

Title of Meeting	People and Culture Committee
Date of Meeting	18 March 2024
Report Title	Gender Pay Gap – annual report 2023
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1. Introduction

- 1.1 From 2017 organisations with 250 or more employees must report their gender pay gap (GPG), which is defined as “the difference between the average pay of men and women in an organisation” (Gov.uk). The requirement to report is a legislative requirement contained in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Failure to comply with this responsibility may result in an organisation being the subject of enforcement action by the Equality and Human Rights Commission (EHRC).
- 1.2 Data is captured on a ‘snapshot date’ each year which, for the purpose of this report is 31 March 2023.
- 1.3 The Trust is required to report on six basic calculations:
 - mean gender pay gap;
 - median gender pay gap;
 - mean bonus gender pay gap;
 - median bonus gender pay gap;
 - proportion of males and females receiving a bonus payment;
 - proportion of males and females in each quartile band.
- 1.4 The data reported is based on:
 - gross ordinary pay;
 - bonus pay;
 - in the relevant pay period;
 - by the snapshot date.
- 1.5 As with any data analysis, the most critical aspect of the process is not just about reviewing the results but being clear about what needs to be done differently in future.
- 1.6 This report will help the Trust to understand any underlying causes for the gender pay gap and take suitable steps to minimise it. Taking these steps will help us to continue to develop a reputation for being a fair and progressive employer, attracting a wider pool of potential recruits and benefitting from the enhanced productivity that can come from a workforce that feels valued and engaged, in a culture committed to tackling inequality.

2. The difference between gender pay and equal pay

- 2.1 It is important to be clear about the difference between gender pay and equal pay. Equal pay ensures that, by law, men and women receive equal pay for work of the same, similar, equivalent or equal value. Gender pay measures the difference between average hourly earnings of men and women across all jobs. The solutions to equal pay and gender pay are different. Closing the gender pay gap is a broader societal as well as organisational issue.
- 2.2 In considering the data, it is pertinent to note the composition of the Trusts employees by gender, of which 76% of the workforce is made up of female employees. This gender split is a common across NHS organisations and indeed our neighbouring Trusts within the Dorset system, with Dorset HealthCare showing an 83% / 17% split in favour of women, and University Hospitals Dorset with a 73% / 27% split (Dorset Intelligence and Insight Service – DiiS [data as of October 2023]).
- 2.3 The proportion of male and female staff should be taken into account when looking at our gender pay gap, as should the age range of our male and female workforce, as members of staff who have enjoyed long careers in the NHS can often be higher up the pay point scales than those who are just starting their careers.
- 2.4 The Trust is committed to ensuring equity and fairness. Although we have a gender pay gap due to our disproportionate representation of men and women within the workforce, we are confident that we pay fairly in accordance with the nationally recognised Agenda for Change, Medical & Dental pay and conditions, and our locally recognised Senior Manager and Director pay structures.
- 2.5 The NHS Job Evaluation Scheme, part of the Agenda for Change NHS pay structure introduced in 2004, was developed as a means of determining pay bands for posts. The key feature in both the design and implementation of this scheme was to ensure equal pay for work of equal value. The scheme has been tested legally and has been found to be equal pay compliant.

3. Methodology

- 3.1 Reports developed by our colleagues from the Electronic Staff Record (ESR) help organisations calculate GPG data. These are available via ESR and accessible via the dashboard of ESR Business Intelligence.

4. The Trust's Overall Results

- 4.1 Across our entire workforce our mean gender pay gap for 2023 is **21%**. This means that the average hourly pay rate for men is 21% higher than for women. This is a 4% reduction to the pay gap of 25% recorded in 2022, and 5% less than that recorded in 2021 (26%). Our overall median gender pay gap is **5.53%**. This means that the mid-point hourly rate for men is 5.53% higher than for women. This is an improvement of 2.47% on 2022's reported 8%, and continues the improving trend against the 9% reported in 2021.

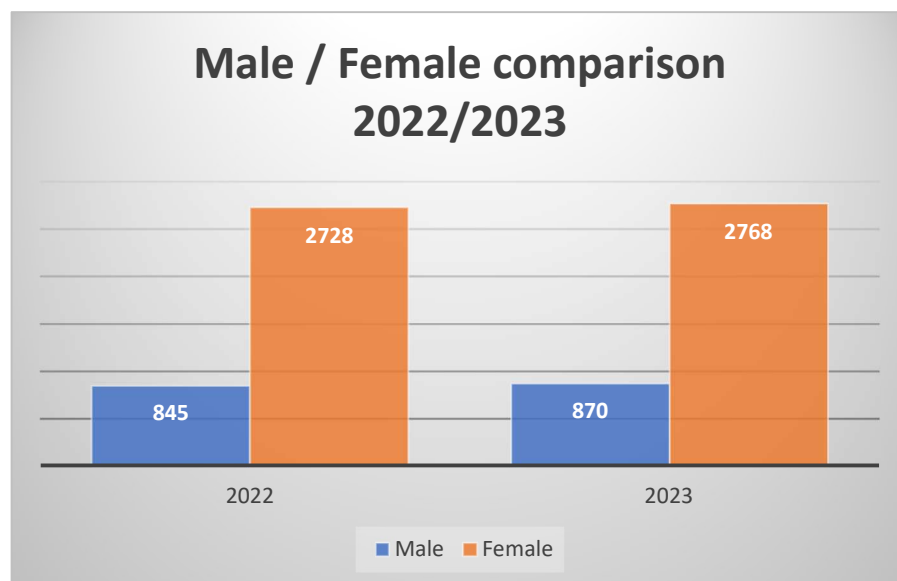
4.2 Our gender pay gap results (based on the hourly pay rates our employees received on 31 March 2023) are as follows:

- Our mean gender pay gap is 21%
- Our median gender pay gap is 5.53%
- Our mean bonus gender pay gap is 5.21%
- Our median bonus gender pay gap is 34.58%
- Our proportion of males within whole Trust receiving a bonus payment is 4.43%
- Our proportion of females within whole Trust receiving a bonus payment is 0.38%
- Our proportion of eligible males receiving a bonus payment is 41%
- Our proportion of eligible females receiving a bonus payment is 24%

5. Gender Pay Gap Analysis

5.1 Male and Female Comparison

5.1.1 There has been a small increase in staff numbers in the reporting year of 65 staff (25 male and 40 female). This represents a reduction of 55% from 143 in 2022 and less than a 1% shift from female to male employees in the workforce.

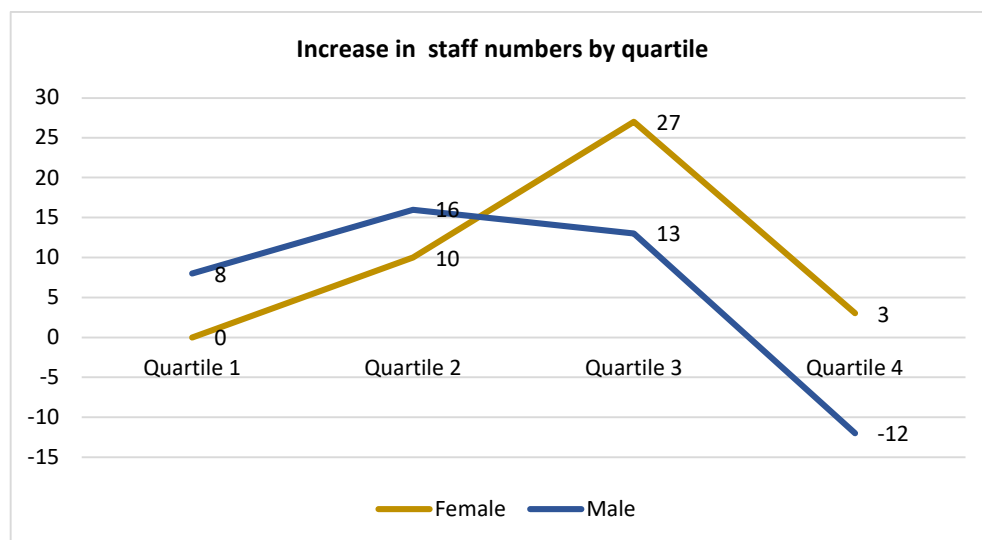


5.2 Quartile Analysis

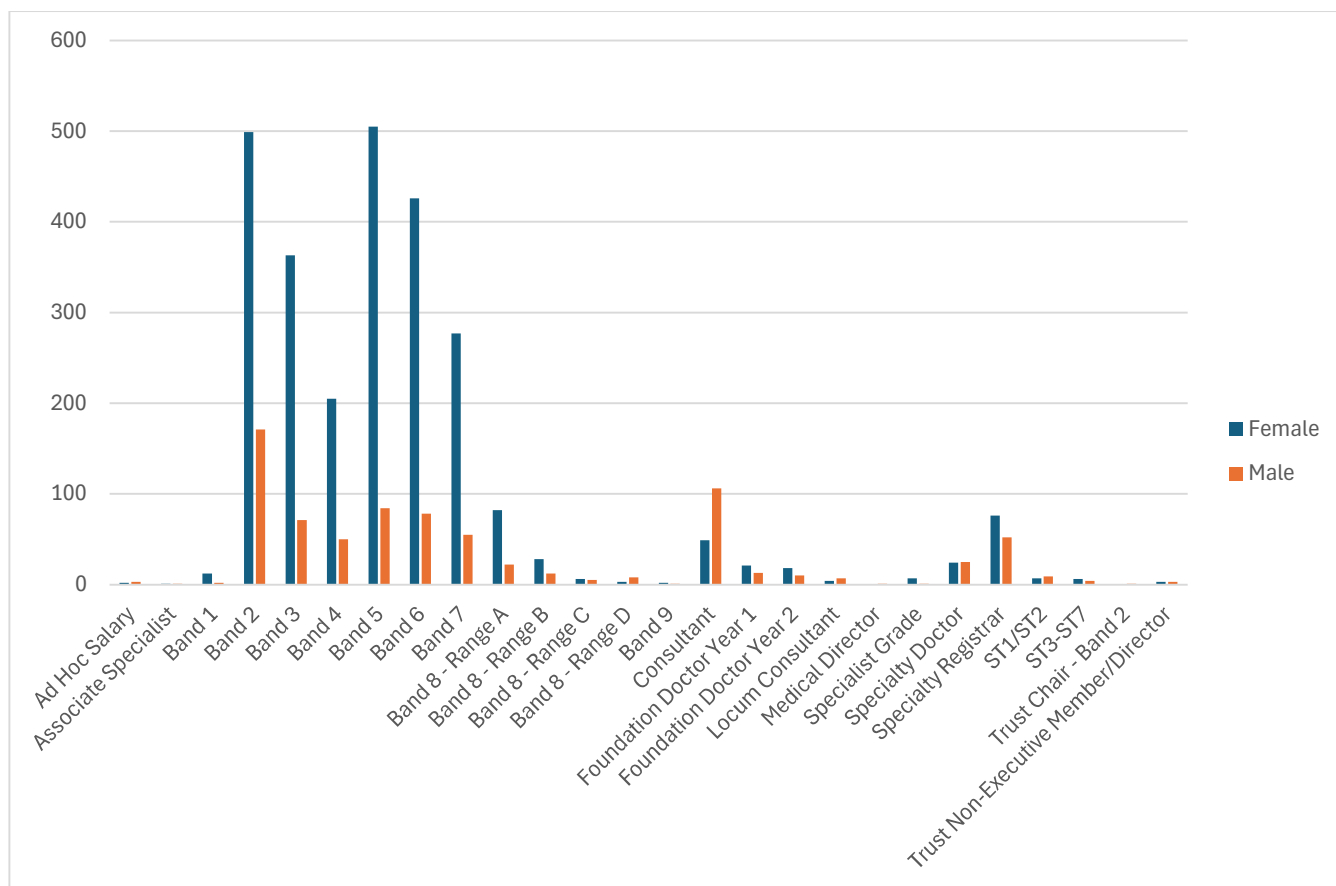
5.21 Quartile information is created by sorting all employees by their hourly rate of pay and then splitting the list into 4 equal parts to create 4 pay quartiles. This therefore means that the quartile bands are fluid and will change annually dependant on the numbers that fall into each pay point and band. The table below shows the proportion of males and females in each of the quartile bands, and with comparison to the 2022 data.

Quartile	31-03-23 data				31-03-22 data			
	Female	Male	Female %	Male %	Female	Male	Female %	Male %
1	676	224	75%	25%	676	216	79%	21%
2	729	190	79%	21%	719	174	80%	20%
3	743	166	82%	18%	716	153	83%	17%
4	620	290	68%	32%	617	302	67%	33%

- 5.2.2 The proportion of male and female employees in the lowest pay quartile is 75% female and 25% male, compared to the proportion of male and female employees in the highest pay quartile which is 68% female and 32% male.
- 5.2.3 There is a reduction in the percentage of female employees in quartiles one, two and three, however a marginal increase of 1% in females in quartile four (the highest pay quartile).
- 5.2.4 Reviewing the actual numbers of staff in each quartile the year-on-year comparison shows an increase in males in the lower two quartiles, with increases in quartiles three and four for women. In quartile four there is a reduction in the number of males within this pay bracket.

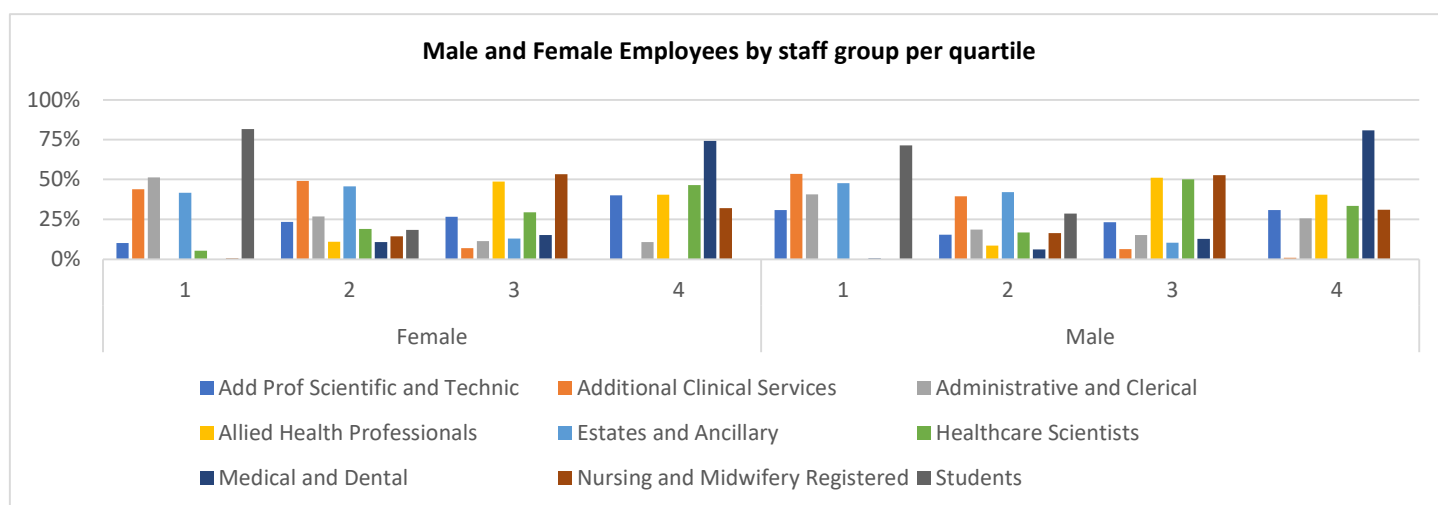


- 5.2.5 The graph below shows the percentage breakdown of pay bands by gender. Female employees are dominate in all pay bands, except for bands 8C and 8D (although numbers in these are small) and Consultants. In band 9 there are 2 female employees and 1 male.



Male / Female Staff By Pay Band / Medical Grade	Column labels		
	Female	Male	Grand Total
Ad Hoc Salary	2	3	5
Associate Specialist	1	1	2
Band 1	12	2	14
Band 2	499	171	670
Band 3	363	71	434
Band 4	205	50	255
Band 5	505	84	589
Band 6	426	78	504
Band 7	277	55	332
Band 8 - Range A	82	22	104
Band 8 - Range B	28	12	40
Band 8 - Range C	6	5	11
Band 8 - Range D	3	8	11
Band 9	2	1	3
Consultant	49	106	155
Foundation Doctor Year 1	21	13	34
Foundation Doctor Year 2	18	10	28
Locum Consultant	4	7	11
Medical Director		1	1
Specialist Grade	7	1	8
Specialty Doctor	24	25	49
Specialty Registrar	76	52	128
ST1/ST2	7	9	16
ST3-ST7	6	4	10
Trust Chair - Band 2		1	1
Trust Non-Executive Member/Director	3	3	6
Grand Total	2626	795	3421

5.2.6 The graph below shows the percentage break down of male and female employees by staff group in each quartile.



5.2.7 For both male and female staff, students are dominant in the lowest pay quartile. In the 2022 data the student category fell into quartile two. This demonstrates that the pay values in the upper quartiles have increased over the course of the reporting year.

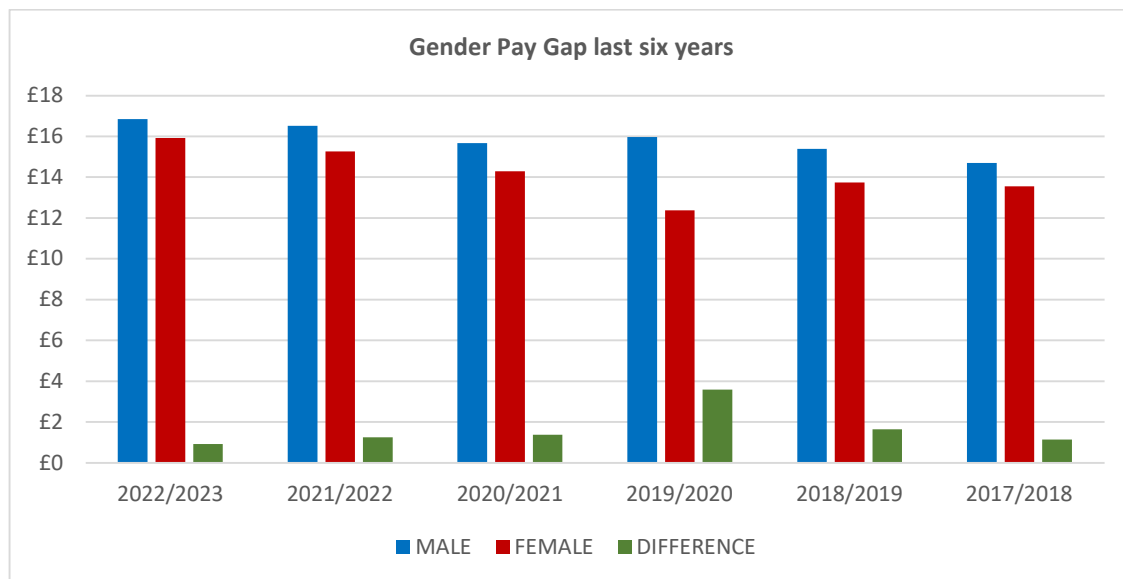
5.2.8 In terms of percentage, female and male data demonstrates Medical and Dental staff remain the highest in the fourth quartile.

5.3 Mean & Median Hourly Rates

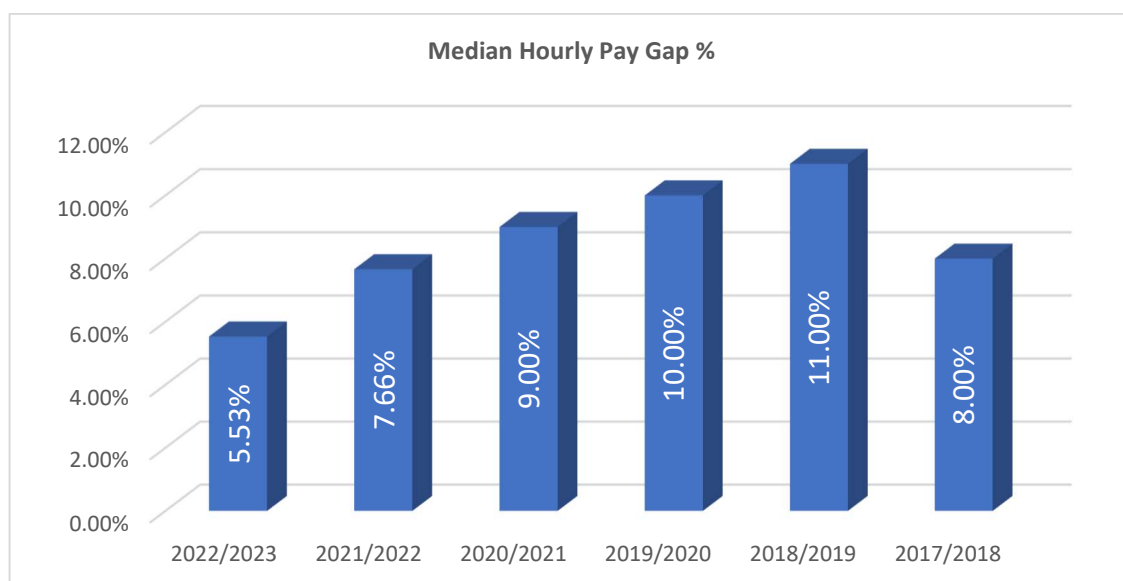
Gender	2022/2023				2021/2022			
	Avg. Hourly Rate	Movement in year	Median Hourly Rate	Movement in year	Avg. Hourly Rate	Movement in year	Median Hourly Rate	Movement in year
Male	£22.46	£0.04	£16.84	£0.32	£22.42	£0.57	£16.52	£0.86
Female	£17.74	£0.84	£15.91	£0.66	£16.90	£0.74	£15.26	£0.98
Difference	£4.71	-£0.80	£0.93	-£0.33	£5.52	-£0.17	£1.27	-£0.10
Pay Gap %	21%		5.53%		25%		8%	

5.3.1 The Trust's mean gender pay gap is 21% in favour of men (women earn 21% less than men) compared to the national average of 14.3% for all employees, or 7.7% for full time employees (Office for National Statistics).

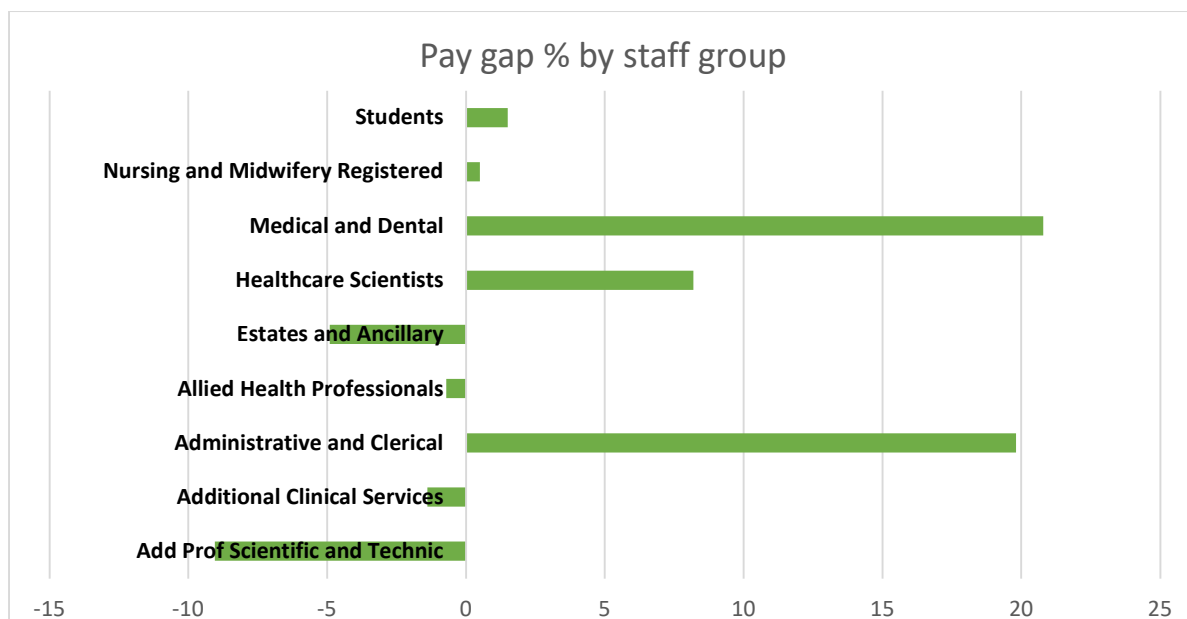
5.3.2 Data for the past six years demonstrates a continuation of the trend in reducing the gender pay gap within the Trust and, bar 2019/20 an increase in the hourly rate of women within the organisation, with the difference in median pay being the lowest since reporting commenced in 2017 at £0.93 per hour.



5.3.3 Analysis of the median gender pay gap identifies that since 2018/19 there is a downward trajectory in terms of the pay gap in median pay.



5.3.4 In order to gain a better understanding of what is creating our gender pay gap we have carried out analysis by staff group. This shows quite a variance across the groups. Ranging from a 20.79% pay gap for Medical & Dental and 19.81% for Administrative and Clerical (which includes managerial roles), to a minus pay gap of -4.9% for Estates and -9.04% for Professional and Technical staff, which is a significant improvement in this staff group from the -0.74% reported in 2022.



5.3.5 The main reason for the gender pay gap at the Trust is that there is a higher proportion of males in more senior bands and females in lower bands within the Trust.

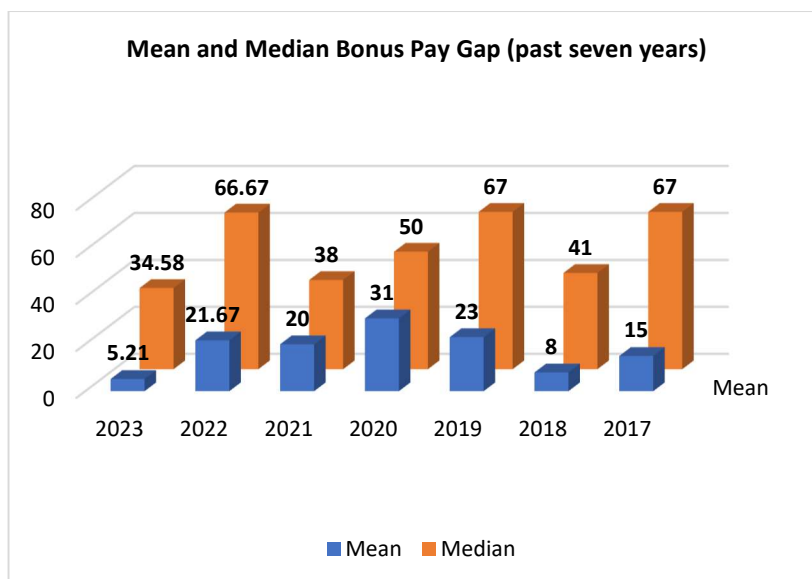
5.4 Bonus Gender Pay Gap Results

5.4.1 For Gender Pay Gap calculations, our bonus payments relate to Clinical Excellence Awards only. Traditionally, these are awarded to consultants who perform 'over and above' the standard expected of their role. There are 12 levels of award, awarded locally and nationally. However, in the absence of a national agreement and for the last three years of award rounds the funds have been divided equally between eligible consultants including those who are part time.

5.4.2 The table below shows the summary of male and female employees receiving a bonus payment.

Gender	Avg. Pay	Median Pay
Male	11,064.56	9,048.00
Female	10,487.63	5,918.88
Difference	576.93	3,129.12
Pay Gap %	5.21	34.58

5.4.3 As can be seen in the graph below the mean and median pay gap for bonuses has improved significantly and represents the best results that the Trust has seen since reporting commenced.



- 5.4.4 The number of employees eligible for a bonus is 155. Of that number 49 employees are female and 106 male.
- 5.4.5 The proportion of female employees eligible for bonus payments (32%) is considerably lower than eligible male employees (68%). This is due to the lower number of female employees progressing to Consultant level. As a Trust we have followed the national guidance by sharing the CEA funds equally across all eligible Consultants.
- 5.4.6 The below table shows the proportion of male employees and female employees within the whole Trust who received a bonus payment. Of those who were eligible, 41% of males and 24% of females received a bonus.

Gender	Employees Paid Bonus	Total Relevant Employees	%
Female	12	3200	0.38
Male	44	994	4.43

6. Understanding our Gender Pay Gap

- 6.1 Whilst female representation in the highest pay quartile looks favourable at 68%, given that female employees make up 76% of the workforce, the 68% representation is a disproportionate number. This is however a 1% improvement on the 2022 result. The 82% female staff in quartile three exceeds the 76% / 24% whole workforce gender split.
- 6.2 75% of employees in the lower quartile (lowest paid) jobs were female which is a 4% improvement on the 79% reported in 2022, and roughly in line with the gender make-up of the workforce.

- 6.3 The Trust's median gender pay gap is 5.53% in favour of male employees, with the mean gender pay gap at 21% in favour of males. Compared to the national average of 14.3% for all employees (ONS) the Trust's position appears not aligned with the wider population, however given the unique gender makeup of the healthcare sector a direct comparison would be flawed.
- 6.4 The disparity between the male and female gender pay gap is not the same as saying females and males are being paid differently for doing the same job. This would be an equal pay issue as explained in section 2.

7. Addressing our Gender Pay Gap / Recommendations

- 7.1 To address our gender pay gap the Trust would need to either increase the number of male employees in lower grades or increase the number of female employees in the more senior roles. This however is a challenge in the healthcare sector with the demographic naturally leaning towards females in the professions. That said, in reviewing the data for all grades of medical posts, there are a total of 212 females and 228 males, demonstrating a more even gender split.
- 7.2 To implement change there is a need to address the barriers for female employees and target the inequalities faced by females in general, as well as those with specific characteristics such as differing ethnicity, age and profession. It remains that there are fewer female employees in senior medical roles, however given the figures for total medical posts, it would be pertinent to expect more females to be appointed to senior roles in the future if we are able to retain those currently in post.
- 7.3 Barriers that may contribute to the pay gap could be addressed by:
- Continuing to ensure equality of recruitment, including unidentifiable applications for shortlisters.
 - Ensuring managers are aware of flexible (smarter) working options and are familiar with their responsibilities and the legal obligation to consider flexible working requests, whilst recognising that in a healthcare setting, there are some roles that cannot be performed at home.
 - Promoting flexible working options, including hybrid working and working at home. A legacy of the Covid pandemic is that businesses were forced to be more creative in their approach to work, and this includes DCH. The Trust is actively focussing on Smarter Working and promoting opportunities for staff to work in a way that achieves a positive work life balance.
 - Ensuring our Staff Networks continue to offer networking and peer support for females in the workplace.
 - Supporting the development of female employees through talent progression opportunities, mentoring, career conversations and leadership development. Giving focus to our female employees in the lower bands to equip them with the skills and confidence to apply for our more senior posts.

- Ensuring the Trust is aligned with the principles of the NHS People Plan which will contribute to our goal to be recognised as an employer of choice and a place to develop a long term clinical and non-clinical career. The Trust is dedicated to raising the profile of the People Plan and as such has been successful in receiving funding for a 12 month People Promise and Retention Manager and People Promise and Retention Specialist Advisor role, working jointly with Dorset HealthCare, and dedicated to ensuring we are actively working with the strands of the national People Promise to deliver a more engaged and diverse workforce that “work(s) together to improve the experience of working in the NHS for everyone” (NHS England).
- Ensuring all recommendations align to our Equality Diversity Inclusion and Belonging strategy.

7.4 The Trust’s Widening Participation team are already actively working within our local communities to provide a range of mechanisms which enable underrepresented groups to access opportunities, including:

- Providing pastoral support for our 174 apprentices and managers;
- Providing careers advice and guidance;
- Working with providers to deliver positive learning environments;
- Working within managers to create career pathways to develop our workforce.

8. Recommendations

8.1 The committee are asked to approve the report and authorise the submission of gender pay data to the Government portal by the national deadline of 31 March 2024, and the publication of this report on the Trust’s intranet.

9. References

Dorset Intelligence & Insight Service (Diis); Microsoft Power BI; 08 February 2024

Gov.uk; Gender pay gap in the UK: 2023; Gender pay gap in the UK - Office for National Statistics (ons.gov.uk); 07 February 2024

Gov.uk; Statutory guidance – overview;
<https://www.gov.uk/government/publications/gender-pay-gap-reporting-guidance-for-employers/overview>; 09 January 2024

NHS England; Our NHS People Promise;
<https://www.england.nhs.uk/ournhspeople/online-version/lfaop/our-nhs-people-promise/> ; 27 February 2024