

Meeting Title	Senior Leadership Team		
Meeting Date	26 th March 2019	Agenda No	
Report Title	Gender Pay Gap		
Lead Executive Director	Danny Hariram MSB Chief People & Organisational Development Director		
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Action Required	Decision <input type="checkbox"/> Discussion <input type="checkbox"/> Monitoring <input checked="" type="checkbox"/> (please tick)		
Strategic Objective(s)	Objective 2 and 5		
Executive Summary	This report provides the senior leadership team with information on the requirements of, and the outcomes from, the gender pay gap analysis for the March 2019 report with data taken as at 31 March 2018.		
Background / Context	<p>From 7 April 2017 all employers with over 250 staff are required by law to publish figures annually on the difference between the average (mean or median) earnings of the men and women they employ.</p> <p>The data in the analysis relates to the financial year 2017/18 and covers staff who were in employment on 31st March 2018.</p> <p>The findings are as would be expected for the NHS and show a closer alignment of pay for those on Agenda for Change pay as opposed to those on Medical and Dental terms and conditions of service. This is because the ratio of employed males to females is higher in the senior levels of the medical profession and therefore the gap, based on averages, is more apparent for this staff group.</p> <p>The data enables the Trust to pursue conversations around gender pay issues and to inform actions to be explored to address any area of concern.</p>		
Key Issue 1 (replace with a brief summary of the issue)	To meet statutory regulations we are required as an employer to monitor equality data and the gender pay gap information is a new legal requirement so failure to publish would be a breach		
Key Issue 2 (insert more lines if required)	N/A		
Timescale for Benefits to be Realised	N/A		
Assessment of Implications			
Financial	N/A		

Risk	Failure to meet CQC standards and legal requirements
Equality and Diversity	All Staff
Freedom of Information	Yes – the Trust can be asked to provide details on this subject matter
Other Implications Identified (including patient safety and quality, legal and regulatory compliance)	<i>The Gender Pay Gap data may be subject to a performance Information Request by the CQC</i>
Recommendation	The Senior Leadership Team are asked to note the contents of the paper for information in advance of statutory publication by 31 March 2019
Appendices	N/A

1. Introduction

The statutory requirement to annually publish the difference in earnings between men and women employed by organisations came into effect in 2017. The Trust's first report was published in March 2018 to review data at 31 March 2017 and covering staff data under the following categories:

- 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 year on, this report provides data taken at 31 March 2018 to meet the annual statutory requirement and also compares the 2018 data to the previous year's report.

2. Approach

Our gender pay data has been obtained from our Electronic Staff Record System (ESR) for all staff employed and paid in March 2018. Where anomalies with the data were identified these have been queried and corrected.

The data and calculations have been derived from hourly rates of pay of:

- all employees (male/female) employed on the snapshot date (31 March 2018) – these are referred to as 'relevant employees' and includes very senior managers
- all employees (male / female) who were paid their usual full pay in their pay period that included the snapshot date - these are referred to as 'full-pay relevant employees' (whether full time or part time they would have earned their usual pay in the pay period of the snapshot date.
- Very Senior Managers of the Trust are included in this report.

The pay in consideration of the gender pay analysis is:

- basic pay
- allowances (such as payments for extra responsibilities, location-related payments, car allowances, recruitment or retention incentives)
- pay for piecework
- pay for leave
- shift premium pay

Bonuses are considered separately and, as per national guidance, include any rewards related to:

- profit-sharing
- productivity
- performance
- incentive
- commission

These are considered over a 12 month period to March 2018 as per guidance.

The calculations used to determine percentages for the various categories are shown in appendix A.

3. Findings

The findings on the analysis of the various categories are provided below:

3.1 Mean Pay Gap%

Gender	Mean (Average) Hourly Rate	
	2017	2018
Male	£21.35	£22.28
Female	£15.00	£15.56
Pay Gap %	29.72%	30.15%

The female to male headcount split for the Trust at 31 March 2018 was 75.4% to 24.6% compared with 76.3% to 23.7% in 2017. The headcount of males to females increased in 2018 and the average hourly rate for both genders increased. The 3 year pay deal for NHS staff explains the increase in hourly rate for all staff however the increase for males between the 2 years was £0.93 compared to £0.56 for females, indicating a wider pay gap between 2017 and 2018.

The 2018 data compared with the 2017 data indicates that the higher hourly rates which are driving the percentages in favour of males are within the Medical & Dental staff groups where 64% of the workforce are male (compared with 66 % in the previous year with a £37.5 hourly rate) however the hourly rate for females within the medical and dental staff group has increased from £28.20 to £29.42.

Staff Group	Male - 2018		Female - 2018		Total Employee Number
	Employee Number	Average of Hourly Rate	Employee Number	Average of Hourly Rate	
Add Prof Scientific and Technic	30	17.07	95	17.8	125
Additional Clinical Services	182	11.23	761	10.74	943
Administrative and Clerical	136	17.78	812	13.48	948
Allied Health Professionals	53	17.99	167	17.8	220
Estates and Ancillary	204	11.13	340	9.14	544
Healthcare Scientists	22	22.32	35	21.52	57
Medical and Dental	364	37.58	204	29.42	568
Nursing and Midwifery Registered	154	17.62	1308	18.19	1462
Grand Total	3722	22.28	1145	15.58	4867

3.2 Median Pay Gap%

Gender	Median Hourly Rate	
	2017	2018
Male	£16.09	£17.15
Female	£13.39	£13.80
Pay Gap %	16.77%	19.47%

The table above reinforces the Mean Pay data in 3.1; that the median hourly pay gap has increased, same as the average hourly pay gap. (For median values hourly rates are sorted by increasing value and the middle value(s) used to determine the pay gap).

Males earned a higher hourly rate compared to females in general as evidenced in the table 3.1 driven by the Medical workforce. It should be noted, however that within the largest workforce group i.e. nursing and midwifery where the majority of staff are female, female pay is higher than male pay.

3.3 Mean Average Bonus Pay Gap %

Gender	Mean Average Bonus Pay	
	2017	2018
Male	£13,880.30	£13,613.80
Female	£12,587.04	£12,853.36
Bonus Pay Gap %	9.32%	5.59%

This category takes into account Clinical Excellence Awards (CEAs) for Consultants paid in the 2017/18 financial year. The male to female average bonus pay reduced significantly between 2016/17 and 2017/18; male staff received less average bonus pay compared to the previous year while their female counterparts received more when compared to the previous year.

In the table below, female consultant numbers who received a bonus increased only slightly in 2018 though the proportion of women to male consultants has improved considerably.

The above indicates that though the bonus pay gap has reduced and the numbers of female consultants has increased there are still more male consultants receiving a bonus when compared to women. The increase in female bonus would be explained by higher value of awards compared to last year.

Gender	2017				2018			
	Consultant Paid Bonus	%	Total Consultant Number	%	Consultant Paid Bonus	%	Total Consultant Number	%
Female	15.00	17.6%	39.00	18.5%	16.00	17.9%	48.00	21.4%
Male	70.00	82.4%	172.00	81.5%	73.00	82.02%	176.00	78.6%
Total	85.00		211.00		89.00		224.00	

3.4 Median Average Bonus Pay Gap %

Gender	Median Average Bonus Pay	
	2017	2018
Male	£8,950.75	£9040.50
Female	£8,950.75	£9040.50
Bonus Pay Gap %	0.00%	0%

The bonus pay gap is 0% because CEA 3 is the midpoint value for both male and females and therefore there is no disparity. The CEA value increased from 0.2 to 0.3 per eligible consultant.

3.5 Proportion of Males to Females receiving a bonus payment

Gender	2017			2018		
	Employees Paid Bonus	Total Relevant Employees	%	Employees Paid Bonus	Total Relevant Employees	%
Male	70	1184	5.91%	73	1198	6.09%
Female	15	3704	0.40%	16	3724	0.43%

The above shows the proportion of all bonuses paid (CEAs) compared to total staff numbers. This would indicate that many more males received a bonus but when compared to the consultant population (see 3.3) it follows approximately the same male to female consultant ratio.

3.6 The proportion of males and females in each quartile pay band - 2018

Quartile	Male	Female	Male %	Female %
1 - Lower	222.00	902.00	19.75	80.25
2	214.00	911.00	19.02	80.98
3	213.00	911.00	18.95	81.05
4 - Upper	443.00	682.00	39.38	60.62

This shows the proportions of male and female full-pay relevant employees in four quartile pay bands from smallest to the largest with Quartile 1 being the lowest 25% of salaries within the Trust and Quartile 4 being the top 25% of salaries.

Typical job roles that are included in each quartile are:-

Q1 – Job roles include: Apprentices, Domestic, Clinical Support Workers and Clerical workers.

Q2 – Job roles include: Staff Nurses, Technicians,

Q3 – Job roles include: Administration Managers, F1/F2 Doctors, Specialist Nurse Practitioners

Q4 – Job roles include: Nursing Managers, Radiographers, Core Training Doctors, Directors

4 **Conclusion**

The gender pay gap for the Trust as at 31 March 2018 was 30.15% (based on the mean salary) and 19.47% (based on median salary), both representing a slight increase on the gender pay gap at 31 March 2017.

The Trust applies consistent national terms and conditions and pay scales in the form of Agenda for Change and Medical & Dental Terms and Conditions of Service. The Trust provides recruitment training for managers to ensure compliance to a fair and consistent process when recruiting staff into and within the Trust. These, and other policies and procedures such as flexible working, ensure that staff are treated fairly. The Trust assesses how staff feel about working for the Trust through completion of the national annual staff survey.

The widest gender pay gap occurs in the Medical and Dental Staff Group, and to a lesser extent Administrative and Clerical. In order to evaluate the causes and identify the solutions to reduce the gender pay gap in these areas the Trust is committed to undertaking further analysis at a more detailed level to address the issue.

Gender pay will be added as a standing agenda item for discussion at the Trust's Equality, Diversity and Inclusion Committee

The gender pay gap report will be published annually on the Trust website and will be presented at Board Level on a quarterly basis to monitor progress.

Appendix A

1. Mean / Median Pay Gap

This looks at the pay gap as an average of male to female hourly rate of pay. For mean values, a common average value is used. To determine median values hourly rates are sorted by increasing value and the middle value (s) used to determine the pay gap.

$$(A-B) / A \times 100$$

A: mean/median hourly rate of pay for all male full pay relevant employees

B: is the mean/median hourly rate of pay for all female full pay relevant employees

2. Mean / Median Bonus Pay Gap

This looks at pay gap as an average of male to female bonus pay. For mean values, a common average value is used. To determine median values bonus pay is sorted by increasing value and the middle value (s) used to determine the pay gap.

$$(A-B) / A \times 100$$

A: mean/ median bonus pay of all male relevant employees who were paid bonus pay during the 12 month period ending with the snapshot date.

B: mean/median bonus pay of all female relevant employees who were paid bonus pay during the 12 month period ending with the snapshot date.

3. Proportion of males and females receiving a bonus payment

$$A / B \times 100$$

A: number of male relevant employees paid bonus pay in 12 month period ending with the snapshot date (March 2018)

B: Number of male relevant employees

$$C / D \times 100$$

C: number of female relevant employees paid bonus pay in 12 month period ending with the snapshot date (March 2018)

D: Number of female relevant employees

4. Proportion of males and females in each quartile

- All employees listed and sorted by hourly rate of pay
- List is split into four equal quarters
- Express the proportion of male and female employees in each quartile as a %.