

Agenda Item 2.ii

Report to:	Trust Board	Date: 6 April 2023
Report from:	Director of Workforce and Organisation Development	
Principal Objective/ Strategy and Title	To provide the Board with the outputs from the 2021/22 Gender Pay Audit and seek approval for the 23/24 action plan	
Board Assurance Framework Entries	Governance – Well-led Framework Workforce Recruitment and Retention	
Regulatory Requirement	Equality Legislation	
Equality Considerations	Gender pay equality	
Key Risks	<ul style="list-style-type: none"> • Staff engagement, recruitment and retention is damaged as a result of a negative impression of the Trust as an equal opportunities employer • Reputational damage 	
For:	Information Approval	

1 Introduction

Gender pay reporting legislation, which came into force with effect from 30 March 2017, requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The deadline for reporting on gender pay data as at 31 March 2021 is the 31 March 2022. The gender pay gap audit and reporting obligations sit alongside the existing requirements for public bodies, including publishing annual information to demonstrate compliance under the PSED and publishing equality objectives every four years.

The purpose of this paper is to update the Board on the outputs from the 2022 audit and to seek approval of the action plan. These have been reviewed and had input from the Trust's Equality, Diversity and Inclusion Committee, the Women's Network and has been ratified by the Workforce Committee.

2. What is the gender pay gap?

The gender pay gap looks at the difference in the average pay between all men and women in an organisation, taking account of the full range of jobs and salaries. This is expressed as a percentage of men's earnings e.g. women earn 15% less than men. The gender pay gap is not about equal pay for work of equal value i.e. paying men and women the same for doing the same or broadly similar jobs or for work of equal value. It is unlawful to pay people unequally because they are a man or woman undertaking the same role.

If a workplace has a particularly high gender pay gap the expectation is that organisation's consider the underlying causes to take steps to reduce the gap, and ensure that the organisation can demonstrate that it is a fair and progressive employer.

3. Reporting Requirements

The gender pay gap reporting requirements are for the following categories:

- Ordinary pay- Mean pay gap %
- Ordinary pay- Median pay gap %
- Ordinary pay -The proportion of males and females in each quartile pay band
- Bonus pay- Mean pay gap %
- Bonus pay- Median pay gap %
- Bonus pay- The proportion of males and females receiving a bonus payment

Employees included in the report for ordinary pay are "Full Pay relevant employees" which is anyone who is employed on the snapshot date (31/3/2022) who is paid their usual full basic pay during the relevant pay period, plus relevant bank workers. Bank workers who are working in the relevant pay period are included and their 'weekly working hours' is the average of the 12 weeks ending with the last complete week in the relevant pay period.

Employees included in the bonus report are the full list of staff employed on the snapshot date (31/3/2022) and their bonus pay over the 12 month period ending 31/3/2022. Bonus pay is payments above ordinary pay and in this Trust the only payments that fall into this category are consultant Local and National Clinical Excellence Awards.

4. The Calculations

The ESR system has a standard reporting suite to enable organisations to report against the gender pay gap requirements. The calculations used are as follows:

- **Ordinary pay- Mean pay gap%**
The mean pay gap is the % difference between the mean (average) hourly rate for males and average hourly rate for females.
e.g. If the average hourly rate for males is £11 and females is £9.50 the gender pay gap will be the difference in pay (£1.50) as a percentage of £11- therefore 13.6%
- **Ordinary pay-Median pay gap %**
The mean pay gap will be the difference in the middle values of the pay rates for males and females
e.g. If the Median hourly rate for full pay relevant males is £10.50 and for full pay relevant females is £9.50 the median pay gap will be the difference (£1) as a percentage of £10.50, therefore 9.5%
- **The proportion of males and females in each quartile pay band**
The proportion is calculated by sorting all employees by hourly rate, splitting this into 4 equal parts, then calculating the proportion of males and females in each of the quartiles.
- **Bonus pay- Mean and median pay gap %**
The bonus pay gap calculations apply the same principles for mean and median pay
The proportion of males and females receiving a bonus payment is the proportion by gender who received a payment of the total relevant employees for that gender, *e.g. if the number of males receiving a bonus was 10 and the total relevant males were 500 the proportion would be 2%*

5 Papworth Gender Pay Audit as at 31 March 2022

The attached report sets out the results of the 21/22 pay audit and action it is proposed we take to address the pay gaps identified. The audit results and the action plan have both been discussed and developed with the Trust's Equality, Diversity and Inclusion Committee and the Women's Network. We recognised that over the last number of years we have not been in a position, partly due to Covid-19 and partly because of the need to focus on race discrimination/inequality which is our greatest area of inequality and discrimination, to progress work on gender pay inequality. The Women's Network is very keen to better understand the Gender Pay Audit process and results and focus their work on areas that contribute to pay inequality. There is also a great deal of intersectionality with the work being undertaken on race discrimination and inequality for example by debiasing our recruitment practice and processes we would be improving the opportunities for women to progress their careers and increase their earning. Subject to any comments we will publish these results on the Trust's website.

Recommendation

It is recommended that the Board:

- Note the results of the Gender Pay Audit,
- Approve the action plan and recommend it to be formally adopted and published on our website.