

BOARD MEETING
22 February 2018

Paper Title:	Gender Pay Gap
Section:	Public
Lead Director:	Sandra Knight, Director of HR & OD
Paper Author:	Lisa Wright, Head of Equality
Agenda Item:	13
Presented For:	Discussion
Paper Category:	Governance & Compliance

Executive Summary:

This report fulfils the Equality Act 2017 Regulations for public sector organisations with more than 250 staff to publish their gender pay gap and bonus gender pay gap by 31st March 2018. The calculation is based on all staff including bank staff and on their net pay. The bonus gender pay gap for BDCFT is based on the Consultant Clinical Excellence Awards. The mean Gender Pay Gap for BDCFT is 3.02%. The Bonus Gender Pay Gap is 37.08%. Benchmarking information indicates that this gap is significantly lower than local NHS Trusts and the national figures.

Further investigations need to be undertaken to understand the impact that salary sacrifice schemes have had on the gender pay gap and the reasons why there are disproportionately fewer women applying for a Clinical Excellence Award. The data at this stage indicates that twice as many males are being awarded a CEA than females, despite the consultant staff group being split almost 50/50%.

The Gender Pay Gap report provides compliance with the Equality Act 2017 Regulations. Activity following on from the analysis and publication has been included in the Equality, Diversity and Inclusion Workforce Strategy 2018 – 2021 approved at the January 2018 Trust Board.

An easy read infographic with the key data on is included in Appendix 1 and will be published on the BDCFT website alongside this report in the Trust Board papers section.

Recommendations:

It is recommended that the Trust Board;

- Note the 3.02% Gender Pay Gap and 37.8% Bonus Gender Pay Gap and the initial analysis undertaken around those figures.
- Note the benchmarking data and indication that BDCFT has a low Gender Pay gap; but that there still is a gap.
- Approve the proposed activity set out in section 5 of this report.
- Approve the infographic and this report for publication compliance.
- Agree to receive an annual Gender Pay Gap report in February 2019 and progress on actions to address the pay gap as part of the Board six monthly update report on the new Equality, Diversity and Inclusion Workforce Strategy.

Governance/Audit Trail:

Meetings where this item has previously been discussed (please mark with an X):					
Audit Committee		Quality & Safety Committee		Remuneration Committee	Finance, Business & Investment Committee
Executive Management Team	x	Directors		Chair of Committee Meetings	Mental Health Legislation Committee
Council of Governors					

This report supports the achievement of the following strategic aims of the Trust: (please mark those that apply with an X):	
Consolidation of Market Share : being great in our patch	X
Manage the impacts of the whole system of reduced health and social care funding: working in partnership to develop cost effective out of hospital services and pathways to support the delivery of sustainable services	
Secure Funding for new or expanded services	

This report supports the achievement of the following Regulatory Requirements: (please mark those that apply with an X):	
Safe: People who use our services are protected from abuse and avoidable harm	
Caring: Staff involve people who use our services and treat them with compassion, kindness, dignity and respect	
Responsive: Services are organised to meet the needs of people who use our services	x
Effective: Care, treatment and support achieves good outcomes, helps to maintain quality of life people who use our services and is based on the best available evidence.	
Well Led: The leadership, management and governance of the organisation make sure it's providing high-quality care that is based around individual needs, encourages learning and innovation, and promotes an open and fair culture.	x
NHSI Single Oversight Framework	

Equality Impact Assessment :
<p>This work focusses on the three general duties of the Equality Act 2010:</p> <ul style="list-style-type: none"> • Enhancing equal opportunities, • Fostering good community relations between groups and; • Eliminate discrimination, harassment and victimisation. <p>With a specific emphasis on the Gender protected characteristic. The Gender Pay Gap 2017 Regulation of the Equality Act in itself is collecting data for equality analysis leading to activity to eliminate negative impacts and promote positive changes under the General Duty.</p>
Freedom of Information:
<p>Publication Under Freedom of Information Act This paper has been made available under the Freedom of Information Act</p>

Gender Pay Gap Annual Report

1.0 Background

In September 2017 new Equality Act Regulations were published that required public sector organisations to publish their gender pay gap by 31st March 2018. This requirement makes up one of the Equality Act's 2010 Public Sector Equality Duties. Instruction on how to undertake the calculation was issued from Central Government and guidance developed for public sector bodies from ACAS¹. In December 2017 an ESR module was launched that enabled Trusts to enter their data into a pre-built system that would calculate the Gender Pay Gap in a way that could be benchmarked across the NHS.

The Director of Human Resources and Organisational Development has been working closely with other Trusts in the Region via the Regional HR Directors Network to share initial findings throughout the process so that they can be benchmarked. This report sets out the legally required Gender Pay Gap and the actions to be taken to understand the information further and address the outcome of that investigation. The Gender Pay Gap needs to be published on the Bradford District Care Foundation Trust website. Publication of this report will fulfil that requirement.

2.0 Compliance with the Requirements

There is clear guidance on how to calculate the Gender Pay Gap. This is as follows:

'Gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

Reporting may show, for example, that on average men earn 9% more pay per hour than women, that men earn 5% more in bonuses per year than women, or that the lowest paid quarter of the workforce is mostly female. These results must be published on the employers own website and a government site. This means that the gender pay gap will be publicly available, including to customers, employees and potential future recruits.

As a result, employers should consider taking new or faster actions to reduce or eliminate their gender pay gaps.

If you are an employer with 250 employees or more, new legislation introduced this year means you will need to publish your gender pay gap data annually. From April 2017 employers have up to 12 months to publish this information. There are two sets of regulations. Public Sector organisations need to register on the government's online reporting service www.gov.uk/report-gender-pay-gap-data to upload their data by 30th March 2018.²

¹ <http://www.acas.org.uk/index.aspx?articleid=5768>

² ACAS Guidance

2.1 Who counts as an employee?

For the purposes of gender pay reporting, the definition of who counts as an employee is set out in the regulations and follows the definition in the Equality Act 2010. This is known as an 'extended' definition which includes; employees (those with a contract of employment), workers and agency workers (those with a contract to do work or provide services), some self-employed people (where they have to personally perform the work). This means that Bank Staff are included in the calculation if the Bank is run by the Public Sector organisation which it is in BDCFT's case.

It is important to recognise that the gender pay gap differs to equal pay. Equal pay is in relation to pay differences between men and women who carry out the same job for different pay, which is unlawful. The gender pay gap shows the difference in average pay of all men and the average pay of all women. It is therefore possible to have genuine pay equality but still have a significant gender pay gap.

2.2 Calculations Requirements

An employer must publish six calculations showing their:

1. Average gender pay gap as a mean average.
2. Average gender pay gap as a median average.
3. Proportion of males and females when divided into four groups ordered from lowest to highest pay. Within the NHS calculations these are referred to as 'quartiles'.
4. Average bonus gender pay gap as a mean average.
5. Average bonus gender pay gap as a median average.
6. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment. Within BDCFT NHS calculations this is made up of Clinical Excellence Award payments.

Employers have the option to provide a narrative with their calculations. This should generally explain the reasons for the results and give details about actions that are being taken to reduce or eliminate the gender pay gap. It should talk about the challenges, successes and long term plans regarding the results. It is expected that the publication of these results will support and encourage action nationally.

3.0 Gender Pay Gap Results

The table below includes the BDCFT results. The calculations are based on the Electronic Staff Record data as at 31st March 2017 as instructed in the guidance.

Calculation	Results	Narrative
Average gender pay gap as a mean average.	3.02%	The mean difference between what males and females are paid is 3.02% in favour of males.
Average gender pay gap as a median average.	- 4.63%	The median difference between what males and females are paid is - 4.63%.

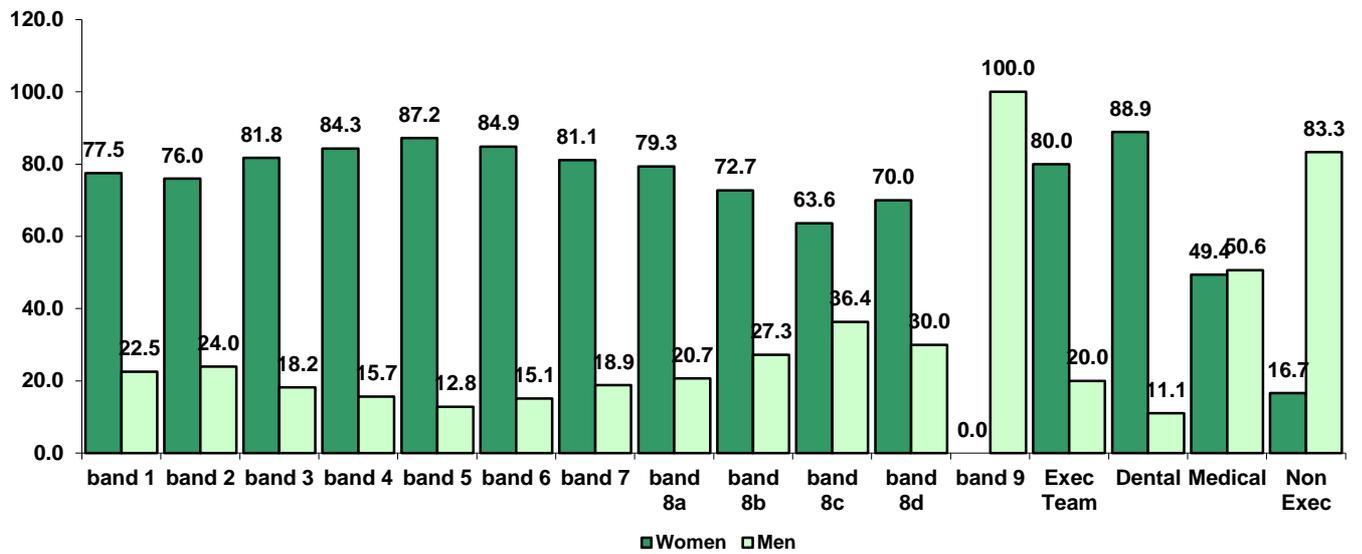
Calculation	Results	Narrative
		The median is the middle number, the hourly rate information is sorted from lowest to highest for males and females, and the median is the middle number. The median hourly rate of pay for females is higher than that of males due to the higher proportion of females in the workforce.

Males are paid an average of £15 per hour; females are paid an average of £14.55 per hour. The monetary pay gap is 0.45p per hour. It should be noted when reading this information that salary sacrifices are required to be included in the calculation. Within BDCFT this includes staff that use the childcare voucher and the lease car scheme. The analysis is undertaken using the net pay received by staff as per the guidance.

The table below gives the proportion of males and females when divided into four groups ordered from lowest to highest pay.

Quartile	Female	Male	Female %	Male %	Narrative
1	487	191	71.83	28.17	<p>In this calculation the hourly rates of pay are sorted from low to high, then grouped into 4 quartiles, so the 4th quartile is the higher rates of pay. These figures show how many and what percentage of female and male staff are in each of the four pay quartiles. Across the whole Trust 81.9% of staff are female and 18.1% are male. If those females were distributed evenly across the pay bands the percentage in each would be 81.9% (reflective of that Trust average).</p> <p>This shows that there is a slight under-representation in the lower and higher bands and a higher representation in the middle bands.</p>
2	574	103	84.79	15.21	
3	580	99	85.42	14.58	
4	512	166	75.52	24.48	

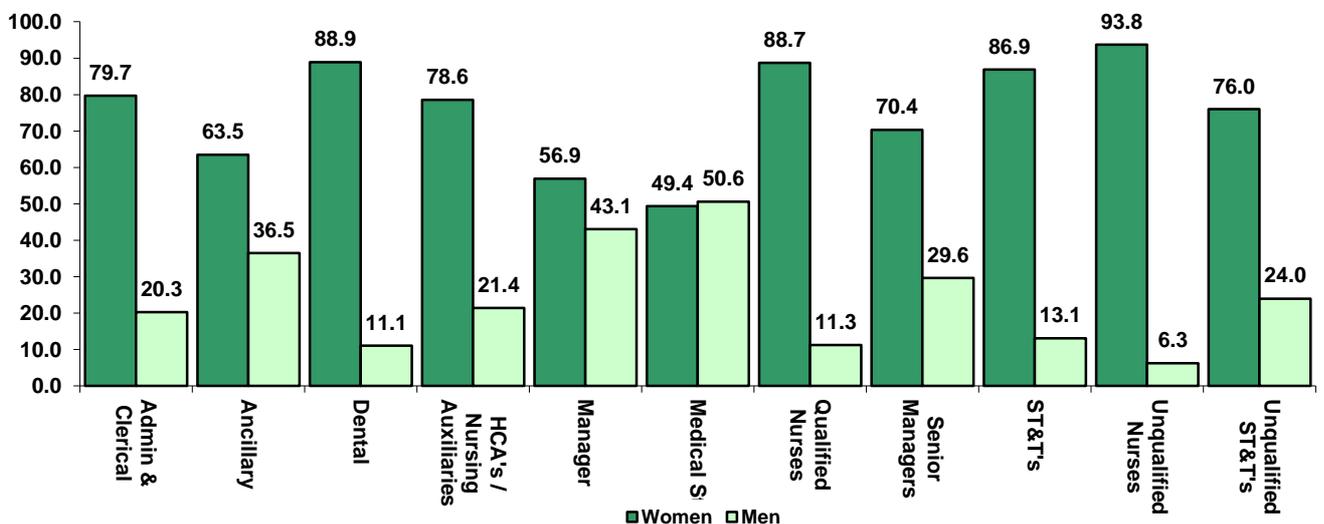
Further analysis that is not required under the gender pay gap regulations shows the percentage spread of male and female staff across the BDCFT bands.



Key points to note from this data are as follows:

- A higher proportion of female staff are in the middle bands 4, 5 and 6.
- In bands 8 and 9 the proportion that are women is significantly lower than the Trustwide percentage of 81.9%.
- The Executive and Dental Teams are more representative of the Trust wide 81.9% female figure.
- In medical staffing the percentage of male and female staff is almost equal, which is significantly different to the 81.9% female staffing figure across the Trust.
- In complete contrast to the staff figures 88.3% of Non-Executive Directors are male.

The following graph shows the split of male and female staff across the professional groups.



This shows that women are more likely to be in Dental, qualified nursing, Scientific and Technical roles and unqualified nursing roles than men. Males are significantly more likely to be in ancillary, managerial, senior managerial and medical roles.

3.1 The table below gives the bonus calculations based on the Clinical Excellence Awards

1. Average bonus gender pay gap as a mean average.
2. Average bonus gender pay gap as a median average.

A Clinical Excellence Award is available to consultants who have at least one years' service to apply for annually. Consultants can apply every year until they reach the maximum CEA threshold. To gain the award consultants need to be able to demonstrate that they have made a difference above and beyond their role to research, innovative ways of working or developing the service.

Gender	Avg. Pay	Median Pay	Narrative
Male	8,413.33	3,232.38	The mean average bonus gender pay gap is 37.08% . The average bonus pay for males is £8413.33 and for females is £5293.88, a difference of £3119.45. The median average difference is -53.84%. As mentioned above, the median is the middle number when the hourly rates are sorted from low to high; this indicates that whilst the average bonus pay is in favour of males, the median is in favour of females. This is likely to be due to the salary and bonus being included and the female staff length of service being longer. Further investigation on this is required.
Female	5,293.88	4,972.77	
Difference	3,119.45	-1,740.39	
Pay Gap %	37.08	-53.84	

The following table shows the proportion of males receiving a bonus payment and proportion of females receiving a bonus payment as a percentage of the whole workforce.

Gender	Employees Paid Bonus	Total Relevant Employees	%	Narrative
Female	5.00	2365.00	0.21	0.21 % of female employees have received a bonus payment.
Male	11.00	620.00	1.77	1.77% of male employees have received a bonus payment.

This information needs to be analysed in the context of which staff groups receive the Clinical Excellence Award (CEA) and what percentage of those staff are male and female. Consultants are eligible for the CEA. To understand the picture more fully the current and previous awards have been broken down below. There are 58 consultants in the Trust. 47% are female and 53% are male.

In 2017 during the reporting period 39 consultants were eligible to apply. 20 of those were female and 19 were male. 7 applications were received 2 were from women. That is an under-representation of female applicants. This is an issue we will be exploring with female consultants.

In 2018, so not in this reporting period, 35 consultants were eligible to apply for the Clinical Excellence Award. 19 of those were female and 16 were male. It should be noted that in the run up to this years' CEA to address the disparity identified last year Positive Action was used to encourage applications from women who were under-represented in previous years. Despite this 8 applications have been received and 3 of those are from women.

4.0 Emerging National Benchmarking

The Equality and Human Rights Commission has developed a Gender Pay Gap Calculator that can be used to calculate gender pay gaps across the country and compare results. This will develop as more publications are made using the calculation guidance but it provides a guide for performance. The national gender pay gap is £2.41, £2.55 for England and £2.27 in Yorkshire, £2.13 in West Yorkshire and £1.66 in Bradford and 0.45p within the Trust.

In addition regional NHS Trusts have agreed to anonymously share their data to support one another on the analysis. The mean gender pay gaps disclosed range from between 30% to 3%

The BDCFT pay gap is significantly smaller than the majority of Trusts. In these initial stages this is thought to be because of the higher percentages of female staff in higher banded clinically qualified roles within the Trust but this will be further analysed when the detail behind the figures is available.

5.0 Proposed Activity to Address the Gender Pay Gap

There are a number of pieces of further analysis that need to be carried out to understand the issues fully. These are:

- To carry out further analysis to understand why fewer females are applying for the Clinical Excellence Awards and the composition of awarding panels.
- Continue to promote opportunities for flexible working, shared parental leave, career progression, promotion and leadership development opportunities
- To ensure that in roles and bands where either gender is under-represented that is taken into consideration in recruitment processes and where appropriate positive action is used in the same manner that it is used in relation to the Workforce Race Equality Standard
- Publicise the data and work with local colleagues to further benchmark and develop action plans.

- The Equality and Diversity Workforce Strategy approved at the January 2018 Trust Board includes a focus on the outcome of the Gender Pay Gap work. The delivery of that action plan will ensue and fulfil the requirement to deliver on the outcome of these calculations.

5.1 Legal and Constitutional

The requirements to carry out this work are within the Equality Act 2010, 2017 Regulations public sector duties. Publication and action is a required element of those regulations. They have been adopted as one of the Trust's nine Equality Objectives.

5.2 Resource

The work is led by the Human Resources and Organisational Development Directorate by the Head of Equality with support from the Workforce Information and Recruitment and Selection Team. The next phase of implementation requires further analysis from these teams and networking with regional NHS Trusts.

5.3 Quality and Compliance

The Gender Pay Gap will be reported annually to the Trust Board and published following Board approval. The data and action plan has been embedded into the Trust's Equality and Diversity Workforce Strategy 2018 – 2021 progress against which will be reported at Board on a six monthly basis, and is one of the Trust's nine Equality Objectives. Progress against the objectives is reported to the Quality and Safety Committee every six months. Equality and Diversity is also a discussion item on the service Quality and Safety Governance Groups every six months and the data will be presented there for information and action if appropriate. The data is uploaded to the government website as per the compliance regulations annually.

6. Risk Issues Identified

Risk	Likelihood High/Medium/Low	Implication	Mitigation
Not meeting the requirements for compliance outlined above.	Low	The Trust is in breach of the General and Specific Duties of the Equality Act 2010.	Publication is planned once the report has been to Trust Board.

7. Communication and Involvement

The requirements to publicise the gender pay gap on the website and to upload the data to the government website will be fulfilled by 31st March 2018. The findings will be publicised throughout the Trust via e-update and staff will be able to access the report via Connect the BDCFT intranet site pages. The Head of Equality has been liaising with the regional NHS Equality Leads at the Regional Equality Network about the calculation process. The Director of HR and OD has been linking closely with local NHS Trusts to benchmark the data. The data and activity planned will be shared as part of the Equality Delivery System

(2) performance analysis process annually. Provisional data was shared in the December panel and the Trust's self-assessment for performance was assessed as green. Panel and community members are currently being asked to comment on that self-assessed grade via an e-survey. The Gender Pay Gap and Bonus Gender Pay Gap will be benchmarked once the data has been publicised with other NHS Provider Trusts at the Equality and Diversity Regional Network.

8. Monitoring and review

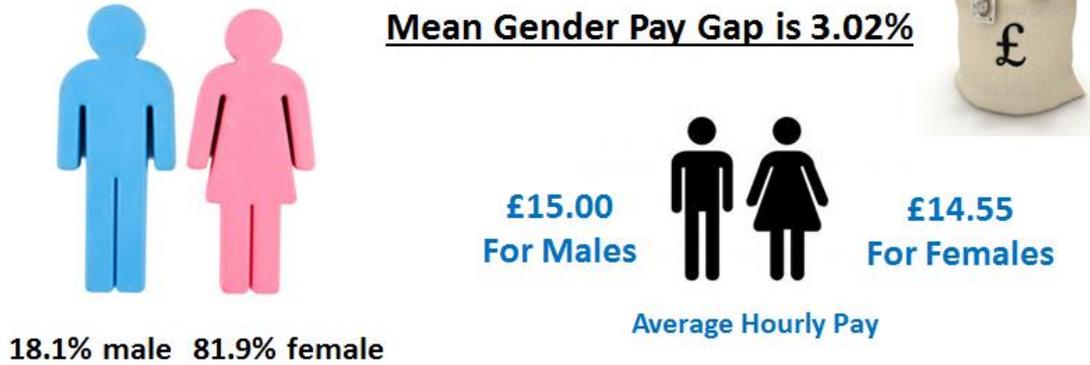
The ongoing monitoring of this work happens through the bi-annual EDS (2) update at the Quality and Safety Committee. An annual review of progress will come to Trust Board in February 2019 along with the gender pay gap figures for the preceding 12 months. The actions identified and their impact will be monitored as part of the Equality, Diversity and Inclusion Workforce Strategy review at the Workforce Transformation Steering Group with a strategy group operating below that which will ensure progress and delivery against the key actions.

9. Timescales/Milestones

The 2019 Gender Pay Gap information is required to be submitted by 31st March 2019.

Gender Pay Gap 2018

Bradford District Care Trust Workforce 2018



Mean Bonus Gender Pay Gap is 37.08%



0.21% of females and 1.77% of males received