



**CITIZEN**

**20 | GENDER PAY  
24 | REPORT**



# MESSAGE FROM KEVIN RODGERS

## CHIEF EXECUTIVE

We are committed to being transparent and holding ourselves accountable, that's why for the third year running we have published our ethnicity and gender pay gap information and our EDI monitoring report together.

There have been some tangible improvements this year, our Board representation has improved – we've taken targeted action over the last 4 years to improve the diversity of experience and background of our Board. The EDI Forum also continues to play a pivotal role in our EDI progress.

We have made improvements in the way we collect data and have increased the opportunities for both colleagues and customers to feedback.

This has placed us in a better position to understand our challenges, ensure we are focussing on what matters the most for our customers and colleagues and the actions that we need to take for meaningful change. We also heard some difficult messages from our listening circles; this and our data tells us that we have more work to do.

As Chair of our Equality, Diversity and Inclusion (EDI) forum, I believe it's really important that we continuously work with our colleagues and customers to create an environment where everyone can be themselves and difference is embraced. Along with the in-depth data, you will find more information in this report on the commitments we are making for the year ahead.



# MESSAGE FROM SUSAN BROOKSBANK-TAYLOR

SENIOR INDEPENDENT DIRECTOR BOARD MEMBER



As Chair of the Remuneration Committee, I firmly believe that pay parity for all is our ultimate goal at Citizen. While overseeing the People Strategy and Belonging Strategy, we recognise that achieving gender, race, and other pay parity, along with fostering staff engagement, extends beyond these strategies. Our commitment lies in clear direction, inclusive leadership, and creating a supportive environment.

Despite the disappointing increase in our gender pay gap this year, we share common challenges faced by many organisations. Addressing pay disparities at senior levels remains a priority. I commend Citizen for actively attracting diverse candidates through recruitment approaches.

Our monitoring report reflects significant investment in behavior and education via Listening Circles. Beyond gender, we engage with staff on sexuality and ethnicity, recognising that diversity encompasses various aspects. Our forthcoming Belonging and Inclusion strategy places equity and equal opportunity at its core. As an employer, we value differences in knowledge, skills, and experience. Let us continue our journey toward a more equitable and inclusive future.



# OUR COMMITMENT

We have a clear vision as a fair and inclusive employer, service provider and partner. Our belief is 'We are greater when we are equal'. Equality of opportunity and equal treatment are at the cornerstone of our work and our mission.

Although publishing our Gender Pay Gap is mandatory we've also been publishing details of our Ethnicity Pay Gap and wider equalities monitoring since 2021. This is because we want to be as transparent as possible with our staff and communities, and be clear about our progress on achieving fairness and parity across Citizen.



# OUR EQUITY, DIVERSITY, AND INCLUSION (EDI) MONITORING APPROACH

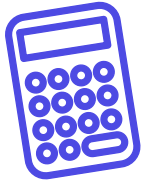
We've always used evidence as the basis to our approach to EDI. That's because we want to be sure our decisions and actions are grounded in facts and not just subjective perspectives. Building that evidential base through data collection, monitoring and analysis is therefore a very important part of our work. We encourage all of our people to provide their diversity data to help us build a better understanding of our staff and customers. Not only because we are committed to equality of opportunity and equal treatment but because we want to understand how to support and include everyone who works for us and lives in our homes.

We've spent the last 3 years using monitoring data to help build firm foundations for our commitment to EDI. We know that we've got more to do to improve (any organisation that is progressive will always be looking to improve). But we're proud of the progress we've made to date and we're excited about the future.

We hope you enjoy reading our monitoring report and finding out more about who we are.

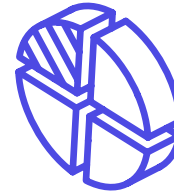
# PAY GAP REPORTING

The following terms are used in reference to our pay gap reporting:



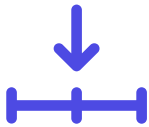
## Mean:

Mean value (average) - a mean is calculated by adding up all the values and dividing that score by the number of values.



## Pay quartiles:

The four quartile pay bands are created by dividing the total number of full-pay relevant employees into four equal parts, from highest pay to lowest pay.



## Median:

The 'midpoint' the median is the value in the middle of the list of numbers.



## Equal Pay:

Pay Gap is not the same as equal (or unequal) pay. Pay gaps measure the difference between the average pay of, for example, all men and the average pay of all women regardless of what job they do.



## Pay Gap:

The average difference between hourly pay for different groups (men and women, and white and other ethnicities) across the workforce.

Equal pay means making sure all people carrying out the same or similar work are paid the same regardless of their characteristics. Citizen carries out regular pay reviews to ensure we are meeting this requirement.

## Our gender pay gap

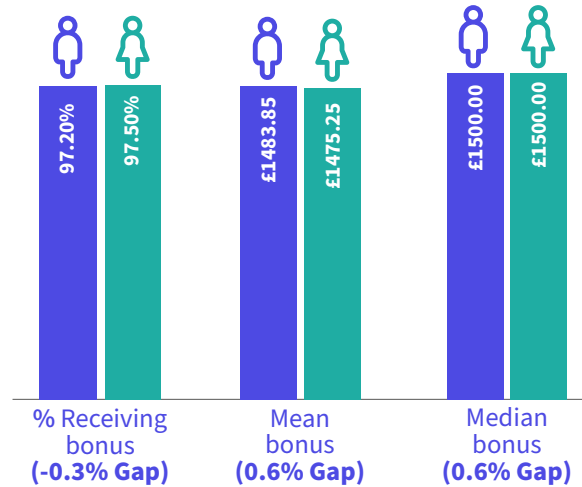
Our mean gender pay gap has increased from last year's reported 5.56% to 6.95% this year. Our median gender pay gap has increased from last year's reported 5.6 % to 9.33%.

## Our gender bonus pay gap

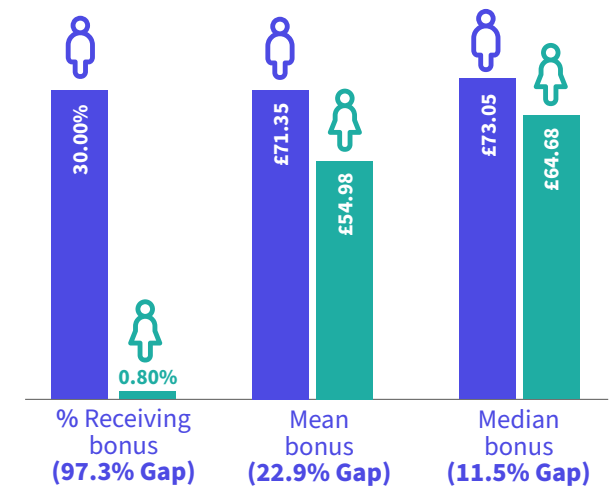
The median bonus gender pay gap is 0.6% and the mean bonus gender pay gap is 0%.

This data is skewed as a £1,500 one off payment was given to all but our most senior staff as part of the 23/24 pay award. This £1,500 payment (bonus) was paid to 97.2% of males in the organisation and 97.5% of females. When you exclude this universal bonus you can see the effect of our standard bonus scheme which operates monthly with monthly payments to eligible employees - predominantly trade engineers based in our maintenance operations directorate, a male dominated area of Citizen.

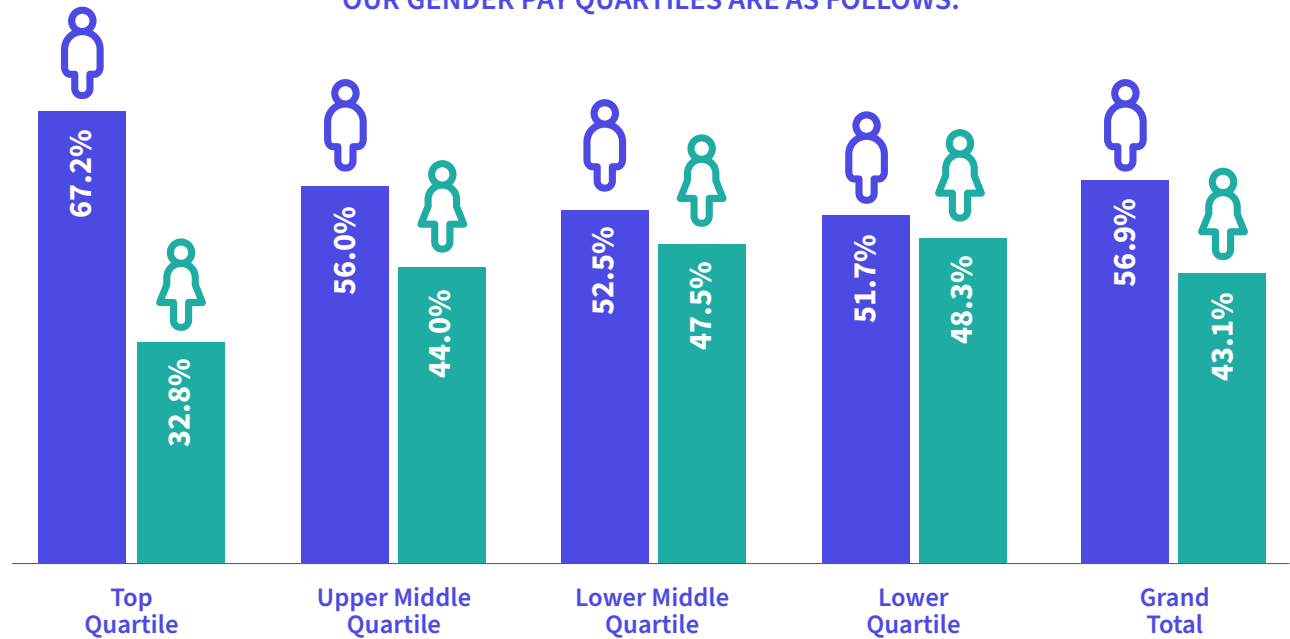
### WITH £1500 PAYMENT



### WITHOUT £1500 PAYMENT



### OUR GENDER PAY QUANTILES ARE AS FOLLOWS:





We have seen a decrease of women in our upper middle quartile from 46% to 44% and an increase of men in the same quartile from 54% to 56%. During the same period, we've seen an increase of women in our lower quartile since our last report from 44% to 48% and a decrease of men from the same cohort from 56% to 52%. This is the main driver for the increase in our gender pay gap.

We remain determined to close the existing gender pay gap and ultimately achieve pay neutrality in our organisation. Although the rates of women and men in our upper quartile have remained static since our last gender pay gap report, we see the upper middle quartile is a critical part of the talent pipeline for our senior leadership positions. The small decrease of women in the upper middle quartile impacts our efforts to increase female representation at our highest levels. It is however a challenge we commit to addressing.



# ETHNICITY PAY GAP

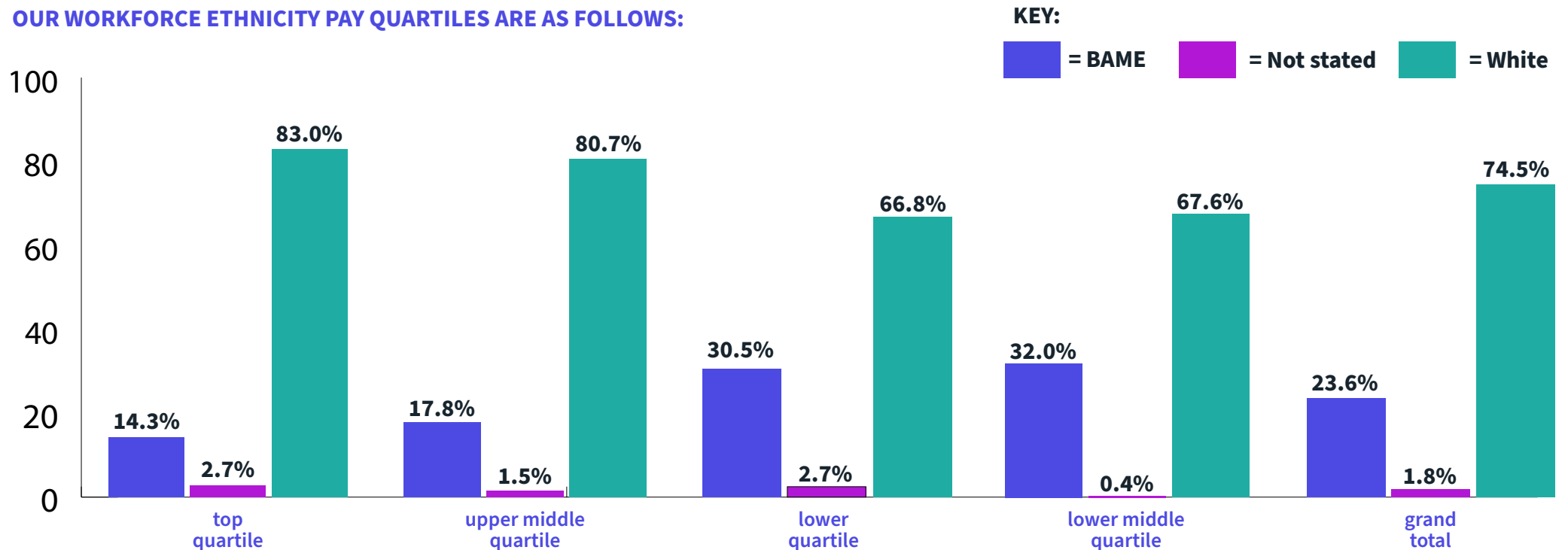
In calculating our ethnicity pay gap, we've used the same principles that are applied to our statutory gender pay gap reporting.

Our mean ethnicity pay gap is 15.34%. Our median ethnicity pay gap is 14.17%.

Whilst we are not required to report on and publish our ethnicity pay gap, we believe that continued publication and review of insight is important to helping us achieve our ambitions towards equity in our workforce.

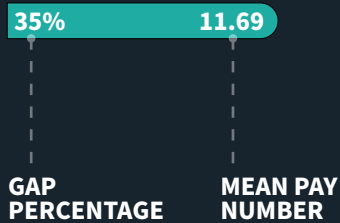
Whilst we're pleased with the slight decrease in our median ethnicity pay gap this reporting year compared to last year (from 16.39% to 15.35%), we remain committed to address the existing gap. A significant driver of our ethnicity pay gap continues to be structural. Staff who identify as black, asian and minority ethnic have significantly lower representation in the upper pay quartiles and lower representation rates overall in each of our quartiles in comparison to staff who identify as white.

## OUR WORKFORCE ETHNICITY PAY QUARTILES ARE AS FOLLOWS:

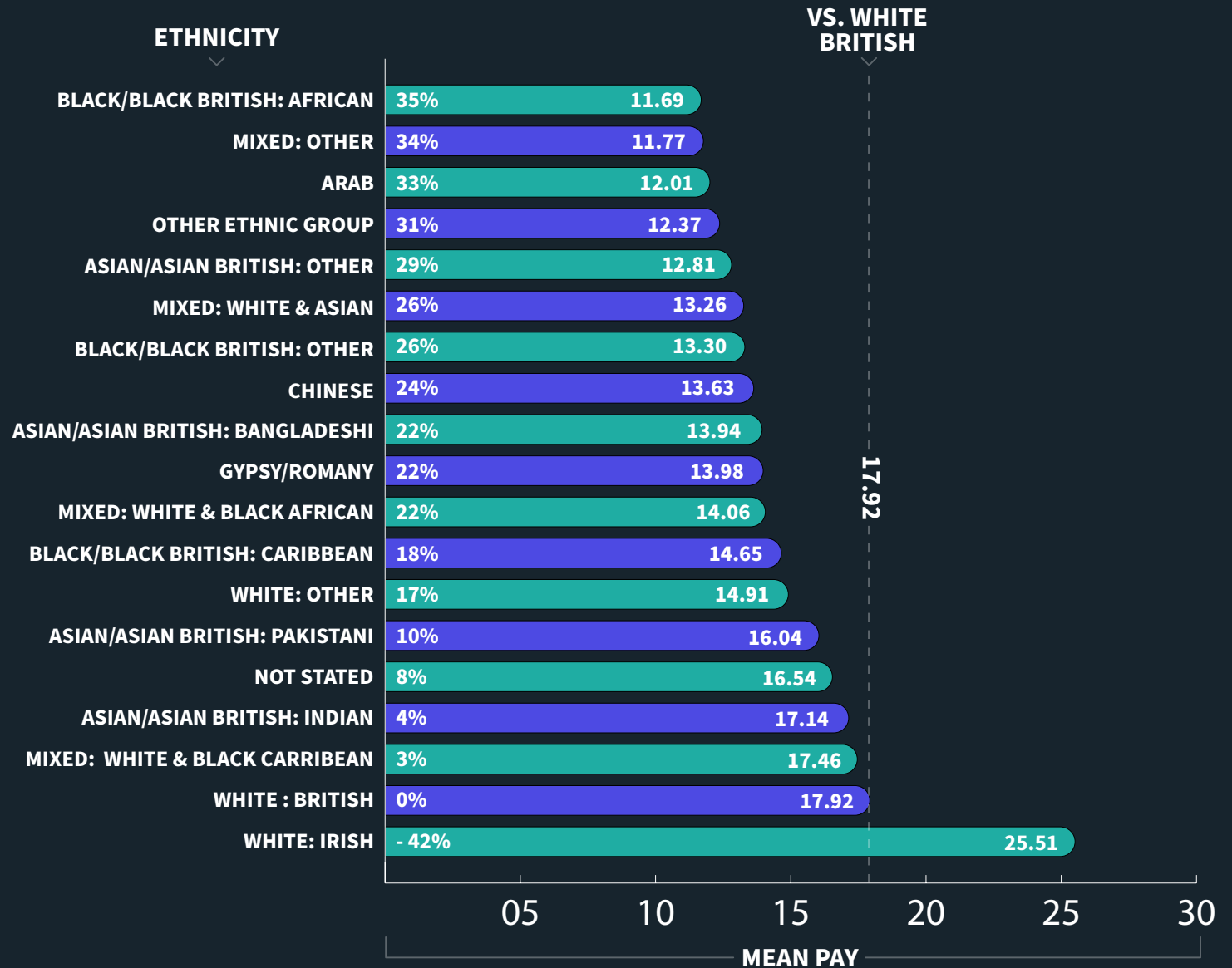


# PAY QUANTILE BREAKDOWN

## KEY:



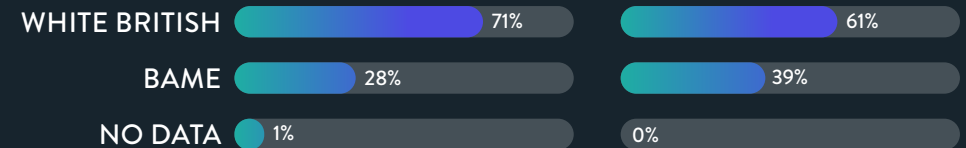
Clearly, with ethnicity it is not a not a straightforward picture and pay gaps are analysed in more depth to understand the nuances in people's experiences and examine reasons for these gaps. We know that we need to do more if we are going to address our ethnicity pay gap issue and we're taking action.

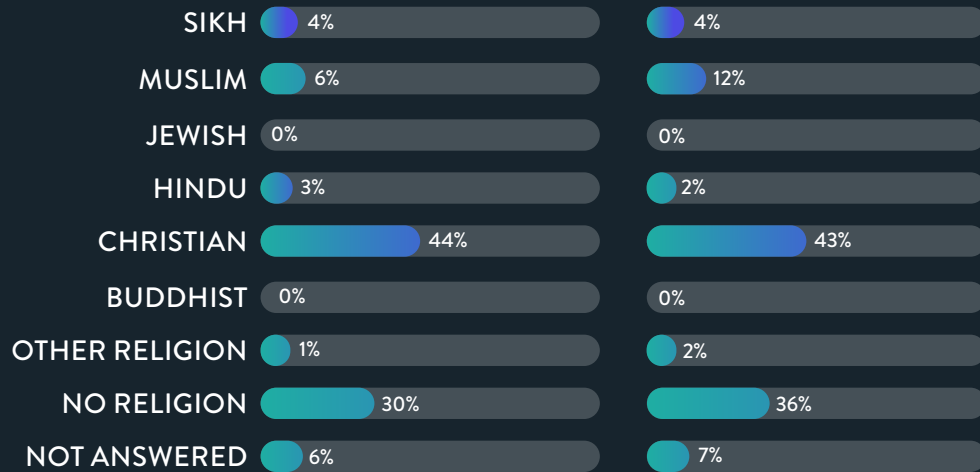
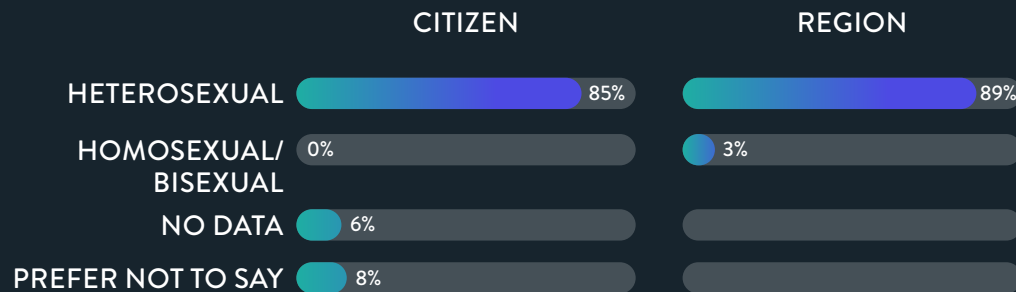


# OUR STAFF DATA

Understanding our staff data is important to give a wider context to the pay gaps we see at Citizen. We are committed to collecting and using staff profiling data to understand whether our workforce is appropriately reflective of our communities, and whether there might be any disparities in the opportunities afforded to certain groups. We monitor recruitment, promotions, starters and leavers and the make up of our workforce at all levels to understand where there are opportunities or challenges for our staff.

Following ongoing campaigns our staff demographic data is now well populated, with gender, age, ethnicity and vulnerability fields all consistently over 97% complete, and sexual orientation and religion falling a little further behind at 93%. This gives us confidence in using this data which shows the following when compared to the population in the regions we work in.





### WHAT DOES IT SHOW?

Citizen employs a slighter higher proportion of White British staff compared to the regional population, and a higher proportion of males. This can be seen particularly in our maintenance operations teams which accounts for 40% of our workforce.

Our age profile is largely proportionate to the working age groups in the population, however we do have a lower than expected staff base of 16-24 year olds and we know that this is where we see a high turnover of staff.

Citizen reflects their community rather well regarding religion, with the exception of Muslim staff which is disproportionately low.

Staff self reporting a vulnerability is low compared to the population, reflecting the wider market statistics that show that only 54.2% of working age people with a disability are employed (vs 82% without a disability).

# LEADERSHIP DATA

The following shows the key demographic make up of our board and committee members. Citizen has used purposeful recruitment methods including demanding diverse shortlists, widening our advertising and reviewing the selection process to ensure we attract applicants with appropriate skills, experience and understanding.

		2020	2021	2022	2023	REGION
<b>GENDER</b>	Male	56%	48%	48%	55%	49%
	Female	44%	52%	52%	45%	51%
<b>ETHNICITY</b>	White British	81%	70%	68%	68%	61%
	BAME	19%	30%	32%	32%	39%
<b>SEXUAL ORIENTATION</b>	Heterosexual	82%	78%	84%	77%	89%
	Lesbian/Gay/Bi	12%	13%	12%	18%	3%
	Prefer not to say	6%	9%	4%	5%	-
<b>RELIGION</b>	Christian	57%	60%	52%	50%	44%
	Muslim	6%	9%	8%	9%	12%
	No Religion/Agnostic	31%	22%	36%	36%	30%
	Prefer not to say	6%	9%	4%	5%	6%
<b>AGE</b>	25 - 34	0%	9%	16%	0%	17%
	35 - 44	25%	22%	20%	23%	16%
	45 - 54	25%	26%	12%	27%	16%
	55 - 64	44%	34%	40%	23%	14%
	64 +	6%	9%	12%	27%	20%
<b>DISABILITY</b>	Disclosed disability	12%	17%	16%	9%	19%

As the number of members is relatively small (22 this year having moved from 25 in the previous year) a small shift in those employed can affect the relative percentages quite dramatically. This can be seen with gender where the difference is created by a 10 to 12 split.

We can see the members have remained broadly representative in terms of religion, sexual orientation and ethnicity. We have a slightly older profile when compared to the population, but this is still broadly representative.



# CURRENT ACTION

Our data shows that we do have some gaps in terms of pay, but also, and importantly, in how and where people are represented across the organisation. This is not our first year monitoring this and work is already underway to address to these gaps:

- Listening to our staff; over the year we have carried out two important exercises to understand more about our colleagues' experiences, a series of listening circles and a whole staff engagement survey. Read more about these on page 16.
- Reviewed our current senior management and committee recruitment approaches to ensure we take opportunities to source diverse candidates.
- Provided the Remuneration Committee and EDI forum with progress of our actions on our pay gaps quarterly and provided an annual report to our Board on those actions.
- Reviewing how existing and new partnerships, for example 'Women into Construction' can provide opportunities for women in our trades and apprenticeship roles.
- Promoting our approach to flexible working to staff and prospective employees through our award-winning 'Live Work Better' programme.
- The last year has also seen us begin a reward review. Our pay and reward framework are key elements in helping us to create a high performance, motivated value led inclusive culture. Our aim has always been to offer a reward package that is valued by our staff.
- Launching our first Menopause staff network 'Bear with me' with trained menopause champions to support staff who experience menopause and peri-menopause effects. We've evaluated all roles across Citizen and these have also been externally benchmarked to ensure our pay is both internally and externally relative to the role. We have also carried out an equal pay audit.
- Regular presentation of monitoring data at Remuneration Committee to track demographic trends in staff recruitment and retention as well as satisfaction. This (ongoing) review will also consider our rewards and benefits to allow us to develop a pay framework that is clear, equitable and transparent and help make us market leaders in recruiting, engaging and retaining our employees.

# OUR PEOPLE SURVEY

During 2023, we carried out a staff engagement survey with an external provider and asked all our staff about their experiences of working at Citizen.

The response rate for this survey was **68%**.

Overall, we received a positive survey average of **7.2**. Items ranged from a high positive 8.1 ('I feel trusted to do my job at Citizen') to a moderate 6.4 ('We regularly use employee feedback to improve the way we work'). Similarly, our engagement index which includes the items exploring advocacy, pride and loyalty, also obtained a positive score of **7.0**.

When we look at the scoring progression since our previous survey in 2022, the average score (7.2) and Engagement Index (7.0) have both stayed the same, and remain in the positive range.

From the findings it was clear that:

- lower satisfaction from our male staff compared to female – this is driven by lower satisfaction overall in our maintenance operations teams.
- all low scoring directorates were also our most male dominated teams.

Our 2023 engagement survey identified three main themes throughout the survey: **Sense of Belonging, Championing Employees and Performance and Quality**, all of which play a key role in how we can impact engagement perceptions whilst improving the employee experience further.

This year for the first time we have also undertaken listening circles to hear directly from staff what their experience of working at Citizen is like and whether they feel this differs depending on the characteristics they hold. The results have already helped us to shape our People Strategy, our Belonging and Inclusion Strategy and our approach to Learning and Development. Read more about that in our spotlight section on page 19.



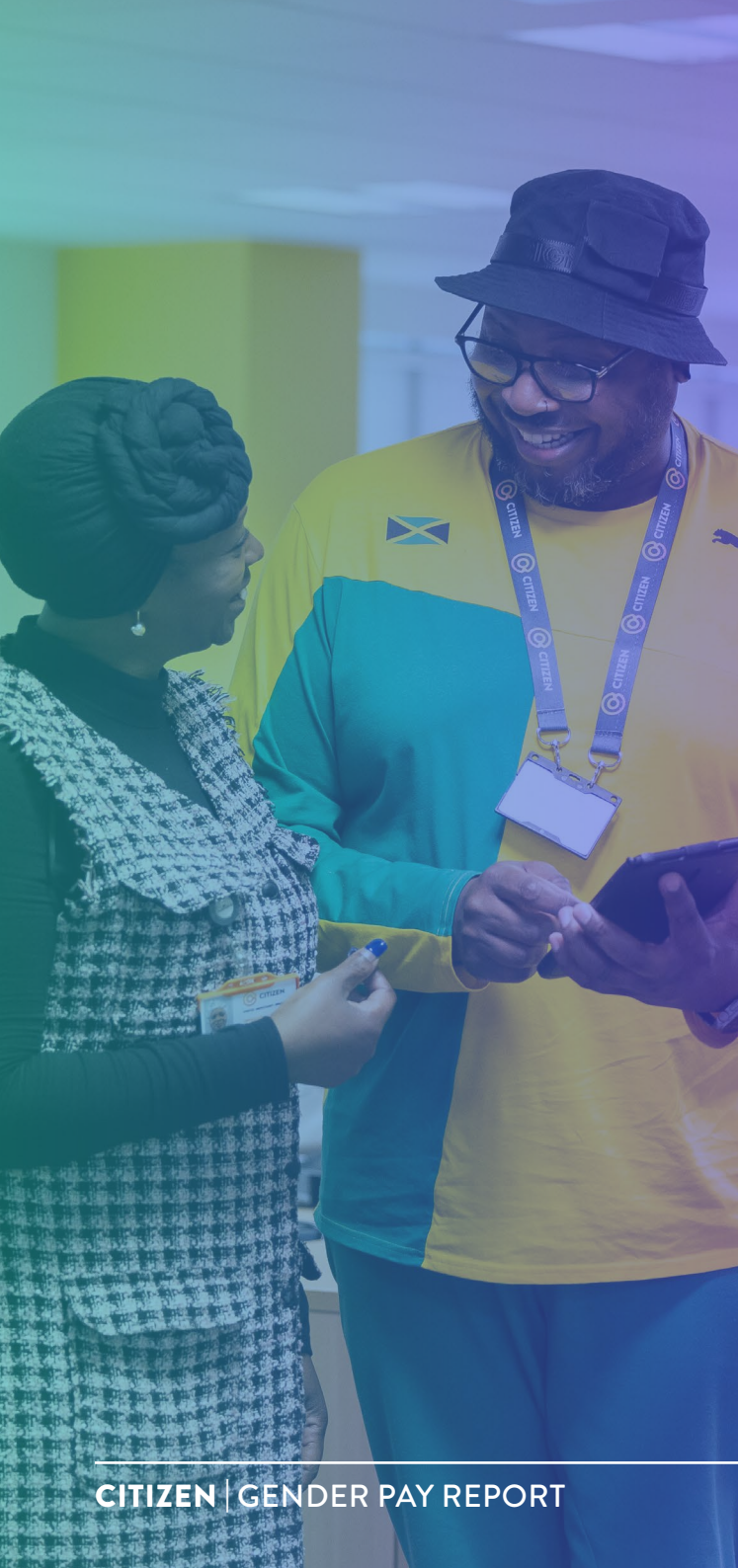


# STAFF LISTENING CIRCLES

Between April and June last year, we conducted listening circles with our staff to understand the experience of working at Citizen in greater detail. The circles were facilitated by our partners at Business in the Community (BiTC), who were commissioned to run three sessions focused on Race, Gender and LGBTQIA+. Colleagues were asked to share their experiences of:

- Culture
- Career Aspirations
- Role of our Leaders





Although each session had questions themed around these topics, they were designed as open discussions and the style of the session allowed colleagues to discuss what was important to them whilst enabling us to gain an in-depth understanding of these topics.

The feedback from staff who took part in the listening circles provided us with valuable learning and insight and has played a large part in shaping our approach to EDI at Citizen. From each of our sessions we learned that we could make improvements in:

- **Consistency of manager behaviours.**
- **Confidence when dealing with issues related to EDI, especially in relation to race equity.**
- **More role models and representation at senior levels.**
- **Building confidence in calling out non inclusive behaviours.**
- **More time for career development and discussions about career aspirations.**
- **Our staff wanted more opportunities to continue open dialogue and discussion on matters that concerned them.**

Overall it was clear from the feedback that our staff wanted our leaders and managers to think more broadly about what they could do to create the space for an inclusive workplace.

Together with the findings of our staff engagement survey challenged us to think more about what more we could do to make all our staff feel included at work.

Following the feedback, we've taken the decision to launch the strategy as a Belonging and Inclusion Strategy rather than a traditional Equality, Diversity and Inclusion Strategy.

Doing so ensures that our EDI approach will focus on what is important to Citizen; treating our staff and customers fairly and according to their need, celebrating their diversity and experiences, and supporting our people to be comfortable being themselves at work and in our homes.



# FUTURE COMMITMENTS

We're focussed on taking action that will directly address a reduction in our gender and ethnicity pay gaps and help us achieve equity. Although recruitment into our senior leadership team has improved representation for female leaders, it is still not representative. This will take time to address and we will continue to concentrate efforts here and in the grades below this.

The low representation of staff from black, asian and minority ethnic backgrounds in our senior leadership and the feeder grades into that cohort remains a priority focus for us.

The actions we take during the next year will focus on addressing those imbalances over the long term and on creating a diverse and representative workforce at all levels.

For the next year, our Belonging and inclusion and People strategies commit us to the following actions:

- A full review of demographic balance at all levels to ensure we understand attraction and recruitment into each grade, to understand barriers for different diverse groups and to ensure alignment with best practice.
- Developing our partnership arrangements to support apprenticeships, with a focus on underrepresented groups including opportunities for women in underrepresented areas of work.
- Providing a listening circle to our staff in maintenance operations to ensure that we are listening to their concerns and they feel included at work.
- Building confidence and knowledge on our board, committees, and senior leadership teams around inclusive leadership and their role to champion equity, diversity and inclusion.
- The introduction of a leadership academy to support staff in realising their ambitions and to provide opportunities to maximise their potential.
- Develop team action plans with our leaders that are bespoke to teams' equity, diversity and inclusion needs, focussed on meaningful discussions and engagement with their teams.
- Taking positive action to increase appointments of candidates from underrepresented groups into Citizen, particularly women and Black, Asian and Minority Ethnic people in our Senior Leadership teams.
- Work in partnership with organisations such as Business in the Community to identify actions to address the gender and ethnicity pay gaps.





# MEASURING SUCCESS

We believe in the power of performance measurement for driving the culture and delivery of our work and will be taking opportunities to evaluate our pay gap and EDI performance over the next year.

This will mean regular reporting of recruitment and retention data, team by team diversity monitoring and a half-yearly check of our pay gap progression.

In reviewing that performance we'll be open and honest with our staff and our leadership teams sharing our progress with them and inviting them to provide their views as well.