

## HIF Board Meeting 27 April 2021

### Gender Pay

<b>Agenda Item Number:</b>		<b>11.2</b>
<b>Presented for:</b>	Discussion - Decision/Approval - Agree Action Plan	
<b>Report of:</b>	<i>HR</i>	
<b>Author (s):</b>	<i>Equality, Diversity and Inclusion Lead</i>	
<b>Report History:</b>	None	
<b>Publication Under Freedom of Information Act:</b>	This paper can be made available under the Freedom of Information Act 2000 if requested.	
<b>Links to HIF's Objectives</b>		
<b>Deliver an efficient and effective service offering to Harrogate and District Foundation Trust</b>		√
<b>Create strong sustainable partnerships</b>		
<b>Develop sustainable organisational systems</b>		
<b>Develop and maintain a strong, efficient and agile workforce</b>		√
<b>Strengthen the local community through collaboration</b>		
<b>Recommendation:</b>		
The Board is asked to review the paper and agree future actions.		

## **Ethnicity Pay Gap at Harrogate Integrated Facilities**

### **1. Ethnicity pay gap reporting**

- 1.0 Diversity and inclusion are fundamental to the success of an organisation; in the service it provides and in creating a fair, diverse and inclusive environment for its workforce.
- 1.2 Research shows that organisations with diverse workforces and inclusive cultures perform better because they benefit from having a range of lived experiences and deeper understanding and viewpoints in the room. This in turn promotes diverse, creative and innovative decision-making.
- 1.3 The culture of an organisation also depends on these values; a place where people are proud to work, where they feel valued, recognised and supported to develop their true potential.
- 1.4 While there is currently no legal requirement to publish ethnicity pay gap data in the UK, we are reviewing this data alongside our mandated Gender Pay Gap data as good practice and in line with our commitment on closing gaps in workplace inequalities between our Black, Asian and Minority Ethnic (BAME) staff and White staff.
- 1.5 The disclosure of diversity data, such as ethnicity, is optional for staff. The data used in this report is based on a snapshot of data from 31 March 2020 for colleagues who have chosen to disclose their ethnicity. While this is the first time we are reporting on this information, we will continue in the future to track our progress.
- 1.6 Our mean ethnicity pay gap shows the difference in average pay between BAME colleagues and White colleagues and takes into account all roles at all levels within Harrogate Integrated Facilities (HIF). This is different to the concept of equal pay i.e. the comparison in pay received by BAME and White colleagues performing the same roles at the same grade.
- 1.7 The Company pays the majority of staff who transferred on the 1st March 2018 on the Agenda for Change scale, any staff engaged in post since 1st March 2018 are paid on a scale comparable to Agenda for Change. Added to which all staff who fall below the Living Wage are in receipt of a top up payment. By using Agenda for Change and the HIF shadow scale provides assurance that equal pay for equal work is recognised i.e. someone entering the band 3 scale with the same level of qualification and experience would be paid the same irrespective of ethnicity, they would then have the opportunity to progress up the pay scale annually.

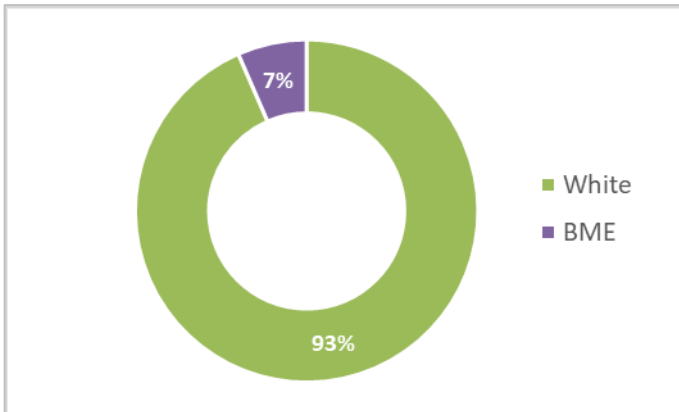
1.8 The report will provide a breakdown of:

- Mean ethnicity pay gap in hourly pay.
- Median ethnicity pay gap in hourly pay.
- Proportion of White and BAME colleagues in each pay quartile.
- Mean bonus ethnicity pay gap.
- Median bonus ethnicity pay gap.

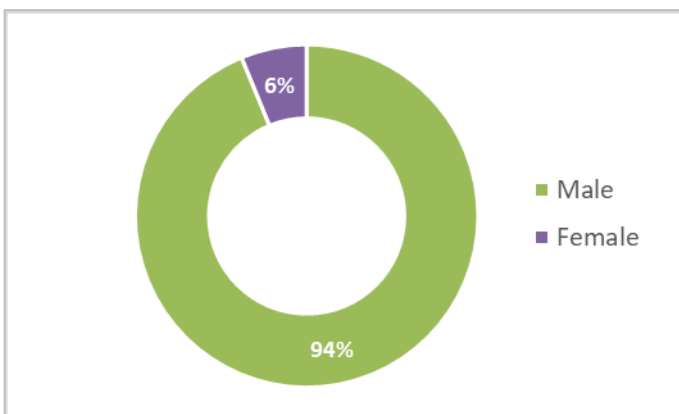
## 2.0 Company Position

2.1 Staff eligible for inclusion in the report as at the 31 March 2020 was 245 (excludes those on career break, maternity, adoption leave). The workforce ethnicity split at the time was as follows, BAME – 16 White – 229.

2020



2019



## 3.0 Definitions and scope

- 3.1 The Ethnicity Pay Gap is a measure that shows the difference in average earnings between BAME colleagues and White colleagues across an organisation
- 3.2 The report is based on rates of pay for the financial year 2019/20. It includes all workers in scope at 31 March 2020. A figure above zero indicates an Ethnicity Pay Gap disadvantageous to BAME colleagues; a minus figure indicates the ethnicity pay gap disadvantageous to White colleagues.
- 3.3 The Ethnicity Pay Gap is described in two different terms. Firstly, the difference between the mean of hourly rates of White colleagues and the hourly rates of BAME colleagues and secondly as the difference between the median of hourly rates of White colleagues and the median hourly rates of BAME colleagues.
- 3.4 Mean and Median
- The "mean" is an average of all hourly rates of pay.
  - The "median" is the middle value in a complete list of all hourly rates of pay.

**3.5 Mean and median ethnicity pay gap in hourly pay**

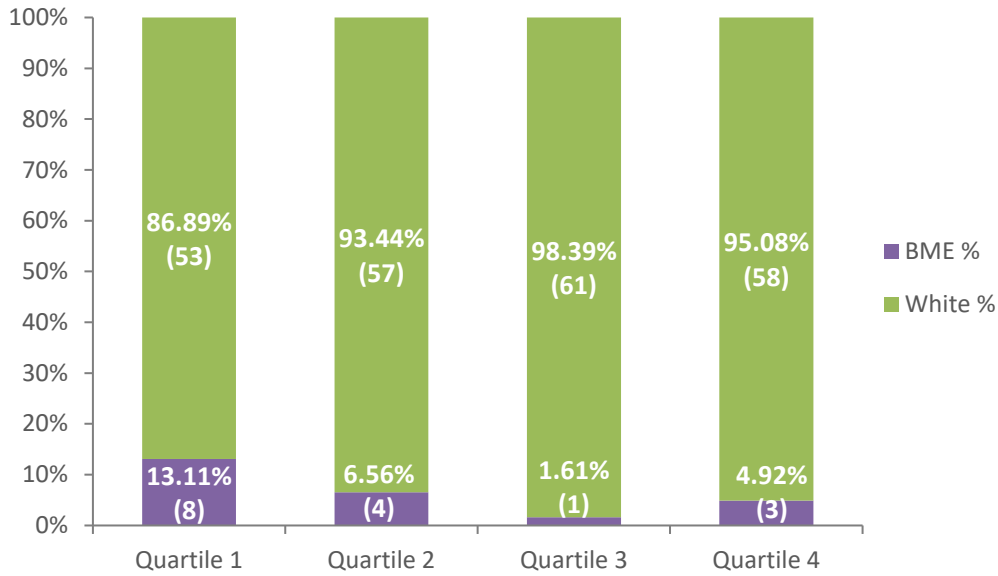
<b>Ethnicity</b>	<b>Mean Hourly Rate 2020</b>	<b>Median Hourly Rate 2020</b>	<b>Mean Hourly Rate 2019</b>	<b>Median Hourly Rate 2019</b>
<b>White (£)</b>	11.73	10.88	11.63	10.69
<b>BAME (£)</b>	10.93	10.05	10.75	10.00
<b>Difference (£)</b>	0.80	0.84	0.88	0.69
<b>Pay Gap %</b>	6.81	7.71	7.56	6.48

- 3.6 As shown the Company is reporting a 6.81% ethnicity pay gap, meaning that based on an average hourly rate White colleagues are paid 6.81% more than BAME colleagues. This gap is a decrease on 2019, which was 7.56%.
- 3.7 The figures also demonstrate that the Company has a 7.71% median ethnicity pay gap in 2020, which means that the median rate is lower for BAME colleagues. This figure is an increase in comparison to 2019, which saw a median ethnicity pay gap of 6.48%
- 3.8 As can be seen in the company profile the percentage of BAME colleagues has increased in 2020 to 7% compared to 6% in 2019.

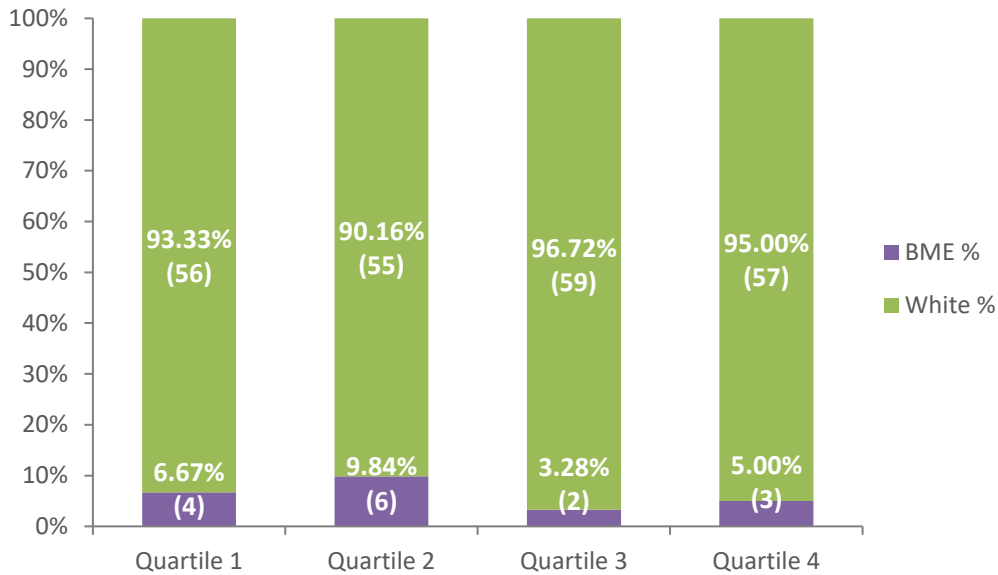
**4. Proportion of White and BAME colleagues in each pay quartile (1 is low, 4 is high):**

- 4.1 The graph below shows that the highest proportion of White colleagues is found in the middle upper quartile, this is 98.39% (2019 – 96.72%) of the quartile, or 26.64% of the overall White workforce. In contrast, the highest proportion of BAME colleagues is found in the 1<sup>st</sup> quartile, 13.11% (2019 – 6.67%), which is 50.00% of the overall BAME workforce.

2020



2019



5. Mean and median bonus ethnicity pay gap across 12 months to the 31 March 2020

- 5.1 The Company currently only pays bonus in the form of long service awards. Which is 5a £40 bonus paid to both White and BAME colleagues in recognition of 25, 30, 35, 40 and 50 years' service. As the Company has been in existence for 36 months, this will account for staff who have continuous service from their service with HDFT. As this bonus is paid out at an equal level to all employees it has no influence on the figures.
- 5.2 Due to the Coronavirus Pandemic, Long Service Award celebrations in 2020 were postponed. Staff who would have been eligible for an award in 2020 will be honoured in 2021.

**NB this data is blank due to no bonus payments.**

<b>Ethnicity</b>	<b>Mean Bonus 2020</b>	<b>Median Bonus 2020</b>	<b>Mean Bonus 2019</b>	<b>Median Bonus 2019</b>
White (£)	0.00	0.00	0.00	0.00
BAME (£)	0.00	0.00	0.00	0.00
Difference (£)	0.00	0.00	0.00	0.00
Pay Gap %	0.00	0.00	0.00	0.00

## **6. Summary and next steps in reducing the ethnicity pay gap**

- 6.1 The data in this report is based on those who have chosen to disclose their ethnicity.
- 6.2 We acknowledge there is a lot more to do to continue making improvements and bring positive changes for our BAME colleagues, and to welcome a more diverse workforce to HIF.
- 6.3 Further workforce analysis is required to continue efforts in reducing the ethnicity pay gap and identifying patterns and trends within service areas, departments and occupations. Positive actions include:
- 'At our Best' work streams focussing on recruitment, progression and culture.
  - Encourage the take up of shared parental leave, job-share and part-time working and promote flexible working arrangements in vacancies including part-time, job share, compressed hours, home working etc.
  - Promote training and education including unconscious bias training as part of the First Line Leaders programme and Pathway to Management.
  - Continue to listen to the lived experiences of the BAME and Ally Staff Network, engage with and value their expertise.
  - Encourage staff to feel confident in declaring their ethnicity status on ESR.
  - Develop talent pipeline and encourage conversations with staff to discuss progression/promotion and goal setting through annual review processes.