



Homes
England

The Housing and Regeneration Agency

Gender and Ethnicity pay gap

2023



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Foreword

At Homes England it is important to us that we have fair and equal pay for all, regardless of gender or ethnicity.

While we are pleased with the overall progress we have made to reduce our mean and median gender pay gap since 2017, we recognise that to meet our own ambitions, we have much more work to do – and are disappointed to see a 1% increase in our gender pay gap.



Peter Denton
Chief Executive Officer

This year, we are also reporting on our ethnicity pay gap for the first time. This is a core aspect of our ambition and ongoing commitment to fostering a brilliant place to work and inclusive workplace. Following the publication in April 2023 of government guidance to employers on reporting ethnicity, we committed to including the ethnicity pay gap alongside the gender pay gap. We have chosen to do this to have greater insight and understanding of what factors are driving any pay gaps and enable us to identify meaningful actions that reduce the gap over time. Our results in both areas for the reporting snapshot of 31 March 2023, are detailed below.

We move into 2024 with a renewed vigour in this space. Our updated strategic plan outlines our ambition to support the creation of a diverse housing and regeneration sector and reflect community priorities by taking an inclusive and long-term approach. We have a clearly articulated key performance indicator to increase our average colleague rating for Homes England being a diverse and inclusive employer.

We have rearticulated our corporate value of Inclusion to express its meaning to us. We recognise and value everyone as individuals and draw strength from our differences and we have enshrined these values within a new People and Culture strategy together with expanded targets that will drive our diversity and inclusion activity.

We are currently working on our ambitions in this space and will be focussing on actions not words. This will include things like expanding our inclusive work options such as considering the potential for job share and part time working at senior levels and actively working with underrepresented groups at our early careers and senior levels.

Since the reporting date I am pleased that we have made progress in broadening the overall diversity at as a senior level. We aim to demonstrate our ambition in the near term. We will look to pilot and report on the success of these changes to improve transparency and accountability and ensure that we create the right conditions for all our talent to thrive and develop.

Gender pay gap



Gender pay gap

We have made sustained and continued progress since 2017 in reducing the pay gap year on year consistently and have been able to make incremental change. Seven years on, it will take more focused interventions to close the gap more materially.

The snapshot taken on 31 March 2023, reports a mean pay gap of 12.52% and a median pay gap of 10.50%. This is an increase of 0.92% (mean) and 2.76% (median) respectively. Whilst this is a modest increase, we recognise it is not in the direction we strive for and are disappointed.

A driver of the pay gap increase is linked to an increase in men at senior levels combined with a reduction in men in the lower pay quartiles, a further contributory factor is that our upper quartile of pay comprises of 58.2% men. There are also more women than men in our lower pay quartiles, this was compounded by more men leaving in this cohort (lower middle quartile) during 2022/23. This saw a further 4.9% increase in women in this lower pay quartile which impacted the pay gap.

We have however seen a positive shift in the overall gender diversity, with women representing 50.2% on 31 March 2023.

We recognise that we therefore need to build on this overall gender equality and be relentless in our work to ensure that diversity, equity and inclusion is fully embedded resulting in a material increase in female representation at the upper pay quartiles.

Our current work on professions and associated skills will contribute to the development and implementation of a career framework during 2024 which will support the visibility of career pathways and career mobility.

Figure 1: Mean and Median pay gap and bonus pay gap.

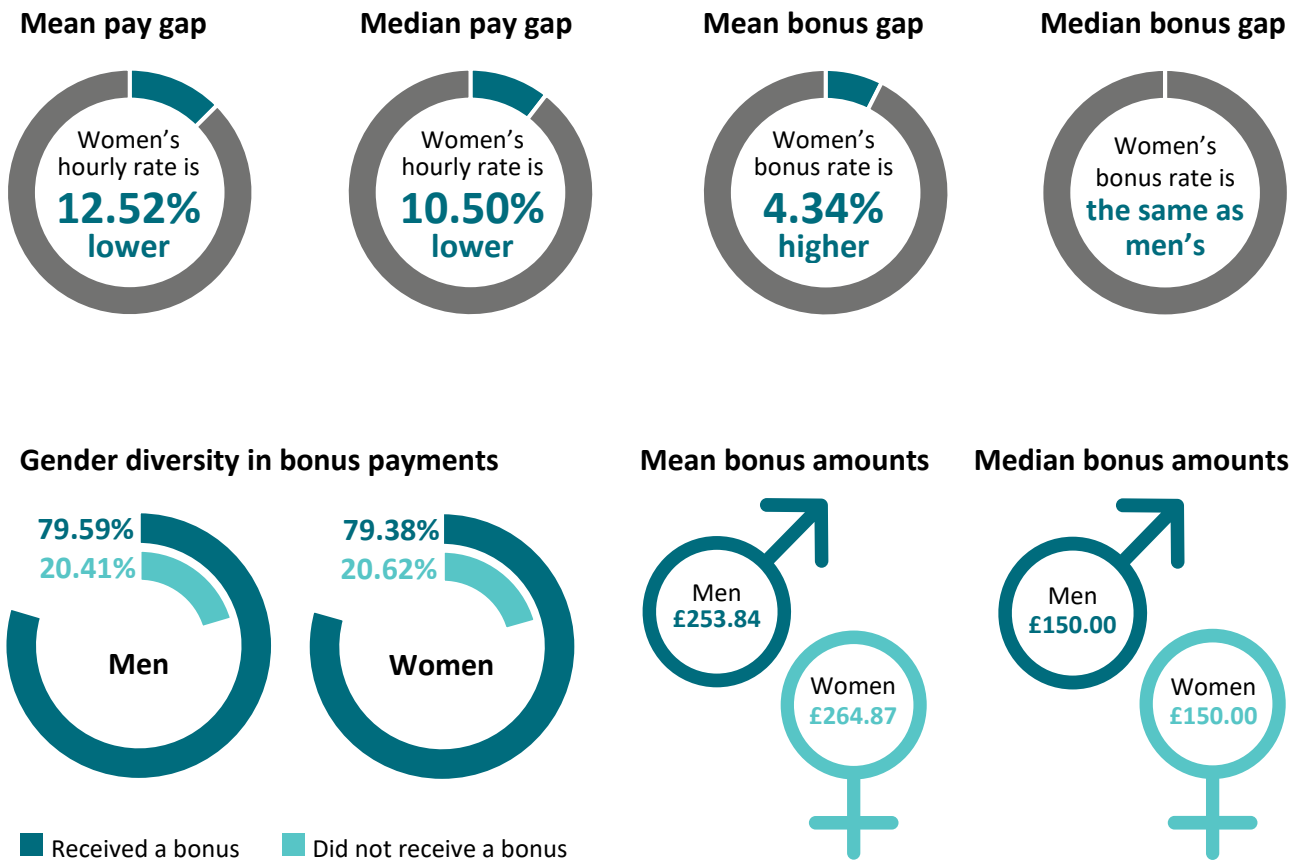


Figure 2: Proportion of Men and Women in each pay quartile.

Gender pay split in quartiles

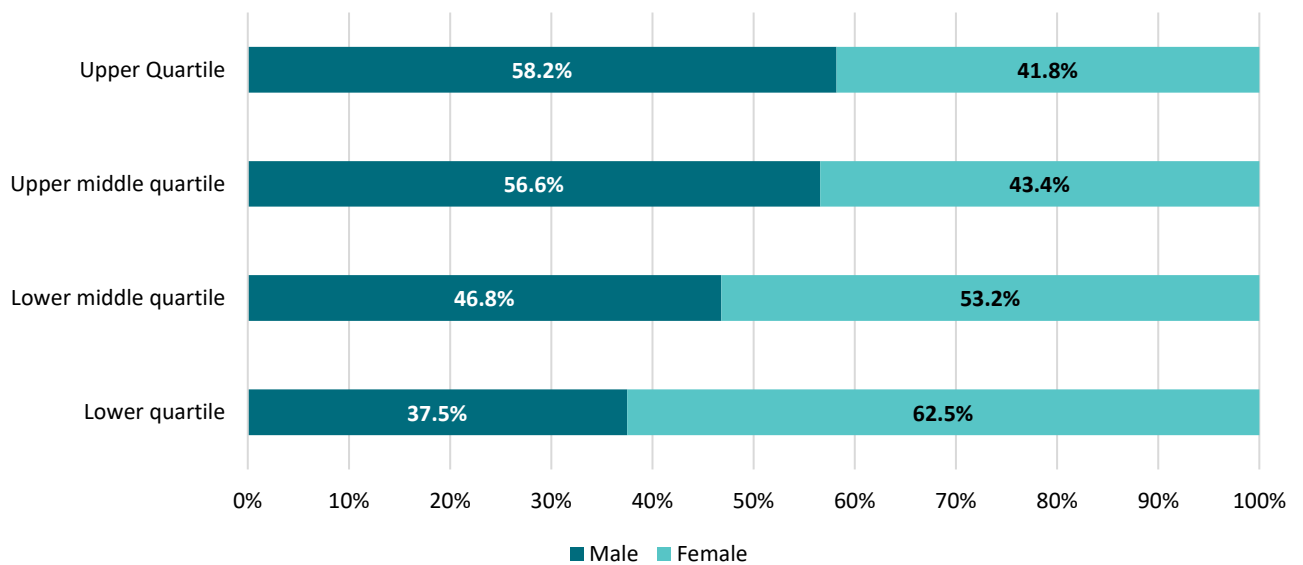
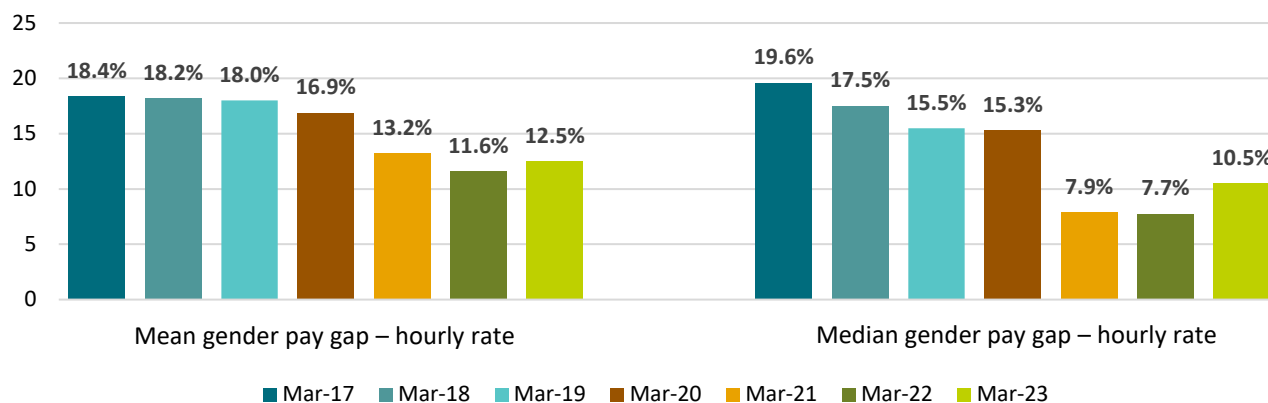


Figure 3: Mean and Median pay gap since 2017.

Mean and Median gender pay gap comparison



Bonus gap explained

Women received a higher mean bonus than men in 2023 by £11.03. In common with the prior year we saw a similar percentage of men and women receive a bonus in 2022/23 (79.59%). The mean bonus value for women was £264.87 versus £253.84 for men. Therefore there was a positive gender bonus gap at the higher mean bonus level and no gap at the lower mean bonus level.

Pay quartiles explained

There continues to be more men at the upper quartile (58.2%) modest progress was made in 2022/23 as this is a reduction from 2022 (59.3%). The percentage of men in the upper middle quartile (56.6%) has increased from 2022 (54.3%) and in 2023 there are a higher number of females in the lower quartiles (62.5% and 53.2% respectively). This data reflects that women are over-represented in junior levels and under-represented at senior level. These are key drivers behind our gender pay gap.

Declaration

We confirm the data reported is accurate and in accordance with the Equality Act 2010 (Gender Pay Gap) Regulations 2017.

In 2017, the government introduced a statutory requirement for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the [Equality Act 2010 \(Specific Duties and Public Authorities\) Regulations 2017](#) which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require the relevant organisations to publish their gender pay gap data annually.

For the purposes of gender pay we are required to report gender in binary terms (men or women), and we recognise that a number of colleagues may not be represented by this breakdown.

The pay relates to the period between 1 April 2022 and 31 March 2023.

Ethnicity pay gap



Ethnicity pay gap

Homes England has committed to analysing and internally reporting their ethnicity pay gap. Although there is currently no statutory duty to analyse or report ethnicity pay externally, we have chosen to share this in order to support us to increase our diversity through focused actions that enable us to remove barriers and measure our progress.

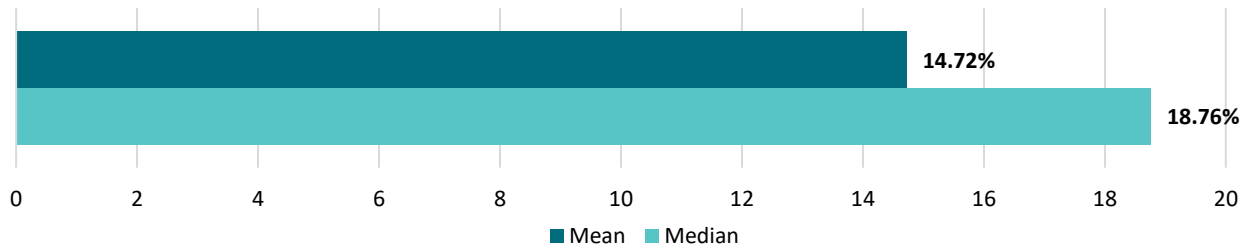
Reporting of ethnicity pay has been conducted using the UK government employer guidance and draws data from the same snapshot date as for gender pay (31 March 2023). Whilst the methodology aligns with that for gender pay, it is more complex.

Unlike gender, colleagues voluntarily declare their ethnicity and therefore an accurate analysis requires 100% voluntary declaration. Additionally, there are many ethnic groups, depending on how ethnically diverse a workforce is. The guidance recommends a minimum of 50 colleagues in any declared ethnic group to ensure statistical robustness and avoid possible identification of individual colleagues. We have followed the government guidelines both for ethnic minority groupings and numbers.

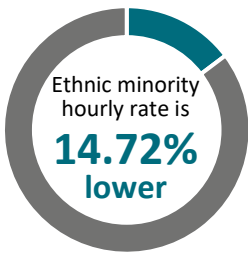
Due to many of our colleagues identifying in ethnic groups of less than 50 we have chosen to report our ethnicity pay gap using only two groups, these being white and non-white ethnic minority.

The latter is aggregated data combining all colleagues who consider themselves to be from a non-white ethnic group. The former are those colleagues who identify as white. The ethnicity pay gap is therefore reported as the difference between White colleagues and Non-White Ethnic Minority colleagues.

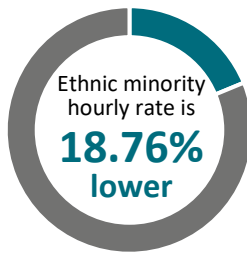
Ethnicity pay gap



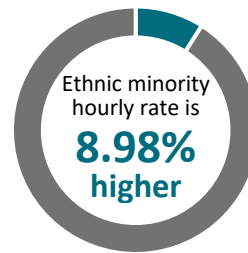
Mean pay gap



Median pay gap



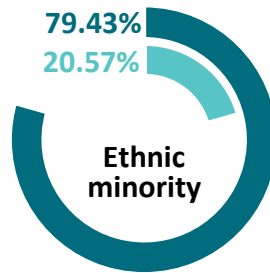
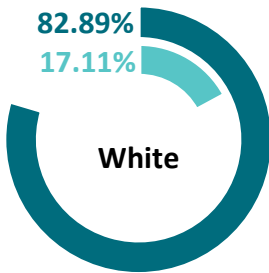
Mean bonus gap



Median bonus gap



Bonus payments



■ Received a bonus ■ Did not receive a bonus

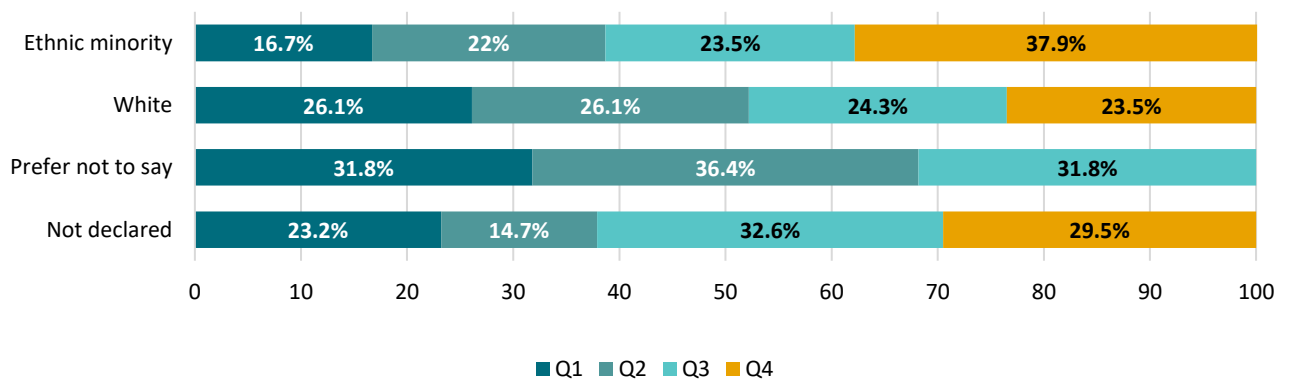
Mean bonus amounts



Median bonus amounts



Proportion of ethnic groups within each quartile range



What the data is telling us

This is the first time we have analysed our ethnicity pay gap. Looking at the two-category gap there is a mean gap of 14.72% and median gap of 18.76%. This indicates that the mean or median pay amount is higher for white colleagues than for colleagues from other declared non-white ethnic groups. Analysis shows that although the overall pay amount is higher for white colleagues, colleagues from non-white minorities are paid more per hour in all but two of our pay levels.

At the time of reporting, there were 9.75% of colleagues where we have no ethnicity data. This is an area that we are keen to improve to enable us to identify more clearly why there is a gap and prioritise the right interventions.

In a similar pattern to our gender pay gap, the driving factors of the gap is low representation of non-white ethnic minorities at our senior levels and over representation at the lower quartile. As can be seen in the quartiles the lowest percentage of non-white ethnic minorities is at the highest quartile. This is an area we are keen to improve to support our goal of reducing the gap and increasing representation at our senior levels.

Bonus

As with gender pay the bonus data for 2022/23 includes performance-related pay and Employee Recognition Scheme payments. Within the bonus analysis our white ethnicity mean was £263.59 and non-white ethnic minority was £23.68 lower. The median bonus was the same, which reflects that £150 bonus is the most common payment for both white and non-white ethnic minorities.

Pay quartiles

At 31 March 2023, 10.43% of colleagues had identified as being from a non-white ethnic minority, compared to 18.3% in the UK (as at 2021) [Ethnic group, England and Wales - Office for National Statistics \(ons.gov.uk\)](#).

The quartiles highlight that there is low representation of colleagues that have declared as non-white ethnic minority across all quartiles. The quartiles highlight a similar pattern as with gender diversity, with low representation of ethnic minorities at senior levels and over representation at lower quartiles.

Our declaration

Our calculations follow the legislative requirements as set out in the [Equality Act 2010 \(Specific Duties & Public Authorities\) Regulations 2017](#). The data includes all colleagues who were deemed to be full paid relevant employees on 31 March 2023.

