

Essex Partnership University NHS Foundation Trust Gender Pay Gap Report

Background to the Trust

Essex Partnership University NHS Foundation Trust (EPUT) was formed on 1 April 2017 following the merger of North Essex Partnership University NHS Foundation Trust (NEP) and South Essex Partnership University NHS Foundation Trust (SEPT).

EPUT provide community health, mental health and learning disability services for a large population of people throughout Bedfordshire, Essex, Suffolk and Luton. We employ more than 5,000 staff across multiple sites.

EPUT is committed to being an equal opportunities employer and to building equality, diversity and inclusion into everything that it does.

Gender pay gap reporting

Legislation has made it a statutory obligation for organisations with 250 or more employees to report annually on their gender pay gap. NHS organisations are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require the relevant organisations to publish their gender pay gap data by 30 March 2018 (and then annually), including mean and median gender pay gaps; the mean and median gender bonus gaps; 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 there may be a number of issues to deal with, and the individual calculations may help to identify what those issues are.

It is important to stress that 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.

We are committed to a diverse workforce and the fair treatment and reward of all staff irrespective of gender.

This report sets out:

- the reporting requirements for the gender pay gap
- provides additional data where appropriate
- provides some analysis to identify the gender pay gap, and
- possible reasons for the gender pay gap.

Definitions and scope

The gender pay gap is defined as the difference between the mean or median hourly rate of pay that male and female colleagues receive.

The mean pay gap is the difference between average hourly earnings of men and women. This is calculated when you add up the wages of all employees and divide the figure by the number of employees.

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle-most salary.

The report is based on rates of pay as at 31 March 2018 and bonuses paid in the year 1 April 2017 to 31 March 2018. It includes all workers in scope at 31 March 2018.

What is the gender bonus gap?

Within the gender pay gap regulations, 'bonus pay' means any remuneration that is the form of money relating to profit sharing, productivity, performance, incentive or commission.

It is clear within the regulations that bonus pay does not include ordinary pay, overtime pay, redundancy pay or termination payments.

For the purpose of gender pay reporting, Clinical Excellence Awards payments are regarded as 'bonus pay'. The Clinical Excellence Awards (CEA) scheme is intended to recognise and reward those consultants who perform 'over and above' the standard expected for their role. Awards are given for quality and excellence, acknowledging exceptional personal contributions towards the delivery of safe and high quality care to patients and to the continuous improvement of NHS services. There are 12 levels of award with monetary value. Levels 1-9 are awarded locally (employer based awards) and levels 10-12 (Silver, Gold and Platinum hereafter) are awarded nationally in accordance with an assessment criteria and application.

Consultants with an existing distinction award or discretionary points retain them, subject to existing review provisions, and are eligible to apply for awards under the new scheme in the normal way.

Accordingly, the legacy of the CEA scheme means that there will continue to be a gender pay gap because there are more male consultants than female consultants and the gender balance is only likely to improve over time (see above).

EPUT's gender pay gap

The following gender pay gap report data is taken as the snapshot date of 31 March 2018.

| | | |
|----|---------------------------------------|-------|
| 1. | The mean gender pay gap for EPUT | 15.9% |
| 2. | The median gender pay gap for EPUT | 7.4% |
| 3. | The mean gender bonus* gap for EPUT | 31.2% |
| 4. | The median gender bonus* gap for EPUT | 51.7% |

* Please see comments later in this report explaining what constitutes a bonus

Pay quartiles by gender

| Quartile | Female headcount | Male headcount | Female % | Male % | Description |
|---------------------|------------------|----------------|----------|--------|---|
| 1 (lowest paid) | 1,337 | 253 | 84.1% | 15.9% | Includes all employees whose standard hourly rate places them at or below the lower quartile |
| 2 | 1,280 | 312 | 80.4% | 19.6% | Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median |
| 3 | 1,291 | 300 | 81.1% | 18.9% | Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile |
| 4 (highest paid) | 1,180 | 411 | 74.2% | 25.8% | Includes all employees whose standard hourly rate places them above the upper quartile |

What do we do to ensure equal pay?

As noted earlier in this report, it is important to stress that 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.

Legislation requires that men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

We are committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership,

pregnancy/ maternity, sexual orientation, gender reassignment or disability. We pay employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above).

We deliver equal pay through a number of means but primarily through adopting nationally agreed terms and conditions for our workforce:

National NHS Agenda for Change Terms and Conditions of Service (AfC)

AfC is negotiated nationally by the NHS Staff Council, led by NHS Employers. The national NHS Staff Council has overall responsibility for the AfC pay system and has representatives from both employers and trade unions. AfC provides the framework for pay arrangements which are in place at EPUT.

Typically, AfC terms and conditions apply to nursing, allied health professionals and administration and clerical staff, which are the majority of the workforce.

Where appropriate, locally agreed policies may supplement AfC arrangements, such as:

- Family friendly policies
- Evaluating job roles and pay grades as necessary to ensure a fair structure starting salaries policy

Medical and Dental Staff are employed on national Terms and Conditions of Service (TCS) and pay arrangements

These pay arrangements are negotiated nationally on behalf of employers by NHS Employers with the NHS trade unions. These terms and conditions include all Consultants, Medical and Dental staff and Doctors and Dentists in Training.

Very Senior Managers (VSMs) and Chairs and Non-Executive Directors (NEDs)

As a NHS Foundation Trust, EPUT is free to determine its own rates of pay for its VSMs and Chairs and NEDs. VSMs include Chief Executives, Executive Directors and other senior managers with board level responsibility who report directly to the Chief Executive.

What is the data telling us?

The gender pay gap report looks at the average and median rates of two key indicators:

- The **GPG Hourly Rate** pay gap, which for EPUT is 15.9% with men receiving an average of £17.93 per hour and women receiving £15.07 per hour. When comparing the median hourly rate this reduces to 7.4%.

This result means that men on average are being paid 7.4% higher in the organisation than women.

- The **GPG Bonus Pay** gap, which for EPUT is 31.22% with men receiving an average bonus pay of £11,842.52 compared to £8,145.54 for women. When comparing the median rate this increases to 51.70%

This result means that men are on average receiving a 51.70% increase on bonus pay than women within the organisation.

- A total of 2.55% of men received a bonus compared to 0.24% of women during the reporting period

Bonus payments are elements of doctors' pay, this staff group has a higher proportion of male employees therefore increasing the gender pay gap in comparison to other staff groups within the trust. The bonus pay elements are:

- Clinical Excellence Awards
- Discretionary Points
- PRP Pay

Positively, over the past ten years there has been significant growth in the percentage of women in medical roles, which should see the gender pay gap diminish with time:

- Female medical workforce – 9.9% growth from 31.2% in 2008 to 41.1% in 2018
- Female medical consultants – 10.4% growth from 29.3% in 2008 to 39.7% in 2018

EPUT's progress and next steps

On comparison to EPUT's gender pay gap for the year 2017 we have seen noticeable improvements with a reduction in mean gender pay gap of 1% between men and women.

There has also been a reduction in the mean gender bonus gap of 3.2% for those individuals receiving bonus pay at the organisation. A full comparison can be found within the table below.

| | | 2017 | 2018 |
|----|---------------------------------------|-------------|-------------|
| 1. | The mean gender pay gap for EPUT | 16.9% | 15.9% |
| 2. | The median gender pay gap for EPUT | 7.5% | 7.4% |
| 3. | The mean gender bonus* gap for EPUT | 34.4% | 31.2% |
| 4. | The median gender bonus* gap for EPUT | 50.3% | 51.7% |

When comparing EPUT's gender pay gap nationally the organisation is below the national average of 17.9%.

There is still continuing work to do and EPUT have implemented a number of equality and inclusion networks and continue to prioritise equality and inclusion within the Trust's future plans.