|  |  |
| --- | --- |
| HIGH LIFE HIGHLAND  REPORT TO HIGH LIFE HIGHLAND BOARD  27 August 2020 | AGENDA ITEM  REPORT No HLH/ /20 |

## **GENDER PAY GAP - Report by Chief Executive**

|  |  |  |
| --- | --- | --- |
| **Summary** This report provides proposed content to meet legal reporting requirements on High Life Highland’s Gender Pay Gap.  It is recommended that Directors:   1. comment on and note the draft 2020 Gender Pay Gap Report in **Appendix A** and approve its submission to the UK Government and publication on the HLH website. | | |
|  |  |
| **1.** | **Business Plan Contribution** |
| 1.1 | This report supports the highlighted Business Outcomes from the High Life Highland (HLH) Business Plan:   1. Sustain a high standard of health and safety, and environmental performance 2. **Implement the Service Delivery Contract with THC** 3. **Improving customer engagement and satisfaction** 4. **Improving staff engagement and satisfaction** 5. **Enhance the positive charity image** 6. Be a trusted and effective partner 7. Achieve sustainable growth across the organisation 8. Develop health and wellbeing across Highland communities 9. **Develop and promote the High Life brand** |
| **2.** | **Background** |
| 2.1  2.2  2.3  2.4 | Under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 it is now a legal requirement for any organisation with 250 or more employees to publish and report specific figures about their gender pay gap, by April each year.  The gender pay gap is the difference between the average earnings of men and women, expressed relative to men’s earnings.  Employers must publish their [gender pay gap data and a written statement](https://www.gov.uk/guidance/gender-pay-gap-reporting-what-employers-must-publish) on their public-facing website and report their data to government online. The data required is:  1. mean (average) gender pay gap in hourly pay; 2. median (midpoint) gender pay gap in hourly pay; 3. mean bonus gender pay gap; 4. median bonus gender pay gap; 5. proportion of males and females receiving a bonus payment; and 6. proportion of males and females in each pay quartile |
| 2.5 | HLH is committed to the promotion of equality of opportunity in its employment practices. The Charity’s Equal Opportunities policy states that it intends that no job applicant or employee shall receive less favourable treatment because of sex, marital or family status, age, ethnic origin, disability, race, colour, nationality, religion, belief, sexual orientation, gender reassignment or any other non-job related factor. |
| 2.6 | HLH is also confident to report that males and females are paid the same rate for the job regardless of gender (or any other difference). Employees are remunerated according to set pay scales and terms and conditions which are negotiated nationally, through The Highland Council, by the Scottish Joint Council for Local Government Employees. |
| **3.** | **High Life Highland Gender Pay Gap Results 2019/20** |
| 3.1 | HLH’s detailed results are provided in the draft Gender Pay Gap Report at **Appendix A.** |
| 3.2 | The table below provides a comparison of the Gender Pay Gap results from 2017/18, 2018/19 and 2019/20:   |  |  |  | | --- | --- | --- | |  | **Difference between male and female**  **hourly fixed pay** | | | **Mean (average) Pay Gap** | **Median (midpoint) Pay Gap** | | **2017/18** | 5.3% | 7.2% | | **2018/19** | 7.3% | 0.0% | | **2019/20** | 9.0% | 12.5% | |
|  |  |
| 3.3 | Although there has been no significant changes in the male to female ratio (1:2) across the whole organisation there has been a 1.7% increase to the mean pay gap. The level of Gender Pay Gap reported primarily relates to the number of males compared against females in positions ranked in the highest pay quartile according to hourly pay rate. (see **Appendix A**) |
| 3.4  3.5 | The appointment of males into senior management positions, has resulted in an increase in the mean pay gap for the 2019/20 period.  The current ratio of males to females within the Senior Management Team is 2:1 compared to the overall Charity ratio of 1:2 |
| 3.6 | The median pay gap has also increased significantly in 2019/20; by 12.5% compared to 0% in 2018/19. This would indicate that while staff turnover has remained constant, more females than males have been employed in the lower paid jobs within Quartile 1 in 2019/20 compared to 2018/2019. This is supported by the fact that of all HLH leavers in 2019/20, 42% were males and 58% were females compared to new starts of 30% males and 70% females. |
| **4.** | **Risk Implications** |
| 4.1 | Resource Implications **–** there are no new resource implications associated with the recommendations of this report. |
| 4.2 | Legal Implications – there are no new legal implications associated with the recommendations of this report. |
| 4.3 | Risk Implications – there are no new risk implications associated with the recommendations of this report. |
| 4.4 | Equality Implications – there are no new equality implications associated with the recommendations of this report. |
| **Recommendation**  It is recommended that Directors:   1. comment on and note the draft Gender Pay Gap Report in **Appendix A** and approve its submission to the UK Government and publication on the HLH website. | |

Designation: Chief Executive

Date: 9 August 2019

**Appendix A**

|  |  |
| --- | --- |
|  | ***Gender Pay Gap Report 2020*** |

High Life Highland is a charity registered in Scotland, formed on the 1st October 2011 by The Highland Council to develop and promote opportunities in culture, learning, sport, leisure, health and wellbeing across 10 services throughout the whole of the Highlands, for both residents and visitors.

The Gender Pay Gap data supplied is correct for all employees in post with High Life Highland on 31 March 2020.

On that date there were 971 relevant and full-pay relevant employees, 341 (35%) males and 630 females (65%).

The figures set out below have been calculated using the standard calculations used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

**Pay and Bonus Gap**

|  |  |  |
| --- | --- | --- |
| Difference between male and female | | |
|  | Mean | Median |
| Hourly fixed pay | 9% | 12.5% |
| Bonus paid | 0% | 0% |

* The table above shows High Life Highland’s mean and median gender pay gap based on hourly rates of pay.
* There were no bonuses paid to any staff in the year up to 31 March 2019.
* Of the 5,741 employers reporting in 2019/20 the mean gender pay gap for all employees was 14.1% and the median gender pay gap 12.8%1
* High Life Highland’s mean pay gap of 9% is less than the national average by 5.1%.
* With a 12.5% median pay gap, High Life Highland is just 0.3% below the national average for 2019/20.

1 <https://gender-pay-gap.service.gov.uk> Employers with 250 or more employees who have published their figures comparing men and women’s average pay across the organisation.

**Pay Quartiles by Gender**

| **Quartile** | **Males** | **Females** | **Description** |
| --- | --- | --- | --- |
| 1 | 23% | 77% | Includes all High Life Highland employees whose standard hourly rate places them in the 1st and lowest pay quartile. |
| 2 | 39% | 61% | Includes all High Life Highland employees whose standard hourly rate places them below the median pay in the 2nd pay quartile. |
| 3 | 39% | 61% | Includes all High Life Highland employees whose standard hourly rate places them above the median pay in the 3rd pay quartile. |
| 4 | 40% | 60% | Includes all High Life Highland employees whose standard hourly rate places them in the 4th and therefore highest pay quartile. |

* The table above sets out the gender distribution at High Life Highland across four equally sized quartiles, each containing as follows Q1 243 employees; Q2 243 employees; Q3 243 employees; Q4 242 employees.
* With an overall gender split of 35% male to 65% female within High Life Highland, Quartiles 2,3,4 reflect this gender split fairly closely. However Quartile 1 shows the greatest disparity in gender distribution with a much higher percentage of females employed in the lowest pay quartile.

High Life Highland is committed to the promotion of equality of opportunity in its employment practices. It is committed to offering roles on flexible working patterns, with a range of options such as part-time working, alternative working hours, home working and shared parental leave.

The Charity’s Equal Opportunities policy states that it intends that no job applicant or employee shall receive less favourable treatment because of sex, marital or family status, age, ethnic origin, disability, race, colour, nationality, religion, belief, sexual orientation, gender reassignment or any other non job related factor.

High Life Highland is also confident that males and females are paid the same rate for the job regardless of gender (or any other difference). Employees are remunerated according to set pay scales and terms and conditions which are negotiated nationally, through The Highland Council, by the Scottish Joint Council for Local Government Employees.

High Life Highland’s gender pay gap compares favourably to national statistics but it is committed to monitoring and reducing the gap wherever possible, whilst also recognising that it has no direct control over the gender of applicants for particular job types or an individual’s career choices.

I confirm the data reported is accurate.

Steve Walsh

Chief Executive