

Gender Pay Gap Reporting 2017/18

Introduction

The Equality Act 2010 (Gender Pay Gap Information Regulations 2017) requires all organisations with over 250 employees to report on and publish their gender pay gap on a yearly basis. This is based on a snapshot from 31st March of each year, and each organisation is duty bound to publish information on their website. This report captures data as at 31st March 2018.

St George's University Hospitals NHS Foundation Trust employs over 8,500 staff in a number of staff groups, including administrative, medical, nursing, and allied health roles. All staff except for medical and Very Senior Management (VSM) are on Agenda for Change pay scales, which provide a clear process of paying employees equally, irrespective of their gender.

What is the gender pay gap?

The gender pay gap is the difference between the average hourly earnings of men and women – this is not the same as equal pay, which is concerned with men and women earning equal pay for 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. Instead the gender pay gap highlights the imbalance of pay across an organisation. For example if an organisation's workforce is predominantly female yet the majority of senior positions are held by men, the average female salary could be lower.

What do we have to report on?

The statutory requirements of the Gender Pay Gap legislation is that each organisation must calculate the following:

- The mean basic pay gender pay gap
- The median basic pay gender pay gap
- The proportion of males and females in each quartile pay band
- The mean bonus gender pay gap
- The median bonus gender pay gap
- The proportion of both males and females receiving a bonus payment

Definitions of pay gap

The **mean pay gap** is the difference between the pay of all male and female employees when added up separately and divided by the total number of males, and the total number of females in the workforce.

The **median pay gap** is the difference between the pay of the middle male and middle female, when all male employees and then all female employees are listed from the highest to the lowest paid.

Who is included?

All staff who were employed by St George's and on full pay on the snapshot date (31st March 2018) are included. Bank staff who worked a shift on the snapshot date are included. Consultant Additional Programmed Activities (APA's) are included, as are Clinical Excellence Awards (CEA's). The calculations exclude overtime pay and expenses.

Employees who are on half or nil absence or maternity leave, hosted staff (e.g. GP Trainees) and agency staff have not been included.

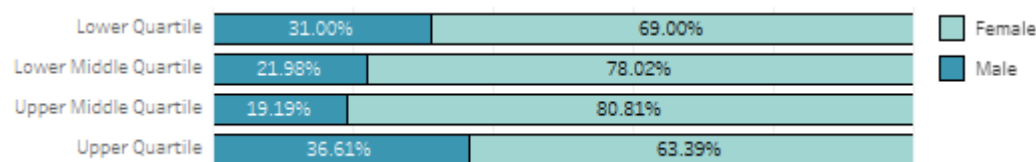
Bonus pay is defined as any remuneration that is in the form of money, vouchers, securities or options and relates to profit sharing, productivity, performance, incentive or commission. This therefore also includes CEA's and also Distinction Awards. Recruitment & retention payments (RRP's) are only included if they are a one-off payment at the start of recruitment, not if they are continuous. Workplace vouchers that are paid in addition to basic salary should be included, but not if they take the form of a salary sacrifice arrangement.

Background

We first reported on the Gender Pay Gap in March 2018 based on snapshot data from 31st March 2017. The findings were:

- Our mean pay gap was 13.94%
- Our median pay gap was 2.11%
- Our mean bonus pay gap was 15.05%
- Our median bonus pay gap was 15.36%

The total workforce was comprised of 73% female and 27% male. The pay quartile split was as follows:

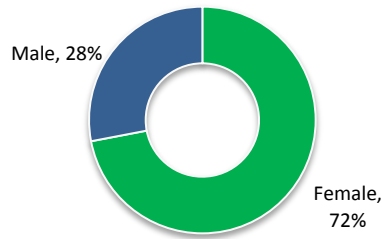


Further analysis of this data revealed that although most of the higher bands had a higher proportion of males than the overall Trust composition, the gender gap lay primarily within the Medical & Dental staff group, specifically the Consultant role. If this staff group was excluded from the calculations then the pay gap would actually have been in favour of females.

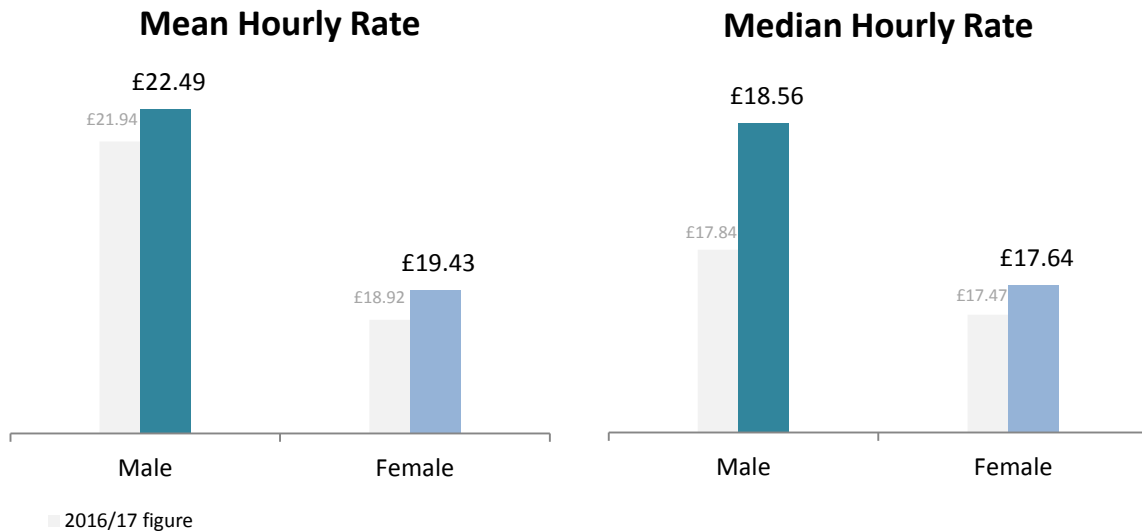
The only bonuses that paid within this period were to Medical Consultants. It was noted that although 56% of Consultants were male, 65% of bonuses had been paid to males whereas 44% of Consultants were female and just 35% of bonuses had been paid to females.

Trust Gender Profile (based on headcount)

St George's University Hospitals NHS, as is typical of any NHS Trust, has a higher proportion of females to males in its workforce – of the 8,778 staff counted as part of the gender pay gap reporting, 6,290 were female compared to 2,488 male:



Gender Pay Gap

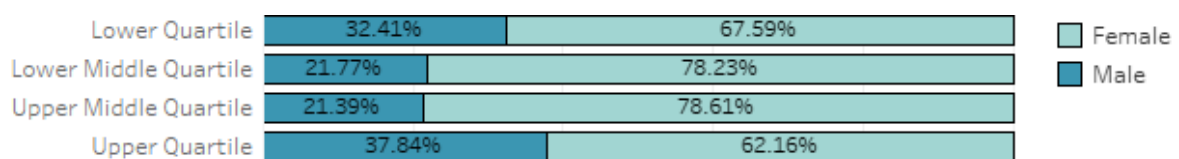


Mean gender pay gap – 13.61%
(2016/17 – 13.94%)

Median gender pay gap – 4.96%
(2016/17 – 2.11%)

The above figures show that the mean hourly pay for males is £3.06 higher than that of females, which is a gap of 13.61%. Male median pay is £0.92 higher than females, which is a gap of 4.96%.

Pay quartile split:



What does this mean?

The figure for the median pay gap is usually considered to be more representative of gender pay gap across the workforce. What the median does not take account of is small numbers of higher paid employees that could be skewing the data at the mean (or average) level. The mean figure does highlight this, so although at 4.96% the median gap is less extreme, it is the mean pay gap of 13.61% that needs to be examined in more detail. However as the median pay gap, although still quite small, has doubled, it is also worth briefly examining the median pay to see where it has increased.

Median Pay Gap – by band

As the quartile figures in the chart above show there is a higher percentage of males in both the upper and lower pay quartiles than in the others, it is worth examining the gender composition and pay gaps in each individual band. The following table shows the median hourly rates and the pay gap by band for both 2016/17 and 2017/18. The higher median pay by gender is highlighted in green.

Grade	2017/18				2016/17			
	Male median Hourly Rate*	Female median Hourly Rate*	Difference	Gap†	Male median Hourly Rate*	Female median Hourly Rate*	Difference	Gap†
Band 1	10.03	10.16	-0.14	-1.36%	9.93	10.06	-0.14	-1.37%
Band 2	11.36	11.43	-0.07	-0.61%	11.05	11.32	-0.27	-2.42%
Band 3	11.56	11.78	-0.22	-1.89%	11.54	11.68	-0.14	-1.21%
Band 4	12.56	13.45	-0.89	-7.05%	12.53	13.31	-0.78	-6.22%
Band 5	16.04	16.21	-0.17	-1.03%	15.74	15.96	-0.22	-1.40%
Band 6	19.45	19.98	-0.53	-2.71%	19.84	19.91	-0.07	-0.37%
Band 7	22.63	23.06	-0.43	-1.89%	22.4	22.44	-0.04	-0.16%
Band 8a	27.25	26.7	0.54	2.00%	27.11	26.17	0.94	3.45%
Band 8b	32.29	32.3	-0.02	-0.05%	32.47	32.52	-0.05	-0.14%
Band 8c	37.19	37.7	-0.51	-1.37%	36.81	37.33	-0.52	-1.41%
Band 8d	41.96	42.97	-1.02	-2.42%	43.49	42.87	0.62	1.43%
Band 9	49	54.67	-5.67	-11.57%	47.46	54.13	-6.67	-14.06%
VSM	69.92	63.93	6	8.58%	76.71	69.25	7.46	9.72%
Medical	37.61	32.9	4.71	12.53%	35.3	32.59	2.72	7.70%

*refers to the mean hourly rate

† negative values mean that the difference and the gap are favourable to females

The above table shows that in 2017/18 the median pay gap was favourable to females in all grades except band 8a, VSM, and Medical. In 2016/17 there was also a pay gap favourable to males at band 8d, however in 2017/18 the pay gap at this band is now favourable to females. The pay gap at VSM level has narrowed, from 9.72% in 2016/17 to 8.58% in 2017/18, though it is still favourable to males. However the largest difference between the 2 years and the most significant is within the medical pay grade, which has increased from 7.7% to 12.53%. If Medical staff were removed from the analysis then the pay gap would be 11.39% in favour of females.

Mean Pay Gap

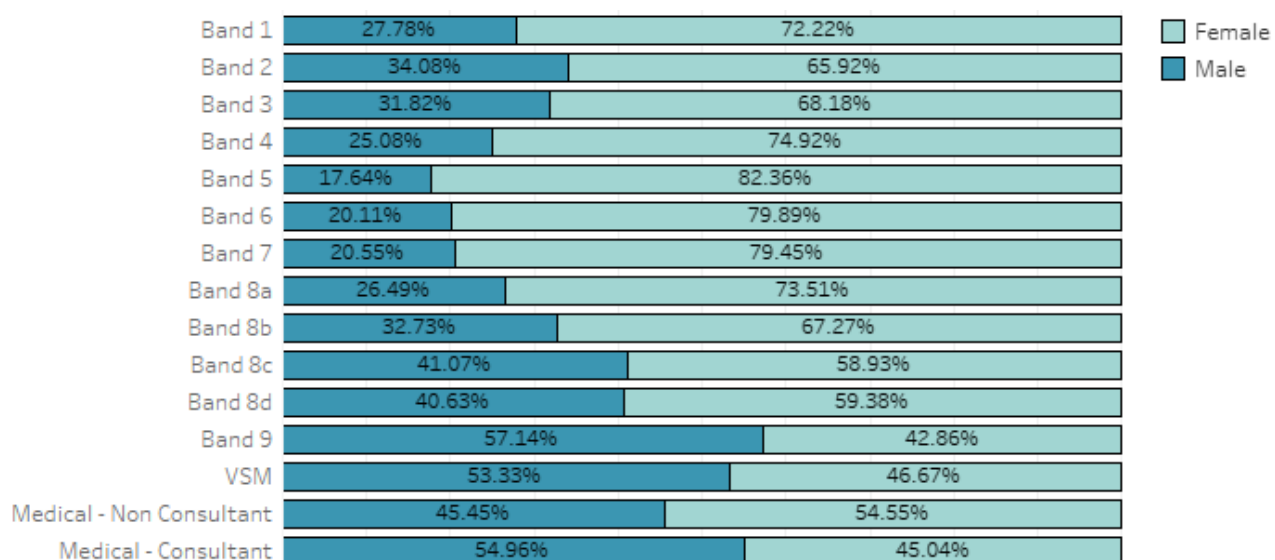
Similar to the median pay gap it is worthwhile examining the gender composition and pay gaps in each individual pay grade. This is shown in the following table, with the higher average pay by gender highlighted in green.

Grade	No. of male staff	No. of female staff	Male average Hourly Rate*	Female average Hourly Rate*	Difference	Gap*	2016/17 Gap*
Band 1	5	13	10.27	10.36	-0.09	-0.87%	-1.12%
Band 2	456	882	11.32	11.44	-0.12	-1.03%	-1.52%
Band 3	196	420	11.86	11.74	0.12	1.00%	0.64%
Band 4	154	460	12.70	13.07	-0.37	-2.90%	-2.07%
Band 5	266	1,242	16.26	16.43	-0.17	-1.06%	-1.39%
Band 6	296	1,176	19.95	20.33	-0.38	-1.89%	-1.04%
Band 7	224	866	22.81	22.94	-0.12	-0.55%	-1.32%
Band 8a	98	272	26.94	26.70	0.24	0.90%	1.78%
Band 8b	36	74	31.94	31.49	0.45	1.39%	1.62%
Band 8c	23	33	36.02	36.03	-0.01	-0.02%	3.65%
Band 8d	13	19	43.55	42.99	0.56	1.28%	1.70%
Band 9	8	6	50.29	52.23	-1.94	-3.86%	-12.62%
VSM	8	7	69.61	67.08	2.53	3.63%	23.27%
Medical - Non Consultant	320	384	27.55	25.58	1.98	7.17%	4.05%
Medical - Consultant	310	254	47.92	46.04	1.89	3.94%	4.33%

*refers to the mean hourly rate

* negative values mean that the difference and the gap are favourable to females

Gender split by band – based on headcount:



This shows that on average females earn more in most pay bands than males – the only bands where males earn more is in band 3, band 8a, band 8b, band 8d, VSM (very senior management), and medical roles (both Consultant and non Consultant). These are mainly the higher paid bands, and it is also in these higher bands where the proportion of males is higher when compared to the proportion of the Trust overall (28% males to 73% female). In the highest paid bands - band 9 and VSM - there are more males to females. However there have been positive changes since the previous year. The pay gap has narrowed in bands 8a and above, and in the case of band 8c it has reversed, from 3.65% favourable to males to 0.02% favourable to females. In the case of VSM the pay gap, whilst still favourable to males, has reduced from 23.27% to 3.77%. The proportion of males to females in the VSM pay grade has also become more even, with females making up 47% of the pay grade compared with 38% in 2016/17. In March 2016, substantive VSM staff were just 18% female. Though the overall upper pay quartile still shows a disproportionate percentage of males, the appointment of more females to the most senior level and their visibility will hopefully inspire more females to apply for more senior positions.

The gender pay gap has narrowed in most pay grades, but the marginal reduction in the overall average pay gap is partly due to the fact that in the grades where the gap was favourable towards females, it has narrowed more in favour of males. Overall it is still in favour of females, but the gaps in these individual grades are now nearer 0% than in 2016/17. However, like the previous year, the main pay gap lies within in the medical staff group. This group has high numbers of employees and the second and third highest difference in hourly rates (the highest is VSM, but this only consists of 15 employees). If medical staff are removed from the calculations, the gap is reversed and females get paid more than males by 2.59%.

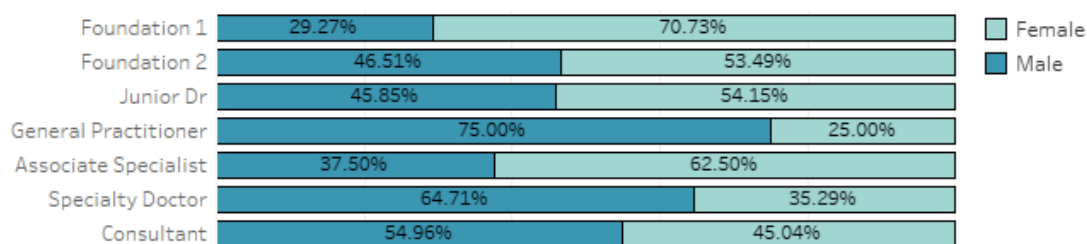
Medical Staff

Medical staff group comprises of all trainee to Consultant roles. The pay gap for Medical staff as a whole is 11.43% (up from 9.24% last year) - males get paid on average £3.85p/h more than females. The proportion of male to female staff is roughly 50/50, and the staff group is comprised of over 1,200 employees.

Role	No. of male staff	No. of female staff	Male Hourly Rate*	Female Hourly Rate*	Difference*	Gap	2016/17 Gap
Foundation 1	12	29	14.78	14.61	0.16	1.11%	-0.41%
Foundation 2	20	23	18.16	17.89	0.26	1.45%	-0.09%
Junior Dr	271	320	28.59	26.80	1.78	6.24%	2.91%
General Practitioner	3	1	23.71	23.70	0.01	0.03%	0.99%
Associate Specialist	3	5	41.29	40.21	1.08	2.63%	2.37%
Specialty Doctor	11	6	30.41	30.70	-0.29	-0.95%	12.73%
Consultant	310	254	47.92	46.04	1.89	3.94%	4.33%

*refers to the mean hourly rate

* negative values mean that the difference and the gap are favourable to females



Consultants

St George's had 564 consultants in post on 31st March 2018. It was noted in the 2016/17 report that Medical Consultants are one of the highest paid roles in the Trust, and are eligible to receive clinical excellence awards (CEAs) and Additional Programmed Activities (APAs) which are consolidated into the basic pay calculations.

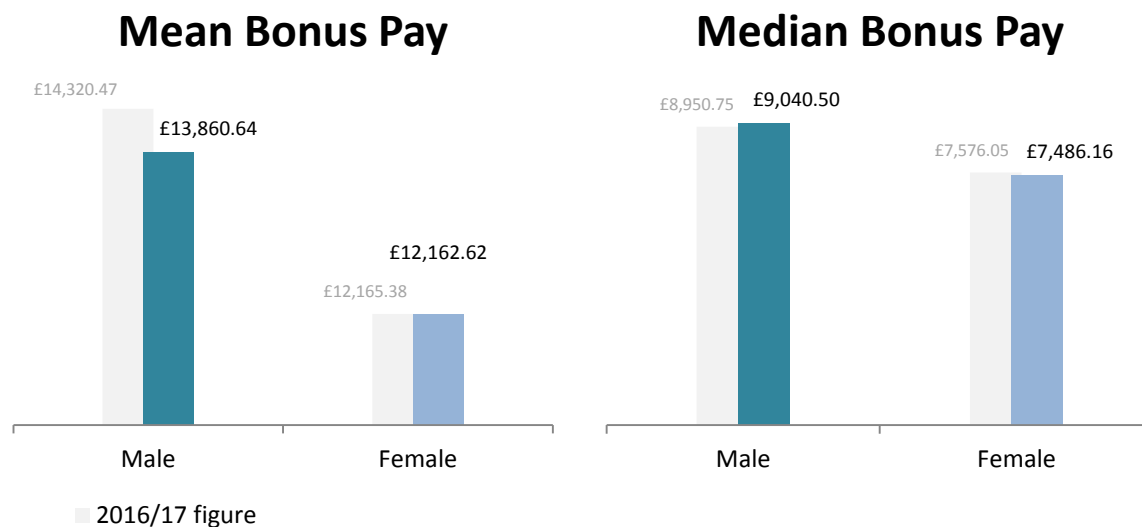
There are more male consultants than female (respectively 55% male to 45% female). Male Consultants were paid on average £2.08 p/h more than female Consultants, however the gap has narrowed slightly and in 2017/8 they were paid £1.89 more than their female counterparts, a pay gap of 3.94%. Whilst this is still high, it at least suggests that the Trust could be moving in the right direction, though with just 2 years worth of data available it is unknown yet if this is a trend.

Non-Consultants

There are some stark differences in the figures since 2016/17. The pay gap for both year 1 and year 2 foundation doctors has reversed, and is now favourable towards males. Interestingly the proportion of females to males in Foundation 1 doctors has changed from 41% male/59% female to 29% male/71% female. Whilst this bodes well for the future if more females are entering the profession it does not explain why females are now paid less. However further examination on the additional payments to this role shows that males were paid more night duty and weekend allowance payments than females, so male Foundation Doctors seem to be on average working more extra sessions than female Foundation Doctors.

The Trust has nearly 600 junior doctors, and they are the most numerous of the medical roles. This year the pay gap has increased this year from 2.91% to 6.94%. This means that male junior doctors are paid an average of £1.78 p/h more than female junior doctors. The proportion of females to males is 54% to 46%, so there are slightly more females in the role, however similar to the Foundation doctors males were paid for more extra sessions than females. More females work part-time due to childcare commitments, and there are restrictions around the amount of extra sessions that part-time junior doctors can work.

Bonuses



Mean gender pay gap – 12.25%
(2016/17 15.05%)

Median gender pay gap – 17.19%
(2016/17 15.36%)

Recipients of the Long Service Award within this period received a crystal bowl, therefore they aren't included. RRP's were all continuous, therefore these aren't included in the calculations. Workplace vouchers such as childcare and the cycle to work scheme are repaid under a salary sacrifice arrangement so again they are not included.

The only bonuses paid in the time frame (1st April 2017 to 31st March 2018) were to Medical Consultants, in the form of CEA's and distinction awards.

Out of the 195 bonuses paid in the period, 70 were to females – out of the total amount of female employees in the Trust this is 1.11%. In comparison 125 were paid to males, which is 4.98% of the total male employees in the Trust. These are marginally more positive numbers than in 2016-17, where 1.08% of female employees and 5.28% of males were paid a bonus.

When compared with the proportion of male Consultants to female Consultants, 64% of bonuses were paid to males when they make up 55% of the role. 36% were paid to females, who make up 45% of the role.

Out of the 195 bonuses paid in the period, 186 were Clinical Excellence Awards. 14 of these were national level, and out of these 5 were awarded to females and 9 to males. The more well-paid national CEA's have tended to be awarded after 9 years of a Consultant receiving local CEAs, and as the Consultant role has traditionally been male dominated then it is not surprising that more males are paid these than females. The proportion of male and female consultants being paid CEAs by age range shows that this is an issue that won't be resolved in the near future:

Age Range	Female	Male
31-40	80%	20%
41-50	36%	64%
51-60	35%	65%
61-70	33%	67%

It is encouraging however that in the youngest age range there are more females being paid CEAs than males. Trusts are also now obligated to monitor both rates of application and rates of success in relation to protected characteristics and highlight this in the CEA annual report. This should see the number of female Consultants applying for and being paid CEAs increase. In years to come older male consultants in receipt of CEAs will retire. Both these factors should gradually contribute to the reduction of the pay gap.

Comparison

At the time of writing 105 Trusts had published their gender pay gap results for 2017-18. Nineteen of these Trusts had reported a lower mean pay gap than St George's, with the lowest being 3.4%. Eighty six had a higher mean pay gap, with the highest reported being 37.2%. Similarly 25 Trusts reported a lower median pay gap, with 80 Trusts reporting a higher median pay gap.

Progress and next steps:

As highlighted in the 2016/17 report there is a higher prominence of males in the higher paid roles compared with the overall gender profile of the Trust, however there have been a number of high profile female appointments that have gone some way to redress the balance and greatly reduce the pay gap at these levels. The pay gap has also narrowed in many areas. However there is still a significant pay gap at Consultant level and males are still paid more in bonuses than females.

- Target female employees to take advantage of recent initiatives such as the Leadership Academy, which would help them develop the skills and encourage them to apply for more senior positions
- Whilst the medical Consultant role has traditionally been male dominated, this is changing which is evidenced in the higher proportion of females to males in the Junior Doctor roles. As these trainees qualify, a lot of them will eventually become Consultants, which help balance out the male to female ratio.
- Encourage existing female Consultants to apply for CEAs – this will be monitored in accordance with the new rules from the British Medical Association regarding CEAs.