

HULL AND EAST YORKSHIRE HOSPITALS NHS TRUST

GENDER PAY GAP REPORT 2017

1 BACKGROUND

New regulations that took effect on 31 March 2017 (The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017) require all public sector organisations in England employing 250 or more staff to publish gender pay gap information.

The gender pay gap shows the difference between the average (mean or median) earnings of all male and all female employees. It is expressed as a percentage of men's earnings. It is a measure of disadvantage.

The gender pay gap is not the same as equal pay. Equal pay is about ensuring men and women doing similar work or work that is different but of equal value (in terms of skills, responsibility, effort) are paid the same. A gender pay gap could reflect a failure to provide equal pay but it usually reflects a range of factors, including a concentration of women in lower paid roles and women being less likely to reach senior management levels.

The Regulations have been brought in to highlight any imbalance, the aim being to enable employers to consider the reasons for any inequality within their organisation and to take steps to address it. Additionally, nationally there is demand, by regulators and the public, for a move to greater pay transparency.

Closing the gender pay gap is not just about achieving gender equality but also about boosting the economy given the cost of the under-utilisation of women's skills to the UK economy, and the impact on productivity. The Government anticipates that reducing the gap at workforce level will help to narrow the gap at a national level.

Gender pay gaps are the outcome of economic, cultural, societal and educational factors. Whilst also reflecting personal choice, the outcome of the choice is strongly influenced by matters outside individual control, and it is still the case that women's choices are more constrained than those of men. The key influences, which are complex and feed into each other, include unpaid caring responsibilities, part-time working, differences in human capital, occupational segregation, undervaluing of women's work and pay discrimination.

2 NHS PAY STRUCTURE

The majority of staff at the Trust are paid on the national Agenda for Change Terms and Conditions of Service. The basic pay structure for these staff is across 9 pay bands and staff are assigned to one of these on the basis of job weight as measured by the NHS Job Evaluation System. Within each band there are a number of incremental pay progression points.

Medical and Dental staff have different sets of Terms and Conditions of Service, depending on seniority. However, these too are set across a number of pay scales, for basic pay, which have varying numbers of thresholds within them.

There are separate arrangements for Very Senior Managers, such as Chief Executives, Directors and Casual Worker staff.

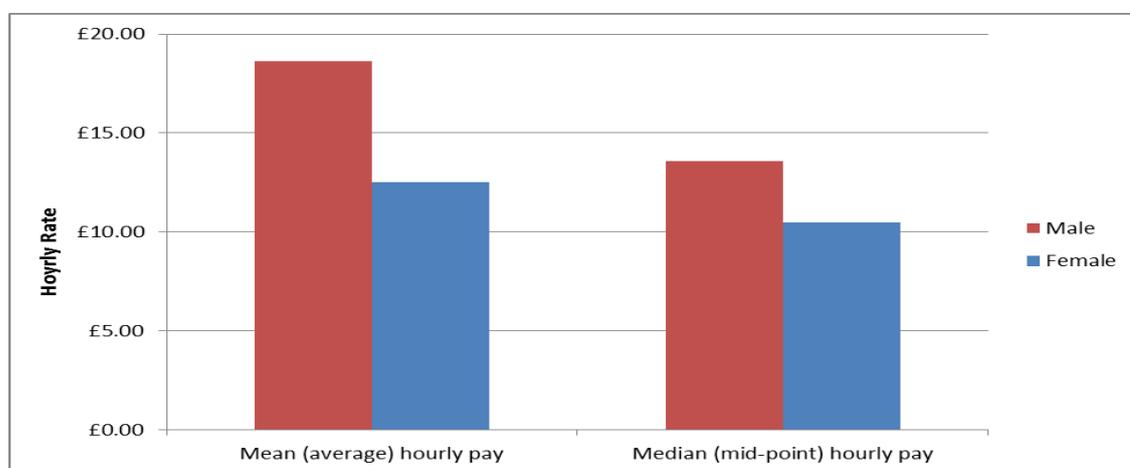
3 GENDER PAY GAP DATA 2017

The figures set out below have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, utilising the national NHS Electronic Staff Record Business Intelligence report functionality.

Hull and East Yorkshire Hospitals NHS Trust's Gender Pay Gap Data for the snapshot date of 31 March 2017 is as follows;

Mean and Median Gender Pay Gap

Gender	Mean (average) hourly pay	Median (mid-point) hourly pay
Male	£18.63	£13.60
Female	£12.51	£10.48
£s difference	£6.12	£3.12
% difference	32.85%	22.89%



- The mean gender pay gap is **32.85%** (i.e. this means that women's average earnings are 32.85% less than men's).
- The median gender pay gap is **22.89%** (i.e. this means that women's average median earnings are 22.89% less than men's).

Note; Gender pay gap calculations are based on ordinary pay which includes; basic pay, allowances (including shift premiums), extra amounts for on-call, pay for leave but excludes; overtime, expenses, payments into salary sacrifice schemes (even though employees opted into the schemes voluntarily, as they provide a benefit in kind), and Pensions.

Key Findings

- The Trust has an overall gender split of 77.30% female and 22.70% male staff. The mean and median gender pay gap can be explained by the fact that while men make up only 22.70% of the workforce, there are a disproportionate number of males, 38.87% in the highest paid quartile, predominantly medical staff.
- The Trust's median gender pay gap is 22.89% in favour of males compared to the national average of 18.1 per cent in favour of males (ONS data from the Annual Survey of Earnings and Hours).
- Medical staff pay has a strong impact on the mean and median data. If Medical staff were excluded from the data above the mean (average) hourly pay gap is 7.45% or £0.95, and the median (mid-point) hourly pay is 3.27% or £0.34.

Nationally the Consultant workforce is predominately male. In recent years women have made up the majority of medical graduates, and this should impact on data in the years ahead.

Pay Quartiles by Gender

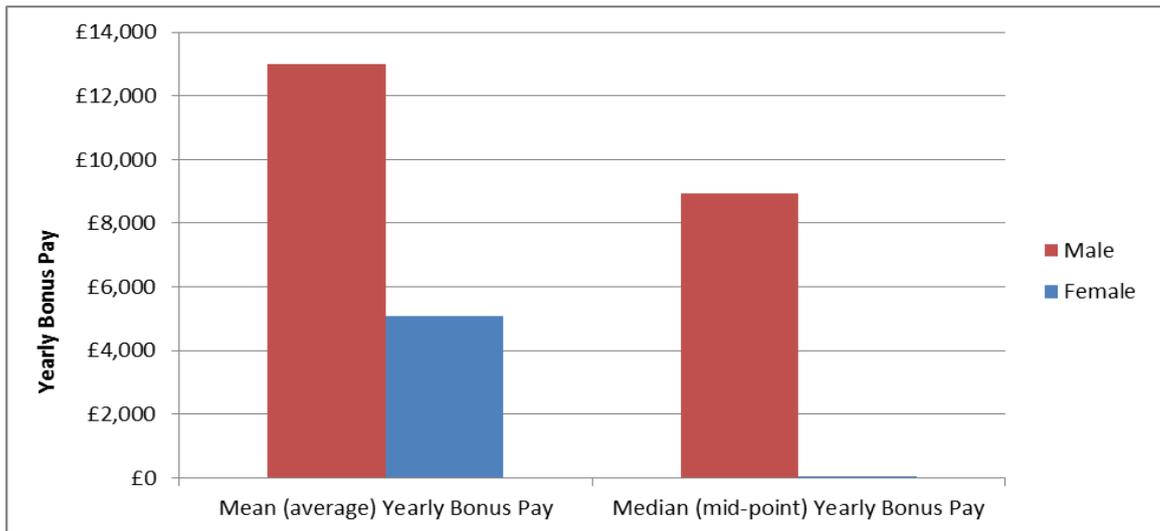
Quartile Pay	Males	Females
Lower	18.87%	81.13%
Lower Middle	14.20%	85.80%
Upper Middle	18.87%	81.13%
Upper	38.87%	61.13%

Key Findings

- Based on the Trust's overall gender split (77.30% female and 22.70% male), there is no significant gender pay gap in the lower, lower middle and upper middle quartiles. There are a disproportionate number of males, 38.87%, in the upper quartile with 61.13% being female. There is a mean gender pay gap of 26.50% and £7.91 in the upper quartile.
- Within the Medical staff group there is a disproportionate gender split (35.99% females and 64.01% male). In the Upper Quartile for Medical staff the split is 30.82% female and 69.18% male. This group accounts for the majority of the Trust's highest earners.
- The Trust has a split of 58.35% full time and 41.65% part time staff. 93.24% of part time staff are female. The majority of part time staff (69.97%) are in the lower quartiles.
- Only 25.41% of staff in the upper quartile are part time. This is disproportionate when compared with the Trust wide figure of 41.65% of staff being part time.
- The gender pay gap calculations are based on pay excluding payments made into salary sacrifice schemes (even though employees opt into the schemes voluntarily, as they provide a benefit in kind). As payment into these schemes reduces the salary and hourly rate of pay this has impacted on the Trust's data, including the mean female average and where females fall in pay quartiles. The Trust operates a number of salary sacrifice schemes. 80% of female staff pay into salary sacrifice schemes compared to 20% of male staff, particularly the high values schemes i.e. Family Car Lease and Childcare Vouchers. This is especially so in the Upper Middle quartile.

Mean and Median Gender Bonus Gap

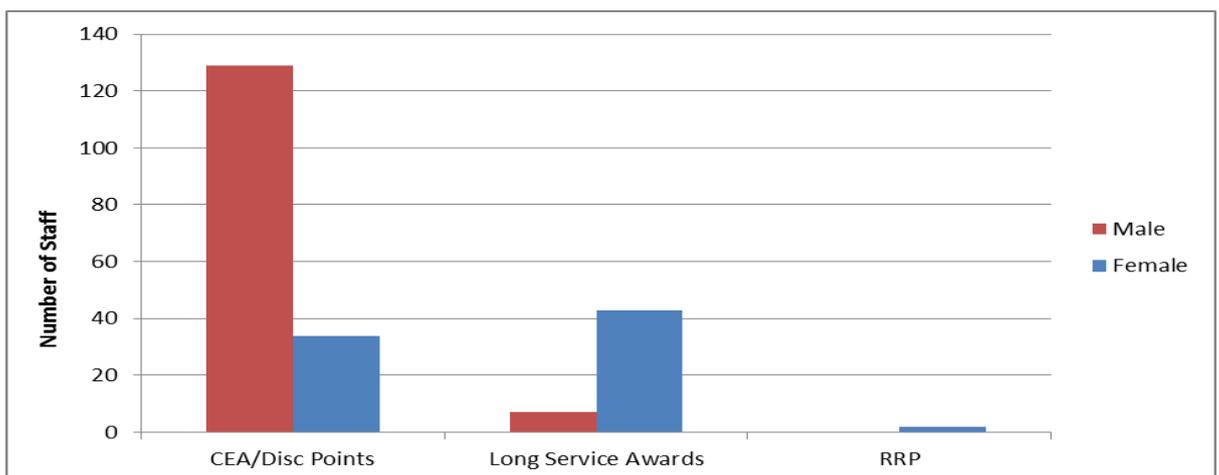
Gender	Mean (average) Yearly Bonus Pay	Median (mid-point) Yearly Bonus Pay
Male	£13,002.27	£8,950.75
Female	£5,068.31	£50.00
£s difference	£7,933.96	£8,900.75
% difference	61.02%	99.44%



- The mean gender bonus gap is 18.03% when long service awards* are excluded from the data, rising to **61.02%** when they are included in line with national guidance.
- The median gender bonus gap is 36.99% when long service awards* are excluded from the data, rising to **99.44%** when they are included.
- The proportion of male employees receiving a bonus is 6.43% excluding long service awards* (**6.78%** when included) and the proportion of female employees receiving a bonus is 0.53% excluding long service awards (**1.17%** when included).

Bonus Type by Gender

Bonus Type	Female	Male	Total
CEA/Disc Points	34	129	163
Long Service Awards	43	7	50
RRP	2	0	2
Total	79	136	215



Key Findings

- The Trust has three types of bonus that meet reporting requirements – Clinical Excellence Awards (which are awarded based on the performance of Consultant

Medical Staff subject to national and local eligibility criteria), Long Service Awards and Recruitment and Retention Premia.

- *The Trust's gender bonus data is significantly distorted by the Trust's Long Service award scheme as given the gender makeup of our workforce more females receive this. Calculations have therefore been made both including and excluding this data. Including long service awards, the median bonus pay for females is £50. Excluding long service awards, the median bonus pay for females is £5,718.59. This compares to £8,950.75 and £9,075.17 for males.
- The Long Service Award scheme is applicable to any employee, whether male or female, who has achieved 25 years substantive service within the NHS. Staff are invited to attend an awards ceremony to be presented with a certificate and a token gift to the value of £50, or a donation of the same value to a registered charity of their choice, in recognition of their contribution and commitment.
- If long services awards are excluded, the mean bonus pay gap reduces from 61.02% (£7,933.96) to 18.03% (£2,471.44) and the median bonus pay gap reduces from 99.44% (£8,900.75) to 36.99% (£3,356.58).
- The difference in bonus pay is also driven by the availability of higher bonuses for Consultant Medical staff where there is a greater proportion of men. CEA and Discretionary points account for 76% of all bonuses awarded. Those eligible for CEA/Discretionary points are consistent with the Consultant gender split (35.99% female and 64.01% male), however when it comes to applying, 7.71% fewer females applied than were eligible, with 20.86% of females and 79.14% males receiving CEA and discretionary payments.

Note; In order to tackle the distinct issues underpinning the gender pay gap in medicine and to help monitor progress in July 2016 the Secretary of State for Health announced an independent review of how the gender pay gap can be eliminated in medicine.

4 SUMMARY OF RESULTS AND ACTIONS

The Trust is committed to ensuring all staff are treated and rewarded fairly irrespective of gender.

The Trust is using the workforce gender pay gap figures, which highlight that there are aspects to address, to help understand the underlying causes for its gender pay gap and to identify suitable steps to minimise it.

The Trust gender pay gap data, which shows the difference in average pay between men and women in the workforce, reflects that it has a majority of men in higher-paid roles, predominantly medical staff. The Trust's mean and median gender pay gap figures are higher than the average national figures, but comparable with other large Acute NHS Trusts. The Trust's bonus data, excluding long service awards, is also comparable to other large Acute Trusts with a high proportion of Medical staff.

The Trust is committed to addressing the gender pay gap and is undertaking a range of actions and initiatives to reduce this including;

- Further developing its evidence base of data to ensure effective gender monitoring is in place.
- Reviewing output of exit and retention data to better understand any blocks to gender pay progression and to identify and implement actions to improve this.
- Reviewing and updating appropriate policies and practises, for example recruitment and selection, in partnership with staff side representatives and managers.

- Reviewing training, including the introduction of mandatory Equality and Diversity training for all staff, and greater emphasis on unconscious bias in Recruitment and Selection training.
- Taking steps to make the most of flexible working, including a review of flexible working arrangements across the Trust, removing barriers to this, and ensuring that the Trust's culture supports staff to do so at all levels, including senior staff and Medics.
- Encouraging female participation in leadership development programmes and reviewing career and talent development opportunities so that capable employees of both genders can progress, including the launch of a Coaching and Mentoring Network.
- Reviewing reward processes to ensure fairness and consistency in their approach and application.
- Undertake a separate detailed analysis of medical and dental pay arrangements and take steps to encourage a greater proportion of eligible female Consultants to apply for clinical Excellence Awards.

Solutions to the gender pay gap lie in culture changes both in society and organisations. None of the initiatives will, in themselves, remove the gender pay gap, and it may be several years before some have any impact at all. In the interim the Trust is committed to reporting on an annual basis on what it is doing to reduce the gender pay gap, and the progress it is making.