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| <b>Report to:</b>       | Workforce Committee | <b>Agenda item:</b> |  |
| <b>Date of Meeting:</b> | Tbc                 |                     |  |

|   |  |                   |                  |                 |
|---|--|-------------------|------------------|-----------------|
| <b>Report Title:</b>                    | Gender Pay Gap 2018 – Salisbury NHS Foundation Trust   |                   |                  |                 |
| <b>Status:</b>                          | <b>Information</b>   | <b>Discussion</b> | <b>Assurance</b> | <b>Approval</b> |
|   | <b>X</b>   | <b>X</b>          | <b>X</b>         | <b>X</b>        |
| <b>Prepared by:</b>                     | Head of Diversity & Inclusion - Pamela Permalloo –Bass<br>Head of Workforce & Planning – Mark Geraghty |                   |                  |                 |
| <b>Executive Sponsor:</b>               | Director of People & OD – Paul Hargreaves  |                   |                  |                 |
| <b>Appendices (list if applicable):</b> |  |                   |                  |                 |

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| <b>Recommendation:</b>  |
| <p>The Workforce Committee are requested to review the report for assurance, discussion and agreed actions:</p> <ol style="list-style-type: none"> <li>1. Set up a working group to review the Gender Pay Gap 2018 Report, chaired by Deputy Director of OD &amp; People.</li> <li>2. Create a project plan to include directorate managers and clinical managers to assess and understand gender pay gap in senior clinical and non-clinical roles.</li> </ol> |

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| <b>Executive Summary:</b>  |
| <p>The challenge in our organisation and across the whole of the country is to eliminate any gender pay gap. As an employer we are required by law to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.</p> <p>We are required to publish the results on our website and a Government Equalities website by 31<sup>st</sup> March 2018.</p> <p>The requirements within this report covers 6 calculations that show the difference between the average earnings of men and women in our organisation, it does not involve publishing individual employees data.</p> |

## **1. Introduction:**

The data presented below follows the regulatory requirements under Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. It covers the key questions asked by the Government Equalities Office, duplicating the same format.

In order to eradicate the gender pay gap we need to develop a further understanding of the data. As part of our deeper understanding we plan to deep dive into specific senior roles to understand the male versus female ratio and salary differences. We will also develop a trajectory plan to balance out the overall gender pay gap.

Gender pay gap reporting does not mean that organisations have to report on equal pay. Equal pay is about differences in the actual earnings of men and women doing equal work.

In common with other NHS organisations, Salisbury NHS Foundation Trust has a predominately female workforce. Given that 78% of our workforce is female, it is also the case that women outnumber men at most levels within the organisation.

However, the fact that there are greater numbers of men in the upper pay quartiles compared to the lower pay quartiles has a direct impact on our gender pay gap data.

## **2. Gender Pay Gap Reporting Requirements:**

The Trust collected our data on the 31<sup>st</sup> March 2017 when our workforce consisted of 2781 women and 810 men. The figures show that the Trust has a mean gender pay gap of 24.95% and a median gender pay gap of 8.07%

The Gender Pay requires all organisations employing 250 or more employees to publicly report on its gender pay gap in six different ways:

- 2.1 The mean and median gender pay gap
- 2.2 The mean and median gender bonus gaps.
- 2.3 a) The proportion of men and women who received bonuses and b) the number of men and women according to the quartiles pay bands.
- 2.4 The gender pay gap shows the difference in the average earnings between all men and women in the organisation.
- 2.5 The mean gender pay gap is the difference between the mean hourly rate of pay of the male full pay relevant employees and that of female full time relevant employees.
- 2.6 The median gender pay gap is the difference between the median hourly rate of pay of male full pay relevant employees and that of female full time relevant employees.

## **3. Data Findings:**

### **3.1 Data table referencing:**

- The mean and median gender pay gaps (a)
- The gender pay gap shows the difference in the average earnings between all men and women in the organisation (b)
- The mean gender pay gap is the difference between the mean hourly rate of pay of the male full pay relevant employees and that of female full time relevant employees (c)

**Data Table 3.1**

The table shows that the mean pay gap is higher than the median 24.95% versus 8.08%. This is because a few higher paid individuals pay can influence the average (mean). The median looks at the mid point of all staff pay rates ranked from lowest to highest.

| Gender         | Avg. Hourly Rate | Median Hourly Rate |
|----------------|------------------|--------------------|
| a) Male        | 17.4282          | 11.7454            |
| Female         | 13.0806          | 10.7969            |
| (b) Difference | 4.3476           | 0.9486             |
| (c) Pay Gap %  | 24.9458          | 8.0760             |

**3.2 Data table referencing:**

- The number of men and women according to the quartiles pay bands (a)
- The Quartile table shows that:
  - 26% of salaries in the upper quartile were male compared to 76% female,
  - 15% of salaries in the second quartile were male compared to 85% female,
  - 18% of salaries in the third quartile were male compared to 82% female,
  - 32% of salaries in the lower quartile were male compared to 68% female.

**Data Table 3.2**

This shows that a higher proportion of male salaries are in the upper and lower quartiles compared to female salaries. The Trust has a higher proportion of male consultants and higher banded 8a and above. Men are also disproportionality represented in lower banded posts.

| Quartile | Female | Male   | Female % | Male % |
|----------|--------|--------|----------|--------|
| (a) 1    | 666.00 | 231.00 | 74.25    | 25.75  |
| 2        | 763.00 | 134.00 | 85.06    | 14.94  |
| 3        | 732.00 | 159.00 | 82.15    | 17.85  |
| 4        | 620.00 | 286.00 | 68.43    | 31.57  |

*(To note, the median looks at the midpoint of all staff pay rates ranked from lowest to highest.)*

**3.3 Table referencing:**

- The mean and median gender bonus gaps (a)
- The proportion of men and women who received bonuses (b)

**Data Table 3.3.1**

The table 3.3.1 shows that average and median bonus pay for men was higher than for women. This is because a higher number of senior consultants earning higher value clinical excellence awards are male.

Table 3.3.2 shows that, of all employees 65 men were paid bonuses (Clinical Excellence Awards) and 36 women. We would expect this data to change as we continue the trajectory growth of women medical consultants in our workforce.

*(Clinical Excellence Awards- applicable to consultant clinicians only)*

| Gender     | Avg. Bonus Pay | Median Bonus Pay |
|------------|----------------|------------------|
| Male       | 11,889.07      | 8,950.75         |
| (a) Female | 7,927.53       | 5,072.08         |
| Difference | 3,961.54       | 3,878.68         |
| Pay Gap %  | 33.32          | 43.33            |

**Data Table 3.3.2**

| Gender     | Number of Employees Paid Bonus | Total number of all Relevant Employees | %    |
|------------|--------------------------------|--|------|
| (b) Female | 36.00                          | 3,311.00                               | 1.09 |
| Male       | 65.00                          | 956.00                                 | 6.80 |

#### **4. Conclusions and Next Steps:**

- The Trust is in process of setting up a separate Gender Pay Gap Working Group, chaired by the Deputy Director of OD & People, supported by the Head of Diversity & Inclusion. The working group will review policies where pay is a factor such as: Starting salaries and Incremental pay progression.
- The working group will undertake further analysis on men and women entitled to bonus payments, comparing the percentage from overall workforce figure.
- Finally, the Trust will benchmark its Gender Pay gap report with our local STP and share learning locally and regionally.

**Author: Head of Diversity & Inclusion – Pamela Permalloo-Bass**

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**Declaration: ADD SIGNATURE**

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.  
**Paul Hargreaves** – Director of People and Organisational Development

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I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.  
**Nick Marsden** – Chair of Salisbury NHS Foundation Trust

