

## People Committee

<b>Date:</b>	23 March 2021	<b>Attachment Number:</b>									
<b>Title of Report:</b>	<b>Gender Pay Gap Report 2020</b>										
<b>Purpose of the report and the key issues for consideration/decision:</b>	<p>Gender Pay Gap (GPG) reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between male and female employees.</p> <p>Legislation usually dictates that all public sector bodies must publish their GPG by 31<sup>st</sup> March, however due to the continuing impact of the Coronavirus (COVID-19) pandemic; all organisations will have an additional six months after the current reporting deadline to report their gender pay gap information i.e. until 5 October 2021. It is still our intention to report our GPG information in line with previous reporting timelines as this data is readily available.</p> <p>The Trusts mean gender pay gap, based on hourly rate of pay, is 33.3% and the median rate of pay is 26.9%. This means that on average women's pay is 33.3% lower than males across the organisation. The national mean average gender pay gap for the public sector is 15.7%.</p> <p>The figure for the median pay gap is usually considered to be more representative of gender pay gap across the workforce, for Airedale this has increased from 24.6% in 2019 to 26.9% in 2020.</p> <p>The largest factor attributing to the high GPG is the medical and dental workforce where there are a high proportion of highly paid male employees (consultants) in comparison to the overall male workforce of the Trust.</p> <p>A number of actions have been identified in the Gender Pay Gap Report which will continue to support in addressing the gender pay gap, including:</p> <ul style="list-style-type: none"> <li>• Further training for staff</li> <li>• Review the outcomes of recruitment processes</li> <li>• Flexible working</li> <li>• Management of Clinical Excellence Awards</li> <li>• Consider Impact for Medical Workforce</li> <li>• Refresh Gender Staff Network</li> </ul> <p>People Committee members are asked to review the content and approve for publication the data and actions for the Trust.</p>										
<b>Prepared by:</b>	Holly Tetley, Head of HR Business Partner Service										
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<b>Strategic Objective(s) supported by this paper:</b>	<table border="1"> <tr> <td><b>Financial Sustainability</b></td> <td>X</td> <td><b>Empower &amp; Engage Staff</b></td> <td>X</td> </tr> <tr> <td><b>Quality of Care</b></td> <td>X</td> <td></td> <td></td> </tr> </table>			<b>Financial Sustainability</b>	X	<b>Empower &amp; Engage Staff</b>	X	<b>Quality of Care</b>	X		
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<b>Quality of Care</b>	X										
<b>Is this on the Trust's risk register:</b>	<table border="1"> <tr> <td><b>No</b></td> <td>X</td> <td><b>Yes</b></td> <td></td> <td><b>If Yes, Score</b></td> <td></td> </tr> </table>			<b>No</b>	X	<b>Yes</b>		<b>If Yes, Score</b>			
<b>No</b>	X	<b>Yes</b>		<b>If Yes, Score</b>							

<b>Which CQC Standards apply to this report:</b>	Well led																			
<b>Have all implications related to this report been considered: (please X)</b>	<table border="1"> <tr> <td data-bbox="517 297 963 360">Finance Revenue &amp; Capital</td> <td data-bbox="963 297 1034 360">X</td> <td data-bbox="1034 297 1402 360">Equality &amp; Diversity</td> <td data-bbox="1402 297 1506 360">X</td> </tr> <tr> <td data-bbox="517 360 963 425">National Policy/Legislation</td> <td data-bbox="963 360 1034 425">X</td> <td data-bbox="1034 360 1402 425">Patient Experience</td> <td data-bbox="1402 360 1506 425">X</td> </tr> <tr> <td data-bbox="517 425 963 492">Human Resources</td> <td data-bbox="963 425 1034 492">X</td> <td data-bbox="1034 425 1402 492">Terms of Authorisation</td> <td data-bbox="1402 425 1506 492"></td> </tr> <tr> <td data-bbox="517 492 963 560">Governance &amp; Risk Management (BAF)</td> <td data-bbox="963 492 1034 560">X</td> <td data-bbox="1034 492 1402 560">Other:</td> <td data-bbox="1402 492 1506 560"></td> </tr> </table>				Finance Revenue & Capital	X	Equality & Diversity	X	National Policy/Legislation	X	Patient Experience	X	Human Resources	X	Terms of Authorisation		Governance & Risk Management (BAF)	X	Other:	
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<b>Action Required: (please X)</b>	<table border="1"> <tr> <td data-bbox="509 620 687 689">Approve</td> <td data-bbox="687 620 730 689"></td> <td data-bbox="730 620 908 689">Discuss</td> <td data-bbox="908 620 951 689"></td> <td data-bbox="951 620 1182 689">Receive for information</td> <td data-bbox="1182 620 1230 689">X</td> <td data-bbox="1230 620 1485 689">Decision</td> <td data-bbox="1485 620 1517 689"></td> </tr> </table>				Approve		Discuss		Receive for information	X	Decision									
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<b>Previously Considered By:</b>	<table border="1"> <tr> <td data-bbox="520 741 1131 808">POD Governance meeting</td> <td data-bbox="1131 741 1249 808">Date:</td> <td data-bbox="1249 741 1501 808">16/03/21</td> </tr> </table>				POD Governance meeting	Date:	16/03/21													
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<b>Recommendations:</b>	The People Committee are asked to review the content and approve for publication the data and actions for the Trust.																			

# Gender Pay Gap Report

## (Trust only - 31 March 2020 snapshot)

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### 1.0 Introduction

Gender Pay Gap (GPG) reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between male and female employees.

It is important to highlight the difference between equal pay and gender pay gap. Equal pay deals with the pay **differences between men and women who carry out the same jobs, similar jobs or work of equal value**. It is unlawful to pay people unequally because they are a man or a woman. The gender pay gap shows the **difference in the average pay between all men and women in a workforce**. It is entirely possible to have a significant gender pay gap whilst having complete pay equality.

The GPG results must be published on the Trusts own website and the government site by 31<sup>st</sup> March each year.

Due to the continuing impact of the Coronavirus (COVID-19) pandemic, the Equalities and Human Rights Commission (EHRC) have announced that employers will have an additional six months after the current reporting deadline to report their gender pay gap information i.e. until 5 October 2021. It is still our intention to report our GPG information in line with previous reporting timelines as this data is readily available.

### 2.0 Reporting requirements

For the purposes of gender pay reporting, the definition of who is included as an employee is defined in the Equality Act 2010. This is known as an 'extended' definition which includes:

- employees (those with a contract of employment)
- workers and agency workers (those with a contract to do work or provide services)
- some self-employed people (where they have to personally perform the work)

All employees of Airedale NHS Foundation Trust who were employed by the Trust and on full pay on the snapshot date (31st March 2020) are included. Bank staff who worked a shift on that date are also included. For Consultants we include within 'pay' those payments made for Additional Programmed Activities (APA's), as well as Clinical Excellence Awards (CEA's).

Employees who are on half or nil absence or maternity leave, hosted staff (e.g. GP Trainees) and agency staff (do not have a contract) are not included.

Earnings in the GPG calculations do not include: Overtime pay - used to pay for additional hours worked on an ad-hoc basis, Redundancy or termination pay, Pay in lieu of annual leave, Interest free loans, Expenses, Reduced pay leave.

It is important for the Trust to be sensitive to how an employee chooses to self-identify in terms of their gender. The Trust has based our reporting on the gender identification an employee has provided. In cases where an employee does not self-identify as either gender, the Trust has omitted the individual from the calculations.

### 3.0 The Gender Pay Gap Data

Airedale NHS Foundation Trust is required to report annually on their gender pay gap in six different ways:

- the mean gender pay gap;
- the median gender pay gap;
- the mean gender bonus gap;
- the median gender bonus gap;
- the proportion of men and women who received bonuses; and
- the number of men and women according to quartile pay bands

The gender pay gap shows the difference in average earnings between all male full-pay relevant employees and all female full-rate relevant employees in the organisation.

The employee's eligible for inclusion in the report as at the 31st March 2019 was 3129 (excludes those on career break, maternity, adoption leave). The workforce gender split at the time was as follows, female – 2562 (81.8%), male – 567 (18.1%).

There has been a total workforce increase since the previous year of reporting at 31<sup>st</sup> March 2018 with a total workforce of 2859. The workforce gender split for the previous year of reporting was as follows female – 2358 (82.4%), male – 501 (17.6%). The difference in gender shows an increase in both the female and male workforce with females increasing by 8.7% and males increasing by 13% against the total workforce.

It is a common theme for Acute Trusts that Medical and Dental staff have a substantial impact on the Trusts Gender Pay Gap, as individuals in this staff group tend to be paid higher wages than other Trust employees.

Although Airedale currently has 49 female consultants and 91 male, because the Trust employs fewer men overall, the number of male consultants as a proportion of the overall male workforce is 16.05% and 2.91% of the **overall** workforce. Compared to female consultants who make up 1.91% of the overall **Female** workforce and 1.57% of the **overall** workforce. This demonstrates that the male consultant workforce, who are highly paid, will significantly contribute to the GPG for Airedale.

### 3.1 Mean and Median Gender Pay Gap

The below table provides the GPG reporting information and compares the March 2019 reporting period to the previous years' GPG.

	2018 Women's earnings are:	2019 Women's earnings are:	2020 Women's earnings are:
Mean gender pay gap in hourly pay	37.1% lower	34.81% lower	33.3% lower
Median gender pay gap in hourly pay	22.8% lower	24.6% lower	26.9% lower
Difference in mean bonus payments	32.0% lower	21.3% lower	18.9% lower
Difference in median bonus payments	33.3% lower	33.3% lower	38.9% lower

The data shows that the mean GPG has positively reduced from the previous year, one of the reasons for this can be due to an increase in overall employed females across GPG quartiles. The median GPG has however decreased. The reason for this could be a number of factors, including highly paid males increasing from the previous year.

### 3.2 Pay Gap by Hourly Rate

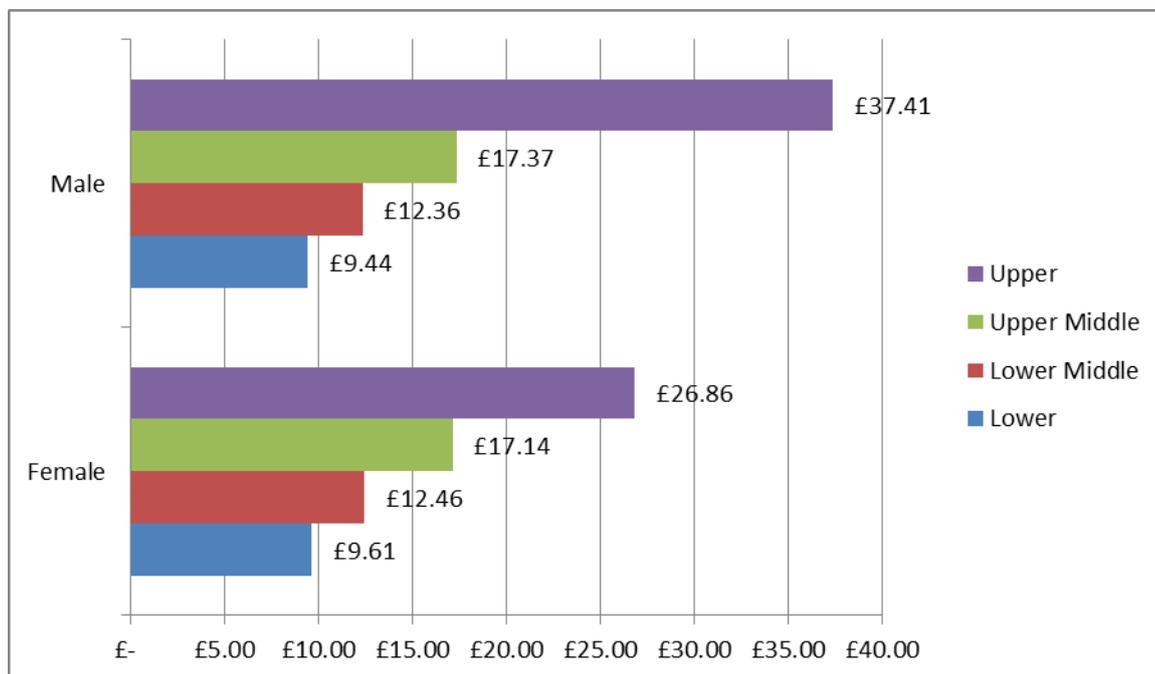
The below chart provides further analysis on the mean and median hourly rate of males compared to females employed by Airedale demonstrating the GPG.



### 3.3 Gender Pay Gap by Quartile (1 is low, 4 is high)

The table and graph below show the GPG by quartile for male and female employees as well as the gender split in each of these quartiles.

Quartile	Male			Female			Total
	Headcount	% Headcount	Mean (Average) Hourly Pay	Headcount	% Headcount	Mean (Average) Hourly Pay	
Lower (1)	94	12.02%	£9.60	688	87.98%	£9.63	782
Lower Middle	105	13.43%	£12.29	677	86.57%	£12.45	782
Upper Middle	121	15.65%	£17.46	652	84.35%	£17.24	773
Upper (4)	247	31.19%	£37.54	545	68.61%	£26.84	792
Total	567	18.12%	£23.95	2562	81.88%	£15.97	3129



Lower = £3.90\* to £10.68 per hour.

Lower Middle = £10.68 to £14.62 per hour.

Upper Middle = £14.62 to £19.82 per hour.

Upper = £19.82 to £210.75\*\* per hour.

\* This rate is for an apprentice HCSW paid the national apprenticeship rate

\*\* This rate is for a medical bank worker and not a true hourly rate ie. number of hours being claimed unknown

The Trust has an overall gender split of 81.8% female and 18.2% male. Compared to the overall gender split for the Trust there is a disproportionate number of males, 31.19% in the higher paid quartile (quartile 4) and only 68.61% female. This is a contributing factor to Airedale's GPG.

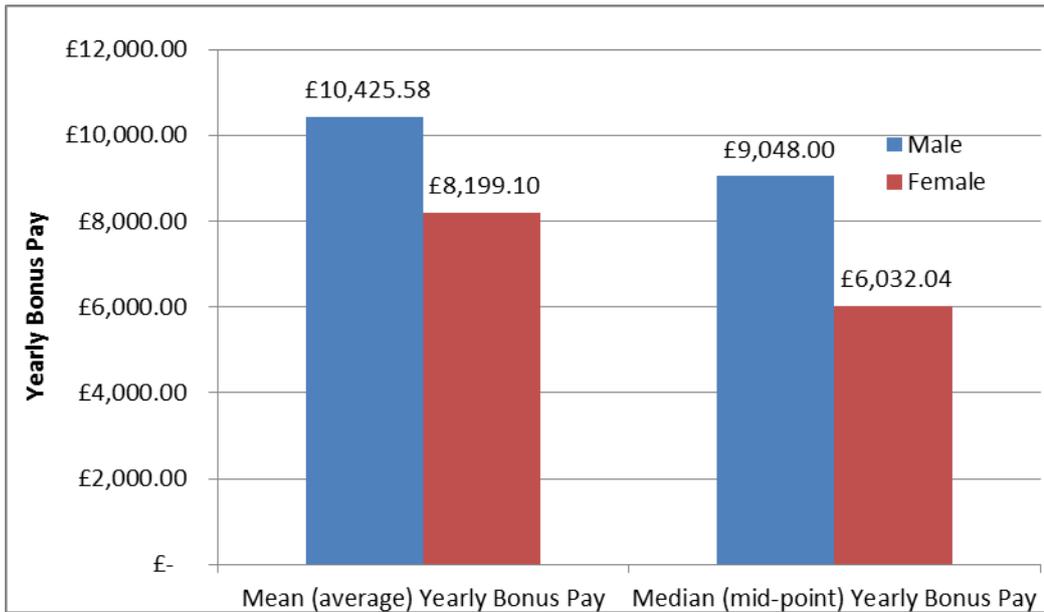
The table and graph above show that in quartile 1 – Lower, female employees are paid slightly more than male employees giving a gender pay gap of -0.03% or -£0.31p. In quartile 2 – lower middle, female employees are paid more than male employees giving a gender pay gap of -1.30% or -£0.16p. In quartile 3 – upper middle, male employees are paid slightly more than female employees giving a gender pay gap of 1.26% or £0.22p. In quartile 4 – upper, the gender pay gap increases to 28.50% or £10.70.

This is attributable to the high proportion of male consultants in the Trust (91 male Consultants compared to 49 female Consultants and is a slight increase of 1 headcount for males and decrease of 1 headcount for females based on the previous year reporting).

### 3.4 Mean and Median Bonus Pay Gap

The below table provides data on the bonus pay of employees of Airedale which has slightly decreased from the previous year's bonus pay which was for males and females 7% and 0.9% respectively.

<b>Gender</b>	<b>Mean (average) Yearly Bonus Pay</b>	<b>Median (mid-point) Yearly Bonus Pay</b>	<b>% Receiving Bonus</b>
Male	£9,770.37	£9,048.00	6.07%
Female	£7,926.59	£5,529.37	0.78%
£s difference	£1,843.78	£3,518.63	
% difference	18.87%	38.89%	



- The Trust has an average (mean) bonus pay gap of 18.87% or £1,843.78 per year.
- The Trust has a median bonus pay gap of 38.89% or £3,518.63 per year.

Bonus pay only includes Consultants Clinical Excellence Awards (CEAs) and discretionary points.

Although the median bonus pay gap has increased from the previous year which was 33% there is a downward trajectory in the mean bonus pay gap of 19% for 2020 compared to 21% in 2019 and 32% in 2018.

The number of CEAs awarded to females over the last two year period has not significantly changed with the ratio in female awards to male awards being significantly different as would be expected due to the split of females to males employed. An additional 2 females received an award in the 2019/2020 round which would attribute to the decline in the mean award.

The distribution of CEA awards over the last two years can be seen below:

Year	Male	Female
2019	65	40
2020	66	42

In 2020/21 CEA rounds an average of all CEAs awards was applied to all eligible consultants which will have an impact on the bonus GPG for 2020/21 reporting.

#### 4.0 Conclusion

Airedale is typical of most NHS Trust's, in that it has a higher number of females than males in its workforce – of the 3129 employees counted as part of the gender pay gap reporting, 2562 were female compared to 567 male.

The figure for the median pay gap is usually considered to be more representative of gender pay gap across the workforce, for Airedale this has increased from 24.6% in 2019 to 26.9% in 2020.

However there has been a slight reduction in the mean GPG from 34.81% in 2019 to 33.3% in 2020.

The mean gender pay gap for the whole of the Public Sector economy is 15.7% (ONS at October 2019). At 33.3% the Trust's mean gender pay gap is therefore, above that for the wider public sector.

In considering the quartile figures earlier in this report the chart shows that there are a higher proportionate percentage of males in the upper quartile than in the others when compared to the overall male headcount. This is the main contributing factor in the overall gender pay gap.

The Trust must also take into account that the pay of medical and dental colleagues has a significant contributing factor to the gender pay gap, which is seen across other acute providers in comparison. Medical and dental employees account for 21.19% of the GPG as a result of the higher proportion of males in Consultant and higher paid medical roles.

The Bonus pay gap is also driven by the higher proportion of males in receipt of CEA's as well as the fact they are in receipt of the high level CEA's.

## **5.0 Reducing the Gender Pay Gap**

We are committed to being an inclusive employer and taking positive steps to reduce the pay gap. During 2020/21 the global pandemic has impacted on the ability of the organisation to proactively take forward the steps previously identified following the 2019 GPG report, however a refreshed approach to address the gap is now being reviewed.

The Trust has a Gender Staff Network made up of a diverse range of staff representatives including medical employees. The Trust also supports an Inclusion Group which is a sub-committee of the People Committee. These groups will be asked to focus on the following actions:

### **Further training for staff**

Enhanced training will be delivered through 2020/21 to educate managers and employees on unconscious bias and their responsibilities under the Equality Act 2010. This will also include the promotion of fair and non-discriminatory people practices. The HRBP Team are refreshing the manager skills training aligned with the Trust's People Strategy for 2021/21 and the training will sit side by side to the leadership development programme, incorporating inclusion as a golden thread into its content.

### **Review the outcomes of recruitment processes**

The Trust will continue to monitor the outcomes of recruitment and selection processes with the aim of achieving a more even gender balance, particularly for roles identified in quartile 4 of the GPG.

### **Flexible working**

We recognise the importance of flexible working to all staff groups and particularly those with caring responsibilities, male and female. The Trust will be reviewing the commitment for 'flexibility from day one' as outlined in the NHS People Plan and this will be introduced during 2021/22. This approach will also support the attraction of females into leadership positions across the Trust.

## **Management of Clinical Excellence Awards**

In collaboration with members of our JLNC and Gender Staff Network we will review the CEA process and discuss innovative ways to address any barriers women may have in applying for CEAs. We have not seen significant movement in the number of CEAs that females have received, therefore this is an area of focus once we have clarity on the CEA process for 2021/22 rounds.

## **Impact for Medical Workforce**

The Gender Staff Network will receive further detail on the medical gender pay gap and discuss a plan on how they wish to address certain aspects, including access to training, CEAs, flexible working arrangements. The next meeting of the staff network planned for 17<sup>th</sup> March 2020 will re-start the conversation on this subject.

## **Gender Staff Network**

The Trust is committed to supporting its inclusion network and has recently aligned each group with an executive lead. From January 2021 Airedale's Executive Medical Director has become the executive sponsor for the group and will help develop a clear structure and terms of reference for the group, which hasn't yet been established. The Trust intends to progress appointment of a network chair and deputy in 2021 which will enable the work of the group to have clear focus and direction.

## **6.0 Recommendations**

The People Committee are asked to

- a) Review and discuss the content of this report
- b) Identify any additional areas of focus or actions not already documented
- c) Approve the publication of this report on the Trust and Government website as delegated by the Trust Board.