

# Ethnicity pay gap report **2023**



## Ethnicity pay gap report 2023

There is currently no legal requirement to report on our ethnicity pay gap. However, we feel that it is good practice and important to be transparent.

The ethnicity pay gap shows the difference in the average hourly rate of pay between PGM (People of the Global Majority) and non-PGM colleagues, expressed as a percentage of the average non-PGM earnings.

We pay spot salaries and all genders, regardless of their ethnicity, carrying out the same role are paid the same salary and roles are independently market tested.

It is important that we address any issues that drive an ethnicity pay gap so that we can deliver on the objectives we have set out in our Belonging Strategy, ensuring that we are an inclusive organisation.

There are rules around who should be excluded from a gender pay gap report and we are following the same rules for our ethnicity pay gap report. Those excluded include anyone who has been on maternity leave, long term sick or unpaid leave. This will affect the workforce percentages, making them different from other Diversity reports we produce.

We have a high ethnicity disclosure rate of 95.4%, based on the parameters of this report, leaving a gap of 4.6%, where ethnicity is either 'unknown' or 'prefer not to disclose'. The gap has reduced when compared to last year.

Over the last two years, we have proactively encouraged applications from candidates from PGM backgrounds. This has helped us to improve our ethnicity mix by 1.44% to 13.7% this year.

Due to reporting not yet being mandated, it is hard to find meaningful recent ethnicity gap data to compare with.

**This is our report for the snapshot date of 5 April 2023 and our calculated gap is in the table below:**

Ethnicity pay gap	2023 %	2022 %	2021 %
Mean	3.84	-2.37	-3.75
Median	4.27	-0.45	-3.63

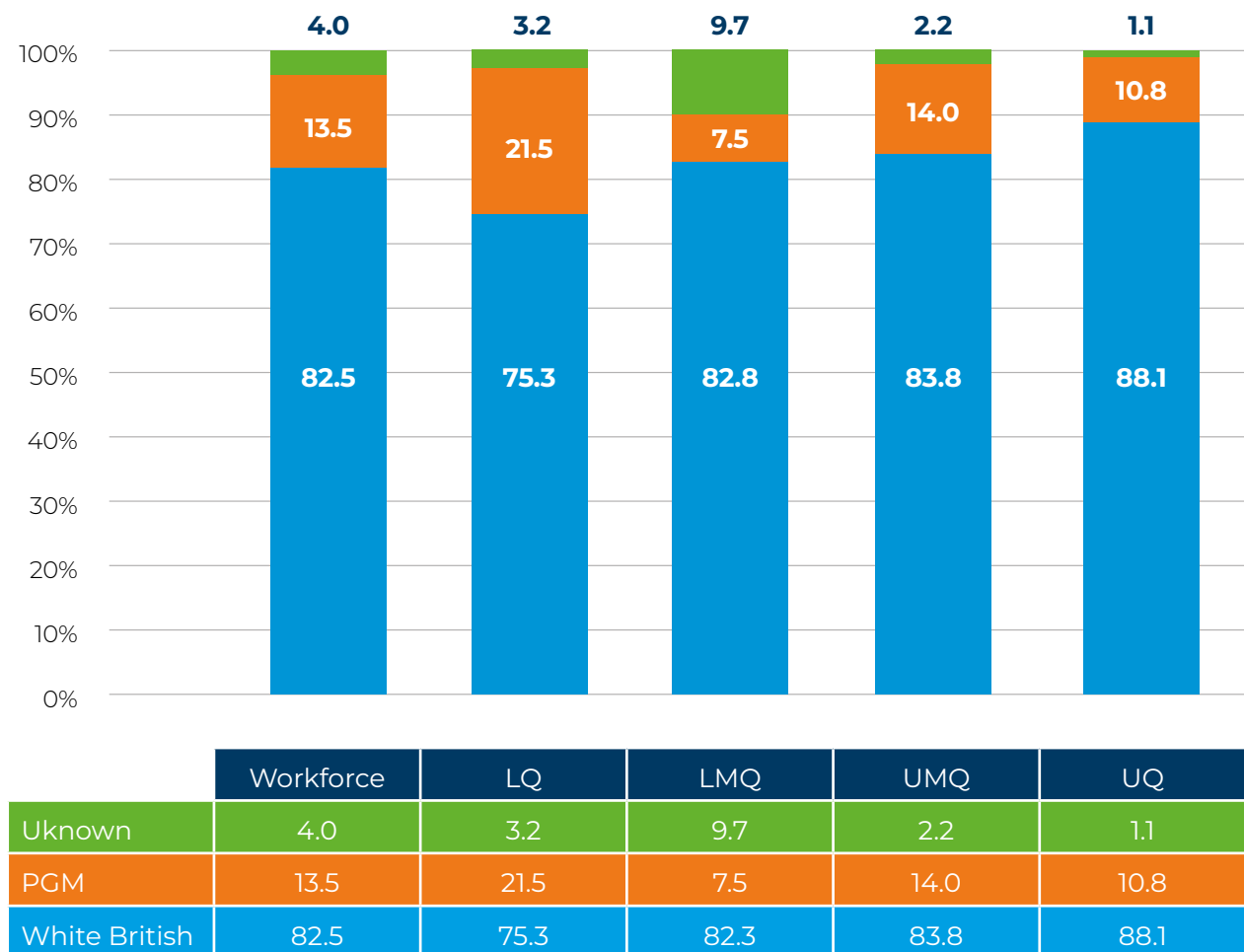
This shows a positive pay gap in favour of white colleagues. This means that for every £10 the average white colleague earns, the average PGM colleague takes home £9.62.

The median gap is 4.27%. This is the first time since we started reporting on this data that the gap has been in favour of white colleagues. Despite recruiting more PGM colleagues, having reviewed the detail of joiners and leavers in the last year, the analysis shows that the majority of PGM colleagues recruited have gone into lower paid roles, and 33% of PGM leavers were paid in the upper or upper middle quartile. This seems to explain the change to the pay gap.

## Pay quartiles

In order to get a true picture for pay quartiles for 100% of those included in this report, detail for the 4.6% data gap has been added into each quartile. The ethnicity pay quartiles below show that PGM colleagues are again under-represented in the lower middle quartile. There has also been a decrease in the percentage of those in the upper and upper middle quartile when compared to last year – see below.

### Pay quartile percentages by ethnicity - 5 April 2023



## Comparison with other organisations

As reporting on the ethnicity pay gap is not a statutory requirement, there are very few housing associations that have published their gaps. At the time of writing, I have found the following for 2022 - **One Housing:** Mean of 22.42% and median 22.28% in favour of white colleagues. **Clarion:** Mean of 9.65% in favour of white colleagues and median -0.12% in favour of PGM colleagues. **EMH:** Mean of -11.2% and median of -2.1% in favour of PGM colleagues.

We are disappointed to see the erosion to the pay gap which is now in favour of white colleagues. In order to improve the gap, we will need to look at how we can attract more PGM colleagues into senior roles and we will be looking at how we achieve this with our Belonging group.

## Do you need the information in this leaflet in a different format?

Please contact us on 0300 123 5544 to discuss your specific requirements.

## Equality and Diversity

At Grand Union we want to celebrate diversity and challenge stigma, speaking up when we see others being treated badly. We appreciate how diversity makes us stronger and we learn and benefit from each other's different backgrounds and experiences.



K2  
Timbold Drive  
Kents Hill  
Milton Keynes  
MK7 6BZ



@GrandUnionHousing



@GrandUnionHG



grand-union-housing-group

**Tel:** 0300 123 5544

**Email:** [help@guhg.co.uk](mailto:help@guhg.co.uk)

**Web:** [www.guhg.co.uk](http://www.guhg.co.uk)

**Office opening hours:** 8.45am to 5.00pm Monday to Friday

Registered address: K2 Timbold Drive Kents Hill,  
Milton Keynes MK7 6BZ.

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