

GENDER PAY GAP

2020

Introduction

Following a government consultation it became mandatory from 31 March 2017 for all public sector organisations with over 250 employees to report annually on their gender pay gap. Collation and analysis of this data enables organisations to highlight any anomalies between pay of female and male employees.

Publication of the information on the government website is required by 05 October 2021 and the information must also be published on the Trust's website for a period of at least 3 years.

These regulations underpin the Public Sector Equality Duty; including mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and woman who receive bonuses; and the proportions of male and female employees in each pay quartile.

This is the fourth year of the Trust completing the mandatory annual report; therefore, comparable data is available against previous years Gender Pay Gap reports.

The gender pay gap is different to equal pay. Equal pay relates to pay differences between individuals or groups who carry out the same or similar jobs or work of equal value. It is unlawful to pay people unequally because of their gender. Gender pay gap refers to the differences between the earnings of men and women regardless of roles or seniority.

The reporting encompasses all employees who are employed under a contract of employment, a contract of apprenticeship or a personal contract for work, including those under Agenda for Change, Medical and Very Senior Manager terms and conditions. The data is taken at a snapshot date, which for public organisation is the 31 March 2020.

The report sets out the following elements:-

- Reporting requirements
- Provides some analysis to identify the gender pay gap
- Possible reasons for the gender pay gap
- Next steps

1. Headlines

The report is based on rates of pay as at 31 March 2020 and bonuses paid in the year 1 April 2019 – 31 March 2020. It includes all workers in scope at 31 March 2020.

- There is a mean average pay gap of 31.5% and a median hourly rate gap of 20.7% within the Trust.
- 62% of the top quartile are females, suggesting there are not any concerns with females being represented in this quartile.
- There is a bonus gender pay gap difference of 3.96% (mean) in favour of men, whilst there is a 0% difference in relation to the median bonus pay within the Trust.
- There were a total of 36 males, equivalent to 4.26% of the male workforce and 12 women, which are 0.41% of the female workforce received a clinical excellence award during the 2019/20 financial year.

2. Definition of Equal Pay and how this fits With Gender Pay Gap

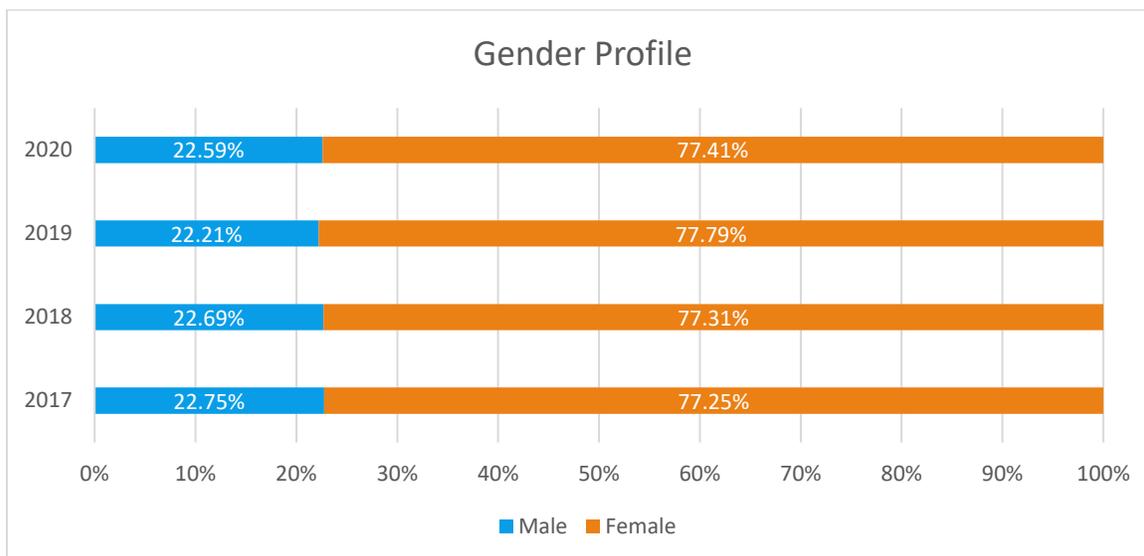
As noted earlier in this report, gender pay gap is different to equal pay.

Legislation requires that men and women must receive equal pay for:

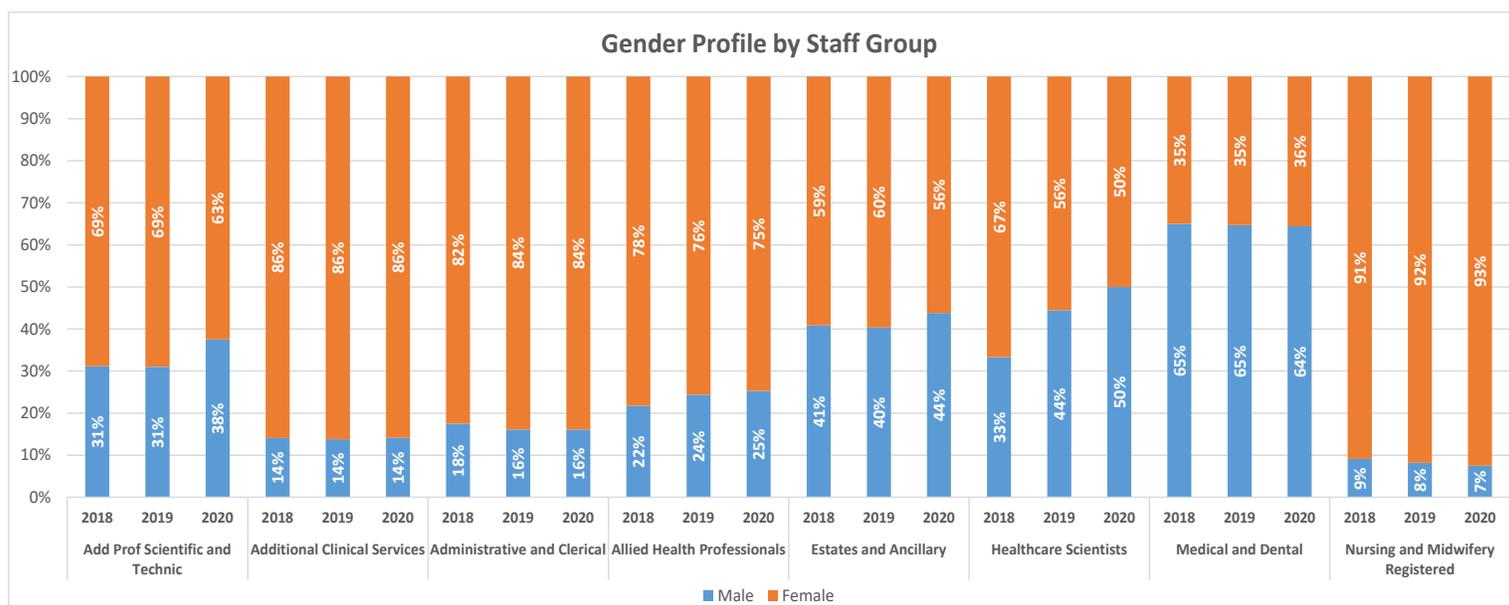
- The same or broadly similar work
- Work rated as equivalent under a job evaluation scheme or work of equal value.

Equal pay in the NHS is demonstrated primarily through nationally agreed terms and conditions for our workforce.

3. Gender Profile



The Trust had a total of 3068 staff as of the 31 March 2020, which includes substantive staff and also bank/locum employees who worked during the previous 12 weeks preceding the 31 March 2020. 693 of staff (22.59%) were male and 2375 (77.41%) were female. This is a total increase of 16 employees compared to 2019 and a total increase of 202 employees since 2017, of which, 161 are female.



Nursing & Midwifery have the largest proportion of females at 93%, whilst Medical & Dental is the biggest male workforce, which makes up 64% of the staff group, which is where the majority of highest salaries derive from.

4. Gender Pay Gap

The gender pay gap at Bedford Hospital does not stem from paying men and women differently for the same or equivalent work. The gender pay gap is as a result of roles in which men and women work within the organisation and the salaries that these roles attract.

The gender pay gap position is based on the staff contained within the respective pay categories. Where there is a negative figure, it suggests that the pay gap is in favour of females. Where there is a positive figure, it reflects a gender pay gap in favour of males.

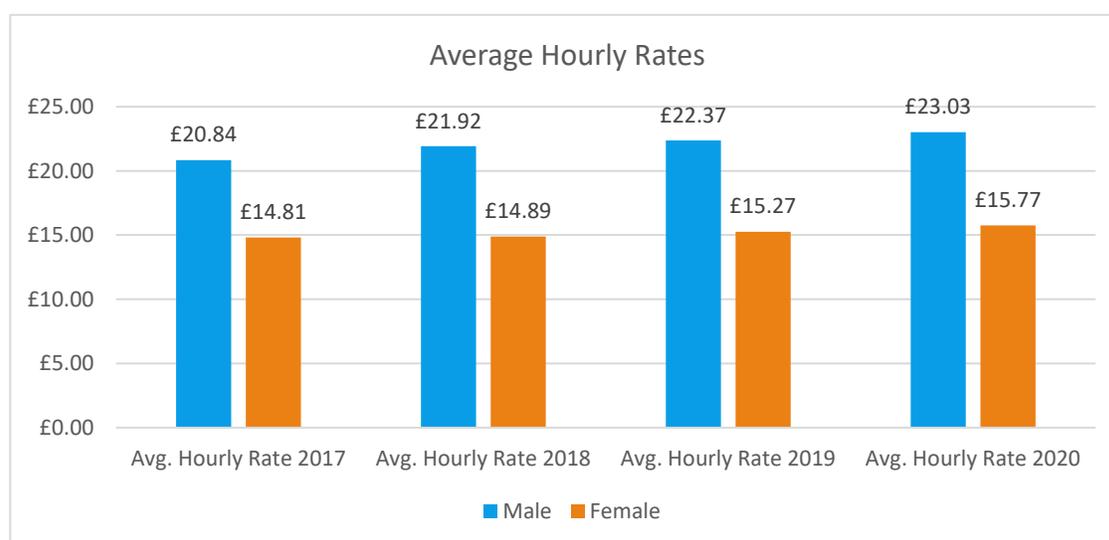
4.1 Average and Median Hourly Rates

The data collected to calculate the gender pay gap for ordinary pay includes all substantive and bank/locum staff and their basic pay, duty enhancements, on-calls and stand-by duties. It excludes overtime, employees who receive a reduced or no pay during the period, expenses and pay arrears.

It should be noted that for salary sacrifice schemes; the employer is required to use the employee's gross pay after any reduction, therefore staff enrolled in schemes such as lease cars will have a reduced hourly rate as a result.

The average hourly rates are shown in the charts below over the past four years:

	Avg. Hourly Rate 2017	Avg. Hourly Rate 2018	Avg. Hourly Rate 2019	Avg. Hourly Rate 2020
Male	£20.84	£21.92	£22.37	£23.03
Female	£14.81	£14.89	£15.27	£15.77
Difference	£6.03	£7.03	£7.10	£7.26
Pay Gap %	28.96%	32.06%	31.75%	31.53%

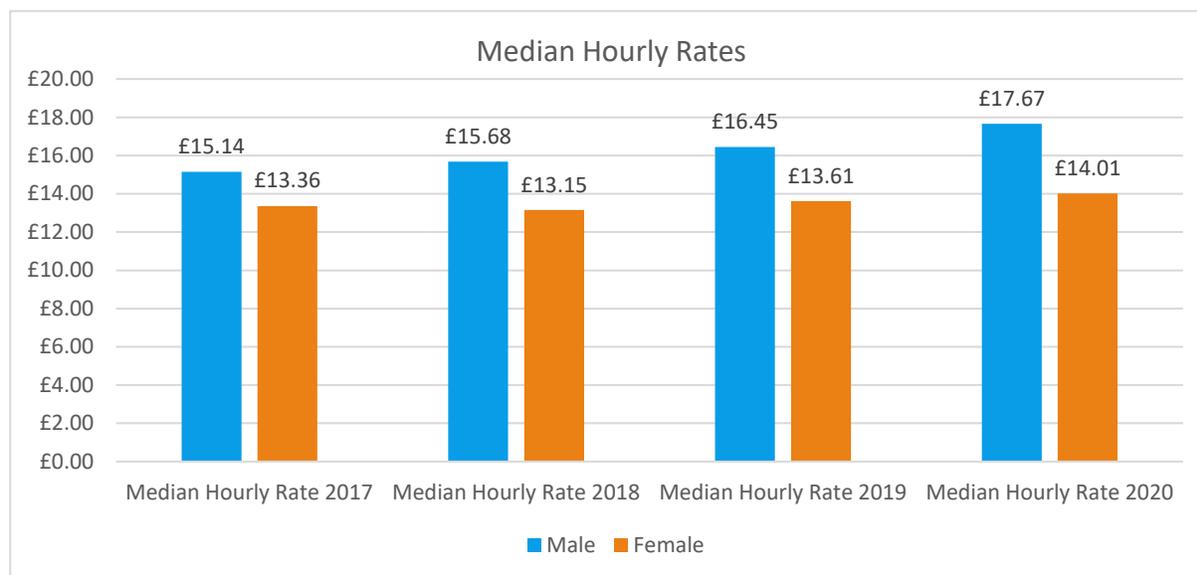


The hourly rate data suggests that the mean hourly pay for females is lower than males; however, the mean pay gap has decreased over the past three years from 32.1% to 31.53%.

The mean average will always display a higher pay gap due to the way the figure is calculated. It takes account of all salaries in the sample which results in some outliers between the highest and lowest earners; this can distort the measurement due to irregular distribution of pay.

The median hourly rates are shown below:

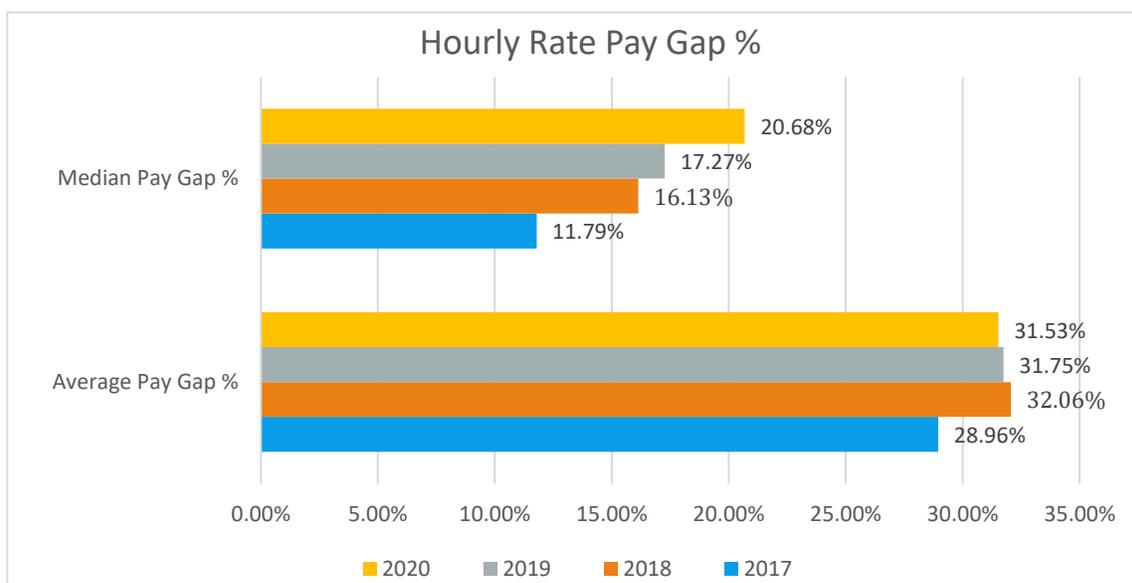
	Median Hourly Rate 2017	Median Hourly Rate 2018	Median Hourly Rate 2019	Median Hourly Rate 2020
Male	£15.14	£15.68	£16.45	£17.67
Female	£13.36	£13.15	£13.61	£14.01
Difference	£1.79	£2.53	£2.84	£3.65
Pay Gap %	11.79%	16.13%	17.27%	20.68%



The median value is a more accurate indicator due to the large number of data used as it takes the middle value from the sample range across all staff groups including Non-Executive Directors and Very Senior Managers (VSM).

The Median pay gap increased from 17.3% to 20.7%. The median pay for males went up by £1.22, as did the females pay by £0.43. This is a reflection of the increase of 132 females in the workforce last year compared to the previous year. It seems the median pay gap is larger this year due to the number of new entrants that were female joining the NHS (i.e. Students, Overseas recruitment) by starting at the bottom of the pay scales and remaining on the same annual value despite changing spinal point as per Agenda for Change.

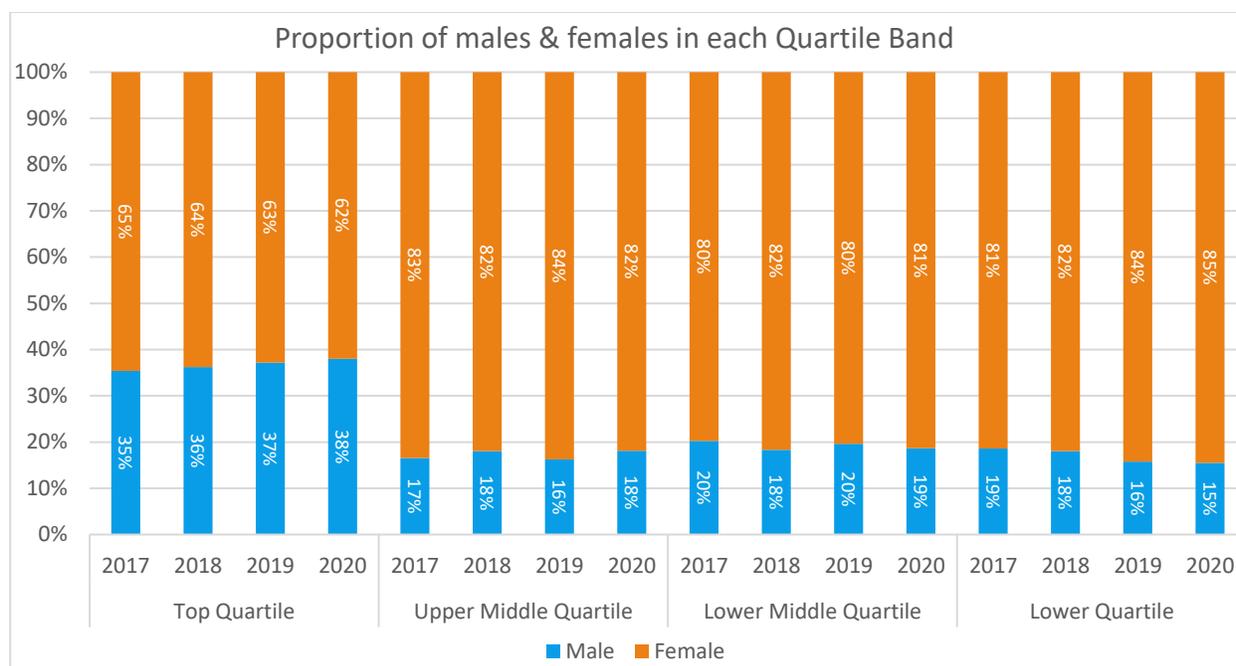
The table below shows the % hourly rate pay gap for both average and median pay gap:



The mean average hourly rate indicates a 31.5% pay gap, whereas the median hourly rate is 20.7%. Whilst the mean average favours males more than females, the Trusts position is below the median pay gap across the NHS of 22% reported by NHS England in 2018 (latest publication) It is important to remember that this is about the gender pay gap, not equal pay.

4.2 Proportion of males and females in each Quartile Band

There are four pay quartiles, the top quartile represents the highest earners and the lower quartile the lowest paid earners in the Trust. The pay quartiles show the male and female split within these quartiles.

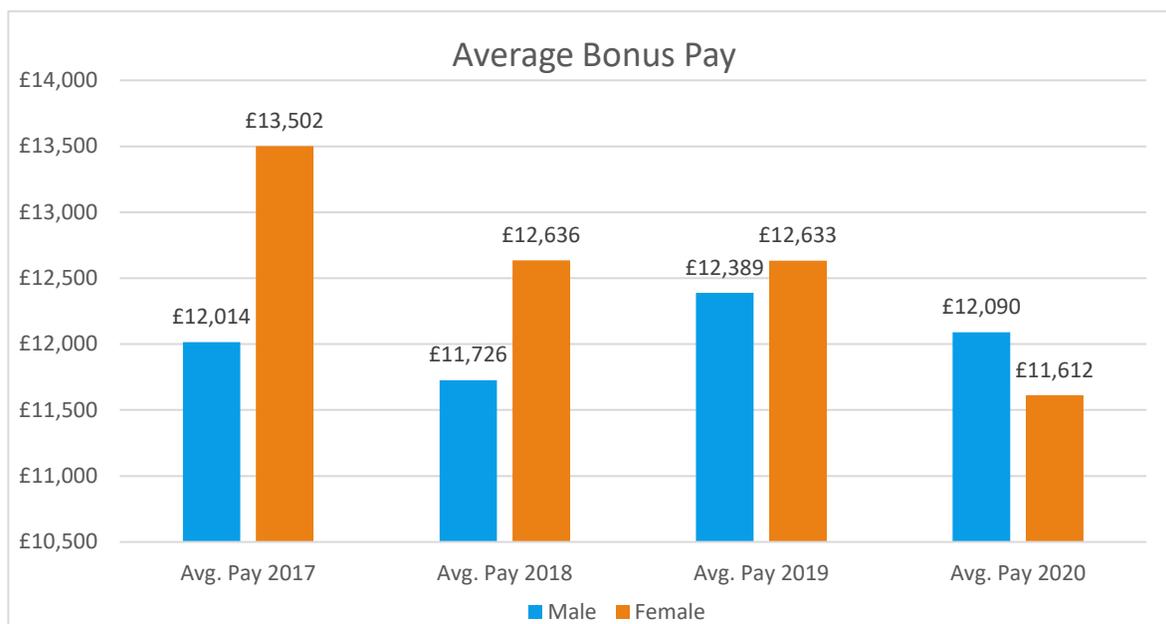


The Upper Middle, Lower Middle and Lower Quartile all have high female representation within the Trust with all above 80%. Females still have the largest stake in the Top Quartile, however males have the best representation in the Top Quartile at 37.2% which has seen a small increase of 1% each year since 2017.

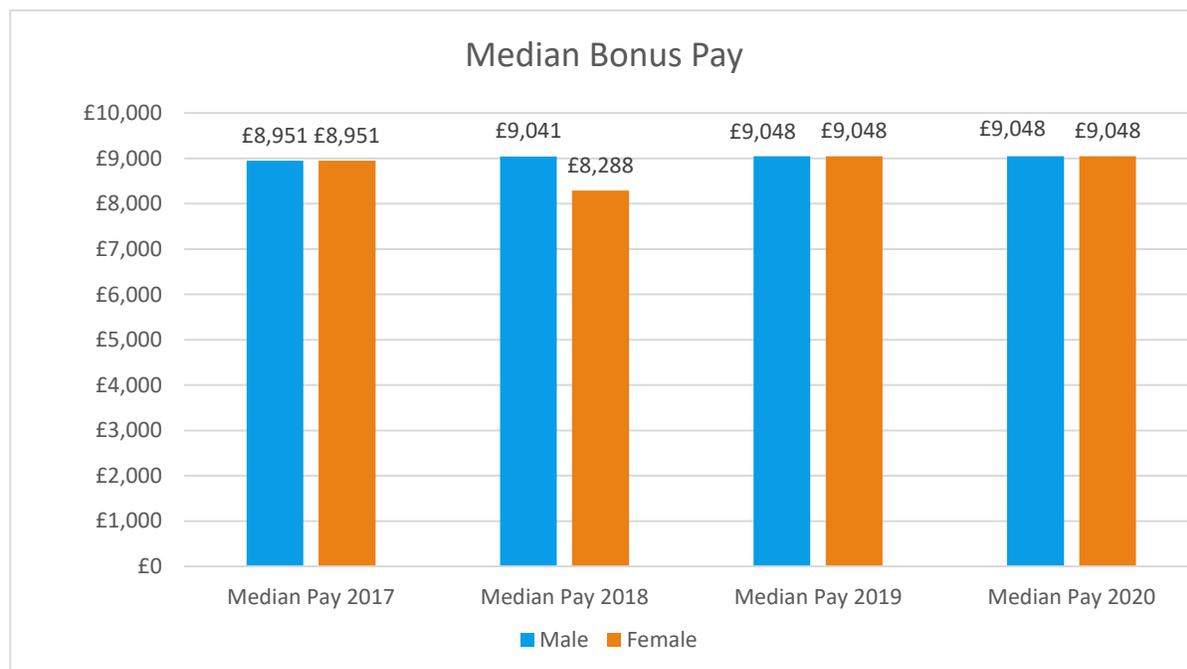
Although there is a 31.5% (mean) and a 20.7% (median) gender pay gap within the Trust, 62% of the top quartile are females, suggesting there are not any concerns with females being represented at the top level. This is positive compared to the NHS England Gender Pay Gap report of 2018 (latest publication) where it reported that 56% of the top quartile were female.

It should be noted that as there are more females than males in the NHS, with males making up a smaller percentage of the workforce but there is a relatively higher percentage in more senior/higher paid jobs than females. NHS England in 2019 published that 77% of the NHS workforce are female, which is in line with the Trusts gender split.

4.3 Average and Median Bonus Gender Pay Gap

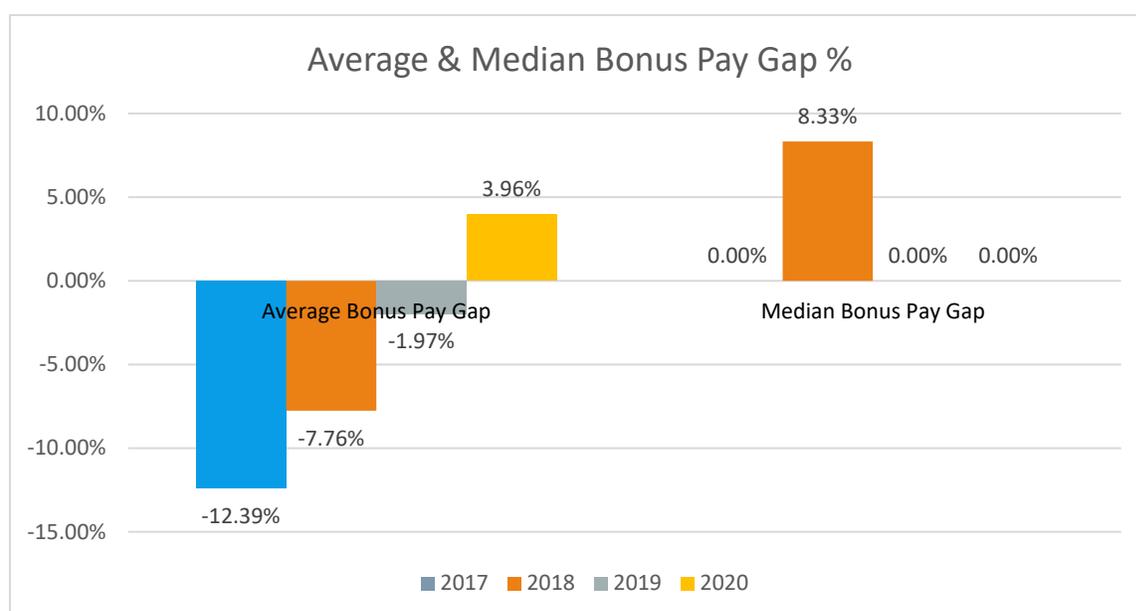


The relevant bonus period is calculated using the preceding twelve months ending on the 31 March 2020; therefore it captures all bonus payments between 1 April 2019 and 31 March 2020.



In previous years, the only pay elements to fall under the bonus pay criteria are Clinical Excellence Awards (CEA) payable to Consultants. Clinical Excellence Awards are available to be applied for annually and are awarded in recognition of excellence in practice over and above contractual requirements. There was however an additional element paid this year for a local 'Refer a Friend Scheme' which in line with NHS Employers guidance should be included in Trusts Bonus Pay.

	Average Bonus Pay Gap	Median Bonus Pay Gap
2017	-12.39%	0.00%
2018	-7.76%	8.33%
2019	-1.97%	0.00%
2020	3.96%	0.00%

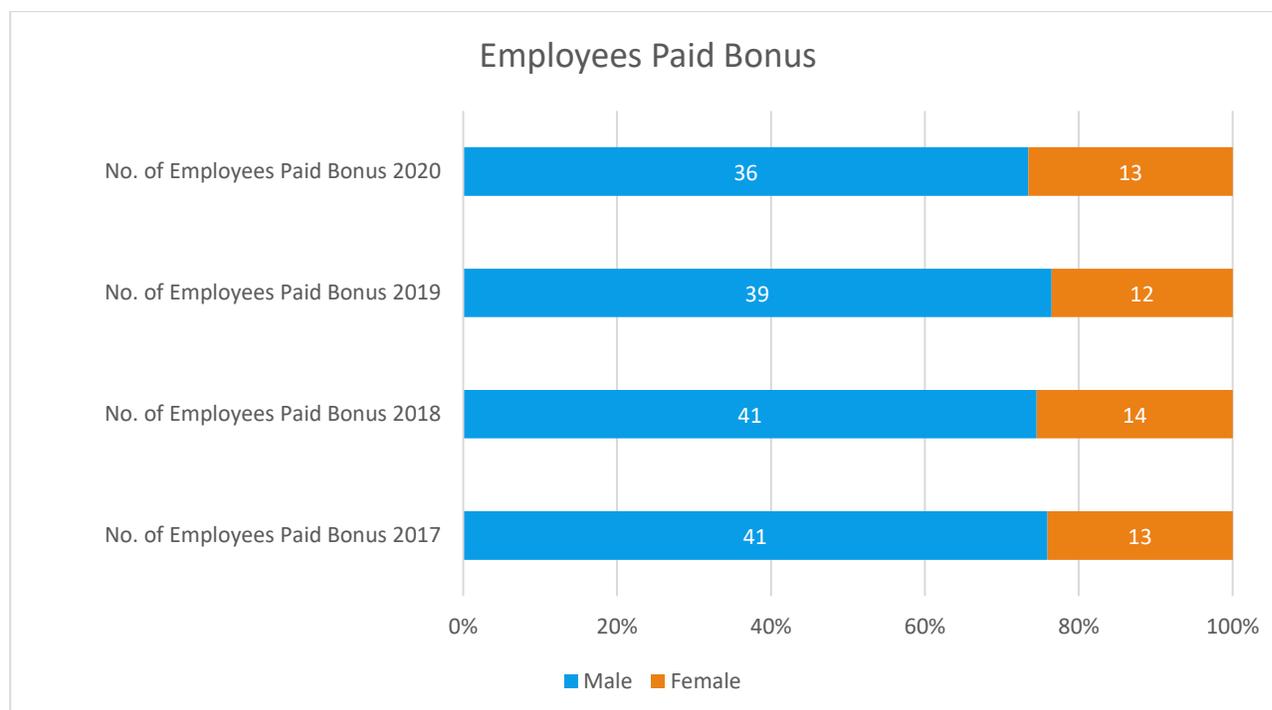


The median bonus pay gap remains at 0%, whilst for the first time a percentage that favours males relation to the mean bonus pay at 3.96%. This has been a direct impact from the 'Refer a Friend' bonus, which was a considerably lower amount compared to the CEA payments.

Males make up 73% of the Consultant workforce, which is a decrease of 3% from 2018. This increase of female Consultants would explain why the median average bonus pay gap has reduced to 0% whilst the mean bonus gap has increase due to the current male consultants having higher levels of service within the Trust, with 82% of Consultants with 11 to 19 years service and 75% of Consultants with 20+ years service being males.

4.4 Proportion of Males and Females Receiving a Bonus Payment

'Bonus pay' means any remuneration relating to productivity, performance, incentive payments or commission. It is clear within the regulations that bonus pay does not include ordinary pay, overtime pay, and redundancy pay or termination payments. For the purpose of Gender Pay Reporting, Clinical Excellence Award payments are regarded as a 'bonus pay'.



The legacy of the CEA scheme means that there will continue to be a gender pay gap because there are more male consultants than female consultants and the gender balance is only likely to improve over time.

36 males, 4.26% of the male workforce and 13 females, 0.4% of the female workforce received a Clinical Excellence Award during the 2019/20 financial year. The number of males that received a CEA has reduced by 3 from the previous year, whilst the number of females has increased.

5 Next Steps

Further analysis will take place to identify specific actions and a work plan will be developed. The gender pay gap will be monitored through the Trust's Equality and Diversity Committee.