

Gender pay gap report: 2016 to 2017

March 2018

We support providers to give patients safe, high quality, compassionate care within local health systems that are financially sustainable.

Contents

Introduction	2
Definitions and scope.....	3
Gender pay gap data	4
Closing and removing the gap	6

Introduction

It is now mandatory for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 that came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require relevant organisations to publish their gender pay gap by 30 March 2018 (and then annually) including: the mean and median gender gaps in hourly pay; the mean and median gender gaps in bonus pay; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

The gender pay gap shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this can indicate that there may be a number of issues to deal with and the individual calculations may help to identify what those issues are.

The gender pay gap 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.

NHS Improvement supports the fair treatment and reward of all employees irrespective of gender.¹

This report fulfils NHS Improvement's reporting requirements, analyses the figures in more detail and sets out what we are doing to close the gender pay gap in the organisation.

¹ From 1 April 2016, NHS Improvement is the operational name for the organisation that brings together Monitor, the NHS Trust Development Authority, Patient Safety, the National Reporting and Learning System, the Advancing Change team and the Intensive Support Teams.

Definitions and scope

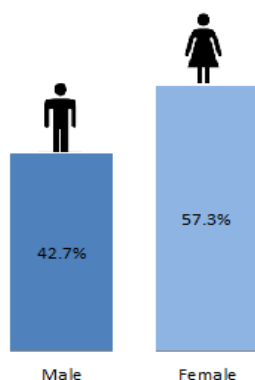
For the purpose of reporting, the definition of an employee is that under section 83 of the Equality Act 2010. The Regulations require public sector organisations which have 250 or more employees to base their employee data on the 'snapshot' date of 31 March 2017. All employee data contained in this report is extracted from the NHS Improvement payroll system. The hourly rate is calculated using base pay, allowances and bonus pay (where applicable).

Table of definitions

Mean gap	The difference between the mean* hourly rate of men and women *average pay for all men and average for all women employees
Median gap	The difference between the median* hourly rate of pay of men and women * middle value of pay for all men and middle value for all women employees
Mean bonus gap	The difference between the mean* bonus paid to men and women *average bonus for all men and average for all women employees
Median bonus gap	The difference between the median bonus pay paid to men and women *middle values of bonuses paid to all men compared to all women employees
Bonus proportions	The proportions of men who were paid a bonus and women paid a bonus
Quartile pay bands	The proportions of men and women in the lower; lower middle; upper middle; and upper quartile pay bands

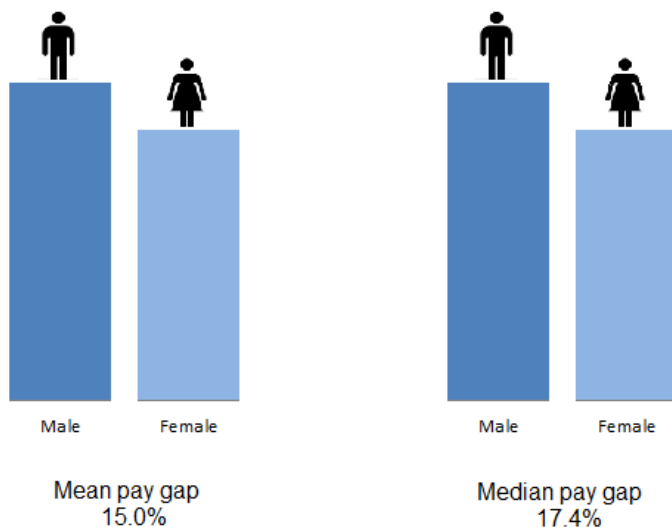
Gender pay gap data

The NHS Improvement headcount for in scope employees on the 'snapshot' date of 31 March 2017 is 966. The gender breakdown shows significantly more female (57.3%) than male (42.7%) employees.



Mean and median hourly pay

The mean gender pay gap in hourly pay is 15.0% and the median is 17.4%. These figures are lower than the UK mean (17.4%) and median (18.4%) gender pay gap, as published by the Office of National Statistics in March 2017.



NHS Improvement uses Agenda for Change (AfC) pay bands for its NHS Trust Development Authority (TDA) employees and the Mercer pay grade for its Monitor employees. Each pay band has a specific pay range. Where AfC is concerned, employees move through points in the pay range by annual increments, based on performance. Therefore, employees who have spent longer in a particular pay band would be expected to earn more, regardless of gender. Grades are determined by the level of responsibility for each job role and all jobs go through an independent evaluation process.

Bonus pay gap

There is no bonus scheme at NHS Improvement. However, one male employee, who transferred to the organisation under a TUPE arrangement, had been receiving a performance-related award (Clinical Excellence Award). Therefore, the mean and median bonus pay stands at 100% for men, with the overall proportion of men receiving a bonus at 0.2% compared with 0% for women.

Quartile pay bands – hourly pay

The lower quartiles show an uneven distribution of male and female employees, with women making up 73% of the lowest quartile. This demonstrates that the pay gap is partly due to the higher proportion of women occupying more junior roles.

Quartile	Female %	Male %
Lower	73.0	27.0
Lower middle	55.8	44.2
Upper middle	50.0	50.0
Upper	50.6	49.4

Closing and removing the gap

At NHS Improvement our core values and behaviours underpin everything we do and we demonstrate them in the way we behave towards each other, our partners and providers.

We are committed to addressing the gender pay gap and are undertaking a range of actions to reduce this, including:

- continuing to review recruitment policies and processes: we already operate an anonymised application process to help ensure fairness and at least one member of the recruitment panel is required to have received formal interview training, either internally or externally
- actively supporting women returning from maternity and adoption leave, and operating shared parental leave and flexible working arrangements (for example job-share and part-time working)
- training and development for all: we actively promote participation in our talent and leadership programme 'Aspire' and the latest sign-up figures show that there have been more female attendees than male since its launch in 2016
- ensuring gender equality is an integral part of our development activity and inclusion strategies for action
- setting up an inclusion partnership that focuses on how NHS Improvement will build and improve its inclusion programme
- continuing to ensure our executive has a gender balance and their ongoing development takes account of the role modelling of women in senior positions
- doing more analysis on the gender pay gap results to pinpoint exactly where we can make these improvements.

Contact us:

NHS Improvement

Wellington House
133-155 Waterloo Road
London
SE1 8UG

0300 123 2257

enquiries@improvement.nhs.uk

improvement.nhs.uk

Follow us on Twitter [@NHSImprovement](https://twitter.com/NHSImprovement)

This publication can be made available in a number of other formats on request.