**PEOPLE AND ORGANISATIONAL DEVELOPMENT COMMITTEE**

**23rd February 2021**

**Via MS Teams**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Report Title** | | | | | | | | | |
| **Gender Pay Gap Report** | | | | | | | | | |
| **Sponsor and Author(s)** | | | | | | | | | |
| Author: Alison Koeltgen, Operational Director of People and Organisational Development  Executive Sponsor: Emma Wood, Deputy CEO and Director of People and Organisational Development | | | | | | | | | |
| **Executive Summary** | | | | | | | | | |
| **Purpose**  This report shares information due to be published on 30 March 2021 as part of our requirement to participate in national Gender Pay Gap reporting. The data set used for this report, as determined by national reporting requirements, is data extracted from March 31st 2020. This data excludes Gloucestershire Managed Services (GMS) who are obliged to submit their own company report during April 2021.  **Key issues to note**  The report seeks to explain the reasons for the gender pay gap; based on the application of national terms and conditions that are designed to reward length of service and the payment of Clinical Excellence Awards to Consultants. To support the readers understanding of the issues associated with the application of national terms and conditions, the report separates the pay gaps between those on paid on Agenda for Change terms and conditions, colleagues paid on Medical terms and conditions and a combined picture of both groups together. Pay quartiles are also detailed within the report, to demonstrate the impact that length of service has on the pay gap.   1. **Gender Pay Gap– All Staff**   **Mean Gender Pay Gap Reporting (National Requirement)**  The average hourly rate for ALL female staff has increased from £16.38 to £16.70, when compared to 2019 data. The average hourly rate for ALL male staff increased by 7.4%, from £23.17 to £23.30. The gender pay gap, based on the average hourly rate, for all staff **reduced** from from 29.36%, reported in 2020, to **28.6% in favour of males.**  **Median Gender Pay Gap Reporting (National Requirement)**  The Gender Pay Gap report also includes analysis on the Median hourly ratepay gap, which shows a **decrease** from 20.31% (2019 data) to **19.8% in favour of males**  **2.0 Non-Medical Workforce**  This report shows that when the Medical workforce is excluded from the pay gap calculations, the mean hourly pay for males is £0.61 higher than that of females, a gender pay gap of 3.9% (compared to 4% in 2020). The quartile split demonstrates that males remain in a higher proportion in the Upper Quartile, where length of service is recognised by top of band remuneration.  **3.0 Medical Workforce**  The report separates the Medical Workforce, which includes hosted GP Trainees, and profiles length of service between Male and Female Medics – demonstrating the pay gap across the four pay quartiles. The analysis of pay quartiles shows similar trends to previously reported data, the majority of movement being in Pay Quartile 1 & 3, with an increase in Male numbers in Q1 & female in Q3.  When analysing only Medical Staff, GHFT still has a higher percentage of females than males overall in its workforce. Of the 1379 Medical staff counted as part of the gender pay gap reporting Including Hosted GP Trainees), 55% were female. However, when we analyse the Senior Medical staff within this group; there are less women in these Senior roles, with female staff making up only 37.7% of the group (183/486), and only 22.4% of these females are in the upper pay quartile.  **CEA (Bonus) Payments**  The only bonuses paid in the time frame covered by this Report (1st April 2019 to 31st March 2020) were to Medical Consultants, in the form of CEAs and distinction awards. There were 210 bonuses paid in the period, 69 were to female consultants and 141 were to male consultants. When compared with the proportion of male Consultants to female Consultants, 67% of bonuses were paid to male consultants who make up 65% of all consultant posts, and 33% were paid to female consultants, who make up 35% of all consultant posts.  **Following efforts to encourage more female staff to apply for CEA over the last 3 years, the Mean GPG has reduced to 43% from 46.6% last year, and the Median has reduced to 40% from 61.6% in 2019.**  **Conclusion**  The Gloucestershire Hospitals NHS Foundation Trust gender pay gap **at 31 March 2020,** is reported at:   * **Median gender pay gap, 19.8% in favour of male employees (20.3% in 2019)** * **Mean gender pay gap, 28.6% in favour of male employees (29.4% in 2019)**   These figures reflect the combined gender pay gap of both medical and non-medical staff.  The People and Organisational Development Committee are asked to **NOTE** that the gender pay gap can be objectively explained, when we consider the application of terms and conditions which are set nationally and reward length of service. Furthermore, there is no significant Gender Pay Gap reported across our Non- Medical workforce, which accounts for approximately 83% of the total workforce as a result of the agenda for change framework.  With regard to the distribution of Clinical Excellence Awards, the People and Organisational Development Committee are asked to **NOTE** the trend reported in previous gender pay gap reportsassociated with the proportion of male to female consultants receiving levels 8 and above.  The gender pay report continues to evidence the assumption that the overarching pay gap is associated with length of service of a number of senior male Doctors; with further analysis demonstrating that the number of females both entering the Medical workforce and existing staff within pay quartiles 1-3 will lead to a reverse in this pay gap in future years. The committee are therefore advised that as such, the current pay gap is a consequence of the application nationally driven terms and conditions and clinical excellence awards. | | | | | | | | | |
| **Recommendations** | | | | | | | | | |
| The People and Organisational Development Committee are required to receive this report in line with our legal requirements and in advance of presentation to Trust Board and upload to the national portal during March 2020. In line with reporting requirements, this report will also be made available via the Trust intranet following receipt by Trust Board. | | | | | | | | | |
| **Impact Upon Strategic Objectives** | | | | | | | | | |
| Ensuring the Trust offer an equitable employment experience is fundamental to the achievement of our strategic objective: *We have a compassionate, skilful and sustainable workforce, organised around the patient, that describes us as an outstanding employer who attracts, develops and retains the very best people* | | | | | | | | | |
| **Impact Upon Corporate Risks** | | | | | | | | | |
| None | | | | | | | | | |
| **Regulatory and/or Legal Implications** | | | | | | | | | |
| The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (***the Regulations***) require public sector organisations with over 250 employees to report on and publish their gender pay gap on a yearly basis. This is based on a snapshot from 31st March of each year, and each organisation is duty bound to publish information on their website. This report captures data as at 31st March 2020. | | | | | | | | | |
| **Resource Implications** | | | | | | | | | |
| Finance | | |  | | Information Management & Technology | | | |  |
| Human Resources | | | **X** | | Buildings | | | |  |
|  | | | | | | | | |  |
| **Action/Decision Required** | | | | | | | | | |
| For Decision |  | For Assurance | | **√** | | For Approval |  | For Information | **√** |
|  |  |  | |  | |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Date the paper was presented to previous Committees** | | | | | | |
| **Quality & Performance Committee** | **Finance Committee** | **Audit & Assurance Committee** | **People and OD Committee** | **Remuneration Committee** | **Trust Leadership Team** | **Other (specify)** |
| n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| **Outcome of discussion when presented to previous Committees** | | | | | | |
| Due for presentation to People and OD Delivery Group (for information) March 2021 | | | | | | |

**GENDER PAY GAP REPORT**

**February 2021**

Data reported as at 31 March 2020, unless otherwise indicated

**1. Summary**

This is the fourth Gender Pay Gap Report from Gloucestershire Hospitals NHS Foundation Trust (‘GHFT’) which, as at 31 March 2020 had 7939 staff, 80.5% of whom were female.

The analysis used to prepare this Report identifies a ‘mean’ and a ‘median’ gender pay gap

**The measured position on the gender pay gap at 31 March 2020 is as follows:-**

* **Median gender pay gap, 19.8% in favour of male employees (20.3% in 2019)**
* **Mean gender pay gap, 28.6% in favour of male employees (29.4% in 2019)**

It is critical to emphasise this does not mean that a male and a female staff member doing equal work receive different levels of pay. Rather, the above statistics are driven largely by (i) the pay of the medical workforce which has an amplified effect on statistics relating to the total workforce and (ii) the distribution of males and females within different parts of the workforce.

The dominant theme is that if the medical workforce is excluded, the median gender pay gap is reversed and becomes one which slightly favours female staff. In fact analysing pay across all staff except medical staff creates a mean gender pay gap of 3.9% in favour of males, but a median gap 4% in favour of females. The clear implication is that the gender pay gap across the medical workforce is sufficient to reverse the female positive gender pay gap across the remainder of the Trust’s workforce, and generate the overall results set out in the bullet points above.

Analysis of gender pay across the medical workforce reveals a complex distribution. For early years’ medical trainees there is a gap in favour of female doctors, however at more senior non-consultant levels the gap switches to one in favour of male doctors.

**2. Introduction**

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (***the Regulations***) require public sector organisations with over 250 employees to report on and publish their gender pay gap on a yearly basis. This is based on a snapshot from 31st March of each year, and each organisation is duty bound to publish information on their website. This report captures data as at 31st March 2020.

GHFT employs circa. 8000 staff in a number of Staff Groups, including: administrative; nursing; allied health; and medical roles. All staff except for medical and Very Senior Managers (VSMs) are on Agenda for Change pay-scales, which provide a clear process of paying employees equally, irrespective of their gender or ethnicity.

**What is the gender pay gap?**

The gender pay gap is the difference between the average hourly earnings of men and women. This is not the same as equal pay, which is concerned with men and women earning equal pay for the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because of gender. Instead the gender pay gap highlights any imbalance of average pay across an organisation. For example, if an organisation’s workforce is predominantly female yet the majority of senior positions are held by men, the average female salary would be lower than the average male salary.

**What do we have to report on?**

The statutory requirements of the Gender Pay Gap legislation is that each public sector organisation must calculate the following:

* The mean basic pay gender pay gap
* The median basic pay gender pay gap
* The proportion of males and females in each quartile pay band
* The mean bonus gender pay gap
* The median bonus gender pay gap
* The proportion of both males and females receiving a bonus payment

**Definitions of pay gap**

The **mean pay gap** is the difference between the pay of all male and all female employees when added up separately and divided respectively by the total number of males, and the total number of females in the workforce.

The **median pay gap** is the difference between the pay of the middle male and the middle female, when all male employees and then all female employees are listed from the highest to the lowest paid.

**Who is included?**

All staff who were employed by GHFT and on full pay on the snapshot date (31st March 2020) are included. Bank staff who worked a shift on that date are also included. Employees who are on half or nil absence, less than full pay maternity leave and agency staff are not included.

**3. Results for Gloucestershire Hospitals NHS Foundation Trust**

**Trust Gender Profile (based on headcount)**

GHFT as is typical of the NHS, has a higher proportion of females to males in its workforce – of the 7939 staff counted as part of the gender pay gap reporting, 6,394 were female compared to 1545 male

**Gender Pay Gap GHFT including Medical Staff**

|  |  |
| --- | --- |
| **Mean gender pay gap – 28.6%** | **Median gender pay gap – 19.8%** |

The above charts show that the mean hourly pay for males is £6.80 higher than that of females, a gender pay gap of 28.6%.

They also show that median pay for males is £3.80 higher than females, a gender pay gap of 19.8%.

We are also required to split the workforce into quartiles (blocks of 25%) split by pay and show the proportion of males and females in each quartile. The results of this split are shown below. In broad terms this shows that compared to the position across the workforce as a whole, where males represent 19% of the workforce there are relatively more males in the highest pay quartile (34.7%).

As explained in the introduction, the inclusion of Medical staff with the rest of the workforce has a very significant effect on the GPG figures. The next three pages illustrate this.

**Pay quartile split:**

**Gender Pay Gap GHFT excluding Medical Staff**

When removing Medical Staff from the equation, GHFT has an even higher percentage of females than males in its workforce – of the 6560 staff counted as part of the gender pay gap reporting, 86% were female (from 81% when Medical Staff included). The Gender Pay Gap is much smaller as an average, and reverses for the median.

The above charts show that the mean hourly pay for males is £0.61 higher than that of females, a gender pay gap of 3.9%.

They also show that median pay for males is £0.56 lower than females, a gender pay gap of -4% .

The quartile split also looks very different, however males are again in a higher proportion in the Upper Quartile, however the margin is smaller.

**Gender Pay Gap GHFT Medical Staff Only**

When including only Medical Staff, GHFT still has a higher percentage of females than males overall in its workforce, but the difference isn’t so great. Of the 1379 Medical staff counted as part of the gender pay gap reporting Including GPT), 55% were female (from 81% when non-Medical Staff included). This situation reverses when only Senior Medical staff are calculated – female staff comprise 37.7% of that group (183/486), and only 22.4% of the upper quartile.

The above charts show that the mean hourly pay for males is £6.30 higher than that of females, a gender pay gap of 18.3%.

They also show that median pay for males is £3.10 higher than females, a gender pay gap of 10.6% .

The quartile split shows that the lower quartile is 64% female, while in the upper quartile this is completely reversed and 65.5% are male.

**Gender Pay Gap GHFT Senior Medical Staff Only**

486 (35%) of the Medical workforce are ‘Senior’. This group includes Consultants, Associate Specialists, Clinical Assistants, Hospital Practitioners and Specialty Doctors. It is the highest paid group of staff in GHFT (excepting VSMs). 37.7% of these staff are female.

The above charts show that the mean hourly pay for males is £2.00 higher than that of females, a gender pay gap of 4.4%.

They also show that median pay for males is £3.30 higher than females, a gender pay gap of 7% .

The quartile split shows that the lower quartile is 51% female, while in the upper quartile only 22.4% are female.

**What does this mean?**

The figure for the median pay gap is usually considered to be more representative of gender pay gap across the workforce. However that still does not take account of the small numbers of higher paid employees (Senior Medical staff) that are skewing the data when combined with non-medical staff. The effect is simply more extreme when using the mean.

The gender composition and pay gaps in each individual band are examined below; for ease of reference we have highlighted in green where the higher average pay is to be found (male or female cohort).

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Grade** | **No. of Male Staff** | **No. of Female Staff** | **Male Average Hourly Rate\*** | **Female Average Hourly Rate\*** | **DifferenceƗ** | **GapƗ** |
| Apprentice | 6 | 33 | £5.86 | £5.52 | £0.34 | 5.82% |
| Band 1 | 6 | 15 | £9.52 | £9.40 | £0.12 | 1.26% |
| Band 2 | 217 | 1217 | £10.43 | £10.52 | -£0.09 | -0.87% |
| Band 3 | 74 | 755 | £10.36 | £10.45 | -£0.09 | -0.86% |
| Band 4 | 56 | 375 | £11.46 | £11.86 | -£0.40 | -3.45% |
| Band 5 | 222 | 1416 | £14.65 | £15.38 | -£0.73 | -4.98% |
| Band 6 | 134 | 1247 | £17.84 | £18.78 | -£0.94 | -5.30% |
| Band 7 | 113 | 534 | £21.00 | £21.65 | -£0.65 | -3.10% |
| Band 8a | 35 | 153 | £25.30 | £24.73 | £0.57 | 2.27% |
| Band 8b | 22 | 40 | £28.53 | £29.76 | -£1.23 | -4.32% |
| Band 8c | 14 | 18 | £33.05 | £34.60 | -£1.55 | -4.68% |
| Band 8d | 11 | 21 | £32.25 | £31.20 | £1.05 | 3.26% |
| Band 9 | 2 | 5 | £53.11 | £48.29 | £4.83 | 9.09% |
| VSM | 7 | 4 | £66.27 | £84.31 | -£18.04 | -27.22% |
| Medical - Consultant | 259 | 137 | £46.50 | £44.50 | £2.00 | 4.30% |
| Medical - non Consultant | 371 | 616 | £25.35 | £24.12 | £1.23 | 4.85% |

**\***refers to the mean hourly rate

**Ɨ**negative values mean that the difference and the gap are favourable to females

The above table shows that, on average, females earn more in most pay bands than males - the bands where males earn more are Apprentices; bands 1, 8a, 8d & 9; and medical roles (both Consultant and non Consultant).

We have also analysed the proportion of males and females across each of the above bands, and the results of this are shown in the bar chart below.

Gender split by band – based on headcount:

**4. Specific Focus Areas**

**Medical staff**

The most significant feature of the data at 31 March 2020 is that if all Medical staff are removed from the calculations, then the median gap is reversed and the mean is reduced to 3.9% from 28.6%.

Medical staff group comprises a large group, from Foundation level doctors in their first year post qualification to Consultants. The pay gap for Medical staff as a whole is 18.3% - males get paid on average £6.30 per hour more than females. We have split this large group into two separate cohorts: Senior & Junior Medical Staff.

GHNHSFT had 486 senior Medics on staff at 31 March 2020. These individuals tend to undertake some of the highest paid roles in the Trust.

If we split this staff group by gender, we will see that the number of males is higher than the number of females (respectively 62% male, 38% female). The **mean pay gap is 4.4%** which equals to £2.05 per hour, whilst the median pay gap is 7%, which equals £3.35 per hour. The detail is set out in the next table.

As at 31 March 2020 GHFT had 885 Training Grade doctors on staff (including hosted GP Trainees). There are 320 male doctors (36% of total) and 565 female doctors (64% of total). It appears that as doctor’s careers develop, there appears to be a higher attrition of female than male doctors, since in the more senior grades taken together (specialty doctor; associate specialist; Consultants) male doctors are the majority (62%). There is also the issue that more females than males are currently training, which is a relatively recent trend – in the last 15 years.

The data suggests that in the early years of training, the gender pay gap is insignificant. As careers develop, the data shows that the pay gap increases in of favour male doctors. At the Associate Specialist level, the mean gender pay gap reaches 8.83% in favour of males, the highest in the Trust apart from Agenda for Change staff. This potentially raises complex issues around career progression and the importance of career support to our female doctors: something our SAS and Medical Education provision has and continues to provide support for through 1:1 coaching support.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **No. Male Staff** | **No. Female Staff** | **Male Average Hourly Rate** | **Female Average Hourly Rate** | **Difference** | **Gap** |
| Foundation Year 1 | 15 | 39 | 14.81 | 14.83 | -£0.02 | -0.14% |
| Foundation Year 2 | 17 | 38 | 17.53 | 17.88 | -£0.35 | -2.01% |
| Specialty Registrar | 288 | 488 | 23.98 | 24.42 | -£0.44 | -1.85% |
| Clinical Assistant (Closed to new entrants) | 2 | 3 | 23.99 | 23.99 | £0.00 | 0.00% |
| Hospital Practitioner (Closed to new entrants) | 2 | 0 | 31.66 |  |  |  |
| Specialty Doctor | 32 | 39 | 32.75 | 32.91 | -£0.17 | -0.51% |
| Associate Specialist (Closed to new entrants) | 10 | 6 | 42.84 | 39.06 | £3.78 | 8.83% |
| Consultant | 263 | 140 | 48.88 | 47.63 | £1.25 | 2.55% |

**5. Bonuses**

The only bonuses paid in the time frame covered by this Report (1st April 2019 to 31st March 2020) were to Medical Consultants, in the form of Clinical Excellence Awards (CEA’s) and distinction awards. There were 210 bonuses paid in the period, 69 were to female consultants and 141 were to male consultants. When compared with the proportion of male Consultants to female Consultants, 67% of bonuses were paid to male consultants when they make up 65% of all consultants, and 33% were paid to female consultants, when female consultants make up 35% of all consultants.

Following efforts to encourage more female staff to apply for CEA over the last 3 years, the Mean GPG has reduced to 43% from 46.6% last year, and the Median has reduced to 40% from 61.6% in 2019.

NHS Employers recognise that the current local clinical excellence award system does not work and exacerbates inequalities for women, BME colleagues and those that work part-time. In response to this a consultation commenced in September 2020 with a tripartite negotiating group, which includes the Department for Health and Social Care (DHSC) and the British Medical Association (BMA) and the HCSA. Further feedback on potential proposals is expected in April 2021.

|  |  |
| --- | --- |
| **Mean gender pay gap, bonus – 43.05%** | **Median gender pay gap, bonus – 40.00%** |

**6. Conclusion**

The Gloucestershire Hospitals NHS Foundation Trust gender pay gap **at 31 March 2020,** is reported at:

* **Median gender pay gap, 19.8% in favour of male employees (20.3% in 2019)**
* **Mean gender pay gap, 28.6% in favour of male employees (29.4% in 2019)**

These figures reflect the combined gender pay gap of both medical and non-medical staff.

The People and OD Committee are asked to **NOTE** that the gender pay gap can be objectively explained, when we consider the application of terms and conditions which are set nationally and reward length of service. Furthermore, there is no significant Gender Pay Gap reported across our Non- Medical workforce, which accounts for approximately 83% of the total workforce as a result of the agenda for change framework.

With regard to the distribution of Clinical Excellence Awards, the Executive Team are asked to **NOTE** the trend reported in previous gender pay gap reportsassociated with the proportion of male to female consultants receiving levels 8 and above.

The gender pay report continues to evidence the assumption that the overarching pay gap is associated with length of service of a number of senior male Doctors; with further analysis demonstrating that the number of females both entering the Medical workforce and existing staff within pay quartiles 1-3 will lead to a reverse in this pay gap in future years. The committee are therefore advised that as such, the current pay gap is a consequence of the application nationally driven terms and conditions and clinical excellence awards.

Alison Koeltgen

Operational Director of People and OD