

# Tees, Esk and Wear Valleys NHS Foundation Trust

## Gender Pay Gap Report – 2020



The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 introduced a statutory requirement to produce information outlining details of any gender pay differences that exist within an organisation. As from April 2018 public, private and voluntary sector organisations with 250 or more employees were required to report on their gender pay gaps using six different measures. This is the third report and is based upon a snapshot date of **31st March 2020**. We are required to publish data on the Government Equalities Office website and on the Trust website by 30th March 2021 and annually going forward.

The gender pay gap differs from equal pay in the following way. 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 gender pay gap shows the differences in the average pay between men and women.

The following report includes the statutory requirements of the gender pay gap reporting legislation along with further context to demonstrate our commitment to equality. The Trust is committed to understanding any differences identified in the gender pay report and will undertake further analysis to gain a better understanding as to the reason for the differences and to take action where appropriate.

### **The gender profile of the Trust is 76.9% female and 23.1 male**

The gender profile split in the Trust has remained static in the last 12 months. There has however been a 1% increase in favour of females since we started to report in March 2017. The gender split at that time was 76.9% female and 23.1 male.

## Mean and Median Gender Pay Gap

The mean gender pay gap and median gender pay gap for **all employees** is as follows:

- **Mean Gender Pay Gap** - 12.16% less than males - equating to £2.20 per hour less
- **Median Gender Pay Gap** - 8.91% less than males - equating to £1.31 per hour less

The mean gender pay gap linked to the amount a female is paid per hour has decreased by 16.7% in the last 12 months. The mean gender pay gap has reduced from 14.65% to 12.16%. The median pay gap linked to the amount a female is paid per hour has decreased by 13.2% on the previously reported position. The median gender pay gap has reduced from 10.14% to 8.91%.

The Trust operates a number of **salary sacrifice schemes** which affords staff the opportunity to purchase vouchers towards childcare costs, purchase a cycle or a lease car. The table below highlights the number of staff by gender contributing to the schemes. The majority of staff opting to participate in one or more salary sacrifice schemes are female. The costs associated with salary sacrifice schemes are deducted prior to calculating gross pay. This will have an impact on the gross pay calculations undertaken to determine the mean and median gender pay gap and will be one of a number of contributory factors which may be causing the differences being reported. There has been a 39% reduction in the number of staff contributing to the child care voucher scheme. This is linked to changes to the existing scheme.

There has been an increase of **38.6%** in the number of staff contributing to the lease car salary sacrifice scheme compared to March 2019. Based on the average monthly sacrifice of £297 this will reduce the gross pay of a female member of staff by approximately £3,564 per annum. It is also worth noting a proportion of staff contribute to more than one salary sacrifice scheme.

### March 2020

| Salary Sacrifice Schemes | Child Care Vouchers                             | Lease Car Scheme                                | Cycle to Work Scheme                          |
|--------------------------|---|---|---|
| Female                   | 131 (77.9%)<br>average sacrifice per month £166 | 250 (76.0%)<br>average sacrifice per month £297 | 49(76.6%)<br>average sacrifice per month £45  |
| Male                     | 37 (22.1%)<br>average sacrifice per month £112  | 79 (24.0%)<br>average sacrifice per month £340  | 15 (23.4%)<br>average sacrifice per month £61 |

**March 2019**

| <b>Salary Schemes</b> | <b>Sacrifice</b> | <b>Child Vouchers</b>                              | <b>Care</b> | <b>Lease Scheme</b>                                | <b>Car</b> | <b>Cycle to Work Scheme</b>                      |
|-----------------------|------------------|--|-------------|--|------------|--|
| Female                |                  | 212 (77.4%)<br>average sacrifice<br>per month £166 |             | 147 (72.8%)<br>average sacrifice<br>per month £285 |            | 57(67.1%)<br>average sacrifice<br>per month £46  |
| Male                  |                  | 62 (22.6%)<br>average sacrifice<br>per month £145  |             | 55 (27.2%)<br>average sacrifice<br>per month £301  |            | 28 (32.9%)<br>average sacrifice<br>per month £49 |

The mean gender pay gap and median gender pay for those staff **employed on Agenda for Change** terms and conditions and Executive Pay shows the difference in rate to be lower.

- **Mean Gender Pay Gap (AfC & Executive Pay)** 5.14% less than males - equating to £0.84 per hour less
- **Median Gender Pay Gap (AfC & Executive Pay)** 6.22% less than males – equating to 0.94p per hour less

The mean gender pay gap has decreased by 15.15% and the median gender pay gap has increased by 9.57% compared to the previous year.

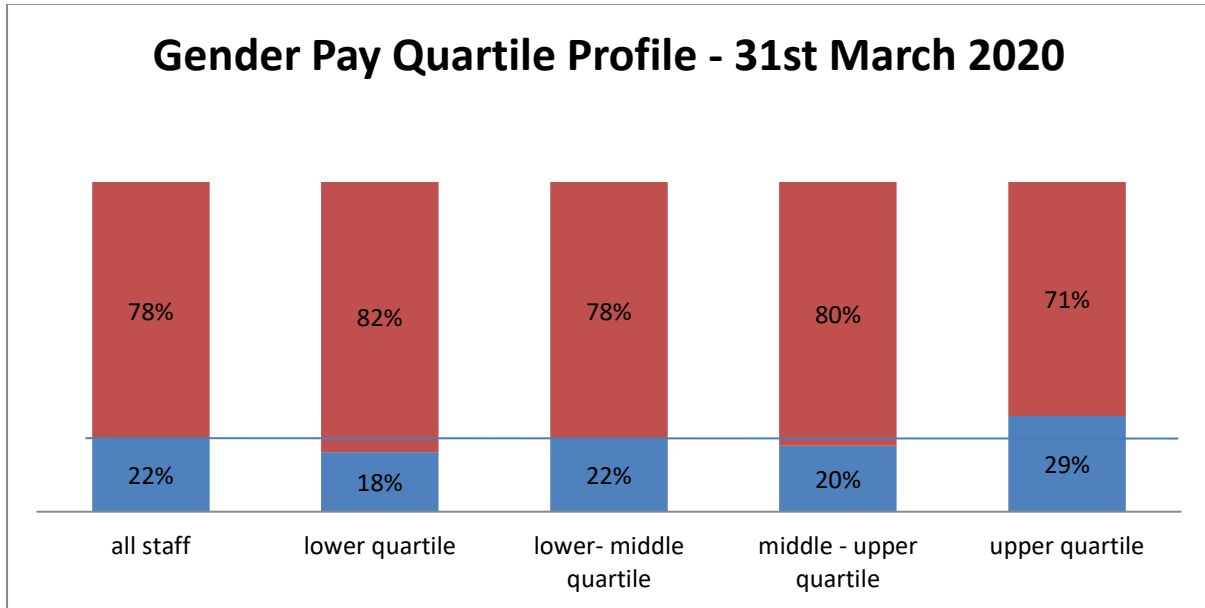
The information below highlights the mean gender pay gap and median gender pay gap for those staff employed on **Medical and Dental terms and conditions**. The figures include the Clinical Excellence Awards payments that are paid to eligible medical staff, which is a section of the workforce with a higher proportion of males.

- **Mean Gender Pay Gap (M&D)** - 14.20% less than males - equating to £6.34 per hour less
- **Median Gender Pay Gap (M&D)** - 2.90% less than males – equating to £1.34 per hour

The mean gender pay gap has decreased by 7.49% which has resulted in a smaller difference in hourly pay for females based on the previous report. The median gender pay gap has also decreased by 48.94%.

**Gender Pay Quartile Profile**

The graph below shows the proportion of males and females in each pay quartile. The lower quartile represents the lowest salaries in the Trust and the upper quartile represents the highest salaries. The Trust employs more women than men in every quartile. 82% of employees in the lower quartile are female, compared with 71% in the upper quartile. The gender pay quartile profile has remained the same as the previous reporting period.



## Bonus Payments

Under the national Medical & Dental terms and conditions Consultants are eligible to apply for Clinical Excellence Awards (CEA). These awards recognise individuals who demonstrate achievements in developing and delivering high quality patient care over and above the standard expected of their role and are part of a commitment to the continuous improvement of the NHS. The table below highlights the mean and median bonus pay linked to clinical excellence awards.

| Gender     | Mean Bonus Pay | Median Bonus Pay |
|------------|----------------|------------------|
| Male       | £13,608        | £12,639          |
| Female     | £7,938         | £7,182           |
| Difference | £5,670         | £5,457           |
| Pay Gap %  | 41.6%          | 43.2%            |

At the time of reporting the Trust was operating a local clinical excellence award scheme based on the national terms and conditions. Eligible Consultants are invited to submit evidence to a panel who subsequently determined if an award would be made. Once an award had been made the Consultant continued to receive that level of award going forward. A further submission may be made the following year and as a consequence progression through the varying payment levels occurred. This may account for one of the reasons for the significant difference being reported.

## Proportion of eligible Consultants receiving a CEA

- Male - 66.6%
- Female - 48.3%

The proportion of eligible Consultants receiving a CEA has decreased by 7.2% for males and 3.4% for females compared to the previous year.

## Long Service Awards

The Trust operates a locally agreed long service award scheme to recognise the service of staff who have 25 years NHS service. The award is a £100 gift voucher. In the reporting period a total of 91 staff received an award. 73 females and 18 males received an award, equating to 80% of females which is greater than the Trust gender breakdown.

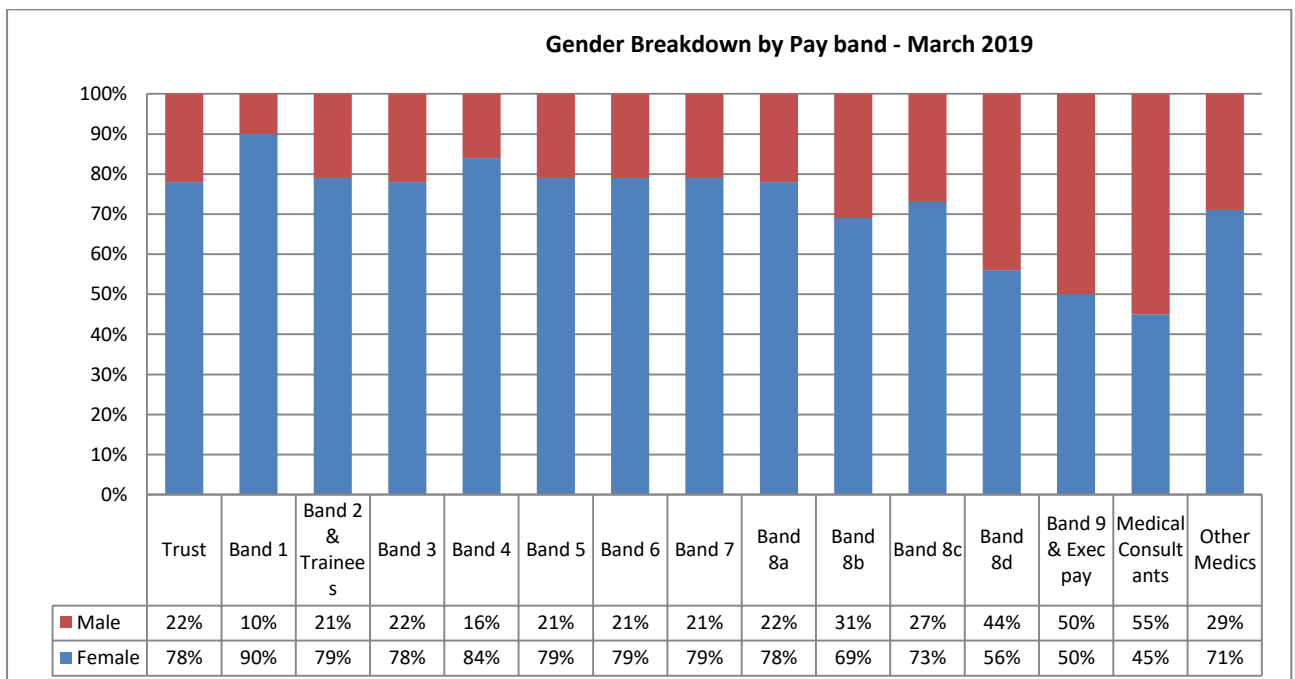
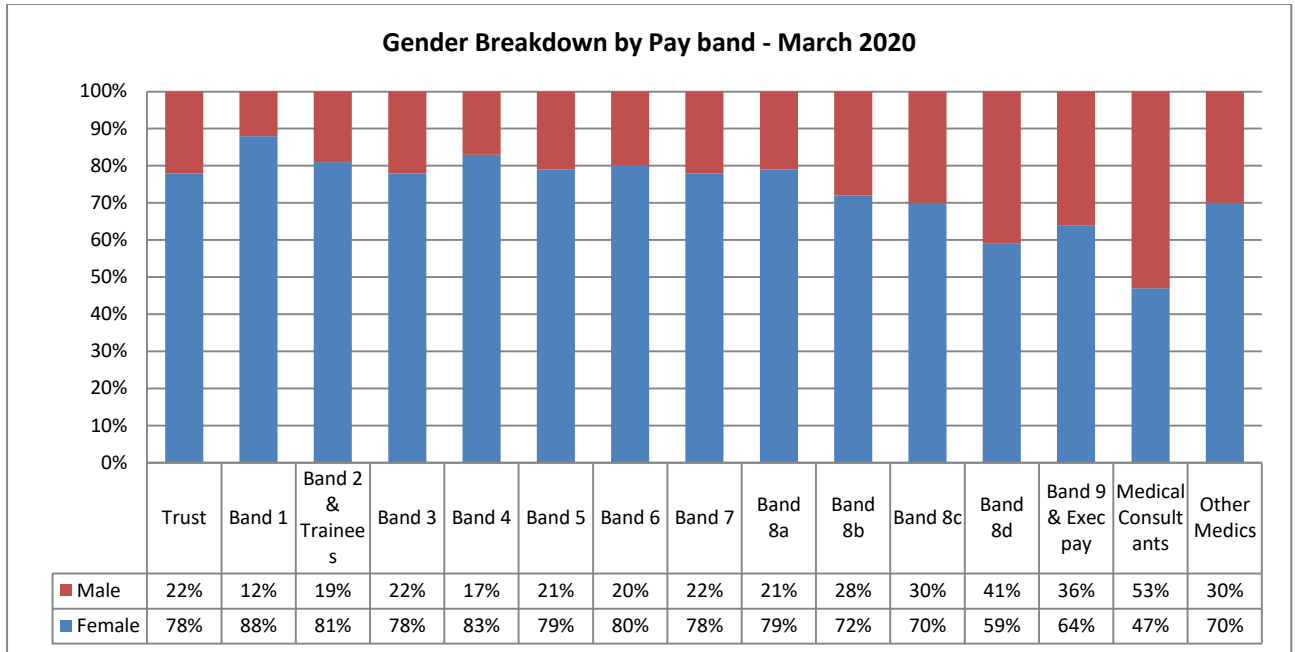
Under the Regulation we are required to include payments which relate to profit sharing, productivity, performance, incentive or commission should be included in the bonus calculations. It could be argued long service awards do not provide the incentive usually associated with the criteria outlined above. Guidance from ACAS states that such payments with a monetary value should be included. The table below provides **combined details of the clinical excellence awards and long service awards**.

| Gender     | Mean Bonus Pay | Median Bonus Pay |
|------------|----------------|------------------|
| Male       | £8,255         | £6,032           |
| Female     | £1,687         | £100             |
| Difference | £6,568         | £5,932           |
| Pay Gap %  | 79.5%          | 98.3%            |

**It is important to recognise when combining the bonus awards in this way the data is skewed as long service awards are predominantly paid to women with a higher proportion of males receiving clinical excellence award payments.**

## Gender Breakdown by Pay Band

The following two graphs provide a gender profile breakdown by pay band as at March 2020 and March 2019. **The graphs highlight there have been changes in the profile in a number of bands, most notably in band 8b, 8d and band 9 and Executive pay.**



## Gender Pay Gap by Banding

In addition to statutory requirements, we have also analysed our gender pay gap by banding. The shaded boxes below highlight the pay bands where females are paid more than males. The tables relates to those staff employed on Agenda for Change conditions and locally agreed Executive Pay.

|                              | Band 1                                   | Band 2                             | Band 3                                 | Band 4                                | Band 5                                 | Band 6                                 |
|------------------------------|--|------------------------------------|--|---------------------------------------|--|--|
| <b>Mean pay difference</b>   | £1,24p per hour<br>11.80%<br><b>more</b> | 0.13p per hour<br>1.2% <b>less</b> | 0.38p per hour<br>3.3% <b>less</b>     | 0.17p per hour<br>1.1%<br><b>less</b> | 0.49p per hour<br>3.26%<br><b>less</b> | 0.51p per hour<br>2.79%<br><b>less</b> |
| <b>Median pay difference</b> | No difference reported                   | No difference reported             | 0.58p per hour<br>5.17%<br><b>less</b> | 0.26p per hour<br>2.19%<br>less       | 0.94p per hour<br>6.16%<br><b>less</b> | £1.27 per hour<br>6.66%<br><b>less</b> |

|                              | Band 7                          | Band 8a                                | Band 8b                                | Band 8c                                       | Band 8d                                       | Band 9 and Executive Pay                |
|------------------------------|---------------------------------|--|--|---|---|---|
| <b>Mean pay difference</b>   | <b>No difference reported</b>   | 0.34p per hour<br>1.37%<br><b>less</b> | 0.21p per hour<br>0.71%<br><b>less</b> | 0.21p per hour<br>0.60%<br><b>less</b>        | 0.56p per hour<br>1.35%<br><b>more</b>        | £8.95 per hour<br>13.79%<br><b>less</b> |
| <b>Median pay difference</b> | 0.12p per hour<br>0.58%<br>less | 0.97p per hour<br>3.77%<br><b>less</b> | £1.29 per hour<br>4.31%<br><b>less</b> | 0.09p per hour<br><b>0.25%</b><br><b>less</b> | £1.33 per hour<br><b>3.23%</b><br><b>more</b> | 0.55p per hour<br>0.95%<br><b>less</b>  |

The table below highlights the gender pay differences for female Medical Staff.

|                              | Consultants                         | Speciality Drs                                       | Speciality Registrars         | Foundation Doctors                                   |
|------------------------------|-------------------------------------|--|-------------------------------|--|
| <b>Mean pay difference</b>   | £2.42 per hour<br>4.96% less        | <b>0.96p per hour</b><br><b>3.30%</b><br><b>more</b> | £1.12p per hour<br>4.51% less | <b>£0.11 per hour</b><br><b>0.67%</b><br><b>more</b> |
| <b>Median pay difference</b> | 0.67p per hour<br>1.40% <b>less</b> | <b>£2.16 per hour</b><br><b>7.73%</b><br><b>more</b> | £2.47 per hour<br>9.98% less  | <b>£0.09 per hour</b><br><b>0.54%</b><br><b>more</b> |

## Update on Progress from Gender Pay Report 2019

Following the publication of the last Gender Pay Report (March 31<sup>st</sup> 2019 snapshot date) further analysis was undertaken and shared with the Resources Committee. The analysis was undertaken to better understand the reasons for the reduction in the median gender pay gap reported as at March 2019. The following summarises the findings of the analysis:-

- A review of the implications of the Agenda for Change three year pay deal was undertaken to see whether the roll out of the pay framework may have contributed to the reduction in the median gender pay gap. The analysis undertaken highlighted the implementation of the changes resulted in over 817 staff moving further up the pay band than they would normally have progressed had the changes not been implemented. 680 of the staff were female which equates to 83%. Although the changes happened on 1st April 2018 the effect would not be reported until the current report as at 31st March 2019. It is believed this change is likely to have impacted on the median gender pay gap reported. The calculation for determining the median pay rate is dividing the pay of employees by the number of employees by gender.
- Analysis was also undertaken to assess whether a greater number of female staff had reached the maximum of the pay scale between the previous reporting period and 31st March 2019. The analysis highlighted the overall rate remained on a par with the previous reported rate, in March 2018 47.6% of females were on the top of their pay band, with 46.7% in March 2019.
- The Trust operates a number of salary sacrifice schemes contributions to the schemes are deducted from the gross pay calculation. It's believed this will have an impact on the gender pay figures reported. There was a 10% increase in the number of staff contributing to the lease car salary sacrifice scheme in the reporting year. There was a 9% increase in females joining the scheme but the average monthly payment reduced by 3% which may have impacted on the figures reported. The increase in males joining the scheme was higher at 14.5%. The average monthly payment for males increased by 7.5%.

## **Clinical Excellence Awards**

The Trust participated in a national research project with the Government Equalities Office into Clinical Excellence Awards. The research project investigated how the awards relate to the Gender Pay Gap in medicine. The research paper was published but did not provide specific recommendations that could be used locally to support the process. We await national guidance on how the LCEA's will proceed in future years.

Local Clinical Excellence Awards (LCEA) were halted this year as a result of the COVID-19 pandemic, with the award money that was due distributed equally among eligible consultants. This meant there was no formal process of application and review and instead all eligible individuals received a non-consolidated and non-pensionable payment for the 2020 year.