

GENDER PAY GAP REPORT 2018

This data is based on all employed staff within Leeds Community Healthcare NHS Trust (LCH), including those on Agenda for Change, Medical and Dental, Very Senior Manager pay scales and those employees who have transferred to the Trust as part of a Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) and retained their original pre-TUPE pay scales.

The overall 2018 gender pay gap identified is 10.69%; with the pay of men higher than that of women. This percentage is driven by a gender pay gap in the highest-paid quartile of the workforce which favours men. Within the other three quartiles the gender pay gap is in favour of women. The Trust has identified actions to address the identified pay gap.

Trust Gender Profile

The LCH workforce consists of circa 85% of females and circa 15% of males

Mean Gender Pay Gap

- Females, on a mean average earn 10.69% less than males

Median Gender Pay Gap

- Females, on a median average earn 2.24% less than males

Bonus payments

Clinical excellence awards for medical and dental consultant staff have been reported as bonus pay for the purpose of gender pay gap reporting.

- 1.0% of male employees receive a bonus payment
- 0.3% of female employees receive a bonus payment

Mean Bonus Gender Pay Gap

- Females, on a mean average, earn 17.85% more than males in bonus payments

Median Bonus Gender Pay Gap

- Females, on a median average, earn 210.43% more than males in bonus payments

Percentage of males and females in each pay quartile

Quartile	Female Headcount	Male Headcount	Female %	Male %
1 (lowest paid)	617	88	87.52	12.48
2	580	79	88.01	11.99
3	675	73	90.24	9.76
4 (highest paid)	587	118	83.26	16.74

NB the above table shows the data based on Quartiles ie not what the Trust refers to as 'quarters' within the financial year

Gender Pay Gap Report Narrative

Background to the Trust

The Trust employs circa 2,800* staff and provides a diverse range of community health services to the more than 750,000 residents of the city of Leeds and its surrounding communities.

** for gender pay gap reporting purposes.*

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

This report sets out:

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

Reporting requirements

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 require organisations with 250 or more employees to report annually on their gender pay gap; the Trust first reported data in March 2017 and must do so, again, annually.

The gender pay gap is different to equal pay.

The gender pay gap shows the difference in the average pay between all males and females in a workforce and is expressed as a percentage of male earnings – see Table 1 below.

Equal pay deals with the pay differences between males and females who perform the same or broadly similar work or work of equal value. It is unlawful to pay people unequally because of their gender.

The Trust is committed to the principle of equal opportunities and equal treatment for all employees and ensures that we deliver equal pay by adherence to the nationally agreed NHS terms and conditions of employment for our workforce.

The Agenda for Change terms and conditions of service (AfC) provides the framework for the majority of the workforce at the Trust, namely nursing, allied health professionals, some technical staff, managerial and administration and clerical staff.

The remaining staff groups working at the Trust – medical consultants, medical and dental staff and doctors and dentists in training – are subject to the nationally agreed Medical and Dental Staff terms and conditions which also ensure equality of pay.

Ultimately, the Trust is committed to the fair treatment and reward of all staff irrespective of gender.

The Gender Pay Gap 2018

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 male and female colleagues ie the hourly gap divided by the average for male employees equates to the mean gender pay gap.

The median pay gap is the difference between the mid-points in the ranges of hourly earnings of male and female employees. 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 31st March 2018 and bonuses paid in the year 1st April 2017 – 31st March 2018. It includes all workers in scope as at 31st March 2018.

'The Gap' - as at 31st March 2018

Table 1

Mean and median percentages		
1	The mean gender pay gap	10.69%
2	The median gender pay gap	2.24%
3	Percentage of males receiving a bonus payment	1.0%
4	Percentage of females receiving a bonus payment	0.3%
5	The mean gender bonus gap	- 17.85%
6	The median gender bonus gap	- 210.43%

A negative value indicates bonus payments which are in favour of females ie females are paid 17.85% more than their male counterparts. Please see comments later in this report explaining what constitutes a bonus for the purpose of gender pay gap reporting

Pay Quartiles by Gender

Table 2

Quartile	Female Headcount	Male Headcount	Female %	Male %	Description
1 (lowest paid)	617	88	87.52	12.48	Includes all employees whose standard hourly rate places them at or below the lower quartile
2	580	79	88.01	11.99	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
3	675	73	90.24	9.76	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
4 (highest paid)	587	118	83.26	16.74	Includes all employees whose standard hourly rate places them above the upper quartile

What is the Gender Bonus Gap?

Within the gender pay gap regulations, 'bonus pay' means any remuneration that relates to profit sharing, productivity, performance, incentive or commission.

For the purpose of gender pay reporting within the NHS, Clinical Excellence Award payments are regarded as 'bonus pay'. The Clinical Excellence Awards (CEA) scheme is intended to recognise and reward those medical and dental 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 CEA. Levels 1 to 8 are awarded by the Employer Based Awards Committee and levels 10 to 12 (Silver, Gold and Platinum) are awarded nationally. Level 9 awards can be awarded locally or nationally as Bronze, depending on the type of contribution.

Our Gender Pay Gap – further data

It is perhaps helpful to review the staffing pay band profile within the Trust. Table 3 below reflects the pay bands in operation across the Trust's workforce. Bands 1 (the lowest pay band) through to 9 (the highest pay band) are the AfC pay bands, the medical and dental workforce are shown as 'Non Consultant M&D' and 'Consultant M&D', the 'Managerial' category includes the Directors / Executive Directors of the Trust (who receive pay according to the VSM 'very senior managers' pay scales) and the Chair and Non-Executive Directors are also listed.

The data is sourced from the same data which provided the gender pay gap figures shown in tables 1 and 2 above.

Table 3

Pay Band	Female		Male		Total	Pay Gap (%) *
	HeadCount	%	HeadCount	%		
Band 1	9	36%	16	64%	25	-3.59%
Band 2	200	91%	20	9%	220	0.23%
Band 3	449	89%	56	11%	505	-1.83%
Band 4	190	89%	23	11%	213	-0.91%
Band 5	465	90%	54	10%	519	-4.44%
Band 6	679	89%	86	11%	765	0.39%
Band 7	272	85%	48	15%	320	1.51%
Band 8a	116	84%	22	16%	138	-1.96%
Band 8b	16	84%	3	16%	19	-0.01%
Band 8c	11	85%	2	15%	13	-2.02%
Band 8d	5	83%	1	17%	6	5.06%
Managerial	4	80%	1	20%	5	8.47%
TUPE Transferees	4	67%	2	33%	6	-3.38%
Consultant M&D	18	62%	11	38%	29	2.24%
Non Consultant M & D	19	68%	9	32%	28	18.38%
Non-Exec Director/Chair	2	33%	4	67%	6	-9.99%

* A negative value indicates a pay gap in favour of females

The Trust's nationally reported mean gender pay gap figure is 10.69% but further examination of the more detailed data from which this figure is drawn – as shown in table 4 below which details

average hourly rates by quartile and percentage pay gap - shows that in quartiles 1, 2 and 3 the gender pay gap is in favour of women within the workforce – ranging from more than 3% to just over 1% in favour.

It is only in quartile 4 that the pay gap shifts, and considerably so, in favour of men within the workforce at 14.34%.

Table 4

Quartile	Female	Male	Pay Gap (%) *
1	£ 9.47	£ 9.17	-3.34%
2	£ 12.66	£ 12.53	-1.05%
3	£ 16.52	£ 16.31	-1.27%
4	£ 23.30	£ 27.20	14.34%

* A negative value indicates a pay gap in favour of females

The relatively high gender pay gap in favour of males identified in Q4 can be linked to a small number of high salary / long service individuals, a small number of individuals working a particularly high number of “units” during the reference period and a small number of individuals who transferred to the Trust under TUPE Regulations within this quartile.

What is the data telling us?

The median pay gap figure, as shown in table 1, could be affected by the fact that, percentage wise, we employ relatively few males (circa 15%) but employ a disproportionately large percentage of males who are paid within quartile 4 (see table 2).

Also at table 1, the pay gap in relation to the payment of bonuses (clinical excellence awards as outlined above) is favourable to female employees. This is due to the fact that more females than males receive a bonus (50% of eligible female employees compared to 36% of eligible male employees) and the bonuses received are also paid at higher levels than those paid to their male counterparts.

However, the figure that we report nationally for ‘bonus pay’ shows that we pay 1.0% of our male employees and 0.3% of our female employees a bonus, which contradicts the above paragraph.

How can this be? The answer lies in from where the source data is drawn and how that data is reported upon nationally as opposed to within this supporting narrative paper.

The 1.0% / 0.3% figure is expressed as a percentage of the whole LCH workforce ie as a percentage of all males and all females we employ. However, only a 1% of our workforce are eligible to apply for a bonus (because only medical and dental consultants can apply for clinical excellence awards).

Generally, across the AfC pay bands, the gender pay gap is predominantly in favour of females as shown in table 3 above – most notably show at Band 5 where the pay gap is 4.44% in favour of females. An explanation for this could be that the majority of Band 5 roles are clinically focussed and our workforce is predominantly female in clinical roles.

There are some striking exceptions to the positive female pay gap however, with percentage figures ranging from 5% to 18% in favour of male employees. One explanation could be due to length of service in the pay band with males having longer service at that band than their female counterparts. If the male employees have reached the top of the pay band, the pay gap in these

bands will diminish, year on year as their female colleagues progress through the pay band to reach the top.

A further potentially impacting factor on the pay gap is that for the purposes of this report, “pay” must take into account the number of “units” (paid hours) worked during the reference period. Hours worked in overtime during the reference period can result in a heightening of both the “units worked” and the hourly rate of an individual.

Table 4 further expands on the differences between the favourable pay gaps – 3.3% in favour of females in quartile 1 opposed to 14.34% in favour of males in quartile 4.

These percentages need to be considered in the context of the actual numbers of employees upon which the gender pay is calculated. Quartile 4 typically comprises the highest earning roles within the Trust and the actual number of employees that make up the quartile (roughly Band 8b and above) is to 106 (75 females and 31 males). As a percentage of the Trust’s overall workforce, that equates to 3.7% so it is worth noting that there is a limited amount of analysis that can be carried out with confidence due to the small numbers involved.

This can also be noted with regards to the pay differences reported at pay band 8d and managerial.

Conclusion

The nationally reported upon and published figures for the Trust’s gender pay gap are not as ‘simple’ as they appear. To fully understand and interpret the data it is necessary to understand that complex relationship that exists between different data sets and how a small shift in the data can significantly impact the nationally reported figures.