

Gender Pay Gap Report

Presented to: Executive Management Team
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1. Introduction

From 1 April 2017, the Equality Act has required employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

The gender pay gap shows the difference in the average pay between all men and women in a workforce. The aim of this report is to:

- Document the average pay earnings within the Trust
- Identify any gender 'pay gap' within the Trust
- To identify steps to improved gender equality and reduce or eliminate any gender pay gap

The requirement on the Trust is to undertake an annual review of gender pay, based on the position of 31st March each year. For the purpose of this report, the Trust is presenting the data as of 31st March 2017 which is required to be published by 31st March 2018.

2. What are the Gender Pay Gap Indicators?

The gender pay gap indicators are nationally set, to allow for consistent reporting for employers. The indicators are broken down to six calculations, which are as follows:

- i) Hourly rate of as a mean average by gender
- ii) Average gender pay gap as a median average
- iii) Average bonus gender pay gap as a mean average
- iv) Average bonus gender pay gap as a median average
- v) Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- vi) Proportion of males and females when divided into four quartiles in comparison to the number of employees:
 - Lower
 - Lower middle
 - Upper middle
 - Upper quartile

For the purposes of bonus pay, in the NHS this only applies to Clinical Excellence Awards payments for Consultants.

There is a statutory difference between equal pay and gender pay gap. 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 they are a man or a woman.

The gender pay gap shows the **difference in the average pay between all men and women in a workforce**. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues, and the individual calculations may help to identify what those issues are.

3. Trust Workforce

As of 31st March 2017, the Trust employed 3,746 staff. The gender split within the Trust's workforce was 82% Female and 18% Male.

According to NHS Employer's gender statistics published in 2017¹, the gender split of the working population of England was 53% men to 47% female. However, the gender split of the NHS Workforce was 23% men compared to 77% female.

Most of the Trust's workforce is employed on terms and conditions of employment which are agreed nationally between the NHS and Trade Unions. The two main sets of terms and conditions relate to:

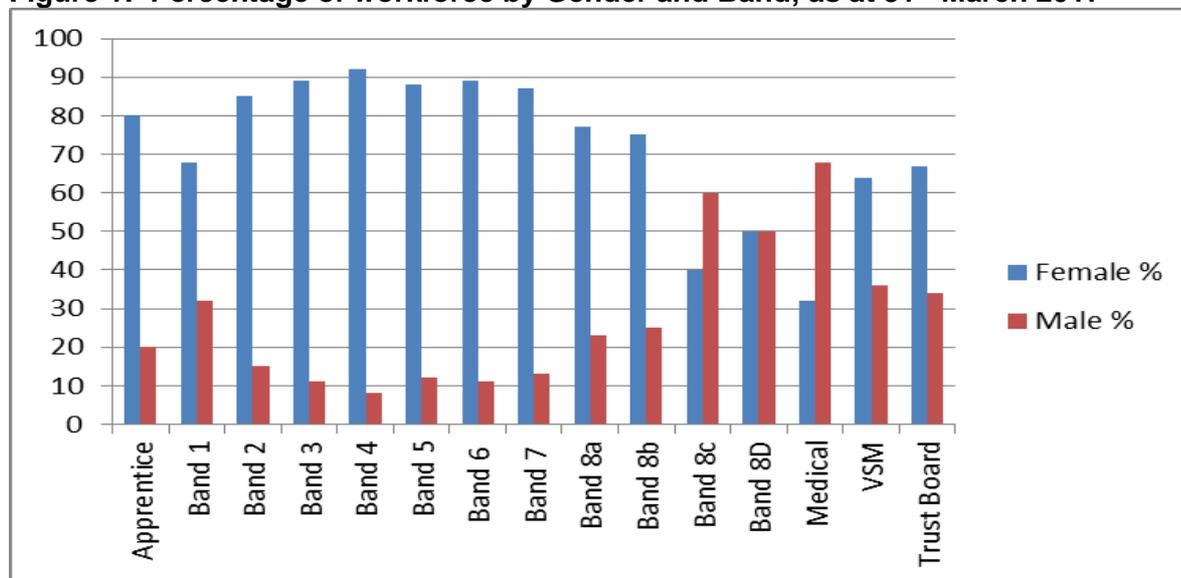
- Medical Staff broken down by seniority of grade.
- All other staff, with the exception of some Senior Managers. These terms and conditions are referred to as Agenda for Change.

In comparison to NHS Employers national statistics for all NHS Trusts in England:

- The Trust has a greater compliment of female staff than the national NHS average (*The Trust's female compliment is 82% compared to the NHS Workforce at 77%*)
- 86% of Agenda for Change staff within the Trust are female compared to 80% nationally
- 64% of Very Senior Managers (VSM) in the Trust are female compared to 46% nationally
- 32% of Trust's Medical employees are female which is a variance of -15% against the national position (47%)

Figure 1 provides a detailed breakdown of the Trust workforce by gender and pay band.

Figure 1: Percentage of workforce by Gender and Band, as at 31st March 2017



Based on the data highlighted in Figure 1 it is evident that there is greater representation of females in the majority of the pay bands within the Trust, in particular with greater representation in Band 4 (e.g. Medical secretarial/ administrative roles), Band 5 – 7 (Nursing), Very Senior Management level (VSM) and Trust Board.

There is a notably higher male representation in medical roles within the Trust's workforce. Although there is an increase in the proportion of males in Bands 8C to 8D, it is worth noting that there are a small number of roles across the Trust at Band 8C and 8D level, which will have an impact on the overall percentages.

There is a higher proportion of males within the medical profession which is consistent with the trend nationally (as detailed in the national statistics produced by NHS Employers).

At Consultant level within the Trust, the gender breakdown is 75% male and 25% female.

4. Gender Pay Gap Findings

The data referenced within this section demonstrates our Gender Pay Gap, based on the Trust workforce as at 31st March 2017. For the purpose of reviewing the findings, it is useful to note the following definitions:

- 'Mean' is the commonly used average
- 'Median' is the 'middle' value in the list of numbers, starting from the lowest to the highest number
- Bonus – the Trust does not operate a bonus scheme, however it does comply with the Medical terms and conditions in running an annual Clinical Excellence Award (CEA) scheme which has been used to calculate indicators 3 to 5. CEAs are only eligible for employees working as a Consultant (Medical role) and are not automatically paid; with Consultants required to apply if they wish to be considered for a Clinical Excellence Award.

Indicator 1: Hourly rate of as a mean average by gender				
	Female	Male	Difference (£)	Difference (%)
Mean Hourly Rate	£13.85	£19.06	£5.21	27.3%

There is an overall difference between male and female's average hourly rate, equivalent to 27%.

This figure relates to the over representation of Male employees in the Medical roles; who are paid at a higher pay threshold and are more likely to be in receipt of extra contractual payments (ECPs) than Agenda for Change employees. Payroll data suggests that ECPs are predominately undertaken by male consultants; which will have an impact on the findings in Indicator 1.

In addition, on average, the male consultant workforce has a longer length of service than the female workforce, meaning that they will be at a higher point on the payscale.

Indicator 2: Average gender pay gap as a median average				
	Female	Male	Difference (£)	Difference (%)
Median Hourly Rate	£12.14	£13.45	£1.30	9.7%

In contrast to the mean average in indicator 1, the median average presents a more balanced picture regarding the rates of pay within the Trust, whereby the variance is not as significant as indicator 1.

Indicator 3: Average bonus gender pay gap as a mean average (Medical roles only)				
	Female	Male	Difference (£)	Difference (%)
Mean Bonus Pay	£899.95	£982.24	£82.29	8.4%

The only bonus applied in the Trust relates to Clinical Excellence Awards, which is payable to the Consultant workforce upon successful application. There is an 8.4% gap between male and female CEA payments.

Indicator 4: Average bonus gender pay gap as a median average (Medical roles only)				
	Female	Male	Difference (£)	Difference (%)
Median Bonus Pay	£746.50	£746.50	0	0%

The median average shows that there is no variance between female and male bonus pay, and therefore there is equity in the level of payments awarded.

Indicator 5: Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment (Medical roles only)					
Female proportion receiving bonus	Female medical staff overall	Difference (%)	Male proportion receiving bonus	Male medical staff overall	Difference (%)
44%	25%	+19%	47%	75%	-28%

Within the Consultant staff group, the gender split is 75% male and 25% female. From the data presented in indicator 5 it shows that there is a slightly greater proportion of male consultants who are in receipt of CEA in comparison to their female counterparts. (In order for a Consultant to be eligible to apply for a CEA award, an employee must have one year service at Consultant level prior to any application for consideration for CEA payment). However, while more male consultants are in receipt of CEAs than female consultants, the proportions are fairly equal taking into account the gender split amongst the Consultant staff group.

To provide context in relation to the percentages shown in indicator 5, the following information provides the Trust position (as at 31st March 2017):

- Number of female Consultants as at 31st March 2017 employed at the Trust was 28 whilst 91 male Consultants were employed.
- Number of eligible Consultants to apply for CEAs in 2016/17 (the last Clinical Excellence Awards round run by the organisation) was 107 (27 female and 80 male).
- Number of Consultants currently in receipt of a CEA is 50 (12 female and 38 male).

Indicator 6: Proportion of females and males when divided into four groups (by number of employees):		
Quartiles	Female % (Number of staff)	Male % (Number of staff)
Lower	83% (746)	17% (148)
Lower Middle	84% (748)	16% (147)
Upper Middle	86% (766)	14% (128)
Upper	74% (664)	26% (231)

As detailed in the report, there is a greater representation of female employees in all bands in the Trust. However there is a notable increase of male employees in the Upper quartile; based on this analysis we believe that this can be correlated to medical and senior management roles.

5. Supporting Narrative

Based on calculations alone, the information in this report presents a gender pay gap in the organisation; however there is a rationale to this.

From the information reviewed there are no concerns regarding equal pay for work of equal value as the vast majority of staff are employed on national terms and conditions of employment, either Medical staff or under Agenda for Change. Both sets of terms and conditions have prescriptive pay frameworks, and under Agenda for Change there is a nationally agreed approach to Job Evaluation in accordance with those terms and conditions. Job evaluation enables jobs to be matched to national job profiles against 16 key factors which determine the relevant pay band for the role. To ensure there is fairness and transparency in the evaluation of the roles, this process is conducted jointly between management and Trade Union representatives and all posts which are evaluated within the Trust are consistency checked by an independent panel of trained Job Evaluation evaluators.

In the Trust there are policies and practices in place which are designed to control potential biases and to ensure equal pay for equivalent jobs, regardless of gender, such as recruitment, training and appraisal.

The gap in overall hourly gender pay appears to be, in the main, due to the high percentage of male employees within the Consultant workforce, which is the most highly paid workforce in the organisation. NHS Employers statistics suggest that the Consultant workforce is 65% male and 35% female across the NHS; meaning that the organisation is not dissimilar to other NHS Trusts in its gender makeup.

National figures suggest that this is changing; with the overall medical workforce (including junior grades of doctor) being 55% male and 45% female; however it will inevitably take time for this to alter the demographic of the Consultant workforce.

The Trust is committed to ensuring all individuals have equal opportunity for progression. The organisation has retention strategies and action plans, which focus on the registered nursing and medical workforce. One of the key themes spanning across both action plans is improving the flexible working offered to employees. This is based on feedback from leavers and existing employees which suggested this may improve the overall staff experience. Flexible working is also likely to benefit the female contingent of the workforce, which, overall, may be more likely to have caring responsibilities and a need to work more flexibly. The registered nursing retention strategy is a more embedded action plan, which has proven very successful, with turnover reducing from a baseline of 16.1% to 11.5% (February 2018 data); and the medical staff plan includes a similar theme around flexible working, for which a similar action plan has been developed.

The organisation is establishing a comprehensive talent management strategy; one of the key themes being the development and retention of senior managers in the organisation; most notably regarding “operational” Directorate and Divisional Managers. These are the levels where the proportion of male to female employees shifts from being predominantly female to being an even split. An element of the talent management strategy will focus on developing and growing our own talent within the predominantly female Band 6/7 level and junior management tier.

6. Next Steps

Assurance over the content of this report and any follow up actions will be sought through the Workforce Committee.

A copy of this report will be presented on the Trust’s Website and uploaded on the Government website.

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References

NHS Employers, ‘Gender in the NHS Infographics’, May 2017