

## Gender pay report 2017

### **1 Introduction**

Gender pay reporting legislation which came into force with effect from 30 March 2017, required 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 the first outputs from the audit was 30 March 2018. The new gender pay gap audit and reporting obligations have been introduced 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 share the Trust's first such audit and action plan developed by the Equality, Diversity and Inclusivity Committee to address issues identified from the audit.

### **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. In April 2017, the gender pay gap (for median earnings) for full-time employees in the UK was 9.1%, a decrease from 9.4% in 2016. This is the lowest since the survey began in 1997, where the gender pay gap was 17.4%, although the gender pay gap has changed relatively little in recent years. 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" - this is anyone who is employed on the snapshot date (31/3/2017) 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 (31/3/2017) and their bonus pay over the 12 month period ending 31/3/2017. Bonus pay is payments above ordinary pay and in this Trust the only payments that fall into this category are clinical excellence awards.

#### 4. The Calculations

The central ESR team has developed 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 where 500 the proportion would be 2%*

#### 5 Papworth Gender Pay Results as at 31 March 2017

### GENDER PAY REPORTING (AS AT 31/3/2017)

	ORDINARY PAY										BONUS PAY			
	Mean pay gap %	Median Pay gap %	Quartile 4 (Top quartile)		Quartile 3 (Upper Middle Quartile)		Quartile 2 (lower middle quartile)		Quartile 1 (Lower quartile)		Mean Bonus pay gap %	Median Bonus Pay gap %	Proportion of males and females receiving a bonus payment	
			Male	Female	Male	Female	Male	Female	Male	Female			Male	Female
Papworth Hospital NHS FT	28.79%	9.94%	39.74%	60.26%	14.44%	85.56%	23.25%	76.25%	21.94%	78.06%	45.01%	67.96%	7.89%	0.61%

## 6 What causes this gap?

The table above details the number of staff in post at 31/3/2017 by staff group and gender. The gender split for the total workforce is 74% female and 26% male. As can be seen in the table we have proportionately more men in the pay top quartile than we have women which is primarily as a consequence of the gender balance in the senior medical staff group

The gender split for consultant staff is very different to the organisation's gender split (70% male:30%female compared to 24% male:76% female for the whole Trust). When you consider the data used for the bonus pay it relates to CEA awards and 80% of the recipients are male and 20% female.

## 7. Actions proposed to close the pay gap identified:

The Trust is committed to promoting greater equality, diversity and inclusion across the Trust. This means making sure men and women have equal opportunities on recruitment, pay, training and career progression. We have processes in place that help ensure gender equality including:

- A structured recruitment process using the national NHS jobs website, helping to support us make unbiased recruitment decisions.
- We use the national job evaluation scheme for all staff on agenda for change terms and conditions of employment. This makes sure all non-medical jobs are measured against the same criteria and weighting of job elements is consistent.
- Medical staff have national terms and conditions of service and pay arrangements
- An agreed, standard process is in place for consultant job planning to ensure it is bias free.

The Equality, Diversity and Inclusivity Committee reviewed the results of the audit at their first meeting and have developed the following action plan which is considered realistic taking into account the current focus of resources on delivering a safe move to our new hospital:

- Commit to sharing the data with staff to encourage discussion and debate
- Discuss the results with the medical leadership team to better understand the historical reasons for the gender balance in the senior medical workforce
- Support the senior medical leadership team to identify whether there are any actions that the Trust should consider to address the imbalance.
- Audit and review the CEA process following completion of the 2017/2018 awards to ensure any scope for bias on any basis is identified and removed.
- We are introducing unconscious bias training for managers and it will be mandatory for those involved in recruitment. ( this is an action in the WRES action plan)
- Actively support women to return to work following maternity and adoption leave and promote shared parental leave and flexible working arrangements.

This action plan will be published on our website and progress with implementing them will be reported in the next Annual Report.