

Ethnicity Pay Gap Report 2023



Foreword

This is our third year of reporting our Ethnicity Pay Gap – following through on our commitment to colleagues. Over the past three years, we have continued to take meaningful action to improve our Ethnicity Pay Gap and we remain amongst a small number of employers that publish voluntarily.

Our headline 2023 mean Ethnicity Pay Gap is 11.35% and our median is 9.81%. The median has increased by 2.58% but the mean has slightly increased by 0.64% from the figures we published in 2022.

There are two key reasons for the increase. Firstly, we have recruited additional resources into our Customer Contact Centre, and this has increased the proportion of Asian colleagues in our lower middle quartile area. Whilst this has the effect of reducing the median, these roles are great initial stepping stones for colleagues starting a career in housing. Secondly, we have also increased resources in our Trades Team. These roles are traditionally occupied by a predominantly white male workforce. To redress this balance in the future, 38% of our Maintenance Apprentices are from an ethnically diverse background, allowing us to grow our own talent to improve representation in these roles.

As I explained last year, the highest Ethnicity Pay Gap continues to be our black colleague group. The gap has reduced slightly, by 0.41% from last years' figure when compared to white colleagues. Encouragingly, our pay gap for colleagues of mixed ethnic groups has reduced by 2.24% from the 2022 figure too.

I'm assured that we are representative of our tenants and geography when we look at our overall demographics, but we know that to reduce our Ethnicity Pay Gaps, we need to increase the representation of black and ethnically diverse colleagues at manager, specialist and leadership level roles in our upper middle and upper quartiles. Our focus is to support and develop our high performing colleagues at frontline levels to grow into future leaders.



This will take time, but we are already making some progress, with the introduction of our Black Colleague Development Programme. As a direct result of this, four colleagues have moved into higher paid roles. 46% of promotions have also been to colleagues from an ethnically diverse background.

Whilst not making publication mandatory, the Government has recently issued guidance for employers on how to calculate their Ethnicity Pay Gap. They have recommended calculating a comparison for each ethnic group, rather than just a single headline measure of the pay gap between white colleagues and all other ethnic groups. We have followed the guidance when analysing our data, and this has given us an insight into the pay gaps between multiple ethnic groups. However, we will continue to publish one headline measure as this allows us to compare progress year-on-year from our original baseline position in 2021.

After applying the Government guidance, the core reasons we identified for our Ethnicity Pay Gaps remain unchanged, so the work we are doing to reduce these continues at pace. It's important that we keep committed to our aims outlined in the actions below. We will keep embedding our initiatives, monitoring progress, and continuing to engage with Unity, our Race Network to listen to our ethnically diverse colleague groups.

Baljinder Kang

Executive Director of Corporate Resources

Ethnicity Pay Gap

The Ethnicity Pay Gap for our colleague groups is shown below:

Ethnicity	Mean Pay Gap	Median Pay Gap
Asian groups	1%	0.23%
Black /African / Caribbean / Black British groups	21.4%	20.55%
Mixed / Multiple ethnic groups	14.1%	14.09%
All ethnic minority colleagues compared to white colleagues	11.35%	9.81%

Colleagues in each ethnic group by pay quartile are follows:

	Asian	Black	Mixed	White
Lower Quartile	6.94%	20.14%	4.51%	65.28%
Lower Middle Quartile	24.31%	21.18%	7.99%	41.32%
Upper Middle Quartile	14.24%	10.76%	4.17%	68.06%
Upper Quartile	16.96%	5.88%	4.15%	70.59%
Colleague Profile	15.60%	14.60%	5.20%	61.20%

Ethnicity Bonus Gap

Our bonus payments by ethnic group are as follows:

	Asian	Black	Mixed	White	Other
% of colleagues receiving a bonus	48.3%	50.9%	40.0%	55.5%	50.0%
Mean Bonus	£456	£745	£679	£1,140	£50
Median Bonus	£50	£50	£50	£50	£50

The median bonus gap continues to be 0% (£50). As we have noted previously in our pay gap narratives, the mean bonus pay gap in our organisation solely exists because we have a productivity bonus scheme for our In-House Maintenance Team.

When we analyse our Trades bonus scheme in detail, the average bonus payment regardless of ethnic group is the same or higher than the average for white colleagues.

Actions to improve our pay gap

We continue to focus on three key areas;



Listening to Colleagues

We have worked with Unity, our Race Network to shape and deliver Career Development Workshops based on topics that they've told us are important to colleagues from a black, Asian and ethnically diverse background, aimed at supporting their progression.



Improving our Data

As reported last year, we have worked hard to ensure that colleagues understand why diversity data is important. We now have 99% of colleagues disclosing data regarding their ethnicity so are confident in the on-going accuracy of our pay gaps.

Following the success of our level of colleague unknown data, we are working with our tenants to ensure that we reduce the level of unknown ethnicity data. This will mean that we can be more confident when comparing our tenant data with our colleague demographics, to ensure we are representative.



Colleague Development for Black and Ethnic Minority Colleagues

We have delivered the first cohort of the development programme for black colleagues. As a direct result of the programme four colleagues have moved into higher paid roles.

Looking wider than the programme, 39% of colleagues who are currently receiving investment in their formal development are from ethnically diverse groups. We have also launched our new Aspiring Managers Programme, where 50% of delegates are from ethnically diverse groups. We have also recruited our second cohort of Degree Apprentices; 29% are black and 57% are from ethnically diverse groups.

This has all contributed to 46% of promotions being to colleagues from an ethnically diverse background (19% to black colleagues).

What next?

Our aim continues to be building on the work we've already started and ensure it has a real impact for our ethnically diverse colleagues.

Our key actions include;

- ▶ Continued delivery of development programmes to develop our pipeline of talent.
- ▶ Continued focus on early careers, particularly in areas where we know our representation of ethnically diverse colleagues is lower.
- ▶ Supporting Unity to build even stronger engagement across the organisation and ensure we fully understand any barriers affecting career progression from a wide representation of ethnically diverse colleagues.
- ▶ Reviewing succession plans and challenging the proportion of ethnically diverse successors.
- ▶ Providing diversity metrics to leaders to ensure greater visibility in their areas and help identify imbalances and tackle these at a local level.
- ▶ With Unity, supporting a culture of inclusion by ensuring we raise awareness of matters through the lens of ethnically diverse colleagues e.g. menopause and black men's mental health.





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