



SCOTTISH PRISON SERVICE GENDER PAY GAP AND ETHNICITY PAY GAP 2020

1. Introduction

In 2017 the Equality Act 2010 (Specific Duties) Regulations pertaining to gender pay came into force, requiring all organisations with 250 or more employees to publish their Gender Pay Gap (GPG). Under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 the SPS is listed as a public body which must adhere to those regulations. As a listed authority we must publish information on the percentage difference among our employees between men's average hourly pay and women's hourly pay.

Unlike the GPG, there is no legislation requiring the SPS to publish our Ethnicity Pay Gap (EPG). As an employer SPS aspires to improve the diversity of our workforce, and we have set out our ambition to have a workforce which reflects Scottish society. We have accepted we cannot say we are improving the diversity of our workforce unless we know our starting point including our EPG, as part of our on-going commitment to improve our data sources.

Both the GPG and EPG are different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because of their gender or ethnic background. The SPS supports the fair treatment and reward of all staff irrespective of any protected characteristic. As outlined in the SPS' Equality, Diversity and Human Rights Statement we are committed to ensuring our people are treated fairly, with dignity and to foster a workplace where our diverse working population has equal access to all employment opportunities.

The information relating to GPG in this report is based on the data extracted in line with the UK Government's reporting regulations and include the mean and median pay gaps; the mean and median gender bonus gaps (if applicable) and the proportion of staff who received bonuses (if applicable). The GPG data also incorporates the proportions of male and female employees in each pay quartile.

We have also utilised the UK Government's data criteria as the basis for our data extract relating to EPG, with the exception of the quartile data, which has not been provided due to the small number of staff who fall within this category and the requirement to redact data for confidentiality purposes.

In the calculations pay is based on the total salary paid but excluding expenses and overtime. All analysis is based on gross hourly rate in the pay period containing the relevant date. Gross hourly rate is calculated as follows:

$$\text{Total Period Amount} \times 12 = \text{Annual Rate}$$

$$\text{Annual Rate}/52.2 = \text{Weekly Rate}$$

Weekly Rate/Hours Payable = Hourly Rate

The data set is drawn from “Relevant” employees under the UK regulations. These are active employees in receipt of a non-reduced salary. It assumes that all workers not on the Scottish Prison Service (SPS) payroll are employed via an Employment Agency and are therefore not reportable. It excludes employees who are not considered to be “full time relevant employees” i.e. employees being paid a reduced or nil rate due to being on leave (sick leave, annual leave, maternity, paternity, shared parental, adoption leave). The report also presents the GPG proportion by quartile, with each quartile containing the same number of employees.

2. Gender Pay Gap

The GPG shows the difference in the average pay between all male and female staff in a workforce. Both mean and median gaps are calculated as the percentage difference in female pay compared to male pay. The mean is the total salary of males/females divided by the number of males/females. The median is the salary of the middle ranked female compared to the middle ranked male.

As of 31 March 2020 the number of Relevant Employees was as below:

Female Relevant Headcount	1,465	33.14%
Male Relevant Headcount	2,956	66.86%
Total	4,421	100%

Table 1: SPS Headcount as of 31 March 2020

Our Mean Gender Pay Gap is 9%

Our Median Gender Pay Gap is 15.57%

Gender	Mean Hourly Pay	Median Hourly Pay
Female	£15.07	£14.15
Male	£16.56	£16.76
Gender Pay Gap as a Percentage	9%	15.57%

Table 2 – Mean and Median Hourly Pay Gap

We have also calculated the mean pay gap by quartile, as outlined below, through dividing the workforce into four equal parts, sorting the hourly rates by lowest to highest rate and recording the number of females and males in each quartile. Table 3 illustrates the ratio

of females to males according to their hourly rate of pay and our data indicates that there are pay gaps across each quartile in favour of male employees.

Quartile Information	Female	Male
Upper Quartile	24.95%	75.05%
Upper Mid Quartile	21.39%	78.61%
Lower Mid Quartile	35.34%	64.66%
Lower Quartile	49.41%	50.59%

Table 3: Quartile information

While equal pay work of equal value is achieved through the use of our job evaluation system, our GPG changes with the changing composition of our workforce from year to year and our Mean and Median have increased from the 2019 positions of 8.5% and 15.11% respectively.

For legal reasons related to same-sex searching and the significantly higher numbers of men than women in custody, the majority of SPS' employees are men working within the Residential Officer role at the top of the D Band Salary. SPS are committed to addressing traditional occupational gender stereotypes, through our workforce planning activities, and in the long term, the GPG may harmonise. Meanwhile, ironically, these positive efforts may cause a negative impact on the GPG median. Continued opportunities for direct entry at all levels within the SPS will adjust the numbers of women joining SPS. The numbers and ratio of women within the relatively lower paid group will therefore increase, with the impact being a lower overall average wage for women working for SPS.

3. Ethnicity Pay Gap

The EPG shows the difference in the average pay between all staff who have identified as being from an ethnic minority background and all staff who have identified as being from a white background. The completion of diversity monitoring information is not compulsory within the SPS, therefore the number of Relevant Employees outlined in Table 4 below reflects the numbers of employees who have provided their ethnicity information, and not all employees within SPS.

As of 31 March 2020 the number of Relevant Employees was as below:

Ethnic Minority Relevant Headcount	21	1.27%
White Relevant Headcount	1,634	98.73%
Total	1,655	100%

Table 4: SPS ethnic minority and white background headcount taken from SPS e-HR diversity records

Our Mean Ethnicity Pay Gap is 4.74%

Our Median Ethnicity Pay Gap is 13.31%

Ethnicity Background	Mean Hourly Pay	Median Hourly Pay
Ethnic Minority Background	£16.91	£15.11
White	£17.70	£17.43
Ethnicity Pay Gap as a Percentage	4.74%	13.31%

Table 5: Mean and Median Hourly Pay Gap

The SPS average hourly pay rate is £16.65. As per table 5 above, it can be seen that the average hourly pay rate for those from an ethnic minority background is £16.91, which is £0.25 higher than the SPS average. The average hourly pay rate for those from a white background is £17.70, £1.05 higher than the SPS average and £0.79 higher than those from an ethnic minority background.

4. Next Steps and Action

We are determined to reduce both our GPG and EPG and we will take action through a number of initiatives and interventions as set out in our Equality Outcomes and Diversity Action Plan.

- We will continue to ensure all roles are created through the usage of a systematic role analysis job evaluation scheme which incorporates the principles of equal pay;
- We are committed to raising awareness and encouraging the uptake of a range of family friendly policies to promote the benefits of flexible working and will take all opportunities to enable employees who wish to progress their careers through promotion to balance their work/life requirements;
- We will continue to review our recruitment and promotion activities and will review our current attraction strategies to identify areas where there have been particularly high or low numbers of applicants from a minority ethnic background, to better understand unseen barriers to employment;
- We will take every opportunity to communicate why the completion of diversity monitoring information enables us to improve diversity and SPS business as a whole, leading to an increase in numbers of employees completing all sections of their diversity monitoring information;
- We will seek out opportunities to increase our usage of independent panel members, who will advise on, and challenge, our recruitment panel decision making, creating greater diversity of thinking to inform selection decisions;

- We will promote SPS' focus on candidate experiences and achievements through recruitment open days, and where possible we will remove qualification requirements to generate more inclusive recruitment.