

Gender Pay Gap Reporting

2020/2021

Gender pay gap reporting regulations require UK employers with 250+ employees to disclose their gender pay gap. The gender pay gap 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 or seniority.

How is this different from the requirement for equal pay?

The disparity of 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. It measures the difference between the average earnings of all men and women across an organisation or the labour market, irrespective of their role. It is expressed as a percentage of men's average earnings.

Any practitioner embarking on completing the gender pay gap analysis for an organisation must understand this basic premise.

In Britain today, there is an overall gender pay gap of 17.3%.

The World Economic Forum has predicted that it could take **118 years** to close the gap.

Our Prime Minister, Theresa May, said she wanted to see this close within a generation, by 2040.

Why is there a need for further pay reporting?

Today, equal pay is widely understood as a basic requirement for all employers. But a simple equal pay audit that compares the pay of people doing the same work doesn't tell the full story of gender equality in employment.

For a responsible business that takes diversity and inclusion seriously, the gender pay gap reveals something far more interesting about our progress on female economic empowerment. There is a pernicious problem of gender imbalance in work in UK society.

It is possible to have an organisation with no equal pay issues and a huge gender pay gap... or an organisation with no gender pay gap and big equal pay issues.

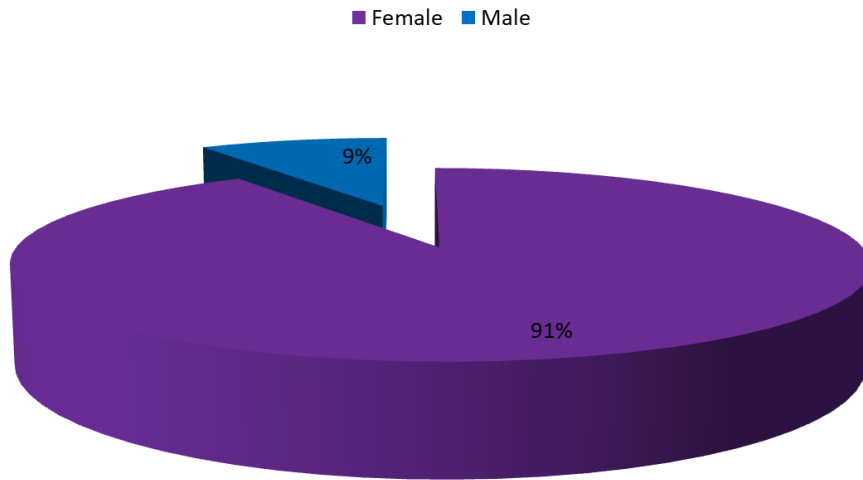
The Gender Pay Gap Indicators

The legislation requires an employer to publish six calculations:

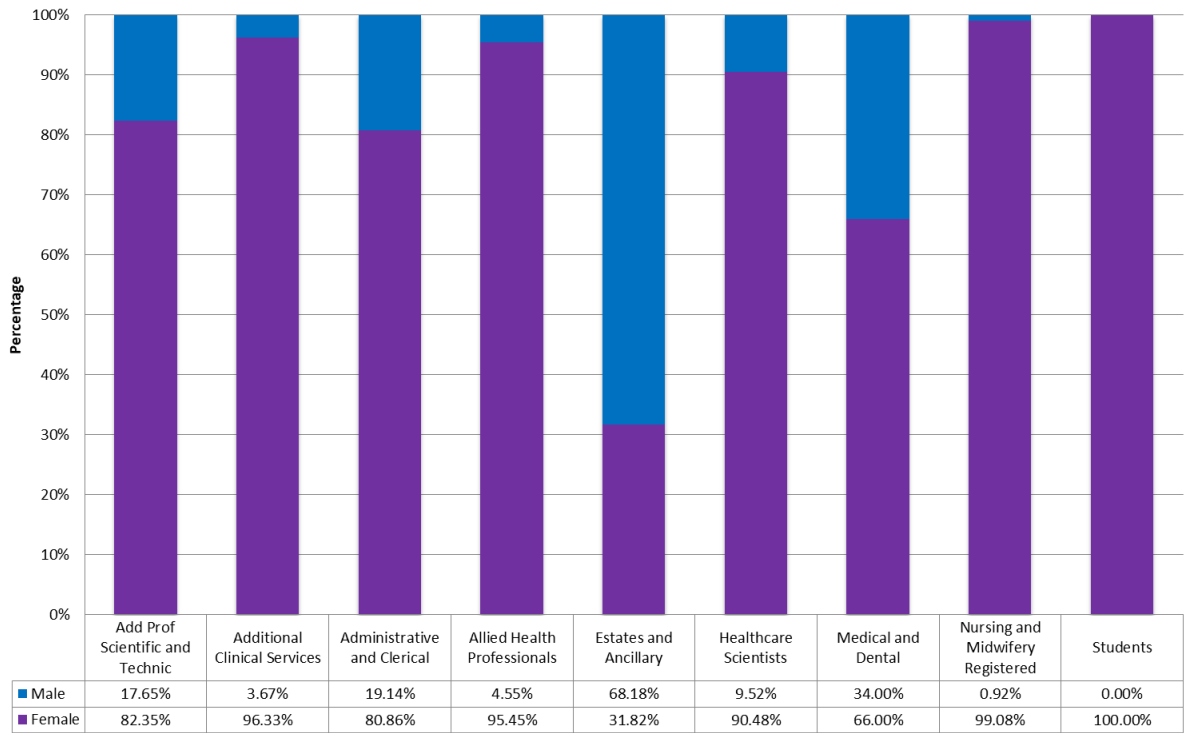
- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion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

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 Make-up



LWH Staff by Staff Group



Key Points:

- Liverpool Women's NHS Foundation Trust is currently made up of 91% Women and 9% Men
- Due to the services provided (Obstetrics and Gynecology) the organisation is made up mainly of women
- The trust has 686 Nursing and Midwifery Registered staff of which 47% are Midwives

Average Hourly Rates

Gender	Avg. Hourly Rate	Median Hourly Rate
Male	£23.85	£19.09
Female	£18.48	£17.35
Difference	£5.37	£1.74

Average Hourly Rate of Gender Pay as a Mean Average



Average Hourly Rate of Gender Pay as a Median Average



Key Points:

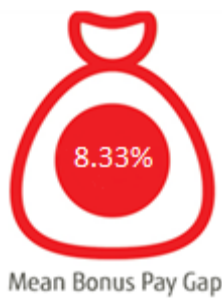
- The average hourly rate is calculated for each employee based on 'ordinary pay' which includes basic pay, allowances and shift premium pay.
 - The average median rate is calculated by selecting the average hourly rate at the mid-point for each gender group.
 - The percentage variance for the average hourly rate of pay is 22.51%. 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.
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- The percentage variance for the median hourly rate of pay is 9.11%. This calculation is based on the average hourly rate at the mid-point for each gender group. When looking at the variance some consideration will need to be given to the variety of roles within the organisation.

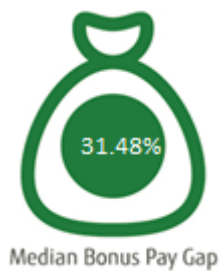
Average Bonus Rates

Gender	Avg. Bonus Pay	Median Bonus Pay
Male	£10,924.34	£8,803.12
Female	£10,014.23	£6,032.04
Difference	£910.11	£2,771.08

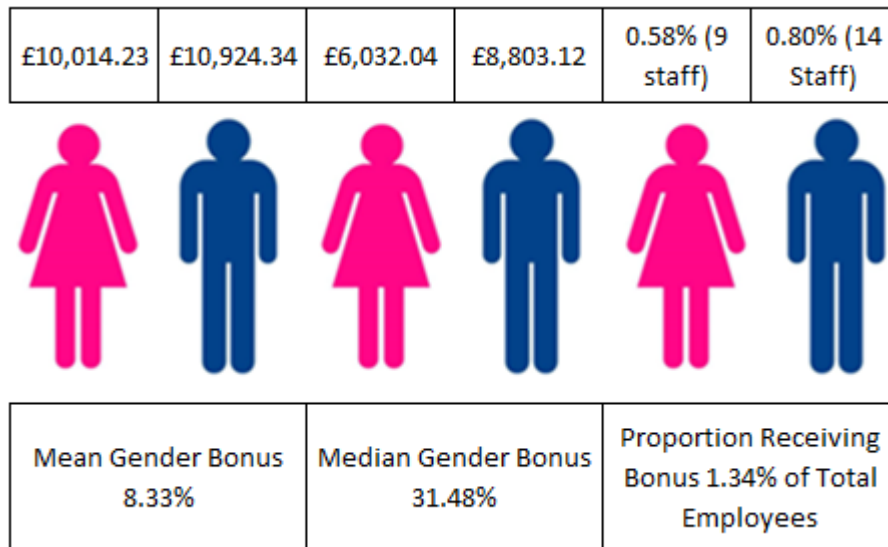
Average bonus gender pay gap as a mean average



Average bonus gender pay gap as a median average



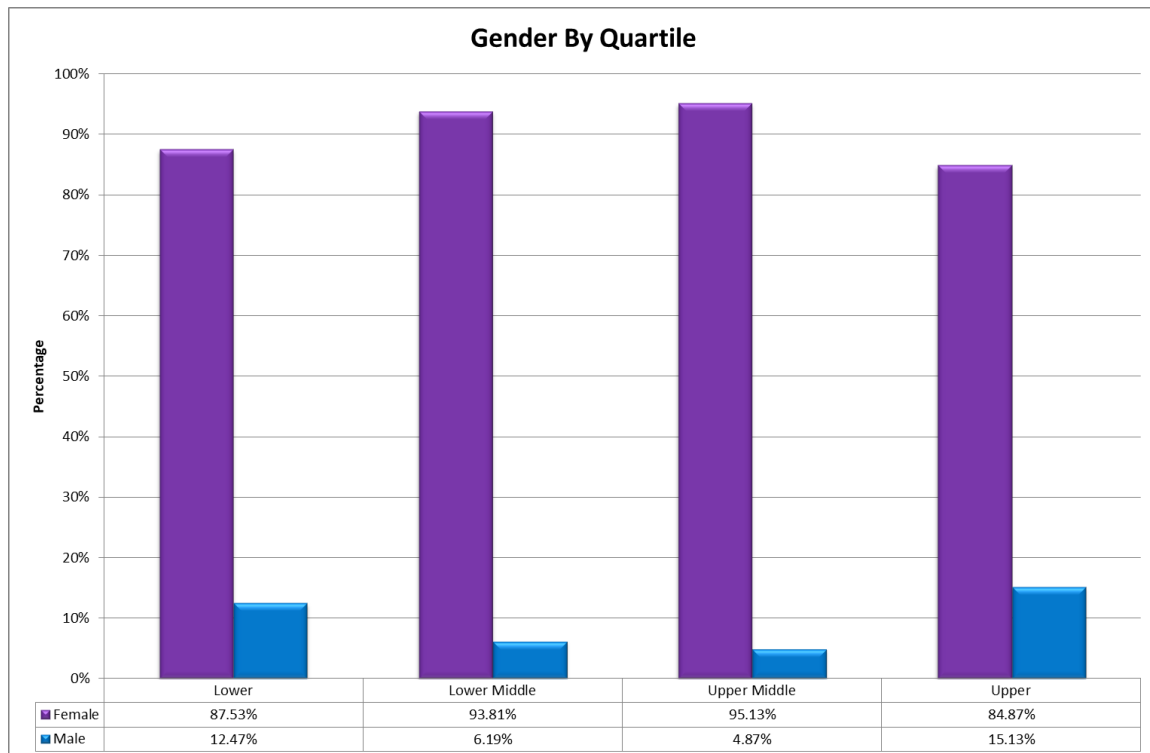
Proportion of males & females receiving a bonus payment



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.
 - Bonus pay elements are awarded as a result of recognition of excellent practice over and above contractual requirements and have no gender bias.
 - As an NHS organisation the only pay elements we have that fall under the bonus pay criteria are clinical excellence awards (consultants) which are only applicable to certain groups of medical staff which applies to 1.75% of all staff employed
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Proportion of males and females divided into four groups ordered from lowest to highest pay



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. 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.
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