

**GENDER PAY GAP**

**2019**



**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 2020 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 2020; 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 third year of the Trust completing the mandatory annual report, therefore comparable data is available against previous years Gender Pay Gap reports.

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 2019; the third 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 2019 and bonuses paid in the year 1 April 2018 – 31 March 2019. It includes all workers in scope at 31 March 2019.

* There is a mean average pay gap of 31.7% and a median hourly rate gap of 17.3% within the Trust.
* 63% 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 1.97% (mean), whilst there is a 0% difference in relation to the median bonus pay within the Trust.
* There were a total of 39 males, equivalent to 4.76% of the male workforce and 12 women, which are 0.42% of the female workforce received a clinical excellence award during the 2018/19 financial year.

1. **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 3052 staff as of the 31 March 2019, of which 678 (22.2%) were male and 2374 (77.8%) were female. This is a total increase of 152 employees compared to 2018.

Nursing & Midwifery have the largest proportion of females at 92%, whilst Medical & Dental is the biggest male workforce which makes up 65% of the staff group, which is where the majority of 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.

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.

**4.1 Average and Median Hourly Rates**

The data collected to calculate the gender pay gap for ordinary pay includes all substantive and bank/locum staff and their basic pay, duty enhancements, on-calls and stand-by duties. It excludes overtime, employees who receive a reduced or no pay during the period, expenses and pay arrears.   
  
It should be noted that for salary sacrifice schemes; the employer is required to use the employee’s gross pay after any reduction, therefore staff enrolled in schemes such as lease cars will have a reduced hourly rate as a result.   
  
The average hourly rates are shown in the charts below over the past three years:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Avg. Hourly Rate 2017 | Avg. Hourly Rate 2018 | Avg. Hourly Rate 2019 |
| Male | £20.84 | £21.92 | £22.37 |
| Female | £14.81 | £14.89 | £15.27 |
| Difference | £6.03 | £7.03 | £7.10 |
| Pay Gap % | 28.96% | 32.06% | 31.75% |

The hourly rate data suggests that the mean hourly pay for females is lower than males, however the mean pay gap has decreased from 32.1% to 31.7%.

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 | Median Hourly Rate 2019 |
| Male | £15.14 | £15.68 | £16.45 |
| Female | £13.36 | £13.15 | £13.61 |
| Difference | £1.79 | £2.53 | £2.84 |
| Pay Gap % | 11.79% | 16.13% | 17.27% |

The median value is a more accurate indicator due to the large number of data; 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 increased from 16.1% to 17.3%. The median pay for males went up by £0.77, as did the females pay by £0.46, which last year decreased by £0.21 so the position has improved in 2019. This is positive result considering an increase of 132 females in the workforce compared to the previous year. It seems the median pay gap is larger this year due to the number of new entrants that are female joining the NHS (i.e. Students, Overseas recruitment) by 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 mean average hourly rate indicates a 31.7% pay gap, whereas the median hourly rate is 17.3%. Whilst the mean average favours males more than females, the Trusts position is below the median pay gap across the NHS of 22% reported by NHS England in 2018. 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 77.8% of our total workforce, which is an increase of 132 females from the previous year, with a number of new starters falling under the Lower Quartile which has seen the largest change across the quartiles from 2018. There is only an increase of 20 males compared to the previous year, which hasn’t made any significant change to the quartile split.   
  
The Upper Middle, Lower Middle and Lower Quartile all have high female representation within the Trust with all above 80%. Females still have the largest stake in the Top Quartile, however males have the best representation in the Top Quartile at 37.2% which has seen a small increase of 1% each year since 2017.  
  
Although there is a 31.7% (mean) and a 17.3% (median) gender pay gap within the Trust, 63% of the top quartile are females, suggesting there are not any concerns with females being represented at the top level. This is positive compared to the NHS England Gender Pay Gap report of 2018 where it reported that 56% of the top quartile were female.

It should be noted that as there are more females than males in the NHS, with males making 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 proceeding twelve months ending on the 31March 2019; therefore it captures all bonus payments between 1 April 2018 and 31 March 2019.

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 awared 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% |
| 2019 | 1.97% | 0.00% |

The mean bonus pay gap is 1.97%, whilst there is a 0% pay gap in relation to the median bonus pay.   
  
Males make up 73% of the Consultant workforce, which is an decrease of 3% from 2018. This increase of female Consultants would explain why the median average bonus pay gap has reduced to 0% whilst the mean bonus gap has increase due to the current male consultants having higher levels of seniority, with 82% of Consultants with 11 to 19 years service and 75% of Consultants with 20+ years service being males.

**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.

39 males, 4.8% of the male workforce and 12 females, 0.4% of the female workforce received a Clinical Excellence Award during the 2018/19 financial year. The number of males and females that received a CEA have both reduced by 2.

**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.

**March 2020**

**6 Appendices**

**6.1 Agenda for Change Analysis**

**6.1.1 Mean & Median Pay Gap**

|  |  |  |
| --- | --- | --- |
|  | Avg. Hourly Rate | Median Hourly Rate |
| Female | £14.05 | £12.55 |
| Male | £14.20 | £12.55 |
| Difference | £0.15 | £0.00 |
| Pay Gap % | 1.06% | 0.00% |

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**6.1.2 Gender Analysis (Headcount)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Banding | Female | Male | Grand Total | Female % | Male % |
| Band 1 | 123 | 57 | 180 | 68.33% | 31.67% |
| Band 2 | 500 | 107 | 607 | 82.37% | 17.63% |
| Band 3 | 209 | 31 | 240 | 87.08% | 12.92% |
| Band 4 | 184 | 30 | 214 | 85.98% | 14.02% |
| Band 5 | 455 | 78 | 533 | 85.37% | 14.63% |
| Band 6 | 345 | 68 | 413 | 83.54% | 16.46% |
| Band 7 | 222 | 45 | 267 | 83.15% | 16.85% |
| Band 8a | 62 | 11 | 73 | 84.93% | 15.07% |
| Band 8b | 11 | 8 | 19 | 57.89% | 42.11% |
| Band 8c | 8 | 8 | 16 | 50.00% | 50.00% |
| Band 8d | 5 | 3 | 8 | 62.50% | 37.50% |
| Grand Total | 2124 | 446 | 2570 | 82.65% | 17.35% |

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There is only a 1.06% mean gender pay gap, whilst there is 0% median gender pay gap. There is an 82.65% female Agenda for Change workforce where the highest percentage of males appear in the higher bandings. However, females still have the highest percentage in all bandings, even in the top quartile.

**6.1.3 Mean & Median Hourly Rates**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Banding | Female | Male | Difference | Mean Pay Gap % |
| Band 1 | £9.08 | £9.09 | £0.01 | 0.09% |
| Band 2 | £9.75 | £10.18 | £0.43 | 4.23% |
| Band 3 | £9.78 | £10.33 | £0.55 | 5.33% |
| Band 4 | £11.25 | £11.34 | £0.08 | 0.73% |
| Band 5 | £14.80 | £13.86 | -£0.94 | -6.81% |
| Band 6 | £17.80 | £16.75 | -£1.05 | -6.28% |
| Band 7 | £20.51 | £20.62 | £0.11 | 0.55% |
| Band 8a | £23.99 | £23.70 | -£0.29 | -1.24% |
| Band 8b | £27.89 | £28.88 | £0.98 | 3.40% |
| Band 8c | £31.16 | £34.17 | £3.02 | 8.83% |
| Band 8d | £39.56 | £40.18 | £0.62 | 1.54% |

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|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Banding | Female | Male | Difference | Median Pay Gap % |
| Band 1 | £8.68 | £8.78 | £0.10 | 1.14% |
| Band 2 | £9.29 | £9.80 | £0.51 | 5.20% |
| Band 3 | £9.93 | £10.15 | £0.22 | 2.17% |
| Band 4 | £11.60 | £11.60 | £0.00 | 0.00% |
| Band 5 | £14.70 | £13.93 | -£0.77 | -5.53% |
| Band 6 | £18.19 | £16.60 | -£1.59 | -9.58% |
| Band 7 | £21.37 | £20.68 | -£0.69 | -3.34% |
| Band 8a | £24.48 | £24.09 | -£0.39 | -1.62% |
| Band 8b | £28.98 | £29.38 | £0.40 | 1.36% |
| Band 8c | £32.25 | £35.37 | £3.12 | 8.82% |
| Band 8d | £38.66 | £42.58 | £3.92 | 9.21% |



Agenda for Change has a rigid process in terms of what an individual’s salary is based upon. There is a larger pay gap in the higher bandings, but this is based on the experience a person has which has been recognised through the incremental progression process.

**6.2 Medical & Dental Analysis**

**6.2.1 Mean & Median Pay Gap**

|  |  |  |
| --- | --- | --- |
|  | Avg. Hourly Rate | Median Hourly Rate |
| Female | £30.40 | £28.45 |
| Male | £38.44 | £39.83 |
| Difference | £8.04 | £11.38 |
| Pay Gap % | 20.92% | 28.57% |



**6.2.2 Gender Analysis (Headcount)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Grade | Female | Male | Grand Total | Female % | Male % |
| Consultant | 34 | 108 | 142 | 23.94% | 76.06% |
| Junior Doctor | 72 | 75 | 147 | 48.98% | 51.02% |
| Middle Grade | 5 | 23 | 28 | 17.86% | 82.14% |
| Grand Total | 111 | 206 | 317 | 35.02% | 64.98% |



Medical & Dental staff have the highest salaries in comparison to other staff groups. The largest salaries derive from Consultants which have a 76% male workforce. Middle Grades also have a very high percentage of 82.1% males. It is however encouraging to see that there is almost a 50/50 gender split for Junior Doctors.

**6.2.3 Mean & Median Hourly Rates**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Grade | Female | Male | Difference | Mean Pay Gap % |
| Consultant | £47.01 | £49.12 | £2.11 | 4.30% |
| Junior Doctor | £22.59 | £25.10 | £2.51 | 10.00% |
| Middle Grade | £30.00 | £31.77 | £1.77 | 5.57% |
| Grand Total | £30.40 | £38.44 | £8.04 | 20.92% |



|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Grade | Female | Male | Difference | Median Pay Gap % |
| Consultant | £44.10 | £46.36 | £2.26 | 4.87% |
| Junior Doctor | £19.52 | £24.78 | £5.26 | 21.23% |
| Middle Grade | £27.55 | £32.32 | £4.77 | 14.76% |
| Grand Total | £28.45 | £39.83 | £11.38 | 28.57% |



The largest differences arise with Medical & Dental staff undertaking additional work (i.e. internal locum duties) as they have higher rates of pay. In addition to this, any work completed during unsocial hours (nights/weekends) will have a significant impact on the hourly pay due to the rates it attracts. It must be noted that the additional work is offered to all relevant staff but it is largely undertaken by males.