

### EXECUTIVE SUMMARY

<b>Title</b>	<b>Gender Pay Gap Report Publication</b>		
<b>Report to</b>	<b>Board of Directors</b>	<b>Date</b>	<b>28th March 2023</b>
<b>Executive Sponsor</b>	<b>Nick Parker, Chief People Officer</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 publish Gender Pay Gap data and proposed next steps.</b>		
		Please tick as appropriate	
	Approval	<b>Yes</b>	
	Assurance	<b>Yes</b>	
	Information	<b>Yes</b>	

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

There is a duty for all public sector employers with more than 250 employees to measure and publish their gender pay gaps (GPGs) annually. The publication date is 31 March 2023 based on data as of 31 March 2022. The data needs to be published on the Trust website and registered with the Government on-line reporting service (the attached table).

Since mandatory GPG reporting was introduced there has been media attention around organisations' reports. There has also been some confusion over the difference between GPG and equal pay. The GPG data is not about equal pay for work of equal value, which is covered by the NHS pay system and terms and conditions of employment. GPG compares the mean and median hourly pay gap between male and female employees. The median pay gap is the comparator normally used.

At the Trust:

- The difference between the median hourly rate of ordinary pay of male and female employees is **17.84%**. This is a decrease from 19.16% in 2021. For non- medical colleagues the difference is 3.09% compared to 4.48% in 2021.
- The median difference of ordinary pay differs greatly between occupational groups, with Admin & Clerical having the highest pay gap. Historically this is reflective of the make up of the admin and clerical workforce, with more males in senior positions, amongst a generally female workforce. However, this position is changing and currently there are more females than males at Band 8a and above, which may improve the GPG going forward.
- The difference between the median hourly rate of bonus pay of male and female employees is **44.47%**. This is an increase from 35.81% last year. Bonus pay at the

Trust only includes consultants' clinical excellence awards (CEAs). For the last 3 years these have been distributed on an equitable basis across all eligible consultants, so it would appear this differential is based on historical differences and/or the award of national CEAs.

- Whilst some of this GPG reflects historical inequalities, the Trust is committed to addressing the underlying issues behind the GPGs, including representation in the workforce of women at senior levels and men in more junior positions or in roles that have not historically attracted men; and in the award of local Clinical Excellence Awards and National Clinical Impact Awards.
- Our approach to GPG reporting will change in 2023. We are committed to analysing further the reasons for the gender pay differential, and to further analysis how other protected characteristics are affected, for example, pay of black women compared to white women, and compared to white men. This detailed analysis will help us identify potential solutions, and how we can ensure pay equity is a regular consideration in other pay related decisions we make. This work will be reported to the People Board and People and Engagement Committee.

#### **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 the information and approve publication on the Trust website and Government portal.

# **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 2022, for this year's report

This is the sixth 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

31/03/2022	Mean Hourly Rate	Median Hourly Rate
Male	22.86	19.81
Female	18.37	16.27
Difference	4.49	3.53
Pay Gap %	<b>19.64%</b>	<b>17.84%</b>

31/03/2021	Mean Hourly Rate	Median Hourly Rate
Male	22.47	19.38
Female	17.87	15.66
Difference	4.59	3.71
Pay Gap %	<b>20.45%</b>	<b>19.16%</b>

## Medical Colleagues

31/03/2022	Mean Hourly Rate	Median Hourly Rate
Male	41.27	41.85
Female	37.75	36.13
Difference	3.52	5.72
Pay Gap %	<b>8.53%</b>	<b>13.68%</b>

31/03/2021	Mean Hourly Rate	Median Hourly Rate
Male	39.89	36.76
Female	37.70	36.38
Difference	2.19	0.38
Pay Gap %	<b>5.49%</b>	<b>1.03%</b>

## Non-Medical Colleagues

31/03/2022	Mean Hourly Rate	Median Hourly Rate
Male	17.58	16.13
Female	16.45	15.63
Difference	1.13	0.50
Pay Gap %	<b>6.43%</b>	<b>3.09%</b>

31/03/2021	Mean Hourly Rate	Median Hourly Rate
Male	17.14	15.66
Female	15.94	14.96
Difference	1.20	0.70
Pay Gap %	<b>6.97%</b>	<b>4.48%</b>

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

31/03/2022	Mean Pay	Median Pay
Male	10,505.32	6,781.96
Female	6,153.30	3,766.00
Difference	4,352.03	3,015.96
Pay Gap %	<b>41.43%</b>	<b>44.47%</b>

31/03/2021	Mean Pay	Median Pay
Male	12,157.36	8,421.96
Female	7,509.30	5,406.00
Difference	4,648.06	3,015.96
Pay Gap %	<b>38.23%</b>	<b>35.81%</b>

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

31/03/2022	Employees Paid Bonus	Total Relevant Employees	%
Female	100	3274	<b>3.05%</b>
Male	63	689	<b>9.14%</b>

31/03/2021	Employees Paid Bonus	Total Relevant Employees	%
Female	100	3098	<b>3.23%</b>
Male	61	678	<b>9.00%</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

31/03/2022	Female	Male	Female %	Male %
Lower	800	128	86.21%	13.79%
Lower Middle	761	143	84.18%	15.82%
Upper Middle	819	135	85.85%	14.15%
Upper	684	245	73.63%	26.37%

31/03/2021	Female	Male	Female %	Male %
Lower	756	135	84.85%	15.15%
Lower Middle	738	128	85.22%	14.78%
Upper Middle	778	142	84.57%	15.43%
Upper	649	244	72.68%	27.32%

The following tables are not for reporting externally but are provided for context relating to the numbers of colleagues by occupational group and Gender. The first table shows the pay gap and the variance from last year. The second table shows the pay gap for each year.

Staff Group	Headcount		Median Pay Gap	Median Pay Gap Variance
	Female	Male		
Add Prof Scientific & Tech	168	58	-2.64%	0.00%
Additional Clinical Services	475	71	-2.05%	-3.40%
Administrative and Clerical	714	163	27.11%	8.03%
Allied Health Professionals	246	20	0.20%	-4.15%
Estates and Ancillary	200	86	7.83%	3.30%
Healthcare Scientists	98	51	-2.64%	-2.64%
Medical & Dental	297	168	13.68%	12.64%
Nursing and Midwifery Reg'd	925	66	5.82%	2.74%

Staff Group	2017	2018	2019	2020	2021	2022
Add Prof Scientific & Tech	-1.17%	-1.70%	-3.83%	0.01%	-2.64%	-2.64%
Additional Clinical Services	-6.00%	0.09%	-2.37%	4.42%	1.34%	-2.05%
Administrative and Clerical	15.90%	11.97%	15.34%	21.23%	19.08%	27.11%
Allied Health Professionals	0.32%	3.86%	9.81%	0.00%	4.36%	0.20%
Estates and Ancillary	8.08%	6.45%	3.69%	4.06%	4.53%	7.83%
Healthcare Scientists	3.55%	6.12%	3.31%	0.00%	0.00%	-2.64%
Medical & Dental	14.92%	12.23%	14.45%	14.44%	1.03%	13.68%
Nursing and Midwifery Reg'd	2.61%	3.96%	6.12%	5.82%	3.08%	5.82%
All Non Medical Colleagues	-4.01%	-1.51%	3.17%	2.00%	4.48%	3.09%
<b>All Colleagues</b>	<b>9.31%</b>	<b>15.60%</b>	<b>15.75%</b>	<b>13.43%</b>	<b>19.15%</b>	<b>17.84%</b>

### **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 19.15% to 17.84%. The Median Pay Gap for all non-medical colleagues is 3.09%, a decrease from 4.48% last year.

The occupational group with the highest gap remains as Admin & Clerical (27.11%). This group has historically seen more male senior managers; however, it is worth noting that Bands 8a through to 9 currently have more females (49) than males (23).

Medical & Dental group usually has the second highest pay gap, 13.68%. This is an increase from 1.03% last year.

Three occupational groups have a negative pay gap. These are, Add Prof Scientific & Tech (-2.64%), Additional Clinical Services (-2.05%) and Healthcare Scientists (-2.64%).

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

- 4.1 We are committed to understanding our pay gap better and will provide in depth analysis of contributing factors to identify themes and potential solutions to reduce the pay gap. Future reports will be more action focussed than factual.
- 4.2 We will look further than gender pay disparity and include the effect of other protected characteristics, for example, looking at the pay gap between white men and black women, so we can better understand where our gaps are and look to identify solutions.
- 4.3 We will undertake benchmarking with other NHS Trusts and other employers to identify and replicate good practice and share our learning.
- 4.4 We know that reducing a pay differential may take time, but we will set out actions that will help us identify the necessary changes as part of wider work on workforce planning, inclusive recruitment and promotional opportunities, and ensure that pay equity is a key consideration when decisions are made that impact on pay.
- 4.5 We aim to have an inclusion roadmap in place in 2023 that will include actions to reduce pay disparity.
- 4.6 We will bring our proposals to People Board and People and Engagement Committee for consideration and support.

## **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".