the upper middle quartile, with the percentage of males increasing by the same amount in this quartile. Female representation has increased in both the Lower and Lower Middle quartiles, however proportionally there is a quite balanced gender split in these quartiles. Males are still disproportionately represented in our upper two quartiles; this is due to two main factors:

- Traditionally, male-dominated roles occupy the highest paid parts of the organisation including Development, Asset Management and Building Safety.
- We have an in-house repairs team and one of the single biggest influences remains that our Maintenance Operations is predominantly male. Maintenance Operations accounts for 54% of the upper middle and 25% of the upper pay quartiles and is 80% male.

We remain determined to close the existing gender pay gap and ultimately achieve pay neutrality in our organisation. The increased female representation in our top quartile from 37.09% to 41.64% is positive, we have 63% female at Head of Service level.

That said, we do only have 30% female representation at Director level, and across both we have a more significant pay gap than we do on average in the organisation, which in the interest of transparency means that male colleagues at that level are on average paid more.

We acknowledge that the upper middle quartile is a critical part of the talent pipeline for our senior leadership positions and represents an area of focus for us and our efforts to increase female representation at senior levels.



Ethnicity Pay Gap

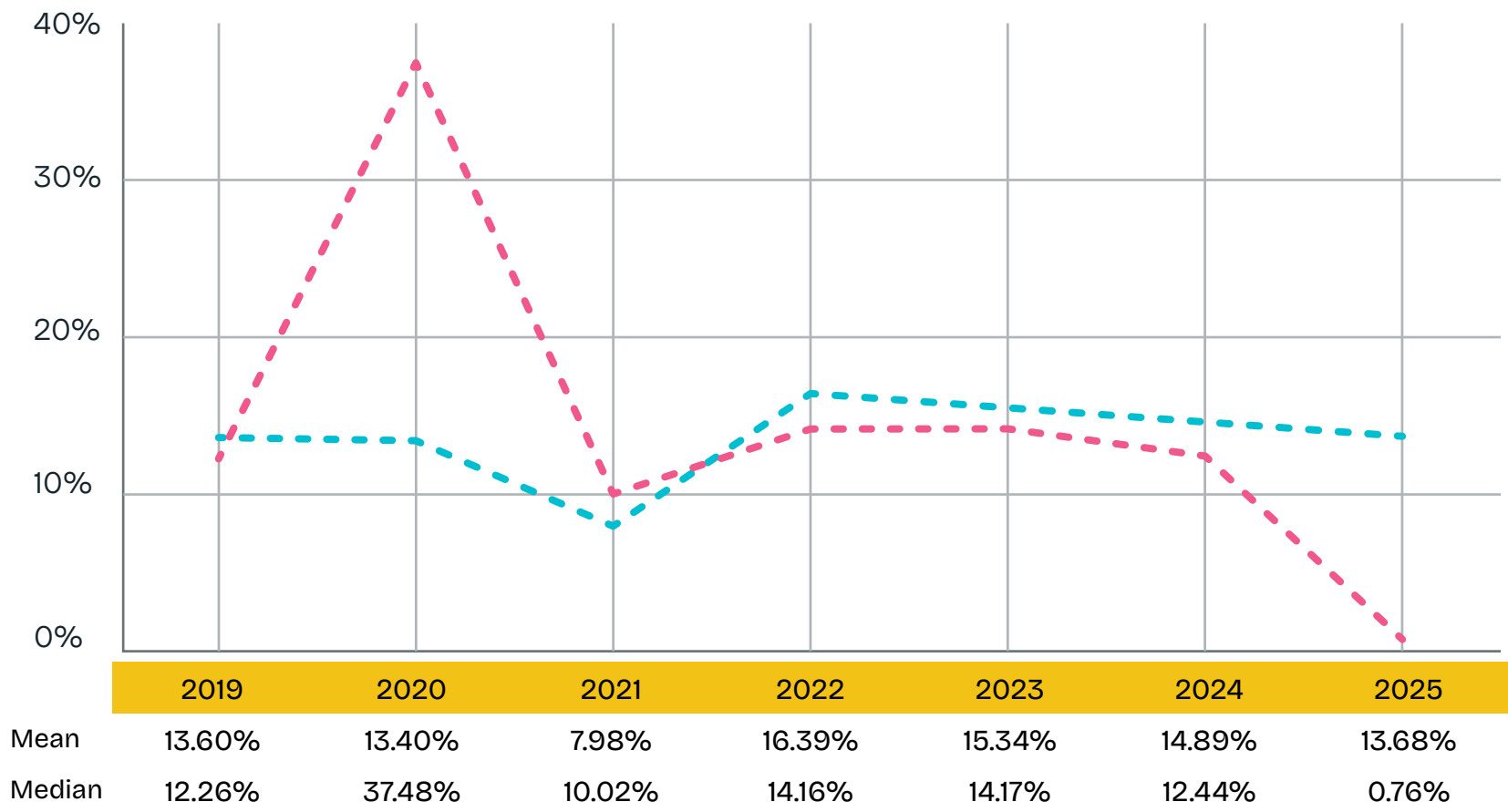
We use the same methodology used for our gender pay gap, to also calculate our ethnicity pay gap.

13.68%

Our mean ethnicity pay gap
↓ £1.21 less than the
previous year

0.76%

Our median ethnicity pay gap
↓ 11.68% less than the
previous year

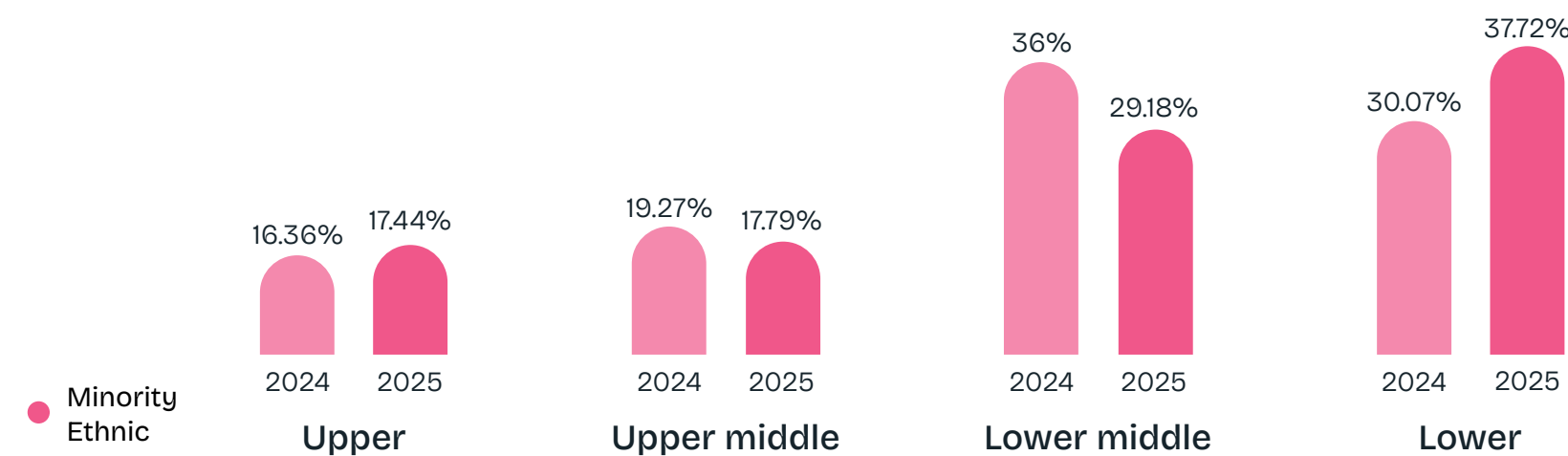
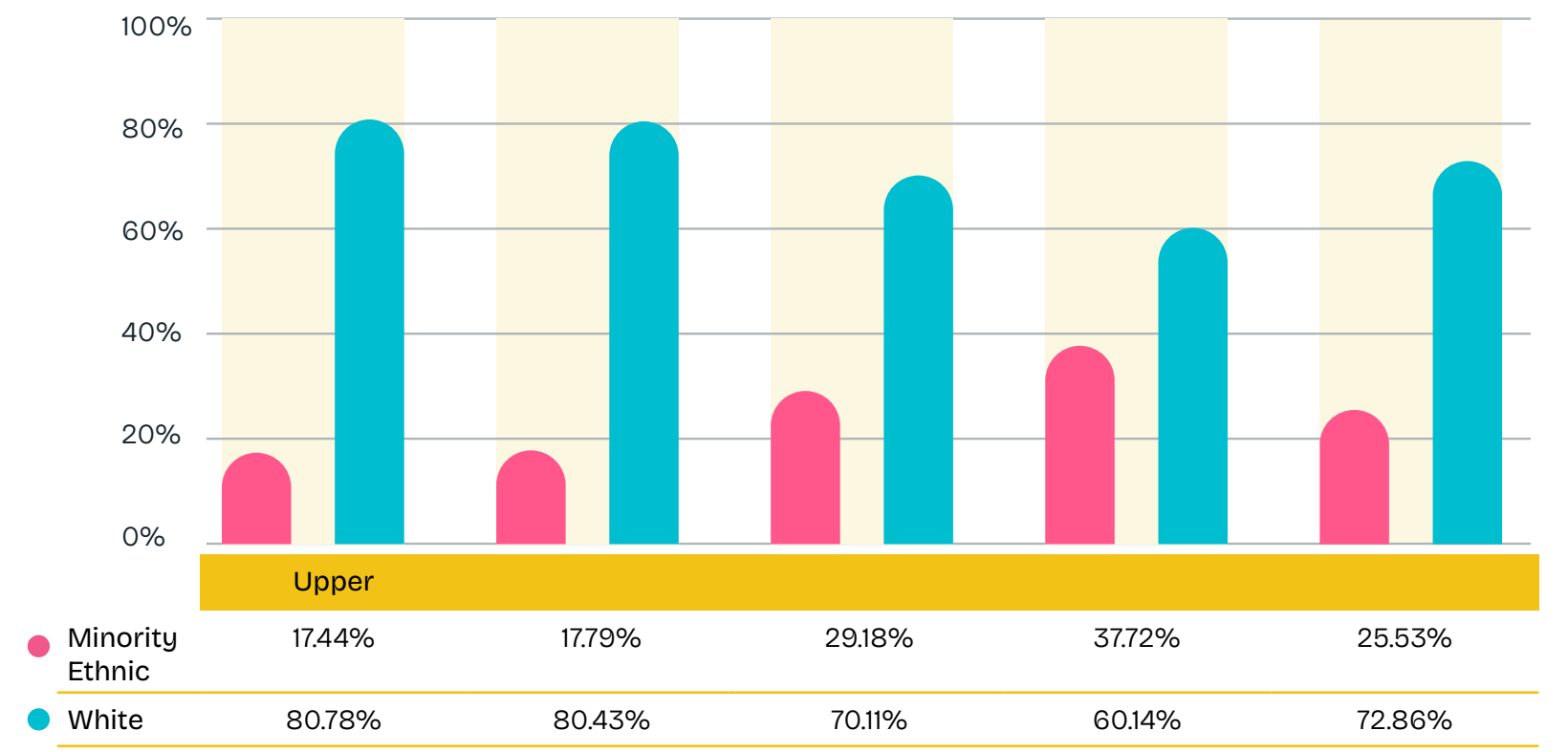


The mean ethnicity gap has been reducing steadily since 2022. Whilst we are back to where we started in 2019, having seen ethnicity pay gap creep up between 2022 and 2024, we do remain below the national ethnicity pay gap average of 19.04%.

The reason we see such a dramatic decrease in the median pay gap, whilst mean is slowly decreasing, is that the introduction of the new pay framework moved us from having 42 pay points in our main framework (7 grades with 6 spinal points) to having 6. This means that the middle point, or median, salary for all staff groups is largely the same, with the median hourly rate for white employees at £18.37 vs £18.23 for minority ethnic. The mean rate shows the difference driven by having significantly larger representation of white employees in higher paid roles, as demonstrated by the quartiles on the following page.



Ethnicity Pay Quartiles

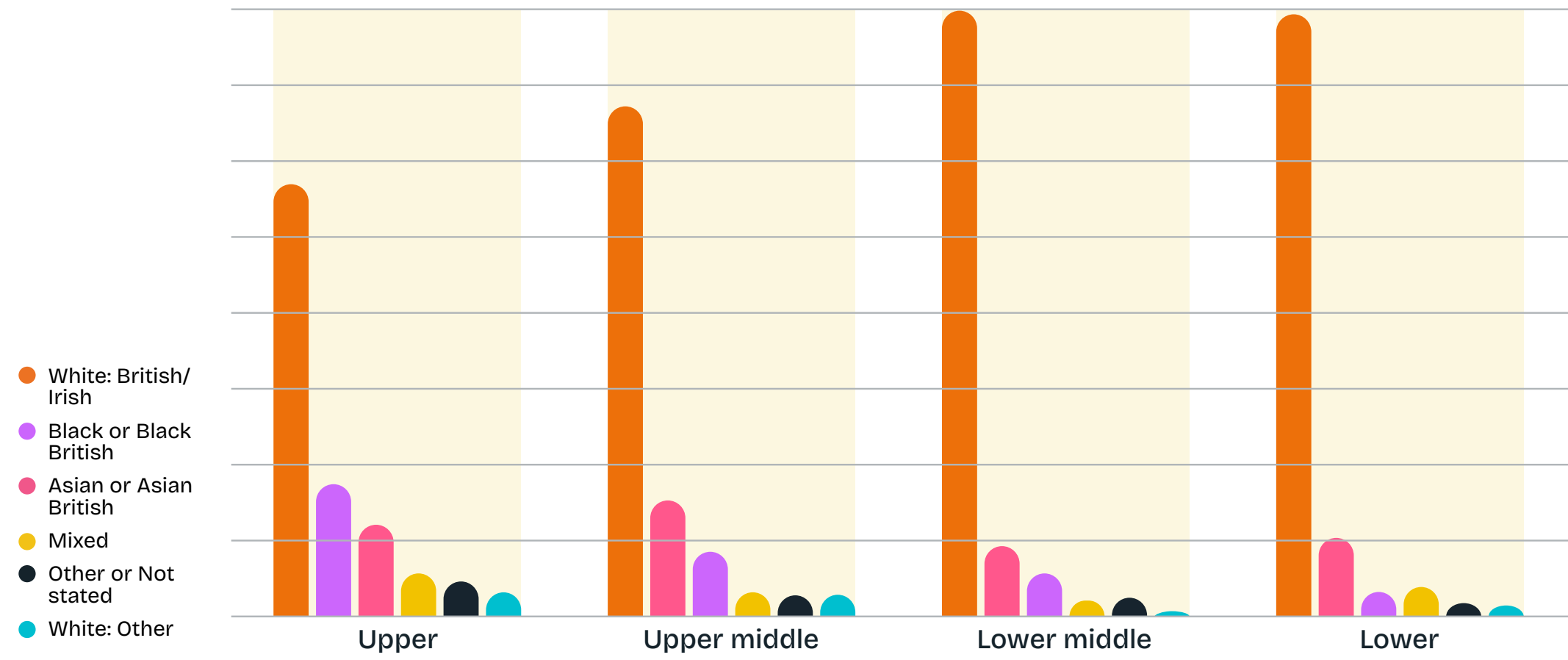


A significant driver of our ethnicity pay gap continues to be structural. We have seen an increase in the upper quartile of 1.08%, however we have seen a bigger increase in representation in the lower quartile, rising from 30.07% to 37.72%.

Colleagues who identify as minority ethnic have significantly lower representation in the upper pay quartiles and disproportionate representation in the lower quartiles. This has been consistent year on year, and although we know this is a wider societal challenge, we are committed to keeping a focus on changing this within our own organisation.

Citizen overall is fairly representative of its communities with a 25% minority ethnic colleague population. However, this is not evenly distributed across the organisation and accounts for only 11% at Head of Service or above.

The deeper analysis recognises that the experience and challenges are not the same for all ethnic groups and the table below shows a high-level summary of pay quartiles. This demonstrates that Asian and Asian British colleagues have higher, but still not representative, levels in the upper quartiles whilst Black and Black British colleagues are significantly overrepresented in the lowest quartile.



How have we achieved decreases for gender and ethnicity?

We have seen increases in the hourly rate across the board at Citizen

- **Female colleagues** - the increases is slightly higher compared to our male, and for our minority ethnic colleagues when compared to our white staff. These slight increase in the average hourly rate are continuing to close the gap.
- **Reward review** - which involved analysing and benchmarking all roles to develop a clearer, fair and transparent framework, resulted in over 70% of staff receiving a pay increase to bring all roles in line with the benchmarked median. It removed time-served based increments, which has benefited roles with a higher turnover rate, largely in our lower pay brackets.
- **Bonus pay** - has been removed which only applied to one area of the organisation, Maintenance Operations in order to create pay parity under the reward review.
- **Internal mobility** - we are supporting this via our leadership programme, our performance review framework and encouraging colleagues to actively shape succession plans.

Throughout 2024/25 27% of our appointments were to internal candidates; although these were not targeted it does highlight the opportunity that targeted internal mobility can present given 46% of promotions went to female and 20% were from a minority ethnic background.

- **Flexible working** - we support flexible working arrangements and have approved requests from 70 colleagues over the last year.
- **Workforce trends** - Our demographics overall show that there has been no significant shift over the last year. We see slightly more male leavers than female, and slightly fewer male starters, but the impact overall is minimal.
- **Learning support** - In 2024/25 we supported 70 colleagues to study for qualifications, of which 44% were female and 29% were from a minority ethnic background/other.
- **Apprenticeships** - we are proud to support Apprenticeships and have a good number of Apprentices across the organisation, the 2024/25 cohort of 11 across nine different specialisms included 30% female, 70% white and 30% BAME.

Our ongoing commitment

While our gender pay gap has improved year-over-year, and our ethnicity pay gap is now steadily decreasing, we recognise that sustained effort is required. We are taking the following actions:

- **Leadership development:** Supporting progression into senior roles.
- **Inclusive hiring:** Ensuring job adverts and shortlisting processes are bias-free.
- **Flexible working:** Promoting work-life balance for all employees.
- **Pay equity reviews:** Conducting regular audits to ensure fairness.
- **Staff engagement:** Listening to and learning from colleagues is essential to create an inclusive workplace. We are undertaking a full staff engagement survey including targeted questions to expose any perceived inequity.

We remain committed to creating a workplace where everyone can thrive, regardless of gender, ethnicity or any other characteristic. Over the next year to ensure continuous improvement, Housing Diversity Network will be working with us to support us with identifying areas for improvement.





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