

Board of Directors

SUMMARY REPORT

Meeting Date: 24th November 2021

Agenda Item: 15

Report Title:	Gender Pay Gap Progress	
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	People Committee
	Date:	9 th November 2021
Key points/ recommendations from those meetings	Proceed to Board	

Summary of key points in report

There is a statutory duty to publish 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.

Our Gender Pay Gap for 2020 was reported to the Board in March 2021. Board requested that they were provided with an update before the next due publication date (March 2022). This paper is being presented to Board in line with that request. The paper reviews the reasons for our organisations pay gap, explores benchmarks against other similar organisations and highlights progress in areas that are under the control of the organisation, including against the action identified in the report to Board in March 2021.

Recommendation for the Board to consider:

Consider for Action	Approval	Assurance	X	Information	X
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1. It is recommended that the Board are assured of the reasons for our organisational pay gap that are within the control of the organisation.
2. That the Board are assured of progress against actions identified.
3. The Board are assured in relation to our benchmark with other similar organisations that our pay gaps are not significantly different from those in similar NHS organisations.

Please identify which strategic priorities will be impacted by this report:					
Covid-19 Recovering Effectively			Yes		No X
CQC Getting Back to Good			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	Yes		No	X	
IG Governance Toolkit	Yes		No	X	
Any other specific standard?					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	
Financial (revenue & capital)	Yes		No	X	There are no direct implications for expenditure related to the content of this paper however to note a detailed report on allocation of Clinical Excellence Awards is submitted separately to the Board annually.
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). A further report on the 2021 pay gap will be submitted to the Board in March 2022 prior to formal publication of our 2021 pay gap although this data includes data relevant to that report this paper should not be considered as formal publication of our 2021 pay gap.

Title	Gender Pay Gap - Progress
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Section 1: Analysis and supporting detail

Background

1.1 There is a statutory duty to publish Gender Pay Gap data annually, for public sector organisations this requirement is set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Our Gender Pay Gap for 2020 was reported to the Board in March 2021. Board requested that they are provided with an update before the next due publication date which is March 2022 this paper provides this interim update and:

- Reviews the likely reasons for our organisations pay gap that are within the direct control of the organisation,
- Reviews benchmarking for assurance against other similar organisations, and
- Highlights progress in areas that are under the control of the organisation including against the action identified in the report to Board in March 2021.

The Gender Pay Gap in the NHS and how our organisation compares

1.2 Research highlights that nationally collated data shows there is a very small pay gap in NHS pay associated with the Agenda for Change pay bands, this research concludes that the overall pay gap in the NHS is largely driven by staff not paid through the Agenda for Change system i.e., managers, senior managers, and doctors. Details of this research was provided in the 2020 pay gap report.

In 2020 the SHSC Gender Pay Gap analysis indicated that the above was generally true for our organisation, there were gaps in Agenda for Change pay bands, but they were small compared to the national average pay gap in April 2020 which was 7.4% and some gaps were in favour of women.

- There was as a very small pay gap in favour of men in Bands 2/3/4/6 8b and 8c.
- There was a gap in favour of women in Bands 5,7,8a and 8d and no men in Band 9.

SHSC Average Hourly Rate of Pay Gap March 2020

(National Average Pay gap in favour of men April 2020 7.4%)

AfC Pay Grade	Female	Male	Difference	Pay Gap %
Band 2	11.23	11.35	0.12	1.07
Band 3	11.12	11.39	0.27	2.40
Band 4	11.58	11.65	0.06	0.55
Band 5	14.44	14.15	-0.28	-2.00
Band 6	17.69	18.03	0.33	1.85
Band 7	20.70	20.57	-0.13	-0.61
Band 8 - Range A	24.47	24.37	-0.10	-0.41
Band 8 - Range B	29.09	29.84	0.76	2.54
Band 8 - Range C	35.49	36.61	1.11	3.04
Band 8 - Range D	43.04	42.33	-0.71	-1.67
Band 9	49.80		-49.80	-

In contrast to organisational pay in Agenda for Change pay bands in line with the national research findings, our organisation pay gap in the *Medical and Dental* staff group was **13.67%** in favour of men and in the *Administration and Clerical* group, (which is the staffing group that includes senior managers not paid under agenda for change) the gap was, was **21.24%** in favour of men.

	Average Hourly Rate Women	Average Hourly Rate Men	Difference	Gap %
Medical and Dental	£30.43	£35.25	4.82	13.67
Administrative and Clerical	£14.83	£18.83	4.00	21.24

Action identified for 21/22

1.3 The following action was identified:

1. To review with the Medical Directorate actions set out in an Independent Review into Gender Pay Gaps in Medicine in England.
2. To continue to progress action in relation to flexible working.
3. It was highlighted that any changes in gender diversity in favour of women in the above two groups would be likely to reduce the overall organisational Gender Pay Gap.

Section 2: Risks

2.1 Across the NHS 76% of the workforce are women, research previously noted in Board papers highlights the range of areas where women are disadvantaged in terms of pay progression (parental leave breaks and other caring responsibilities are examples of

these systemic issues) also a significant number of women work in our lower pay bands both of these factors are relevant when looking at the recruitment, promotion, and retention of women in the organisation.

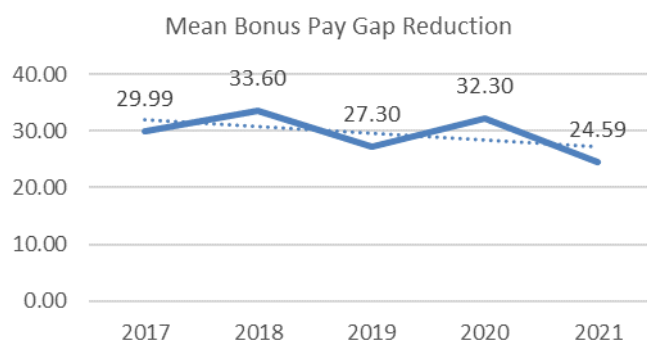
Organisationally we adopted a policy of offering flexible working from day one a number of years ago however we lack good data that supports this policy and take up of this option. In 2021 offering flexible working from day one is now national NHS policy.

- In October 2021 we joined a national programme 'Flex for the Future' this is being led by the national lead for flexible working in the NHS. A trust wide task and finish group has been established to progress action associated with the programme.
- Our Parental Leave policy includes options for shared parental leave which is a statutory option.

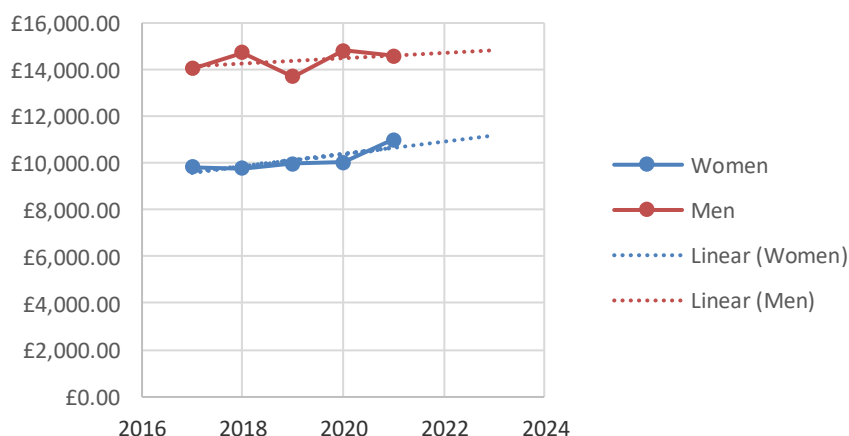
Section 3: Assurance

3.1 Pay in the Medical and Dental and Administrative and Clerical Groups

The Medical Directorate has been focusing on gender for the last few years, in particular on balancing the gender of consultants receiving Clinical Excellence Awards. 2021 data indicates an improvement trend. Although there has been a reduction from 9 to 6 women receiving an award due to three women consultants leaving an improvement in Mean pay increase has not been affected by this change this is likely to be because of increases in the amount of the overall award for the remaining 6. The tables below show that the Mean Gap for 'Bonus' pay remains but is reducing and that the Mean rate of pay is increasing.



Mean CEA Pay 2017 - 2021



Although there has been no specific review of the ‘Mend the Gap’ report (an action highlighted in our 2020 report), our most recent data (March 2021) indicates a significant reduction in the Gender Pay Gap in the Medical and Dental group overall, down to **10.83%** from **13.67%** and the directorate have noted that senior recruitment of women has taken place who are not included in the Clinical Excellence Award data report.

Gender diversity at Executive Board level has changed in favour of women and this may have supported a reduction in the Mean pay gap in the Gender Pay Gap in the Administrative and Clerical group down to **16.68%** from **21.24%**.

	Average Hourly Rate Women 2020	Average Hourly Rate Women 2021	Average Hourly Rate Men 2020	Average Hourly Rate Men 2021	Difference £ 2020	Difference £ 2021	Gap % 2020	Gap % 2021
Medical and Dental	£30.43	£32.56	£35.25	£36.51	£4.82	£3.95	13.67	10.83
Administrative and Clerical	£14.83	£15.20	£18.83	£18.24	£4.00	£3.04	21.24	16.68

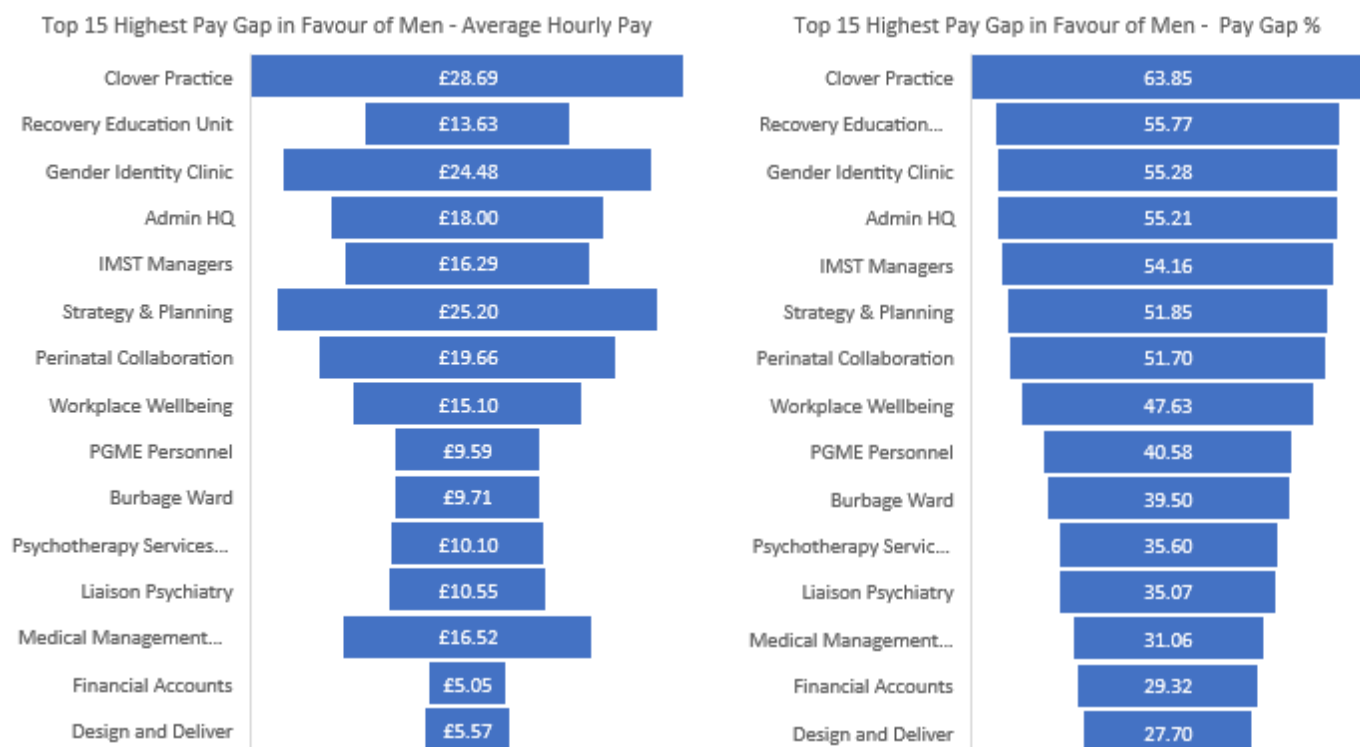
Despite these positive changes there is still a big difference in the average hourly rate of pay for men and women in these groups (£3.50 and £3.04).

3.2 Gender and Pay by Service area

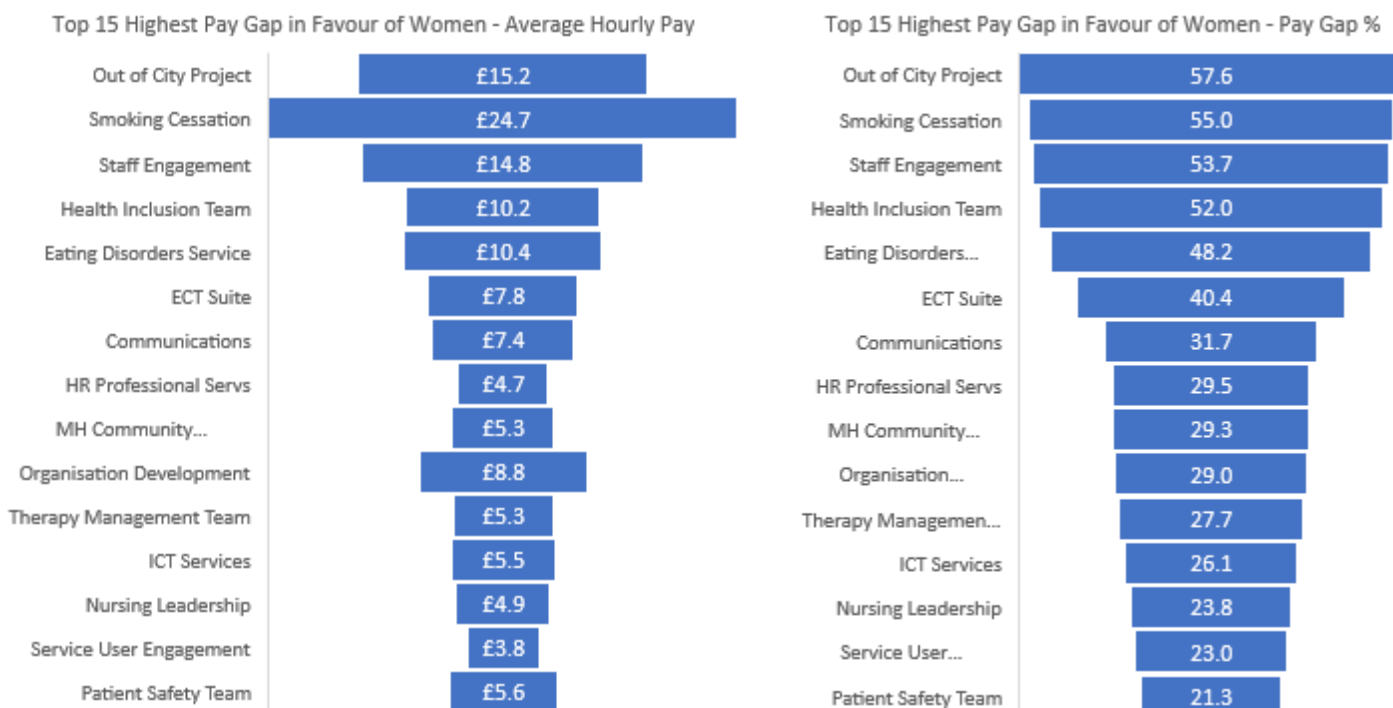
Some services have a very high gap in favour of men but there are also a high number of services that have a large gap in favour of women. The Tables below provide information on the top 15 areas that have the highest gap in favour of men and women:

Data on pay gaps will be included in information provided to teams to support their workforce planning.

Top 15 areas with the highest pay gap in favour of men (2021 data)



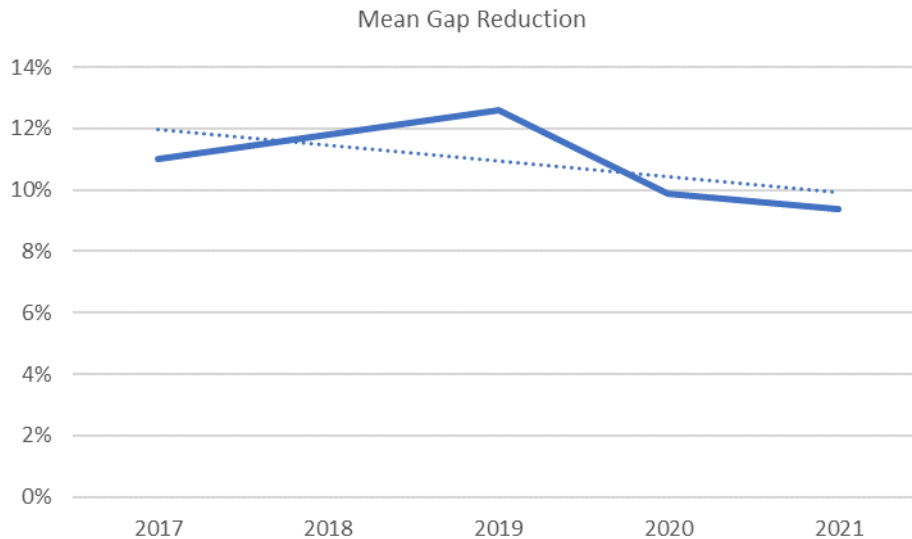
Top 15 areas with the highest pay gap in favour of Women (2021 Data)



Pay gap data in the tables above shows the scope of pay differences, with the pay gap presented in order from high to low and the associated pay difference highlighted in the left-hand tables. It can be seen that although there are areas where there is a pay gap in favour of women the gaps are larger where the pay gap is in favour of men.

3.3 Mean Pay Gap Reduction

Overall, we are seeing a downward trend year on year in our Mean pay gap.



Benchmarking

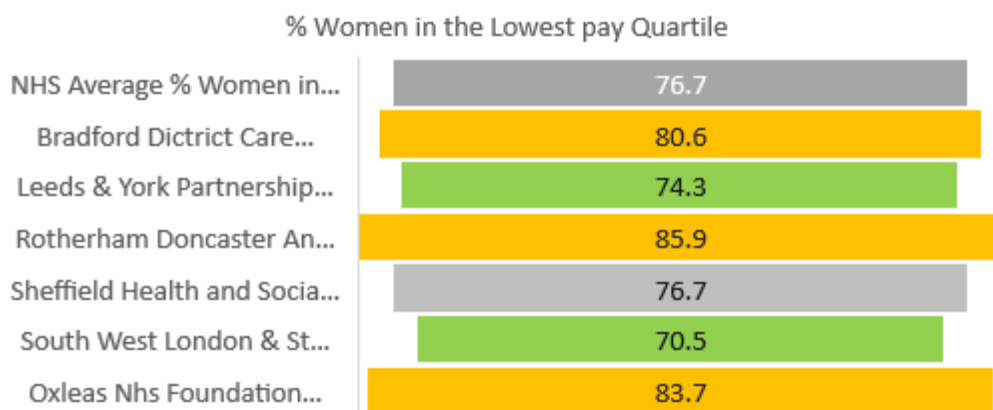
3.4 Benchmarking data is available from the government Gender Pay Gap reporting web site. It is only possible to get high level data so some comparisons such as Bonus pay gap data are not useful, because these may include different types of Bonus pay (for example long service awards). It is useful to compare the percentage of women in each of the four pay quarters and to an extent to consider the Mean pay gap.

The comparators below are mental health organisations with up to 5,000 staff (the category that our organisation falls into in the data set), data is as of March 2020, because NHS organisations tend to publish their data at the end of the required time period none of the organisations below have published their 2021 data.

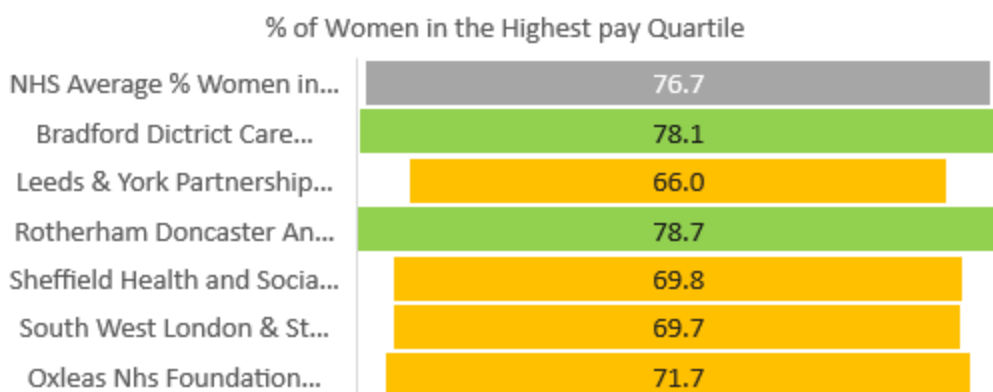
3.4.1 Percentage of Women in the Lowest and Highest Pay Quartiles 2020

As noted at the start of the report the pay gap can be influenced by increasing the number of women in the highest paid roles in our organisation and in medical workforce because these two areas have a high pay gap. Pay gap reportable data includes data on the percentage of women and men in four pay quartiles low to high.

Our 2020 data showed that the percentage of women in the **lowest pay quartile** was exactly in line with the percentage of women in the NHS workforce, of the benchmark organisations three had a higher percentage of women in the lowest pay quartile and two a lower percentage in the lowest pay quartile, this is illustrated in the table below.



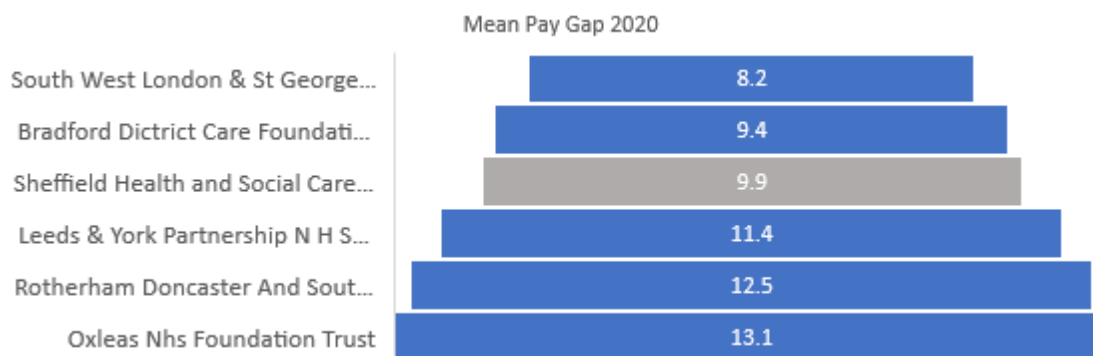
The percentage of women in the **Highest pay Quartile** in our organisation was below the national percentage of women in the workforce, of the benchmark organisations two had a higher percentage of women in the highest pay quartile and four, including our organisation, a lower percentage in the highest pay quartile, this is illustrated in the table below.



Bank - Review of our data suggests that the number of Health Care Support Workers in the Bank may be influencing our data for the percentage of women in the lower pay quartile, there are 178 women in the lowest quartile that are identified as 'Bank' in the 2021 report. This is not a feature of the bank per say but of the number of people who work through the Bank i.e., 26 people identified as working through the Bank are actually in the highest quartile but are likely to be Registered Nurses employed through the Bank.

3.4.2 Mean Pay Gap

Mean averages place the same value on every number they use, giving a good overall indication of the gender pay gap. But very high or low hourly pay can 'dominate' and distort the figure. Our Mean gap has tended to fluctuate the most likely reason for the fluctuation is the number of changes in the overall number of people in the workforce year on year, in addition because we pay Bank staff directly, they are included in our Pay Gap data and significantly add to the number of people in lower paid bands as noted above again the numbers fluctuate year on year. In 2020 our Mean pay gap was one of the lower gaps in the benchmark group at **9.9**. In 2021 our Mean gap is **9.4** as noted above a benchmark for 2021 is not available.



Triangulation

3.5 One of the elements of the Flex for the future programme is for organisations involved to start to collect and consider data relevant to flexible working, as noted above our current available data is limited and we have just started to look at this, future reports will contain more information about this area.

Engagement

3.6 In 2021 our Carers Staff network group introduced the concept of 'Carers Passports' to our organisation. The chairs of the group have been liaising with a national lead and a group has been established in partnership with members of the People Directorate to oversee introduction of the passport into the organisation. The passport will help people who are carers to identify ways in which they can be supported to continue to work, as carers are predominantly women this will have a positive impact.

Section 4: Implications

Strategic Aims and Board Assurance Framework

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

4.2 This paper is also relevant to the BAF Risk of not retaining staff, not workforce planning effectively, failing to provide effective leadership impacting on quality of care. The risk associated with the Gender Pay Gap in this respect is discussed and considered in section 2 above.

Equalities, diversity, and inclusion

4.3 This report is directly relevant to the pay gap between women and men and narrowing the gap is an organisational Equality Objective relevant to the Goal of our People being Empowered Engaged and Well Supported. Reviewing pay gaps and acting in response also supports the proactive element of the Public Sector Equality

Duty found in s149 of the Equality Act 2010 to advance equality of opportunity and to foster good relations.

Culture and People and Integration and system thinking

4.4 Many areas outside of the direct control of our organisation impact on the gender pay gap however the following areas are within our organisations control:

Availability of flexible working – as noted above the national NHS *'flex for the future'* programme, is a national programme focused on the availability of flexible working options in the NHS – reporting on progress will be through the Health and Wellbeing Group. This programme will provide an opportunity to review why people who join the Bank as Health Care Support Workers often work full time hours on Bank but do not apply for full time posts when these become available – one reason given is lack of flexibility in full time posts.

This will also be an opportunity to continue to develop and challenge availability of flexible working options for senior and medical roles.

Financial

4.5 There are no specific financial considerations associated with this report

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

Section 5: List of Appendices

No appendices