

GENDER PAY GAP 2018/19 REPORTING YEAR

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SUMMARY POSITION

This report details the results from the gender pay review analysis (March 2018) for University Hospitals Coventry and Warwickshire NHS Trust undertaken as part of the Equality Act 2010 specific duties.

1. Background and Context

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires employers to report their gender pay gaps for any year where they have a headcount of 250 or more employees with effect from 31 March 2017.

Employers must publish the results on their Trust website and the government website within 12 months.

It is important to note the difference between gender pay gap and equal pay as being:

- Equal pay relates to men and women earning equal pay for the same, or similar work.
- Gender pay gap refers to the difference between men and women's average pay within an organisation.

Generally, the average pay for women tends to be lower than men due to less women working in senior posts. There are a number of reasons for imbalances in pay which include:

- A higher proportion of women choose occupations that offer less financial reward (e.g. administration). Many high paying sectors are disproportionately made up of male workers (e.g. information and communications technology).
- A much higher proportion of women work part-time, and part-time workers earn less than their full-time counterparts on average.
- Women are still less likely to progress up the career ladder into high paying senior roles.

The regulations have been brought to highlight any imbalances in pay and allow employers to consider reasons for any inequality and take necessary steps.

2. Results

All Trust staff are included in the gender pay analysis including bank workers that the Trust pay directly. ISS staff have not been included as nationally ISS will be completing their own analysis for submission.

The calculations are based on all staff and on their net pay. The bonus gender pay gap for UHCW is based on the Consultant Clinical Excellence Awards (CEAs). NHS Employers guidance details that it is appropriate to include CEAs in the bonus pay calculations.

In December 2017 an ESR module was launched that enabled Trusts to enter their data into a pre-built system that would calculate the Gender Pay Gap in a way that could be benchmarked across the NHS.

The report includes data for both 2017 and 2018 to allow direct comparison between data.

This module has been used to produce the data for the six mandatory calculations for the Gender Pay Analysis for March 2018, as detailed below:

Calculation 1: Average gender pay gap as a mean average

Group	Average Mean Hourly Rate of Pay 2017	Average Mean Hourly Rate of Pay 2018	Comparison
Male	£23.98	£23.87	Positive decrease of 0.88% variation between female and male hourly mean pay
Female	£15.46	£15.60	
Difference	£8.52	£8.27	
Percentage Variance	35.53%	34.65%	

The mean hourly rate is calculated for each employee based on 'ordinary pay' which includes basic pay, allowances and shift premium pay.

The percentage variance for the average hourly rate of pay is just over 34.65% for 2018. This calculation is based on the average hourly rate of 6,445 Female staff compared to 1701 Male staff; because the average is calculated over different numbers of staff (there are approximately almost 3.8 times more female staff), some variance is to be expected.

When reviewing the Gender Pay analysis data it is important to note that the overall Trust gender split is 79% (Female) and 21% (Male) with a larger number of female staff employed in lower quartile (lowest paid) roles compared to men (see calculation table 6 – page 5).

The 2018 data illustrates that there has been a slight decrease in the mean hourly rate of pay for men from £23.98 (2017) to £23.87 (2018) and a slight increase in women’s pay from £15.46 (2017) to £15.60 (2018) reducing the overall gap in pay from £8.52 (2017) to £8.27 (2018).

Calculation 2: Average gender pay gap as a median average

Group	Median Hourly Rate of Pay (2017)	Median Hourly Rate of Pay (2018)	Comparison
Male	£19.53	£19.16	Positive decrease of 1.63% variation between female and male hourly median pay
Female	£14.15	£14.20	
Difference	£5.38	£4.96	
Percentage Variance	27.53%	25.90%	

The median rate is calculated by selecting the average hourly rate at the mid-point for each gender group. The percentage variance for the median hourly rate of pay is 25.90%.

As detailed within calculation table 6 (page 5) the largest proportion of male staff (39.86%) are employed within the upper pay quartile of posts and lowest proportion of male staff within the lower pay quartile (13.65%). This is the opposite for female staff with the highest proportion within the lowest pay quartile (86.35%) and lowest proportion of female staff within the highest pay quartile (60.14%).

Calculation 3: Average bonus gender pay gap as a mean average

Group	Average Bonus Payments (2017)	Average Bonus Payments (2018)	
Male	£15,876.27	£15,653.58	Positive decrease of 3.49% variation between female and male average mean bonus payments
Female	£7,990.79	£8,425.10	
Difference	£7,885.48	£7,228.47	
Pay Gap %	49.67%	46.18%	

Calculation 4: Average bonus gender pay gap as a median average

Group	Median Bonus Payments (2017)	Average Bonus Payments (2018)	
Male	£11,934.30	£12,053.96	Positive decrease of 2.75% variation between female and male average median bonus payments
Female	£4,952.95	£5,333.90	
Difference	£6,981.35	£6,720.07	
Pay Gap %	58.50%	55.75%	

Calculation 5: Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment

Group	Female		Male		
	2017	2018	2017	2018	
Reporting Year					Decrease in total number of bonus payments made. Negative decrease of 0.05% in females receiving bonus payments
Number of Staff Receiving Bonus Pay	44	44	119	115	
Total Employees	7,425	8,170	1,971	2,201	
% Variation	0.59%	0.54%	6.04%	5.22%	

In relation to the three tables above, it is important to note that the only bonus we apply is the Clinical Excellence Awards scheme, which is the same scheme that all other NHS Trusts apply. A Clinical Excellence Award is available to consultants who have at least one years' service with the opportunity to apply annually for the awards scheme. Consultants can apply every year until they reach the maximum CEA threshold. To gain the award consultants need to be able to demonstrate that they have made a difference above and beyond their role to research, innovative ways of working or developing the service.

Whilst, the total number of bonuses paid reduced by 4 staff in 2018, this reduction was within the male staff group. The number of female staff receiving a bonus remained the same in 2017 and 2018.

During 2018 the number of female Medical & Dental staff increased by 41 staff compared with an increase of 23 male staff. However, the overall proportion of Medical & Dental staff is 41% female and 58% male although, there has been 1% shift towards female staff in 2018.

Calculation 6: Proportion of Males and Females when divided into four groups ordered from lowest to highest pay.

Quartile	Female				Male			
	2017		2018		2017		2018	
	Total	%	Total	%	Total	%	Total	%
1 – Lower (lowest paid)	1702	86.88	1758	86.35	257	13.12	278	13.65
2 - Lower Middle	1682	84.95	1747	85.76	298	15.05	290	14.24
3 - Upper Middle	1704	86.28	1715	84.23	271	13.72	321	15.77
4 - Upper (highest pay)	1193	60.47	1225	60.14	780	39.53	812	39.86

- In order to create the quartile information all staff are sorted by their hourly rate of pay, this list is then split into 4 equal parts (where possible).
- When reviewing the quartile information it is important to take into account the types of roles available within the organisation and the different gender splits that occur within specific roles.
- The highest variances for the quartiles when compared to the overall Trust value are in the lower and upper quartiles.
- There is a higher proportion of female staff in the lower quartile; included in this quartile are Admin & Additional Clinical (HCA's) staff groups that have a higher proportion of female staff which is reflected in the calculation.
- The upper quartile has the highest proportion of Male staff.

In upper quartile there has been an increase of 32 staff in both the female and male staff groups with there still being a higher proportion of females employed (60.14%) compared to males (39.86%). However, due to the overall large number of females employed in the other three quartiles the overall average rates of pay for female staff remain lower than males.

In 2018, an additional 121 females were appointed into the lower quartiles compared to 13 males therefore, again this brings down the average rate of pay even if more women enter roles within then highest quartile.

3. Results & Context

Overall, the % gender pay gap within UHCW NHS Trust relates to higher proportion of male staff employed within the upper quartile (39.86%) and the highest proportion of women employed in the lower quartiles.

There have been positive decreases in the difference in average rates of pay between females and males in 2018 and it is expected that this decrease will continue.

It is recognised that traditionally there has been a higher proportion of males with Medical and Dental and managerial roles and it is important to note that the number of additional females employed within key staff groups during 2018 has increased as detailed below:

- Executive Team – 60% female (additional 2 female staff)
- Medical & Dental staff group – 41% female (additional 41 female staff)
- Agenda for Change (Band 8 above) – 65% female (additional 26 female staff)

It is expected as females within these staff groups progress that this will have a positive impact on the gender pay gap over the coming years.

Whilst, the above appointments will have had a positive impact it is important to note the following:

- Additional 121 females employed within the 2 lower pay quartiles within 2018 compared to 21 males based on vacancies. These roles will include Nursing and Healthcare Assistant roles which have traditionally been undertaken by women, with many newly qualified staff commencing at the bottom of the band.
- Overall, 50 females have retired in 2018 compared with 7 males. These staff will have been at the top of their pay band.

The impact of a high proportion of female staff commencing in post at the bottom of pay band and female staff retiring at the top of the pay band will have an impact on the difference between average pay for female and male staff. However, this cannot be viewed in isolated as it is recognised that there are other contributing factors which impact females in attracting higher levels of pay as previously outlined.

4. Next Steps

The following key actions are being taken forward to support the reduction in the gender pay gap.

- Increased promotion working options to support gender pay equality e.g. shared parental leave, flexible working etc. to existing staff and new applicants at all levels of posts across all staff groups linked to the Retention Plan 2019/2020.
- Additional work is undertaken to encourage women to apply for Clinical Excellence Award (CEAs) bonuses.
- Further focus on career development for women providing training and encouragement through support workshop (as part of Retention Plan 2019/2020), mentors and coaching.