

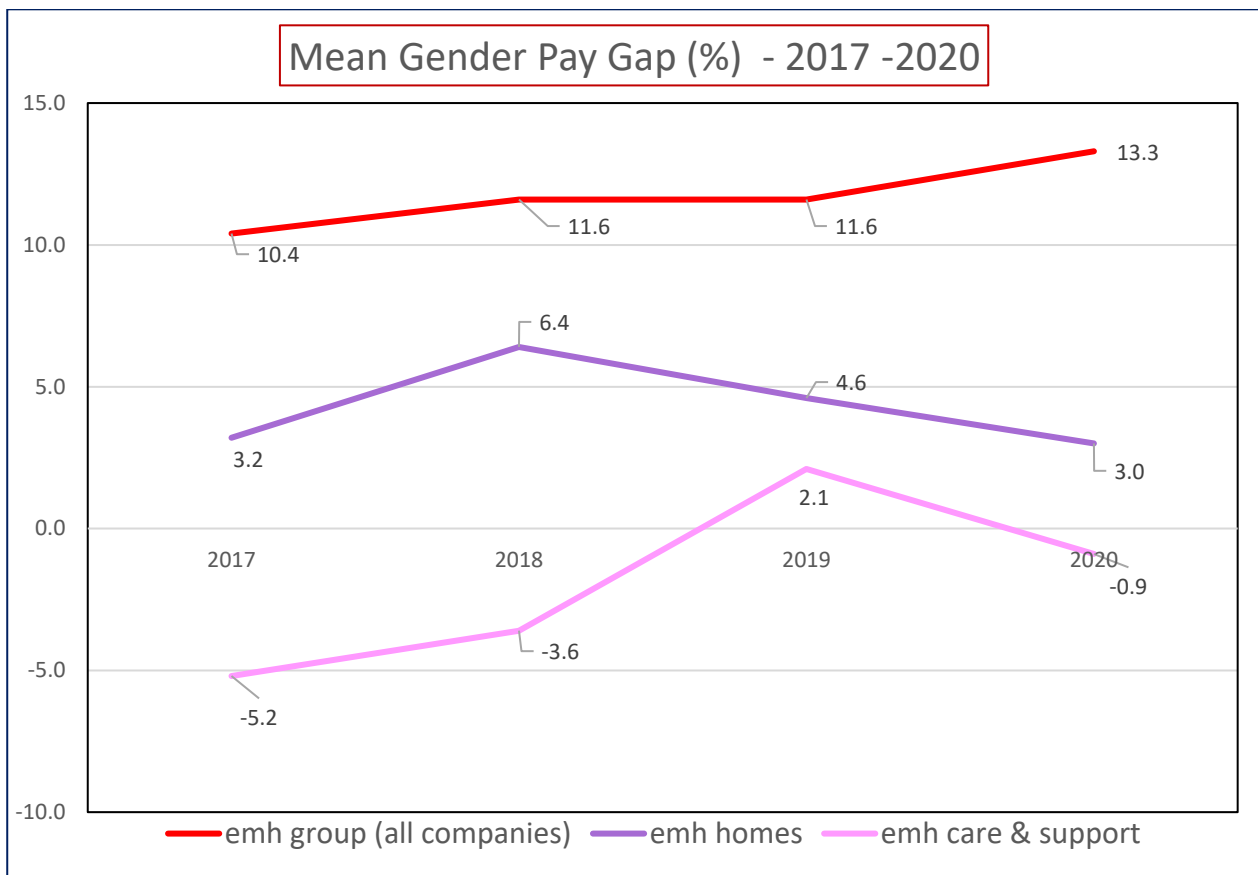


GENDER PAY GAP AND ETHNICITY PAY GAP REPORTS 2020

Gender Pay Gap Report - 2020

Employers of more than 250 employees are required by law to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

emh group comprises emh homes, emh care and support, Midlands Rural Housing and emh sharpes. emh homes and emh care and support each employ more than 250 employees, therefore we are required to report these companies separately. Figures for emh homes, emh care and support and emh group (all companies) have been produced and published, dating back to April 2017 (see chart below).





The table below shows the required calculations for the companies to show the difference between the average earnings of men and women as at April 2018 to April 2020.

| Calculation | 2020 – emh group – all businesses | 2019 – emh group – all businesses | 2018 – emh group – all businesses | 2020 – emh homes | 2019 – emh homes | 2018 – emh homes | 2020 – emh care & support | 2019 – emh care & support | 2018 – emh care & support |
|--------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------|---------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Mean gender pay gap | 13.3% | 11.6% | 11.6% | 3.0% | 4.6% | 6.4% | -0.9% (minus) | 2.1% | -3.6% (minus) |
| Median gender pay gap | 14.3% | 13.2% | 10.8% | 9.6% | 10.6% | 15.1% | 0% | 0% | 0% |
| Mean bonus gender pay gap | -225.12% (minus) | -87.5% (minus) | 49.0% | 30.9% | 0% | 77.8% | 0% | 100% | 0 |
| Median bonus gender pay gap | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% |
| Percentage who receive a bonus | 9.3% Male 7.0% Female | 5.2% Male 6.7% Female | 2.8% Male 2.5% Female | 10.2% Male 21.8% Female | 6.5% Male 17.6% Female | 3.4% Male 6.0% Female | 0% Male 0% Female | 1.6% Male 0% Female | 0% Male 0% Female |



The table below shows the proportion of males and females in each quartile pay bracket.

| Calculation | 2020 – emh group – all businesses | 2019 – emh group – all businesses | 2018 – emh group – all businesses | 2020 – emh homes | 2019 – emh homes | 2018 – emh homes | 2020 – emh care & support | 2019 – emh care & support | 2018 – emh care & support |
|-------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------|------------------|------------------|---------------------------|---------------------------|---------------------------|
| A Lower quartile | Male (29.8%) | Male (27.2%) | Male (29.3%) | Male (42.9%) | Male (38.8%) | Male (38.0%) | Male (24.8%) | Male (23.4%) | Male (22.5%) |
| | Female (70.2%) | Female (72.8%) | Female (70.7%) | Female (57.1%) | Female (61.2%) | Female (62.0%) | Female (75.2%) | Female (76.6%) | Female (77.5%) |
| B Lower middle quartile | Male (31.1%) | Male (34.5%) | Male (31.1%) | Male (50.0%) | Male (44.0%) | Male (53.2%) | Male (29.5%) | Male (20.7%) | Male (33.6%) |
| | Female (68.9%) | Female (65.5%) | Female (68.9%) | Female (50.0%) | Female (56.0%) | Female (46.8%) | Female (70.5%) | Female (79.3%) | Female (66.4%) |
| C Upper middle quartile | Male (43.8%) | Male (42.7%) | Male (40.5%) | Male (61.5%) | Male (72.6%) | Male (63.3%) | Male (15.0%) | Male (33.3%) | Male (22.5%) |
| | Female (56.2%) | Female (57.3%) | Female (59.5%) | Female (38.5%) | Female (27.4%) | Female (36.7%) | Female (85.0%) | Female (66.7%) | Female (77.5%) |
| D Upper quartile | Male (50.2%) | Male (49.6%) | Male (49.8%) | Male (63.3%) | Male (61.9%) | Male (64.6%) | Male (18.8%) | Male (20.0%) | Male (17.6%) |
| | Female (49.8%) | Female (50.4%) | Female (50.2%) | Female (36.7%) | Female (38.1%) | Female (35.4%) | Female (81.2%) | Female (80.0%) | Female (82.4%) |



GENDER PAY GAP REPORT – NARRATIVE 2020

The data for emh group (all companies) show that our mean gender pay gap has increased to 13.3% from 11.6%, across all of our diverse operating businesses. The mean gender pay gap for emh homes has continued to decrease from 6.4% in 2018 to 4.6% in 2019 to 3.0% in 2020. For emh care and support, the gender pay gap has decreased to – 0.9% (minus), following an increase to 2.1% (plus) in 2019, compared to – 3.6% (minus) in 2018.

With regards to the median gender pay gap for all businesses, this has increased from 10.8% in 2018 to 13.2% in 2019 to 14.3% in 2020. Whilst there continues to be no change to the median pay gap for emh care and support (0% since April 2017), there continues to be a reduction in the pay gap trend at emh homes to 9.6% in 2020 from 10.6% in 2019.

emh group

To analyse the overall increase in the pay gap for all companies, emh group as a single employer (employing 132 staff on 5 April 2020) needs to be reviewed separately. At emh group the mean gender pay gap for 2020 was 18.9% and the median pay gap was 19.2% (compared to 13.3% and 14.3% respectively, for all companies). The mean hourly rate increase for emh group (2020 compared to 2019), for males was 8.2% compared to an increase of 1.3% for females. Some of this disparity in increase in mean hourly rates can be explained by a review of ICT gradings and roles in a male dominated team. In addition, a pay increase for a group of apprentices employed by emh group (male), alongside some male promotions within the Development team also contributed.

Males were appointed to a new Executive Director (57% of our Executive Management Team are now male compared to 50% in 2019) and a Director post between the reporting periods. It is recognised that more progress is required to balance the proportion of males and females in more senior roles and at Board. It should be noted that within the upper pay quartile, men and women are evenly distributed. Women are significantly over represented in the lower quartile roles (70% female, 30% male), which impacts on the overall pay gap.

emh care and support

With regards to emh care and support, the mean gender pay gap has moved to -0.9% in favour of female employees compared to 2.1% in favour of males in 2019. In the four years of reporting, the figures for 2020 represents the closest to parity in pay for gender. It can be attributed to there being fewer males being paid in the upper half of all hourly rates paid in emh care and support in 2020, compared to 2019 (16.9% compared to 26.5%).

emh homes

For emh homes, there has been a continuous positive trend towards mean gender pay parity over the past 3 years (move from 6.4% in 2018 to 3.0% in 2020). There has been a reduction in the proportion of males who are paid in the upper half of hourly rates in 2020 compared to 2019 (62.4% in 2020 compared to 68% in 2019).



Gender Pay Gap Comparators – (Source: Office of National Statistics)

| Sample Group | 2020 – Mean Gender Pay Gap | 2019 – Mean Gender Pay Gap |
|--|----------------------------|----------------------------|
| emh group – all companies | 13.3% | 11.6% |
| All companies in England and Wales | 15.5% | 17.4% |
| All companies in England and Wales with 250+ employees | 17.0% | - |
| Caring and Service occupations | 6.2% | 8.0% |
| Sample of Housing Associations and Groups * | 9.1% | 9.5% |

* - A sample of 34 (2020) and 47 (2019) housing associations/groups (some of which also have care elements), each with more than 500 employees

Ethnicity Pay Gap - 2020

It is not currently a legal requirement for companies to produce or publish ethnicity pay gap data. However, it is increasingly being recognised as good practice for companies to analyse this information. emh has key values around equality, diversity and inclusion in the workplace, therefore we have chosen to present our first ethnicity pay gap report for the business as at 5 April 2020. This compares the mean and median hourly rates of our Black, Asian and Minority Ethnic (BAME) and white employees.



Ethnicity Pay Gap – emh group as at 5 April 2020

| Ethnicity Pay Gap – Key Measures - 2020 | emh group (all companies) | emh care and support | emh homes | emh group |
|---|---|----------------------|-----------|---|
| BAME Employees Headcount (% of all employees) | 86 (10.6%) | 31 (11.3%) | 34 (9.8%) | 17 (13.3%) |
| BAME Employee Mean Hourly Rate | £15.38 £14.34 (excluding Chief Exec) | £9.76 | £14.50 | £26.96 £22.45 (excluding Chief Exec) |
| BAME Employee* Median Hourly Rate | £12.49 | £8.71 | £13.97 | £20.10 |
| White Employee Mean Hourly Rate | £14.44 | £10.12 | £15.02 | £22.43 |
| White Employee Median Hourly Rate | £12.56 | £8.71 | £13.97 | £16.31 |
| Pay Gap Mean in favour of White Employees (£) | -£0.94 £0.10 (excluding Chief Exec) | £0.36 | £0.52 | -£4.53 -£0.02 (excluding Chief Exec) |
| Pay Gap Median in favour of White Employees (£) | £0.07 | £0.00 | £0.00 | -£3.79 |
| % Mean Pay Gap | -6.5% 0.7% (excluding Chief Exec) | 3.6% | 3.5% | -20.2% -0.1% (excluding Chief Exec) |
| % Pay Gap Median | 0.6% | 0.0% | 0.0% | -23.2% |



emh group (all companies) - Distribution of employees in each quartile pay bracket by ethnicity - 2020:

| | |
|-----------------------|-------|
| Lower Quartile | |
| % BAME | 8.1% |
| % White | 91.9% |
| Lower Middle | |
| % BAME | 13.8% |
| % White | 86.2% |
| Upper Middle | |
| % BAME | 8.0% |
| % White | 92.0% |
| Upper Quartile | |
| % BAME | 8.8% |
| % White | 91.2% |

In considering the distribution of employees by ethnicity for emh group (all companies), it can be seen that with the exception of the Lower Middle Quartile, the % of BAME representation is between 8-9%. The highest proportion of BAME representation is in the Lower Middle Quartile with 13.8% of employees recorded as being from a BAME background.

To benchmark these data, England and Wales as a whole, reportedly had a median ethnicity pay gap of 2.3% in 2019 and in the East Midlands for the same period, the figure was recorded at 6.9% in favour of white employees (ONS).



Future Initiatives and Strategies

We are committed to rewarding our employees fairly for the contribution and value they add and appointing the best candidate for positions, regardless of their gender or diversity characteristics. The change in results reflect some of the changes of employees in positions at the corresponding reporting dates, new appointments in additional posts and leavers across the business. This shows we still have further work to do to eliminate the gender and ethnicity pay gaps across emh group as a whole and highlights the areas where there are differences in the gender and ethnicity pay gap in the operating businesses.

Diversity and Inclusion

Data Orchard has been used during 2019/20 to review our employee and customer diversity data for completeness and quality and to recommend actions to support emh group to become improve the validity of their data and become more data savvy. This improvement work is continuing as a longer-term project into 2021.

As part of the continuing Equality Diversity and Inclusion (EDI) strategy implementation, a data cleansing programme has commenced in order to enhance the data held on EDI for our employees. This will enable more detailed analysis of EDI trends and will assist in shaping policy moving forward. An EDI BAME staff group has been set up, bringing people together to discuss common barriers and areas of focus for the organisation. This group feeds into the business-wide EDI Steering Group and helps to shape the EDI agenda for the business. We are continuing with the EDI Awareness plan; communicating information regarding a diverse range of key calendar activities.

All employees on recruitment panels are to complete unconscious bias training.

Culture and Engagement

After a successful pilot, the Barrett's Value approach is being used to look at culture and engagement across emh group. This is used for understanding the values of our employees and leaders and how aligned personal values are to organisational values. This offers a means for creating a deeper alignment of purpose where increased engagement is created when values are aligned. An internal team of leaders have been trained to use the model and maximise the benefit of survey results within teams.

A Barrett Cultural Values Assessment (CVA) was used across all employees during September 2020, to look at the culture pre, during and post Covid-19 to see what is valued and how this has changed. This approach is being used to create a thriving culture, with reduced entropy (wasted energy) which impacts upon employee engagement and customer satisfaction. emh group is committed to use this model and a transformation review to shape the future ways of working and support enhanced performance with a highly engaged culture where employees feel proud, satisfied, recognised and supported and believe their work matters and matches their own values.



Development/Talent Management

emh group is continuing to invest in a development programme which aims for all of its leaders to become trained coaches by 2023. 137 employees have already been trained, 60% of whom are female and 40% are male. In addition, a new, 'Aspiring Managers' development programme has also commenced during 2020. Out of the cohort of 8 aspiring managers, 6 are female and 2 are male and 7 are white and 1 is from a BAME background. A 'Leading Remotely in a Changing World' programme has also been launched in November 2020.

During 2020, we have focussed on embedding the Talent Strategy which launched in November 2019. This has included the development of People Plans for each area of the business, which involves indentation of employees which have demonstrated the talent, potential and aspiration to grow their careers. As part of this process we ensure open and transparent discussions take place and that the approach is consistent across all parts of the organisation.

A new learning management system, emh learn, has been launched which aims to broaden training and development access to all areas of the business. Launched to all employees on emh learn is a new equality and diversity training course, plus unconscious bias training. Courses relating to transgender awareness and other equality and diversity modules have also been included in this roll out.

Apprenticeship Academy

emh group has an award-winning Apprenticeship Academy, which was established in 2012 as a social enterprise to provide education, training, skills and future job opportunities for local people. We have 72 apprentices on programme in 2020, with an additional throughput of 48, 36 of which have achieved a full apprenticeship and 16 left without achieving. Our strategy aims to deliver 250 traineeships/apprentices by 2023, which is aligned to our overall business plan. We have success stories relating to some of our female apprentices in repairs and maintenance, where one received highly commended in the regional finals for the National Apprenticeship Awards 2018 and highly commended in the Leicestershire Business Awards within the same year. In 2020 we have had an apprentice who won her category in the Black, Asian and Minority Ethnic (BAME), which was an outstanding achievement.

Promotion of our apprenticeship programme internally has resulted in more of our existing employees taking opportunities in different occupational areas, with some diversifying their careers, which is well supported by the organisation and meets with the business needs. We currently have 8 female apprentices in Property Services with 3 who have recently achieved and progressed to be skilled in craft. This year, we attracted a further 2 females which was 50% of the apprentices who started in construction. This supports positively, the gender imbalance in the sector and we continue our drive to encourage females into the trades. Our future plans involve membership of the Apprentice Diversity Network Champions, which will help focus our apprenticeship recruitment towards those from BAME backgrounds, LLDD (learning difficulties and disabilities), STEM (women in science, technology, engineering and manufacturing) and those from disadvantaged areas and poor socio-economic backgrounds. We also intend to attract more apprentices from these areas in 2021 by involving more promotions through our residents.



Recruitment and Selection

Within the gender pay gap data across all companies at emh group, 61.3% (61.5% in 2019, 62.3% in 2018) of employees are female. Similar to other reported trends in the housing sector, there is a gender imbalance in male dominated areas such as repairs and maintenance and grounds maintenance. emh care and support continue to employ a higher percentage of female employees (78.0%) and have the lowest mean gender pay gap within the business of -0.9% (minus). Attracting a diverse workforce in all areas of the business can help to ensure any prevailing pay differences within operational areas do not impact the wider gender pay gap.

emh group has recently implemented a new piece of software to help manage and enhance our recruitment service. One of the advantages of this software means that we will be able to produce and analyse equality and diversity data on roles advertised e.g. X% of candidates were female and Y% were BAME and tracking progress for these groups from application through to offer stage. This information could potentially help inform more targeted recruitment from under-represented groups (as identified by our work with data orchard). Furthermore, we are also working with Greenacre (a housing recruitment company) who are helping to review our recruitment processes to help us identify any barriers which may be preventing applications and prevent any unintentional bias.

emh group have committed to observe the 'Rooney' rule in relation to senior board appointments, where applicants from BAME groups will be offered interviews for roles. In addition, we have given a public commitment to ensuring that all shortlists for Board and senior positions include a BAME candidate, providing they meet the person specification. Work is currently taking place to be able to enable this commitment to be carried out within the business.

Further work is planned with regards to training for managers on recruitment and diversity.

Pay and Reward

A new salary scale has been implemented from 1st April 2020, which is a Rate for the Job (RFJ) salary scheme (excluding emh care and support). The grade and associated salary for all new positions are evaluated using an external job evaluation process and it is proposed to undertake annual salary market testing for job families. This benchmarking will also be conducted through an external and independent process.

All areas of the business have received an annual pay award with effect from 1 April 2020. emh care and support roles are benchmarked through an external exercise led by the National Care Forum, Agenda Consulting. All roles within care and support are compared across the sector and geographical areas. This resulted in a pay review based on individual role, rather than an across the board uplift for 2020.

At the point of 2020 reporting, emh care and support employees had not yet received an annual pay award, as this was subject to wider discussions. This was the same in 2019.



Covid-19 and the Pay Gaps

The impact of Covid-19 on the pay gaps is yet to be seen as the data presented is from April 2020. It has been reported in Personnel Today (November 2020) that the Covid-19 pandemic has put gender equality at a crossroads, where progress in gender equality could either be set back decades, or further advanced through government intervention in driving positive change for female workers. emh group is not alone in making significant changes to the working lives of many where office based employees have stayed at home to work where possible. emh group has adopted a supportive and flexible approach throughout the pandemic wherever possible.

Flexible and family friendly policies

emh group continues to offer a range of flexible and family friendly working practices, including part-time working, job sharing, home working and agile working to enable our employees to effectively manage their work/life balance. Homeworking and agile working have been accelerated in relevant areas of the business due to the Covid-19 pandemic. A consultation process through the transformation review has started from November 2020 to see how the new ways of working will continue, where they make business and individual sense to do so.

The dated flexi-time practices and recording system have been removed where used across the business with effect from 1 October 2020; offering additional annual leave to support increased work-life balance and positive engagement. Line managers continue to encourage and support returners following a period of maternity leave and from other extended leave. We also offer a salary sacrifice scheme for childcare vouchers.

We will continue to work with our recognised Trade Unions and staff consultation groups to identify further ways in which we can address issues that may contribute to the gender and ethnicity pay gaps and how these can be closed.

I confirm that the information given in this report is true and accurate.

Signed: _____

Joanne Tilley - Executive Director – Corporate Services

Dated: _____