

GENDER PAY GAP - APRIL 2021

Findings

This paper provides an overview of the 2021 gender pay gap report for the legal entities Bromford Housing Association Ltd and Merlin Housing Society Ltd. The report analyses pay data from the snapshot date of 5 April 2021, with bonus data relating to the 12 months before 5 April 2021. The calculations have been produced separately (showing details for Bromford and for Merlin, as well as being combined to give data for the whole organisation).

Findings on gender pay more broadly show that:

- jobs done by women are undervalued. Both in terms of the value society places on the jobs and the salaries paid. Jobs with a higher percentage of women tend to be lower paid, and if, over time, the proportion of women increases average pay goes down further
- men hold more of the most senior roles. Gender pay gap reporting showed 30 per cent of women are in the lowest paid quartile with 20 per cent in the highest paid, while for men these numbers are reversed
- women pay a 'motherhood penalty'. Research has shown that while earnings for men and women keep pace until the birth of their first child, for most women the pay gap generated at that point is never recovered

Background information

Government regulations state that the following information must be published on our website:

- the difference between the mean hourly rate of pay of male colleagues and that of female colleagues ('the mean gender pay gap')
- the difference between the median the mean hourly rate of pay of male colleagues and that of female colleagues ('the median gender pay gap')
- the difference between the mean bonus pay paid to male colleagues and that of female colleagues ('the mean gender bonus gap')
- the difference between the median bonus pay paid to male colleagues and that of female colleagues ('the median gender bonus gap')
- the proportions of male and female colleagues paid bonus pay ('the proportions of men and women getting a bonus')
- the proportions of male and female colleagues in the lower, lower middle, upper middle and upper quartile pay band ('the proportion of men and women in each of four pay quartiles')

Calculations for the pay gap metrics are based on a single pay period around the "snapshot date" of 5 April in each year, while bonus gap metrics cover the entire year up to the relevant date. Pay data comes from our April 2021 payroll.

The impact of Covid on gender pay

Despite higher mortality of older men from COVID-19, women have been taking a disproportionate, unequal share of the economic hardship caused by the pandemic. Due to factors such as assuming a greater responsibility for childcare and home-schooling in

lockdown, women have been more likely than men to work fewer hours, be away from work temporarily, or drop out of the labour market altogether since the virus struck. However, the annual Office for National Statistics (ONS) national figures reveal a continuing, significant reduction in the UK's median all-employee gap, from 17.4% in 2019 to 15.5% in 2020.

How we compare to other organisations

(Source: Office for National Statistics)

- among full-time colleagues, the gender pay gap in April 2020 was 7.4%, down from 9.0% in April 2019
- the gender pay gap among all colleagues was 15.5% in 2020, down from 17.4% in 2019
- the gender pay gap remained close to zero for full-time colleagues aged under 40 years, but was over 10% for older age groups
- compared with lower-paid colleagues, higher earners experienced a much larger difference in hourly pay between the sexes
- there was a fall in the gender pay gap within the managers, directors, and senior officials occupation group in 2020; this group has previously been identified as having a notable impact on the pay gap

More about our figures

Bromford is one the biggest housing associations in the country, with 100,000 customers living in our 45,000 homes. We are proud of the fact that Bromford is a place to belong. Whether it's a home or a place to work, we give everyone somewhere they feel valued, inspired, and able to thrive.

It is great to report the second-best year for us as an organisation since we started reporting five years ago, and we are keen to continue our commitment to reducing the gender pay gap and ensuring we provide a robust and transparent approach to pay and reward whilst creating and developing a much more diverse team at all levels of the organisation.

Comparison to previous years

	Mean	Median	Ethnic Minority Groups (mean)
2017	7.1	11.4	Not reported
2018	4.9	7.4	Not reported
2019	6.7	3.4	Not reported
2019 Merlin	9.9	13.1	Not reported
2020	8.6	5.6	
2020 Merlin	11.6	13.2	8.5
2021 – combined organisation	6.17	7.15	4.27
Bromford 2021	5.45	6.17	5.14
Merlin	11.56	13.75	4.51

The overall gender pay gap (using data provided by all reporting organisations) was 6.17% (mean). Across both Bromford and Merlin, as well as both organisations combined, we are lower than the national average, significantly so in the case of Bromford and the combined organisation. Further details about the data can be found on pages 4 to 9 of this report.

Diversity is valued within Bromford. We know that the more diverse our workforce, the better we will be able to respond to customer needs and to enable our customers to thrive. It is for this reason that we are voluntarily reporting pay gap information for our Black, Asian and minority ethnic (Ethnic Minority Groups) colleagues. We are incredibly pleased that our Ethnic Minority Groups pay gap has reduced since we reported in 2020.

Data and figures follow for:

- Combined organisation (Bromford and Merlin).
- Bromford.
- Merlin.

Combined organisation data

For the combined organisation (i.e., Bromford and Merlin together) there were 1,803 colleagues on the payroll in April. Of these, 47 are termed “not relevant” because they were not on full hourly pay for a variety of reasons (e.g., extended family leave, unpaid sick absence, etc.). Additionally, there were a total of 96 leavers. This leaves a total of 1,660 relevant colleagues for the gender pay calculations. Of these colleagues, 837 (50.4%) are male, and 823 (49.6%) are female.

Mean and median data for all colleagues is shown below.

Mean

Gender	Total emps	Mean	Difference
Male	837	£17.23	6.17%
Female	823	£16.17	
Total	1660		

Median

Gender	Total emps	Median	Difference
Male	837	£14.80	7.15%
Female	823	£13.74	
Total	1660		

Bonus payments

Most colleagues received a bonus (93% of males; 90% of females). The average bonus amount was £325 (males) and £276 (females). This shows a bonus gap of 15%. Full details are provided below.

Gender	Got bonus	Total no of emps	Percentage who got bonus	Average bonus amount	% difference
Male	775	837	93%	£325	15.10%
Female	737	823	90%	£276	

Quartiles

The quartiles summary for all colleagues is shown below:

Quartile summary					
Quartiles	Male numbers	Female numbers	Total numbers	Male %	Female %
Upper quartile	217	198	415	52%	48%
Upper middle quartile	253	162	415	61%	39%
Lower middle quartile	192	223	415	46%	54%
Lower quartile	175	240	415	42%	58%

Combined organisation data (continued)

Ethnicity

The data for the ethnicity pay gap does not add up to the total of “all relevant colleagues” since some colleagues chose not to say. Colleagues who didn’t tell their ethnicity have not been included in the calculations.

Colleague numbers	
Ethnicity - White	1413
Ethnic Minority Groups	131
Blank or prefer not to say	116
Total	1660

Mean

Ethnicity	Total emps	Mean	Difference
White	1413	£16.87	4.27%
Ethnic Minority Groups	131	£16.15	
Total	1544		

Median

Gender	Total emps	Median	Difference
White	1413	£14.37	2.76%
Ethnic Minority Groups	131	£13.97	
Total	1544		

Bromford data

Mean

Gender	Total emps	Mean	Difference
Male	712	£17.51	5.45%
Female	706	£16.56	
Total	1418		

Median

Gender	Total emps	Median	Difference
Male	712	£14.81	6.17%
Female	706	£13.90	
Total	1418		

Bonus calculations

Gender	Got bonus	Total no of emps	Percentage who got bonus	Average bonus amount	% difference
Male	650	712	91%	339	16.63%
Female	620	706	88%	282	

Quartiles

Quartile summary					
Quartiles	Male numbers	Female numbers	Total numbers	Male %	Female %
Upper quartile	184	171	355	52%	48%
Upper middle quartile	211	144	355	59%	41%
Lower middle quartile	156	198	354	44%	56%
Lower quartile	161	193	354	45%	55%

Bromford data (continued)

Ethnicity calculations

Mean

Ethnicity	Total emps	Mean	Difference
White	1218	£17.14	5.14%
Ethnic Minority Groups	95	£16.26	

Median

Ethnicity	Total emps	Median	Difference
White	1218	£14.37	4.67%
Ethnic Minority Groups	95	£13.69	

Merlin data

Mean

Gender	Total emps	Mean	Difference
Male	125	£15.64	11.56%
Female	117	£13.83	
Total	242		

Median

Gender	Total emps	Median	Difference
Male	125	£14.74	13.75%
Female	117	£12.71	
Total	242		

Bonus calculations

Gender	Got bonus	Total no of emps	Percentage who got bonus	Average bonus amount	% difference
Male	125	125	100%	251	4.59%
Female	117	117	100%	239	

Quartiles

Quartile summary					
Quartiles	Male numbers	Female numbers	Total numbers	Male %	Female %
Upper quartile	34	27	61	56%	44%
Upper middle quartile	44	17	61	72%	28%
Lower middle quartile	32	28	60	53%	47%
Lower quartile	15	45	60	25%	75%

Ethnicity calculations

Ethnicity	Total emps	Mean	Difference
White	195	£15.21	4.51%
Ethnic Minority Groups	8	£14.52	
Ethnicity	Total emps	Median	Difference
White	195	£14.74	1.91%
Ethnic Minority Groups	8	£14.45	

Addressing our gender pay gap using our reward strategy

- we have recently undertaken research into three areas of pay and reward. These are:
 - our pay framework
 - benefits
 - recognition
- we have held listening groups and conducted colleague surveys to find out how well our pay and benefits offering is working
- we have a robust approach to job evaluation and pay benchmarking to ensure that fairness and transparency
- over the next 12 to 18 months we will continue to review our offering to ensure that we can attract and retain high calibre colleagues

Investing in colleagues to enable them to thrive

- colleague and leadership competency roll out
- performance management framework
- talent matrix
- learning and development offer to include job and career pathways
- Leadership 50
- development of leaders' induction
- cultivating diverse talent leadership programme
- aspiring leadership programme

EDI (Equality, Diversity, and Inclusion)

- we will conduct a pay audit in August 2022 to ensure that any pay anomalies are addressed
- more diverse workforce, action plan, and development of key targets
- executive EDI champions

Recruitment

- we will continue to adopt recommendations from the EDI audit

New ways of working

- introduction of new work styles to include fixed, field, and roaming

Actions from the GPGR review

We are pleased to report that our pay gap figures are showing significant reductions from last year. We will continue to refine and enhance the value we place on the work undertaken by women, offer flexibility in ways of working to ensure that women with caring responsibilities are not disadvantaged. In common with most other UK organisations, we have more male colleagues in the higher paid quartiles. To address this, we will:

- continue to offer workplace flexibility for both men and women
- advertise and offer all jobs as having flexible working options, such as part-time work, remote working, job sharing, or compressed hours
- allow people to work flexibly where possible

- encourage senior leaders to role model working flexibly and to champion flexible working
- encourage men to work flexibly, so that it isn't seen as only a female benefit
- encourage the take up of shared parental leave since the gender pay gap widens dramatically after women have children. This could be reduced if men and women were able to share childcare more equally
- encourage the recruitment of those returning to work after an extended career break for caring or other reasons and who are either not currently employed or are working in roles for which they are over-qualified
- target advertising to where returners are likely to be looking
- ensure the recruitment process is returner friendly
- offer mentoring and support for women to achieve promotion
- research whether colleagues would like to attend networking programmes to meet and share information and career advice
- where possible include multiple women in shortlists for recruitment and promotions
- use structured interviews for recruitment and promotions as unstructured interviews are more likely to allow unfair bias to creep in and influence decisions
- be aware that women are less likely to negotiate their pay on appointment or promotion

In addition to the above measures, we will continue to:

Review our reward offer

To help our colleagues thrive we regularly benchmark our pay and reward offering to ensure that it still is competitive and is valued by colleagues. We review how we reward career progression, to ensure we support best transparency. In terms of continuing to reduce the pay gap we evaluate all new posts and benchmark the pay and total reward package to ensure both fairness amongst internal peers and competitiveness in the external market.

Training for recruitment

All recruiters are trained in the avoidance of bias and the importance of equality of opportunity throughout the recruitment process. We will continue to work with Women in Construction and Women in Trade to help attract females to our trade roles which are traditionally male dominated.

Investing in colleague development

Equality, diversity, and inclusion will continue to be enhanced in the people development offering with the introduction of a competency framework. Competencies enable a fair and transparent approach to performance, reward, and career development; making explicit the knowledge, skills, and behaviours needed for success. In addition, one of the core competencies is 'Allies diversity'. This helps ensure our colleagues work in a way that delivers belonging, dignity, and justice. All colleagues will continue to discuss their performance against the competencies with their leader. The current offering includes access to coaching and a comprehensive suite of development opportunities through our online Learning Lounge which has a specific section dedicated to women in business.

Leadership

We are also working hard to grow and develop our internal leadership capability. We have committed to supporting 300 colleagues in completing leadership courses by the end of 2023. This includes an aspiring leaders' programme which proves our commitment to supporting colleagues – both male and female – in progressing as far as their ability and ambition will take them. The intake for our last aspiring leaders programme was 50% males and 50% females. We are also currently developing, along with other housing providers, a leadership programme specifically for ethnic minority nominations.

Apprentice and graduate recruitment

We have also pledged to recruit 100 apprentices and graduates by the end of 2023 to help attract new talent into the organisation.

Providing work-life balance

We run an innovative trust based, flexible working practice. Colleagues work their weekly contracted hours in a flexible way; they are not bound by 'core hours' or start and finish times; but can work in a more agile way, helping them to balance work and family commitments. We support this with a generous holiday allowance of 27 days (this is in addition to the statutory bank holidays) and the opportunity to buy and sell up to one weeks' annual leave each year. We support colleagues with care commitments through our family friendly policies.

Demonstrating our commitment

To reduce our pay gap further, we use a loan linked to our gender pay gap results. If we meet our target then our interest rates reduce, enabling us to re-invest our savings in enabling customers to thrive. This ground-breaking loan agreement helps to demonstrate Bromford's commitment to continue to be a workplace in which everyone can thrive, regardless of gender, or any other personal characteristic.