

## **Gender Pay Gap Reporting** **Published March 2019**

### **Background**

In 2018 the government made gender pay gap (GPG) reporting mandatory by amending the [Equalities Act 2010 \(Specific Duties and Public Authorities\) Regulations 2017](#) so that all public sector employers with more than 250 employees are required annually to measure and publish their gender pay gap prominently on [the government website](#) and their own.

This report shows the Walton Centre NHS Foundation Trust's gender pay gap figures from the snapshot date of 31 March 2018. The findings reflect pay by gender for the previous financial year to that date. This report covers all staff including those under Agenda for Change terms and conditions, medical staff and very senior managers. The gender pay gap 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 no later than 31<sup>st</sup> March 2019. 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.

### **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 the second set of findings following the introduction of gender pay gap reporting and also details how the organisation plans to respond to the data analysis.

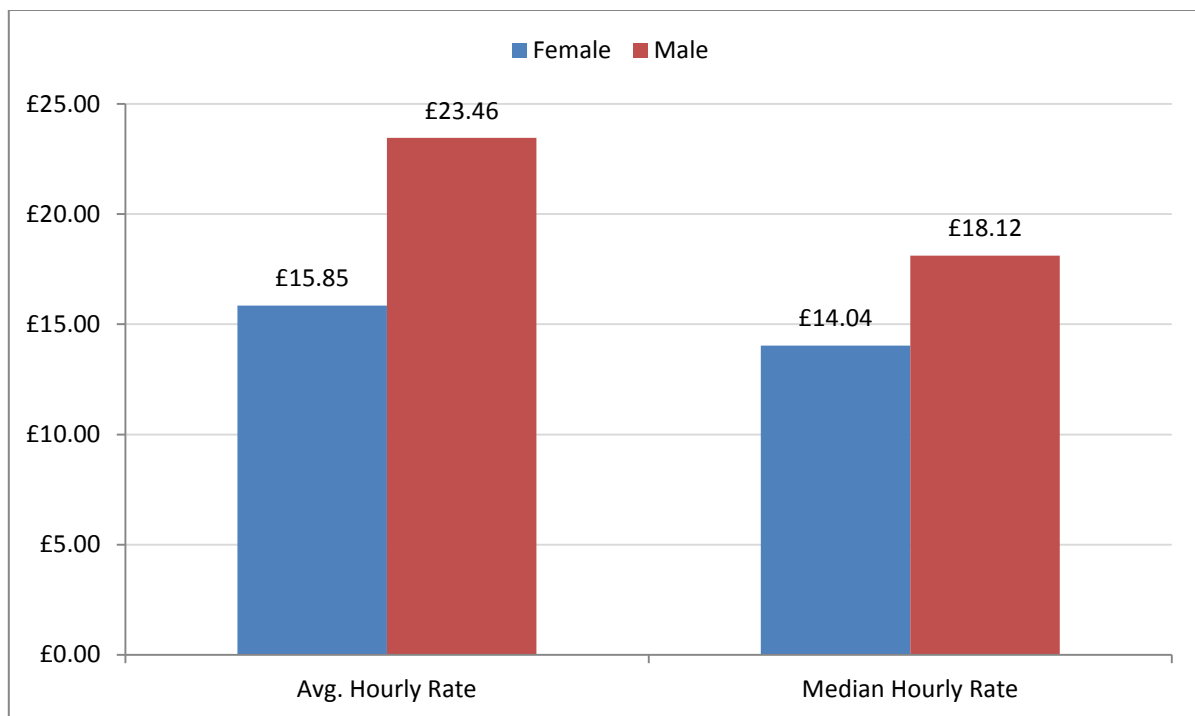
It is important to note that although our gender pay gap reflects a senior manager/consultant gender ratio that cannot be resolved in a short period of time, the Trust has been working on a number of initiatives that help to create the best culture in which all staff can prosper. The whole Equality, Diversity and Inclusion agenda has been re-energised through a new five year vision, with an internal network of champions and Equality, Diversity and Inclusion Lead, who are all committed to making ED&I a priority. We want to be a workplace that inspires leadership at all levels, with all staff, where everyone's voice is heard. In respect the gender pay gap, the Trust has recently signed up to participate on a three-year Gender and Behavioural Insights (GABI) research programme to improve gender equality in the workplace. This will be an initiative with The Government Equalities Office (GEO) and the Behavioural Insights Team (BIT). This step is recognition that the gender pay gap is a complex and deeply entrenched feature of the workplace that is not susceptible to quick fixes and will require a deeper level of insight to be able to tackle effectively across the public sector.

## 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
Female	£15.85	£14.04
Male	£23.46	£18.12
Difference	£7.62	£4.08
Pay Gap %	32.45%	22.52%



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 32.45%. 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 1052 female staff compared to 313 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 22.52%. 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).

A comparison with the previous year's report i.e. the year to 31<sup>st</sup> March 2017

- The average hourly rate difference for the previous year was £7.70
- The average hourly rate gap for the previous year was 33.21%.

This equates to a slight decrease of £0.08 in the average hourly rate difference in the current reporting period, and it also equates to a slight decrease of 0.78% in the average hourly rate gap in the current reporting period.

- The median hourly rate difference for the previous year was £3.55
- The median hourly rate pay gap for the previous year was 19.14%

This equates to a comparative increase of £0.81 in the median hourly rate gap in the current reporting period, and it also equates to a comparative increase of 3.06% in the median hourly rate gap in the current reporting period.

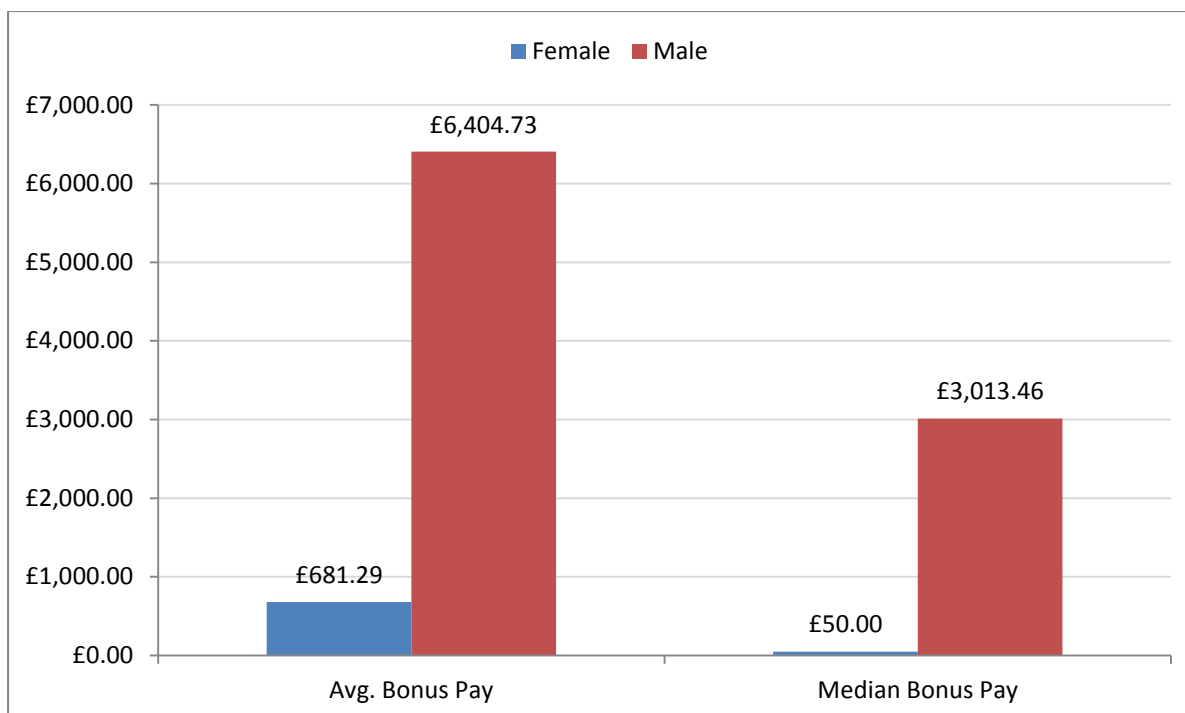
This comparison over 2 years is not long enough to provide useful data on trends but it does show that there is no significant closing of the gender pay gap relating to ordinary pay in this short period.

### 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	110	1111	9.90%
Male	50	309	16.18%

Gender	Average Bonus Pay	Median Bonus Pay
Female	£681.29	£50.00
Male	£6,404.73	£3,013.46
Difference	£5,723.44	£2,963.46
Pay Gap %	89.36%	98.34%



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 (73.60%), and long service awards (between £25 and £400) or employee of the month awards (£30).

#### **A comparison with the previous year's report i.e. the year to 31<sup>st</sup> March 2017**

- The average bonus pay difference for the previous year was £7,007.23
- The average bonus pay gap for the previous year was 88.57%.

This equates to a decrease of £1,283.79 in the average bonus pay difference in the current reporting period, it also equates to a slight increase of 0.79% in the average bonus pay gap in the current reporting period (This reflects that the Trust has spent less on bonuses overall in the latter period).

- The median bonus pay difference for the previous year was £2,189.47
- The median bonus pay gap for the previous year was 97.77%

This equates to a comparative increase of £0.81 in the difference for the median pay bonus rate in the current reporting period, it also equates to a comparative increase of 3.06% in the median bonus pay gap rate in the current reporting period.

This comparison over 2 years is not long enough to provide useful data on trends but it does show that there is no significant closing of the gender pay gap relating to ordinary pay in this short period.

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
Female	£72.79	£50.00
Male	£46.67	£25.00
Difference	<b>-£26.13</b>	<b>-£25.00</b>
Pay Gap %	<b>-55.99%</b>	<b>-100.00%</b>

Gender (Only CEA's)	Average Bonus Pay	Median Bonus Pay
Female	£8,439.58	£4,520.25
Male	£9,674.44	£4,521.50
Difference	£1,234.86	£1.25
Pay Gap %	12.76%	0.03%

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

This second revised table, which only looks at CEA's, shows that the average bonus pay would a be higher for males, although the median bonus pay gap would be just 0.03% (although this is significantly lower than the 98.34% illustrated when bonuses are combined). This difference is due to one comparatively highly paid female which skews the average bonus pay gap, something which the median is unaffected by.

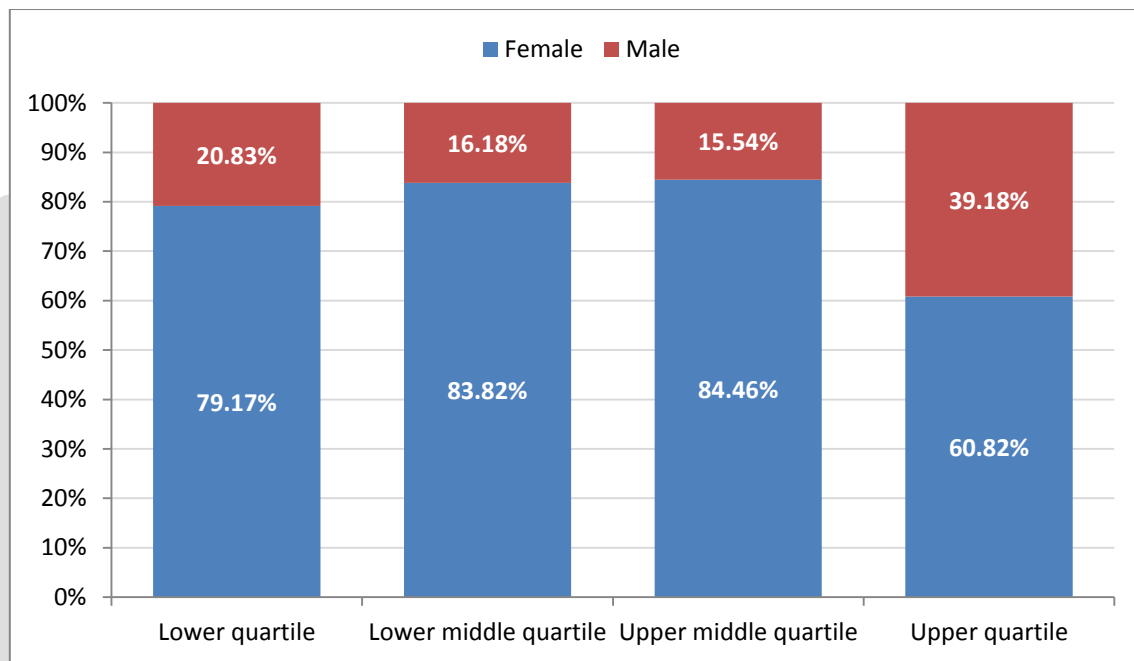
Investigation into the awarding of clinical excellence awards themselves suggests that the higher awarding to males is not due to points not being awarded to female Doctors but rather the lower level of years' service for female consultants and a lower level of application from females; this will require 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	266.00	70.00	79.17%	20.83%
Lower middle quartile	290.00	56.00	83.82%	16.18%
Upper middle quartile	288.00	53.00	84.46%	15.54%
Upper quartile	208.00	134.00	60.82%	39.18%



Average salary for each quartile as follows;

Lower = £15,729.18

Lower Middle = £22,026.74

Upper Middle = £30,386.18

Upper = £60,105.28

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.

### **A comparison with the previous year's report i.e. the year to 31<sup>st</sup> March 2017**

In the year to 31<sup>st</sup> of March 2017 the figure for males in the upper quartile was 36.61%. In the year to 31<sup>st</sup> March 2018 this figure was at 39.18%. This is an increase of 2.57% which will not help in closing the gender pay gap unless significantly more males were to be recruited into other quartiles to balance this figure.

### **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
- Work with other public sector partners to better understand the reasons for the gender pay gap and to find effective solutions for closing it.

## Appendix 1: Figures reported via online Government reporting service

### 1. Difference in hourly rate of pay – mean

Enter the difference in mean hourly rate = 32.45%

### 2. Difference in hourly rate of pay – median

Enter the difference in median hourly rate = 22.52%

### 3. Difference in bonus pay – mean

Enter the difference in mean bonus pay, calculated from the mean = 89.36%

### 4. Difference in bonus pay – median

Enter the difference in median bonus pay, calculated from the median = 98.34%

### 5. Percentage of employees who received bonus pay

Males who received bonus pay = 16.18%

Females who received bonus pay = 9.90%

### 6. Employees by pay quartile

Upper quartile:

- Male = 39.18%
- Female = 60.82%

Upper middle quartile

- Male = 15.54%
- Female = 84.46%

Lower middle quartile

- Male = 16.18%
- Female = 83.82%

Lower quartile

- Male = 20.83%
- Female = 79.17%