

### EXECUTIVE SUMMARY

|                          |  |                            |                                       |
|--------------------------|--|----------------------------|---------------------------------------|
| <b>Title</b>             | <b>Gender Pay Gap Report</b>   |                            |                                       |
| <b>Report to</b>         | <b>Board of Directors</b>  | <b>Date</b>                | <b>28<sup>th</sup> September 2021</b> |
| <b>Executive Sponsor</b> | <b>Nick Parker, Executive Director of People &amp; OD</b>  |                            |                                       |
| <b>Author</b>            | <b>Stephen Green, Workforce Information &amp; Systems Manager</b>  |                            |                                       |
| <b>Purpose of report</b> | <b>To present to the Board of Directors information relating to the mandatory requirement to present a Gender Pay Gap Report; and proposed actions</b> |                            |                                       |
|                          |  | Please tick as appropriate |                                       |
|                          | Approval   | <b>Yes</b>                 |                                       |
|                          | Assurance  | <b>Yes</b>                 |                                       |
|                          | Information  | <b>Yes</b>                 |                                       |

#### Executive summary –the key messages and issues

- The difference between the median hourly rate of ordinary pay of male and female employees is **13.43%**. This is a decrease from 15.75% last year.
- The median difference of ordinary pay differs greatly between occupational groups, with Admin & Clerical and Medical having the highest pay gaps.
- The difference between the median hourly rate of bonus pay of male and female employees is **18.92%**. This is a decrease from 27.77% last year.

#### How this report impacts on current risks or highlights new risks

- This report is for information only and does not highlight any new risks

#### Recommendations and next steps

- The Board of Directors is asked to note and approve the report and actions.

# **GENDER PAY GAP REPORT - REPORT FOR INFORMATION**

## **1. Background and context**

Since the Equality Act 2010 (Specific Duties) Regulations 2011 (SDR) came into force on 10 September 2011, there has been a duty for public bodies with 150 or more employees to publish information on the diversity of their workforce. Although the SDR did not require mandatory Gender Pay Gap (GPG) reporting, the Government Equalities Office (GEO) and the Equality and Human Rights Commission (EHRC) provided guidance that made it clear that employers should consider including GPG information in the data they already publish.

It was evident that not all employers did this, so the government made GPG reporting mandatory by amending the SDR so that all public sector employers with more than 250 employees have to measure and publish their gender pay gaps.

Employers need to publish information annually for all employees who are employed under a contract of employment, a contract of apprenticeship or a contract personally to do work. This will include those under Agenda for Change terms and conditions, medical colleagues and very senior managers. All calculations should be made relating to the pay period in which the snapshot day falls. This will be the pay period including 31 March 2020, for this year's report

This is the fourth year of mandatory reporting.

Employers need to publish the information on a website that is accessible to employees and the public free of charge. The information should remain on the website for a period of at least three years beginning with the date of publication. The EHRC will be responsible for monitoring how public bodies are complying with the GPG reporting requirements and can take enforcement action. Employers must also register their data with the Government online reporting service.

## **2. Summary of key points**

The following shows the data required along with the equivalent data for last year, as a comparison.

Employers will need to:

- Calculate the hourly rate of ordinary pay relating to the pay period in which the snapshot day falls.
- Calculate the difference between the mean hourly rate of ordinary pay of male and female employees, and the difference between the median hourly rate of ordinary pay of male and female employees

## All Colleagues

| 31/03/2020 | Mean Hourly Rate | Median Hourly Rate | 31/03/2019 | Mean Hourly Rate | Median Hourly Rate |
|------------|------------------|--------------------|------------|------------------|--------------------|
| Male       | 21.68            | 17.79              | Male       | 21.93            | 17.59              |
| Female     | 17.39            | 15.40              | Female     | 17.01            | 14.82              |
| Difference | 4.29             | 2.39               | Difference | 4.91             | 2.77               |
| Pay Gap %  | <b>19.78%</b>    | <b>13.43%</b>      | Pay Gap %  | <b>22.41%</b>    | <b>15.75%</b>      |

## Medical Colleagues

| 31/03/2020 | Mean Hourly Rate | Median Hourly Rate | 31/03/2019 | Mean Hourly Rate | Median Hourly Rate |
|------------|------------------|--------------------|------------|------------------|--------------------|
| Male       | 40.03            | 40.69              | Male       | 40.68            | 38.88              |
| Female     | 36.42            | 34.81              | Female     | 35.07            | 33.26              |
| Difference | 3.61             | 5.88               | Difference | 5.61             | 5.62               |
| Pay Gap %  | <b>9.02%</b>     | <b>14.44%</b>      | Pay Gap %  | <b>13.80%</b>    | <b>14.45%</b>      |

## Non-Medical Colleagues

| 31/03/2020 | Mean Hourly Rate | Median Hourly Rate | 31/03/2019 | Mean Hourly Rate | Median Hourly Rate |
|------------|------------------|--------------------|------------|------------------|--------------------|
| Male       | 16.71            | 14.89              | Male       | 16.40            | 14.54              |
| Female     | 15.52            | 14.59              | Female     | 15.12            | 14.08              |
| Difference | 1.19             | 0.30               | Difference | 1.28             | 0.46               |
| Pay Gap %  | <b>7.10%</b>     | <b>2.00%</b>       | Pay Gap %  | <b>7.81%</b>     | <b>3.17%</b>       |

- Calculate the difference between the mean (and median) bonus pay paid to male and female employees

| 31/03/2020 | Mean Pay      | Median Pay    | 31/03/2019 | Mean Pay      | Median Pay    |
|------------|---------------|---------------|------------|---------------|---------------|
| Male       | 11,895.06     | 7,439.48      | Male       | 11,509.32     | 7,167.88      |
| Female     | 7,676.34      | 6,032.04      | Female     | 6,857.45      | 5,177.45      |
| Difference | 4,218.71      | 1,407.44      | Difference | 4,651.87      | 1,990.43      |
| Pay Gap %  | <b>35.47%</b> | <b>18.92%</b> | Pay Gap %  | <b>40.42%</b> | <b>27.77%</b> |

- Calculate the proportions of male and female employees who were paid bonus pay

| 31/03/2020 | Employees Paid Bonus | Total Relevant Employees | %            | 31/03/2019 | Employees Paid Bonus | Total Relevant Employees | %            |
|------------|----------------------|--------------------------|--------------|------------|----------------------|--------------------------|--------------|
| Female     | 34                   | 3039                     | <b>1.12%</b> | Female     | 35                   | 2946                     | <b>1.19%</b> |
| Male       | 41                   | 652                      | <b>6.29%</b> | Male       | 40                   | 619                      | <b>6.46%</b> |

- Calculate the proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands by number of employees rather than rate of pay

| 31/03/2020   | Female | Male | Female % | Male % |
|--------------|--------|------|----------|--------|
| Lower        | 716    | 144  | 83.26%   | 16.74% |
| Lower Middle | 735    | 124  | 85.56%   | 14.44% |
| Upper Middle | 734    | 126  | 85.35%   | 14.65% |
| Upper        | 630    | 233  | 73.00%   | 27.00% |

| 31/03/2019   | Female | Male | Female % | Male % |
|--------------|--------|------|----------|--------|
| Lower        | 700    | 126  | 84.75%   | 15.25% |
| Lower Middle | 717    | 110  | 86.70%   | 13.30% |
| Upper Middle | 708    | 119  | 85.61%   | 14.39% |
| Upper        | 612    | 216  | 73.91%   | 26.09% |

The following table is not for reporting but is provided for context relating to the numbers of colleagues by occupational group and Gender. It also shows the pay gap and the variance from last year.

| Staff Group                  | Headcount |      | Median Pay Gap | Median Pay Gap Variance |
|------------------------------|-----------|------|----------------|-------------------------|
|                              | Female    | Male |                |                         |
| Add Prof Scientific & Tech   | 166       | 61   | <b>0.01%</b>   | 3.84%                   |
| Additional Clinical Services | 444       | 63   | <b>4.42%</b>   | 6.79%                   |
| Administrative and Clerical  | 651       | 167  | <b>21.23%</b>  | 5.89%                   |
| Allied Health Professionals  | 232       | 19   | <b>0.00%</b>   | -9.81%                  |
| Estates and Ancillary        | 188       | 78   | <b>4.06%</b>   | 0.37%                   |
| Healthcare Scientists        | 95        | 50   | <b>0.00%</b>   | -3.31%                  |
| Medical Staff                | 271       | 157  | <b>14.44%</b>  | -0.01%                  |
| Nursing and Midwifery Reg'd  | 920       | 68   | <b>5.82%</b>   | -0.30%                  |

### 3. How this impacts on the Trust

Since mandatory GPG reporting was introduced in 2018 there has been publicity in the media around what organisations report. This has led to some confusion in discussions between Gender Pay Gap and Equal Pay. The issues that GPG raises are important but different. The NHS has a pay system in place based on equal pay for work of equal value.

The information in the charts above shows both the Mean Pay Gap and the Median Pay Gap. For comparison and reference the Median is generally used.

The Trust's overall Median Pay Gap has decreased from 15.75% to 13.43%. The Median Pay Gap for all non-medical colleagues is 2.00%, a decrease from 3.17% last year.

The occupational groups with the highest gap remain as Admin & Clerical (21.23%) and Medical (14.44%). The Admin & Clerical group has historically seen more male senior managers; however, it is worth noting that Bands 8a through to 8d currently have more females (34) than males (22).

The group with the biggest yearly increase is Additional Clinical Services, which rose from -2.37% to 4.42%. (This group is made up of support colleagues from clinical areas such as Nursing, AHP and Technicians)

There are also two groups which have a zero pay gap, Allied Health Professionals and Healthcare Scientists. Add Prof Scientific & Technical also have a gap of 0.01%

#### **4. Actions and next steps**

As a Trust we need to continue to:-

- Develop further awareness of the issues around the Gender Pay Gap; along with looking at representation, particularly at senior levels within the Trust, i.e. there needs to be a greater representation of women at senior pay levels and equally the Trust needs to attract more men into other roles. This will form part of the Recruitment Review in the Trust's People Plan; and will be an important element in the Trust's roll out of its talent management approach.
- Ensure training and development opportunities are accessible to all. Also look at targeting specific groups of people where the pay gap is seen as an issue to ensure that progress is based on merit not gender as part of the recruitment and talent work above.
- Continue to promote equality, diversity and inclusion to prospective applicants to show the Trust as an employer of choice
- Contribute to a culture which enables women to progress and develop into more senior roles. Consider establishing a Women's Network to replace the Gender Network.
- Provide training and education to managers to address any issues related to unconscious bias as part of the Equality, Diversity and Inclusion actions.
- Specifically target female consultants to encourage them to apply for CEA awards and ensure a diverse representation on the decision making panel. Plus consider equality issues as part of the review of job planning.

Continued analysis of the data is needed to identify specific groups of colleagues and areas of work where there are clear pay gaps to encourage further discussion and promotion of available opportunities.

Further benchmarking analysis will also be undertaken, once all organisations have reported their data. This is to help build a picture alongside benchmarked organisation to see where the Trust stands and how we compare with other NHS organisations.

NHS Employers recommends that Trusts shared reports and proposed actions with all colleagues and staff side organisations, along with communicating progress and achievements with the organisation.

## **Additional Notes**

### **Ordinary Pay**

This Includes:

- basic pay
- paid leave, including annual, sick, maternity, paternity, adoption or parental leave (except where an employee is paid less than usual or nothing because of being on leave)
- area and other allowances
- shift premium pay, defined as the difference between basic pay and any higher rate paid for work during different times of the day or night
- pay for piecework

It does not include:

- remuneration referable to overtime
- remuneration referable to redundancy or termination of employment
- remuneration in lieu of leave
- remuneration provided otherwise than in money

### **Bonus Pay**

This relates to performance, productivity, incentive, commission or profit-sharing, but excludes:

- remuneration referable to overtime
- remuneration referable to redundancy
- remuneration referable to termination of employment
- Doctors' clinical distinction/excellence awards will be regarded as bonus pay, as well as any other payments above the level of ordinary for performance or expertise such as performance related pay for very senior managers and others.

## **Additional Notes**

- Please note that SCH bonus pay only includes the Doctors' clinical distinction/excellence awards
- Employees on full maternity pay (OMP) are currently excluded from the ESR BI report as the element returns a cash value only and it is therefore not possible to return an hourly rate
- Mean = Average of all the numbers
- Median = Middle value in a list of numbers
- Quartiles
  - In descriptive statistics, the **quartiles** of a ranked set of data values are the three points that divide the data set into four equal groups, each group comprising a quarter of the data. A quartile is a type of quantile. The first quartile ( $Q_1$ ) is defined as the middle number between the smallest number and the median of the data set. The second quartile ( $Q_2$ ) is the median of the data. The third quartile ( $Q_3$ ) is the middle value between the median and the highest value of the data set.
  - In applications of statistics **quartiles** of a ranked set of data values are the four subsets whose boundaries are the three quartile points. Thus an individual item might be described as being "in the upper quartile".