



children's
hearings
scotland

CHS Pay Gap Report 2024



Review Schedule

Document Name/Title	Pay Gap Report – 2 year update
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Purpose	For consideration and Approval
Approving Body	CHS Board
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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 This is our 2024 Equal Pay Statement and Gender Pay Gap report.

1.3 CHS' Gender pay gap is reported as follows:

Median	1.45%
Mean	2.03%

This gap has decreased since 2020 reporting while CHS staff has had an increase of approximately 50%. The proportion of male and female staff remains the same as two years ago. This suggests that CHS male and female staff are now on average paid more equally compared to two years ago which is likely to have been supported by the appointment of new staff across different pay levels.

1.4 CHS' Ethnicity pay gap is reported as follows:

Median	-11.45%
Mean	5.09%

This is the first time CHS is reporting on its ethnicity pay gap. There is a significant difference between the mean and the median pay gaps. The median pay gap is 11.45% to the benefit of those with reported BME ethnicity while the mean pay gap is 5.09% to the benefit of those with reported non-BME ethnicity. This significant difference suggests that there is a higher proportion of those with reported BME ethnicity at the lower salary scales compared with those without a reported BME ethnicity.

1.5 CHS' Disability pay gap is reported as follows:

Median	-21.32%
Mean	-1.86%

This is the first time CHS is reporting on its ethnicity pay gap. Both the median and the mean pay gaps are to the benefit of those with a reported disability. However, like the ethnicity pay gap, there is a significant difference between the median and mean pay gaps. The relatively small mean pay gap suggests that those with declared disability are relatively evenly distributed across the difference pay scales. The relatively large difference with the median pay gap is influenced by the low number of those with declared disability and the median sitting at the higher end of the scales. Due to the small numbers, even small changes in staff can significantly impact the data.

2. Recommendations

2.1 It is recommended that PaCC approves the content of this report for progression to the Board and publication by the 31 March 2024 deadline.

3. CHS equal pay statement

CHS is an equal opportunities employer, and all colleagues should be 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, race and disability inequality by examining the ways in which 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.

3.1 Our commitment to Equal Pay

3.1.1 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.

3.2

3.2.1 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.

3.2.2 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.

3.2.3 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.

3.2.4 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.

3.3 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.

3.4 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.

3.5 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 this is the case where practically possible. Additionally, all employees at CHS will have completed equality, diversity and inclusion training as a part of their induction and continuous development.

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

3.6.1 EDI Group

CHS has an EDI strategic group sponsored by Senior Leadership. The group has a clear remit to make decisions within the area of EDI and move work forward. The group

meet quarterly, and each member is expected to take on actions and work. The group has representation from across the organisation to ensure diverse membership.

CHS is also a member of Employers Network for Equality and Inclusion to support our work in embedding EDI to CHS culture.

3.6.2 Training

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

Additional bespoke training is also delivered by external providers as a part of continuous development.

3.7 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 19 members of staff on flexible working arrangements, of which 17 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.

4. Gender Pay Gap Executive Summary

4.1 All data contained in this report refers to salary figures only, as CHS does not operate a bonus scheme. The data is accurate as of 1 February 2024 but for direct comparison, the data from the 1 February 2022 is included.

4.2 CHS had 78 employees on the 1st of February 2024. This is a ~50% increase in headcount since 2022. Our workforce is 73% female (increase of 1% compared to 2022) with CHS employed females now accounting for 80% of our senior management team.

4.3 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.

4.4 When using the mean to calculate, our overall pay gap between male and female salaries is now 2.03% (in favour of men), compared with 5.85% two years ago.

4.5 When using the median to calculate, our overall pay gap between male and female salaries is now 1.45% (in favour of men) compared with 5.75% two years ago.

4.6 Analysis of these figures is found in Section Five of the report. Note that for ease of comparison, the figures from the 2022 Gender Pay Gap report are also included.

4.7 Both the mean and median pay gaps have reduced during the past two years at CHS while the percentage of female and male employees has remained similar (1% difference compared to 2022) despite a 50% increase in number of staff. This suggests that that CHS now has a more even distribution of salaries between male and female staff. However, as CHS still only consists of 78 employees (at the time of the report), this means that the smallest of differences in structure can impact the final data significantly. This is highlighted by the section 5 quartile distribution table which

shows that women are still slightly more clustered at the first quartile compared to men despite both average and mean pay gaps having reduced.

5. Gender Pay Gap Reporting

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 78 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.

5.1 Two yearly reporting requirements:

1. percentage of men and women in each hourly pay quarter.
2. mean (average) gender pay gap using hourly pay.
3. median gender pay gap using hourly pay.
4. percentage of men and women receiving bonus pay (CHS does not offer bonus pay and therefore does not report on this).
5. mean (average) gender pay gap using bonus pay (CHS does not offer bonus pay and therefore does not report on this).
6. median gender pay gap using bonus pay (CHS does not offer bonus pay and therefore does not report on this).

5.2 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, ethnicity and disability every four years. This 2024 report is the first one to include ethnicity and disability pay gaps.

5.3 Calculating the Gender Pay Gap for CHS

The methods for determining any pay gap are outlined in [Close the Gap's publication, Close Your Pay Gap](#).

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.

5.4 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.

5.5 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.

5.6 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.

5.7 Quartile Salary Figures (2022 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 employee s	Male as % of all male employee s	Female as % of all CHS employee s	Female as % of all female employee s
1	5%	19%	20%	28%
2	7%	29%	17%	25%
3	6%	23%	17%	25%
4	7%	29%	23%	22%
1	7%	25%	19%	26%
2	7%	25%	19%	26%
3	7%	25%	19%	26%
4	7%	25%	16%	23%

While in 2020 report, males were more clustered in the lower quartiles, similar to the 2022 this 2024 report shows a relatively equal distribution of both female and male employees across the quartiles. However, women are slightly more clustered at 1st quartile compared to men.

5.8 Overall pay gap figure for CHS

The single/overall pay gap figure includes all CHS employees, including those in senior leadership 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.

5.9 Mean overall pay gap (2022 figures are below in grey)

MEAN Average female hourly rate (£)	MEAN Average male hourly rate (£)	Scotland (2022) Mean Pay Gap
22.64	23.11	
$\frac{23.11 - 22.64}{23.11} \times 100$	CHS Pay Gap = 2.03%	
21.72	23.07	5.7%
$\frac{23.07 - 21.72}{23.07} \times 100$	CHS Pay Gap = 5.85%	

CHS has experienced a decrease of 3.82 percentiles in its mean gender pay gap. Since the last pay gap report, the CHS headcount has increased by approximately 50%. It is likely that the recruitment for the new posts has supported the decrease in the CHS pay gap.

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

MEDIAN Average female hourly rate (£)	MEDIAN Average male hourly rate (£)	Scottish median pay gap 2022
19.02	19.30	
$\frac{19.30 - 19.02}{19.30} \times 100$	CHS Pay Gap = 1.45%	
22.10	23.45	3%
$\frac{23.45 - 22.10}{23.45} \times 100$	CHS Pay Gap = 5.75%	

Similar to the mean pay gap, also the average pay gap has reduced significantly since 2022. Specifically, the gap has reduced by 4.30 percentiles. Again, this is likely impacted by the increase in headcount by ~100%.

6. Pay Gap Analysis by Ethnicity

CHS' ethnicity gap measures the differences in average hourly rate between those employees who have declared their ethnicity as BME and those who have not. CHS' overall ethnicity gap (mean) is 5.09% in favour of those without a declared ethnicity of BME. However, the median pay gap is -11.45% in favour of those with a declared ethnicity of BME. This fluctuation highlights the small size of the organisation where a placement of a single staff member can significantly impact the calculations. The percentage of staff who have declared their ethnicity as BME is 10%, with 78% of staff recording their ethnicity. However, this data continues to highlight an under representation of staff with a declared BME ethnicity across the staff group.

6.1 Mean ethnicity pay gap

MEAN Average BME hourly rate (£)	MEAN Average white hourly rate (£)
21.46	22.61
$\frac{22.61 - 21.46}{22.61} \times 100$	CHS Pay Gap = 5.09%

6.2 Median ethnicity pay gap

MEDIAN Average BME hourly rate (£)	MEDIAN Average white hourly rate (£)
21.51	19.30
$\frac{19.30 - 21.51}{19.30} \times 100$	CHS Pay Gap = -11.45%

CHS is committed to increasing the diversity of our workforce to better reflect Scotland's diverse population and we acknowledge that this will take some time. CHS is also committed to improving our diversity reporting to support closing the pay gap.

6.3 Who is included in our analysis?

78% of CHS employees are included in the CHS ethnicity pay gap analysis. Those with "Other White" ethnicity are included with the BME group in line with guidance. We

acknowledge that our ethnicity pay gap will fluctuate as we increase sharing rates and the diversity of the organisation, but we are committed to creating an inclusive environment for all.

7. Pay Gap Analysis by Disability

CHS' disability gap measures the differences in average hourly rate between those staff

who have declared a disability and those who have not or chosen not to declare. CHS' overall disability gap (mean) is -1.86% in favour of those with a declared disability. The median pay gap is -21.32% in favour of those with a declared disability.

Below tables shows both the mean and median pay gaps as it relates to staff reporting a disability. The number of staff reporting a disability is 14.1%.

7.1 Mean disability pay gap

MEAN Average hourly rate for those who have declared disability (£)	MEAN Average hourly rate for those who don't have or haven't declared disability (£)
23.14	22.71
$\frac{22.71 - 23.14}{23.14} \times 100$	CHS Pay Gap = -1.86%

7.2 Median ethnicity pay gap

Median Average hourly rate for those who have declared disability (£)	Median Average hourly rate for those who don't have or haven't declared disability (£)
24.53	19.30
$\frac{19.30 - 24.53}{24.53} \times 100$	CHS Pay Gap = -21.32%

While the CHS disability pay gap is in favour of those who have declared a disability, CHS remains committed to improving how we attract, support and retain staff with a disability, through implementing reasonable adjustments, our flexible working practices and a long-term investment in occupational health and wellbeing of colleagues. CHS is a Disability Confident Employer.

7.3 Who is included in our analysis?

All CHS employees are included in the analysis. We acknowledge that our disability pay gap will fluctuate as we increase sharing rates and the diversity of the organisation, but we are committed to creating an inclusive environment for all. 78% of colleagues completed the survey to declare disability. Those who didn't complete the survey, were included under the 'no declared disability' category.

8. Addressing our overall equal pay gap through recruitment

8.1 CHS ran a total of 40 recruitment campaigns over the past 24 months, (excluding internal secondments/promotions) and attracted a total of 1282 applicants. Of those 40 campaigns, some of which consisted of multiple vacancies, between 40 and 50 females were appointed, between 10 and 20 male and less than 10 candidates were appointed who described their gender as "other". In terms of ethnicity, from these campaigns, 50 of the successful candidates reported non-BME ethnicity while 8 reported a BME ethnicity. When it comes to disability, <5 successful candidates declared a disability.

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

8.3 From our recruitment data and employee headcount figure (73% female), CHS can demonstrate that it is an organisation that attracts, appoints and promotes females at all organisational levels. However, the data highlights that further improvements are required in relation to attracting candidates from diverse backgrounds such as candidates with disabilities and candidates with BME ethnicity. We will continue to ensure that CHS maintains robust, fair and transparent recruitment processes that provides equality of opportunity for all protected characteristic groups.

9. Summary

During the past two years, CHS has experienced a decrease in the mean gender pay gap from 5.85% to 2.03%, meaning that at a headline level, while less than in 2022, 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 is

moved to 1.45% from 5.75%. This reduction in the median pay gap shows the now more even spread of pay between men and women at CHS.

The obvious factor impacting this reduction in the pay gap, as has been noted at several points in the previous table narratives is the 100% increase in CHS headcount since 2022, with male and female employees now more equally distributed across the organisation. However, CHS does note that the gender pay gap remains in favour of men.

This report also includes the CHS ethnicity and disability pay gaps. The median ethnicity pay gap is -11.45% in favour of those with declared BME ethnicity while the mean pay gap is 5.09% in favour of those with declared non-BME ethnicity. This significant difference suggests that there is a higher proportion of those with reported BME ethnicity at the lower salary scales compared with those without a reported BME ethnicity. CHS will continue to improve our recruitment processes to attract diverse talent at all levels as well as offer development and career progression opportunities to all colleagues.

When it comes to the disability pay gap, both median (-21.32%) and mean (-1.86%) are in favour of those with a declared disability. The relatively large difference with the median pay gap is influenced by the low number of those with declared disability and the median sitting at the higher end of the scales. Due to the small numbers, even small changes in staff can significantly impact the data. While both gaps are in favour of those with declared disability, CHS remains committed to continuously improving the support we offer to employees with a disability such as reasonable adjustments, flexible working and general wellbeing support.

CHS is not complacent in the need to continue to monitor gender, ethnicity and disability pay gaps and will work to ensure that its pay awards and flexible working policies are managed equally for all staff, regardless of gender, ethnicity or disability. It will consider all the commitments it made in its Equal Pay Statement as well its statutory general and specific duties under the Equality Act 2010.