

Gender Pay Gap Report

(AGH Solutions Limited – 5 April 2022 snapshot)

1.0 Introduction

The gender pay gap legislation requires all UK employers with 250 employees or more to publish data every year showing how large the pay gap is between male and female employees. This includes the mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the number of men and women according to quartile pay bands.

As an organisation AGH Solutions Limited are committed to equality of opportunity in the workplace and promoting an inclusive culture. The AGH Solutions Limited pay gap shows the percentage difference between the average hourly rate of male employees and the average hourly rate of female employees.

Pay at AGH Solutions Limited, for all employees, is determined through a job evaluation scheme. Both the Agenda for Change and the local AGH Solutions schemes evaluate the job and not the post holder. It makes no reference to gender or any other characteristics of existing or potential job holders. This approach provides assurance that staff are paid the same pay for work of equal value.

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 gender pay gap shows the difference in the average pay between all men and women in a workforce.

The GPG results for the year ending 31st March 2022 must be published on the organisations own website and submitted nationally by 30th March 2023.

2.0 Reporting requirements

For the purposes of gender pay reporting, the definition of who counts 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)

For the purpose of the gender pay gap reporting, Agency workers will form part of the headcount of the agency that provides them, and not the employer they are on assignment to.

The data which will be published is based on staff employed by AGH Solutions Limited, taken from a snapshot date of 5 April 2022. The information is sourced from the Electronic Staff Record (ESR) system which holds our employee data.

All employees of AGH Solutions Limited who were employed on full pay on the snapshot date (5 April 2022) are included. Bank staff* who worked a shift on that date are also included.

**Bank staff – are paid irregularly, their working hours are the average number of the hours worked (excluding any hours worked overtime). This is found by dividing the total number of hours worked over the twelve weeks that end with the last complete week of the relevant pay period (5 April 2022). Weeks where no work has been done are substituted for an earlier week. Weeks where work has been done are included. ESR goes back as far back as the end of the last financial year to find 12 weeks in which a bank employee may have worked. If the bank employee has worked less than 12 weeks, the average is calculated on the number of weeks worked.*

Employees who are on half or nil absence or maternity leave, and agency staff are not included.

It is important for AGH Solutions Limited to be sensitive to how an employee chooses to self-identify in terms of their gender. The regulations do not define the terms 'male' and 'female' and the requirement to report gender pay will not result in any employees being singled out and questioned about their gender.

AGH Solutions Limited will base our reporting on the gender identification an employee has provided. In cases where an employee does not self-identify as either gender, the AGH Solutions will be required to omit the individual from the calculations.

Earnings in the gender pay gap calculations include:

- Basic pay
- Shift premium pay/shift allowance - a component of an employee's regular pay used to compensate for them working undesirable or inconvenient hours
- Full paid leave
- Allowances – responsibility allowance, group director and discretionary points (paid to medical staff)
- On call
- Salary sacrifice – we operate salary sacrifice schemes for lease car, bike scheme, and childcare. An employee's ordinary pay is based on their gross pay after and reduction for salary sacrifice.

Earnings in the gender pay gap 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
- Benefits in kind such as a company car
- Reduced pay leave

3.0 Gender Pay Gap Analysis

It is important to note that the AGH Solutions workforce has a high proportion of female employees and the majority of part-time positions are occupied by female employees. This therefore impacts negatively on the pay gap by making the gap between male and female employees wider. AGH Solutions has an overall gender split of 56.43% female and 43.57% male.

3.1 Gender Pay Gap Mean and Median

The gender pay gap shows the difference in average earnings between all men and women in the organisation. The mean gender pay gap is the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. The median gender pay gap is the difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

	Women's earning are: 2018	Women's earning are: 2019	Women's earning are: 2020	Women's earning are: 2021	Women's earning are: 2022
Mean gender pay gap in hourly pay	13.97% lower	5.39% lower	9.41% lower	8.95% lower	12.28% lower
Median gender pay gap in hourly pay	9.20% lower	6.63% lower	1.04% higher	0.00%	1.00% lower

There has been an increase in the mean gender pay gap and an increase in the median gap showing that men are paid proportionately higher than females.

3.2 Gender Pay Gap Hourly Rate



The table and graphs above show that AGH Solutions Limited gender pay gap is:

- Based on the mean (average) hourly pay is 12.28% or £1.63.
- Based on the median (mid-point) hourly pay is 1.00% or £0.10.

3.3 Gender Pay Gap by Quartile

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	42	36.84%	£9.89	72	63.16%	£9.81	114
Lower Middle	56	49.12%	£10.18	58	50.88%	£10.18	114
Upper Middle	41	35.34%	£11.38	75	64.66%	£11.11	116
Upper	61	53.04%	£19.76	54	46.96%	£16.45	115
Total	200	43.57%	£13.29	259	56.43%	£11.66	459



Quartile Ranges

Lower = £2.70 to £10.15 per hour.

Lower Middle = £10.16 to £10.19 per hour.

Upper Middle = £10.19 to £12.56 per hour.

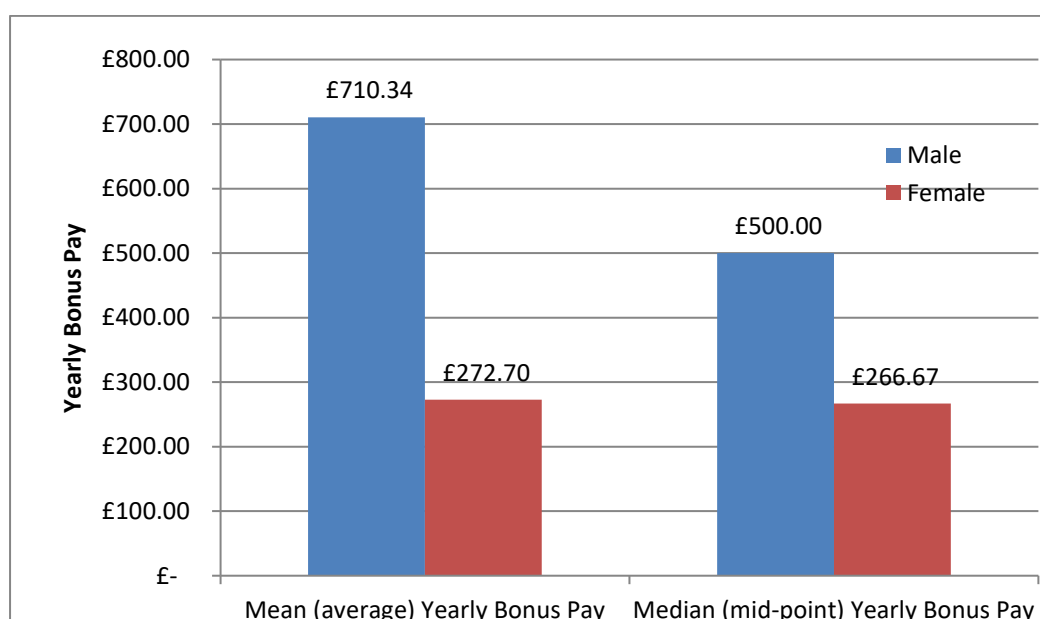
Upper = £12.63 to £56.85 per hour.

- The table and graph above show that in quartile 1 – Lower, male employees are paid slightly more than female employees. Male employees are paid £0.08p more giving a gender pay gap of 0.81%. In quartile 2 – lower middle, female employees are paid the same as male employees giving a gender pay gap of 0.00% or 0.00p. In quartile 3 – upper middle, male employees are paid slightly more than female employees giving a gender pay gap of 2.37% of £0.27p. In quartile 4 – upper, the gender pay increases to 16.75% or £3.31.
- AGH Solutions Limited has an overall gender split of 56.43% female and 43.57% male. There is a similar number of males in the lower & upper middle quartiles and the lower middle & upper quartiles.

3.4 Mean and Median Bonus Pay Gap

The below table provides data on the number of colleagues receiving a bonus and the overall bonus pay gap.

Gender	Mean (average) Yearly Bonus Pay	Median (mid-point) Yearly Bonus Pay	% Receiving Bonus
Male	£710.34	£500.00	50.00%
Female	£272.70	£266.67	21.00%
£s difference	£437.65	£233.33	
% difference	61.61%	46.67%	



- AGH Solutions Limited has an average (mean) bonus pay gap of 61.61%.
- AGH Solutions Limited has a median bonus pay gap of 46.67%.

The bonus pay gap is significantly high, which can be as a result of more males employed on AGHS terms and conditions of employment than females and therefore being in receipt of the AGHS bonus. The bonus payments for the period April 2021 to March 2022 related to the payments from the previous year as they are paid in arrears. This will be seen to improve in future year reports as the AGHS bonus scheme was disestablished in July 2021.

4.0 Conclusion

AGH Solutions is comparable with other NHS wholly owned subsidiaries, in that it has a higher number of females than males in its workforce although this gender split is not significantly statistical with 56.43% being female and 43.57% being male.

The national mean average gender pay gap in Public Sector economy is 13.6% (ONS, October 2022). For private sector organisations in 2022, the mean average gender pay gap is 16.7%. Among full time employees, the gender pay gap in April 2022 was 8.3%, which is an increase from the previous two years; this was 7.7% in April 2021; 7.0% in April 2020 and 9.0% in April 2019.

AGH Solutions mean gender pay gap of 12.28% in 2022 has increased from 2021 which was 8.95%. The gap is well below both the public and private sectors benchmarks and only 0.65% above the gap for all full-time employees.

The median gap has increased from the previous year and is 1.00% compared to 0.00% in 2021.

The Bonus pay gap is driven by the higher proportion of males in receipt of AGHS terms and conditions of employment.

5.0 Actions we continue to take to addressing gender pay gap:

As part of our commitment to tackling discrimination and advancing equal opportunities for all staff there are a number of measures already in place which go some way to address our gender pay gap, including:

- Offering shared parental leave and flexible working arrangements.
- Actively supporting women to return to work following maternity or adoption leave.
- Using anonymised application processes to reduce unconscious bias in recruitment.
- Having a comprehensive employee handbook which includes supporting employment policies which are regularly reviewed.
- Pay Strategy, Framework and Pay Policy being developed

5.1. Actions we are planning on taking to close the gap:

We are committed to being an inclusive employer and are taking positive steps to reduce the pay gap. A 2023/24 People Plan is being developed and this will include actions to take forward the steps outlined below.

Training and Development

The People Partnering Team will refresh the manager skills training to incorporate an equality and inclusion module as part of the programme and to ensure promotion of fair and non-discriminatory people practices. Unconscious biased recruitment and selection training was introduced in 2022 as part of the manager skills training.

Transition from Agenda for Change (AfC) band 1 to band 2

As part of AGH Solution's commitment to protect employees who transferred from the Trust those staff employed on AfC terms and conditions, AGHS will continue to offer those employees who chose to remain on band 1 grades the opportunity to transfer to band 2 in line with the AfC process.

Flexible working

We recognise the importance of flexible working to all staff groups and particularly those with caring responsibilities, male and female. AGHS management team will continue to review in 2023/24 the commitment for 'flexibility from day one' to be consistent with the Trust's principles as they adhere to the NHS People Plan. This approach will also support the attraction of females into leadership positions across the organisation. AGHS will also work alongside the Trust in the review of the flexible working policy and principles, which will also support recruitment and retention strategies.

Recruitment

An ongoing focus of the AGH Solutions People Plan will be for our recruitment to reflect the diversity of our community increasing the number of female staff especially in traditionally male dominated roles through alternative methods of recruitment. We will offer a range of work patterns that will attract individuals who are unable to work within the traditional working patterns offered. We have already been diversifying where job adverts are placed and reviewing available shift patterns to support recruitment.

Development Reviews

We understand that an effective performance development review process, which supports internal career opportunities and progression is a priority in the AGHS People Plan. Particularly focussing upon access to training and development for women in part time roles and the development of women into higher graded roles. We have revised the performance development review forms and will include development and career pathways as part of refresher training in 2023. We will also implement a Staff Development Policy.

Staff Voice Forum

Through our Staff Voice forum, we will gain an understanding of any gender equality issues. We continue to evaluate the format and role of representatives for this Forum in 2023.

Staff Networks

Staff networks will continue to be promoted and staff supported to attend, and this includes a Gender Staff Network where gender equality issues and support are discussed and actions identified, such as personal and career development, flexible working.

Values and Behaviours

We will be reviewing our values and behaviours and equality and inclusion; civility and respect will be a significant influence on this work.

6.0. Declaration

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Mike Atherton, Managing Director, AGH Solutions Limited