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Registered charity England and Wales (213890) Scotland (SC039570)

Introduction

"Diversity and inclusion has to be at the centre of our wider strategies for strengthening organisational culture. Equity is ultimately about overcoming unfair and unjust inequalities. It is a principle embedded in our DNA and our commitment to child rights. Doing better on diversity and inclusion is also the right thing to do for our mission for children. By drawing on the widest talent pool and supporting all of our staff to reach their potential, we can deliver greater impact for children"

- Kevin Watkins, March 2020

Save the Children's values demand that women and men are equally rewarded for equal contributions. But like other organisations, we need to ensure that women have an equal chance to flourish through career progression. Through our policy, programmes and campaigning work, we support the fight for gender equality around the world. We continue to implement our <u>Gender Equality Policy</u> - and our organisation needs to show the same commitment to equity we demand of others. We aim to act decisively to reward people fairly across our organisation and in turn this will continue to support narrowing the gap as much as possible.

Equal pay for equal work

The gender pay gap is not the same as gender-based pay inequality.

The gender pay gap is the difference in pay, on average, between men and women in the same organisation.

Gender-based pay inequality compares the difference in pay between women and men doing the same or equivalent work.

We're an equal pay employer. We review our pay to ensure our staff are paid equally for similar work.

Our gender pay gap in 2019

Our gender pay gap – both mean and median – has reduced (see table below). Naturally, this is influenced by the gender make-up of our organisation at the date of reporting (see charts below).

Snapshot data on our gender pay gap in this report was gathered on 5 April 2019, as required by law.

Gender pay gap	2019	2018	2017
Mean (average)	8.34%	10.94%	14.23%
Median (middle)	4.60%	8.73%	8.25%

Notes: Due to the <u>suspension of gender pay gap reporting</u> on 24th March 2020, Save the Children UK has delayed publication of the final figures and has voluntarily agreed to issue a report followed an extended period of time to prepare. The figures in this report are corrected from an earlier set of figures which appear in our Annual Report. Nationally, the mean gender pay gap reported in 2019 fell just over half a percentage point to 17.3%.^[1]

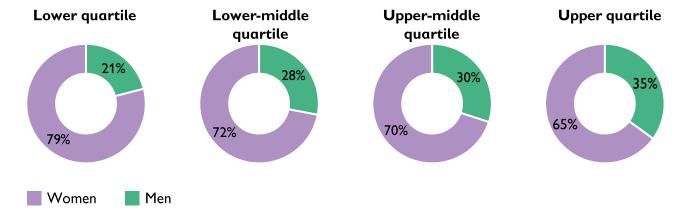
We don't give bonuses, so the percentage will always be zero for this metric.

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^[1] Office of National Statistics, Gender Pay Gap in the UK 2019

Proportion of women and men in Save the Children

Quartile analysis

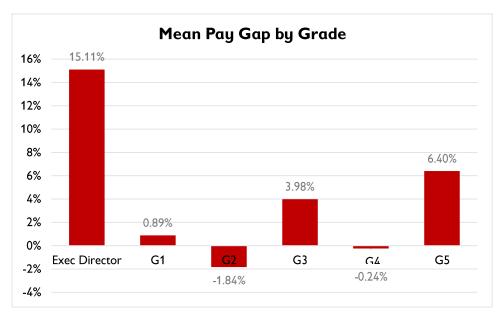


- One of the drivers of our gender pay gap was found to be within our recruitment processes (see detail below). By working to improve these, we've seen a 2.5% reduction in the hourly pay of men across our organisation. This has helped us to drive down our overall gap, despite the number of men in the organisation also increasing by 2% over the same period.
- We have seen a small increase in the number of women in our upper quartile from which has
 positively supported the reduction in our overall gap. We will continue to focus on actions to
 improve this ratio in our most senior grades. The make-up of our Executive Leadership Team
 is 71% female.



Mean pay gap by grade

The date for snapshot data in our Gender Pay Gap report 2019 preceded the launch in July 2019 of a revised pay and grading structure. Therefore the data is not fully reflective of our organisation as it stands today. The gap by grade at the time of reporting shows that we still have a gap at our executive director level of 15.11%. For some other grades, the gap has moved in favour of women. Comparatively, the gap at Save the Children is similar to – or better than – other organisations in our sector¹.



What we've done to address our gender pay gap

Recruitment: We've introduced a new gender-neutral language tool to edit all copy for job adverts. We remove barriers like educational requirements from job descriptions. We use a more diverse range of media platforms to advertise our career opportunities. We've updated our structured interview process and introduced new diversity-related questions into our interview framework. We advise mixed gender interview panels. We don't ask for previous salaries in our application and job offer process, and during the recruitment process we offer all new starters the same opportunity for salary negotiation (within the specified pay band).

Flexible working arrangements: We value flexible working and recognise the positive impact it has on promoting equal opportunities, on productivity and on staff retention. Our commitment is to carefully consider all requests to work flexibly, while taking account of service delivery requirements.

We encourage take-up of our family-friendly policies and we've demonstrated our commitment to fair treatment across gender by introducing 12 weeks' parental leave on full pay for both partners.

Training: We've delivered unconscious bias training, with gender-specific case studies across parts of our organisation. We support the movement of women into senior roles by making targeted coaching and mentoring available to those who want it. In 2020, we will aim to formalise this activity through our career development framework project. We're also continuing to roll out our mandatory gender equality awareness training for all new starters.

¹ Average mean gender pay gap across top charities was 10%, with median at 7%. Data taken from XpertHR, May 2019



Monitoring: We've introduced new diversity and inclusivity monitoring questions to improve the quality of data we gather and to help better identify where we need to make improvements in gender and other diversity and inclusivity metrics, including socio-economic background and parent/carer returners. This will help ensure we meet the highest standards on equal pay for equal work.

Board of Trustees: There are currently eight females and five males on the SCUK Board. Trustee vacancies are now advertised on national and regional job sites and staff are asked to feed in at various stages, from reviewing job descriptions to meeting with potential candidates and providing feedback to the Board. Last year, we appointed three new women trustees from diverse backgrounds including one with deep expertise in organisational development.

Coordination: We appointed a Diversity and Inclusion Specialist to provide insight and focus to our diversity and inclusion strategy. This will support our aim to manage regular equal pay audits across more protected characteristics to better ensure that our gap in gender pay, or any other characteristic, is not caused as a result of inequality.

Throughout all of this, we support and recognise the contribution of our staff equality networks: Gender Equality Champions, our Parents' Network, LGBT+ Allies, our BAME (Black, Asian and Minority Ethnic) network, and our Disability Equality Network; as well as our Environmental Champions.

What we'll do in 2020

We're consulting with staff to build an inclusive culture through the development of a new People & Culture Strategy. Throughout 2020 and into 2021, we're developing inclusive recruitment and selection training for hiring managers; all-staff training and engagement on respect in the workplace; and training in people and performance management.

We've started to review our policies for inclusive language and accessibility. We've already updated our Grievance and Conduct policies and are working on Managing Performance, Managing Absence and our Respect at Work policies.

Our underlying pay principles pay our people based on equality, fairness, fiscal responsibility and market competitiveness along with offering flexible working and opportunity for growth. We introduced a new pay policy and a new pay and grading structure in July 2019. These two changes have led to a greater alignment of our approach to pay, role structures and development opportunities. We're also an accredited Real Living Wage employer.

Career development framework

Work has begun to introduce job families, general role profiles and career ladders from 2020. This project aims to link up career progression, talent management and succession to achieve a cohesive approach to individual, team and organisational development within a clear framework.



Closing Statement

We remain committed to being transparent in our approach to setting pay and reward. Our approach to pay and how it is determined is published in our pay policy on our Intranet. Our principles are to pay our staff a fair salary that is competitive within the charity sector, proportionate to the complexity of each role, and commensurate with their responsibilities, in line with our charitable objectives.

This statement is made pursuant to The Equality Act 2010, Gender Pay Gap Information Regulations 2017 and constitutes our Gender Pay Gap statement as at 5 April 2019.

Kevin Watkins, CEO

For and on behalf of the Save the Children Fund

20th July 2020

