



**CITIZEN**

Gender Pay Gap report 2022

## Welcome to our 2022 Gender Pay Gap report.

We are committed to an inclusive working environment in which everyone is given the opportunity to thrive; an environment in which people feel valued and appreciated and where everyone is free to be themselves and feels that they belong.

This report outlines the improvements we have made during 2022, the areas where we still need to do more work and details our future commitments on how we are going to improve on our current position.

While we are pleased with the improvements made to our mean and median gender pay gap, there is still a lot more work to do. Our ethnicity pay gap data, which is also published in this report, also needs more focus to reach our ambition of equity in our workforce. Along with the in-depth data, you will find more information in this report on the commitments we are making for the year ahead.

A handwritten signature in black ink, appearing to read "Kevin Rodgers".

Kevin Rodgers, chief executive and chair of equality, diversity and inclusion forum

## Our commitment

At Citizen we believe that we are greater when we are equal. We are passionate about equality, diversity, and inclusion and these are central pillars of everything that we do. This empowers us to build deeper connections with our diverse communities, to innovate and ultimately provide the best services and support that we can.

## An introduction to the Gender Pay Gap

The Equality Act 2010 (Gender Pay Gap Information) requires all organisations employing more than 250 employees to publish their Gender Pay Gap details. Each organisation is required to publish their mean and median gender pay gap data. The following terms are used within this report:

Term	Definition
Mean	Mean value (average) - a mean is calculated by adding up all the values and dividing that score by the number of values.
Median	The 'midpoint' the median is the value in the middle of the list of numbers
Gender Pay Gap	The average difference between hourly pay for the two genders across the workforce.
Pay quartiles	In the context of gender pay gap reporting, the four quartile pay bands are created by dividing the total number of full-pay relevant employee into four equal parts.
Gender pay	Gender pay is not the same as equal (or unequal) pay. Gender pay is the difference between the average pay of all men and the average pay of all women. By law, men and women must get equal pay for doing 'equal work', the law classes equal work as the same, similar, equivalent or of equal value.

## Our gender pay gap

We are pleased to report a reduction to both our mean and median pay gap. Our mean gender pay gap has reduced from 9.06% to 5.56% and our median gender pay gap has reduced from 9.43% to 5.45%.

These figures show significant progress has been made to close both the mean and median gender pay gap through our focused commitments.

## Our gender bonus pay gap

The median bonus gender gap is 7.27% and the mean bonus gender pay gap is -4.4%.

A bonus is paid to 17.66% males in the organisation and 0.31% females. This bonus is paid monthly to eligible employees - predominantly trade engineers based in our maintenance operations directorate. The median bonus pay gap is a direct result of maintenance operational roles being male dominated. For those females that do receive a bonus, it is at a higher average than male counterparts.

## Our workforce gender profile is as follows:

Quarter	% male	% female
Upper	67%	33%
Upper middle	54%	46%
Lower middle	55%	45%
Lower	56%	44%

Since our last gender pay gap report, there has been a small increase in females in the upper middle quartile from 45% to 46%. A reduction in the females in the lower middle quartile from 48% to 45% and in the lower quartile (48% to 44%).

This improvement has been made due to a number of internal female promotions. We have also seen small decreases in female representation in each of the other quartiles in the same period.

At Citizen we are determined to close the existing gender pay gap and ultimately achieve pay neutrality in our organisation. We recognise this requires a proactive approach, education to our employees on the importance of achieving an equitable and inclusive workplace and the part we must all play to make this happen.

During the last year our actions have included:

- strengthening our partnership with Women into Construction to provide opportunities for women in our trades and apprenticeship roles
- promoting our approach to flexible working through our award-winning Live Work Better programme
- training 13 menopause champions, including male employees and creating Bear with me (the Microsoft Teams group/network), to provide quarterly catch ups and support to employees impacted

### **Our future commitments**

We know that programmes alone aren't enough for us to maintain an equitable, representative, and inclusive working environment. Therefore, we will be committing to the following actions to support us in achieving gender parity at all levels throughout our organisation and to further reduce our gender pay gap.

- a full review of gender balance at all levels
- a review of our recruitment practices to ensure they are inclusive and where agencies are used to recruit senior employees, we will require them to provide a diverse shortlist
- introduction of a coaching / mentoring scheme to support employees in realising their ambitions and to provide opportunities to maximise their potential
- work in partnership with organisations such as Business in the Community to identify actions to address the gender and ethnicity pay gaps within the organisation
- further develop our talent management programme to ensure we have inclusive succession planning and can grow our own talent by providing learning and development opportunities for all staff
- review our behavioural framework to ensure the behaviours outlined are gender neutral and inclusive when enforcing positive traits
- develop a new people strategy that achieves the business objective of becoming an 'employer of choice'. The strategy will focus on three key themes; attract, engage and grow
- we will review our benefit and reward package to improve our employee value proposition and identify any anomalies in pay related to minority groups

## Our ethnicity pay gap

In calculating our ethnicity pay gap, we've used the same principles that are applied to our statutory gender pay gap reporting. Whilst we are not required to report on our ethnicity pay gap, we believe that continued publication of this data is important to helping us achieve our ambition of equity in our workforce. We have seen an increase in our ethnicity pay gap figures for 2022 compared with 2021.

Our mean ethnicity pay gap is 16.39%. Our median ethnicity pay gap is 14.16%.

Our median has increased from 10.02% to 14.16% and our mean has increased from 7.98% to 16.39%. This is a matter of concern, particularly when compared to the progress we've made on our gender pay gap data and so we are committed to take action to address the increase. A significant driver of our ethnicity pay gap is hierarchy, staff 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. Our workforce ethnicity profile is as follows:

Quarter	% White	% Black, Asian and Minority Ethnic
Upper	86%	13%
Upper middle	83%	15%
Lower middle	70%	30%
Lower	66%	31%

In the last year we have seen a small increase in representation of the number of Black, Asian and Minority Ethnic staff within the lower middle quartile, which reflects some internal promotions and new appointments.

We need to do more to address our ethnicity pay gap issue and we're committed to doing so. In particular, the low representation of staff from Black, Asian and Minority Ethnic backgrounds in our senior leadership team and the feeder grades into that cohort is a priority focus for us. The actions we take during the next year will include creating a diverse and representative workforce at all levels, as well as reducing (and eventually removing) our ethnicity pay gap.

During the next year we will be committing to the following actions to address our ethnicity pay gap:

- providing a clear organisation commitment to removing our ethnicity pay gap and to addressing the drivers of that gap
- regular review of our Equality, Diversity and Inclusion (EDI) data to monitor our progress on recruitment outcomes and review our ethnicity pay gap
- reviewing our current senior management recruitment approaches to ensure we take opportunities to source diverse candidates
- where executive search companies are used to recruit senior staff, ask them to provide a long list which includes an agreed minimum number of Black, Asian and Minority Ethnic candidates
- seeking opportunities to improve diversity in our recruitment pools by sourcing candidates from a wide range of areas increasing the use of apprenticeships as a route for developing our workforce
- providing listening circles of Black, Asian and Minority Ethnic employees to help improve confidence and prospects for promotion
- providing our support to the wider campaign for companies to report their ethnicity pay gaps
- raising awareness of our ethnicity pay gap, its drivers, and the actions we're committing to tackle it to employees
- providing the board and EDI forum with progress of our actions on our pay gaps quarterly

These actions will form a part of our wider commitments in our 2023-2026 EDI strategy.

### **Our next EDI strategy and future actions**

With 2022 marking the end of our 2019-2022 EDI strategy period, we're now focussing on developing our next EDI strategy for 2023. The previous strategy and its five principles were based around the priorities found in the Social Housing Equalities Framework (SHEF). Our new strategy will build on that work and will set out our EDI direction for the next 3 years. It will commit us to actions that will ensure we have a workforce that is representative of the communities we operate in, achieve equity in our workplace and our communities, celebrates difference and promotes belonging.