

Gender Pay Gap Report



2017

Places for People is an award winning placemaking, regeneration, property management and leisure company, active in all four nations of the UK. Our vision is to create places that work for everyone.

We have an inclusive, values led and high performance culture, and were successful in achieving reaccreditation of the Gold Standard for Investors in People in 2017. Our approach is underpinned by our SPIRIT values, embedded throughout the Group, across all of our subsidiary companies. Our values have been developed with our employees and act as a guide to all of us in Places for People in how we manage and operate our business.

Following new legislation, UK companies with over 250 staff have to report on their gender pay gap for the first time this year. We welcome this change and see it as a step forward to ensure greater transparency about gender pay differences to deliver greater equality.

Led by our culture and principles we have decided to go above and beyond the new legislation and report on gender pay across the whole Group, as well as fulfil our statutory requirements.

We are a large Group of more than 11,000 employees, comprised of over 20 businesses spanning multiple markets, including: placemaking and regeneration, development and construction, property management, affordable housing, retirement, leisure and fund management. We have developed this broad range of capabilities and skills through organic growth and acquisition, giving us the ability to tackle the range of activities to create and manage large-scale places and assets in a way few other organisations can.

Due to our company structure and scale and diversity, the vast majority of our workforce is employed in the Group's subsidiary businesses. As is common for organisations of our size, we have a Group entity (Places for People Group Ltd) where our central functions sit, which employs the Group Executive, a large proportion of our senior managers and all of our Group corporate services functions. All of our business operations and services sit within the individual subsidiary businesses.

As an organisation with a strong social as well as a commercial purpose, we have always strived to create an organisation that attracts and retains the best people and reflects the communities that we serve and create. We always aspire to achieve a representative balance of men and women working across all levels and functions, but we recognise that there is more work to be done in some areas.

We are working to achieve greater gender, and wider diversity, at our most senior levels in the organisation. Achieving gender diversity within the general workforce within some of our subsidiary businesses remains a challenge, particularly those operating in sectors which have a strong gender imbalance nationally, such as property management and development.

What is the gender pay gap?

The gender pay gap is a measure of the difference between the average earnings of men and women across the same organisation. It is not the same as equal pay, which relates to men and women being paid equally for equal work. This has been a legal requirement in the UK for many years and a matter of principle that Places for People is committed to.

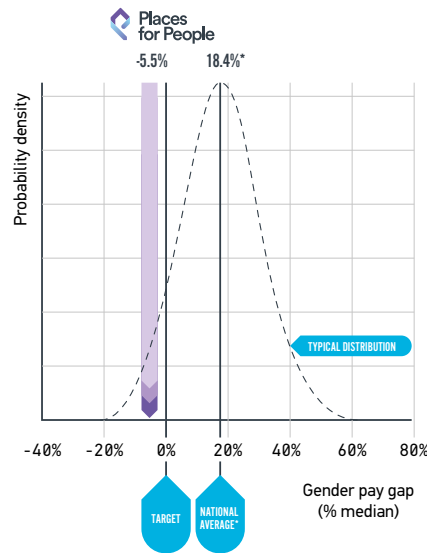
Our mean and median pay gap

Our mean gender pay gap at 6.3% and median gender pay gap at -5.5% demonstrate that our gender pay is broadly neutral across the Group. Both results are below the current national averages of 17.4% (mean) and 18.4% (median),* and below that of organisations with a similar financial turnover and size of workforce.**

The mean gender pay gap is the difference in average hourly rates of pay that male and female employees receive. This gives an overall indication of the gender pay gap.

The median gender pay gap is calculated by ordering individual rates of pay for men and women from lowest to highest and comparing the middle value of each.

Median gender pay gap summary chart



Mean gender pay gap

6.3%

Median gender pay gap

-5.5%

We can take assurance as a Group from our overall position on gender pay as evidence that our pay is gender neutral by design. This analysis shows us that the gender pay imbalance in some of our subsidiary businesses, particularly where there are recognised distortions in gender pay within specific sectors, are primarily due to significant gender imbalance in the makeup or structure of the workforce, rather than issues with pay design.

As can be seen across our subsidiary businesses in our statutory disclosure, our gender imbalance correlates with the gender imbalance in certain sectors of the UK's labour market. For example this can be seen by a positive gender pay gap in our property management and development businesses, or a negative pay gap in our leisure and care and support businesses.

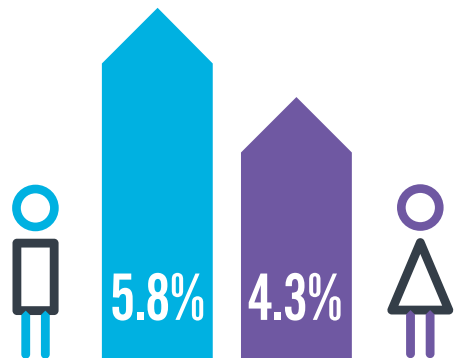
*Office for National Statistics Annual Survey of Hours and Earnings 2017 All employees.
** Xpert HR Gender Pay Gap reporting service benchmarks (XpertHR are part of Reed Business Information inc.).

Understanding Places for People's bonus gap

The structure of our workforce is also influencing our gender bonus gap. Our mean gender bonus gap is 64.1% and our median bonus gap is 52%. At 64.1%, this is above the mean figure for organisations with a similar financial turnover and above organisations that have similar numbers of employees.** However, our median gender bonus gap of 52% is comparable with organisations of 5,000+ employees.**

Our senior manager bonus scheme, and other performance pay awards or commission schemes, are gender neutral by design. However, the shape of our workforce drives our mean bonus gap, in the same way it does for our gender pay gap for some of our subsidiary businesses.

Proportion of men/women receiving bonus pay



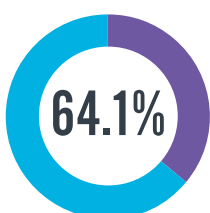
Our gender bonus gap is affected by two main factors:

1. The bonus schemes in place across the Group are almost exclusively targeted at our senior managers.
2. Women are underrepresented at a senior management level. This is not reflective of the wider workforce, which is proportionally gender balanced.

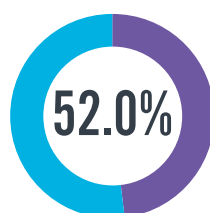
Group wide there are 175 individuals who are classified as Senior Managers, and who are eligible for a Senior Manager bonus or a comparable bonus scheme in one of our subsidiary businesses. This is our most common form of bonus.

This is our most senior group, of which 73% are men and 27% are women. This gender split is due to both historical and sector specific issues. We have been working to improve our gender representation within our senior manager group for some time, and we will utilise the gender pay information to help inform and focus our continuing work to increase female representation within our most senior roles.

Mean gender bonus gap



Median gender bonus gap



Mean gender bonus gap

64.1%

Median gender bonus gap

52.0%

How Places for People is tackling its gender pay gap

Both our mean pay and mean bonus gap shows that there is more work to be done. We recognise that we need to take steps to reduce gender pay gaps within several of our subsidiary businesses, and to take steps to reduce the gender bonus gap.

This will mean we will be looking more closely at the structure of our workforce and in particular what we can do to attract relevant talent to achieve a gender balanced workforce in all of our businesses. We will also be identifying and implementing actions to nurture and encourage more women into senior roles across the Group.

1. We will do more to support gender balanced progression

This isn't new to us, and we have been working on encouraging diversity at our senior levels for a number of years. This year we are strengthening that approach and will be:

- Actively working with recruitment partners to develop greater diversity in candidate search and shortlisting.
- Developing greater visibility of talent management and succession planning with analysis of gender balance as an integral part of the process.

- Developing management and leadership programmes to grow our own.
- Supporting and nurturing all our talent to be the best they can be.

2. We will do more to attract more women into sectors where they are under-represented nationally

- We are in the process of developing a distinct People Deal and attraction brand for the Group to further increase employee engagement, diversity and retention. It will help us promote our wide range of opportunities and inclusive culture regardless of gender.
- We are redeveloping our careers website to promote opportunities in a gender neutral way, whilst showcasing success stories of some of our female employees in senior management roles. This will include case studies of employees working in sectors where women are underrepresented nationally, including property management, development, finance and information technology with the aim of attracting a better gender balance of applications.

We are confident that we will be able to improve our gender diversity within our subsidiary businesses and at our most senior levels, in the forthcoming years.

Statutory disclosure

As required under the Gender Pay Gap Reporting regulations, all companies with 250 or more employees on 5 April 2017 are required to publish specific gender pay information.

Places for People Group had seven legal entities with at least 250 employees on 5 April 2017:

- Places for People Group Ltd (executive and senior directors and corporate services functions)
- Places for People Homes (regulated housing activities)
- Places for People Leisure (leisure management and services)
- Places for People Living+ (supported housing, care and support)
- Derwent FM (facilities management)
- Places for People Scotland Care & Support (care and support)
- RMG (property management)

Our gender pay gap data for each of these entities is set out in the table below.



At a glance – Statutory disclosure by company

Company	Proportion of men/women in lower pay quartile (M%/F%)	Proportion of men/women in lower middle pay quartile (M%/F%)	Proportion of men/women in upper middle pay quartile (M%/F%)	Proportion of men/women in upper pay quartile (M%/F%)	Mean gender pay gap	Median Gender Pay Gap	Mean gender bonus gap	Median gender bonus gap	Proportion of men/women receiving bonus pay (M%/F%)
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The Group View

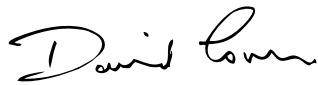
Places for People Group	47.7/52.3	42.3/57.7	40.5/59.5	41.4/58.6	6.3%	-5.5%	64.1%	52%	5.8/4.3
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Statutory Disclosures

Places for People Group Ltd	32.43/67.57	39.73/60.27	47.95/52.05	75.68/24.32	39.78%	27.66%	70%	96%	15.1/7.6
Places for People Homes	41.41/58.59	70.80/29.20	68.14/31.86	59.73/40.27	5%	6.31%	80%	91%	1.9/2.1
Places for People Leisure	51.2/48.8	40.2/59.8	38.7/61.3	27.1/72.9	-17%	-20.2%	-25.7%	23.9%	1.5/0.3
Places for People Living+	21.92/78.08	27.78/72.22	22.22/77.78	27.4/72.6	0.51%	0.2%	-430%	-347%	3.8/0.4
Derwent FM	53.00/47.00	60.61/39.39	62.12/37.88	65.15/34.85	12.05%	3.60%	95.59%	95.61%	0.63/2.75
Places for People Scotland Care & Support	31.75/68.25	30.65/69.35	38.10/61.90	25.40/74.60	-0.29%	0%	0%	0%	0/1
RMG	33.63/66.37	38.05/61.95	34.51/65.49	54.39/45.61	18.69%	11.35%	64.22%	23.08%	34.62/29.89

Declaration

We confirm that Places for People Group's gender pay gap calculations are accurate and meet the requirements of the regulations and mandatory requirements.



David Cowans
Group Chief Executive



Sally Smith
Group Director of People