

Gender Pay Gap Reporting

1. Background

The Trust is committed to equality of opportunity and values equality, diversity and human rights and ensures that this vision runs through all aspects of employment, including pay.

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.

The information aims to establish the pay gap between male and female employees as at 31st March the previous year. For example, 31st March 2018 pay information must be published by 30th March 2019 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 as at March 2018 are shown below along with a comparison of data as at 31st March 2017.

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

	As at 31 st March 2018	
Gender	Mean Hourly Rate	Median Hourly Rate
Male	£20.71	£15.63
Female	£14.06	£12.31
Difference	£6.65	£3.32
Pay Gap %	32.11%	21.28%

Key Points:

The mean average and median hourly rate of pay is calculated from a specific pay period, in this case it is March 2018. 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.

Our workforce received a 1% inflation pay award in April 2017 which is likely to have slightly increased the mean and median pay rates from rates as at 31st March 2017. The percentage variance for the average hourly rate of pay is just over 32%, an increase of 0.96% from 2017. This calculation is based on the average hourly rate of 3,913 female staff compared to 963 male staff; because the average is calculated over different numbers of staff (there are 4.1 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 21.28%, an increase of 4.66% from 2017. 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.

When removing medical staff, the mean pay gap is 8.34% and the median pay gap is 1.73%.

The gender pay gap is affected by the age and length of service profile of consultants. The Trust has more male consultants who have longer service than female consultants which means they will receive a higher salary as they are higher up the incremental pay scale. Salaries are set in accordance with nationally agreed terms and conditions and agreed pay deals which the Trust adheres to. Whilst our male to female ratio at the Trust is 1 male to every 4.1 females, our consultant female to male ratio is 1 female to every 2.6 males.

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

	As at 31 st March 2018	
Gender	Mean Hourly bonus pay	Median Hourly bonus pay
Male	£6.36	£5.06
Female	£5.08	£2.89
Difference	£1.28	£2.17
Pay Gap %	20.19%	42.86%

Key Points:

As an NHS organisation the only pay elements we have that fall under the bonus pay criteria are 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 20.19%, an increase of 9.79% from 2017. However, the percentage variance for the median bonus hourly rate of pay is 42.86% which is a 7.14% reduction from 2017. The difference may reflect the cumulative nature of the bonus which has some alignment to length of service as a medical consultant. There are more male consultants with longer service than female consultants, therefore male consultants are more likely than female consultants to be in receipt of Clinical Excellence Awards at a higher level.

The staff group identified in this section has 471 staff, not all of whom are eligible for bonus pay. 61% 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.

For the Clinical Excellence Award round in 2018, 10 applications for Clinical Excellence Awards were received from females and 8 obtained an award which equates to 80% of applications being successful, compared with 21 applications being received from men, where 13 were successful, equating to 62%.

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

	As at 31 st March 2018		
Gender	Number of Staff Receiving Bonus Pay	Total Number of Staff in Trust	Percentage
Male	60	963	6.23%
Female	19	3913	0.49%

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

As at 31st March 2018				
Quartile	Female	Male	Female %	Male %
1 Lower	1046	173	85.81%	14.19%
2 Lower Middle	1022	197	83.84%	16.16%
3 Upper Middle	1038	181	85.15%	14.85%
4 Upper	807	412	66.20%	33.80%

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 2018

Band	Female	Male	Total	% Female	% Male
Apprentice	6	0	6	100%	0.00%
Band 1	41	7	48	85.42%	14.58%
Band 2	963	100	1063	90.59%	9.41%
Band 3	613	104	717	85.50%	14.50%
Band 4	146	34	180	81.11%	18.89%
Band 5	838	123	961	87.20%	12.80%
Band 6	578	88	666	86.79%	13.21%
Band 7	297	81	378	78.57%	21.43%
Band 8a	79	32	111	71.17%	28.83%
Band 8b	23	16	39	58.97%	41.03%
Band 8c	8	7	15	53.33%	46.67%
Band 8d	13	5	18	72.22%	27.78%
Band 9	2	2	4	50.00%	50.00%
Exec	2	7	9	22.22%	77.78%
Med & Dent	185	286	471	39.28%	60.72%
Non Exec	2	4	6	33.33%	66.67%
Total	3796	896	4692	80.90%	19.10%

7. Actions

The Trust has already undertaken a number of actions which related 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 – see appendix 1
- b) 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. – see section 2 of this report

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

- a) Gender analysis undertaken in relation to the Trusts leadership talent management work
- b) Use the information within this report to inform the Trust's Diversity and Inclusivity work plan and objectives