

Gender Pay Gap Reporting

2019

Introduction

Gender pay gap reporting regulations require UK employers in the public sector with 250+ employees to disclose workforce details in relation to their gender pay gap based on a single date each year, namely 31 March. As such, the gender pay gap report gives a snapshot of the gender balance within an organisation. It measures the difference between the average earnings of all male and female employees, irrespective of their role and/or seniority.

How is this different from the requirement for equal pay?

The gender pay gap is often confused with equal pay. However, whilst both deal with the disparity of pay that women receive in the workplace compared to men, they tackle two different issues:

1. Equal pay means that men and women must be paid the same for carrying out work of equal value for the same employer, as set out in the Equality Act 2010
2. The gender pay gap gives a snapshot of the gender balance within a hierarchy at a specific point in time. It measures the difference between the average earnings of all men and women across an organisation or the labour market, irrespective of their role and/or seniority. It is expressed as a percentage of men's average earnings

When undertaking gender pay gap analysis, it is important to note that it is possible to pay men and women the same rates for jobs of equal value and for a pay gap to remain; this reflects that more men hold senior/highly paid roles.

The National Position

The mandatory reporting of gender pay gap information was introduced in 2017 and since this time, it has been reported that the gap fell between 2017/2018 to stand at 8.6% for full-time employees. The overall gap amongst employees is higher at 17.9%; this is attributed to a higher number of women taking part-time roles that are on average, lower paid (Office of National Statistics, 2018).

To add further context, the World Economic Forum (WEF) has predicted that it could take 202 years to close the gap.

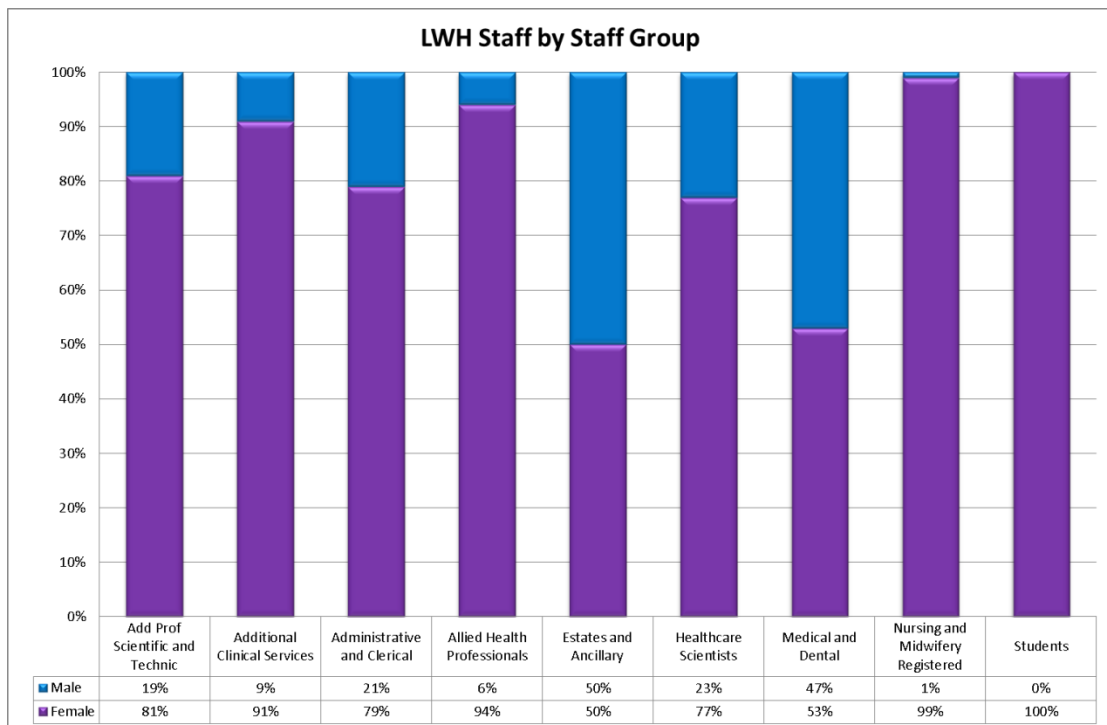
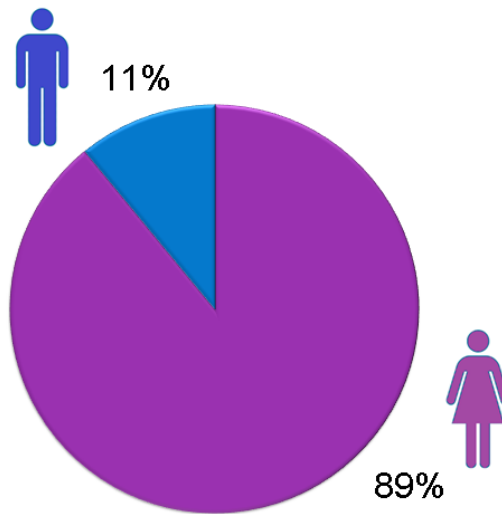
The Gender Pay Gap Indicators

The legislation requires an employer to publish six calculations:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females divided into four groups ordered from lowest to highest pay

To note, bonus pay elements are awarded as a result of recognition of excellent practice over and above contractual requirements.

Liverpool Women's NHS Foundation Trust Gender Split



Key Points:

- Liverpool Women's NHS Foundation Trust is currently made up of 89% Women and 11% Men.
- The gender split is in part attributable to the services provided at the Trust (Obstetrics, Gynaecology and Fertility Services) however, is also representative of the overall gender split in the NHS which reports 77% of the workforce as female.
- The Trust has 662 Nursing and Midwifery Registered staff of which 46% are Midwives; this is a reduction of 66 to the previous year.

Average Hourly Rates

Gender	Avg. Hourly Rate	Median Hourly Rate
Male	£22.73	£18.05
Female	£16.68	£15.71
Difference	£6.05	£2.34

Average Hourly Rate of Gender Pay as a Mean Average



Average Hourly Rate of Gender Pay as a Median Average



Key Points:

- The average hourly rate is calculated for each employee based on 'ordinary pay' which includes basic pay, allowances and shift premium pay
- The average median rate is calculated by selecting the average hourly rate at the mid-point for each gender group
- The percentage variance for the average hourly rate of pay is 26.61%; this is a 4.43% reduction to the previous reported figure. This calculation is based on the average hourly rate of female staff compared to male staff; because the average is calculated over different numbers of staff (there are 8 times more female staff), some variance is to be expected
- The percentage variance for the median hourly rate of pay is 12.98%; this figure remains largely static to the previous reported figure (13.24%). This calculation is based on the average hourly rate at the mid-point for each gender group; it does not account for any concentration of high/low earners at either end of the pay scale. Further, when looking at the variance some consideration will need to be given to the variety of roles within the Trust

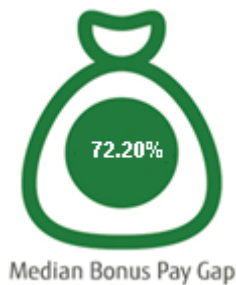
Average Bonus Rates

Gender	Avg. Bonus Pay	Median Bonus Pay
Male	11,928.97	9,040.50
Female	9,063.03	2,513.35
Difference	2,865.94	6,527.15

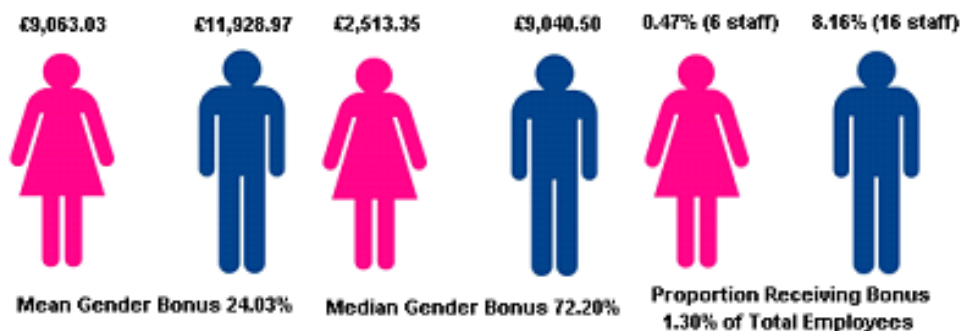
Average bonus gender pay gap as a mean average



Average bonus gender pay gap as a median average



Proportion of males & females receiving a bonus payment



Key Points:

- This calculation expresses the number of staff receiving bonus pay as a percentage of the total number of staff in each gender group
- As with the median hourly rate of pay, this is based on the mid-point of all staff receiving bonus pay
- As an NHS organisation the only pay elements we have that fall under the bonus pay criteria are Clinical Excellence Awards (CEA) which are only applicable to certain groups of medical staff (consultants) in recognition of excellent practice over and above contractual requirements. This is a performance focussed recognition tool that has no gender bias; it applies to 1.30% of all staff employed
- The difference in average bonus pay is £2,865.94; contrary to the details in the last Trust gender pay gap report, male consultant bonus payments outweighed their female colleagues when reviewing the current snapshot date
- The difference in the median bonus rate of pay is £6,527.15 which as per the average payments made, male consultants received more in payments than their female colleagues

Proportion of males and females divided into four groups ordered from lowest to highest pay

Group	Lower	Lower Middle	Upper Middle	Upper
Male	13.10%	6.93%	18.40%	9.09%
Female	86.90%	93.07%	81.60%	0.27%

Key Points:

- In order to create the quartile information all staff are sorted by their hourly rate of pay, this list is then split into 4 equal parts
- When reviewing the quartile information it is important to take into account the types of roles available within the organisation and the different gender splits that occur within specific roles.
- The highest variances for the quartiles when compared to the overall trust value are in the middle quartiles.
- There is a higher proportion of female staff in the upper middle quartile; included in this quartile are Nursing and Midwifery Registered staff groups that have a higher proportion of female staff, this is reflected in the calculation.
- The upper quartile has a higher proportion of female staff therefore; the variance in this quartile is mainly due to significantly different gender splits in medical staffing and managerial roles in the Trust; this is countered by a greater proportion of female staff in the Scientific and Nursing staff groups.

Next Steps

Liverpool Women's is committed to the Putting People First Strategy (2019 - 2024) which includes a number of initiatives which will support in reviewing and addressing any genuine gender inequalities in the workforce, these include;

- Through a talent management approach, career progression will be monitored on an annual basis to determine if females are having equal access to promotion opportunities
- Through a succession planning process, gender will be monitored through nominations received for advancements into business critical roles
- Review attendance at Leadership and other training programmes to review accessibility
- Annual review of staff survey feedback from a gender perspective
- A fuller analysis of the CEA application process and outcome by gender
- Report on progress in reducing pay gaps.

