

The logo consists of the letters 'L' and 'Q' in a bold, yellow, sans-serif font, with an ampersand between them. The background of the entire page is a photograph of three people sitting at a wooden table on a rooftop terrace. A woman with long dark hair is on the left, looking down at a tablet. A man in a light blue shirt is in the foreground, seen from the back, holding a glass. Another man in a tan sweater is in the middle ground. The background shows a city skyline with several skyscrapers and construction cranes under a hazy sky. There are green bushes and plants in the foreground and middle ground.

L&Q

Fair pay report

2019



Introduction

At L&Q we are proud to be leading the way with our approach to ensuring all colleagues are paid fairly for the job they do.

We are required to report on the gender pay gap for each company within the group and with more than 250 employees, this means we report on L&Q Housing Trust and L&Q Living separately.

This year the report also includes figures from our ethnicity and disability pay reporting.

We recognise that our data is incomplete regarding disability reporting. However, we believe that by publishing what we do hold, it will encourage greater sharing of this information from our colleagues by demonstrating what we will do with the information they provide.

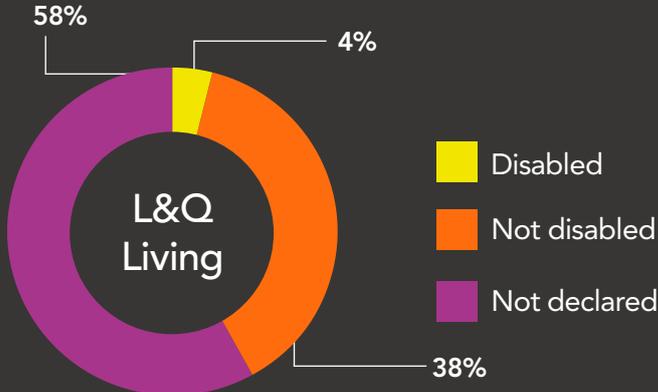
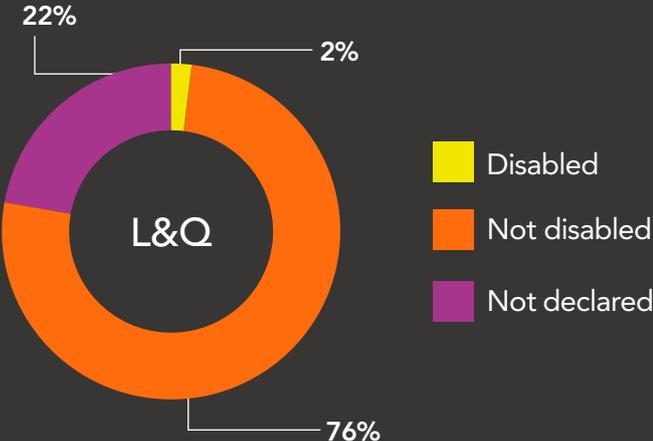
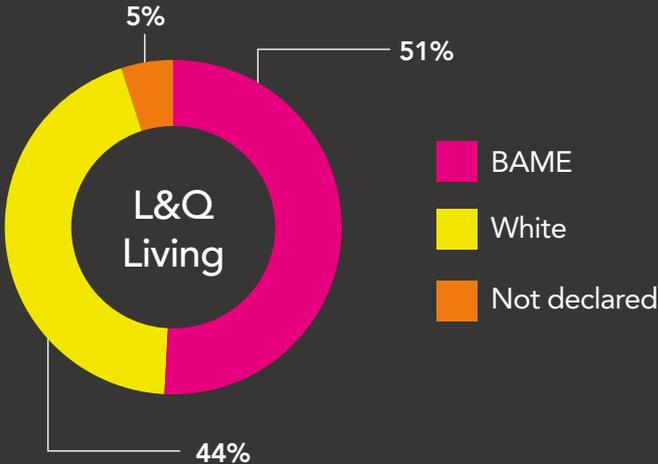
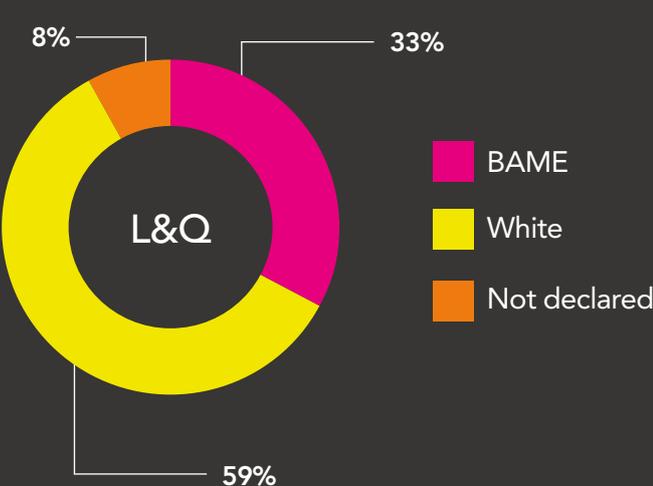
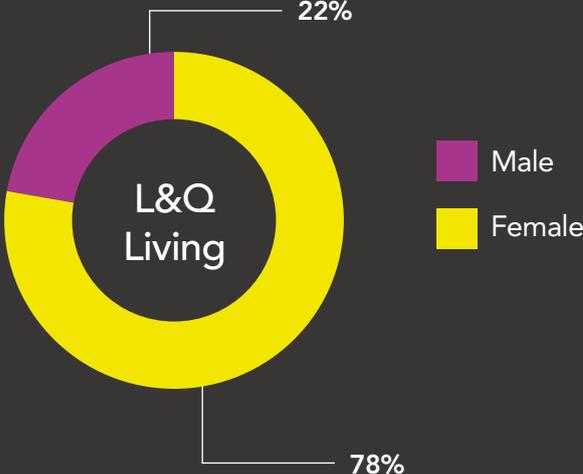
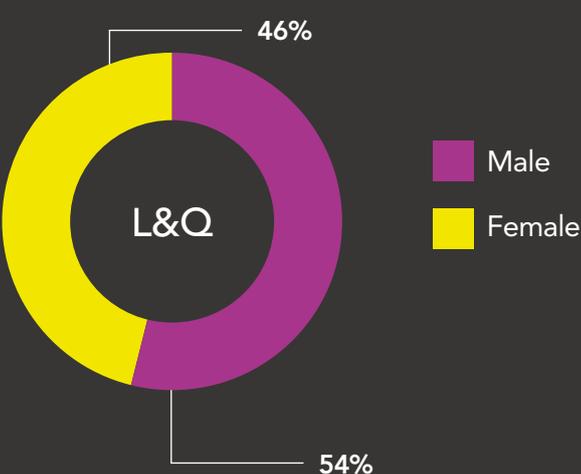
We follow the guidance from the Living Wage Foundation when making decisions on pay, paying the real living wage to almost all colleagues. This does not include our lower tier apprentices who are paid the National Living Wage while they complete their basic training.

We have not published pay data for sexual orientation. Our rationale is that, due to the structure of our organisation and the number of LGBTQ+ colleagues involved, there is a high probability of making the sexual orientation of the most senior members of our organisation known. Regardless of individual preference, we operate on the principle that data publication should never reveal sensitive information about individual colleagues.

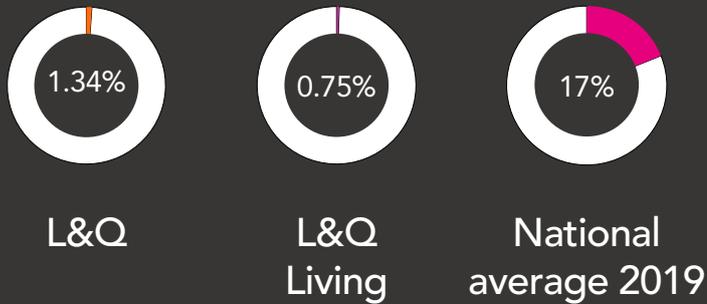
We remain open about how far we have come and where we still have room for improvement. Here, we present our gender, ethnicity and disability pay gap for the year 2018/2019.

At a glance

Our people



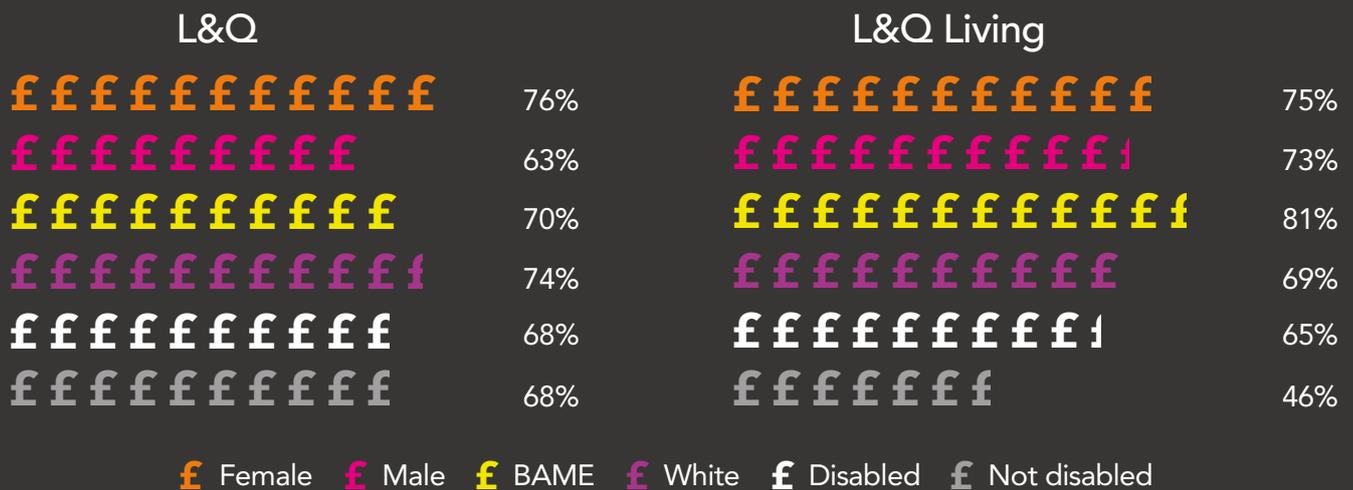
Median gender pay gap



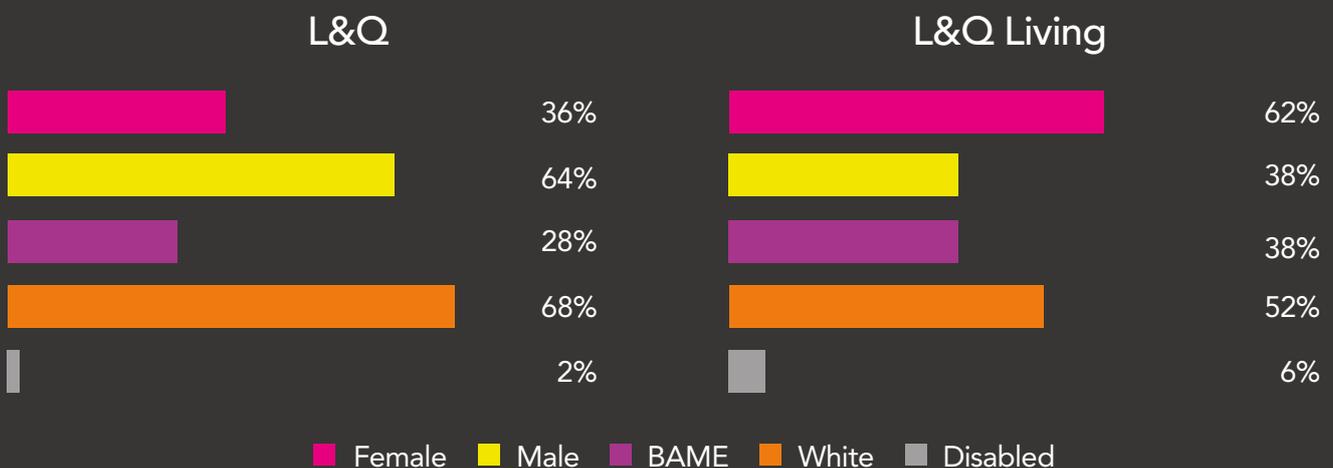
Median ethnicity pay gap



Bonus payments – colleagues who received a bonus



Pay bands – our top earners



Our gender pay gap

The pay gap is the difference between the mean or median earnings of men and women, divided by the mean or median earnings of men.

A median pay gap of 1.3% shows that the difference between male and female median pay is 1.3% of male earnings. A minus figure would show that female median earnings were higher. The median pay gap is 1.3% at L&Q and 0.75% at L&Q Living. These figures are an improvement from our 2018 figures, which were 7.6% and 1.7% respectively. We recognise there is more work to be done and through our diversity and inclusion strategy and action plan we will continue to undertake work to reduce this gap.

Mean versus median?

Mean earnings are the average - they are calculated by adding up all hourly earnings and dividing them by the number of staff. Median earnings come from ranking all earnings from lowest to highest and identifying the number in the middle. Statisticians tend to prefer median values to mean ones but we present both here.

Gender pay gap	L&Q	L&Q Living
Median	1.3%	0.8%
Mean	11.2%	19.8%

Colleague distribution by pay quartile	L&Q		L&Q Living	
	Female	Male	Female	Male
Lower	49.5%	50.4%	90.0%	10.0%
Lower mid	43.5%	56.4%	73.9%	26.0%
Upper mid	56.2%	43.7%	84.0%	15.9%
Upper	35.9%	64.0%	62.3%	37.6%

To obtain these figures, all colleagues within each entity are ranked from lowest to highest earnings, and then divided into four equal segments.

Gender bonus pay gap	L&Q	L&Q Living
Median	0.0%	0.0%

These figures are calculated in the same way as the pay gap figures, but they relate to bonuses received between April 2018 and March 2019. Only colleagues who received a bonus are included in the calculations.

Percentage of colleagues receiving a bonus	L&Q	L&Q Living
Female	75.9%	74.7%
Male	62.7%	73.1%

This shows the percentage of colleagues who were employed in April 2019 and who received any bonus payment between April 2018 and March 2019.



Our ethnicity pay gap

The pay gap is the difference between the median earnings of colleagues from a white background and from a BAME background, divided by the median earnings of colleagues from a white background.

A median pay gap of 2.3% shows that the difference between the median pay of colleagues from a white and BAME background is 2.3% of the earnings of those from a white background. A minus figure would show that median earnings of BAME colleagues were higher. The median pay gap is 2.3% at L&Q and 0% at L&Q Living, which is unchanged from last year. Through our diversity and inclusion strategy and action plan we will continue to undertake work to reduce this gap further at L&Q.

Ethnicity pay gap	L&Q	L&Q Living
Median	2.3%	0%
Mean	11.2%	7.8%

Colleague distribution by pay quartile	L&Q		L&Q Living	
	BAME	White	BAME	White
Lower	34.5%	51.7%	22.8%	71.4%
Lower mid	31.0%	58.9%	78.2%	18.8%
Upper mid	38.5%	57.2%	65.2%	33.3%
Upper	27.8%	66.7%	37.6%	52.1%

To obtain these figures, all colleagues within each entity are ranked from lowest to highest earnings, and then divided into four equal segments.

Some members of staff have not disclosed or prefer not to say their ethnic background/disability status. Because we do not have this information they are excluded from the figures above, and so the percentages of staff in each quartile do not add up to 100%.

Ethnicity bonus pay gap	L&Q	L&Q Living
Median	0.0%	0.0%

Percentage of colleagues receiving a bonus	L&Q	L&Q Living
White	73.8%	69.4%
BAME	69.4%	80.9%

Our disability pay gap

The pay gap is the difference between the median earnings of colleagues with a disability and from those without a disability, divided by the median earnings of colleagues with a disability.

A median pay gap of -4.6% shows that the difference between the median pay of colleagues with a disability and those without a disability is -4.6% of the earnings of those with a disability. A minus figure would show that median earnings of disabled colleagues were higher. The median pay gap is -4.6% at L&Q and 5.2% at L&Q Living.

Disability pay gap	L&Q	L&Q Living
Median	-4.6%	5.2%
Mean	-3.4%	-15.16%

Colleague distribution by pay quartile	L&Q		L&Q Living	
	Disability	No disability	Disability	No disability
Lower	2.0%	76.3%	4.2%	30.0%
Lower mid	1.8%	78.8%	1.4%	33.3%
Upper mid	3.3%	69.4%	4.3%	39.1%
Upper	2.0%	79.5%	5.8%	47.8%

To obtain these figures, all colleagues within each entity are ranked from lowest to highest earnings, and then divided into four equal segments.

Some members of staff have not disclosed or prefer not to say their ethnic background/disability status. Because we do not have this information they are excluded from the figures above, and so the percentages of staff in each quartile do not add up to 100%.

Disability bonus pay gap	L&Q	L&Q Living
Median	0.0%	0.0%

Percentage of colleagues receiving a bonus	L&Q	L&Q Living
Disability	68.4%	64.7%
No disability	67.6%	46.2%

What we're doing

In 2019, we conducted an organisation wide pay review, with the aim of reducing legacy pay inequalities.

We have invested heavily in technology to enable our people to work flexibly. All our job adverts, including the most senior roles in the organisation, include the commitment that the role can be performed using a range of flexible working options.

All our colleagues receive diversity and inclusion training upon joining L&Q, including an introductory session on unconscious bias. There are specific reminders on unconscious bias in our training for recruiters and people managers, to make sure they use the tools available to make the process as fair as possible.



Gender

- We have adopted interventions when recruiting for senior roles, both internally and externally. These include setting targets for recruitment into our Senior Leadership Group and guaranteeing interviews for women who meet the minimum criteria for the role.
- Nurturing diverse talent is at the heart of our talent management strategy, ensuring women are proportionately represented on our programmes for aspiring managers and future leaders.
- Our gender equality network, Inspire, has formed a strategic partnership with UN Women, working on their 'HeForShe' initiative to bring men to the forefront of the conversation about gender equality as allies.

Ethnicity

- We have set targets for recruitment into our Senior Leadership Group, guaranteeing interviews for BAME candidates who meet the minimum criteria for the role.
- We are ensuring BAME colleagues are proportionately represented on our programmes for aspiring managers and future leaders. Additionally, we are co-founders of the highly successful Leadership2025 programme, exclusively for BAME senior leaders.

Disability

- We are a Disability Confident (Committed) organisation and are proactively working towards Employer status. As part of this commitment, we offer an interview to all disabled candidates who meet the minimum criteria for the role.
- To increase disability representation within the organisation, we have partnered with a specialist recruitment consultant, Evenbreak, to advertise our vacancies to disabled candidates.
- We have worked with Enhance the UK to provide disability awareness training to our staff and user-led accessibility audits of our buildings.



For more information

L&Q Group

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 @LQHomesMatter