

## **Gender Pay Gap Report**

(March 31<sup>st</sup> 2018 snapshot)

### **1. Introduction**

Gender pay reporting legislation requires employers with 250 or more employees from April 2017 to publish statutory calculations every year showing the pay gap between their male and female employees. The Trust must publish their gender pay gap data and provide a written statement on their public website and report their data to government via the online gender pay gap reporting service.

The gender pay gap shows the difference in the average pay between all men and women in a workforce. Generally, the average pay of women is lower than that of men and this tends to be because there are fewer women in senior high earning positions in organisations than men. Whilst a workforce may be predominantly female, if the most senior positions are taken up by men, the average pay of women in that organisation could well be lower.

Gender pay reporting is different to equal pay; equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

The national pay system for all NHS staff is under Agenda for Change (AfC), with the exception of medical and dental (M&D) staff and most senior managers. The AfC 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.

As per the requirements the data in this report is based on a snapshot taken on 31<sup>st</sup> March 2018.

### **2. The gender pay gap indicators**

An employer must publish six calculations showing their:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay.

### 3. What is meant by 'pay'

It is important to understand what is meant by 'pay' in order to carry out the calculations set out in the Regulations. Pay will include:

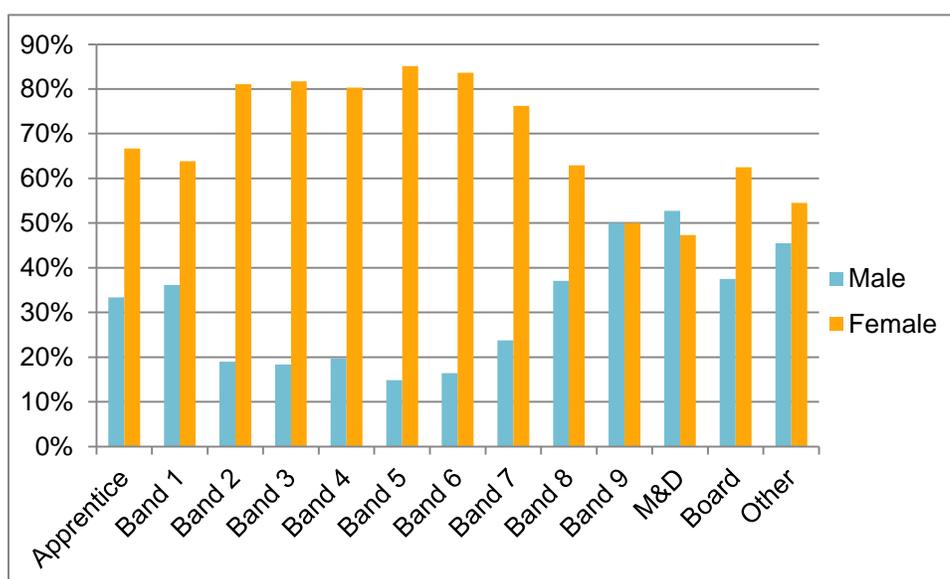
- basic pay
- full paid leave including annual, sick, maternity, paternity, adoption or parental leave
- bonus pay (this only refers to Clinical Excellence Awards applicable to medical and dental; staff only)
- recruitment and retention allowances
- shift premium pay
- pay for piecework.

Pay will not include:

- overtime pay
- expenses (payments made to reimburse expenditure wholly and necessarily incurred in the course of employment, e.g. mileage for use of vehicle)
- remuneration in lieu of leave
- the value of salary sacrifice schemes
- benefits in kind (e.g. child care vouchers)
- redundancy pay and tax credits.

### 4. Torbay and South Devon NHS Foundation Trust (TSDFT) Workforce Context

The gender ratio within the overall workforce included in the GPG calculation for Apr 2017 – Mar 2018 is 78% female and 22% male. The breakdown of proportion of females and males in each banding is as follows:



## Average Gender Pay Gap

### a) Average gender pay gap as mean average (All applicable TSDFT staff)

	Male	Female	% difference
Mean hourly rate 2017	£18.21	£14.45	20.58%
Mean hourly rate 2018	£18.76	£14.85	20.84%

### b) Average gender pay gap as median average (All applicable TSDFT staff)

	Male	Female	% difference
Median hourly rate 2017	£13.45	£12.62	6.18%
Median hourly rate 2018	£14.16	£13.10	7.49%

### c) Average gender pay gap as mean average (Split between AfC and Other/Medical & Dental)

Mean hourly rate	Male	Female	% difference
AfC 2017	£13.53	£13.59	-0.42%
M&D 2017	£38.89	£33.52	13.81%
AfC 2018	£13.90	£13.88	0.14%
M&D 2018	£36.99	£31.94	13.65%

### d) Average gender pay gap as median average (Split between AfC and Other/Medical & Dental)

Median hourly rate	Male (AfC)	Female (AfC)	% difference
AfC 2017	£11.49	£12.25	-6.67%
M&D 2017	£39.87	£31.20	21.75%
AfC 2018	£10.60	£12.57	-18.58%
M&D 2018	£37.92	£28.29	25.40%

## Average Bonus Gender Pay Gap

### a) Average bonus gender pay gap as mean average

Bonus (mean)	Male	Female	% diff
2017	£14,743	£11,640	21.05%
2018	£13,514	£10,992	18.66%

## b) Average bonus gender pay gap as median average

Bonus (median)	Male	Female	% diff
2017	£11,934	£8,357	29.97%
2018	£7,750	£8,632	-11.38%

## c) Percentage of staff receiving a bonus

Bonus (%)	Male	Female
2017	5.37%	0.66%
2018	5.69%	0.77%

## Quartiles

### a) Proportion of males and females when divided into four groups ordered from lowest to highest pay

	Male	Female
Lower	24%	76%
Lower middle	17%	83%
Upper middle	17%	83%
Upper	28%	72%

## Office for National Statistics benchmark (October 2017 release)

The following data is from the Office for National Statistics<sup>1</sup>:

Organisation	Mean Paygap (excluding bonus pay)	Median Paygap (excluding bonus pay)
TSDFT	20.84%	7.49%
Hospital Sector	27.2%	16.1%
National (all types of employer)	17.4%	18.4%

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<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>

## 5. Summary of results

### Average gender pay gap

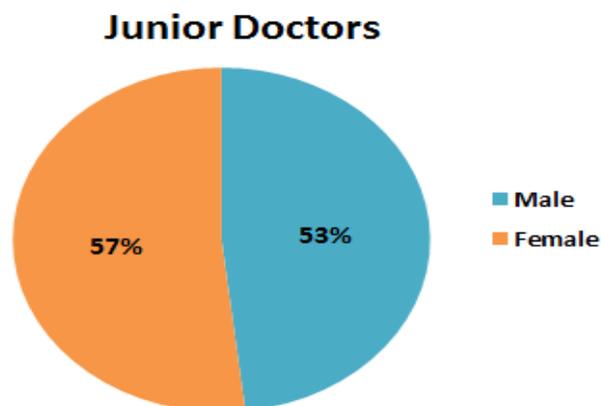
The overall percentage variance for the average hourly rate of pay as a mean average is low at 20.84%. This calculation is based on the average hourly rate for 4716 female staff compared to 1339 male staff; because the average is calculated over different numbers of staff (there are almost 4 times more female staff), some variance is to be expected.

However when analysing the data the Office for National Statistics (ONS) recommends that the focus should be the median average, rather than the mean, as this is less open to distortion by those at the extreme ends of the pay range. Therefore despite the slight increase this year (1.3%), the Trust's percentage variance for the median hourly rate of pay is just over 7%. This is still well below the national average reported in 2017 of 18.4%.

It is critical to emphasise that these figures do not mean that a male and a female staff member doing equal work receive different levels of pay. Rather the above statistics are driven mainly by both the distribution of males and females within different parts of our workforce; and the pay of the medical workforce which has an amplified effect on our statistics for the total workforce.

Having reviewed the data there are two themes which stand out. Firstly when looking at the total workforce, male staff are disproportionately represented in the lowest and highest pay quartiles. However the most obvious imbalance of pay is amongst the Medical and Dental staff. As shown above once the M&D figures are removed then the median hourly rate for AfC staff is in favour of female staff at -18.58%. It is the inclusion of our Consultant Body which shows to have a significant impact on the figures and reversing the female positive gender pay gap across the remainder of the Trusts workforce.

Analysis of our medical workforce continues to reveal its own complexities. The Junior doctors show a pay gap in favour of female staff, but at more senior level then this is in favour of male employees, with a higher number of male consultants employed compared to female. Although the legacy of a predominantly male Consultant body is slowly changing and this is demonstrated by the current Junior Doctor employees which shows a higher number of female employees compared to male:



(Junior Doctors employed by TSDFT)

## **Average bonus gender pay gap**

As an NHS organisation the only pay elements that fall under the bonus pay criteria for the purposes of the gender pay gap are Distinction Awards, Discretionary Points and Clinical Excellence Awards (CEAs). These are only applicable to certain groups of Medical and Dental staff.

The percentage variance for the bonus rate has significantly decreased this year with the difference being 18.66% for the average mean and a median average difference of -11.38%. This is a substantial change as the median bonus pay has reserved and is now in favour of female staff. However only 41 females receive a bonus compared to 84 males.

## **6. Closing the Gender Pay Gap**

Closing the gender pay gap is not only the right thing to do but research shows that a more diverse and inclusive workforce helps organisations by bringing new skills, creativity and innovation, sounder decision making and higher staff satisfaction and retention.

As a Trust we welcome the introduction of gender pay gap reporting and are fully supportive of equality of opportunity within our workforce. We recognise that this data tells us that there is further work to be undertaken to achieve that equality of opportunity. However we have females represented in many senior positions – our Chief Executive is a woman and four of our seven Directors are female. But we acknowledge that there could be greater representation in the senior clinical roles which drive the greatest variances in this report. The current NHS medical workforce has a far greater proportion of males whilst this was traditionally the trend this is changing and at Junior Doctor level, the numbers are more equal, therefore over time the imbalance will be eroded.

We have a robust recruitment process and diversity and inclusion is embedded into this, and all our policies. We will continue to recruit on merit in a fair, open and transparent manner. We also have family friendly policies with a range of flexible working patterns including support for women returning to work and a Champion of Flexible Training for junior doctors. However we will look carefully at our approach to flexible working for all staff, including medical staff, in order to establish whether more can be done to improve flexible working.