

# Gender Pay Report

Snapshot date: 31 March 2018

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Prepared by: People and Organisation Development Team

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**Equal Pay is being paid equally for the same/similar work**

**Pay Gap is the difference in the average pay between two groups**

## 1. Introduction

All organisations within the United Kingdom with more than 250 employees have been required since April 2017 to publish details of their gender pay gap. The specific requirements of the Equality Act 2010 Act (Gender Pay Gap Regulations) 2017 are to publish information for the six specific measures detailed in this report.

NHS England was established on 1 April 2013 from 162 predecessor organisations: Strategic Health Authorities (SHAs); Primary Care Trusts (PCTs) and the Department of Health. As a result of TUPE transfers, NHS England has a number of pay protection arrangements in place.

Employees work from bases across England with the main hubs being London and Leeds. Like other NHS staff, employees based in London receive supplements to reflect higher costs.

As at the 31 March 2018, the organisation had 6,176 employees, 5,911 of which were in receipt of full pay. The organisation is predominately female, making up 67% of the workforce receiving full pay.

### Remuneration Policy

93% of NHS England employees are on NHS Agenda for Change (AfC) pay grades ranging from Band 2 to Band 9. The AfC job evaluation system allocates posts, in accordance with responsibility to set pay bands. The 2018 framework agreement on the reform of Agenda for Change introduced provisions to move to a new pay system with faster progression to the top of pay bands through fewer pay step points.

The new pay progression system will be underpinned by local appraisal policies that deliver the mandatory annual appraisal process. It is intended to ensure that within each pay band, staff have the appropriate knowledge and skills they need to carry out their roles, allowing them to make the greatest possible contribution to patient care. The framework for the remuneration of senior managers and directors is set by the Department of Health and Social Care through the Executive and Senior Managers (ESM) pay framework for arm's length bodies. 4% of NHS England employees are engaged as ESM's with a further 2% of employees on Medical pay scales. Employees are governed by HM Treasury's pay remit and are subject to current public sector pay rules and pay restraint.

## 2. What is our gender pay gap?

Based on the Government's methodology, as of a year ago (31 March 2018), we had a mean gender pay gap of 19% calculated as the percentage difference between the average hourly salary for men and the average hourly salary for women. The median gender pay gap of 22% is calculated as the percentage difference between the mid-point hourly salary for men and the mid-point hourly salary for women.

However, this is **not** the same as saying women and men are being paid differently for doing the same job (which would be an equal pay issue).

Furthermore, while 51% of the population of England are female, 55% of NHS England staff in the upper quartile of employees (in terms of pay) are women. Reducing our gender pay gap as defined by the Government implies either increasing the proportion of men in lower grades or increasing beyond 55% the proportion of women occupying the most senior roles.

### 3. What is our bonus gender pay gap?

NHS England does not have a bonus gender pay gap. Since its inception, NHS England has not paid bonuses to its employees, even though there has been an option, for senior managers and directors in the terms and conditions and as part of Executive and Senior Managers pay arrangements. There is no scope for bonus payments within the Agenda for Change terms and conditions of service.

We honour Clinical Excellence Awards (CEAs) payments. Data analysed for CEAs is based on 12 clinical employees in receipt of CEAs, 10 of whom are male and 2 female. These CEAs have been awarded by previous NHS employers and have been protected to attract and retain skills and expertise.

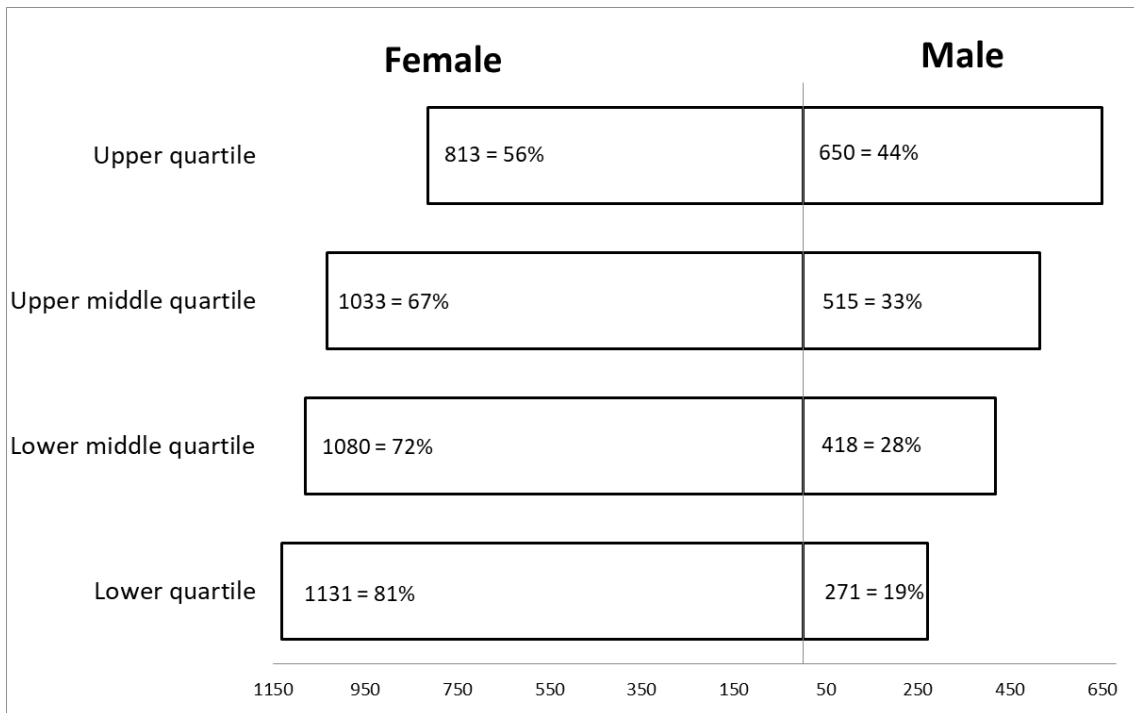
The proportions of male and female employees paid a CEA are:

Male	0.17%
Female	0.03%

Mean gender pay gap for CEAs is 51%, and;

Median gender pay gap for CEAs is 41%.

### 4. What proportion of males and females are in each pay quartile?



51% of the population of England are women, and 55% of NHS England's upper quartile senior staff are women. However, 81% of employees in the lower quartile are female. This demonstrates that a significant driver for the pay gap is a consequence of having a lower proportion of men in lower pay bands relative to their share of the population.

## 5. Addressing the gender pay gap

### Progress since the last report - 2017

Based on the Government's methodology, as of a year ago (March 2018), we had a mean gender pay gap of 19.% calculated as the percentage difference between the average hourly salary for men and the average hourly salary for women. This compares favourably to a year ago (March 2017), when we had a mean gender pay gap of 21%. The median gender pay gap of 22% (as at 31 March 2018) is calculated as the percentage difference between the mid-point hourly salary for men and the mid-point hourly salary for women. Our median gender pay gap of a year ago (March 2017), was 21%.

### Recruitment and Remuneration

We continue to use data to explore progression rates, better understand the drivers of the pay gap, and to develop our pay strategy using analysis of new starter data to ensure salary decisions on appointment, meet our equality and diversity standards. To help ensure fairness we encourage the use of Equality and Diversity Representatives on interview panels.

### Flexible Working

NHS England has a flexible working policy, which has been refreshed and provides an opportunity to influence organisational culture and thinking. Flexible working opportunities are actively promoted to existing and prospective employees and we have seen a steady increase in the uptake of flexible working since the policy was launched. We also promote and encourage the take up of shared parental leave, job-share and part-time working, and all NHS England vacancies are advertised as being suitable for flexible working.

### Coaching and Mentoring

We support development for those from all protected characteristic groups through our internal Coaching and Mentoring centre of excellence. Any individual in the organisation can access a register of quality assured, trained coaches and/or mentors who undertake regular continuous professional development and supervision. The register is monitored to ensure representation from different levels, geographical regions and protected characteristics. Bi-annual meetings take place with chairs of each of the staff networks. The Coaching and Mentoring centre of excellence is led by a Head of Coaching, Head of Mentoring and Project Managers and overseen by a steering group. The organisation is a member of the European Mentoring and Coaching Council (EMCC).

### Joint working

In addition to our legal responsibilities under the Equality Act 2010, NHS Improvement and NHS England as system leaders have acknowledged the importance of demonstrating that our approaches to the change process triggered by the Joint Working programme, are open, fair and transparent.

We are committed to ensuring that the NHS Improvement and NHS England joint working programme provides an opportunity to address gender equality issues in our workforce;

Our approaches include:

- ensuring that our executive has gender balance and their ongoing development takes account of the role modelling of women in senior positions. As an active step towards guaranteeing this, a senior equality and diversity representative

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participated in every interview panel for the new executive posts that report to the chief executives;

- focus on how to build and improve its inclusion programme by integrating NHS Improvement's Inclusion Partnership with NHS England's Diversity and Inclusion Steering Group, opening more opportunities for NHS England employees to be involved in diversity and inclusion activity. Included in this, the Women's Development Network, with a focus on supporting the development of women in non-managerial roles, is now an integrated aspect of our joint diversity and inclusion offer to employee;
- we are proactively completing equality impact assessments at each stage of the joint working programme to ensure that the change does not exacerbate gender inequality. This includes analysis of the gender balance at each decision-making point and careful consideration of the actions that the organisation can take to mitigate to mitigate any disproportionate impact of the change process on gender equality.

### **Gender pay group**

Originally developed by NHS England, NHS Improvement is also actively participating in the gender pay group. This group has the lead role in identifying and supporting further initiatives to improve NHS England and NHS Improvement's position with regard to gender pay. The group comprises representatives from the HR and OD group, Trade Unions and the Women's Network.

The group has been established to respond to and drive improvements across NHS England and NHS Improvement to improve and achieve gender (and the other 8 protected characteristics under the Equality Act 2010 Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sexual orientation) pay equality.

The group will achieve its aims by:

- Involvement and consultation on NHS England and NHS Improvement's plans, strategies, policies and guidance;
- Acting as a channel for communication with senior management on gender issues;
- Assisting in the coordination of events and activities which celebrate gender diversity at NHS England and NHS Improvement;
- Supporting and feeding into the implementation of the Equality, Diversity & Inclusion Strategy and action plans;

A Gender Pay Gap action plan is in the final stages of development.