

# Fair pay report





## 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.

We continue to report on ethnicity and disability pay, although we recognise that our data is incomplete regarding disability reporting. Still, 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.

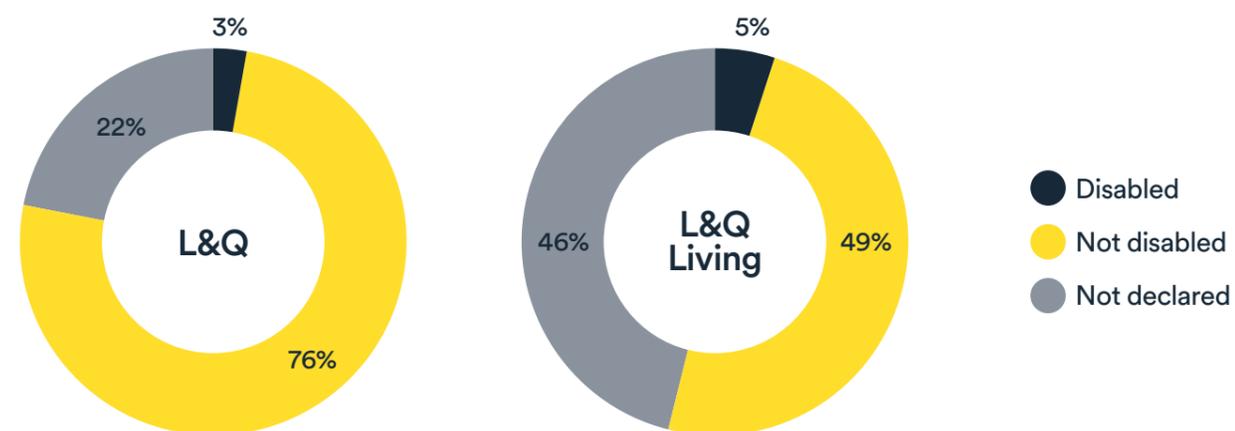
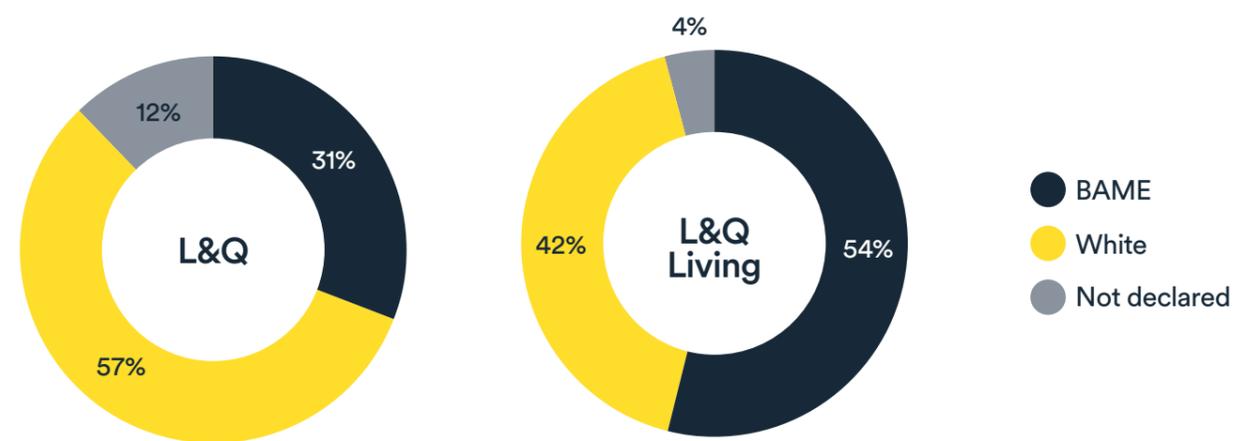
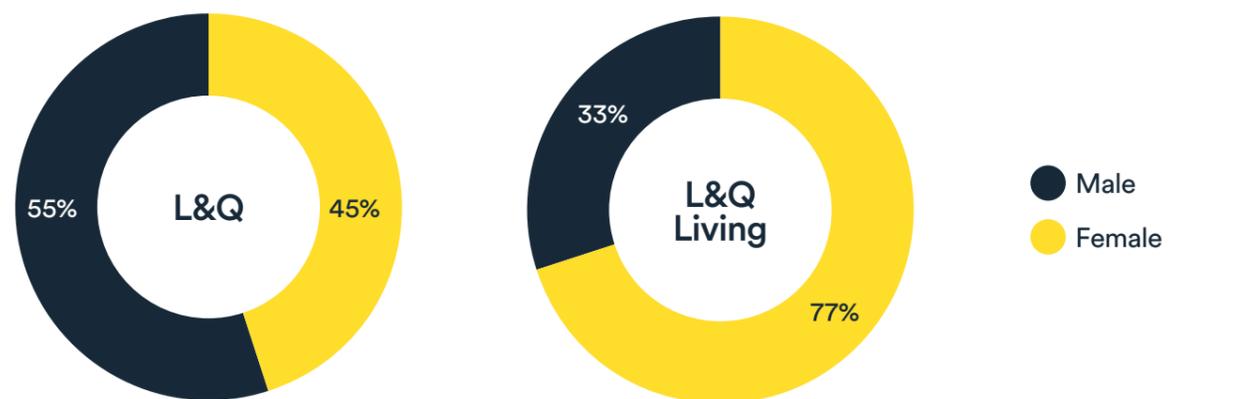
We have not published pay data for sexual orientation. Our reason for this is because of the structure of our organisation and the number of LGBTQ+ colleagues involved. If we were to share this data, there is a high probability of making the sexual orientation of the most senior members of our organisation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

It is worth noting that the coronavirus pandemic has not impacted the fair pay figures in this report. In March 2020, we took the decision to furlough colleagues on full pay, therefore topping up the 80% paid by the government. There will therefore be no discrepancy in fair pay figures that relates to coronavirus.

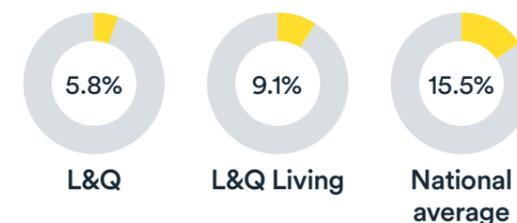
We remain open about how far we have come and where we still have room for improvement. Here, we present our gender, ethnicity and disability pay gap for the year 2019/2020.

# At a glance

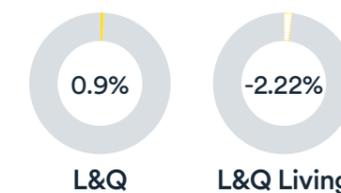
## Our people



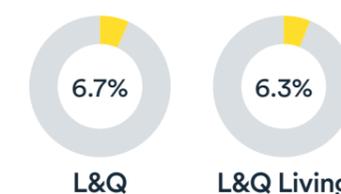
## Median gender pay gap



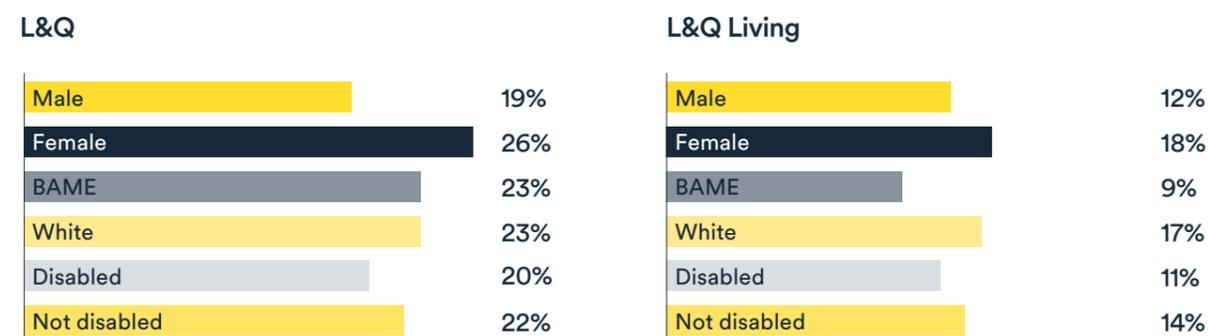
## Median BAME pay gap



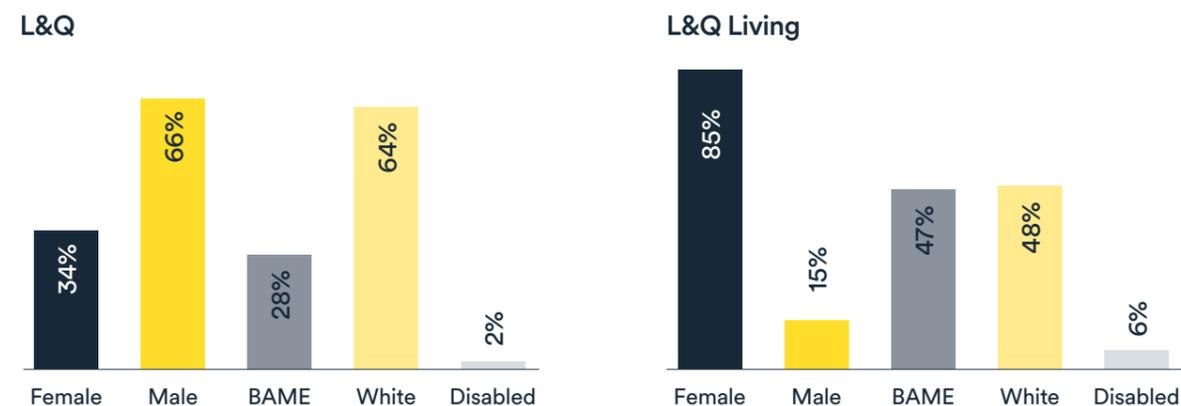
## Median disability pay gap



## Bonus payments - colleagues who received a bonus



## 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 5.8% shows that the difference between male and female median pay is 5.8% of male earnings. A minus figure would show that female median earnings were higher. The median pay gap is 5.8% at L&Q and 9.05% at L&Q Living. These figures show that our gender pay gap has increased slightly from the previous year, where the median pay gap was 1.3% and 0.8% respectively. Although this is an increase, the trend from when we first started reporting these figures is downwards and we remain committed to closing the 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	5.8%	9.1%
Mean	12.2%	15.1%

Colleague distribution by pay per quartile	L&Q		L&Q Living	
	Female	Male	Female	Male
Lower	54.1%	45.9%	84.5%	15.5%
Lower mid	40.2%	59.8%	78.6%	21.4%
Upper mid	50.9%	49.1%	80%	20%
Upper	34.4%	65.6%	64.8%	35.2%

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	-14.4%	48.4%

These figures are calculated in the same way as the pay gap figures, but they relate to bonuses received between April 2019 and March 2020. Only colleagues who received a bonus are included in the calculations.

Percentage of colleagues receiving bonus	L&Q	L&Q Living
Female	26.05%	18.29%
Male	18.87%	11.81%

This shows the percentage of colleagues who were employed in April 2019 and who received any bonus payment between April 2019 and March 2020.



# 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 0.9% shows that the difference between the median pay of colleagues from a white and BAME background is 0.9% 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 0.9% at L&Q and -2.22% at L&Q Living. These figures are an improvement from our 2019 figures, which were 2.3% and 0% respectively. 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	0.9%	-2.22%
Mean	8.8%	6.2%

Colleague distribution by pay per quartile	L&Q		L&Q Living	
	BAME	White	BAME	White
Lower	31.5%	54.2%	32.4%	64.8%
Lower mid	28.8%	55.0%	72.9%	24.3%
Upper mid	36.4%	55.0%	62.9%	32.9%
Upper	28.2%	64.0%	46.5%	47.9%

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	-22.5%	25.0%

Percentage of colleagues receiving bonus	L&Q	L&Q Living
White	22.7%	17.2%
BAME	22.7%	8.5%

# 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 -6.7% shows that the difference between the median pay of colleagues with a disability and those without a disability is -6.7% 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 -6.7% at L&Q and -6.3% at L&Q Living.

Disability pay gap	L&Q	L&Q Living
Median	-6.7%	-6.3%
Mean	1.1%	8.51%

Colleague distribution by pay per quartile	L&Q		L&Q Living	
	Disability	No dis	Disability	No dis
Lower	2.7%	78.4%	5.6%	39.4%
Lower mid	1.9%	75.0%	7.1%	47.1%
Upper mid	4.0%	69.8%	1.4%	52.9%
Upper	2.1%	79.6%	5.6%	56.3%

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%	-100%

Percentage of colleagues receiving bonus	L&Q	L&Q Living
Disability	19.7%	10.5%
No disability	22.4%	14.1%

# What we're doing



# What we're doing

In 2019, we carried out organisation wide pay review, with the aim of reducing pay inequalities that may have developed over the years.

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 recruitment and promotion processes 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 an interview 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 worked to understand the experiences of women at L&Q throughout lockdown, which has informed our approach to flexible working during the coronavirus crisis to support women to stay in work.

## Ethnicity

- 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 an interview for BAME candidates who meet the minimum criteria for the role.
- Nurturing diverse talent is at the heart of our talent management strategy, ensuring BAME colleagues are proportionately represented on our programmes for aspiring managers and future leaders. We are co-founders of the highly successful Leadership2025 programme, exclusively for BAME senior leaders, and with our G15 partners have launched 'Accelerate', a development programme for BAME managers aspiring to senior leadership. Twenty percent of the Accelerate cohort is made up of L&Q colleagues, demonstrating the wealth of talent in our organisation.
- Our cultural diversity network, Kaleidoscope, has held a series of 'Let's Talk About Race' workshops for all colleagues to explore the issue of race in society and in the workplace.

## 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.
- We have worked with disability charity, Enhance the UK, to provide disability awareness training to our staff and user-led accessibility audits of our buildings.
- We have launched a new colleague-led disability group at L&Q, to serve as both a support network for colleagues, but also a future driving force for inclusive decision making at L&Q. We hope it will grow to serve as an advice and scrutiny panel where colleagues are empowered to use their unique insight and experiences to drive our decisions.

A solid yellow vertical bar is positioned on the left side of the page, extending from the bottom edge to approximately two-thirds of the way up. The L&Q logo is centered within this bar.

**L&Q**

**For more information**

L&Q Group

T: 0300 456 9998

[www.lqgroup.org.uk](http://www.lqgroup.org.uk)