



# Ethnicity Pay Gap

2021



# Foreword

**We are proud to be amongst the first employers in the country to publish our Ethnicity Pay Gap. Whilst there's no requirement for us to do this, we pride ourselves on being honest and transparent with our colleagues. Voluntarily publishing our Ethnicity Pay Gap demonstrates our commitment to creating an environment where everyone can succeed, regardless of their background. We will use the information in this report to help us make better decisions and to shape the priorities for our diversity agenda.**

Our mean Ethnicity Pay Gap is 10.80% and our median Ethnicity Pay Gap is 8.03%. Whilst these figures are a good starting position we are not complacent and are working hard to put measures in place to reduce the pay gap further.

Following the events in the US during the summer of 2020, we took the time to listen to and really understand the experiences of our black colleagues at work. Whilst overall they were positive, the discussions exposed areas where we could do more and their feedback directly influenced our diversity priorities for the year ahead.

We know we have an under-representation of black colleagues at leadership levels and this is an area we're working to address. We've already increased this from 2% in 2020 to 9% in 2021.

We want to make sure that everyone in our organisation, at every level, has the opportunity to thrive and fulfil their potential. Although we've already made progress and have a lot to be proud of, to be a truly brilliant and inclusive place to work, we know we must continue to challenge ourselves in order to further reduce our Ethnicity Pay Gap.



**Baljinder Kang**

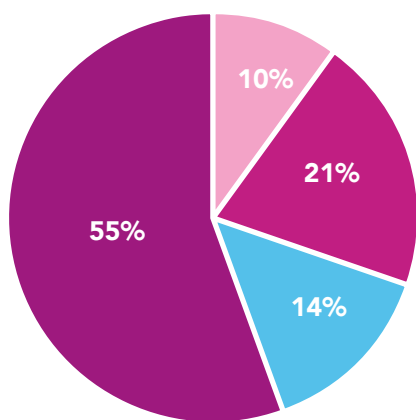
Executive Director of  
Corporate Resources

# Our 2021 Ethnicity Pay Gap

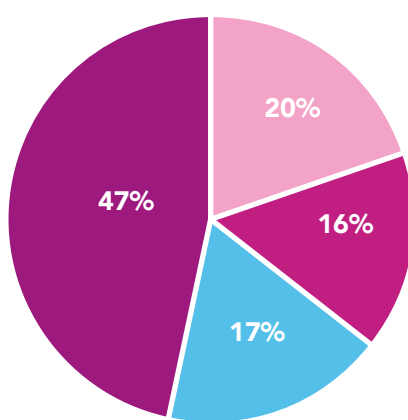
## What's our workforce profile?

Positively, we're over representative of our customers and geography.

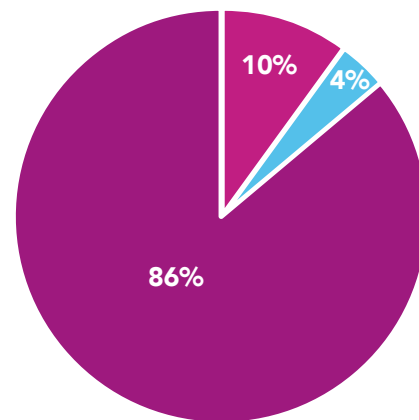
### Our Colleagues



### Our Customers



### The Midlands



KEY: ● White ● Unknown ● Black ● Other Minority Ethnic groups

Our mean  
Ethnicity Pay Gap is  
**10.80%**

Our median  
Ethnicity Pay Gap is  
**8.03%**





## What is the Ethnicity Pay Gap?

It's the difference between our hourly pay for Black and Minority Ethnic and white colleagues, regardless of the work they do. It gives an overall picture of total pay from the highest to the lowest paid colleagues and lists them by ethnicity. These figures consider full and part time roles.

Put simply, any jobs where an ethnic group is underrepresented will have higher pay gaps. Although there's no Government guidance on calculating the Ethnicity Pay Gap, we have adopted the same approach as we do when reporting our Gender Pay Gap.



## Our profile by quartile

Quartile	Non BAME	BAME
Upper	71% (173)	29% (69)
Upper Middle	59% (157)	41% (107)
Lower Middle	52% (119)	48% (110)
Lower	65% (146)	35% (79)

# Our 2021 Ethnicity Bonus Gap

**54.8%** of Black and Minority Ethnic colleagues and **59.4%** of white colleagues received a bonus.

Our mean bonus gap solely exists because we've got a productivity bonus scheme for our **In-House Maintenance team**. Half of this team is made up of white colleagues, the other half is Black and Minority Ethnic. Whilst they've got access to a bonus payment, some of their employment terms and conditions are more basic than the rest of our organisation. Anyone who joins our In-House Maintenance team has access to exactly the same bonus scheme and level of bonus payment.

The median bonus gap is

**0%**

The mean bonus gap is

**25.92%**



# What actions have we taken?

We've worked hard in the last 18 months to further increase our focus on race and ethnicity inclusion and make positive changes. Some of our successes include:

## Governance Framework Scrutiny

A project group, including our Chair of the Board, completed 'The Race Code' with The Governance Forum. Whilst influencing and shaping The Race Code, this also helped strengthen our governance of diversity right up to Board level. Following this we've identified a new Board lead for diversity.

Our Executive team monitor our Ethnicity Pay Gap quarterly, scrutinising the impact of recruitment, internal movement and salary reviews and having challenging discussions with Leadership as well as our internal Inclusion Networks about how to reduce it.

## Listening to Colleagues

We've embraced opportunities to engage with Black and Minority Ethnic colleagues, to learn about issues that affect them. As a direct result we've made changes such as separating Black and other Minority Ethnic groups in our ethnicity reporting to really understand representation of Black colleagues. We also invited volunteers to shape and lead our Black History Month celebrations in 2020, who delivered a whole series of authentic, thought provoking and challenging insights into black history, whilst recognising the contribution of Black people to the UK. We know talking about race can be uncomfortable but having these conversations is key to tackling microaggressions and stereotyping.

This work continues through our race and ethnicity network, Unity, sponsored by our Chief Executive, Glenn Harris.

## Colleague Development

Our Aspiring Managers' Programme bases the selection criteria on potential, not experience. The diversity of this programme is 49% Black and Minority Ethnic colleagues, of which 17% are Black or Black-Mixed. This has led to 19 promotions including 10 Black and Minority Ethnic (53%) colleagues, which includes four Black/Black-Mixed colleagues (21%).

"I've noticed from the first leadership event I helped organise in 2020 to the most recent, the number of black leaders has increased significantly. This has had a positive impact on me – as it's made it easier to see my own potential for progression." Lavinia Batchelor, Internal Communications Officer - Events.

## Inclusion Training

In September 2020 we launched our Race, Racism and Stereotypes eLearning module that includes real experiences from our colleagues discussing microaggressions in the workplace. We created this in collaboration with Unity.

# Moving forward



Our Ethnicity Pay Gap is an important measure of how effective our actions around race have been. We've used insights from our data along with feedback from our colleagues to shape the following actions to reduce our pay gap:

## **Improving our data**

Our ethnicity data completion is now at 93% but we know 100% completions will give us the basis on which to make the best decisions. We will work with our race and ethnicity network, Unity, to improve our data disclosure.

## **Black Colleague Development**

We've worked with a group of our Black colleagues to design and launch a new, tailored development programme. Our aim is to support the development and retention of high performing Black colleagues who are ready for career progression. Our Black colleagues told us a bespoke programme based on individual needs was preferred to a generic programme so this will provide a unique experience for each person who takes part. It involves psychometric testing, mentoring and a individually created development plans.

## **Listening to our Colleagues**

We have plans in place with Unity to launch a series of 'Let's talk' events to embed further our Race, Racism and Stereotypes eLearning.

We know that there is much more to do to reduce our Ethnicity Pay Gap and ensure we have better representation of all ethnicities at leadership level.

We're committed to driving our plans forward and continuing to engage our colleagues throughout this journey.



