

Northern Devon NHS Trust

Gender Paygap Report

(Data as at March 2019)

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1. INTRODUCTION

From 2017, any organisation that has 250 or more employees must publish and report specific figures about their gender pay gap. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings.

The Trust must both:

- publish their gender pay gap data and a written statement on their public-facing website
- report their data to government online using the gender pay gap reporting service.

This report fulfils our legal obligation to produce and comment upon the following data as regards our gender pay gap: mean gender pay gap, median gender pay gap, mean bonus gender pay gap (bonus refers to ACCEA¹), median bonus gender pay gap, proportion of males and females receiving a bonus payment and proportion of males and females in each pay quartile.

Other than for medical and dental staff (doctors) all jobs are evaluated using the national Agenda for Change (AfC) job evaluation scheme. This process evaluates the job and not the post holder and makes no reference to gender or any other personal characteristics of existing or potential job holders. Outside of the Executive Directors and a small number of other senior roles all remuneration is made in accordance with the AfC pay bands.

The data in this report is based on a snapshot taken on 31 March 2019.

This report uses data from March 2019. The value of this report is in making year-on-year comparisons and benchmarking nationally. We can compare our performance with our own results submitted in March 2019 (based on 2018 data) and we have used comparative provisional estimates from the Office for National Statistics (ONS) website to establish our benchmarking.

The 2018 Gender Paygap report (published May 2019) resulted in some follow-up activity being requested by the Board in order to further investigate the gap. This investigative work was reported in September 2019. As a result it is unlikely that any remedial actions undertaken in response to this will not have produced any effective results that would have significantly contributed to reducing the Gender paygap.

This report proposes a range of actions to complete further analysis to complement our "diagnosis" of our gender paygap and to ensure that any actions recommended will be effective in assisting to reduce our gender paygap.

¹“ACCEA” stands for Advisory Committee on Clinical Excellence Awards
Trust Secretariat

2. EXECUTIVE SUMMARY

Our performance against relevant local and national benchmarks continues to be poor, although the gap has reduced slightly from last year.

Analysis of numbers of staff within respective quartiles shows a change across all quartiles in favour of females which, over time, could provide a level of support in reducing the gender pay gap over time.

Due to structural issues within the pay system across the hospital sector, within the ACCEA system for consultants, gender inequality is greater than would be expected against any national benchmark measure to do with the mean average, or payment of bonuses.

The national ACCEA scheme is changing, and is expected to have an impact over time. The earliest possible timescales for further review for those in receipt of ACCEA awards under the old scheme, which have significantly contributed to the current pay gap, are scheduled for 2021, so it is unlikely that significant reduction can be achieved before then. The pay gap due to the ACCEA scheme is also unlikely to close significantly unless female representation is increased, and also whether increasing numbers of female staff can be encouraged to make applications for ACCEA awards.

Comparison with the previous year's data shows that our paygap, using both the mean and median average indicators, has remained relatively stable. The percentage comparison between males and females receiving bonus pay has remained stable, but the percentage of male consultants receiving bonus payments remains significantly higher than females.

Within those individuals who received a bonus, the percentage of male consultants working part time is also lower than the equivalent percentage of females receiving a bonus, but working part time. Bonus payments have been made on a pro-rata basis, and this has also contributed to the gender paygap.

3. REPORTABLE DATA

The data shown below is that which has been uploaded to the Gender Pay Gap Reporting Service website. There is no opportunity to add explanatory text on the website but this report will be uploaded to the Trust website as part of the reporting requirements.

Women's hourly rate is:	
30.4%	22.8%
LOWER	LOWER
(mean)	(median)

Pay quartiles:	
How many men and women are in each quarter of the employer's payroll.	
Top quartile	
13.7% MEN	86.3% WOMEN
Upper middle quartile	
13.7% MEN	86.3% WOMEN
Lower middle quartile	
16.1% MEN	83.9% WOMEN
Lower quartile	
35.3% MEN	64.7% WOMEN
Women's bonus pay is:	
31.7% LOWER (mean)	37.2% LOWER (median)
Who received bonus pay:	
6.9% OF MEN	0.7% OF WOMEN

4. NATIONAL BENCHMARKING

The table below shows our performance against the most recent official headline paygap benchmarking, for all employers, from ONS²:

	2018 Paygap based on median average	2018 Paygap based on mean average	2019 Paygap based on median average	2019 Paygap based on mean average
National benchmark	17.9%	17.1%	17.3%	16.2%
Public Sector	Not reported	Not reported	16.8%	15.7%
Human Health Sector	Not reported	Not reported	16.7%	24.4%
NDHT	31.1%	19.6%	30.4%	22.8%
North Devon	Not reported	Not reported	17.3%	18.1%

Commentary

The paygap based on the median average is the most reliable and widely used measure of gender pay equality. When the paygap is measured using the mean average, this allows “outliers” at either end to distort the measure. The figures above indicate that the NDHT gender paygap is significantly higher than local and national benchmarks. Some comparisons were not undertaken last year and are not known.

Although the gender pay gap based on the median average has reduced slightly, this is more likely to have been achieved as a result of changes in staffing profiles, rather than any actions planned to reduce the gender pay gap overall. See section 5.

5. COMPARISON WITH PREVIOUS YEAR

Quartiles

Quartile	2018 (2991 staff)		2019 (3095 staff)		% change	
	Male	Female	Male	Female	Male	Female
Top	34.4%	65.6%	12.2%	87.8%	22.2%	22.2%
Upper middle	13.6%	86.4%	12.8%	87.2%	0.8%	0.8%
Lower middle	12.8%	87.2%	13.6%	86.4%	0.8%	0.8%

Lower	12.2%	87.8%	34.4%	65.6%	22.2%	22.2%
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Bonus pay

% receiving bonus pay	2018	2019	% change
Male	6.8%	6.9%	0.1%
Female	0.6%	0.7%	0.1%

Bonus pay mean average

	2018	2019	% change
Male	£10,662.00	£10,785.84	1.15%
Female	£7,417.32	£7,367.40	-0.69%
% difference	30.4%	31.7%	1.3%

Bonus pay median average

	2018	2019	% change
Male	£9,048.00	£10,662.00	15.14%
Female	£6,032.04	£7,417.32	15.31%
% difference	33.3%	37.2%	-0.17%

Part Time employees who are in receipt of a bonus

	Number receiving the award	Number of employees receiving award who are part time	% equivalent numbers of employees receiving award who are part time
Female	28	6	21%
Male	58	5	9%

Commentary

Male/ Female comparison shows a favourable swing across all quartiles which, over time, should produce a favourable contribution to reducing the gender pay gap.

Comparison with the previous year's data shows that our paygap, using both the mean and median average indicators, has remained relatively stable. The percentage comparison between males and females receiving bonus pay has remained stable, but the percentage of male consultants receiving bonus payments remains significantly higher than females.

The relative percentages employees receiving a bonus is significantly higher for females than males. Payment of bonus is made on a pro-rata basis and this split would also have contributed to the gender paygap. Consideration could be given for bonus payments to be made on a non-pro-rata basis (i.e. a flat payment) and, based on the current levels of female part time employees, would contribute in lessening the gender paygap.

The national ACCEA scheme is changing, and is expected, again to have an impact over time. The earliest possible timescales for further review for those in receipt of ACCEA awards under the old scheme, which have significantly contributed to the current pay gap, are scheduled for 2021, so it is unlikely that significant reduction can be achieved before then.

6. ACTION PLANNING

The Gender Pay Gap data relating to bonus pay relates to the distribution of ACCEA awards for consultants. Although female and male representation at consultant level has remained stable from the previous year the lower level of female consultants per se affect these figures. According to the equalities office the four main drivers of the Gender pay gap are;

- Occupational segregation

The trust reflects national statistics in this area where women tend to work in occupations that have low pay and are less likely to progress to senior roles. Within the Trust we are currently reviewing our talent management programme, which could support development for staff and help to improve occupational segregation. The consideration of new roles could also have a positive impact.

- Industrial segregation

We fall within the health sector figures, employing over 50% of women, nationally the average hourly rates across health are £11.20 compared to the average hourly rates in other sectors of £24.25. Pay is determined nationally and as an NHS Trust we have limited ability to influence or change pay scales so this particular factor is mainly outside of our control. It is important however that we continue to influence and feed into national consultations and think creatively about reward overall.

- Unobserved factors (Such as gender stereotype discrimination)

The trust takes equality diversity and inclusion seriously with it being at the heart of the trusts values. Our annual Equality and Diversity report reviews stereotypes, bias and

discrimination and is underpinned by a comprehensive action plan to address areas requiring improvement, including reviewing our Equality and Diversity training, improving staff reporting of protected characteristics and ensuring recruitment processes are free from bias.

- Labour market history

Labour market history relates predominantly to those with caring responsibilities, which tend to be higher from female staff. The trust offers support to staff in various means including returning to work from maternity leave, access to career breaks, carers leave and time off for dependents. In line with national figures the majority of staff with flexible working or working part time is female. The impact this can have on career and earning opportunities need to be considered further.

Other than medical and dental staff, all jobs are evaluated under the national Agenda for Change job evaluation scheme. This process evaluates the job not the post holder and makes no reference to gender personal characteristics and existing or potential job holders.

Recruitment within the organisation is reviewed in the Equality and Diversity annual plan and the Trust provides recruitment and selection training for interview panel members addressing areas such as bias, discrimination and stereotyping.

Actions

In line with the trusts Equality and Diversity Action Plan and Gender Pay Gap reporting it is recommended that the following areas should be explored further and appropriate actions formulated:

- Further investigation to determine whether employees get stuck at certain levels within the Trust? If so, why, and what are the barriers that we would need to remove in order to overcome this.
- Do male staff get promoted or directly appointed into higher paid roles disproportionately more than female? If so why?
- Are we doing all we can to support part-time employees progressing and working at all levels of the trust?
- Are we supporting both men and women with flexible working applications and staff who have caring responsibilities?. It is known nationally that caring responsibilities traditionally fall to females, and that this can be detrimental to careers at all levels of the organisation.
- Identify whether we can do more to promote flexible working options, job sharing and joint parental leave arrangements to staff, in order to assist staff.
- The differences within this year's data as regards the gender inequality within the value of ACCEA awards (bonus payments) lends further weight to the view

that our attention should be focused among consultants, as a group, in particular for female applicants within the ACCEA processes. Further analysis is needed to understand how bonus payments are calculated (i.e. proportionally or paid at a flat rate) in order to assess the impact that this could potentially have in contributing to reducing the gender pay gap and also to encourage greater applications from those employees who may be less than full time, to apply.