

Ethnicity Pay Gap at Harrogate Integrated Facilities

1. Ethnicity pay gap reporting

Diversity and inclusion are fundamental to the success of an organisation, both in the service it provides and in creating a fair, diverse and inclusive environment for its workforce.

Research shows that organisations with diverse workforces and inclusive cultures perform better because they benefit from having a range of lived experiences and develop a deeper understanding and viewpoints. This in turn promotes diverse, creative and innovative decision-making.

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.

While there is currently no legal requirement to publish ethnicity pay gap data in the UK, as an example of 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, we are reviewing this data alongside our mandated Gender Pay Gap data.

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 2024 for colleagues who have chosen to disclose their ethnicity.

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 (“The Company”). This is different to the concept of equal pay i.e. the comparison of pay received by BAME and White colleagues performing the same roles at the same grade.

Since 1st March 2018, the Company pays the majority of staff on a scale which is comparable to the Agenda for Change scale. All staff who fall below the Living Wage, regardless of start date are in receipt of a top up payment. 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 in the same way as their peers.

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.

Definitions and scope

The ethnicity pay gap is a measure that shows the difference in average earnings between White and BAME colleagues across an organisation.

The ethnicity pay gap is described in two terms. Firstly, the difference between the mean of hourly rates of White colleagues and BAME colleagues, and secondly as the difference between the median hourly rates of White colleagues and those BAME colleagues.

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.

The report is based on rates of pay for the financial year 2023/24. It includes all workers in scope on 31 March 2024.

Employees in scope are those who received their usual full basic pay during the pay period and who had declared their ethnicity. Employees out of scope are those who did not receive their usual full basic pay during the pay period, which includes staff who had reduced pay due to maternity leave, sickness and unpaid leave. Employees who have not stated their ethnicity are also out of scope.

The report is based on rates of pay for the financial year 2023/24. It includes all workers in scope at 31 March 2023/24. 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.

2. Company Position

As at the 31st March 2024, the number of staff eligible for inclusion in the report was 289. The workforce ethnicity split was 248 White colleagues and 41 BAME colleagues.

Figure 1 2024

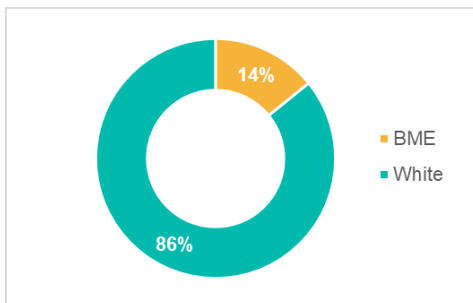
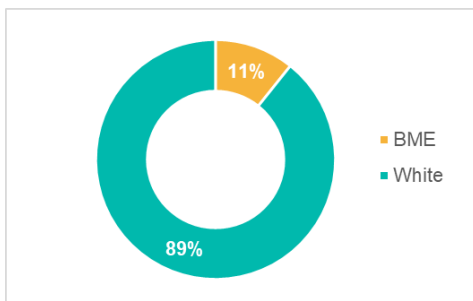


Figure 2 2023



Mean and median ethnicity pay gap in hourly pay

Ethnicity	Mean Hourly Rate 2024	Median Hourly Rate 2024	Mean Hourly Rate 2023	Median Hourly Rate 2023
White (£)	15.20	13.43	13.94	12.70
BME (£)	14.39	13.79	12.78	12.26
Difference (£)	0.81	-0.37	1.15	0.43
Pay Gap %	5.30	-2.74	8.26	3.42

As shown, the Company is reporting a 5.30% ethnicity pay gap, meaning that based on an average hourly rate, White colleagues are paid 5.30% more than BAME colleagues. This gap is a decrease from 8.26% in 2023 reducing the ethnicity pay gap.

Whilst in 2024, the mean hourly rate indicates a rate disadvantageous to BAME colleagues, in comparison, the median hourly rate is disadvantageous to White colleagues. This is the opposite to the data from 2023, which saw the median hourly rate disadvantageous to BAME colleagues, with a median ethnicity pay gap of 3.42%.

As can be seen in the company profile, in 2024, the percentage of BAME colleagues has seen a small increase in comparison to 2023, and this has had an impact on the data.

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

The graph below shows that the highest proportion of White colleagues is found in the two lower quartiles, compared to 2023. This is a decrease for the lowest quartile, however is an increase within the lower middle quartile. In contrast, the highest proportion of BAME colleagues are within the two higher quartiles, both of which have seen an increase compared to 2023. The two upper quartiles show that headcount of White employees has increased by 1 in 2024, compared to the previous year, whereas the headcount of BAME colleagues has doubled or more than doubled.

Figure 3: 2024

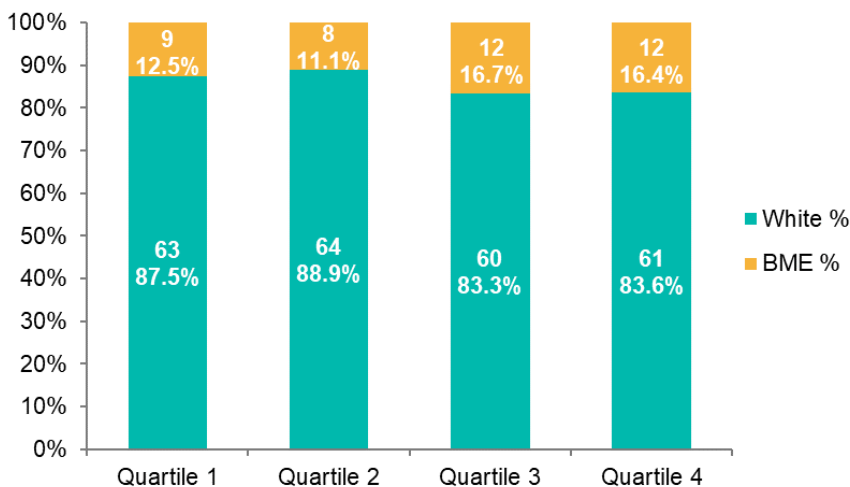
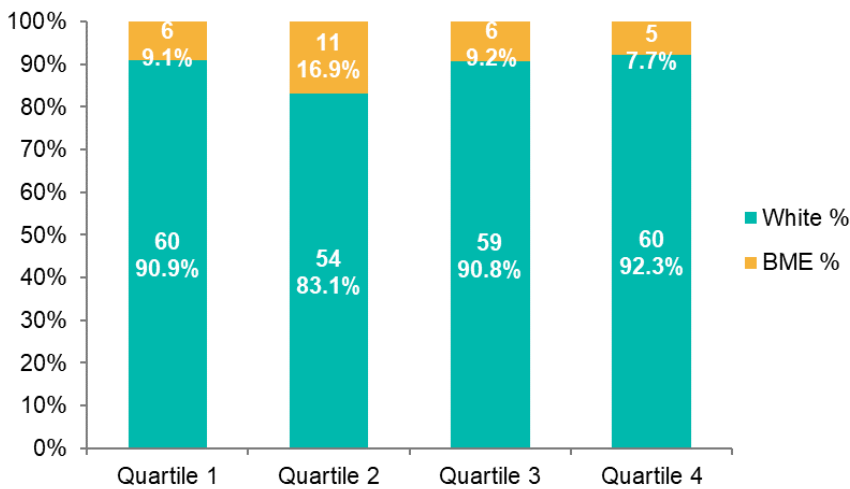


Figure 4 2023



5. Mean and median bonus ethnicity pay gap across 12 months to the 31 March 2024

The Company currently only pays a bonus in the form of Long Service Awards, which is a £40 bonus paid to both White and BAME colleagues in recognition of 25, 30, 35, 40 and 50 years' service. As the Company had only been in existence for 6 years by 31st March 2024, the data includes staff who have continuous service from HDFT. As this bonus is paid out at an equal level to all employees it has no influence on the figures.

9 Long Service Awards were issued to staff who were still employed as at 31st March 2024. All 9 were issued to White colleagues.

All long service awards carry the same financial value of £40, meaning that the ethnicity bonus gap would be zero.

7. Summary and next steps in reducing the ethnicity pay gap

The data in this report is based on those who have chosen to disclose their ethnicity.

We acknowledge there is a lot more to do to continue making improvements and bringing positive changes for our BME colleagues, and to welcome a more diverse workforce to HIF.

Further workforce analysis is required to continue efforts in reducing the ethnicity pay gap and identify patterns and trends within service areas, departments and occupations. Positive actions include:

- 'At our Best' work streams, focussing on recruitment, progression and culture
- Encouraging the take up of shared parental leave, job-share and part-time working and promoting flexible working arrangements in vacancies including part-time, job share, compressed hours, home working etc.
- Promoting training and education, including equality training as part of the First Line Leaders' programme and Pathway to Management
- Continuing to listen to the lived experiences of the REACH Network, engaging with and valuing their expertise
- Encouraging staff to feel confident in disclosing their ethnicity status on ESR
- Developing a talent pipeline and encouraging conversations with staff to discuss progression/promotion and goal setting through annual review processes.

