

Title	Gender Pay Gap Report
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1. Background Information

1.1 The specific equality duties in Scotland were created by secondary legislation in the Equality Act 2010 (Specific Duties) (Scotland) Regulations in 2012 as amended. Further new regulations were introduced in 2015 when CHS became a listed authority, and in 2016, the employee threshold for gender pay gap reporting was reduced from 150 to 20 employees and further introduced the requirement to publish Equal Pay Statements. CHS published its first Gender Pay Gap report and Equal Pay Statement in April 2018 and continues to publish a report every two years.

1.2 CHS is required to report every 2 years and publish every 4 years however the Gender Pay Gap is both reported and published every 2 years. This is our 2022 Gender Pay Gap report, the last report was published in 2020.

1.3 For an authority on reporting schedule 'B', as CHS is, it's first equal pay statement required sex reporting only. From April 2022 CHS will be required to report on sex, race and disability every four years. CHS will include this data in our April 2022 – March 2024 report.

1.4 CHS' 2022 Gender pay gap is reported as follows:

Median	5.75%
Mean	5.85%

This gap has increased since 2020 reporting due to the 50% increase in male staff since the last reporting period. In 2020 the data was heavily skewed in favour of women. This data is more representative of a gender balanced organisation and indeed CHS data shows a reassuringly even gender distribution throughout all salary quartiles in the organisation.

1.5 The Board of CHS approved the content of this report for publication by the 31st of March, 2022, after its approval by the Remuneration and Appointments Committee at their meeting on the 15th of March, 2022.

Children's Hearings Scotland

Gender Pay Gap Report

2020 – 2022

1. CHS Equal Pay Statement

CHS is an equal opportunities employer where all staff are treated equally irrespective of their sex, marital/civil partnership status, age, race, ethnic origin, sexual orientation, disability, religion or belief, employment status, gender identity (transgender), or caring responsibility. CHS commits to operating a pay and reward system which is transparent, based on objective criteria and free from bias.

As a public body, CHS is required to take steps to proactively address gender inequality by examining the ways in which gender inequality impacts the organisation and its employees and taking steps to remove any inequalities found. At CHS we are committed to complying with all legal duties under the Equality Act (2010) and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

The law gives women the right to be paid the same as men (and vice-versa) for:

- Like Work – two employees doing the same or very similar roles;
- Work rated as equivalent – different jobs which have been given the same rating as the result of an analytical job evaluation scheme;
- Work of an equal value – different jobs that the employee claims require a similar level of skill and ability.

Our Equal Pay policy is incorporated into Section 5 of our Equal Opportunities policy and commits CHS to reviewing equal pay in the development of annual pay awards and to monitor pay regularly in partnership with our employees.

1.1 Our commitment to Equal Pay

1.1.1 CHS is committed to the principles of equal pay for work of equal value and operates a pay system that is based on objective criteria. We have a clear reference to Equal Pay in our Recruitment and Selection Policy and have consistently followed Scottish Government guidance on Equal Pay. CHS' pay awards are in line with the Scottish Government Public Sector Pay Policy for Staff Pay Remits.

1.1.2 Since CHS became operational it has used an incremental pay structure. The current pay remit and pay structure are underpinned by job evaluation. Equal pay for work of equal value is the cornerstone of job evaluation and CHS uses the Hay Job Evaluation process. All CHS roles when developed or amended go through the job evaluation process, which is administered by independent expert JE panel at our sister agency, the Scottish Children's Reporter Administration, supported by a member of the CHS HR team. An employee appeal process is also built into the process, if so required.

1.1.3 CHS' Chief Executive's pay is determined by the Scottish Government Senior Appointments Pay Policy but while CHS does *not* determine this pay, the Chief Executive's pay details have been included in the calculation of our equal pay figures.

1.1.4 When developing annual pay awards, CHS remains cognisant of the impact on all protected characteristics of any pay offer, ensuring that we improve the equalities position year on year i.e. by reducing the journey times from minimum to maximum level within each pay band.

1.1.5 Work in partnership with our Employee led forum to ensure that employees have confidence in the process of eliminating any bias in our pay and reward systems by reviewing our HR and pay policies.

1.2 Pay Progression within CHS

We review progression within the pay structure annually, in line with our pay policy, to ensure they match our expectations to pay the target rate for the role. In addition, we collect market rate data as required to support our pay structure and role rates. Any changes to our pay structures require approval from the Scottish Government and must comply with the pay policy guidance.

1.3 Equal Pay Review

CHS makes every effort to ensure that there is equal pay for work of equal value. Every job description within CHS is evaluated through the Hay Job Evaluation methodology, analysing the know-how, problem solving and accountability required for the job. The evaluated jobs are plotted onto the CHS job evaluation structure, which then determined the pay grade for the role. As the principles of equal pay underpin the Hay Job Evaluation methodology, CHS is confident that all its current roles have been fairly and objectively reviewed with regards to equal pay.

CHS is committed to reviewing any roles that undergo significant change to ensure that their job descriptions accurately reflect the requirements of the role at that time while having also been fully evaluated to ensure equal pay. Employees may also request a re-evaluation of their role through the Job Description and Evaluation Policy.

1.4 Equalities in recruiting

We carefully review our person specifications for each role we advertise to ensure we remove any essential or desirable criteria that may unintentionally dissuade women from applying for our roles.

While good practice, due to the small size of our organisation it is often not possible to have a gender balance on our recruitment panels however we ensure that all recruitment panel members are fully briefed on their equality responsibilities and have received equalities training, including awareness raising on unconscious bias.

1.5 Embedding Equality, Diversity, and Inclusion (EDI) at CHS

1.5.1 EDI Group

CHS has formed an EDI group sponsored the Senior Management team. The group has a clear remit to make decisions within the area of EDI and move work forward. The group meets quarterly with members taking on actions and workload to drive equality, diversity and inclusion at CHS. The group has representation from across the organisation to ensure diverse membership.

1.5.2 Training

CHS provides regular training to all staff regarding equality, diversity and inclusion. An introductory online learning module is available to all staff on Equality, Diversity and Inclusion. It focuses on EDI within Children's Hearings.

Delivered by an external consultant, CHS staff have received bespoke learning during 2021 on Equality, Diversity and Inclusion. Existing staff received this and future sessions are planned for new starts and any current members of staff who may have missed the previous sessions.

1.6 Flexible working arrangements

CHS operates a flexible working culture and does not endorse presenteeism. It provides to staff a flexible working hours scheme where core hours are between 10:00 and 12:00 and 14:30 to 16:00, allowing staff to arrive flexibly between 07:00 and 10:00 and leave flexibly between 16:00 and 20:00.

In addition, CHS has a clear Flexible Working Policy and encourages all employees to follow the procedure for flexible working requests. CHS currently has 16 members of staff on flexible working arrangements, of which 15 are women.

Pay ranges are determined by role and not working patterns and CHS is committed to ensuring equal pay for equal work, regardless of the hours within which this work is completed.

2. Gender Pay Gap Executive Summary

2.1 Pay Data

2.1.1 All data contained in this report refers to salary figures only, as CHS does not operate a bonus scheme. The data is accurate as at 1 February 2022 but for direct comparison, the data from the 1 February 2020 is included. Data for 2018 -2020 is found in our 2018-2020 published report here: [CHS Gender Pay Gap and Equal Pay Report 2020 \(chscotland.gov.uk\)](https://www.chscotland.gov.uk/gender-pay-gap-and-equal-pay-report-2020)

2.1.2 CHS had 43 employees (excluding temporary staff through agency and those on secondment or career break). This is a ~10% increase in headcount since 2020. Our workforce is 72% female (a decrease of 7.5%) with CHS employed females now accounting for 60% of our senior management team.

2.1.3 There are two suggested methods to calculate our overall pay gap, for reasons that are explained more fully within the report – Calculating the Gender Pay Gap for CHS . While there is no general consensus on which method is better and there are disadvantages in using either method, particularly for an organisation as small as CHS (due to vulnerability of data to be skewed in even the addition or deletion of one earnings figure), we have provided headline figures using both methods. In line with guidance from Close the Gap (Scotland's main research organisation looking at women's participation in the labour market), we have given preference to using the mean average in the rest of our pay gap analysis as it can give a deeper understanding of any pay gaps.

2.1.4 When using the mean average to calculate, our overall pay gap between male and female salaries is now 5.85% (in favour of men), compared with 1.8% two years ago.

When using the median average to calculate, our overall pay gap between male and female salaries is now 5.75% (in favour of men), compared with -18.36% two years ago.

2.1.5 Analysis of these figures is found in Section Four of the report. Note the for ease of comparison, the figures from the 2020 Gender Pay Gap report are also included.

2.1.6 While the mean and median gender pay gaps within CHS have increased over past two years, they are still significantly lower than the national average figures from 2020 of 15.5% Mean and 14.9% Median (2022 Scottish averages have not been published at time of reporting). this can be explained by the increase in the overall headcount as well as a more equal gender distribution within the organisation. The organisation grew by 10% while the number of male employees increased by 50%. This improved gender distribution is further reflected in the average and mean gaps being more equal compared to 2020. Moreover, as CHS still only consists of 43 employees (at the time of this report), the smallest of differences in structure impact the final data significantly. This is highlighted by the Quartile Distribution Table in section 6 which shows that men and women are very equally distributed across the different pay grades, more so compared to the 2020 report.

¹All data in the report is taken from snapshot date of 1 February 2022, exactly 2 years since the previous data was produced in order to make direct comparison.

3. Gender Pay Gap Reporting – the Regulations

The Equality Act 2010 describes nine protected characteristics: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief; sex (male or female); and sexual orientation.

The specific duties in Scotland were created by secondary legislation in the Equality Act 2010 (Specific Duties) (Scotland) Regulations in 2012 as amended. Further new regulations were introduced in 2015 when CHS became a listed authority, and in 2016, reducing the employee threshold for gender pay gap reporting and the publication of equal pay statements from 150 to 20 employees. As CHS has 43 employees, the organisation is required to be fully compliant with the regulations and undertake the required specific duties for reporting every two and four years.

3.1 Reporting Requirements

3.1.1 Two yearly reporting requirements:

- I. percentage of men and women in each hourly pay quarter;
- II. mean (average) gender pay gap using hourly pay;
- III. median gender pay gap using hourly pay;
- IV. percentage of men and women receiving bonus pay (CHS does not offer bonus pay and therefore does not report on this);
- V. mean (average) gender pay gap using bonus pay (CHS does not offer bonus pay and therefore does not report on this);
- VI. median gender pay gap using bonus pay (CHS does not offer bonus pay and therefore does not report on this).

3.1.2 In addition every 4 years CHS must include:

1. published statement on equal pay
2. For an authority on reporting schedule 'B', as CHS, from April 2022 the report should include sex, race and disability every four years.

3.2 Calculating the Gender Pay Gap for CHS

The methods for determining any pay gap is outlined in Close the Gap's publication, Close Your Pay Gap: <https://www.closeyourpaygap.org.uk/>

The gender pay gap is the difference in average hourly earnings between men and women.

CHS has used both the *mean* and *median* average figure for its headline pay gap figure. The mean average is calculated by adding all individual CHS employees' hourly rates of pay and dividing by the total number of employees. The median average is calculated by listing all the male and female salaries in order of amount and then finding the mid-point of each list.

The mean is considered by many organisations, including Close the Gap, to be a more useful measure as it includes the highest and lowest rates of pay and because those on the highest rates of pay tend to be men and those on the lowest are more likely to be women, it is an important measure of women's experience of labour market disadvantage as compared to men.

The median pay gap is considered more representative of “typical” pay. Those who advocate the use of the median, such as the Office of National Statistics (ONS) feel that the very high earners are the exception to the norm, but can disproportionately skew the pay gap figure.

As CHS has a small employee base, our figures are easily skewed regardless, by the inclusion of even one additional high salary figure. This means that by aligning with the Close the Gap preference and using the mean to calculate the average of a skewed distribution, such as ours, the calculations are highly influenced by those values at the upper end of the distribution and thus may not be truly representative.

3.2.1 Who is included in our analysis?

All workers² engaged in a contract of employment with CHS are included in the analysis of gender pay gap analysis including CHS’ Chief Executive, even though CE pay is determined by the Scottish Government Senior Appointments Pay Policy.

3.2.2 Exclusions and exceptions

Salary data for employees on long-term career breaks/secondments (and so are not currently on payroll) are *not* included in this report, however data for any employees on maternity or other absences, who are on payroll, *is* included in this report.

3.2.3 Our gender pay gap findings

Our pay gap findings are reported in the tables below and each table has an explanatory narrative to accompany the findings.

² CHS has not included any temporary agency workers in its pay gap reporting as these individuals are not employed directly by CHS.

4. CHS Pay Figures 2020-2022

4.1 Quartile Salary Figures (2020 figures are below in grey)

The table below shows all the salary figures ranked into quartiles. The gender comparisons for each quartile are shown as gender against total own gender, and as gender against total CHS employee group.

Quartile 1 = lowest quartile 4 = highest quartile	Male as % of all CHS employees	Male as % of all male employees	Female as % of all CHS employees	Female as % of all female employees
1	7%	25%	19%	26%
2	7%	25%	19%	26%
3	7%	25%	19%	26%
4	7%	25%	16%	23%
1	5.12	25.0	20.51	25.81
2	2.56	12.5	23.07	29.03
3	5.12	25.0	20.51	25.81
4	7.69	37.5	15.38	19.35

While in the previous report in 2020 showed that males are more clustered in the lower quartiles, the 2022 report shows an improved and very equal distribution of both female and male employees across the quartiles. There is a difference only at the 4th quartile slightly in the favour of male employees.

4.2 CHS National Team Headcount as of 1 February 2022 (2020 figures are below in grey text)

Female part-time	Female full-time	Male part-time	Male full-time	Total Headcount
6	25	1	11	43
72%		18%		
5	26	2	6	39
79.5%		20.5%		

4.3 Overall pay gap figure for CHS

The single/overall pay gap figure includes all CHS employees, including those in senior management grades. It also includes all full-time and part-time employees and employees on permanent and fixed term contracts and provides the most complete picture in relation to gendered pay inequalities and is presented as both mean average and median average figures. NB As noted in the Equal Pay Statement, CHS CEO salary is determined by Scottish Government.

4.4 Mean overall pay gap (2020 figures are below in grey text)

MEAN Average female hourly rate (£)	MEAN Average male hourly rate (£)	Scotland (2020) Mean Pay Gap
21.72	23.07	
$\frac{23.07 - 21.72}{23.07} \times 100$	CHS Pay Gap = 5.85%	
21.72	22.12	
$\frac{22.12 - 21.72}{22.12} \times 100$	CHS Pay Gap = 1.8%	15.5%

CHS has experienced an increase of 4% in its mean gender pay gap. The obvious explanation for this is the 50% increase in male employees leading to more equal gender distribution across the organisation.

4.5 Median overall pay gap (2020 figures are below in grey text)

MEDIAN Average female hourly rate (£)	MEDIAN Average male hourly rate (£)	Scottish median pay gap 2020
22.10	23.45	
$\frac{23.45 - 22.10}{23.45} \times 100$	CHS Pay Gap = 5.75%	
21.14	17.86	
$\frac{17.86 - 21.14}{17.86} \times 100$	CHS Pay Gap = -18.36%	10.9% (UK = 14.9%)

The median pay gap changed significantly since 2020 to 5.75%. The obvious explanation for this is the 50% increase in male employees leading to more equal gender distribution across the organisation.

5. Addressing our overall equal pay gap through recruitment

5.1 CHS ran a total of 24 recruitment campaigns over the past 24 months, (excluding internal secondments/promotions and staff placed via agency) and attracted a total of 349 applicants. Of those 24 campaigns, some of which consisted of multiple vacancies, 16 females were appointed, and 4 male.

5.2 A full breakdown of our equality data for all recruitment campaigns is found in Appendix 2 of our Equality Mainstreaming Progress Reports.

5.3 From our recruitment data and employee headcount figure (72% female), CHS can demonstrate that it is an organisation that attracts, appoints and promotes females at all organisational levels. We will continue to ensure that it maintains robust, fair and transparent recruitment processes that provide equality of opportunity for all protected characteristic groups.

6. Summary

During the past two years, CHS has experienced an increase in mean pay gap from 1.8% to 5.85%, meaning that at a headline level, while slightly more than in 2020, men still receive only marginally more in average pay across the organisation compared to women. In terms of median gender pay gap figures, which for a smaller organisation like CHS can produce a less skewed results, the gender pay gap has moved to 5.75% whereas in the previous report, this gap was significantly to the favour of women. Both figures are well below Scottish average figures from 2020 as identified in Table 4.5.

The obvious explanation, as has been noted at several points in the previous table narratives, is due to the 10% increase in headcount and 50% increase in male employees, with male employees now more equally distributed across the organisation. Thus, over all, the gender balance within CHS has improved within the last two years. However, CHS does note the change of the pay gap to the favour of men.

While the gender balance has improved at CHS, with more men joining the organisation, CHS is not complacent in the need to continue to monitor gender pay gaps and will work to ensure that it's pay awards and flexible working policies in particular are managed fairly and equally for all staff, regardless of gender. CHS will take into account all the commitments it made in its Equal Pay Statement 2022, as well its statutory general and specific duties under the Equality Act.