



**Date of Meeting:** 21 March 2018

<b>Report No.</b>	<input checked="" type="checkbox"/> Discussion <input checked="" type="checkbox"/> Noting
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**Subject:** Gender Pay Gap Report 2017

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**Executive Summary:** (this summary will be used for the minutes of the meeting)  
This paper reports the gender pay gap information for London North West University Healthcare Trust (LNUHCT) for 2017 and potential actions the Trust could put in place to reduce the gap.

The Trust analysed gender and pay data for its workforce on 31 December 2017 (the snapshot date), when its employees consisted of 6649 women and 2100 men. The data indicates that the gender split of the organisation was 76% female and 24% male. The figures show that the Trust has a mean gender pay gap of 6.6% and a median gender pay gap of 4%.

Our gender pay gap is impacted by the fact that there are a greater proportion of men in the upper pay quartiles of the organisation compared with the lower pay quartiles, and a greater proportion of women in the lower pay quartiles compared with the upper pay quartiles. Overall however, our gender pay gap shows that amongst the Agenda for Change grades, there is only a slight difference in pay between genders, 1-2% however among our medical staff, this is significantly higher, with a mean difference of 16.4%.

The Trust will need to undertake further investigation to understand the data however the following actions could be taken

- all female medical doctors written to and encouraged to apply for CEA if eligible and support offered to all doctors in submitting their applications
- broader discussion at Board level on any further actions to address gender imbalance against lower and upper middle quartile
- monitoring and championing progression of female medical staff to accelerate their progression to senior medical careers
- attracting a higher number of male medical staff into the lower grades

## Gender pay gap report 2017

### 1. Introduction

The Gender pay gap legislation requires employers with 250 or more employees to publish their gender pay gap information, covering pay and bonuses each year. The aim of the legislation is to eliminate gender inequality and reduce or eliminate gender pay gap where it exists in organisations. The public sector reporting requirements took effect from 31 March 2017 and employers have 12 months from that date to publish their gender pay gaps.

Gender pay reporting is different to equal pay which deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. The gender pay gap shows the difference in the average pay between all men and women in an organisation.

This paper reports the gender pay gap information for London North West University Healthcare Trust (LNWUT) for 2017 and the potential actions the Trust will need to put in place to reduce the gap. The data for the report has been pulled from the Trust Electronic Staff Records (ESR) and Trust pay roll.

### 2. NHS terms and conditions

The NHS terms and conditions of service handbook (Agenda for Change) contain the national agreements on pay and conditions of service for all staff directly employed in the NHS except very senior managers and Doctors and Dentists. The job evaluation (JE) process enables jobs to be matched to national job profiles and allows trusts to evaluate jobs locally, to determine in which Agenda for Change (AfC) pay band a post should sit. Medical staff are governed by their terms and conditions which are also nationally agreed.

### 3. Our gender pay gap data

The Trust analysed data on 31 December 2017 (the snapshot date), when its workforce consisted of 6649 women and 2100 men. The organisation's gender split is 76% female and 24% male. The figures show that the Trust has a mean gender pay gap of 6.6% and a median gender pay gap of 4%.

In common with the most NHS organisations, the Trust has a predominantly female workforce. Given that 76% of our workforce is female, it is also the case that women outnumber men at nearly every level of the Trust. However, the fact that there is a greater proportion of men in the upper pay quartiles of the organisation compared with the lower pay quartiles, and a greater proportion of women in the lower pay quartiles compared with the upper pay quartiles. This has an impact on our gender pay gap.

A breakdown of males and females in each AfC banding and Trust Board is as follows:

Band	Male	Female		Band	Male	Female
Band 1	21.45%	78.55%		Band 8a	21.79%	78.21%
Band 2	12.88%	87.12%		Band 8b	20.59%	79.41%
Band 3	18.56%	81.44%		Band 8c	25.00%	75.00%
Band 4	17.94%	82.06%		Band 8d	35.00%	65.00%
Band 5	17.49%	82.51%		Band 9	62.50%	37.50%
Band 6	21.45%	78.55%		Medical	51.5%	48.2%
Band 7				Trust Board	58.8%	41.2%
	19.26%	80.74%				
Band 8a	21.79%	78.21%				

#### 4. The gender pay gap indicators

The gender pay gap shows the difference in the average earning between men and women in an organisation regardless of grade. There are six gender pay gap indicators against which an employer must publish their calculations showing their

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay

The mean gender pay gap is the difference between the mean hourly rate of pay of males and that of females. The median gender pay gap is the difference between the median hourly rate of pay of males and that of females.

#### 5. Outlined below is a further breakdown of gender pay data for LNWUTH

##### Average gender pay gap as a mean average

Overall

Mean hourly rate	£17.33	Pay gap%	6.6%
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Agenda for Change and Medical

Mean hourly rate	Male (Total)	Female (Total)	Pay gap %
	£18.19	£17.00	6.6%
Male (AfC)	Female (AfC)	Pay gap %	
	£17.63	£17.23	2.2%
Male (Medical)	Female (Medical)	Pay gap %	
	£18.55	£15.49	16.5%

##### Average gender pay gap as a median average

Overall

Median hourly rate	16.27	Pay gap%	4%
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Agenda for Change and Medical

Median hourly rate	Male (Total )	Female (Total)	Pay gap %
	£16.91	£16.19	4%
Male (AfC)	Female (AfC)	Pay gap %	
	£16.41	£16.24	1%
Male (Medical)	Female (Medical)	Pay gap %	
	£18.92	£14.38	24%

##### Average bonus pay gap as a mean average

Overall Mean bonus	£13116.40
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	Male	Female	Pay gap %
Mean Bonus	£13727.47	£11959.46	12.9%

### Average bonus pay gap as a median average

Overall Median bonus	£8354.00
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	Male	Female	Pay gap %
Median Bonus	£8950.75	£7160.60	20%

### Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment

Our calculations on the proportion of males and females receiving a bonus payment in the organisation are made up of the Clinical Excellence Awards (CEA) only. This is an award scheme intended to recognise and reward Consultants.

% Male staff receiving bonus	% Female staff receiving bonus	Difference	% Male medical staff receiving bonus	% Female medical staff receiving bonus	Difference
7.7%	1.3 %	6.4%	26%	15.6%	10.4%

### Proportion of males and females in each pay quartile (%) when divided into four groups ordered from lowest to highest pay

	Male	Female
Lower	25%	75%
Lower middle	20%	80%
Upper middle	20%	80%
Upper	30%	70%

## 6. Summary of results and potential actions

Metric	Result	Potential action
Average gender pay gap as a mean average	There is a slight difference for non-medical workforce (AfC, 2.2%) however the medical workforce has a pay gap difference of 16.4%. This is the difference between males and females average mean pay	Further investigation into data and advice on any proposed actions that may reduce the gap. An options paper produced for the Board to review.
Average gender pay gap as a median average	There is a slight difference for non-medical workforce (AfC, 1%) however medical workforce has a difference of 24%. This is the difference between males and females average Median pay	Further investigation into data and advice on any proposed actions that may reduce the gap. An options paper produced for the Board to review.
Average bonus gender pay gap as a median average	Male Clinical Excellence Award (CEA) pay less than female CEA pay	All female doctors written to and encouraged to apply for CEA if eligible and support

Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment	Higher proportion of males receiving CEA pay than females	offered to all doctors in submitting their applications
Proportion of males and females when divided into four groups ordered from lowest to highest	Higher proportion of males in the upper pay group than in the workforce overall. Higher proportion of females in the lower middle and upper middle pay group than in the workforce overall In the lower pay group the proportions (male/female) are one percent out from mirroring the overall workforce	Broader discussion at Board level on any actions that may reduce the gap in terms of gender pay imbalance against the overall Trust at lower and upper middle quartile – with more female than males and more males at upper quartile

## 7. Findings

Our data indicates that the Trust has a mean gender pay gap of 6.6% and a median gender pay gap of 4%. This is overwhelming in part due to pay within our medical workforce. Overall our gender pay gap shows that amongst the Agenda for Change grades, there is only a slight difference in pay between genders of 1-2%. The key area where there is a gap is within our medical staff, with a mean difference of 16.4%. One possible explanation for this is that we have a higher proportion of female medical staff in the lower grades compared to male medical staff who are more evenly split across grades.

This situation seems to be indicative of the national picture regarding medical staff where there is a disproportionately high number of female medical staff at the lower grades. This however is the reverse at the higher grades. A high level driver for this is that traditionally the medical workforce was predominantly male however over the last ten years; more women are entering the profession. This positive trend has however caused a disproportionate number of female medical staff to be at the lower bands of the profession causing the pay gap.

It is expected that over time this picture may change as female medical staff progress to higher grades. All being equal this will reduce the gap. The key action is to monitor female progression organisationally and ensure that there are no other factors that negatively impact this trend such as a high female attrition or internal structures restricting progression.

## 8. Conclusion

The Trust will need monitor and actively champion progression of all genders particularly female medical staff to senior medical careers. This will help readdress the current gender pay gap situation in the medical profession in a quicker time frame.

Conversely, further work may need to be undertaken to attract a higher number of male medical staff into the lower grades as this too could address the presenting imbalance. This would require working more broadly than the Trust to reverse the current national trend.