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# Gender pay gap report (2021)

A combined report for NHS England and NHS Improvement based on our new single operating model.

29 October 2021

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## 1. Introduction

Organisations with 250 or more employees are mandated by the government to report annually on their gender pay gap. The requirements of the mandate within the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, are to publish information relating to pay for six specific measures as detailed in this report.

The report is based on the Government's methodology for calculating difference in pay between female and male employees, considering full pay relevant employees of NHS England and NHS Improvement<sup>1</sup>. As we have been working as a single organisation since April 2019, a combined account of the gender pay gap is provided.

As at the 31 March 2021, NHS England and NHS Improvement collectively employed 9,423 people, **67.8% women and 32.2% men**. This is approximately the same split as in 2020's report of 68% women and 32% men.

## 2. What is our gender pay gap?

Over the last four years we have seen year-on-year improvements in the gender pay gap in NHS England and NHS Improvement. This year shows another positive step and it's particularly important to highlight this against the backdrop of providing a nationwide response to the pandemic and the urgency to fill roles in support of this.

The data shows a mean gender pay gap of **16.2%** in March 2021, representing a reduction since March 2020 of 0.4 percentage points. The median gender pay gap was **14%** in March 2021, representing a reduction since March 2020 of 2.7 percentage points.

Of course, although an improvement has been made, the data does still present a gender pay gap within our organisation. It is important to flag the difference in terminology. This is not the same as saying women and men are being paid differently for doing the same job, as this would be an equal pay issue.

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<sup>1</sup> Excludes staff who did not receive full pay, eg volunteers.

Furthermore, while 51% of the population of England are female, 56.3% of NHS England and Improvement staff in the upper pay quartile are women.

The following pages set out the analysis of the pay gap and the drivers for the gender pay gap.

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

NHS England and NHS Improvement does not have a bonus gender pay gap. Since its inception, NHS England has had no scope for bonus payments within the Agenda for Change terms and conditions of service.

We honour Clinical Excellence Awards (CEAs) payments. CEAs are awarded by NHS employers and have been protected to attract and retain exceptional clinical skills and expertise.

The combined mean gender pay gap for CEA payments in NHS England and NHS improvement is **75.5%** and the median gender pay gap for CEA payments is **66.7%**.

This represents an increase over March 2020, where the mean gap for CEA payments was 53.8% and the median 36.4% and arises as the number of women with CEA payments has reduced by one employee. Only 12 staff receive a CEA payment in the organisation.

### 4. What is the proportion of men and women in each pay quartile?

Overall, in NHS England and NHS Improvement, women occupy 56.3% of the highest paid jobs (upper quartile). This is in line with the population of England and Wales, 51% of which is women. However, the majority (79.3%) of employees in lower quartile (lowest paid) jobs were women. So men are more highly represented in higher paid jobs.

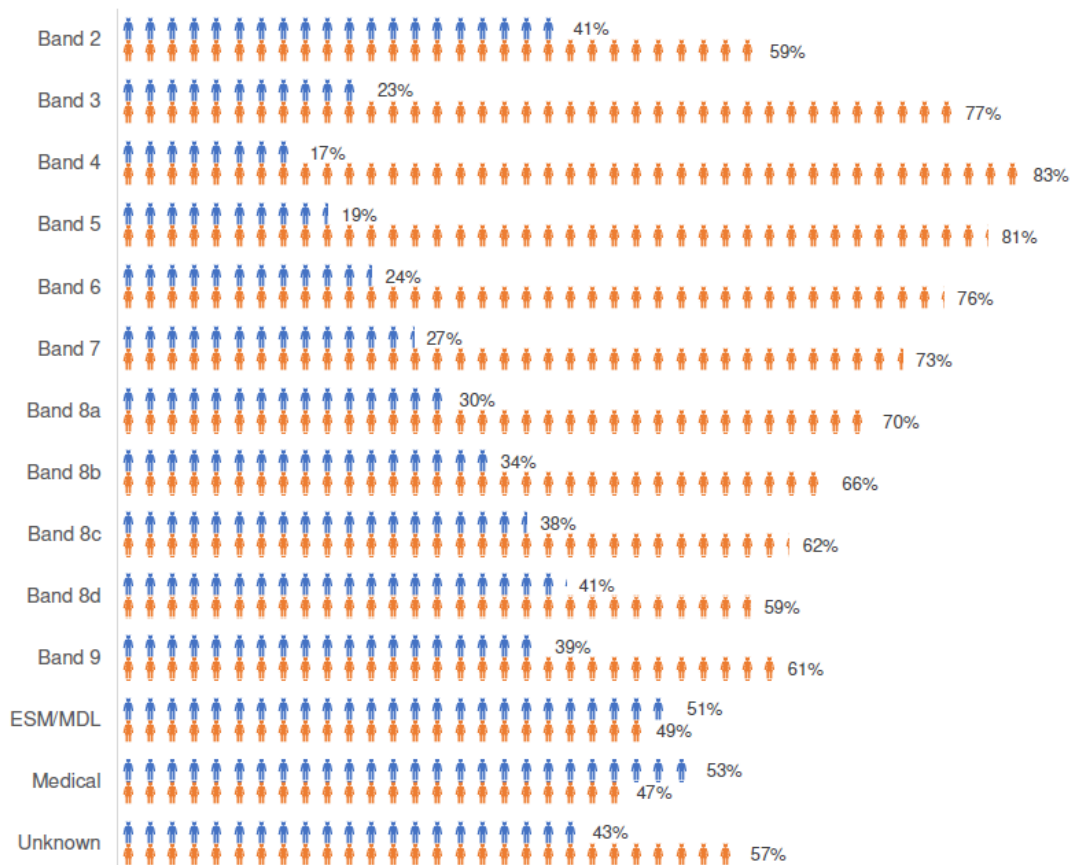
The comparison of these quartiles suggests that the lower proportion of men in lower pay bands relative to their share of the population (20.7%) is a key driver of the gender pay gap in NHS England and NHS Improvement.

A graphic is also included that illustrates that proportion of males and females in each pay band (males are represented in blue and females in orange).

Female

Male

Upper quartile (highest paid)	56.3%	43.7%
Upper middle quartile	65.5%	34.5%
Lower middle quartile	72.1%	27.9%
Lower quartile (lowest paid)	79.3%	20.7%



## 5. Addressing the gender pay gap

Reducing our gender pay gap implies either increasing the proportion of men in lower grades or increasing the proportion of women occupying the more senior roles in NHS England and NHS Improvement.

Effective policies for closing the gender pay gap not only seek to address factors and barriers common to all women (such as the number in lower grade jobs with lower pay), they target the inequalities faced by women belonging to specific groups, based on characteristics such as ethnicity, age and profession.

We have implemented a number of actions that have contributed to reducing our pay gap:

- Expanding our inclusive approaches to our **recruitment and talent management** and building on existing specialist support programmes
- Redefining options of 'how and where we work', linked to **Our Ways of Delivery**, which provides staff with greater flexibility to carry out their role whilst managing their personal commitments at home.
- Promoting and updating our **Flexible Working** policy and **Shared Parental Leave** policy
- Ensuring transparency in promotion, pay and reward processes, whereby we have implemented an internal **Expression of Interest** process allowing staff easy access to opportunities (both short-term and permanent positions) in a timely manner.
- Offered networking and **peer support for women** in the workplace.

We propose to take further action in 2021 and 2022 to reduce our pay gap:

- Strengthen our staff networks to ensure they are providing rich and deep engagement across all protected characteristics, to provide a voice within the organisation of lived experience and insight that will help us to make NHS England and NHS Improvement more inclusive for every individual person.

- Ensure that regional and directorate EDI action plans are robust and stretching to improve staff experiences in the organisation and reflect our local communities.
- Work with local communities to give access and opportunity to vacancies and build a sustainable and representative workforce within NHS England and NHS Improvement.
- Relaunch our apprenticeship offering to ensure it supports our future talent pipeline and creates a diverse workforce for the future that is representative of the populations we serve.
- Develop line manager capability on people policies to support belonging and retention of colleagues.

## 6. Definitions, assumptions and scope

All employee data contained in this report is extracted from NHS England and NHS Improvement payroll systems, snapshot as of 31 March 2021. The reporting period covers 01 April 2020 – 31 March 2021.

Hourly rate is calculated using base pay, allowances and bonus pay (where applicable).

**Table 1: Definitions**

Pay gap	Difference in the average pay between two groups
Mean gap	Difference between the mean <sup>2</sup> hourly rate for female and male employees
Median gap	Difference between the median <sup>3</sup> hourly rate of pay for female and male employees
Mean bonus gap	Difference between the mean bonus paid to female and male employees
Median bonus gap	Difference between the median bonus pay paid to female and male employees
Bonus proportions	Proportions of female employees who were paid a bonus and the proportion of male employees who were paid a bonus
Quartile pay bands	Proportions of female and male employees in the lower; lower middle; upper middle; and upper quartile <sup>4</sup> pay bands
Equal pay	Being paid equally for the same/similar work

<sup>2</sup> Mean is the sum of the values divided by the number of values.

<sup>3</sup> Median is the middle value in a sorted list of values. it is the middle value of the pay distribution, such that 50% of people earn more than this and 50% earn less than the median.

<sup>4</sup> Quartile is the value that divide a list of numbers into quarters.

Contact details: NHS England and NHS Improvement  
Human Resources and Organisation Development Team

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