

<b>Title:</b>	<b>What Matters: 2020 Gender Pay Gap Report</b>
<b>Agenda item no:</b>	
<b>Meeting:</b>	EMC/ Workforce Committee
<b>Date:</b>	February 2021
<b>Presented by:</b>	Don Fairley (Director of Workforce)
<b>Prepared by:</b>	Pete Sandham – Employee Engagement and OD Manager

<b>Purpose of the Report</b>	To provide the committee with an overview of the Trusts Gender Pay Gap position for 2020 and seek approval to publish in accordance with legislative requirement.
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<b>Executive Summary</b>	As of 31.03.20, the RBFT reports a mean gender pay gap of 24.14% and a median pay gap of 7.4% - a decrease of 1.5%- 2% on both measures and the lowest GPG reported by the Trust since reporting commenced. Positive trends (1) more women in the highest pay quartile (2) prevalence of women in the top 500 hourly rates in the Trust (3) contraction of GPG Bonus rates. Structural composition of the senior medical workforce is the key factor driving our GPG position. Excluding Medics from the data, the Trust would not report a GPG. Improvement Plan developed.
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<b>Report History</b>	
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<b>What action is required?</b>	The Committee is asked to review and approve publication.					
Assurance	Information	✓	Discussion/input	✓	Decision/approval	✓

<b>Resource Impact:</b>	None
<b>Relationship to Risk in BAF:</b>	Failure to be a Great Place to Work

<b>Strategic objectives.</b> This report impacts on (tick all that apply)::						
Provide the highest quality care				✓		
Invest in our staff and live out our values				✓		
Drive the development of integrated services						
Cultivate innovation and transformation						
Achieve long-term financial sustainability						
<b>Well Led Framework applicability:</b>			Not applicable <input type="checkbox"/>			
1.Strategy & planning	2. Risk Management	3. Board capability	4. Culture ✓	5. Learning & development		
6. Roles & accountabilities	7. Performance management	8. Stakeholder engagement	9. Information analysis ✓	10. Robust information		
<b>Publication</b>						
Published on website		Confidentiality (Fol)	Private	✓	Public	
<i>Exempt: Section 22 – Information intended for future publication</i>						

## 1 BACKGROUND

- 1.1 Following the 2017 government amendments to the Equality Act (2010) and Specific Duties and Public Authorities Regulations (2010) it has become mandatory for organisations with over 250 staff to report annually on their Gender Pay Gap (GPG).
- 1.2 In essence, a gender pay gap is the difference between women's and men's earnings. The GPG requirements are such that differentials need to be reported in a range of ways across different pay elements, including ordinary pay and bonus pay.
- 1.3 The gender pay gap is not the same as equal pay. Equal pay - that men and women doing the same job should be paid the same - has been a legal requirement since the Equal Pay Act 1970. Through the implementation of thorough Agenda for Change Job Evaluation principles, the trust is confident that in terms of pay between men and women who carry out the same jobs, similar jobs or work of equal value, pay is equitable. The gender pay gap shows the difference in the average pay between all men and all women in a workforce
- 1.4 In 2019, the Trust GPG was **25.98% (mean gap) and 9.32% (median gap)**.
- 1.5 In 2020, the Gender Pay Gap reporting requirement was suspended due to the Coronavirus Pandemic, however the Trust continued to publish its data and progress in this important area.
- 1.6 A key influencing factor in any gender pay gap is the structural composition of the workforce. An organisation that is predominantly male in terms of the composition of its most senior roles will invariably report a gender pay gap - despite paying male and female employees the same amount for similar roles. Other factors that can drive a pay gap include women tending to work in lower-paid occupations and sectors and many women taking time out of the labour market and working part-time because of unequal sharing of care responsibilities (*'Gender Pay Gap – Closing it together': Government Equalities Office/CIPD 2017*).
- 1.7 During the course of the pandemic, studies have also begun to understand the 'gendered impact' of Covid -19. The widely reported devastating impact on retail and hospitality; reported higher furlough rates amongst women compared to men and the increasing caring responsibilities borne out of the pandemic have all been identified as factors likely to exasperate pre-existing inequalities.
- 1.8 The GPG reporting requirements for public sector organisations are such that data presented should be made for the pay period in which the 'snapshot day' falls. This day is the **31 March 2020**.
- 1.9 It is a requirement that data is published both on the Trusts website and also through the Government Equalities Office Gender Pay Gap Reporting portal. Data must be published by the **30 March 2021**.

## 2 DETAIL OF THE REQUIREMENTS

- 2.1 The details of the requirements are prescribed. Employers must:
  - (i) calculate the hourly rate of ordinary pay relating to the pay period in which the snapshot day falls

- (ii) calculate the difference between the mean and median hourly rate of ordinary pay of male and female employees
- (iii) calculate the difference between the mean and median bonus pay paid to male and female employees
- (iv) calculate the proportions of male and female employees who were paid bonus pay
- (v) calculate the proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands by number of employees rather than rate of pay

### 3 2020 RBFT Gender Pay Gap Data

3.1 At the RBFT, the mean and median hourly rates of ordinary pay, pay difference and % pay gap are presented in the table below. The Mean measure in this analysis is the average as commonly understood. The Median measure is the middle value in the full data range. With the mean measure, extremities and outliers at both ends of the data range will influence the mean value, whereas with the median measure - as simply the middle value in the data range - extremities and outliers do not influence the value.

	31.03.20		31.03.19		31.03.18	
	Mean Hourly Rate	Median Hourly Rate	Mean Hourly Rate	Median Hourly Rate	Mean Hourly Rate	Median Hourly Rate
Female (£)	16.98	15.39	16.38	14.82	16.055	14.3929
Male (£)	22.39	16.63	22.13	16.34	21.609	16.4733
Difference (£)	5.40	1.23	5.75	1.523	5.554	2.0804
Pay Gap (%)	24.14	7.40	25.98	9.32	25.70	12.63

- 3.2 The required data field to be reported is the data as of 31.03.20. This shows a **mean gender pay gap of 24.14% and a median pay gap of 7.4%**. Relative to the 2019 data, this represents a decrease of 1.5% to 2% on both measures.
- 3.3 **These 2020 figures represent the lowest Gender Pay Gaps that the Trust has reported since the reporting requirements were introduced in 2017.** The median pay gap in 2017 was 13.04% so our 2020 Median Pay Gap of 7.4% represents a 43% reduction since reporting began.
- 3.4 Clearly, our median gap is reducing at an accelerated pace relative to the mean gap. The key questions are: **Why** is this the case? **What** are the key factors driving this position? **How** do we continue to further improve our position? These questions are addressed in the remainder of this paper.

## 4 Workforce Composition

- 4.1 A key driver of the gender pay gap is the structural composition of the workforce. An organisation that is predominantly male in terms of the composition of its most senior roles will invariably report a mean gender pay gap - despite paying male and female employees the same amount for similar roles.
- 4.2 The number of employees, by gender in each pay quartile is presented in the table below. The required reporting data (as of the 31.03.20) is provided in addition to historic data. Each quartile simply represents the total workforce numbers split into 4 groups based on average hourly rates and gender composition. Quartile 1 is the lowest earners; Quartile 4 is the highest earners.

Quartile	31.03.20				31.03.19				31.03.18			
	Female	Male	Female %	Male %	Female	Male	Female %	Male %	Female	Male	Female %	Male %
1	1021	299	77.35	22.65	1006	271	78.78	21.22	959	268	78.2	21.8
2	1063	258	80.47	19.53	1013	243	80.65	19.35	987	236	80.7	19.3
3	1125	196	85.16	14.84	1104	202	84.53	15.47	1027	207	83.2	16.8
4	868	453	65.71	34.29	828	453	64.64	35.36	784	445	63.8	36.2
<b>Total</b>	<b>4077</b>	<b>1206</b>	<b>77.17</b>	<b>22.82</b>	<b>3951</b>	<b>1169</b>	<b>77.15</b>	<b>22.85</b>	<b>3757</b>	<b>1156</b>	<b>76.5</b>	<b>23.5</b>

Quartile	3 year trends (2018-2020)		
	Female	Male	Female (% Change)
1	+62	+31	-0.85%
2	+76	+22	+0.4
3	+98	-11	+2.16
4	+84	+8	+1.91%

### 4.3 In terms of what the data is telling us:

- In terms of headcount increase in the 4<sup>th</sup> (highest) pay quartile, the pace of growth in female composition significantly outpaces that of men. 92% of the growth in the top pay quartile over the past 3 years is accounted for by the increase in women in this pay quartile.
- Correspondingly, growth in the number of women in the 1<sup>st</sup> (lowest) quartile is also reported. 67% of the growth in the lowest pay quartile over the past 3 years is accounted for by the increase in women in this quartile. With the mean (average) pay gap influenced by extremities in the data range, the diverging trends in growth at both ends of the spectrum explains why the drop in the mean pay gap, whilst very positive, is not more marked.

### 4.4 The pay quartile composition is a key driver of the pay gap. We also know that extremities in the data range influence the size of the mean average gap. With this in mind a further profile analysis of the top quartile and the 1321 roles therein has been undertaken, focussing on the gender profile of the top 500 hourly rates. The analysis shows that the prevalence of women decreases relative to the increases in hourly rates. Women comprise 66% of the entire top quartile, but only 43% of the top 500 highest hourly rates

- 4.5 A further line of enquiry has been to analyse the mean pay gap by staff group, in order to identify key areas influencing the position. Analysis shows that the most significant gaps are in the Admin and Clerical (which includes senior management roles) and Medical and Dental staff groups. The Medical and Dental group has the most significant impact on the overall pay gap position due to the high average hourly rates and high proportion of men in this staff group.
- 4.6 The headline conclusion in 2020, as it was in 2019 is that the highest paid roles in the top quartile are predominantly filled by male medics. The exclusion of the Medical and Dental staff group from the overall analysis has the effect of entirely wiping out the mean pay gap in the organisation

## 5 BONUS PAYMENTS

- 5.1 The Gender Pay Gap also brings requirements to report on bonus pay and differentials. The number and proportion of staff receiving bonus payments are noted below. Bonus Pay in the context of the GPG refers to bonus payments 'relating to performance, productivity, incentive, commission or profit sharing'. Overtime is not included. Clinical Excellence Awards (CEA) are regarded as bonus pay for the purpose of GPG and these awards **account for all bonus payment recorded** under this element at the RBFT. Bracketed figures highlight changes relative to 2019

	Gender	Employees Paid Bonus	Total eligible Employees (Permanent Medical Consultants)	% of eligible employees receiving bonus	Total number of Employees in Workforce	% of total workforce receiving bonus
2020	Female	33 (-1)	112	29.4%	4077	0.81
	Male	84 (-2)	176	47.7%	1206	6.96

- 5.2 Mean and median bonus payments, differentials and gender pay gaps in relation to bonuses are noted in the table below.

Gender	2020 Mean Pay (Bonus)	2020 Median Pay (Bonus)	2019 Mean Pay (Bonus)	2019 Median Pay (Bonus)	2018 Mean Pay (Bonus)	2018 Median Pay (Bonus)
Male	£11,378	£9,048	£11,681	£9,048	£12,092	£9,041
Female	£8,027	£6,032	£7,842	£6,032	£6,962	£4,019
Difference	£3,351	£3,015	£3,839	£3,015	£5,131	£5,022
Pay Gap %	29.45	33.33	32.87	33.33	42.43	55.55

- 5.3 Once more the Mean and Median Bonus Pay Gaps reported are the lowest the Trust has reported since the regulations commenced.
- 5.4 The three-year trend is one of significant decreases in the bonus pay gaps since 2018 – a 22% drop in the Median Gap and a 13% drop in the Mean Gap. Although the number of women receiving CEA bonus payments has not increased, where women are receiving them, the mean values have increased whilst conversely the mean value of male bonuses has decreased – leading to a narrowing of the gap.
- 5.5 Despite progress, a significant bonus pay gap still exists.

## 6. SUMMARY AND CONCLUSION

- 6.1 As of 31.03.20, the Trust reports a **mean gender pay gap of 24.14% and a median pay gap of 7.4%**. Relative to the 2019 data, this represents a decrease of 1.5% to 2% on both measures.
- 6.2 The three-year trend shows a strong, significant, accelerated net growth in women in the top two pay quartiles – a trend that is driving improvements in the median pay gap.
- 6.3 Extremities in the data range are the key reason why the mean gap is not closing more significantly. Analysis of the top 500 hourly rates shows that the prevalence of women continues to decrease significantly relative to the increases in hourly rates. Women comprise 66% of the entire top quartile but only 43% of the top 500 hourly rates
- 6.4 The most significant staff group impacting on the overall position is the Medical and Dental staff group. Excluding this staff group from the overall analysis has the effect of entirely wiping out the mean pay gap in the organisation.
- 6.5 Real time data (as of 31.12.20) indicates a continuing **on-going improvement trend** in terms of a further reduction in both the median and mean GPG position.
- 6.6 The impact of our actions is translating into improvements and as such, the continued delivery of the actions as set out in our **GPG Action Plan 2020-2022 (Appendix 1)**, are vital to further deliver improvements
- 6.7 The key underpinning issue is the relative under representation of women in senior medical roles which make up the vast majority of the highest earning posts in the Trust. In order to deliver sustained and significant improvements in reducing our average pay gap a long term focus to recalibrate this position is required.
- 6.8 Key areas of focus will need to include:
- **The female consultants of the future** – attracting, developing and retaining female consultant talent in the organisation.
  - **Consultant Recruitment** – continue the trend of net growth in the number of female consultants.
  - **CEA's** – On-going need to sustain improvement trends - ensuring equity in the system and encouraging applications from female consultants.

6.9 Our **Gender Pay Gap Action Plan 2020-2022** (Appendix 1), sets out in detail our planned actions for the period ahead

## **7 DECISION REQUIRED**

7.1 The Committee is requested to note the contents of this report and approve publication in line with relevant requirements by the 30.03.2021.

## RBFT Gender Pay Gap – Improvement Plan 2020-22

Key area for improvement	How	When	Who	Priority	Update	Measure	RAG Status
Recruitment and Selection	Deliver new 'batch' recruitment process	By Sept '21	KC	M	Necessary to push back original target date due to operational pressures in '20	Co-ordinated process to better retain and support the development of female talent	
	Audit gender balance and representation on selection panels for consultant and VSM recruitment.	On-going	KS and Recruiting Managers	H		Appropriate and balanced selection panels	
	Deliver Values Based Recruitment Training for hiring managers	Mar '20	KC	H	Training Completed and VBR live	100+ recruiting managers trained	
	Increase visibility of support and promotion of part time and flexible working in recruitment adverts - <b>"Happy to talk flexible working"</b> strapline and symbol	July '20	KC	M	Flexible working strongly promoted as part and parcel of our pandemic response. Positive increase in staff satisfaction reported in 2020 Staff Survey	Visible, impactful symbols in place.	
	Deliver Interview Prep and Performance Workshops	Jan '20	CP	M	Completed – moved to e-learning during Covid 19	100 delegates per annum and tracking of promotions	
	Display salary ranges when advertising vacancies	Feb '20	KC	M	Completed	Ranges Displayed	
	Ensure and Enhance visibility of Less than Full Time (LTFT) working options in recruitment ad's.	Apr '21	KC/KS	M	Expand on what we already say.		
Career Development	Promote increased utilisation of Knowledge and Development Fund	On-going	Charity and Comms	M	Increase in applications resultant from ongoing promotion	Effective promotion and subsequent engagement.	
	Continued equitable recruitment onto planned leadership development programmes – ensuring equity with overall composition of the workforce	Every enrolment window	RP	M		Recruitment onto key programmes reflective of overall workforce composition.	
	Deliver our RISE Talent Management Framework – underpinned by equity and inclusion providing a pipeline of female leaders into the future.	March '20	RP	M	1 <sup>st</sup> development centre delivered, plans for wide roll out during 2021 as operational pressures permit	Equitable representation of female talent in succession pipelines for Tier 1 and 2 roles	
	Expand Reverse Mentoring Provision	July '21	PS	M		15 more mentors recruited	



## RBFT Gender Pay Gap – Improvement Plan 2020-22

Key area for improvement	How	When	Who	Priority	Update	Measure	RAG Status
	Medical Engagement in Leadership Development and Talent Management programmes	TBC	JL			% of Female Medics on Leadership programmes	
<b>Branding, Communication And Visibility</b>	Regular profile and presence of female senior leaders (medical and non-medical) in Trust communications	Ongoing	Comms	L	Ongoing visibility		
	Ensure Widening Participation interventions challenge perceptions around careers in healthcare, especially medicine and raise aspirations	Sept '21	AO	L	Ongoing, but necessary to push back target date due to impact of Covid 19 on widening participation initiatives.	Targeted interventions supporting STEM careers.	
	Publish 2020 Gender Pay Gap Action Plan and commit to ongoing publication	Mar '21	PS	H	2019 Plan Published	Published	
	Appoint an Exec Sponsor for protected characteristic work streams - Gender	Nov'20	DF	H	Completed		
	Enhance our branding and reputation as a female friendly employer	Mar '21	All				
<b>Reporting and Monitoring</b>	Develop reporting and audit system to monitor all new AfC starting salaries	Bi-annually	CK			Bi-annually report for monitoring/trend analysis to inform local action.	
<b>Flexible Working and Family Leave Provisions</b>	Ensure flexible working opportunities are communicated and promoted and deliver a 'flexible by default' approach to working within the parameters of service needs	On-going	DF	M	Flexible working strongly promoted as part and parcel of our pandemic response with key benefits to be retained into the future. Positive increase in staff satisfaction reported via 2020 Staff Survey	Staff Survey Metrics relating to satisfaction with Flexible Working Opportunities. Impact on retention metrics	
	Appoint a 'Champion of Flexible Working' for the Workforce	TBC	SED	M			
	Increased promotion and visibility of Shared Parental Leave provisions	Ongoing	SED	L		Increased uptake of shared parental leave provisions.	

## RBFT Gender Pay Gap – Improvement Plan 2020-22

Key area for improvement	How	When	Who	Priority	Update	Measure	RAG Status
	Appoint a consultant to support flexible working medical trainees.	TBC	JL	M		Satisfaction and support measurers for trainees –	
<b>Clinical Excellence Awards</b>	Deliver feedback sessions on submitting successful CEA applications – both local and national.	Run up to April launch	KS	M		Increase in number of successful female applications	
	Deliver 3 year review protocol in line with policy guidelines	On going	KS	M	Policy stipulation in place		
	Ensure gender balance and representation on CEA awarding panels.	On going	KS	H	Policy stipulation in place	Representative panels in terms of both gender and ethnicity	
	Programme of communication to encourage female CEA applications.	Run up to April launch	KS and JL	H		10% increase in female applications	
	Learning from other Trusts reporting low pay gaps on best practice in application of CEA system.	As required	KS			Improvements in local RBFT system practice	
<b>General</b>	Develop and deliver an improved package of engagement for staff on maternity leave.	Sept '21	HR and OD Team	M	Strong communication and engagement embracing all colleagues away from the workplace during pandemic	Improved engagement and retention metrics measured through NSS and trust KPI's. Improved staff survey response rate.	
	Monitor National Contract Reforms for medics aimed at reducing the time taken to move through pay increments. Implement National reforms if/as agreed.	TBC	KS	M	Considered to be a significant step in addressing medical pay gaps		
	Ongoing review and implementation of other relevant recommendations of 'Mend the Gap: Independent review into Gender Pay Gaps in Medicine (Dec 2020)	TBC	KS/JL	H			

