

HFL EDUCATION

# FULL YEAR PAY GAP REPORT

APRIL 2024



# INTRODUCTION

In today's rapidly evolving workplace, the pursuit of equality and inclusion has never been more critical. Not only as a matter of fairness but also a strategic imperative that drives innovation, enhances employee engagement, and fosters a culture of trust and respect.

As an organisation, we recognise that monitoring and addressing pay gaps is part of our work striving towards an inclusive workplace.

We are proud to report that our gender pay gap is significantly lower than the national average, reflecting our dedication to fair compensation practices.

We continue to go beyond the statutory requirements by also examining ethnicity and disability pay gaps. By analysing these additional dimensions, we aim to identify and address any disparities that may exist, ensuring that our workplace is

truly inclusive for all. This comprehensive approach allows us to better understand the unique challenges faced by different groups and implement targeted initiatives to support their growth and development.

We are proud of the progress we have made and remain steadfast in our dedication to creating a workplace where everyone can thrive. We remain committed to addressing known inequalities and becoming an anti-racist organisation and a fully inclusive employer.

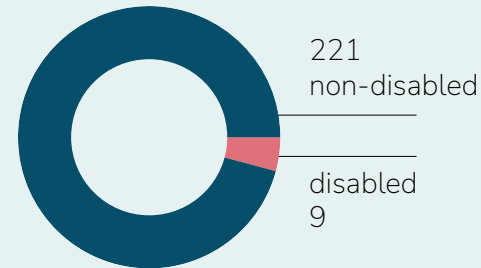
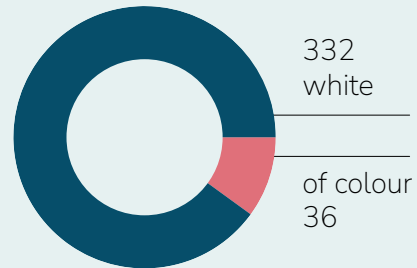
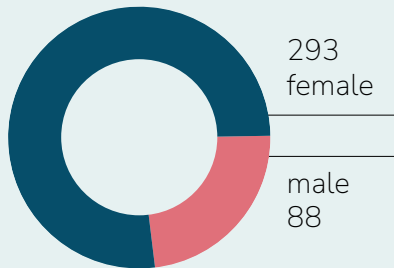
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# PAY GAP COMMENTARY

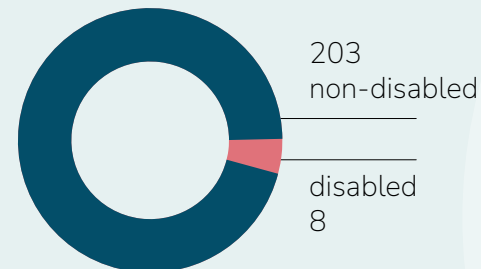
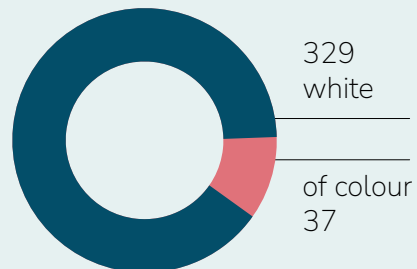
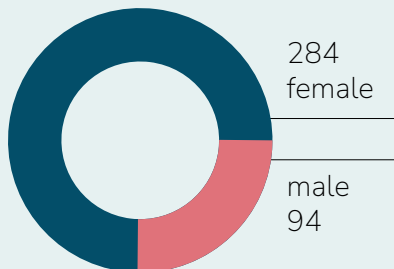
## 5th April 2024 snapshot date

Using a snapshot date of 5th April 2024, 381 “relevant” colleagues were recorded, which is an increase in 3 relevant colleagues from our snapshot date in 2023. Of the 381 colleagues, 293 were female and 88 were male. 332 were white colleagues and 36 were colleagues of colour. The number of known disabled colleagues is 9, with 221 known non-disabled colleagues. The median data figure is used in all of our comparisons, as this is a more representative measure.

### HFL Education Workforce 2024



### HFL Education Workforce 2023



“381 “relevant” colleagues were recorded, which is an increase in 3 relevant colleagues from our snapshot date in 2023.”

# GENDER PAY GAP

The Gender Pay Gap is calculated as the difference between average hourly earnings (excluding overtime) of men and women as a proportion of men's average hourly earnings (excluding overtime). It is a measure across all jobs in the organisation, not of the difference in pay between men and women for doing the same job – not to be confused therefore, with equal pay. The six different measures each tell us something different:

- **median gender pay gap** – the difference between the median hourly rate of pay of male and female colleagues
- **mean gender pay gap** – the difference between the mean hourly rate of pay of male and female colleagues
- **median bonus gap** – the difference between the median bonus pay paid to male and female colleagues
- **mean bonus gap** – the difference between the mean bonus pay paid to male and female relevant colleagues
- **bonus proportions** – the proportions of male and female colleagues who were paid bonus pay during the relevant period

- **quartile pay bands** – the proportions of male and female colleagues in four equal pay bands.

For comparative results, HFL Education focus on the median figure, which ignores extremes and is therefore considered the most representative measure. However, analysing all of these measures provide additional insight on underlying causes of pay gaps and different foci can highlight issues that another may mask.

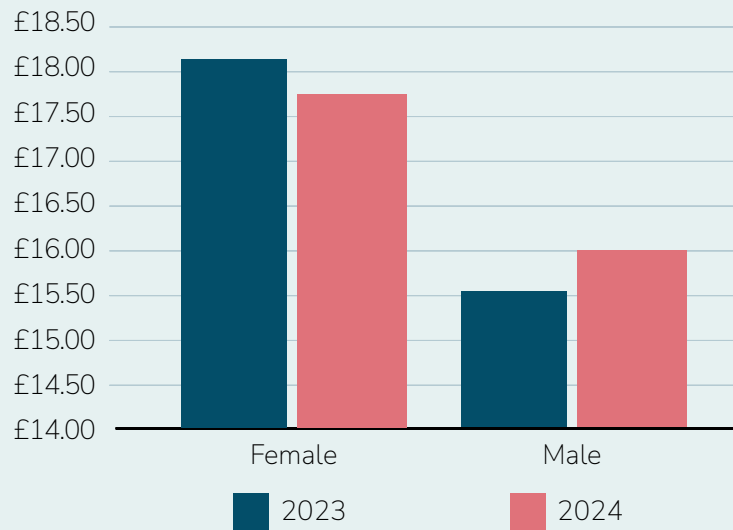
*For comparative results, HFL Education focus on the median figure, which ignores extremes and is therefore considered the most representative measure.*

## Hourly Earnings Gender Pay Gap

Our median pay gap in 2024 remains in favour of women at -10.72%, a gap that has narrowed from -16.51% in 2023. This is likely due to an increase in female colleagues in the lower hourly pay quartile, with 74% of our female colleagues in this category. This is a 6% increase since 2023.

In addition, the % of men in the lower hourly pay quartile has decreased, from 32% in 2023 to 26% in this snapshot.

### Hourly Earnings Gender Pay Gap - 2023/24



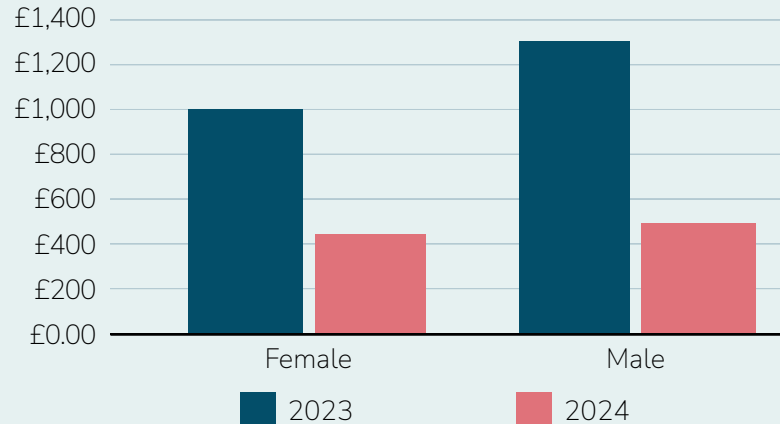
## Bonus Gender Pay Gap

Our median bonus gender pay gap in 2024 favours men at 7.86%, a significant narrowing of the gap since 2023, which favoured men at 16.20%. 81% of male and female relevant colleagues were paid a bonus, which will influence this gap – as the number of female relevant colleagues who were paid a bonus has increased since 2023 – up by 8%.

Our population of part-time & term-time workers are predominantly female and as annual bonuses are pro-rated in line with working hours, this will influence the median result, especially with the increase in female colleagues since 2023.

It's important to note that the eligibility of the bonus applies to the whole of the HFL population, so these rules are applied equally between genders & ethnicities.

### Bonus Gender Pay Gap - 2023/24



*In addition, the % of men in the lower hourly pay quartile has decreased, from 32% in 2023 to 26% in this snapshot.*

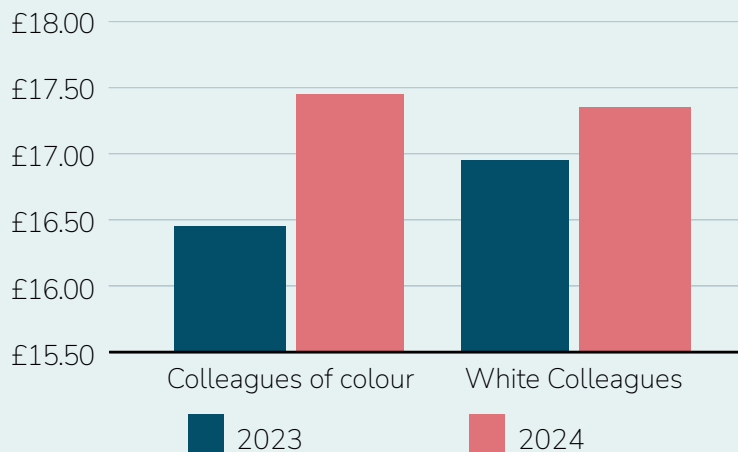
# ETHNICITY PAY GAP

## Hourly Earnings Ethnicity Pay Gap

Our 2024 data shows a -0.92% in favour of colleagues of colour, a narrowing of the gap since 2023, which had a median ethnicity pay gap of 3.01% in favour of white colleagues.

A potential cause for this move is an increase in colleagues of colour in the upper hourly pay quartile, from 8% in 2023 to 12% in this snapshot. In addition, there has been an increase in the % of white colleagues in the lower middle pay quartile, at 92% in this snapshot, compared to 87% in 2023.

Hourly Earnings Ethnicity Pay Gap - 2023/24



## Bonus Ethnicity Pay Gap

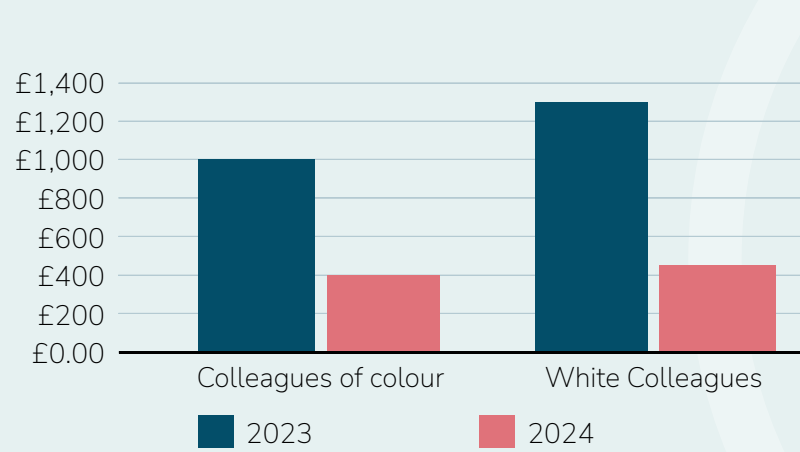
During the year ending 5th April 2024, 78% of colleagues of colour and 82% of white colleagues received a bonus. The median bonus ethnicity gap favoured white colleagues by 11.13%, a narrowing of the gap from the data recorded in 2023, which favoured white colleagues by 23.31%.

This could be due to an increase of colleagues of colour being eligible to receive a bonus in 2024, up from 62% in 2023, as well as a reduction in white colleagues who were eligible for the bonus, down from 76% in 2023.

In addition, there was an increase in the amount of white colleagues in the upper middle pay quartile, from -5.03% in 2023 to 2.27% in this snapshot.

As the bonus paid is a percentage of our salaries, it's a reasonable conclusion that with movement in this quartile, the bonus gap in favour of white colleagues will have narrowed.

Bonus Ethnicity Pay Gap - 2023/24



*As the bonus paid is a percentage of our salaries, it's a reasonable conclusion that with movement in this quartile, the bonus gap in favour of white colleagues will have narrowed.*

# DISABILITY PAY GAP

As at 5th April 2024, HFL had 9 known disabled colleagues and 221 known non-disabled colleagues. This is an increase in both categories since 2023, from 8 known disabled colleagues and 203 non-disabled colleagues in 2023.

## Hourly Earnings Disability Pay Gap

The results as at 5th April 2024 show a gap in favour of disabled colleagues by -12.86%, which is a significant move from the data recorded in 2023, which showed a gap in favour of non-disabled colleagues of 0.25%.

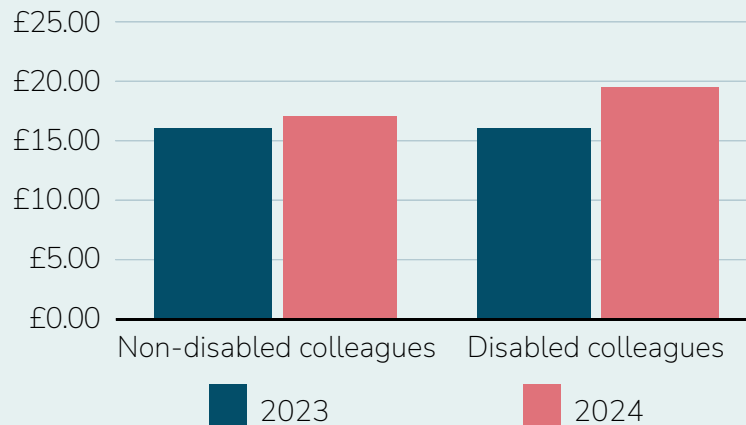
This could be attributed to moves in the upper middle and upper pay quartiles, from 4% & 2% of known disabled colleagues respectively in 2023 to 8% & 3% of known disabled colleagues respectively in 2024.

## Bonus Disability Pay Gap

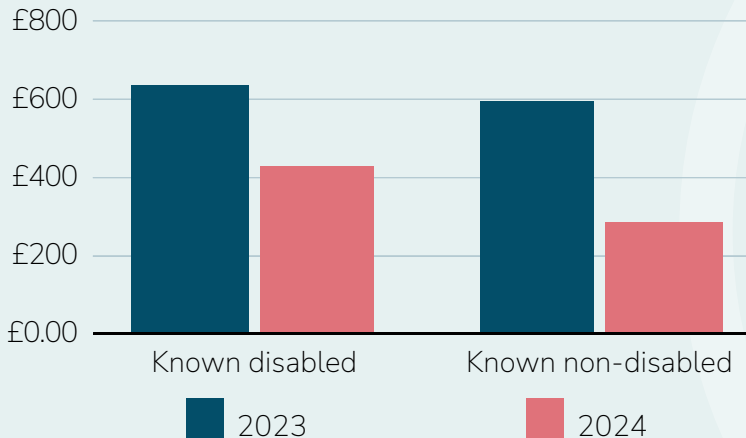
In this snapshot, 71% of non-disabled colleagues were eligible for a bonus and 78% of known disabled colleagues were eligible for a bonus. The bonus disability gap recorded in this snapshot favoured known non-disabled colleagues by 46.34%. This is a significant increase from the data recorded in 2023, which showed a gap in favour of non-disabled colleagues of 8.41%.

This could be due to an increase in the amount of known non-disabled colleagues in the upper pay quartile, up from 2% in 2023 to 3% in this snapshot. In addition, there was an increase in known disabled colleagues in the lower & lower middle pay quartiles recorded in this snapshot, down from 4% & 5% respectively in 2023, to 3% & 2% respectively in 2024.

Hourly Earnings Disability Pay Gap - 2023/24



Bonus Disability Pay Gap - 2023/24



*In addition, there was an increase in known disabled colleagues in the lower & lower middle pay quartiles recorded in this snapshot, down from 4% & 5% respectively in 2023, to 3% & 2% respectively in 2024.*

# EVOLVING OUR KNOWLEDGE AND PRACTICES

The data at April 2024 is showing a trend towards narrowing the gap in both hourly earnings and bonus metrics. Hourly earnings are in favour of female colleagues, as well as in favour of colleagues of colour. In addition, whilst the bonus gender pay gap favours male colleagues, this gap has also narrowed since our 2023 snapshot. The bonus ethnicity pay gap is following a similar trend – in favour of colleagues of colour but a narrowing of the gap since the last measurement.

This data provides us with one source of information that supports our Equality, Diversity & Inclusion work and serves as a benchmark for our ongoing efforts. Our commitment to creating a diverse and inclusive environment is reflected in the analysis presented here.

## What are we doing already?

Our commitment to leadership training across HFL through our Lead Well programme continues. This provides the opportunity to continue to build skills, confidence and consistency of process leading to a more equitable workplace. The introduction of HFL Behaviours this year has given the opportunity to focus on different aspects including Inclusivity.

We continue to use a consistent approach to pay through fair processes and benchmarking of roles. This helps us eradicating any potential inequalities.

The high standards previously set in our recruitment processes, internal development and work with third party organisations remain, and we apply internal rigour to ensure they continue to provide the outputs we expect.

## What are we committing to in the future?

- Continuing to collect, analyse, report on and internally publish all three pay gap measures.
- Continuing our work to create a robust job family and salary progression framework that is transparent, supports carer development and provides an equality of approach.
- Continuing to engage with colleagues throughout the year to listen and respond to feedback, in particular with regard to our efforts to be an inclusive employer.
- Working to remove or minimise any known barriers to inclusivity.
- Complete our accreditation as a Real Living Wage Employer.



## CONCLUSIONS FROM OUR CHIEF EXECUTIVE OFFICER

At HFL, we are dedicated to fostering a robust, diverse, and inclusive work environment. We firmly believe in being a fair and transparent organisation. Additionally, as a service provider, we know that we can offer a richer and more comprehensive portfolio to our customers by having colleagues from a wide array of backgrounds and experiences. Our organisation is stronger and more resilient when we recruit, support, and retain colleagues who are different from one another but united by a common purpose of assisting schools, settings, and trusts.

Consequently, we are committed to collecting, monitoring, and analysing data on inclusion and striving to create a culture of belonging where all our colleagues can thrive in their roles. For us, inclusion is not an optional focus – it is core to our goal of being the best organisation we can be. Our Board and Executive team are focused on monitoring the improvements highlighted in this report and building upon them, while also working diligently to recruit, train, and support colleagues from diverse backgrounds.

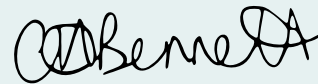
We have made significant progress in our key measures of inclusion this year. Pay inequality continues to decrease. However, there is still work to be done in this area. We will continue to develop job families to ensure that career progression within our company is fair, transparent, and clear for everyone, and to ensure that our recruitment reaches an increasingly diverse audience so that our organisation's demographics are more in line with the communities we serve.

Our efforts to ensure that all colleagues have clear 'KEYS' targets, with the necessary support to help them succeed, will allow us to further personalise progression pathways, enabling each colleague to have a clear development plan to help every employee grow and thrive.

Our People Plan, includes our anti-racism initiatives, our commitment to the UN sustainability goals and our efforts to create a flatter organisation by investing in our emerging and middle leadership tiers. These initiatives will enable us to continue driving improvements in our EDI work.

This will make us a stronger, more attractive employer into 2025 and beyond. As a people business, our staff are our greatest asset, and always will be.

I confirm the data reported above is accurate.



**Carole Bennett**  
*Chief Executive Officer,  
HFL Education*



