

# Hull University Teaching Hospitals NHS Trust

## Gender Pay Gap Reporting

### 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 Government anticipates that reducing the gap at workforce level will help to narrow the gap at a national level, and hence boost the UK economy.

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.

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 (the system measures the job and not the post holder). This makes no reference to gender or any other personal characteristics of existing or potential job holders. Within each band there are a number of 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, and Directors. There are also separate arrangements for Casual Workers.

### 3 GENDER PAY GAP DATA 2018

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.

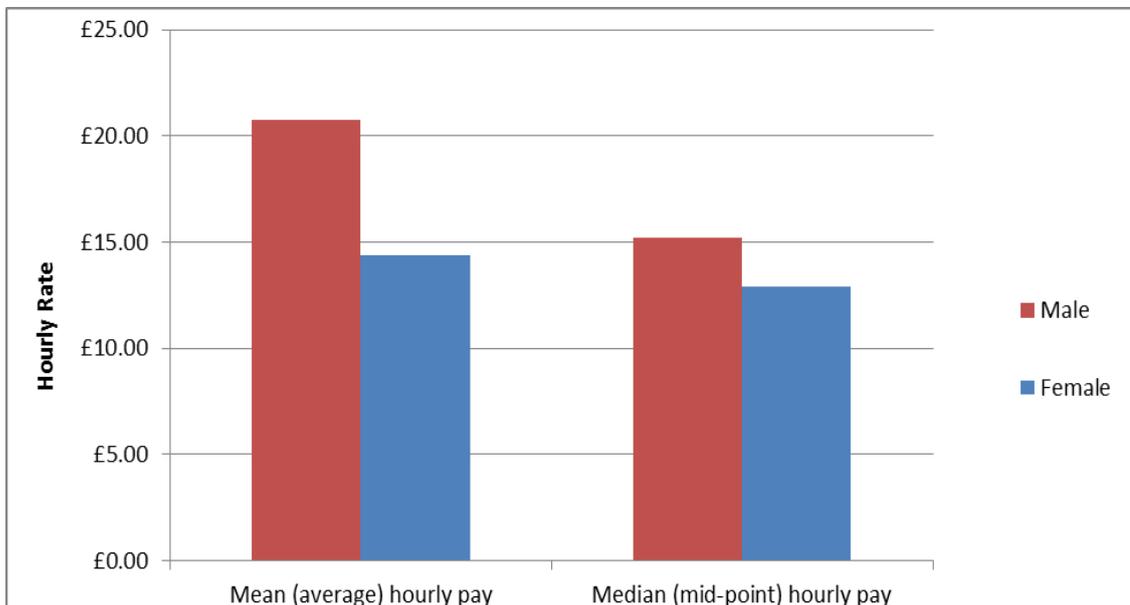
The analysis does not look at whether there are differences in pay for men and women in equivalent posts. Therefore the results will be affected by differences in the gender composition across the Trust's various professional groups and job grades.

National reporting requirements require the Trust to report the six gender pay gap measures to one decimal point (these six measures are shown in bold italics throughout the document), however to assist the Trust better analyse the data and progress made, the data is shown to two decimal places.

Hull and East Yorkshire Hospitals NHS Trust's Gender Pay Gap Data for the snapshot date of 31 March 2018 is as follows;

#### 3.1 Mean and Median Gender Pay Gap

Gender	Mean (average) hourly pay	Median (mid-point) hourly pay
<b>Male</b>	£20.79	£15.21
<b>Female</b>	£14.40	£12.91
<b>£s difference</b>	£6.39	£2.30
<b>% difference</b>	30.74% <b>(30.7%)</b>	15.12% <b>(15.1%)</b>



- The mean gender pay gap is 30.74% (i.e. this means that women's average earnings are 30.74% less than men's).
- The median gender pay gap is 15.12% (i.e. this means that women's average median earnings are 15.12% less than men's).

Note; Gender pay gap calculations are based on ordinary pay which includes; basic pay (including for Medical and Dental staff Additional Programmed Activities), 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), Clinical Excellence Awards and Pensions.

### 3.1.1 Key Findings

- The Trust has an overall gender split of 76.87% female and 23.13% male staff. The mean and median gender pay gap can be explained by the fact that while men make up only 23.13% of the workforce, there are a disproportionate number of males, 38.25% in the highest paid quartile, predominantly medical staff.
- The mean gender pay gap for the whole economy (according to the October 2018 Office for National Statistics Annual Survey of Hours and Earnings figures) is 17%, while the Trust's mean gender pay gap is 30.74% in favour of males. The median gender pay gap for the whole economy is 17.9%, compared to the Trust average of 15.12%. Whilst the Trust's median figure is lower than the national average the mean figure is not.
- 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 3.61% or £0.51, and the median (mid-point) hourly pay is 0.32% or £0.04. 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.

### 3.2 Pay Quartiles by Gender

Quartile	Male			Female			Total
	Headcount	% Headcount	Mean (Average) Hourly Pay	Headcount	% Headcount	Mean (Average) Hourly Pay	
Lower	392	18.99% <b>(19%)</b>	£8.64	1672	81.01% <b>(81%)</b>	£8.80	2064
Lower Middle	350	16.97% <b>(17%)</b>	£11.64	1713	83.03% <b>(83%)</b>	£11.46	2063
Upper Middle	378	18.32% <b>(18.3%)</b>	£15.41	1685	81.68% <b>(81.7%)</b>	£15.71	2063
Upper	789	38.25% <b>(38.2%)</b>	£33.45	1274	61.75% <b>(61.8%)</b>	£23.95	2063
Total	1909	23.13% <b>(23%)</b>	£20.79	6344	76.87% <b>(77%)</b>	£14.40	8253

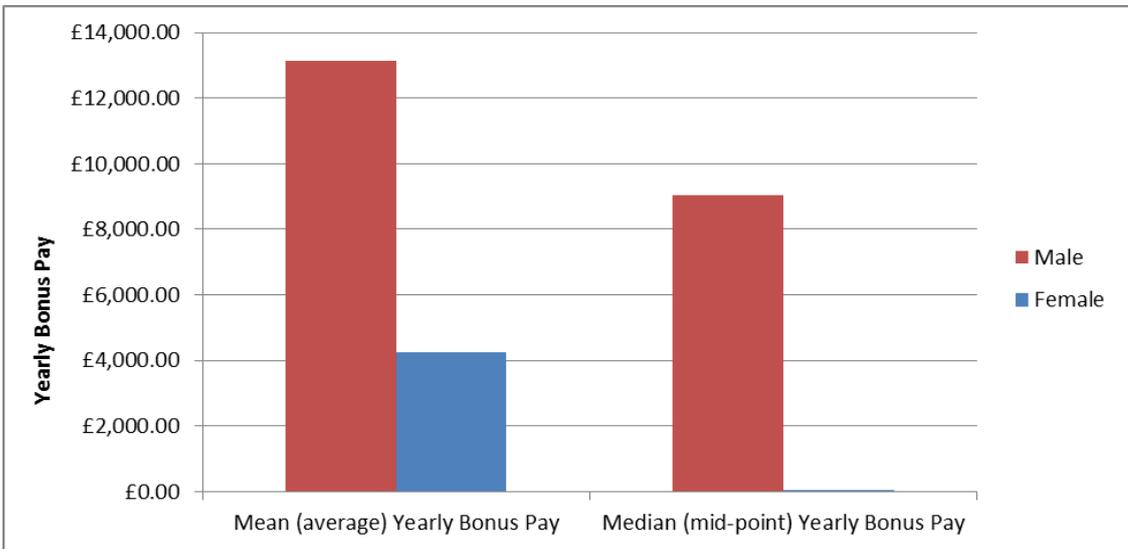


**3.2.1 Key Findings**

- Based on the Trust’s overall gender split (76.87% female and 23.13% male), there is no significant gender pay gap in the lower, lower middle and upper middle quartiles. There are a disproportionate number of males, 38.25%, in the upper quartile compared to 61.75% being female. There is a mean gender pay gap of 28.40% and £9.50 in the upper quartile.
- Within the Medical staff group there is a disproportionate gender split (34.87% females and 65.13% male). In the Upper Quartile for Medical staff the split is 32.19% female and 67.81% male. Medical staff account for the majority of the Trust’s highest earners.
- The Trust has a split of 58.57% full time and 41.43% part time staff. 92.54% of part time staff are female. The majority of part time staff are in the lower quartiles (58.47% are in the lower and lower middle).
- Only 27.87% of staff in the upper quartile are part time. This is disproportionate when compared with the Trust wide figure of 41.43% of staff being part time. 90.09% of these are female staff.
- The gender pay gap calculations are based on pay excluding the value of payments made into salary sacrifice schemes (even though employees opt into the schemes voluntarily, as they provide a benefit in kind). The Trust operates a number of salary sacrifice schemes. 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 (i.e. they might otherwise fall into a higher quartile). 80.39% of those who pay into salary sacrifice schemes are female staff compared to 19.61% of male staff, particularly the high values schemes i.e. Family Car Lease and Childcare Vouchers. This is especially so in the Lower Middle and Upper Middle quartiles.

**3.3 Mean and Median Gender Bonus Gap**

Gender	Mean (average) Yearly Bonus Pay	Median (mid-point) Yearly Bonus Pay
Male	£13,153.50	£9,040.50
Female	£4,236.09	£50
£s difference	£8,917.41	£8,990.50
% difference	67.79% <b>(67.8%)</b>	99.45% <b>(99.5%)</b>



### 3.3.1 Key Findings

- The mean gender bonus gap is 30.03% when long service awards\* are excluded from the data, rising to 67.79% when they are included in line with national guidance.
- The median gender bonus gap is 36.67% when long service awards\* are excluded from the data, rising to 99.45% when they are included.

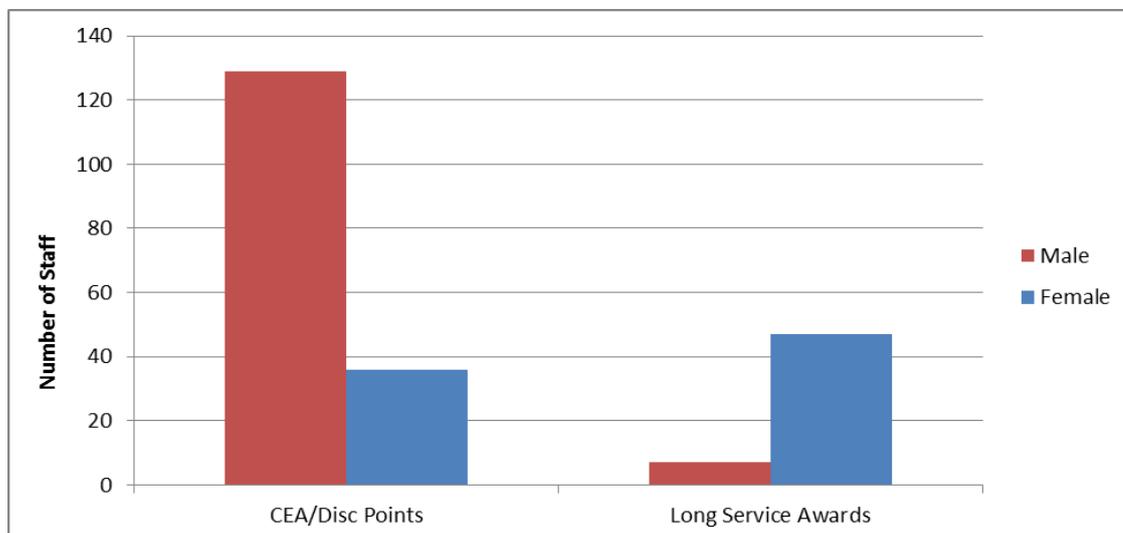
### 3.4 Bonus Distribution by Gender

Gender	% Receiving Bonus
Male	7.12% <b>(7.1%)</b>
Female	1.08% <b>(1.1%)</b>

- The proportion of male employees receiving a bonus is 6.76% excluding long service awards\* (7.12% when included) and the proportion of female employees receiving a bonus is 0.57% excluding long service awards (1.08% when included).

### 3.5 Bonus Type by Gender

Bonus Type	Male		Female		Total Headcount
	Headcount	%	Headcount	%	
CEA/Discretionary	129	78.18	36	21.82	165
Long Service Awards	7	12.96	47	87.04	54
<b>Total</b>	<b>136</b>	<b>62.10</b>	<b>83</b>	<b>37.90</b>	<b>219</b>



### 3.5.1 Key Findings

- This year the Trust has two types of bonus that meet reporting requirements – Clinical Excellence Awards (CEAs - which are awarded based on the performance of Consultant Medical Staff subject to national and local eligibility criteria in recognition of excellent practice over and above contractual requirements), and Long Service Awards.
- \*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 an award. 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 £5,725.61. This compares to £9,040.50 for males (the figure is the same inclusive or exclusive of the long service award).

- 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 67.79% (£8,917.41) to 30.03% (£4,163.27) and the median bonus pay gap reduces from 99.45% (£8,990.50) to 36.67% (£3,314.89).
- The difference in bonus pay is also driven by the payment of higher (accumulated) bonuses for Consultant Medical staff where there is a greater proportion of men. CEA and Discretionary points account for 75.34% of all bonuses awarded. Those eligible for CEA/Discretionary points are consistent with the Consultant gender split (25.65% female and 74.35% male), however when it comes to applying, fewer females applied than were eligible compared to males.
- The proportion of male medical staff currently receiving accumulated CEAs is higher than females (78.18% male compared to 21.82% female).
- Within the 12 months up to 31 March 2018 the proportion of male medical staff who applied for and received a new CEA was 53.66%, for females this was higher at 71.43%.
- A greater number of the Trust's female Consultants work flexibly on a part-time basis (6.49% male, 25.24% female). This distorts both the mean and median bonus pay as CEA bonus payments are pro-rated for part-time employees. This part-time split is reflected in those with CEAs (6.25% of male CEAs are for part-time Consultants, 25% of Female CEAs are for part-time Consultants).

#### **4 NATIONAL CHANGES**

The Department of Health and Social Care has set up an independent review to understand the causes of the gender pay gap in medicine and to make implementable recommendations to narrow it. This will look at the pay gap across doctors' careers and in different areas of medicine.

Nationally agreed changes to the local Clinical Excellence Awards scheme effective from 1 April 2018 will impact on the Trust Gender Pay Gap data. Whilst existing local awards awarded prior to April 2018 will remain consolidated and pensionable until at least 2021, new local awards post April 2018 will be time limited, payable for up to three years and non-pensionable. These changes will impact on the 2019 Gender Pay Gap report, as awards are made retrospectively.

Reform of the pay structure for Agenda for Change staff as part of the 3-year pay deal (covering the years 1 April 2018 to 31 March 2021), which includes the removal of a number of pay points from pay bands, the removal of overlaps between pay bands, shorter timeframes to progress to the top of pay bands, the move away from automatic annual progression), and upskilling of band 1 to band 2 will gradually have an impact for staff paid under these terms and conditions. Again this will impact on the 2019 Gender Pay Gap Report.

These national changes will be pivotal in helping reduce the Trust's gender pay gap.

#### **5 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 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 the Trust has a majority of men in higher-paid roles, predominantly medical staff.

The Trust's mean gender pay gap at 30.74% has reduced since the 2017 report (32.85%) but remains higher than the average national figure of 17%. The Trust's median gender pay gap has reduced significantly (from 22.89% to 15.12%) to below the national average of 17.9%. Excluding medical and dental staff these figures would be 3.61% and 0.32% respectively. The Trust's bonus data (excluding long service awards) remains high, but is comparable to other large Acute Trusts with a high proportion of Medical staff, who have paid CEAs.

Both the mean and median hourly pay gap percentages across the health sector are significantly affected by the presence of the Medical consultant body due to both their high base wage and the Clinical Excellence Awards bonus scheme (that follows national guidance).

#### **5.1 What Have we Done to Date?**

- Reviewed output of exit data to better understand blocks to gender pay progression, to help identify and implement actions to improve this.
- Reviewed training, including the introduction of mandatory Equality and Diversity training for all staff, to include greater emphasis on unconscious bias in Recruitment and Selection training. This has incorporated reviewing the values based recruitment element of the recruitment process to tap into inclusive behaviour more directly.
- A Coaching and Mentoring Network is in place within the Trust, with two of our qualified coaches trained in Coaching for Inclusion practices.
- Gender Pay Gap Report for Medical and Dental staff tabled at relevant Groups/committees.
- Encouraged a greater proportion of eligible female Consultants to apply for local Clinical Excellence Awards; some of the Trust's current higher level local female award holders kindly agreed to provide mentorship to any female Consultants who were thinking of submitting an application for the 2018 round of awards.
- As part of the Trust's commitment to developing a comprehensive 'grow our own' approach across all staff groups, increased the number and range of apprenticeships (with 200 apprentices now in post), and promoting these as non-stereotypical male/female roles.

#### **5.2 Next Steps**

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 the evidence base of data to ensure effective gender monitoring is in place, for example increasing the frequency of targeted recruitment reports by demographics, for medical and dental staff.
- Continue to review and update appropriate policies and practises, for example recruitment and selection, in partnership with staff side representatives and managers.
- 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.

- Analyse data from recent retention surveys. This includes both a nurse retention survey and a survey sent to nursing staff who are within 5 years of retirement, to ascertain what would make them consider flexible retirement and remain working for the Trust.
- Encouraging female participation in leadership development programmes and reviewing career and talent development opportunities so that capable employees of both genders can progress.
- Reviewing reward processes as part of implementation of national changes to terms and conditional to ensure fairness and consistency in their approach and application.
- Continue to produce a separate Gender Pay Gap report for Medical and Dental staff to help monitor progress, including the result of national changes made to local CEA schemes (which will start to impact in the next reporting period – 31 March 2019).
- Continue to encourage a greater proportion of eligible female consultants to apply for CEA awards.
- The Government Equalities Office has just (February 2019) published new guidance<sup>1</sup> to help employers close the gender pay gap. These will be reviewed and actioned accordingly.
- The Trust has signed up (with a number of other Trusts) to a research project by the Behavioural Insights Team (which works in conjunction with the Government Equalities Office to work towards gender equality in the NHS) to help the Trust explore evidence-based initiatives to reduce the gender pay gap in relation to CEAs.

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.

Nationally most of the issues driving gender pay gaps require a longer term view. The gap in both the Trust's mean and median gender pay shows there is more work to be done. The Trust will take steps to reduce our pay gap and continue to explore best practise across the sector and beyond.

---

<sup>1</sup> 'Reducing the Gender Pay Gap and Improving Gender Equality in Organisations: Evidence-based Actions for Employers' and 'Eight Ways to Understand your Organisation's Gender Pay Gap'