

Gender Pay Gap Report Snapshot 2020 data

1. What is the gender pay gap report?

In 2018, it became mandatory for all public sector employers with more than 250 employees to measure and publish their gender pay gap information. Since then, employers have had a responsibility to publish data annually, on both their own websites and on the government's. This report is a snapshot of pay taken with effect from 31 March 2020 and the data will be presented in line with six key indicators.

The gender pay gap is a measure that shows the difference in average earnings between men and women across an organisation, and is expressed as a percentage of men's earnings. It is important to highlight the distinction between this and equal pay, which means that men and women in the same employment who are performing equal (or equivalent) work must receive equal pay, as set out in the Equality Act 2010. Generally, the average pay of women is lower than that of men and this tends to be because there are fewer women in senior high earning positions in organisations than men. Whilst a workforce may be predominantly female, if the most senior positions are taken up by men, the average pay of women in that organisation could well be lower¹.

We cannot look at gender in isolation. This is also an opportunity to consider all aspects of equality, particularly ethnicity, as we know the representation of Black, Asian and Minority Ethnic (BAME) colleagues in senior positions is far below where it should be.

These issues will only be addressed through action and a relentless focus. Without greater representation of women at the highest levels of NHS leadership, it will be a challenge to achieve true gender equality in the health service for people at all stages of their careers. Many of the steps will require a long-term plan and active sponsorship to support women into more senior executive and non-executive roles².

2. The gender pay gap indicators

An employer must publish six calculations showing their:

1. Average gender pay gap as a mean average
2. Average gender pay gap as a median average
3. Proportion of males and females when divided into four groups ordered from lowest to highest pay
4. Average bonus gender pay gap as a mean average
5. Average bonus gender pay gap as a median average
6. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment

¹ NHS Employers: *Briefing Note – Gender Pay Gap Reporting* retrieved 12/07/2021:

<https://www.nhsemployers.org/sites/default/files/2021-06/Capsticks-GPG-briefing.pdf>

² NHS Employers: *Addressing Your Gender Pay Gap* retrieved 12/07/2021:

<https://www.nhsemployers.org/sites/default/files/2021-06/Addressing-your-gender-pay-gap-guide.pdf>

3. Methodology

The statutory calculations have been undertaken using the national Electronic Staff Record (ESR) Business Intelligence standard report, with quality assurance on data through a cleansing exercise. In line with NHS Employers guidance Clinical Excellence Awards and the approach taken to award them at QVH these have been categorised as bonuses. Pay includes: basic pay, full paid leave including annual, sick, maternity, paternity, adoption, shared parental leave or parental leave, bonus pay, area and other allowances, shift premium pay, pay for piecework.

Pay does not include: overtime pay, expenses (payments made to reimburse expenditure wholly and necessarily incurred in the course of employment, for example, mileage for use of vehicle), remuneration in lieu of leave, the value of salary sacrifice schemes, benefits in kind (for example, childcare vouchers), redundancy pay and tax credits.

Technical guidance on how these indicators are calculated can be found on the ACAS website³.

4. Statutory reporting analysis – QVH details

The following tables present the data as required by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 under Schedule 2. At 31 March 2020 QVH had 870 posts filled by women (77.3%) and 255 by men (22.7%); please note a number of single employees hold multiple posts. A more detailed and informative analysis can be found in the detailed reporting analysis (section 5).

a) Hourly rate

<u>Women's hourly rate is:</u>	
35.9%	32.1%
LOWER	LOWER
(mean)	(median)

b) Pay quartiles

<u>How many men and women are in each quarter of the employer's payroll:</u>	
Top quartile (4)	
46.1%	53.9%
MEN	WOMEN
Upper middle quartile (3)	
13.1%	86.9%

³ ACAS. *Gender Pay Gap Reporting* retrieved 20/01/2020: <http://www.acas.org.uk/index.aspx?articleid=5768>

MEN	WOMEN
Lower middle quartile (2)	
15.3% MEN	84.7% WOMEN
Lower quartile (1)	
14.6% MEN	85.4% WOMEN

c) Bonus pay

<u>Women's bonus pay is:</u>	
49.2% LOWER (mean)	68.7% LOWER (median)
<u>Who received bonus pay:</u>	
15.7% OF MEN	3.9% OF WOMEN

5. Detailed reporting analysis – QVH details

a) Average gender pay gap as mean and median averages

Table 1

Gender	Mean average hourly rate	Median average hourly rate
Male	£26.90	£22.67
Female	£17.23	£15.40
Difference	£9.67	£7.27
Pay Gap % 2020	35.9%	32.1%
<i>Comparison to 2019</i>	34.4%	27.9%
<i>Comparison to 2018</i>	35.9%	39.9%
<i>Comparison to 2017</i>	37.1%	40.6%

Table 2

Pay Grade	Female	Male	Difference	Pay Gap %	<i>Comparison to 2019</i>
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AfC Band 1	£10.28	£11.75	£1.47	12.5%	0.2%
AfC Band 2	£9.83	£9.98	£0.14	1.4%	0.0%
AfC Band 3	£10.28	£10.20	-£0.07	-0.7%	2.8%
AfC Band 4	£11.55	£11.61	£0.06	0.5%	0.1%
AfC Band 5	£15.00	£14.00	-£1.00	-7.2%	-1.7%
AfC Band 6	£18.62	£19.48	£0.86	4.4%	4.2%
AfC Band 7	£21.64	£22.10	£0.46	2.06%	1.1%
AfC Band 8+	£29.17	£30.04	£0.87	2.9%	0.4%
Other (M&D*)	£32.33	£40.06	£7.73	19.3%	-5.1%

* majority are medical and dental, with handful of 'ad hoc' pay grades

b) Proportion of males and females in the workforce when divided into four groups ordered from lowest to highest pay

Quartile	Female	Male	Female %	Male %
1	240	41	85.4%	14.6%
2	238	43	84.7%	15.3%
3	233	35	86.9%	13.1%
4	159	136	53.9%	46.1%
Total 2020	870	255	77.3%	22.7%
Total 2019	982	277	78.0%	22.0%
Total 2018	827	252	54.8%	45.2%
Total 2017	791	232	77.3%	22.7%

c) Average bonus gender pay gap as mean and median averages

Gender	Mean bonus pay	Median bonus pay
Male	£12,598.73	£8,077.02
Female	£4,285.17	£1,500.00
Difference	£8,313.56	£6,577.02
Pay Gap % 2020	49.2%	68.7%
Comparison to 2019	9.5%	32.4%
Comparison to 2018	-13.7%	50.0%
Comparison to 2017	17.8%	60.9%

d) Proportion of eligible males and females receiving clinical excellence awards (CEAs)

Table 1

	Female	Male
Total headcount eligible as % of overall workforce	2.76%	22.75%
Total Consultants eligible to earn	24	58
Total number of Consultants awarded	10	32
Total as % of eligibility 2020	41.67%	55.17%

Comparison to 2019	50.00%	52.73%
Comparison to 2018	55.6%	51.9%
Comparison to 2017	66.67%	48.0%

Table 2

CEA bonuses only		
Gender	Mean bonus pay	Median bonus pay
Male	£15,514.03	£12,063.96
Female	£11,919.58	£8,595.57
Difference	£3,594.46	£3,468.39
Pay Gap %	13.1%	16.8%
Comparison to 2019	-3.3%	27.5%

6. Narrative

a) Mean vs median averages

QVH is broadly comparable to all other NHS Acute hospitals where both mean and median pay gaps are significantly affected by the presence of the Medical Consultant body. This is because of both their high base wage and the Clinical Excellence Awards bonus scheme (that follows national guidelines), and the historical legacy of this profession originally being male dominated.

As the second smallest NHS Foundation Trust in England, we comparatively have a very small denominator of staff and the specialist nature of the work undertaken at QVH means the Medical Consultant body forms a much higher proportion of our overall workforce, as is reflected in the quartile 4 within section 5b⁴. The mean pay gap percentages are particularly affected by this group and the concentration of high earners in such a small Trust. Although the gap is reducing year-on-year, the current difference between the number of male Consultants (n=56) compared to female Consultants (n=25) is considerable. The median (32.1%) pay gap can therefore be seen as the more accurate reflection of the Trust gender pay gap.

In a comparison to the 2017, 2018 and 2019 reports, it is concerning to see an increase in both mean and median pay gaps in 2020. The mean pay-gap increased from 34.4% in 2019 to 35.9% in 2020, which is the same as in 2018 (35.9%). The median pay-gap increased from 27.9% in 2019 to 32.1% in 2020, although this remains considerably lower than 40.6% in 2017 and 39.9% in 2018. The number of males (46.1%) and females (53.9%) in the top quartile is more equal in 2020 with only 7.8% difference compared to 2019 that showed a 21% difference.

b) Band/ Grade related average gender pay gaps

There are two main outliers (those at over 10% pay gap) when looking at Bands/ Grades (section 5a, Table 2): the 'Other (Medical & Dental)' group and the Agenda for Change

⁴ NHS Employers. Op cit.

(AfC) Band 1 group. The 'Other' group pay disparity is explained above relating to seniority of the Consultant grade.

For the Band 1 group, the male group is exclusively those with the job title 'Domestic Assistant', whereas the female group is a mixture of 'Domestic Assistant' and 'Catering Assistant'. The average hourly wage includes unsocial hours' enhancements, which the role of catering assistant does not attract in any significant volume; hence the disparity and increased hourly equivalent wage for males at this level.

c) Average bonus gender pay gap as a median average

Although the statutory required reporting figure of those receiving a bonus (section 4c) shows 16.9% of males compared to only 4.5% of females, this is substantially distorted by the predominance of males within the Medical Consultant body (section 5d, Table 1) and the disproportionate number of males in the whole Trust workforce.

The Trust operated only two bonus schemes: a 'new starter premium' (akin to a 'golden handshake') for hard-to-fill specialist roles, and the national Clinical Excellence Awards (CEAs) initiative for Consultants. The new starter premium schemes in the reporting period amounts to £34,000; of which 77.94% was granted to females and 22.06% granted to males. The sum paid for the new starter premium was the same regardless of gender.

The CEA payments totalled £615,644.88; of which 80.64% was awarded to males and 19.36% awarded to females. Section 5d (Table 1) highlights that of the Consultant workforce eligible to be awarded CEAs, there was proportionally less females (41.67%) compared to males (55.17%). Section 5d (Table 2) highlights that females are receiving proportionally less in terms of mean and median average bonus pay compared to males. The mean is noticeably different to that reported in 2019 (section 5d, Table 2) as the one particularly distinguished female who received the highest possible 'Gold Award' significantly reduced her contracted hours from full time to minimum hours.

7. Action plan

The Trust's 2017 report and action plan was referenced by NHS Employers as an example of good practice.

The 2017 and 2018 action plans were implemented in full, with:

1. a review of the application of the Agenda for Change job evaluation scheme
2. a review of how well the Trust manages women's career progression after employment breaks such as maternity leave
3. active promotion of current policies on flexible and family-friendly working for all
4. an audit of the Trust's 'Top Quartile' earners to review rationale and conclusions for determination of each remuneration
5. an amendment to Trust Recruitment and Selection Policy to ensure mixed gender panels for selection and remuneration purposes for Bands 8a+, VSM and Consultant appointments (including Clinical Excellence Awards)
6. collaboration with neighbouring acute Trusts to share best practise
7. encouragement of more female workers to apply for Clinical Excellence Awards

8. exploration of how we can better promote our vacancies in senior positions to women and organisations that support women
9. review of the policy and process around starting salaries of new employees to ensure there is no gender bias

The 2019 action plan is ongoing:

7. Encouragement of more female workers to apply for Clinical Excellence Awards, however in light of the COVID-19 pandemic the local Clinical Excellence award process has been amended to reward all consultants equally
8. Explore how we can better promote our vacancies in senior positions to women and organisations that support women
9. Undertake policy and process review regarding Salaries and Wages ahead of expiry to ensure there is no gender bias in the starting salaries of new employees and regularly monitor