

GENDER PAY GAP

2018

Introduction

Following a government consultation it became mandatory from 31 March 2017 for all public sector organisations with over 250 employees to report annually on their gender pay gap. Collation and analysis of this data enables organisations to highlight any anomalies between pay of female and male employees. Publication of the information on the government website is required by 30 March 2019 and the information must also be published on the Trust's website for a period of at least 3 years.

These regulations underpin the Public Sector Equality Duty and require publication of gender pay gap data by 30 March 2019; including mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and woman who receive bonuses; and the proportions of male and female employees in each pay quartile.

This is the second year of the Trust completing the mandatory annual report, therefore comparable data is available against the 2017 Gender Pay Gap report.

The gender pay gap is different to equal pay. Equal pay relates to pay differences between individuals or groups who carry out the same or similar jobs or work of equal value. It is unlawful to pay people unequally because of their gender. Gender pay gap refers to the differences between the earnings of men and women regardless of roles or seniority.

The reporting encompasses all employees who are employed under a contract of employment, a contract of apprenticeship or a personal contract for work, including those under Agenda for Change, Medical and Very Senior Manager terms and conditions. The data is taken at a snapshot date, which for public organisations is the 31 March 2018; the second year of the Trust completing this.

The report sets out the following elements:-

- Reporting requirements
- Provides some analysis to identify the gender pay gap
- Possible reasons for the gender pay gap
- Next steps

1. Headlines

The report is based on rates of pay as at 31 March 2018 and bonuses paid in the year 1 April 2017 – 31 March 2018. It includes all workers in scope at 31 March 2018.

- There is a mean average pay gap of 32.1% and a median hourly rate gap of 16.1% within the Trust.
- 64% of the top quartile are females, suggesting there are not any concerns with females being represented in this quartile.
- There is a bonus gender pay gap difference of -7.8% (mean), which favours women more than men, whilst there is an 8.3% difference in relation to the median bonus pay within the Trust.
- There were a total of 41 males, equivalent to 5.09% of the male workforce and 14 women, which are 0.52% of the female workforce received a clinical excellence award during the 2017/18 financial year.

2. Definition of Equal Pay and how this fits With Gender Pay Gap

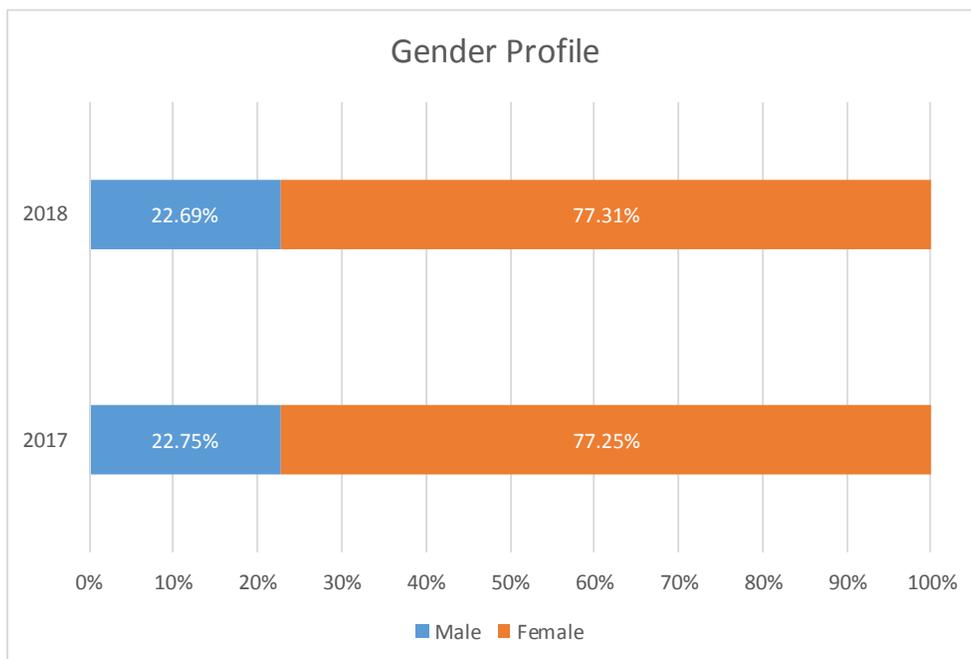
As noted earlier in this report, gender pay gap is different to equal pay.

Legislation requires that men and women must receive equal pay for:

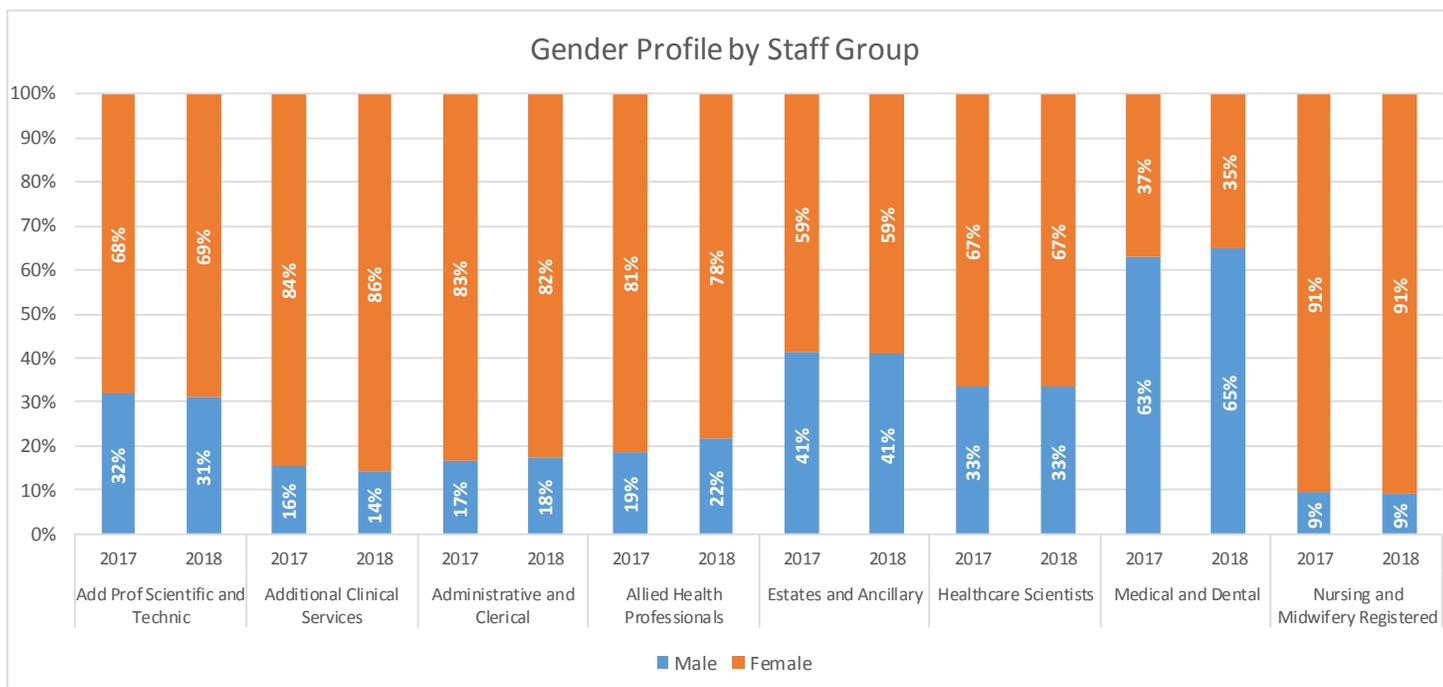
- The same or broadly similar work
- Work rated as equivalent under a job evaluation scheme or work of equal value.

Equal pay in the NHS is demonstrated primarily through nationally agreed terms and conditions for our workforce.

3. Gender Profile



The Trust had a total of 2900 staff as of the 31 March 2018, of which 658 (22.7%) were male and 2242 (77.3%) were female. This is a total increase of 34 employees compared to 2017.



Nursing & Midwifery have the largest proportion of females at 90.9%, whilst Medical & Dental is the biggest male workforce which makes up 65% of the staff group, which is where the highest salaries derive from.

4. Gender Pay Gap

The gender pay gap at Bedford Hospital does not stem from paying men and women differently for the same or equivalent work. The gender pay gap is as a result of roles in which men and women work within the organisation and the salaries that these roles attract.

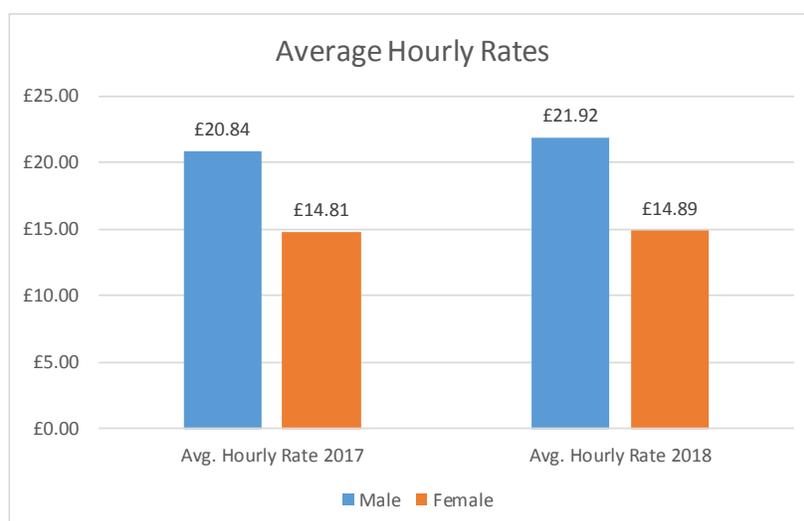
4.1 Average and Median Hourly Rates

The data collected to calculate the gender pay gap for ordinary pay includes all substantive and bank staff and their basic pay, duty enhancements, on-calls and stand-by duties. It excludes overtime, pay arrears and salary sacrifice schemes.

The gender pay gap position is based on the staff contained within the respective pay categories. Where there is a negative figure, it suggests that the pay gap is in favour of females. Where there is a positive figure, it reflects a gender pay gap in favour of males.

The average hourly rates are shown in the charts below from the past two years:

	Avg. Hourly Rate 2017	Avg. Hourly Rate 2018
Male	£20.84	£21.92
Female	£14.81	£14.89
Difference	£6.03	£7.03
Pay Gap %	28.96%	32.06%

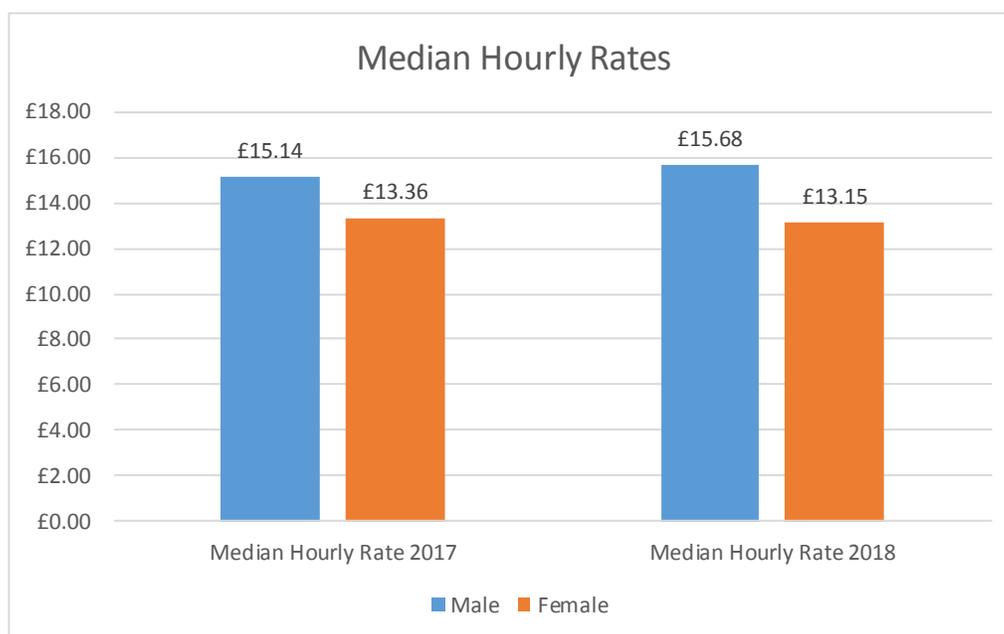


The hourly rate data suggests that the mean hourly pay for females is lower than males, as the mean pay gap has increased from 28.96% which is an increase of £1.00 from 2017.

The mean average will always display a higher pay gap due to the way the figure is calculated. It takes account of all salaries in the sample which results in some outliers between the highest and lowest earners; this can distort the measurement due to irregular distribution of pay.

The median hourly rates are shown below:

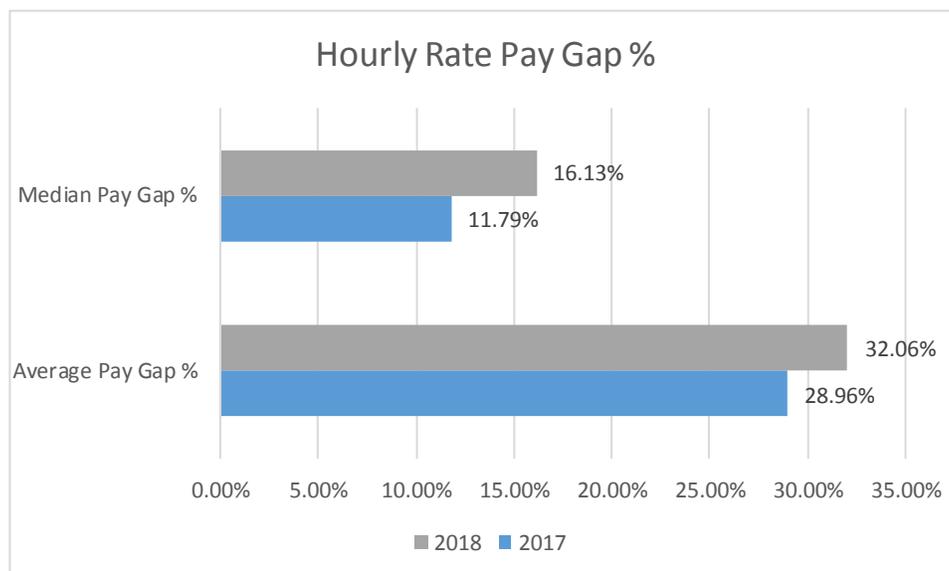
	Median Hourly Rate 2017	Median Hourly Rate 2018
Male	£15.14	£15.68
Female	£13.36	£13.15
Difference	£1.79	£2.53
Pay Gap %	11.79%	16.13%



The median value is a more accurate indicator; as it takes the middle value from the sample range across all staff groups including Non-Executive Directors and Very Senior Managers (VSM).

The Median pay gap also increased from 11.79% in 2017 to 16.13%. The males median pay went up, however the females median pay decreased by £0.21. This would have been a result of the female workforce increasing overall and new entrants to the NHS (i.e. Students, Overseas recruitment) starting at the bottom of the pay scales.

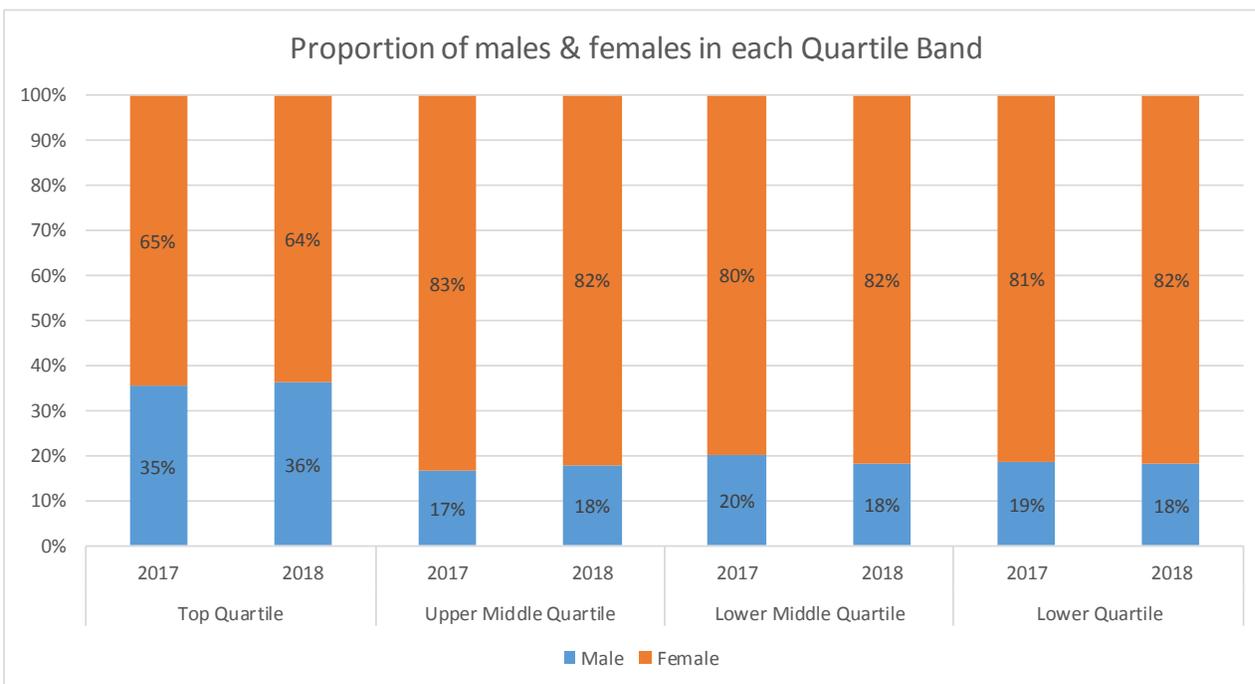
The table below shows the % hourly rate pay gap for both average and median pay gap:



The average hourly rate indicates a 32.1% pay gap, whereas the median hourly rate is 16.1%. Whilst this favours males more than females, the Trusts position is below the median pay gap across the NHS of 21.5% reported by NHS England in 2017. It is important to remember that this is about the gender pay gap, not equal pay.

4.2 Proportion of males and females in each Quartile Band

There are four pay quartiles, the top quartile represents the highest earners and the lower quartile the lowest paid earners in the Trust. The pay quartiles show the male and female split within these quartiles.



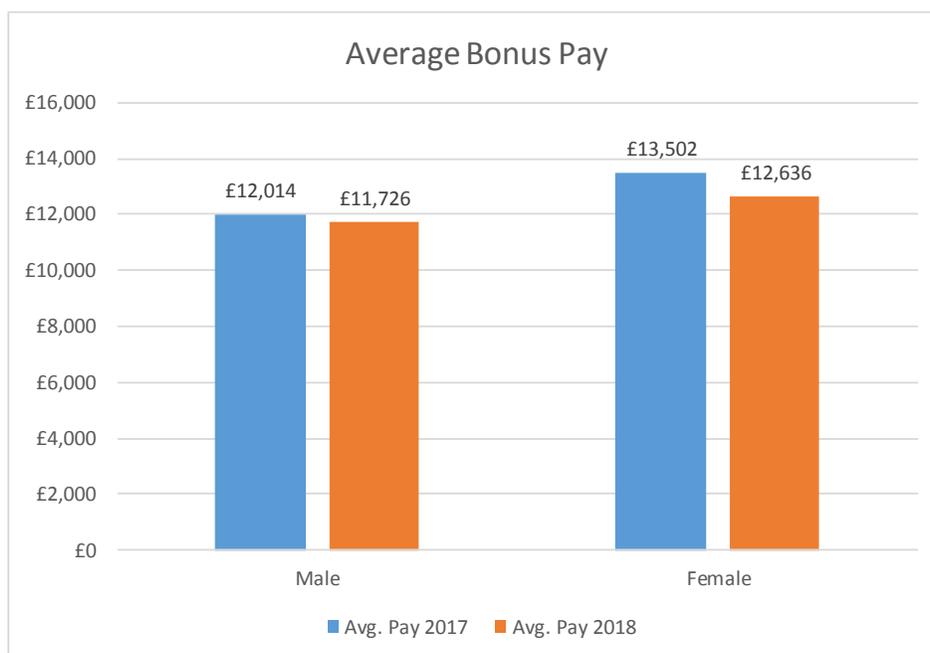
Females make up 77.3% of our total workforce, which is an increase of 28 females from the previous year, with a number of new starters falling under the Lower Middle Quartile which has seen the largest change across the quartiles from 2017.

The Upper Middle, Lower Middle and Lower Quartile all have the highest female representation within the Trust at 82%. Females also have the largest stake in the Top Quartile, however males have the best representation in the Top Quartile at 36% which is a small increase of 1% from 2017.

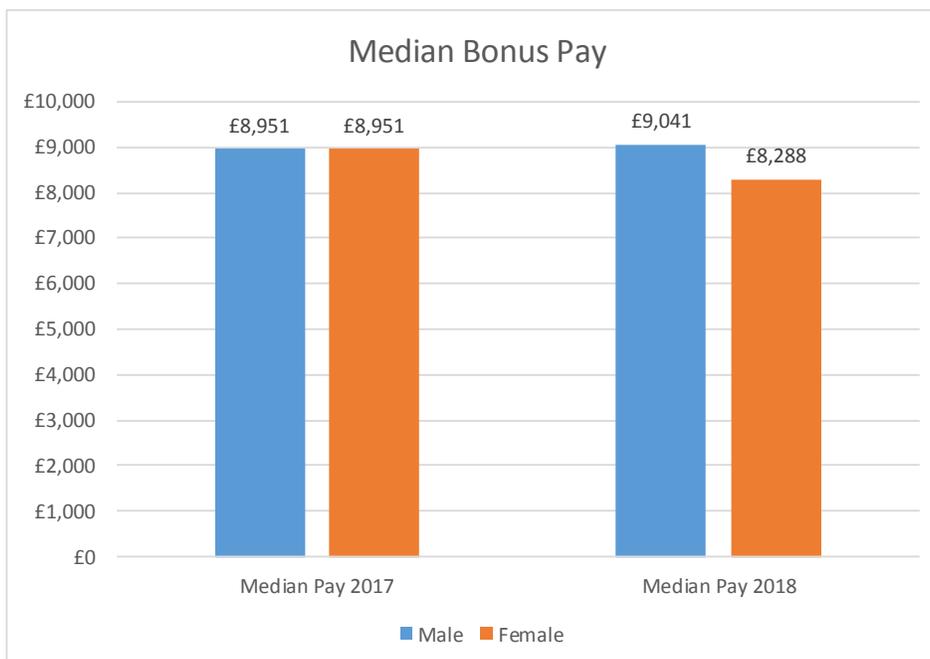
Although there is a 32.1% (mean) and a 16.1% (median) gender pay gap within the Trust, 64% of the top quartile are females, suggesting there are not any concerns with females being represented at the top level.

It should be noted that as there are more females than males in the NHS, the males make up a smaller percentage of the workforce but there is a relatively higher % in more senior/higher paid jobs than females.

4.3 Average and Median Bonus Gender Pay Gap

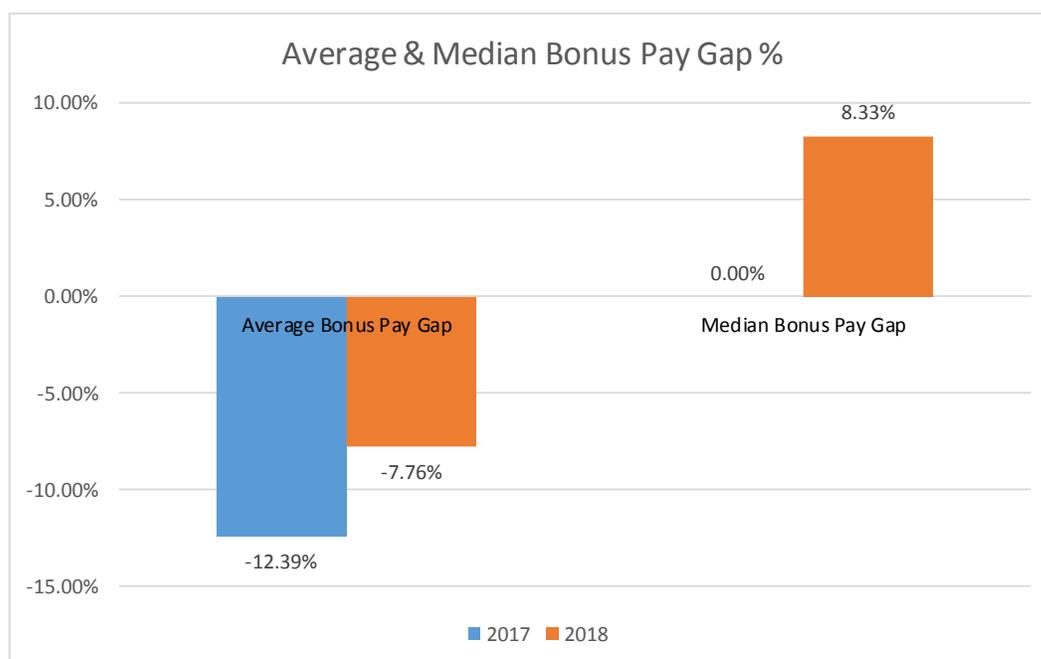


The relevant bonus period is calculated using the preceding twelve months ending on the 31 March 2018; therefore it captures all bonus payments between 1 April 2017 and 31 March 2018.



In line with NHS Employers guidance the only pay elements to fall under the bonus pay criteria are Clinical Excellence Awards (CEA) payable to Consultants. Clinical Excellence Awards are available to be applied for annually and are awarded in recognition of excellence in practice over and above contractual requirements.

	Average Bonus Pay Gap	Median Bonus Pay Gap
2017	-12.39%	0.00%
2018	-7.76%	8.33%

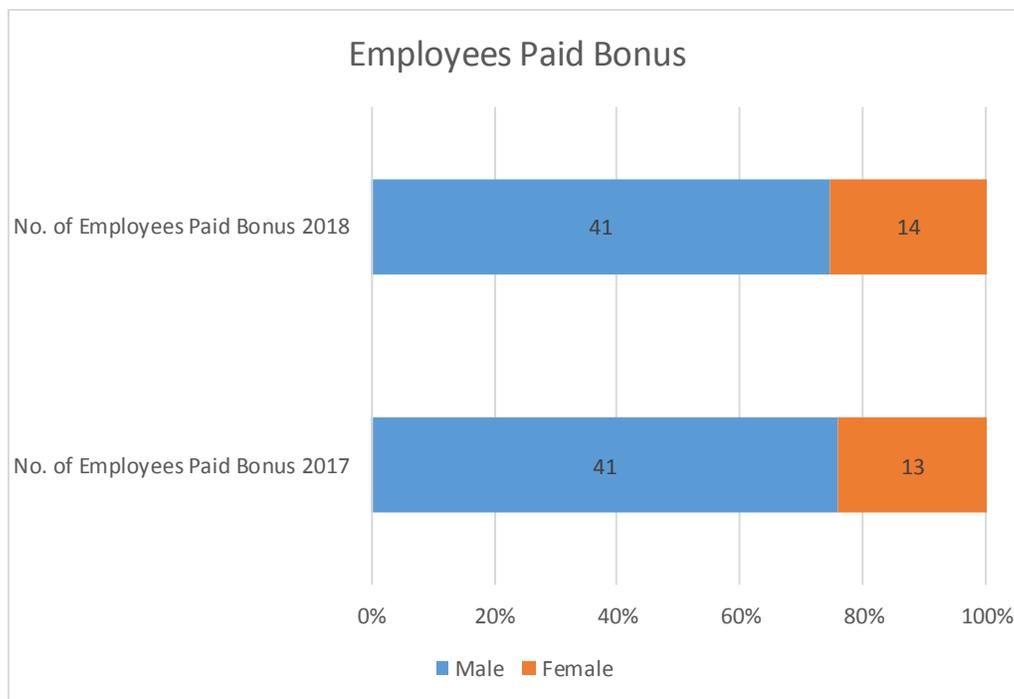


The mean bonus pay gap is -7.8% favouring females more than males. There is a 8.3% pay gap in relation to the median bonus pay. Males make up 76% of the Consultant workforce, which is an increase of 2% from 2017. This increase of male Consultants would explain why the mean average pay gap has reduced from -12.4% to -7.8%.

4.4 Proportion of Males and Females Receiving a Bonus Payment

'Bonus pay' means any remuneration relating to productivity, performance, incentive payments or commission. It is clear within the regulations that bonus pay does not include ordinary pay, overtime pay, and redundancy pay or termination payments. For the purpose of Gender Pay Reporting, Clinical Excellence Award payments are regarded as a 'bonus pay'.

The legacy of the CEA scheme means that there will continue to be a gender pay gap because there are more male consultants than female consultants and the gender balance is only likely to improve over time.



41 males, 5.1% of the male workforce and 14 females, 0.5% of the female workforce received a Clinical Excellence Award during the 2017/18 financial year. The number of males that received a CEA has remained static, whilst there is an increase of 1 female receiving a CEA.

5 Next Steps

Further analysis will take place to identify specific actions and a work plan will be developed. The gender pay gap will be monitored through the Trust's Equality and Diversity Committee.