

Board of Directors (Public)

SUMMARY REPORT

Meeting Date:
Agenda Item:

22nd March 2023
20

Report Title:	Gender Pay Gap 2022	
Author(s):	Liz Johnson Head of Equality and Inclusion	
Accountable Director:	Caroline Parry Executive Director of People	
Other meetings this paper has been presented to or previously agreed at:	Committee/Tier 2 Group/Tier 3 Group	The Inclusion and Equality Group considered the report. The People Committee received the report for assurance
	Date:	3 rd of March 2023 and 7 th March 2023
Key points/recommendations from those meetings	The report was presented to the Inclusion and Equality Group for information and comment before proceeding to the People Committee for assurance and approval before proceeding to Board.	

Summary of key points in report

1. Our 2022 pay gap data shows a positive year-on-year decrease in the Mean and Median Gender Pay Gaps. The Median Pay Gap has dropped significantly from 8.10% in 2021 to 0.97% in 2022. The most likely reason for this is an increase in diversity, in favour of women, in our senior leadership roles, this assumption is supported by evidence of a decrease in the gender pay gap in the *administrative and clerical staff group* which is where the majority of these senior roles sit (p.3)
2. Our 2022 Bonus Pay Gap data shows an increase in the Median Bonus Pay Gap and an increase in the Mean Bonus Pay Gap. The most likely reason for the increase in the bonus pay gaps is a change in the way Clinical Excellence Awards (CEA) have been awarded with the annual amount available being shared equitably across all eligible consultants. This means that the award is more equitable but the median is worse because there are now more women with lower payments so the mid-point is a lower payment than it was when there were less women, although some men have also received lower payments, and there are more men, there are still a number of men who have larger historical payments so median for men is higher – for the Mean the total amount for women is now divided by a greater number of people with lower payments, so the mean is lower, the impact on the mean for men is less because of larger historical payments. This has also been affected by one woman leaving who had been receiving a historical high amount.

The impact of sharing the amount available equitable has not led to a reduction in the bonus pay gaps in the short term but should do in the longer term

3. In 2021 we highlighted a concern regarding the percentage of men in the upper pay quartile. In 2022 this has decreased from 30.37% in 2021 to 28.64% in 2022. The percentage of men in the upper pay quartile remains higher than the overall percentage of men in the organisation (25.3%).

4. The Board are asked to support the following proposals, that:

4.1. This year (2023) there is a move away from providing the detailed information in this report in a separate published report and instead provide a link to this paper (as a public Board paper) once it has been reviewed by the Board.

4.2. That an infogram of the information in this report is published on our internet site to make this accessible to our staff and people who use our services.

4.3. That the 2023 Gender Pay Gap is published in May 2023 rather than waiting to publish this in March 2024. This will provide more contemporaneous information and reporting.

Recommendation for the Board/Committee to consider:

Consider for Action	Approval	x	Assurance	X	Information
1. It is recommended that the Board are assured that the organisation is compliant with its legal duty to publish its Gender Pay Gap annually in compliance with Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.					
2. It is recommended that the Board are assured of the reasons for our organisational pay gap.					
3. Board are asked to approve:					
3.1. The publication of this report as our organisations detailed pay gap report.					
3.2. A proposal to formally report our 2023 Gender Pay Gap in May 2023 rather than March 2024.					

Please identify which strategic priorities will be impacted by this report:

Covid-19 Recovering effectively	Yes		No	x
CQC Getting Back to Good – Continuing to improve	Yes		No	x
Transformation – Changing things that will make a difference	Yes	x	No	
Partnerships – working together to make a bigger impact	Yes	x	No	

Is this report relevant to compliance with any key standards? State specific standard

Care Quality Commission Fundamental Standards	Yes	x	No		Well Led
Data Security and Protection Toolkit	Yes		No	x	There are no direct implications related to the content of this paper
Any other specific standard?		x			Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. The NHS Standard Contract

Have these areas been considered? YES/NO

If Yes, what are the implications or the impact?
If no, please explain why

Patient Safety and Experience	Yes		No	x	There are no direct implications related to the content of this paper for Service Users and Carer Safety or experience.
Financial (revenue & capital)	Yes		No	x	There are no direct financial implications – a separate and unrelated report on CEA's is provided separately to Board.
OD /Workforce	Yes	x	No		The content of this report is specifically relevant to the composition of workforce in terms of gender; equal opportunity in terms of career progression to senior roles for women; the pay of women in lower agenda for change pay bands and organisational culture which may impact on these areas such as availability of flexible working options.
Equality, Diversity & Inclusion	Yes	x	No		See section 4.2
Legal	Yes	x	No		Indirectly supports compliance with section 149 of the Equality Act 2010 (the Public Sector Equality Duty) and directly relates to our legal duty to publish our Gender Pay Gap annually found in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.
Environmental Sustainability	Yes		No	x	There may be some relevance to sustainability of our workforce however this is not reviewed in detail in this report. Retention of women in senior roles in the organisation is relevant to this report.

Section 1: Analysis and supporting detail

Background

We have a statutory duty to publish our organisations Gender Pay Gap data annually. For public sector organisations this is set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. This paper provides a formal report to Board of our Gender Pay Gap at March 2022, the information in this report covers the six areas we are required to report on, these are:

The MEAN Gender Pay Gap

The MEDIAN Gender Pay Gap

The MEAN BONUS Pay Gap

The MEDIAN BONUS Gender Pay Gap

The PROPORTION of Men and Women Receiving a BONUS PAYMENT

The PROPORTION of Men and Women in each PAY QUARTILE

Publication

Our pay gap data will be uploaded to the Gender Pay Gap government website portal following this report and before the statutory deadline of the 31st of March 2023 (for the 2022 report). Producing a narrative report is not a requirement but is good practice.

We plan to produce an infogram to publish as an alternative to a detailed report therefore this report, when it has been considered by our Trust Board will be a public document and a link to this report will be provided on our website.

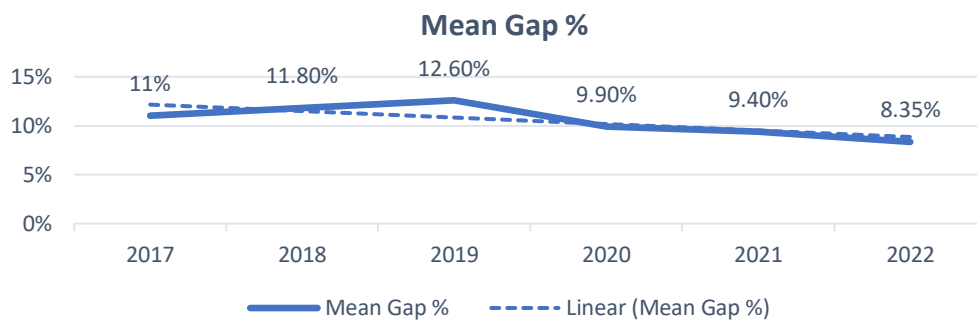
Gender Pay Gap 2022

Our MEAN Gender Pay Gap and MEDIAN Gender Pay Gap

MEAN Pay Gap

2021	2022	Change 21/22
9.40%	8.35%	Decrease

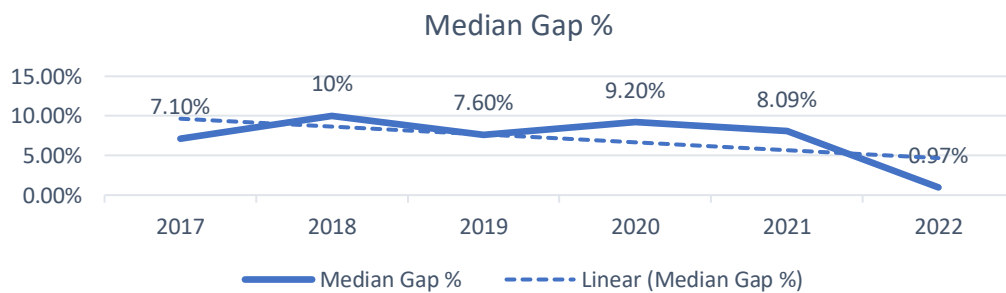
- Our Mean pay gap has reduced since 2021
- Our Mean pay gap is also reducing year on year



MEDIAN Pay Gap

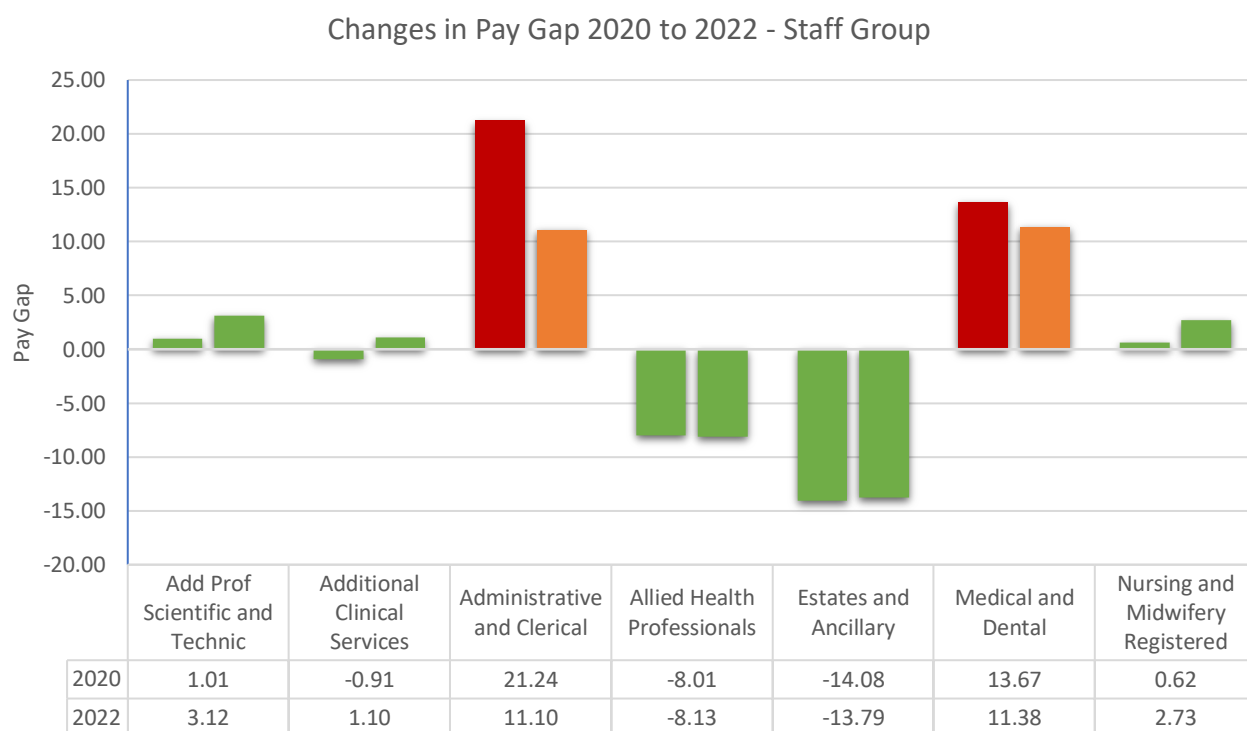
2021	2022	Change 21/22
8.10%	0.97%	Decrease

- Our Median pay gap has reduced since 2021 with a significant drop in 2022
- Our Median pay gap is also reducing year on year.



Reason for reduction in our Mean and Median pay gaps

- Previous Gender Pay Gap reports have highlighted that our pay gaps appeared to be influenced by large gaps in the **Medical and Dental** and **Administrative and Clerical** staff groups.
- Administrative and Clerical is a significant group because it is the group that many of our most senior staff roles sit in.
- The table below shows the reduction in the pay gaps in these two staff groups from 2020 to 2022. The administrative and clerical group, in particular, shows a significant reduction likely to be associated with changes in our senior leadership teams gender diversity.



Our MEAN and MEDIAN BONUS Pay Gap and the PROPORTION of Men and Women Receiving a BONUS PAYMENT

MEAN Bonus Pay Gap

2021	2022	Change 21/22
24.59%	46.79%	Increase

- Our **Mean Bonus Pay Gap** has increased since 2021
- Our **Mean Bonus Pay Gap** in 2021 had been reducing however it has increased in 2022.

MEDIAN Bonus Pay Gap

2021	2022	Change 21/22
25.00%	61.27%	Increase

- Our **Median Bonus Pay Gap** has increased since 2021 to 61.27%

Reason for the increase in our Mean and Median Bonus pay gaps

Our Bonus pay is associated with Clinical Excellence Awards (CEA) paid annually to medical staff in our organisation who are eligible.

The most likely reason for the increase in the bonus pay gaps is a change in the way Clinical Excellence Awards (CEA) have been awarded with the annual amount available being shared equitably across all eligible consultants. This means that the award is more equitable but the median is worse because there are now more women with lower payments so the mid-point is a lower payment than it was when there were less women, although some men have also received lower payments, and there are more men, there are still a number of men who have larger historical payments so median for men is higher – for the Mean the total amount for women is now divided by a greater number of people with lower payments, so the mean is lower, the impact on the mean for men is less because of larger historical

payments, this has also been compounded by one woman leaving who had been receiving a historical high amount.

The impact of sharing the amount available equitably has not led to a reduction in the bonus pay gaps in the short term but should do in the longer term.

The PROPORTION of Men and Women Receiving a BONUS PAYMENT

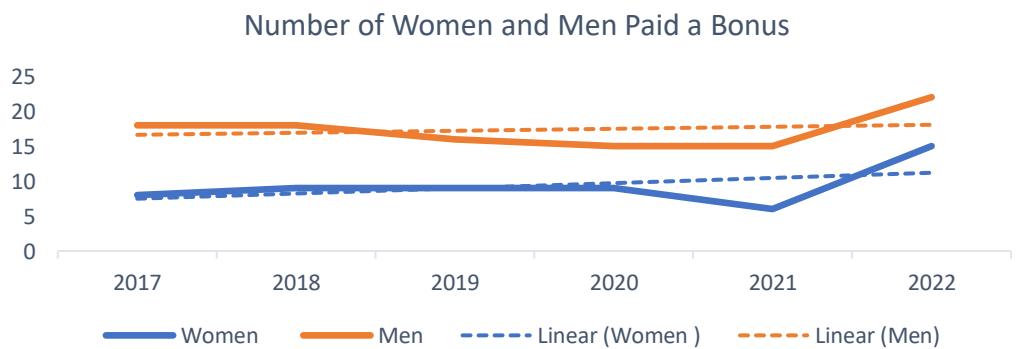
	2021	2022	Change 21/22
Men	1.98%	2.75%	Increase
Women	0.28%	0.70%	Increase

The proportion of women and men receiving a bonus has increased in 2022, the percentages are based on the proportion of people receiving a bonus as a proportion of the whole workforce.

Although both have increased the proportion of men remains higher than the proportion of women.

Reason for the decrease in the proportion of men and women receiving a bonus.

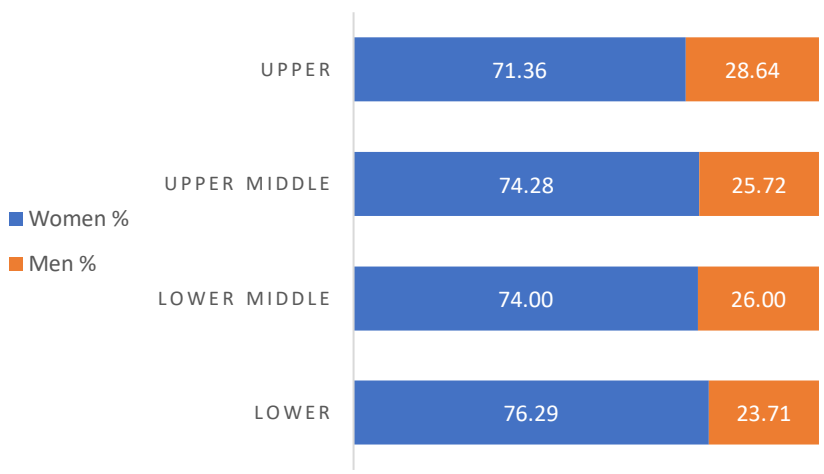
The reason for the increase is that the number of women and the number of men receiving a bonus has increased from 2021 to 2022.



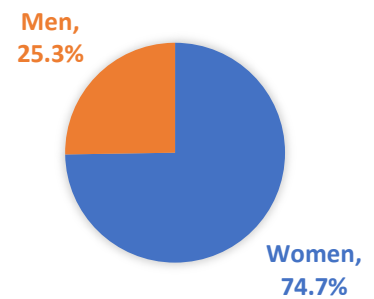
The PROPORTION of Men and Women in each PAY QUARTILE

In 2021 we highlighted a concern regarding the percentage of men in the upper pay quartile. In 2022 this has decreased (to 28.64%) however the percentage of men in the upper pay quartile is still higher than the overall percentage of men in the organisation (25.3%).

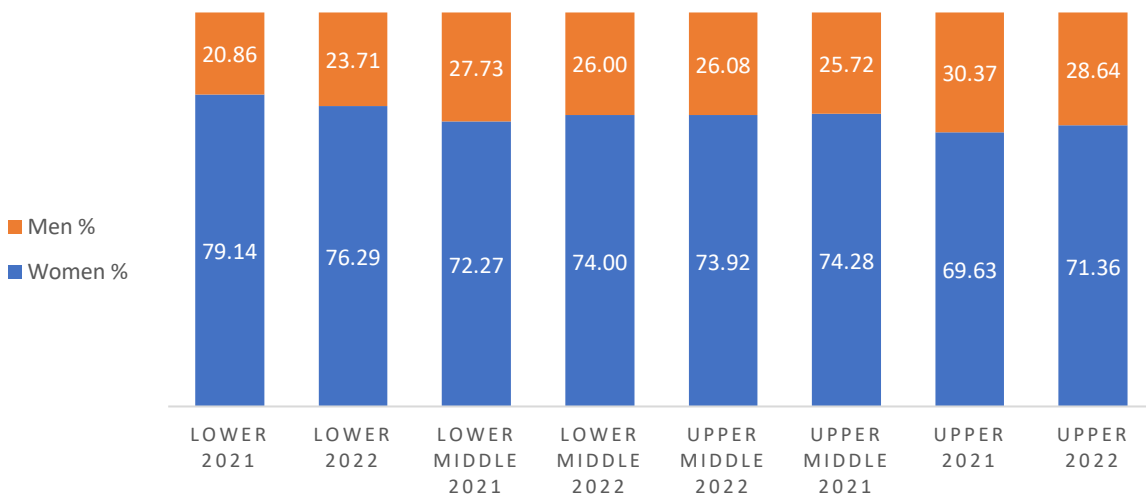
WOMEN AND MEN QUARTILE 2022



ORGANISATION GENDER 2022



PAY QUARTILE 2021 TO 2022 CHANGE



Reason for improvement in our quartile data

The quartile data improvement is likely to be linked to the increase in gender diversity of our senior leaders noted above.

Section 2: Risks

2.1 Our data analysis indicates that a change in the number of women in senior roles impacts on our gender pay gap. This was something that we had thought would have an impact but is now showing in our data. There is a risk that if women move from senior posts this progress may change. This risk can be reduced by ensuring that we consider areas such as availability or flexible and agile working and other ways of recruiting and retaining staff, in particular women in senior roles.

Section 3: Assurance

Benchmarking

3.1 Benchmarking data is available from the Government Gender Pay Gap web site but because NHS organisations in our region generally published their pay gaps in March of the following year this data is not available to review if our pay gap reductions are shared by other similar organisations.

Triangulation

3.2 In 2022 we reviewed our Staff Survey data and looked at the experience of staff with caring responsibilities because this is a factor that is known to impact more on women than men. Our 2022 Staff Survey results are not available at the time of this report, but a further staff survey data analysis is planned once this is available and inclusion of GPG pay gap data in workforce planning to inform a local approach.

Section 4: Implications

Strategic Priorities and Board Assurance Framework

4.1 This paper is relevant to the strategic aim of -Transformation - Changing things that will make a difference.

Equalities, diversity, and inclusion

4.2 This report is directly relevant to the pay gap between women and men and narrowing the gap is an organisational Equality Objective.

Culture and People and Integration and system thinking

4.3 As noted above NHS gender pay gaps in the region tend to be published in March of the year following the pay gap data becoming available. This has been discussed with colleagues in our region and a proposal is being considered to bring reporting forward.

Financial

4.4 There are no specific financial considerations associated with this report

Sustainable development and climate change adaptation

4.5 As noted above there are external factors relevant to the impact on women and consequently gender pay however it's not within the scope of this paper to address these in detail

Compliance - Legal/Regulatory

4.6 This paper is relevant to compliance with the Equality Act 2010 including s.149 of the Act, the Public Sector Equality Duty.

The paper supports the specific requirement in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 to publish our pay gap data annually.

The paper is also relevant to responding to the contractual requirements set out in the NHS standard contract.

Section 5: List of Appendices

None