

Gender Pay Gap Reporting

Background

From 2017, any organisation that has 250 or more employees must publish and report specific figures annually about their gender pay gap. This will include those under Agenda for Change terms and conditions, medical staff and very senior managers. All calculations should be made relating to the pay period in which the snapshot day falls. For the first year, this will be the pay period including 31 March 2017.

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. This is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman. The gender pay gap shows the differences in the average pay between men and women rather than unequal pay.

The information must be published 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 Trust must also register our data with the Government online reporting service

Organisational Context

The Walton Centre is committed to promoting equality, diversity and inclusion and to tackling any inequalities that are identified in the workforce. This report details the Trust's initial findings following the introduction of Gender Pay Gap reporting and also details how the organisation plans to respond to the data analysis.

These findings reflect pay by gender for the previous financial year (findings as at 31 March 2017). It is important to note that although our gender pay gap reflects a senior manager/consultant gender ratio that cannot be resolved in a short period of time, the Trust has been working on a number of initiatives that help to create the best culture in which all staff can prosper. As an organisation, we have signed up to a national Tackling Bullying in the NHS Programme. The whole Equality, Diversity and Inclusion agenda has been re-energised through a new five year vision, an internal network of champions and the appointment of a permanent Equality, Diversity and Inclusion Lead. In addition, the consultant body is working on developing and adopting leadership and management behavioural standards to openly promote self-awareness, team work, corporate responsibility and system leadership – underpinned by the Walton Way values.

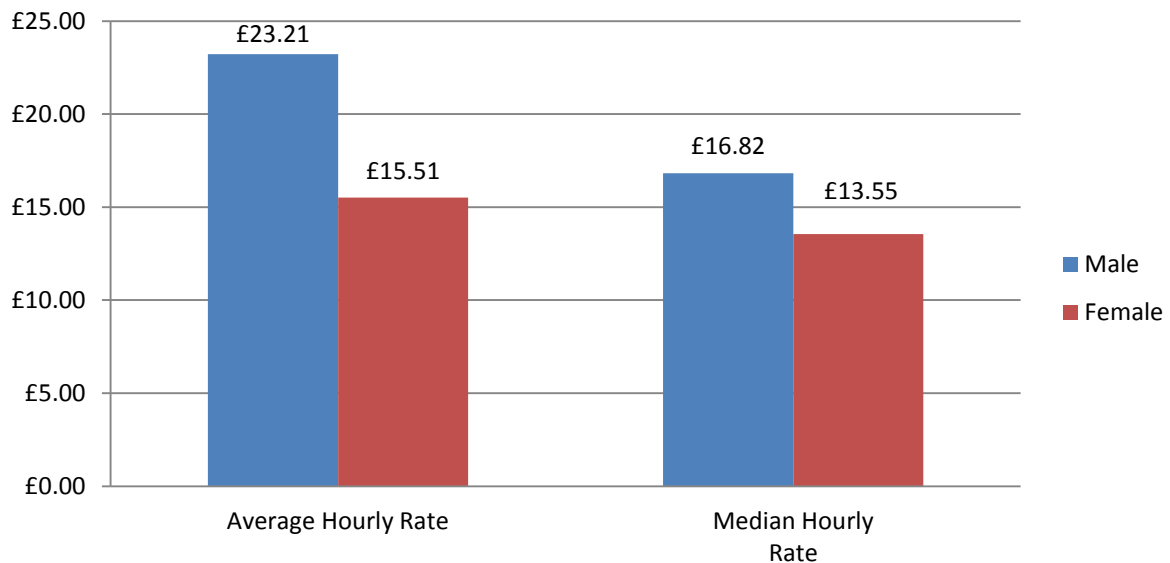
Findings and Narrative

Ordinary Pay

Ordinary pay includes basic pay, shift premium pay, allowances, pay for leave and pay for piecework. It does not include pay related to overtime, redundancy or

termination of employment, pay in lieu of annual leave or pay which is not money (such as benefits in kind or securities).

Gender	Average Hourly Rate	Median Hourly Rate
Male	£23.21	£16.82
Female	£15.51	£13.55
Difference	£7.70	£3.27
Pay Gap %	33.23%	19.46%



The above table and graph details the average and median hourly pay rate for males and females.

The percentage variance for the average hourly rate of pay is 33%. This difference can be explained by the unequal gender split within the Trust and the differences that occur within specific roles. The workforce has three and a half times more females than males (this calculation is based on the average hourly rate of 1054 female staff compared to 293 male staff) however, the number of males within Medical roles and Senior Management roles (e.g. Executive Team) is significantly higher than females. As these roles attribute a higher hourly rate this significantly skews the overall average figure and percentage pay gap.

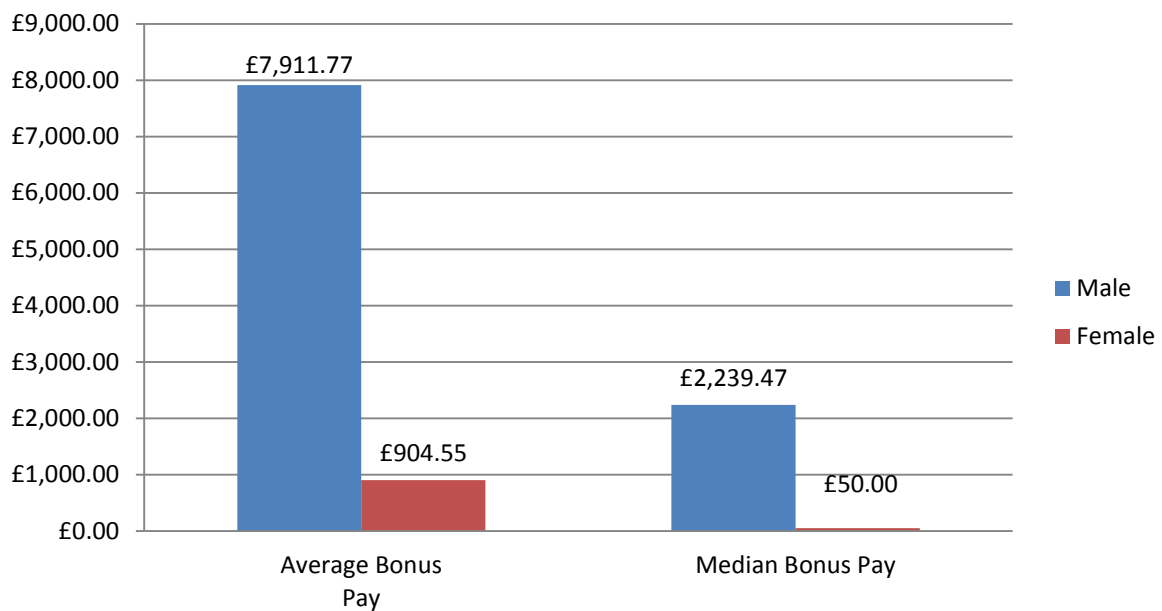
The percentage variance for the median hourly rate of pay is slightly less at 19%. The median looks at the mid-point hourly rate for all females compared to the mid-point hourly rate of all males. This calculation is lower than the average as it is less affected by extreme values. However, it is acknowledged that this figure still demonstrates a pay gap. This is because there are significantly fewer males within the workforce, and a high percentage of these are employed in highly paid medical or management roles. Consequently this means mid-point for males is much higher than for females who have a higher proportion within lower quartile roles also (e.g. administration and support staff).

Bonus Pay

As an NHS organisation the only pay elements that fall under the bonus pay criteria are clinical excellence awards (consultants), long service awards, employee of the month and annual awards.

Gender	Employees Paid Bonus	Total Relevant Employees	%
Female	81.00	1120.00	7.23%
Male	54.00	314.00	17.20%

Gender	Average Bonus Pay	Median Bonus Pay
Male	£7,911.77	£2,239.47
Female	£904.55	£50.00
Difference	£7,007.23	£2,189.47
Pay Gap %	88.57%	97.77%



This first table above details the number of staff, broken down by gender, who received any kind of bonus payment defined above. The second table and subsequent graph demonstrate the average and median bonus pay for males and females.

The percentage difference for both average and median bonus pay are considerable. This is due to the significant difference in value between Clinical Excellence Awards (CEA's) which are only applicable to consultants, who are predominately male (70%), and long service awards (between £25 and £400) or employee of the month awards (£30).

If CEA's are separated out from other bonus pay the calculations would be as follows;

Gender (Excluding CEA's)	Average Bonus Pay	Median Bonus Pay
Male	£42.17	£50.00
Female	£61.44	£50.00
Difference	-£19.27	£0.00
Pay Gap %	-45.68	0.00%

Gender (Only CEA's)	Average Bonus Pay	Median Bonus Pay
Male	£7,911.77	£9,550.75
Female	£8,597.90	£4,352.16
Difference	-£686.13	£5,198.59
Pay Gap %	-8.67%	54.43%

This first revised table, which excludes CEA's, shows that the average bonus pay would actually be higher for females and the median would be equal.

This second revised table, which only looks at CEA's, shows that the average bonus pay would also be higher for females, although the median bonus pay gap would be just over 50% (although this is significantly lower than the 97% illustrated when bonuses are combined). This difference is due to one very highly paid female which skews the average bonus pay gap, something which the median is unaffected by.

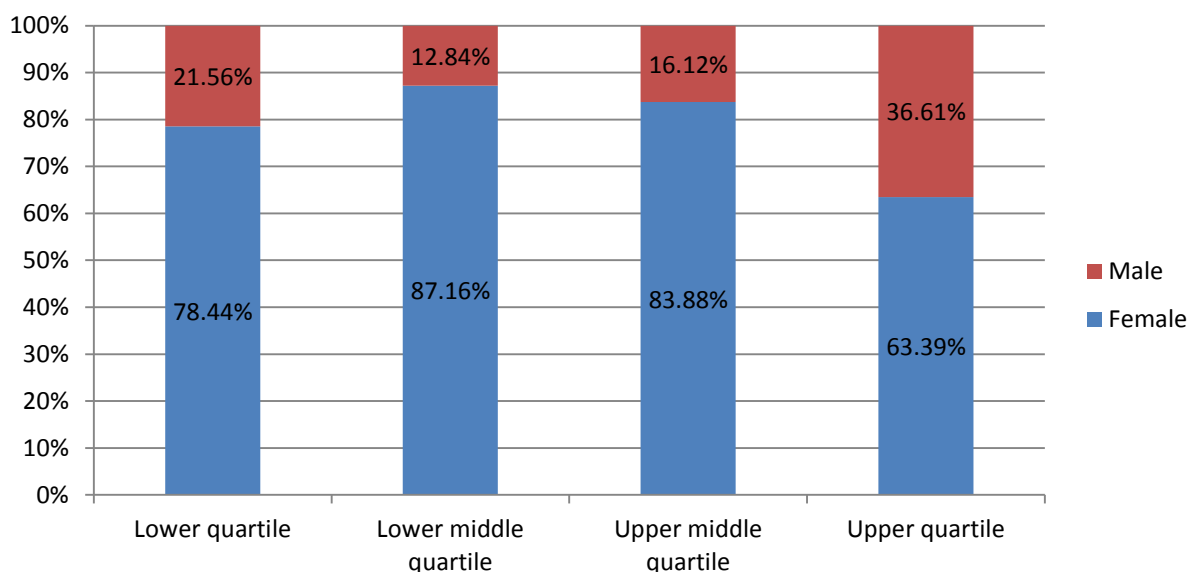
Investigation into the awarding of clinical excellence awards themselves suggests that the higher awarding to males is not due to points not being awarded to female Doctors but rather the lower level of years' service for female consultants and a lower level of application from females; this will require further investigation to establish the reason for this but evidence is details below:

- In 2014 15 males applied but only 1 female, of the points awarded 11 males received an award as well as the one female
- In 2015 15 males applied and 5 females, of the points awarded 8 males received an award and all 5 females.
- In 2016 11 males applied and only 1 female again, of the points awarded 7 males received an award but no females.

Quartile Analysis of Hourly Pay Rates

Quartile analysis divides the total number of full pay relevant employees into four equal parts, based on their hourly pay rates.

Quartile	Female	Male	Female %	Male %
Lower quartile	264.00	72.00	78.57%	21.43%
Lower middle quartile	293.00	43.00	87.20%	12.80%
Upper middle quartile	283.00	55.00	83.73%	16.27%
Upper quartile	214.00	123.00	63.50%	36.50%



Average salary for each quartile as follows;

Lower = £17,727

Lower Middle = £23,597

Upper Middle = £32,167

Upper = £60,911

The quartile figures show that the main reason for the gender pay gap is the lower proportion of women in senior roles relative to men.

There is a higher proportion of female staff in the lower middle quartile and upper middle quartile; included in these quartiles are Administrative Staff, Clinical Support Staff and Registered Nurses, all of which have a higher proportion of female staff.

The upper quartile has a higher proportion of male staff relative to the overall proportion of males in the workforce. The variance in this quartile is mainly due to significantly different gender splits in medical staff and Executive roles.

Conclusions

Despite the majority of the workforce being female a high proportion of the Trust's medical and senior management roles are filled by men. This is consequently

leading to a high pay gap. In addition to this, the high value of Clinical Excellence Awards is causing a huge variation of bonus pay as these are primarily awarded to males, whereas local awards, which are much lower in value, are more likely to be awarded to females as the majority of the workforce.

Next Steps

- Review reasons why application for CEA awards is low for females.
- Investigate ways to increase the number of females in senior management and medical roles, including consideration of mentoring schemes, coaching opportunities and availability flexible working arrangements at these levels

Appendix 1: Figures reported via online Government reporting service

1. Difference in hourly rate of pay – mean

Enter the difference in mean hourly rate = 33.23%

2. Difference in hourly rate of pay – median

Enter the difference in median hourly rate = 19.46%

3. Difference in bonus pay – mean

Enter the difference in mean bonus pay, calculated from the mean = 88.57%

4. Difference in bonus pay – median

Enter the difference in median bonus pay, calculated from the median = 97.77%

5. Percentage of employees who received bonus pay

Males who received bonus pay = 17.20%

Females who received bonus pay = 7.23%

6. Employees by pay quartile

Upper quartile:

- Male = 36.61%
- Female = 63.39%

Upper middle quartile

- Male = 16.12%
- Female = 83.88%

Lower middle quartile

- Male = 12.84%
- Female = 87.16%

Lower quartile

- Male = 21.56%
- Female = 78.44%