

2021

# Fair pay report



L&Q



# Introduction

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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 based on a snapshot date of 5 April, for each company within the group with more than 250 employees. This means we report on L&Q Housing Trust and L&Q Living separately. For the first time information for Trafford Housing Trust is also presented as part of this report.

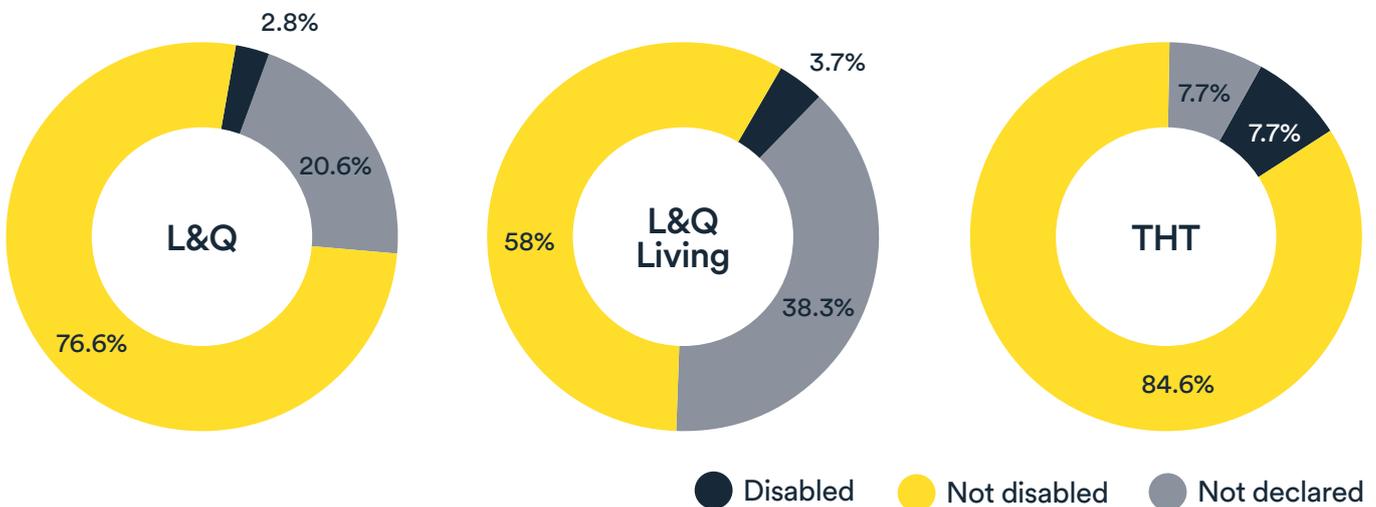
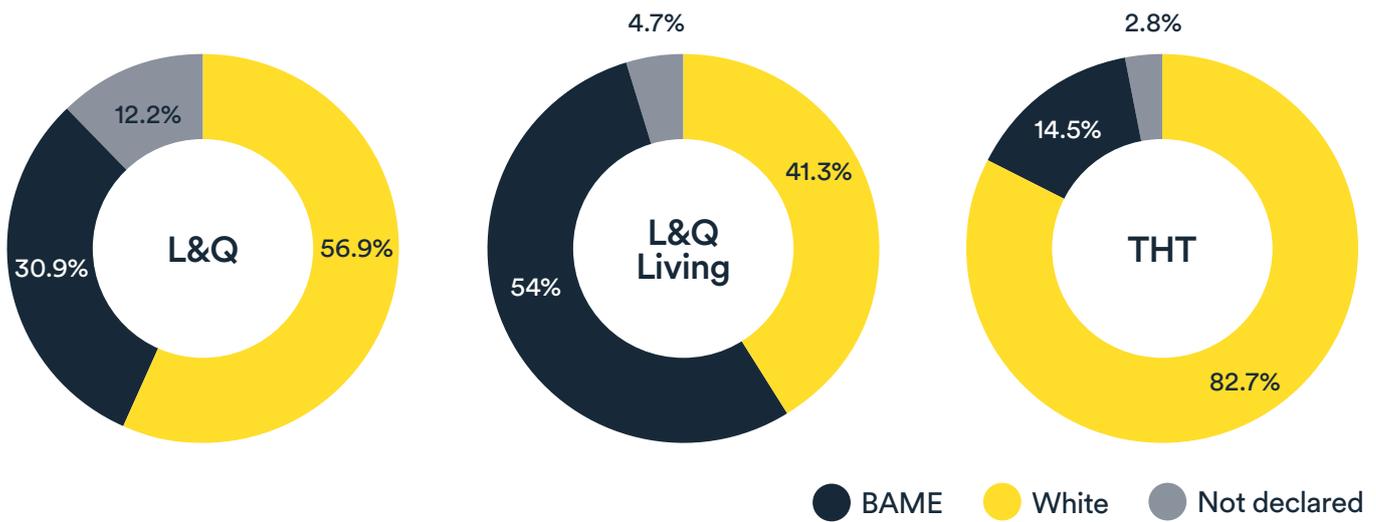
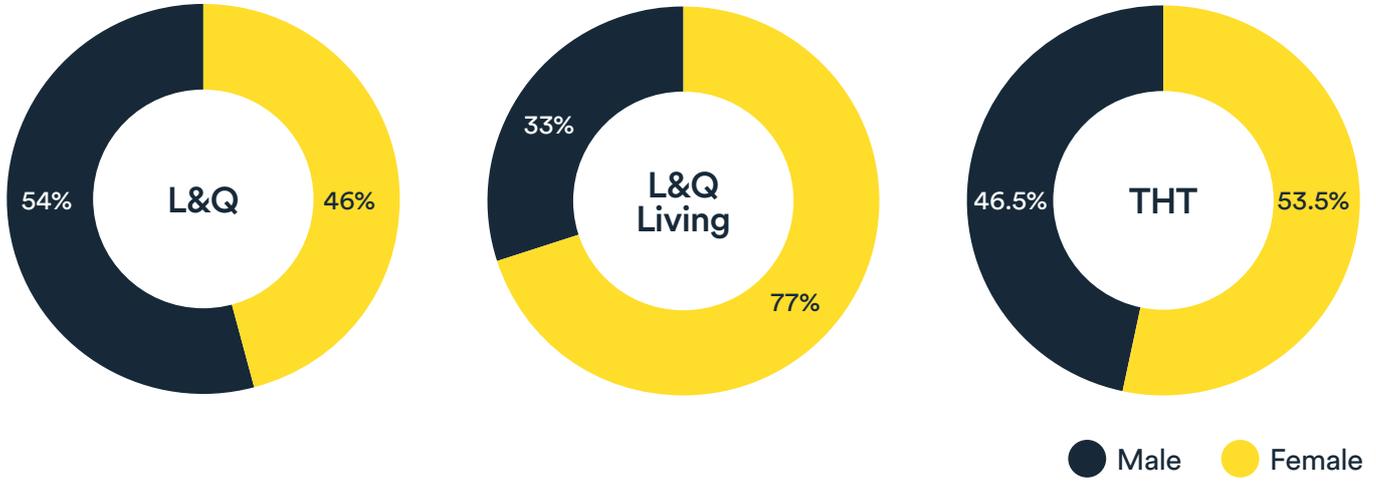
We continue to report on ethnicity and disability pay, although we recognise that our data is incomplete regarding disability reporting. Still, we believe that by publishing what we do hold, it will encourage greater sharing of this information from our colleagues by demonstrating what we will do with 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 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.

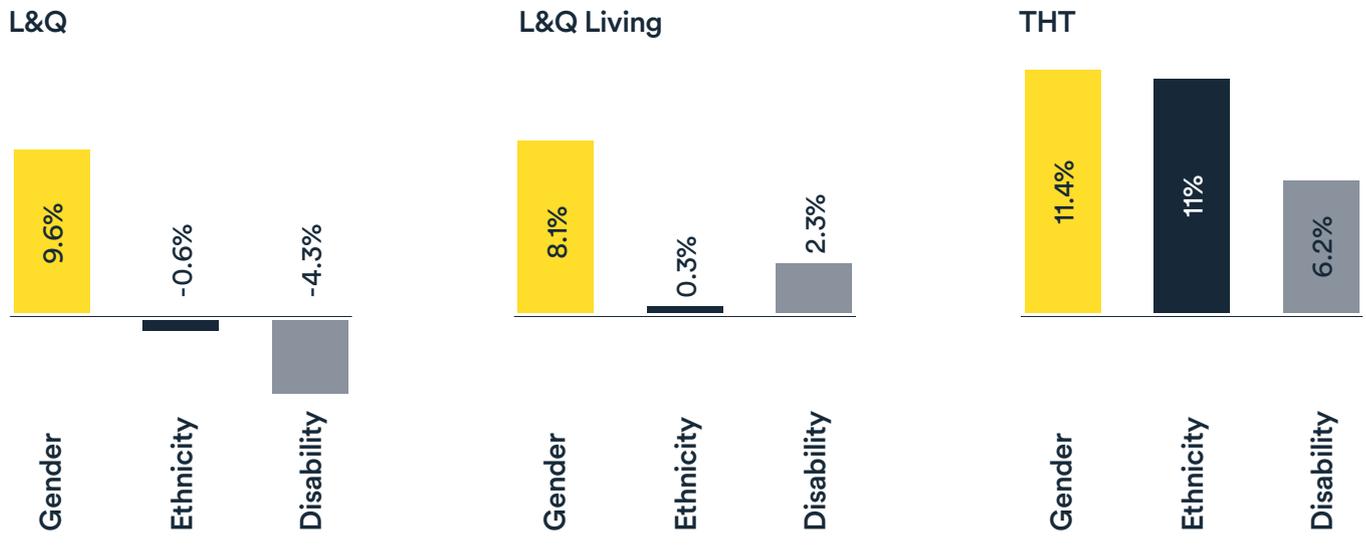
We remain open about how far we have come and where we still have room for improvement. Here, we present our gender, ethnicity and disability pay gap for the year 2020/2021.

# At a glance

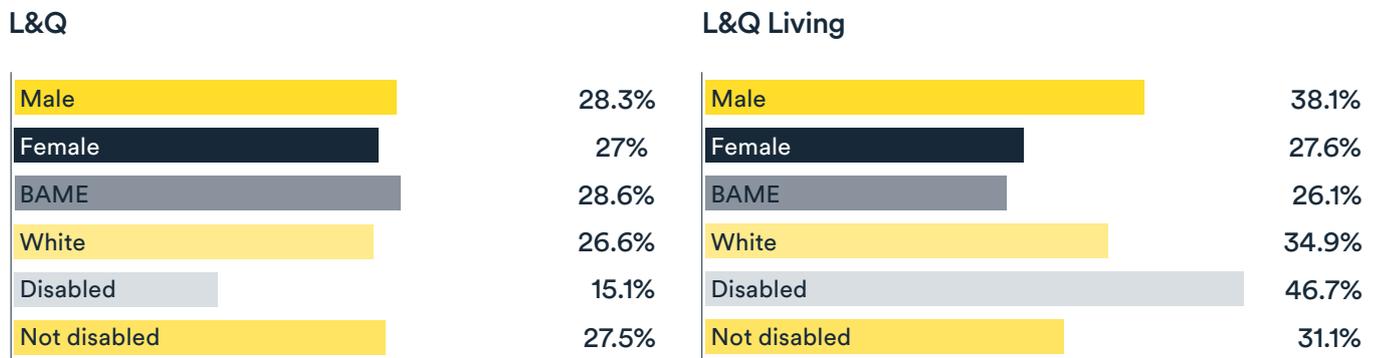
## Our people



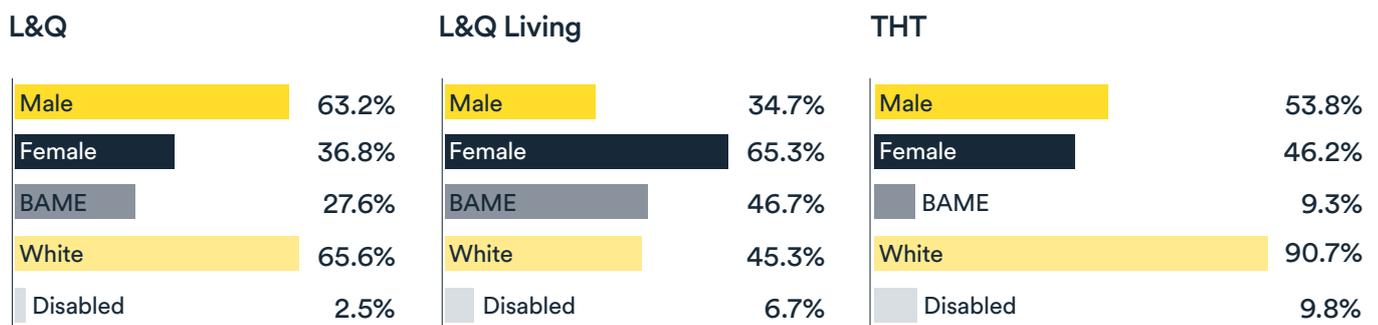
## Median pay gaps



## 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 9.6% shows that the median pay of women is 9.6% less than the median pay of men. A negative number shows that the women's pay is higher than men's. The median gender pay gap at both L&Q and Trafford Housing Trust is higher this year than it was last year, though at L&Q Living it has reduced. We have investigated the underlying reasons for this increase and 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	THT
Median	9.6%	8.1%	11.4%
Mean	11.3%	13.9%	13.4%

Gender quartiles	L&Q		L&Q Living		THT	
	Female	Male	Female	Male	Female	Male
Lower	56.5%	43.5%	86.7%	13.3%	69.2%	30.8%
Lower mid	44.2%	55.8%	76%	24.0%	53.4%	46.6%
Upper mid	46.6%	53.4%	80%	20%	45%	55%
Upper	36.8%	63.2%	65.3%	34.7%	46.2%	53.8%

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 are related to bonuses received between April 2020 and March 2021. Only bonuses actually paid are included in the calculations. Trafford Housing Trust did not operate any bonus scheme during that period.

Percentage of colleagues receiving bonus	L&Q	L&Q Living
Female	27.0%	38.1%
Male	28.3%	27.6%

This shows the percentage of colleagues who were employed in April 2021 and who received any form of bonus payment between April 2020 and March 2021.



# 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 -0.6% shows that the median pay of colleagues from a BAME background is 0.6% more than that of colleagues from a white background. Where the figure is a positive number it shows that the pay of BAME colleagues is lower than those from a white background.

Ethnicity pay gap	L&Q	L&Q Living	THT
Median	-0.6%	0.3%	11.0%
Mean	6.8%	6.8%	18.7%

Ethnicity quartiles	L&Q		L&Q Living		THT	
	BAME	White	BAME	White	BAME	White
Lower	31.1%	55.7%	46.7%	48%	20.2%	79.8%
Lower mid	26.7%	55.3%	62.7%	33.3%	18.6%	81.4%
Upper mid	36.3%	54.1%	60%	38.7%	11.6%	88.4%
Upper	27.6%	62.6%	46.7%	45.3%	9.3%	90.7%

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%	25%
Mean	-1.3%	11.8%

Percentage of colleagues receiving bonus	L&Q	L&Q Living
BAME	28.6%	26.1%
White	26.6%	34.9%

# 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 -4.3% shows that the median pay of disabled colleagues is 4.3% more than those without a disability. Where the figure is positive it shows that the pay of disabled colleagues is lower than those without a disability.

Disability pay gap	L&Q	L&Q Living	THT
Median	-4.3%	2.3%	6.2%
Mean	-2.8%	-24.5%	-8.6%

Colleague distribution by pay per quartile	L&Q		L&Q Living		THT	
	Disability	No dis	Disability	No dis	Disability	No dis
Lower	2.5%	78.8%	4%	52%	9.8%	90.2%
Lower mid	2.8%	75.4%	4%	57.3%	4.9%	95.1%
Upper mid	3.3%	72.9%	0%	68%	9.0%	91%
Upper	2.5%	79.1%	6.7%	54.7%	9.8%	90.2%

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	20%	-166.7%
Mean	86%	-58.3%

Percentage of colleagues receiving bonus	L&Q	L&Q Living
Disability	15.1%	26.1%
No disability	46.7%	31.1%

**What we're doing**





# What we're doing

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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 staff receive diversity and inclusion training upon joining L&Q. When training our recruiters and people managers we remind them of our D&I commitments, and to ensure they use the tools available to make recruitment and promotion processes as fair as possible.



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## 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. We met our commitments in this area in 2020/2021, with women making up 50% of senior appointments. We ensure women are proportionately represented on our programmes for aspiring managers and future leaders to provide a talent pipeline for the future.
- Our gender equality network, Inspire, has worked to understand the experiences of women at L&Q throughout lockdown, which has informed our approach to hybrid working as we emerge from the COVID-19 crisis.

## 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. We met our commitments in this area in 2020/2021, with BAME colleagues making up 100% of senior appointments.
- 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. 20% of the current 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 events throughout the year to explore how race impacts individuals 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. A particular highlight in the past year was training on 'hidden disabilities' for colleagues.
- September 2021 saw the formal launch of our newest staff diversity network, Ability. The network has already had an impact by informing our approach to training line managers on reasonable adjustments.

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**L&Q**

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