

Gender Pay Gap Reporting

1. Background

In accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, employers with 250 or more employees are required to publish statutory calculations no later than 30th March each year; commencing 2017/18.

The information aims to establish the pay gap between male and female employees as at 31 March the previous year. For example, 31 March 2017 pay information must be published by 30 March 2018 on the employer's website.

The Equality and Human Rights Commission defines the difference between equal pay and the gender pay gap as follows:

1. Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.
2. The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.

Salaries at the Trust are determined through a national NHS job evaluation scheme called Agenda for Change (AFC). Job evaluation evaluates the job and not the post holder. It makes no reference to gender or any other personal characteristics of existing or potential job holders. Therefore, the Trust is confident it is paying the same salary to roles of equal value.

The legislation requires an employer to publish six calculations:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay.

A summary breakdown of the workforce by gender and pay banding as at March 2017 can be found at the end of the report

2. Average gender pay gap as a mean and median average

Gender	Mean Hourly Rate	Median Hourly Rate
Male	£20.00	£14.56
Female	£13.77	£12.14
Difference	£6.23	£2.42
Pay Gap %	31.15%	16.62%

Key Points:

The mean average and median hourly rate of pay is calculated from a specific pay period, in this case it is March 2017. The hourly rate is calculated for each employee based on 'ordinary pay' which includes basic pay, allowances and shift premium pay.

The median rate is calculated by selecting the average hourly rate at the mid-point for each gender group.

The percentage variance for the average hourly rate of pay is just over 31%. This calculation is based on the average hourly rate of 3,704 female staff compared to 854 male staff; because the average is calculated over different numbers of staff (there are four times more female staff), some variance is to be expected. This is also exacerbated by the fact that there is generally a significantly higher percentage of male staff in the higher paid bands or professions, such as doctors and senior managers.

The percentage variance for the median hourly rate of pay is 16.6%. For our organisation this is more indicative than the average hourly rate of pay as it is impacted less by the female to male ratio. When looking at the variance some consideration will need to be given to the variety of roles within the organisation.

3. Average bonus gender pay gap as a mean and median average

Gender	Mean Hourly bonus* pay	Median Hourly bonus* pay
Male	£6.04	£5.72
Female	£5.41	£2.86
Difference	£0.63	£2.86
Pay Gap %	10.4%	50%

Key Points:

As an NHS organisation the only pay elements we have that fall under the bonus pay criteria are distinction award (Staff grade and associate specialist) and clinical excellence awards (consultants) which are only applicable to certain groups of medical staff.

As with the median hourly rate of pay, this is based on the mid-point of all staff receiving bonus pay.

The percentage variance for the bonus hourly rate of pay is 10.4%. However, the percentage variance for the median bonus hourly rate of pay is 50%. The difference may reflect the cumulative nature of the bonus which has some alignment to length of service as a medical consultant. The staff group identified in this section has 438 staff, not all of whom are eligible for bonus pay. 60% of staff in this group are male. The pay elements that are used in this calculation are awarded as a result of recognition of excellent practice over and above contractual requirements, according to specific criteria and have no gender bias.

4. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment

Gender	Number of Staff Receiving Bonus Pay	Total Number of Staff in Trust	Percentage
Male	55	854	6.4%
Female	19	3704	0.5%

Key Points:

This calculation expresses the number of staff receiving bonus pay as a percentage of the total number of staff in each gender group.

Only certain medical staff receive pay that is classified as bonus pay. This group has a significantly different gender split when compared to the Trust as a whole. The relevance of this indicator for our organisation is less significant as bonus pay applies to less than 7% percent of all staff employed.

5. Proportion of males and females when divided into four groups ordered from lowest to highest pay

Quartile	Female	Male	Female %	Male %
1 Lower	1017	177	85.18	14.82
2 Lower Middle	1002	192	83.92	16.08
3 Upper Middle	1015	179	85.01	14.99
4 Upper	810	384	67.84	32.16

Key Points:

In order to create the quartile information all staff are sorted by their hourly rate of pay, this list is then split into four equal parts (where possible).

When reviewing the quartile information it is important to take into account the types of roles available within the organisation and the different gender splits that occur within specific roles.

The highest variances for the quartiles when compared to the overall Trust value are in the lower, lower middle and upper middle quartiles. It is these quartiles which have the most pronounced gender split, where female staff are the predominant majority. This is driving the mean and median pay differences. Included in the lower quartiles for instance are administrative & ancillary staff groups, such as Health Care Support Workers that traditionally have attracted a higher proportion of female staff.

The upper quartile has a lower proportion of female staff than the other three quartiles. The variance in this quartile is mainly due to significantly different gender splits in medical staffing and senior managerial roles in the Trust.

6. Summary breakdown

A summary breakdown of the workforce by gender and pay banding as at March 2017

Band	Female	Male	Total	% Female	% Male
Apprentice	10	10	20	50.00%	50.00%
Band 1	36	8	44	81.82%	18.18%
Band 2	964	100	1064	90.60%	9.40%
Band 3	579	95	674	85.91%	14.09%
Band 4	140	24	164	85.37%	14.63%
Band 5	854	121	975	87.59%	12.41%
Band 6	554	93	647	85.63%	14.37%
Band 7	277	74	351	78.92%	21.08%
Band 8a	72	31	103	69.90%	30.10%
Band 8b	18	14	32	56.25%	43.75%
Band 8c	10	6	16	62.50%	37.50%
Band 8d	6	5	11	54.55%	45.45%
Band 9	1	3	4	25.00%	75.00%
Exec	4	5	9	44.44%	55.56%
Med & Dent	177	261	438	40.41%	59.59%
Non Exec	2	4	6	33.33%	66.67%
Total	3704	854	4558	81.26%	18.74%

7. Actions

The Trust will undertake a number of actions which relate to these findings as follows:

- a) Further analysis of the gender split into the application for and award of bonus payments relating to consultant medical staff
- b) Gender analysis undertaken in relation to the Trusts leadership talent management work
- c) Further analysis of the mean and median average pay gaps with the omission of medical staff from the results as there are indications that it is this staff group which has the most significant impact on the gender pay gap.