

AGENDA ITEM:

REPORT TO: Board of Directors, Gloucestershire Health and Care
NHS Foundation Trust

PRESENTED BY: Neil Savage, Director of HR and Organisational
Development

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Planning
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SUBJECT: GENDER PAY GAP REPORT 2019

2gether NHS Foundation Trust and

Gloucestershire Care Services NHS Trust

If this report cannot be discussed at a public Board meeting, please explain why.	
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This report is provided for:
Decision <input checked="" type="checkbox"/> Endorsement <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Information <input checked="" type="checkbox"/>

The purpose of this report is to inform the Trust on the gender pay gap across the former 2gether NHS Foundation Trust and former Gloucestershire Care Services NHS Trust.

Current UK Gender Pay Gap legislation requires NHS Trusts to publish annually a series of details and calculations that highlight the gender pay gap across the workforce. The information must be published on the Trust website and Gov.UK by 30 March 2020. The information for the March 2020 publication is based on data drawn from 31 March 2019 and therefore this report refers to the former 2gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust independently.

2gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust merged on 1st October 2019 to become Gloucestershire Health and Care NHS Foundation Trust and therefore this is the last time that Gender Pay Gap information will be published separately.

Organisations with 250 or more employees, public and private sector, must publish gender pay gap information on their website and on the Government website. Employers that fail to report on time or report inaccurate data will be in breach of the regulations and risk facing legal action from the Equality and Human Rights Commission.

2019 HMRC figures suggest that being a woman in Gloucestershire reduces pay income by 26%, meaning that being a woman in the county means that their earnings will be nearly £9,000 less per annum than men. This picture reflects a similar pattern more widely across the South West, with women having an average pre-tax income of £25,000 compared to £33,987 per annum for men. The picture is similar at a national level.

This report contains the statutorily required calculations, presenting the gender pay gap within together NHS Foundation Trust (2g) and Gloucestershire Care Services NHS Trust (GCS) against the six indicators. These are the result of a snapshot of the Trusts' workforce on the required date of 31st March 2019 as required and are summarised below:

- **Mean average gender pay gap.** Females earn less than males in the former 2g by 22% and the former GCS 12%
- **Median average gender pay gap.** Females earn less than males for former 2g by 14% and in the former GCS workforce there is no gap
- **Mean average bonus gender pay gap.** Females are paid less than males in the former 2g by 7% and in the former GCS by 71%
- **Median average bonus gender pay gap.** Females are paid more than males for the former 2g by 35%, however this figures is reversed in the former GCS Trust where females are paid 83% less than males. The latter figure is impacted by the small number of staff that fall into this category (2 females and 1 male).
- The proportion of males and females (when divided into four groups) ordered from lowest to highest pay shows there are a higher proportion of females in all quartiles and the gap closes with progression toward the upper quartile.

Previous legacy Trusts confirmed a similar statement of commitment as the one outlined below, and the Board is asked to endorse this amended statement:

“The Board of Gloucestershire Health and Care NHS Foundation Trust confirms its commitment to ongoing monitoring and analysis of its Gender Pay Gap data and to developing the appropriate actions which will reduce and eradicate this gap over time.”

Recommendations

The Board of Directors is asked to:

- **Note** the current report and agree to ongoing scrutiny of current data via the Trust's Workforce Management Group, reporting annually to the Resources Committee
- **Agree** to publish this report on the Trust website with a link to the government website
- **Agree** the statement (**above in bold**) that will be published on the Trust website and via the government website.

Corporate Considerations	
<i>Quality implications</i>	The Trust strives to provide equality for all colleagues, leading to increased levels of colleague satisfaction and ultimately improved patient care.
<i>Resource implications:</i>	By failing to recognise and address issues of equality, colleague turnover could increase and also increase the amount of casework by responding to claims of detrimental treatment.
<i>Equalities implications:</i>	The Equalities Act 2010 sets out the duties of the Trust and the Equality and Human Rights Commission give clear guidance which the Trust should endeavour to meet. This report is intended to progress the agenda to meet these duties and guidance and to ensure compliance.
<i>Risk implications:</i>	Failure to provide equality of opportunity may result in claims of discrimination and damage to the reputation to the Trust as a fair employer.

WHICH TRUST VALUE(S) DOES THIS PAPER PROGRESS OR CHALLENGE?			
Working together	P	Making a difference	P
Always improving	P		
Respectful and kind	P		

Reviewed by:		
Neil Savage, Director of HR & Organisational Development	Date	March 2020

Where in the Trust has this been discussed before?		
Gender Pay Gap Reporting has been in existence since 2018 and has been reported within each Trust. For former 2gether NHS Foundation Trust this was through the Appointment and Terms of Service Committee and for former Gloucestershire Care Services NHS Trust through the Resources Committee (GCS) and to the Trust Boards in addition to being published on the Trust's Websites	Date	
What consultation has there been?		
N/A	Date	

Explanation of acronyms used:	GCS – Gloucestershire Care Services 2G – 2gether NHS Foundation Trust ESR – Electronic Staff Record
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1. CONTEXT

What is gender pay gap reporting?

Legislation requires employers with more than 250 employees to publish annually a range of statutory calculations showing the size of the pay gap between their female and male employees. There are two sets of regulations, one mainly for the private and voluntary sectors, which became effective from 5th April 2017. The second, mainly for public sector organisations, took effect from March 2017 and was required to be reported by the end of March 2018.

The subsequent rounds of reporting are required to be published on both the Trust's and the Government's websites by 30 March each year. The data is based on a snapshot of the workforce on 31 March the previous year. This report is based on a snapshot of data drawn from the Trust's Electronic Staff Records System (ESR) from 31 March 2019.

These results must be accompanied by a written statement of confirmation from the Chief Executive or another appropriate person. Any actions should also be published outlining how the organisation plans to reduce the gender pay gap.

It should be noted that gender pay reporting is different to equal pay. This is important and a point that is often confused and misunderstood when considering the gender pay gap.

Equal pay deals with the difference in pay between men and women doing the same or similar jobs or jobs of equal value. It is unlawful to pay people unequally because of their gender and has been since the adoption of the UK Equal Pay Act, 1970 which prohibited any less favourable treatment between men and women in terms of pay and conditions of employment.

The gender pay gap shows the difference in the **average (or mean) pay** between all men and all women in the workforce. If the workforce has a high gender pay gap, this may indicate a number of issues to deal with, and the individual calculation may help to identify what these issues are.

The NHS Agenda for Change terms and conditions of service contain the national pay and conditions of service for NHS colleagues other than very senior managers and medical staff.

The majority of the former 2gether NHS Foundation Trust and Gloucestershire Care Services NHS colleagues work under the national NHS terms and conditions known as "Agenda for Change". These arrangements were introduced in 2004 with the express intention of removing and avoiding pay inequalities. Agenda for Change covers more than 1 million people and harmonises their pay scales and career progression arrangements across traditionally separate pay groups. Colleagues are expected to move up the pay bands irrespective of gender. The Agenda for Change Job Evaluation process enables jobs to be matched to national job profiles and allows Trusts to evaluate jobs locally to determine in which Agenda for Change pay band post should sit.

Medical and Dental colleagues have different sets of Terms and Conditions, depending upon their seniority. However, these too are based on the principles of equal opportunity and are set across a number of pay scales for basic pay, which

have varying thresholds within them. Directors are usually appointed on Hay or similar equal opportunity job evaluation methods and are regularly benchmarked using national surveys, for example from NHS Providers.

2. Gender Pay Gap Indicators

Employers must publish the results of six calculations showing their:

1. Average gender pay gap as a mean average
2. Average gender pay gap as a median average
3. Average bonus gender pay gap as a mean average
4. Average bonus gender pay gap as a median average
5. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
6. Proportion of males and females when divided into four groups ordered from lowest to highest pay.

It should be noted that Consultant Medical colleagues are the only employees to receive bonus payments within the Trust in the form of either national or local Clinical Excellence Awards. Foundation Trust Directors and Senior Managers do not receive any or performance related pay, with the exception of non-FT directors potentially receiving bonus pay (as in the case of ex-GCS directors).

3. Together NHS Foundation Trust

Gender Pay Gap Analysis (31st March 2019 snapshot)

Table 1 – Together NHS Foundation Trust headcount as at 31 March 2019 (exc. Staff Bank)

Payband	Female	% make up	Male	% make up
Band 1	42	70%	18	30%
Band 2	89	87%	13	13%
Band 3	350	79%	94	21%
Band 4	183	89%	23	11%
Band 5	267	77%	82	23%
Band 6	383	79%	100	21%
Band 7	181	77%	53	23%
Band 8a	56	67%	27	33%
Band 8b	42	78%	12	22%
Band 8c	11	61%	7	39%
Band 8d	6	55%	5	45%
Band 9		0%	2	100%
Board Member	1	14%	6	86%
Medical	54	51%	52	49%
Student	14	74%	5	26%
Grand Total	1679	77%	499	23%

The percentages in table 1 above are mostly identical to the last 2 years' data, although there has been a slight increase in headcount year on year.

Table 2 – Together NHS Foundation Trust Staff Bank headcount as at 31 March 2019

Payband	Female	% make up	Male	% make up
Band 1	4	67%	2	33%
Band 2	26	84%	5	16%
Band 3	156	78%	43	22%
Band 4	31	94%	2	6%
Band 5	47	78%	13	22%
Band 6	49	79%	13	21%
Band 7	14	82%	3	18%
Band 8a	1	50%	1	50%
Band 8b	3	75%	1	25%
Medical	3	43%	4	57%
Student	11	92%	1	8%
Grand Total	345	80%	88	20%

The percentages in table 2 remain similar to the previous two years. Last year's percentages were 81% and 19% respectively.

Table 3a – Average and Median Hourly Rates – all eligible staff and pay schemes

Gender	Avg. Hourly Rate	Median Hourly Rate
Male	£20.21 (£19.65)	£16.45 (£16.21)
Female	£15.76 (£15.29)	£14.34 (£13.59)
Difference	£4.45 (£4.01)	£2.11 (£2.61)
Pay Gap %	22% (22.16%)	14.74% (16.13%)

(Last year's figures in brackets)

The figures in table 3a above show a statistically insignificant widening of the gender pay gap when reviewing the average hourly rate, however there is a 1.39% difference between the median hourly rate.

Table 3b – Change in average hourly rate

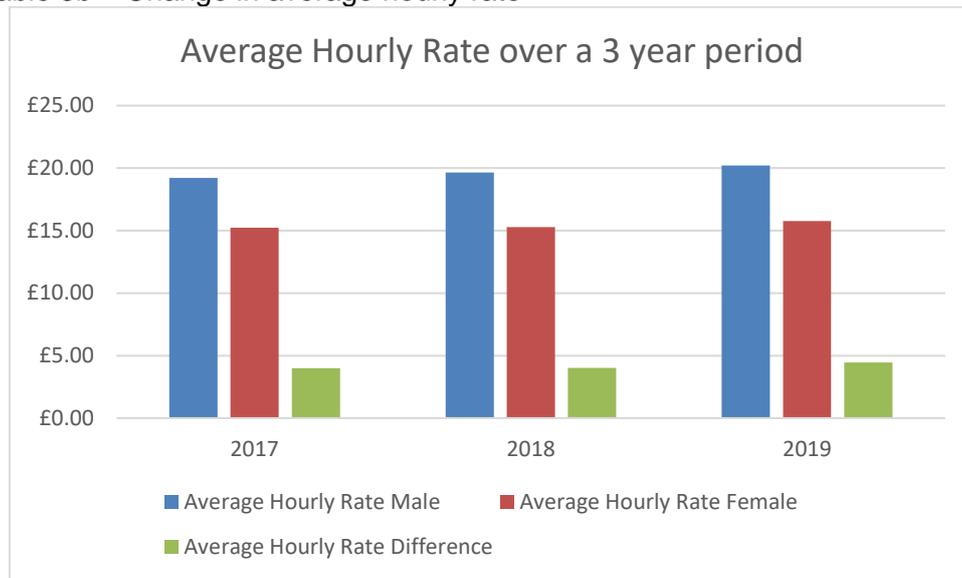


Table 4a – Number of employees – Q1 = Low, Q4 = High

Quartile	Female	Male	Female %	Male %
1	520 (457)	115 (100)	82 (82)	18 (18)
2	511 (452)	125 (106)	80 (82)	20 (19)
3	492 (434)	144 (123)	77 (78)	23 (22)
4	426 (370)	210 (188)	67 (66)	33 (33)

(Last year's figures in brackets)

Table 4a above shows a static workforce in relation to gender breakdown, and this is shown pictorially in the bar chart (4b) below.

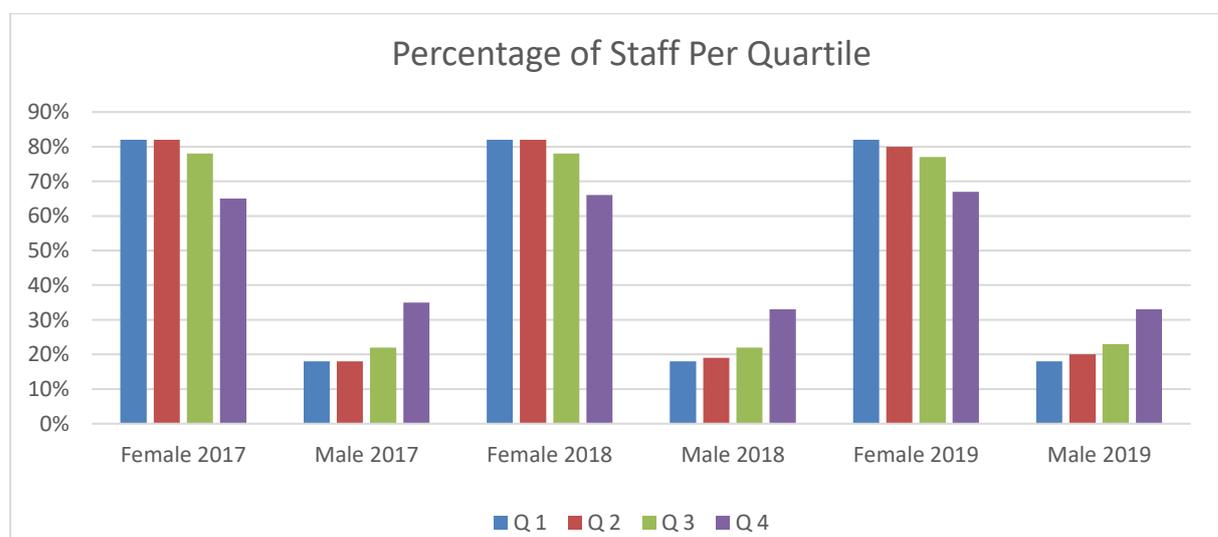


Table 5a – Average Bonus* Gender Pay Gap

Gender	Avg. Pay	Median Pay
Male	£11800.08 (£11,808)	£8922.335 (£7810.23)
Female	£10857.60 (£7704.98)	£12063.96 (£7786.35)
Difference	£942.475 (£4103.57)	-3141.63 (£23.88)
Pay Gap %	7.99	-35.21

The figures in table 5a above illustrate a reduction in the gender pay gap for bonus pay. This is particularly evident when median pay is reviewed. This is shown also in the chart (5b) below.

Chart 5b – Gender Pay Gap for Average Bonus* Pay

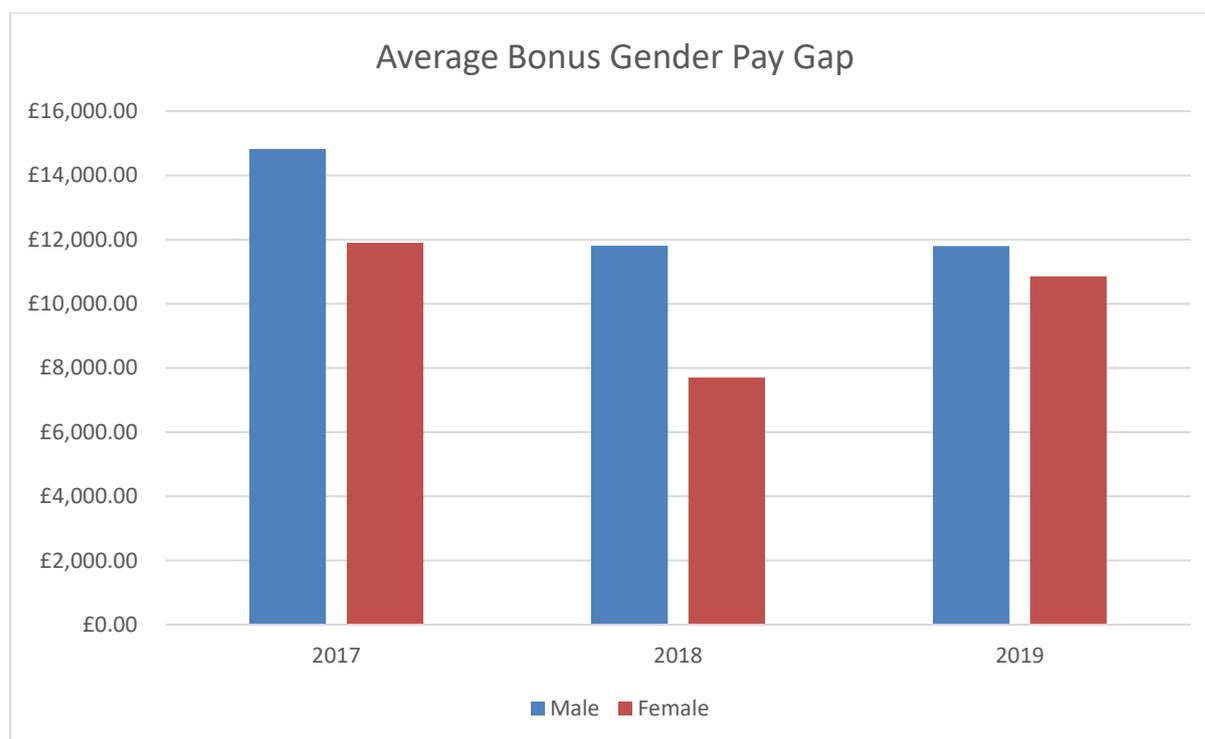


Table 6 – Proportion of males and females receiving a bonus* against the overall totals

Total Medical Staff	Total	Gender		% of total		Number of staff receiving a bonus		% of staff receiving a bonus	
		Male	Female	Male	Female	Male	Female	Male	Female
2017	95	49	46	52%	48%	21	6	43%	13%
2018	107	54	53	50%	50%	24	7	44%	13%
2019	104	51	53	49%	51%	25	5	49%	9%

*Clinical Excellence Awards – apply to medical staff only

Figures in the table above illustrated that there has been an increase in the number of male consultants receiving a Clinical Excellence Award and a reduction in the number of females receiving an award.

4. Gloucestershire Care Services NHS Foundation Trust

Gender Pay Gap Analysis (snapshot 31 March 2019)

At the time the snapshot was taken the Trust had 2798 assignments, of which 2502 (89%) were female, and 296 (11%) were male. The ratio of male to female colleagues that the Trust has is lower than many NHS organisations, largely due to the lower (comparative) number of medical and dental staff employed by the Trust. Typical NHS ratios would show a ratio of 21% male to 79% female colleagues.

Table 1 – GCS headcount as at 31 March 2019

Payband	Female	% make up	Male	% make up
Band 1	95	94%	6	6%
Band 2	377	86%	62	14%
Band 3	371	91%	38	9%
Band 4	165	95%	8	5%
Band 5	579	93%	44	7%
Band 6	536	90%	58	10%
Band 7	256	88%	35	12%
Band 8a	55	83%	11	17%
Band 8b	14	78%	4	22%
Band 8c	5	45%	6	55%
Band 8d	4	80%	1	20%
Band 9	0	0%	2	100%
Other	45	68%	21	32%
Grand total	2502	89%	296	11%

These percentages remain relatively similar to last year's data which was 91% and 9% respectively but there is a slight increase in male colleagues.

Table 2 – Average and Median Hourly Rates – all eligible staff and pay schemes

Gender	Avg. Hourly Rate	Median Hourly Rate
Male	£17.07 (£16.50)	£14.34 (£14.01)
Female	£14.98 (£14.60)	£14.34 (£14.15)
Difference	£2.09 (£1.90)	£-0.00 (£-0.14)
Pay Gap %	12.25% (11.52%)	-0.00% (-1.01%)

(Last year's figures in brackets)

The above figures show a widening of the gender pay gap as measured by average and median hourly rate.

Table 3 – Number of employees by quartile – Q1=Low, Q4=High

Quartile	Female	Male	Female %	Male %
1	597 (607)	75 (67)	88.84 (90.06%)	11.16 (9.94%)
2	582 (602)	62 (73)	90.37 (89.19%)	9.63 (10.81%)
3	648 (630)	56 (45)	92.05 (93.33%)	7.95 (6.67%)
4	585 (589)	89 (86)	86.80 (87.26%)	13.20 (12.74%)

At the time the snapshot was taken the percentage of female colleagues was 89% and the percentage of male colleagues was 11%. As shown in the table above this percentage split is mostly mirrored across quartiles 1, 2 and 4. There is a reduction in the percentage of male colleagues in the upper middle quartile, however the upper quartile demonstrates there is an increase in the percentage of male colleagues in the roles that attract the higher hourly rates of pay.

Table 4 - Increases and decreases by quartile of females and males colleagues within GCS between as 2017 and 2019

Quartile	Female 2019	Female 2018	Female 2017	Female Difference from 2017	Male 2019	Male 2018	Male 2017	Male Difference from 2017	Female %	Male %
1	597	607	619	-22	75	67	60	15.00	88.89	11.11
2	582	602	611	-29	62	73	69	-7.00	90.40	9.60
3	648	630	638	10	56	45	42	14.00	91.78	8.22
4	585	589	600	-15	89	86	80	9.00	86.98	13.02
Totals	2412	2428	2468	-56	282	271	251	31.00	89.51%	10.49%

Table 5 - The mean bonus gender pay gap for the Trust reveals that females are paid less than male colleagues

Gender	Avg. Pay	Median Pay
Male	£15,080.04	£15,080.04
Female	£5876.00	£2938.00
Difference	£9204.04	£12142.04
Pay Gap %	71.96%	83.69%

However, there are very small numbers of staff involved in this metric (medics and directors). For this reporting period, one male colleague in the Trust received a recurring Clinical Excellence Award (awarded to Consultant Medical Staff under national and local schemes). There were also performance related pay bonuses awarded to two female colleagues this year. These two females are Directors receiving the VSM PRP bonus.

Table 6 - Proportion of Males and Females Receiving a Bonus Payment

Gender	Employees Paid Bonus	Total Relevant Employees	%
Female	2.00	2702	0.00
Male	1.00	309	0.32

Of the total workforce, 0% of females (rounded down) received bonuses compared to 0.32% of males (see above for explanation).

5. CONCLUSIONS AND RECOMMENDATIONS

5.1 Together NHS Foundation Trust

The headline figure based on all eligible Trust employees and pay schemes indicates that women are paid 22% less on average than men. This is consistent with results from the 2018 analysis and an increase when compared to the data drawn in 2017 which was the first year of reporting. Table 3 shows that whilst both men and women are receiving a higher hourly average rate of pay, the male average hourly rate has increased by 56p whilst the average hourly rate for women has increase by 47p. Table 3b highlights the difference over the last 3 years of reporting graphically.

The gap for median (middle point) earnings is closer standing at 14.74% less for women. This figure was 16.13% less for women in the previous year.

The data shows that 77% of the Trust's substantive workforce were women, and ideally an analysis would show this is broadly reflected in each of the Agenda for Change pay bands, Medical and Dental pay and Executive Board level pay. However, as with previous years the split between male and females evens out towards the more senior end of the pay bands which indicates that there are less

opportunities for women in more senior roles or that jobs for this group are less attractive. Even allowing for the availability of promotional opportunities, the pay gap will only close gradually due to incremental progression and the time it takes to rise through the pay bands. The new Agenda for Change Pay Award and related pay structure which was agreed in 2018 is expected to help with closing the gap to a certain extent as it removes some of the incremental points in each pay band meaning that employees will reach the maximum pay within the band sooner. Changes in working patterns and choices about career breaks will also factor into this.

Gender pay gap reporting has to include all earnings including bonus payments. The only payments that fall into this category are Clinical Excellence Awards (CEA) and these can only be applied to and awarded to Medical Consultants. Although there was an even divide in the numbers of male and female consultants, considerably more men than women apply for these payments, thereby being a significant contributing factor to the Trust's overall average pay gap. This pattern is repeated across the NHS, particularly in Acute, Acute Specialist Mental Health and Learning Disability Trusts in view of the low number of medics in the latter. However both male and female colleagues were in receipt of lower CEAs during the reporting period and the median bonus pay gap has now reversed.

The gender pay gap is also significant at Executive Director level with an average hourly rate which is 33% lower for females than males. Six of the post holders were men and one a woman. It is important to note that this snapshot was taken on the 31 March 2019 and there were a number of joint posts made for the Shadow Board in readiness for the merger of Gloucestershire Health and Care NHS Trust and 2gether NHS Foundation Trust which at the time was due to take place on 1 October 2019.

It should be noted that of the 12 organisations that had uploaded their Gender Pay Gap reporting information on or before 11 March 2020. 5 Trusts had reported the same pay gap between men and women as the previous year, 5 had improved, however the improvement was not significantly different and 2 were worse than the previous year. The CIPD reports that one of the major issue lies in the low overall participation of women, and improvement will involve long-term change. In other areas, the gap is down to limits on progression and under-representation in senior roles.

The Trust has regularly stated its full commitment to equality of opportunity across the whole organisation and should recognise from the most recent data that there remains much work to be done to close the gender pay gap. Progress is unlikely to be achieved quickly or exclusively by internal organisational actions, requiring a wider societal shift in attitudes and behaviours. However, there are clear actions the Trust can take to make a positive difference.

The Trust can narrow the gap by taking some short and medium term actions. As an example, given the success in increasing the BAME representation at Board level for both Executive and Non-Executive Director since 2017, a similar approach should be adopted to highlight that for senior vacancies, while we



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welcome all applicants, we are currently under-represented by women. We can also apply the similar “all other things being equal” approach taken to the recent Non-Executive Director appointments, to senior appointments, allowing positive action to be taken. Positive action is lawful under the Equality Act. An action plan is required to work toward closing the gap, accepting that there is no single ‘quick fix’.

5.2 Gloucestershire Care Services NHS Trust

The data shown above and to be published on the Trust website is based on a snapshot of data from 31 March 2019.

There is a gender pay gap of 12% for which a number of explanations can be offered with the majority of them having historical roots. Indications suggest that this figure is lower than the majority of Trusts and certainly much better than those figures published by a number of flagship private companies.

5.3 Recommendations

Going forwards, our new Trust’s values and emerging strategy are rooted in fairness and equity and our goal must be to understand and work towards eradicating any unfairness, perceived or real.

All parts of our workforce, irrespective of gender, race or creed are vital to our sustainability and our recruitment and promotion practices are rooted in these principles.

However, in order to further tackle the gender pay gap differences, additional actions are recommended as being taken forward as follows:-

1. The continued roll out of the agreed “Valuing Difference Leadership strategy” and its associated implementation plan which the Board approved in 2019. A key aspect of this is the commissioning and delivery of our new entrance, middle and senior management leadership development programme which is currently out to tender. A new equality and diversity training offer is being scoped by the OD function in addition to the inclusion of Equality, Diversity and Gender Pay Gap considerations in the leadership development programmes.
2. Through the new Flexible Working Policy which was implemented in October 2019, continuing to consider and proactively promote more possibilities of flexible and non-standard working in the higher paid tier 4 level by using job sharing and part-time working.
3. By taking positive gender action. The Board is asked to endorse all adverts for the higher paid tier 4 roles to be flagged as welcoming applicants from all sections of our community but highlighting that we are currently under-represented by women in these roles and are particularly interested in female applicants



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4. Development coaching and mentoring opportunities for underrepresented roles in particular for Tier 4, this includes the continued support of the recently created Trust coaching network and the developing ICS offer
5. The continued sponsorship, support and facilitation of the Trust's Women's Leadership Network
6. Regular refresher communications and management and HR support for paternity leave
7. Continued colleague and applicant access to Little Oaks and Little Apples NHS Childcare Nurseries alongside our Childcare Vouchers offer through VIVUP
8. A presentation and training session run by the Medical Director and the Director of HR and OD to encourage additional female applicants to the next Consultant Clinical Excellence Award round.
9. The agreement of the following statement (below) confirming our commitment to fairness and equity in pay for all staff;

'The Board of Gloucestershire Health and Care NHS Foundation Trust confirms its commitment to ongoing monitoring and analysis of its Gender Pay Gap data and to developing the appropriate actions which will reduce and eradicate this gap over time'