



Gender and Ethnicity Pay Gap 2024



We're greater when we are equal

Our Belonging and Inclusion Strategy 2024-2027.

Supporting our people and empowering them to be themselves makes us stronger.

This year we launched our new Belonging and Inclusion Strategy 2024 – 2027 and our Vision is simple, “We’re greater when we are equal”. We know we’re at our best when our customers, colleagues, stakeholders, and communities are happy and feel included.

Our Belonging and Inclusion Strategy is Citizen’s roadmap to addressing equity, diversity and inclusion (EDI), focussing on the specific challenges and opportunities we face to ensure that everyone is included. Our Belonging and Inclusion strategy is for our customers and colleagues alike, striking a balance between our roles as employer and landlord, acknowledging that investing in our colleagues and setting expectations as an employer directly affects how we deliver services to our customers.

We are committed to being transparent and holding ourselves accountable, that’s why for the sixth year running we have reported on both our ethnicity and gender pay gap. I continue to Chair our Belonging and Inclusion forum, it’s really important that as an organisation we work collectively with our colleagues and customers to create an environment where everyone can be themselves and difference is embraced. This year we will be creating four working groups as part of the forum aligned to the Belonging and Inclusion Strategy 2024 to focus on Belonging, Attraction and Representation, Equity and Opportunity and Leadership.

In 2024 we’re pleased to report that both our mean and median gender and ethnicity pay gap has decreased.

- **Gender** - The mean has reduced from 6.95% to 6.49% and the median from 9.33% to 6.49%. This reflects a steady trend of decreases in our average gender pay gap since 2017.

- **Ethnicity** – The mean has reduced from 15.34% to 14.89% and the median from 14.17% to 12.44%.

This report takes a closer look at the data and provides some information in relation to some of the action we have taken. We hope you enjoy reading our Pay Gap report and finding out more about Citizen.



Kevin Rodgers
Chief Executive



Moving forward together

A commitment to equity, diversity, and inclusion.

We are moving in the right direction, and I am pleased to report meaningful progress. This year, we've seen positive reductions in both our gender and ethnicity pay gaps, reflecting the strides we've made and the work still ahead in our journey toward greater equity.

Achieving pay parity and building a workforce that truly reflects the diversity of the communities we serve remains at the heart of our ambition. We are committed to continuing to drive initiatives that focus on equity, diversity, and inclusion.

This year, our progress has been fuelled by several key initiatives, including targeted recruitment strategies, a new leadership development programme, and ongoing efforts to cultivate a culture of belonging for all our colleagues. These efforts are laying the foundation for a stronger, more inclusive organisation.

In Autumn 2024, we undertook a Recruitment Review to help us refine our direct hiring practices and better communicate our Employee Value Proposition to potential candidates. Looking ahead, we are excited to further build on these efforts throughout the year.

Our Leadership Academy is a cornerstone of our development efforts, encompassing four key modules: Leadership Fundamentals, Leading Yourself, Leading Others, and Leading Performance. To ensure we are setting the highest standards, we have partnered with the CPD Certification Service to benchmark our programme against industry best practices.

We are also thrilled with the early success of our Talent Development Programmes Aspire and Future Leaders. The Aspire programme is specifically designed to support colleagues who want to become a manager, Aspire has already shown promising results, particularly in helping underrepresented colleagues' step into their first managerial positions. Future Leaders is aimed at managers who want to develop and become Heads of Service. We're excited about the future of both programmes.

I'm also proud to report that we continue to meet our target for ensuring all colleagues have completed their EDI training, a vital part of fostering an inclusive culture.

Our Belonging and Inclusion Manager, in close collaboration with the HR team, has been instrumental in ensuring that every policy review undergoes an Equality Impact Assessment (EIA). This work is integral to ensuring that our policies align with our commitment to fairness and inclusion.

While we celebrate these achievements, we remain focused on listening, learning, and evolving. Our commitment to belonging and inclusion is strengthened by the valuable feedback we receive from colleagues and stakeholders. This input will continue to shape our next steps and guide us as we evolve our policies and practices in line with our core values.

I would like to extend my sincere thanks to all our colleagues for their dedication to making Citizen a place where everyone can thrive.

Together, we will continue to build an organisation that not only meets its responsibilities but also sets a standard for equity and inclusion in the housing sector.



Susan Brooksbank Taylor
Chair of the board at Citizen



Pay gap reporting

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 2024 and covers activities between 6 April 2023 – 5 April 2024.

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

Pay quartiles: The four quartile pay bands are created by dividing the total number of full-pay relevant colleagues into four equal parts, from highest pay to lowest pay.

Equal Pay: Pay Gap is not the same as equal (or unequal) pay. Pay gaps measure the difference between the average pay of, for example, all men and the average pay of all women regardless of what job they do.

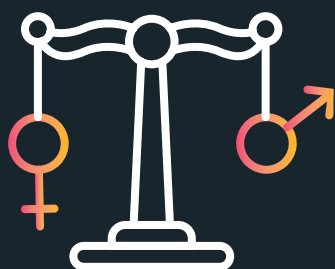
Equal pay means making sure all people carrying out the same or similar work are paid the same regardless of their characteristics. Citizen carries out regular pay reviews to ensure we are meeting this requirement.

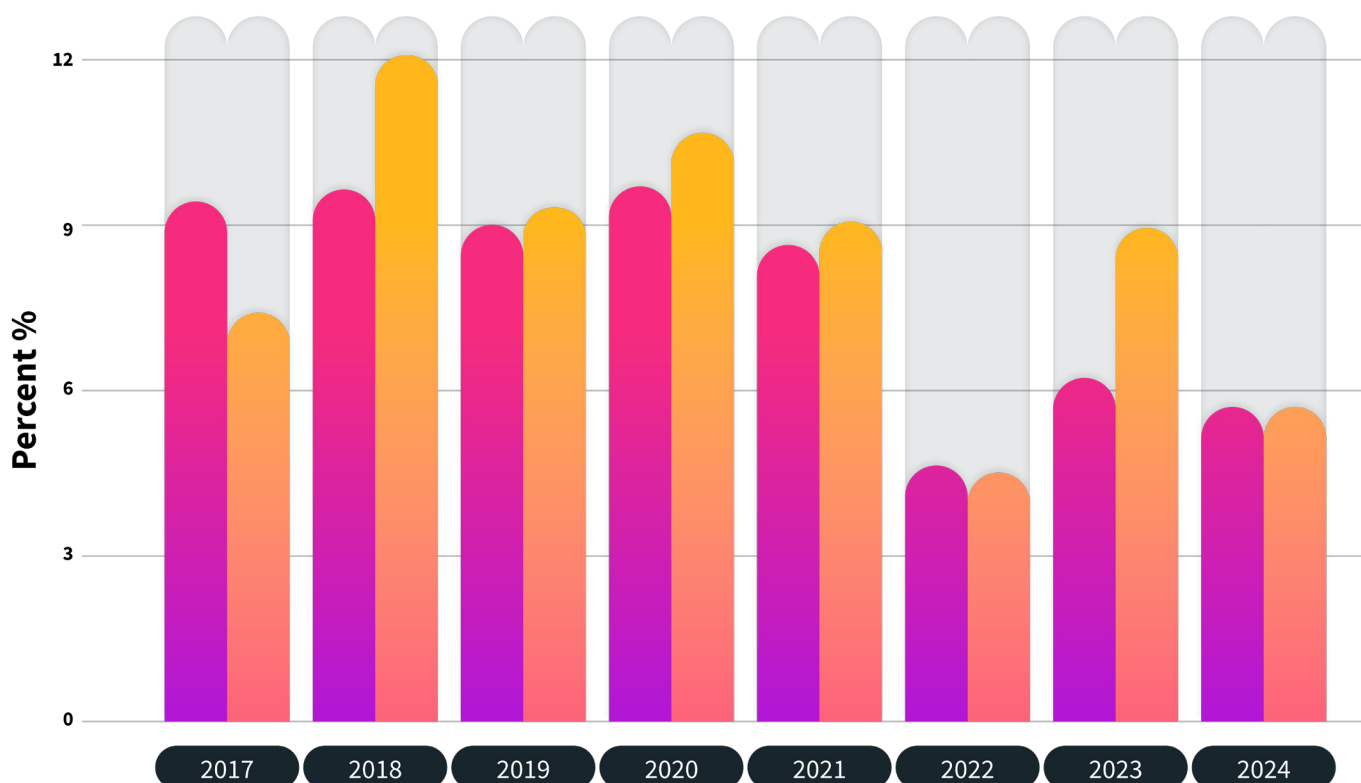
Median: The 'midpoint' the median is the value in the middle of the list of numbers.

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

Our gender pay gap

We're pleased to report that our mean gender pay gap has decreased from last year's reported 6.95% to 6.49% this reporting year. Our median gender pay gap has also decreased from last year's reported 9.33% to 6.49%. This reflects a steady trend of decreases in our average gender pay gap since 2017.





- Gender Pay Gap Mean rate.
- Gender Pay Gap Median rate.

Our gender bonus pay gap

The median bonus gender pay gap

34.67%

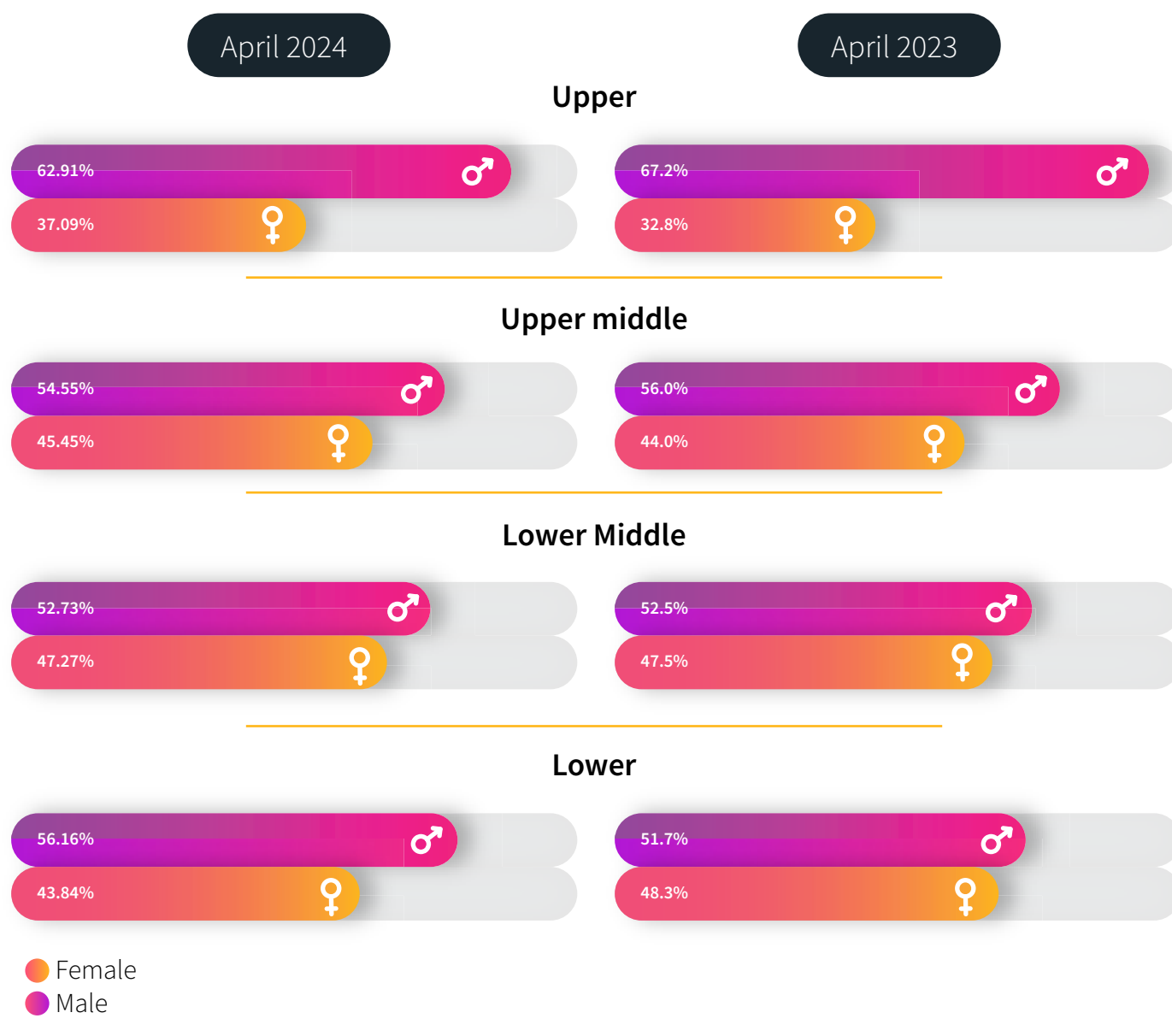
The mean bonus gender pay gap

32.92%

Our gender pay gap data shows a median bonus gender pay gap of 34.67% and a mean bonus gender pay gap of 32.92%. This gap is primarily due to the historical payment of bonuses to Trade Engineers, a role that is predominantly held by male employees and falls within the lower middle and upper middle pay quartiles. As a result, a higher proportion of men received bonuses, which has influenced the overall bonus pay gap.

However, as part of our commitment to fair and equitable pay, we have amalgamated bonus payments into base salaries under our new pay framework. This means that from 2025 onwards, all employees will receive their total remuneration through their salaries rather than separate bonus payments. This change ensures greater consistency and transparency in our approach to pay and rewards across Citizen.

Our workforce gender pay quartiles



Encouragingly, since last year, we've seen a small increase of female representation in our lower middle and upper middle quartiles and a larger increase in the top quartile for female colleagues. This is the main driver for the decrease in our gender pay gap. **Female representation in our top pay quartile increased by 4.29% from 32.8% reported last year to 37.09% this year.** Female representation also increased by 1.45% in our upper middle quartile (from 44.0% reported last year to 45.45% reported this year) and by 0.23% in the lower middle quartile (from 52.50% reported last year to 52.73% this year).

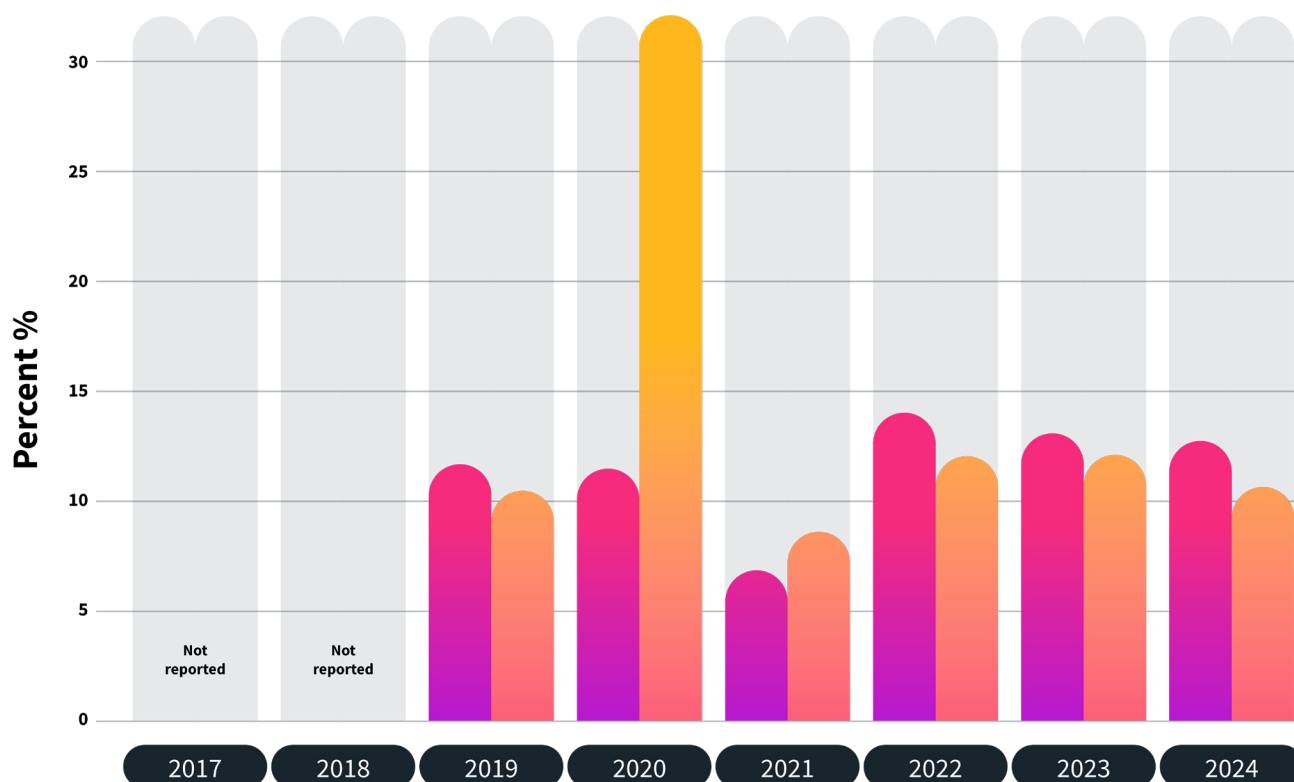
We remain determined to close the existing gender pay gap and ultimately achieve pay neutrality in our organisation. The increased female representation in our lower middle and upper middle quartiles is positive and reflects greater female representation in our management roles into the top quartile. That said, we acknowledge that the reported growth in female representation in the upper pay quartile is small. 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 our highest levels. It is however a challenge we commit to addressing.

Ethnicity Pay Gap

We've adopted the same methodology used to calculate our gender pay gap, to also calculate our ethnicity pay gap.

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.

Our mean ethnicity pay gap is 14.89%. This represents a decrease from last year's reported figure of 15.34%. Our median ethnicity pay gap is 12.44% and again is another decrease from last year's reported figure of 14.17%.



- Ethnicity Pay Gap Mean rate.
- Ethnicity Pay Gap Median rate.

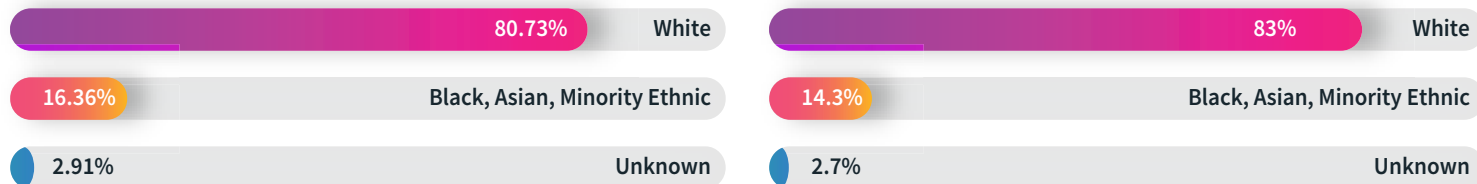
As pleased as we are to see decreases in our median and mean ethnicity pay gaps and that our current average remains below the national ethnicity pay gap average of 19.04%, we acknowledge that the decrease against last year's reported figures are small.

Our workforce ethnicity pay quartiles

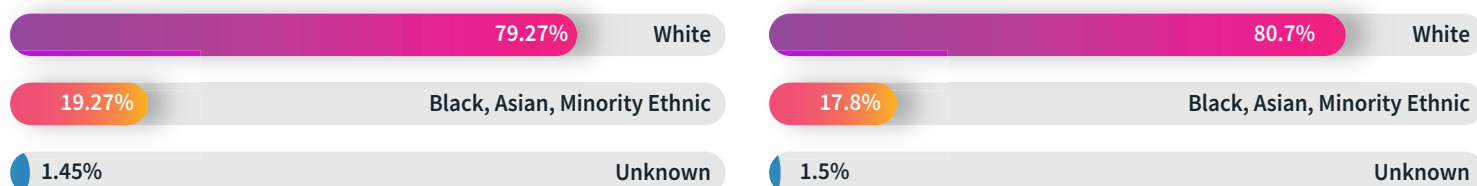
April 2024

Upper

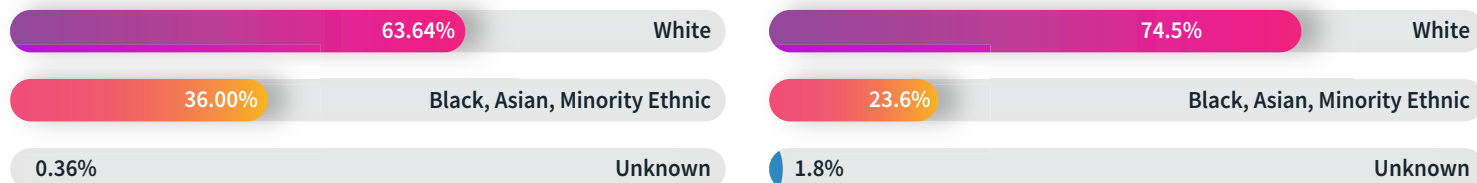
April 2023



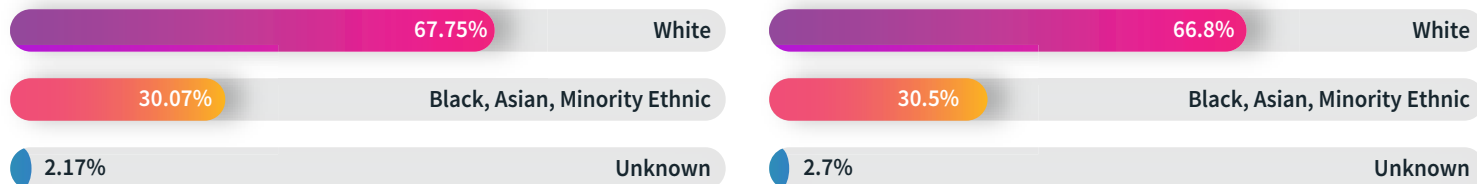
Upper middle



Lower Middle



Lower



A significant driver of our ethnicity pay gap continues to be structural. Colleagues who identify as Black, Asian and minority ethnic have significantly lower representation in the upper pay quartiles and lower representation rates overall in each of our quartiles in comparison to staff who identify as white. This continues to be a target area for us and our approach in the next year will be multifaceted.

Our analysis of ethnicity pay and the identification of disparities in this report forms the basis of ongoing work to analyse pay and structural impacts across different ethnic groups throughout the year. **Our new Belonging and Inclusion Strategy 2024-2027 published in September 2024 was build on a foundation of listening and open dialogue.** We will use the strategy to encourage open discussions about race, ethnicity, and inclusion to create a supportive and fair environment.

Our staff data

Understanding our staff data is important to give a wider context to the pay gaps we see at Citizen. We are committed to collecting and using staff profiling data to understand whether our workforce is appropriately reflective of our communities, and whether there might be any disparities in the opportunities afforded to certain groups. We monitor recruitment, promotions, starters and leavers and the make up of our workforce at all levels to understand where there are opportunities or challenges for our colleagues at work.

Ongoing campaigns to encourage colleagues to provide their data during the year means that our staff demographic data is now well populated, with gender, age, ethnicity and vulnerability fields all consistently over 97% complete, and sexual orientation and religion falling a little further behind at 93%. This gives us confidence in using this data which shows the following when compared to the population in the regions we work in.



What does it show?

Citizen continues to employ a slighter higher proportion of White British staff compared to the regional population, and a higher proportion of males. This can be seen particularly in our maintenance operations teams which accounts for 40% of our workforce.

Our age profile is largely proportionate to the working age groups in the population; however, we do have a lower-than-expected staff base of 16–24-year-olds and we know that this is where we see a high turnover of staff.

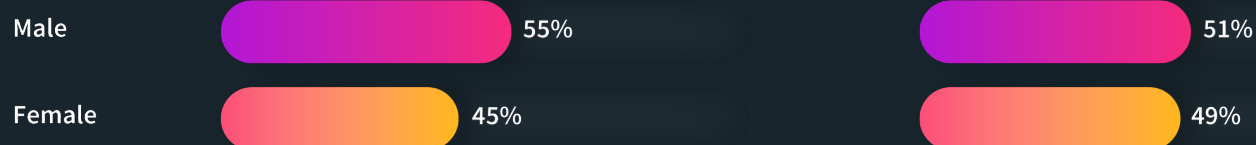
Citizen reflects its community rather well regarding religion, with the exception of Muslim staff which is disproportionately low.

Staff self reporting a vulnerability is low compared to the population, reflecting the wider market statistics that show that only 54.2% of working age people with a disability are employed (vs 82% without a disability).

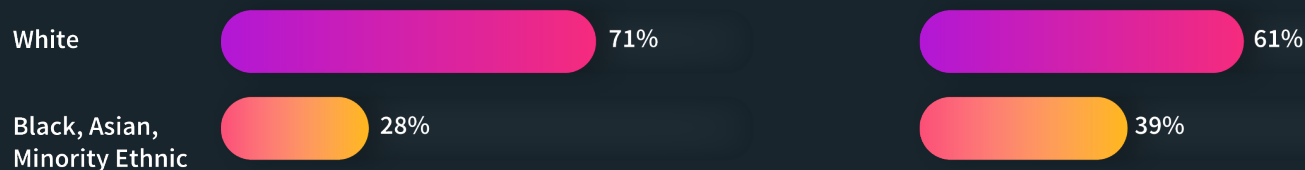
Citizen

Region

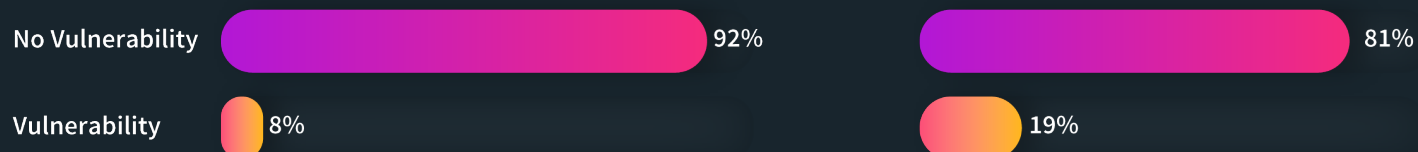
Gender



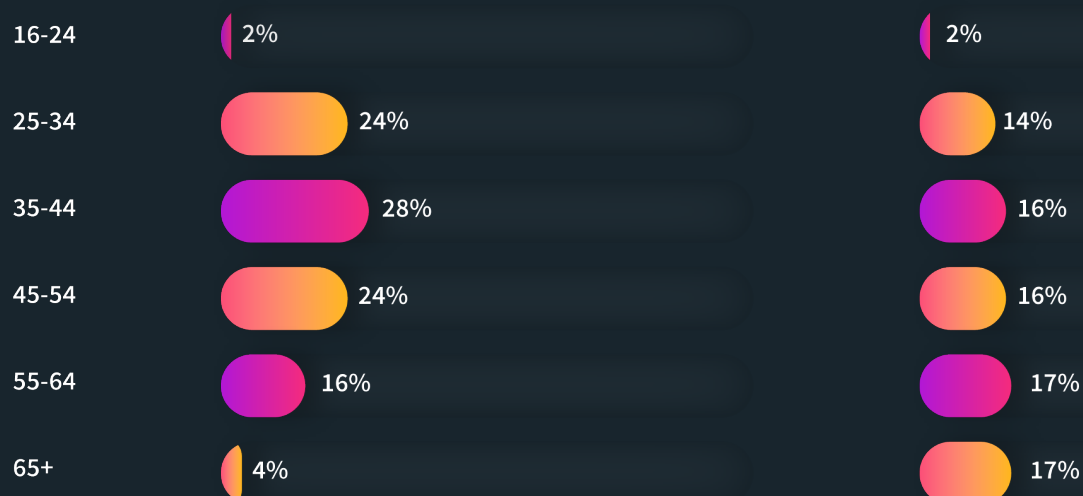
Ethnicity



Vulnerability Status



Age



Taking action

We're delighted to see increased female representation in our top, upper middle and lower middle quartiles. However, while this is a step in the right direction, we've also started to take more deliberate and sustained actions to improve our current rates for both gender and ethnicity.



Recruitment Review 2024

Our desire to improve our direct hiring and better communicate our Employee Value Proposition (EVP) to potential candidates is ongoing. To ensure that we took meaningful action on this this year, we conducted an independent recruitment review in September 2024, to gain expert insight into our recruitment strategy.

The review (which comprised interviews, desk-based research, data analysis and documentation reviews) had three main areas of focus:

- **An independent review** of Citizen's recruitment model and the methods we adopted to attract and select candidates, along with expert insight into the effectiveness of our employer brand.
- **Analysis of existing data** and engagement with a selection of Leaders, Hiring Managers, the People Team, colleagues across the business and new starters to gain opinion upon the recruitment process and their experiences.
- **Analysis of quantitative and qualitative data** of colleague experiences and recruitment.

The review has given us a greater understanding of our recruitment processes and what we can do to improve. Key findings from the review included:

- Women wanted more support during their onboarding at Citizen.
- More deliberate action was needed to use more inclusive language and terminology in recruitment adverts to encourage diversity of candidates.
- Storytelling is needed to sell Citizen as an employer to meet the aspiration of being an employer of choice.
- Use of candidate motivator insights to link the benefits of working at Citizen to potential candidates.

We've taken the findings of the review on board, and we've started working on a clear, fact-based plan which will align with our People and Belonging and Inclusion strategic goals to provide us with a progressive and equitable recruitment model to take forward into 2025. We've already started to follow up on the recommendations of the review with practical steps such as the development of new Hiring Manager Training which will consider the findings and recommendations of the recruitment review for managers to take forward when recruiting.

Publication of the Belonging and Inclusion Strategy

We have a longstanding commitment to equity, diversity and inclusion at Citizen. As part of that ongoing commitment, we launched our new Belonging and Inclusion Strategy 2024 – 2027 this year.

The strategy is built around four key pillars:

- **Belonging** - We aim to create and sustain a culture where everyone feels they belong. By celebrating the diversity and experiences of our customers and colleagues, we ensure they feel valued and empowered to be themselves.
- **Attraction and Representation** – We aim to attract the top talent from diverse backgrounds to allow us to have the best people working with us.
- **Equity and Opportunity** – We'll treat our customers and colleagues fairly and according to their needs.
- **Leadership** - We'll play our part and take bold actions to provide best-practice EDI leadership to our teams.

We see the Belonging and Inclusion Strategy as a vital part of addressing our pay gaps. Our work on each of the four pillars will help us fully consider the reasons behind the pay gaps and tackle any underlying systemic barriers, biases, and inequities we find along the way. The actions we have committed to for 2025 include:

• Recruitment

Working closely with our Talent Acquisition Team to identify and remove any barriers to inclusive recruitment. We'll ensure that our recruitment processes attract candidates from a range of backgrounds and provide equitable opportunities for all.

• Equality Impact Assessments

Promoting, supporting and monitoring our Equality Impact Assessments process to ensure that policy, process and decision-making opportunities have been fully tested and considered.

• Leadership Development

Embedding the themes and values of inclusion into our Leadership Academy programme so that our leaders are equipped with the skills and knowledge to drive inclusive practices and demonstrate inclusive leadership across Citizen.



Talent Development Programmes

In July 2024, we piloted our first Talent Management Programme, Aspire. Aspire is our bespoke programme targeted at colleagues who haven't yet undertaken their first people management role. Colleagues who took part in it were identified as having the potential to move into a managerial role and the desire to prepare themselves for developing their career in that direction.



In January 2025 we piloted our second Talent Management Programme, Future Leaders. This programme is targeted at existing Managers that have been identified as being high performers and have aspirations to become Heads of Service.

Our two Programme's focus will help us in our work to address our pay gaps by:

- **Empowering Talent**

By providing targeted training and skill development, colleagues on the programme will gain the confidence needed to step into management roles.

- **Fostering Inclusion**

By equipping aspiring leaders with inclusive leadership skills acquired via the learning modules, participants will not only understand the importance of creating an inclusive work environment at Citizen but will be able to proactively contribute to building a diverse and equitable workplace.

- **Driving Representation in Leadership**

Increasing diversity in our management pipeline is key to addressing pay disparities. Our Belonging and Inclusion strategy commits us to actively support underrepresented groups to progress into leadership roles and our talent programmes will directly contribute to that which in turn will help us to narrow both our gender and ethnicity pay gaps.



Launch of our Parenting Network

2024 saw the launch of our Parenting Network, a supportive space designed for parents and caregivers across Citizen. To celebrate the launch, we hosted a special launch workshop featuring an inspirational guest speaker who shared their personal journey of balancing professional responsibilities with parenting, offering practical advice on navigating the challenges many parents face in the workplace and provided valuable insights on the experiences running a Parenting Network and balancing work and family life. Colleagues from all levels at Citizen came together to discuss the network's goals and areas of focus as well as co-creating the foundation of the network.

We see the Parenting Network as playing a pivotal role in addressing gender disparity and reducing our gender and ethnicity pay gap by creating a supportive environment for working parents, particularly those who often face unique challenges that contribute to workplace inequities. Our hope is that the group will play its part in fostering the culture of belonging and inclusion we're aiming for and creating also help us create an environment where our people can thrive professionally.



Measuring success

We believe in the power of performance measurement for driving the culture and delivery of our work and will be taking opportunities to evaluate our pay gap and EDI performance over the next year. This will mean regular reporting of recruitment and retention data, team by team diversity monitoring and a half-yearly check of our pay gap progression. In reviewing that performance we'll be open and honest with our colleagues and our leadership teams sharing our progress with them and inviting them to provide their views as well. We will work with our Belonging and inclusion Forum to not only help us consider the effectiveness of the actions we take, but to also to help us identify further actions along our journey.





Gender and Ethnicity Pay Gap 2024

www.citizenhousing.org.uk

