

**NHSBT Board**  
29 March 2018

## **Gender Pay Gap Reporting**

### **1. Status – Public**

### **2. Executive Summary**

This paper sets out the requirement for NHSBT to publish Gender Pay Gap data by 30 March 2018, and thereafter to do so on an annual basis, in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The paper highlights the key messages from the analysis of the first set of data produced and sets out the next steps to be taken to ensure compliance with the regulations.

### **3. Action Requested**

The NHSBT Board is asked to:

- Note the requirement to publish Gender Pay Gap information by 30 March 2018 with an ongoing requirement to publish this data annually
- Note the data that NHSBT will publish in relation to Gender Pay Gap reporting
- Note the points identified in the initial analysis of the data
- Agree the actions proposed as next steps

### **4. Proposal**

The proposal is that NHSBT publishes its Gender Pay Gap reporting data in keeping with its obligations under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. In addition, NHSBT reviews the results and takes actions to address areas where pay gaps are identified.

### **5. Background**

- 5.1 All employers with over 250 employees are required to produce data to evidence their gender pay gap by the 30 March 2018. This data will be publicly viewable via the gov.uk Government Equalities website. The data must be produced annually.

5.2 The data is based on a 'snapshot' date of 31 March 2017 and will include all employees who are classified as 'relevant employees' on that date. Excluded employees are those who receive less than their normal pay in the pay period covered by the 31 March 2017. This might be for reasons such as they are in receipt of Statutory Sick Pay only, Statutory Maternity Pay only, they had unpaid leave or a career break for example. For the purposes of Gender Pay Reporting pay relates to an hourly pay that includes basic pay plus shift allowances and Recruitment and Retention Premiums. On-call is excluded as NHSBT on-call does not meet the ACAS definition for on-call payments.

5.3 The data each employer is required to produce is as follows: -

- The median gender pay gap – expressed as a % of the difference between the 'middle' male and 'middle' female earner.
- The mean gender pay gap – the mean average is used to account for the full earnings distribution.
- The proportion of men and women in each quartile of the pay structure
- Gender Bonus Pay Gaps – expressed as the % of male and % of females who received a bonus in the 12 months prior to the snapshot date and the % mean & median gap in the value of the bonus.

In addition each employer is encouraged to publish their own data on their own website with an action plan for how they intend to address any issues identified in their data.

5.4 For NHS organisations the ESR Central team have produced a standardised reporting tool to enable NHS organisations to interrogate ESR data. This tool has been available to NHS employers in recent weeks. NHSBT used this report to produce the results for our organisation, however some issues were identified with the initial methodology of the tool. Amendments were requested from the ESR central team and these have now been delivered. We now have sufficient confidence in the reporting tool to consider publishing the results.

5.5 For NHSBT our snapshot data on the 31 March 2017 showed:-

- NHSBT had a 66.6% female and 32.4% male split in our workforce.
- The distribution of colleagues across the pay bands is as follows:

Payband	Female %	Female Headcount	Male %	Male Headcount	Headcount
AFC Band 1	55.6%	5	44.4%	4	9
AFC Band 2	65.9%	232	34.10%	120	352
AFC Band 3	68.51%	1279	31.49%	588	1867
AFC Band 4	73.08%	581	26.92%	214	795
AFC Band 5	59.62%	220	40.38%	149	369
AFC Band 6	76.59%	507	23.41%	155	662
AFC Band 7	70.62%	601	29.38%	250	851
AFC Band 8A	59.62%	186	40.38%	126	312
AFC Band 8B	56.83%	79	43.17%	60	139
AFC Band 8C	36.51%	23	63.49%	40	63
AFC Band 8D	37.29%	22	62.71%	37	59
AFC Band 9	0%	0	100%	3	3
Board & Exec	11.11%	1	88.89%	8	9
Director	25%	2	75%	6	8
Medical	48.28%	42	51.72%	45	87

5.6 The data that NHSBT would publish against the four Gender Pay Gap reporting requirements is:

- NHSBT Median gender pay gap: Women's earnings are 5.02% lower than men's earnings.
- NHSBT Mean gender pay gap: Women's earnings are 7.94% lower than men's earnings.
- Bonus payments were made to 0.62% of males and 0.54% of females with a bonus pay gap of 44.11% (mean) and 45.63% (median).
- % of males and females per quartile is set out in the table below.

Quartile	Female	Male	Female %	Male %
Upper	852	449	65.49	34.51
Upper Middle	937	366	71.91	28.09
Lower middle	893	410	68.53	31.47
Lower	818	486	62.73	37.27

5.7 What does the data mean for NHSBT and how does it compare?

5.7.1 At the time of writing only 1,488 employers across all sectors have registered their data. It is too early to draw definitive comparisons however it is possible to benchmark ourselves against the eight NHS organisations who have published their data to date. At Appendix 1 there is a comparison table showing the median and mean results for

the eight NHS organisations. This shows a range from 2.2% to 16.9% for the median gender pay gap and a range of 8.3% to 41% for the mean gender pay gap.

- 5.7.2 Beachcroft's solicitors have advised that gender pay gaps below 18% should be considered 'good' results.
- 5.7.3 On an NHS Employers/Capsticks seminar last week it was noted that Yorkshire NHS organisations are coordinating the collective publication of their data on the 8 March. It was noted that they will report on average a 17% pay gap.
- 5.7.4 NHSBT compares favourably across all of these median and mean comparisons however we will continue to monitor actual published data as it becomes available.
- 5.7.5 In relation to pay quartile distribution NHSBT has a profile that is similar to the other NHS organisations (with the exception of NHS Digital who have a higher proportion of males in the upper quartile) and is reflective of the predominately female workforce that NHSBT employ's. NHSBT's workforce is approx. two thirds female (3,500) and one third male (1,711) and each quartile broadly reflects this split with the exception of the upper middle.
- 5.7.6 Whist the NHSBT male/female distribution is proportionate across the quartiles there is a significant shift in the senior leadership team (Band 8c and above) where males outnumber females.
- 5.7.6 Appendix Two shows a comparison table with the eight published NHS organisations in relation to bonus payments. NHSBT compares less favourably here with gender bonus pay gaps of 44.11% (mean) and 45.63% (median). The percentage of males and females receiving bonus payments is broadly similar at 0.62% of males receiving a bonus and 0.54% of females receiving a bonus.
- 5.7.7 The data for bonus payments shows that in the year leading up to 31 March 2017 20 females received a bonus and 11 males. However, the value of the bonus payments to the males was significantly more than that to the females and has resulted in the pay gaps identified. For NHSBT the bonus payments relate to the awarding of Clinical Excellence Awards which medical staff are eligible for as part of their national terms and conditions of employment and bonuses paid as part of the Executive Senior Manager framework.

## **6. Next Steps**

- 6.1 The next steps we will need to take fall into two broad categories. Firstly, preparing for the publication of our Gender Pay Gap data and secondly responding to the findings of our results.

- 6.1.1 In relation to the publication of our data we have already registered NHSBT with the gov.uk data viewing service. Our account will be available to us to publish within the next 10 days.
- 6.1.2 We will work with our Communications and Marketing team to ensure that our results are published on our corporate website by the end of March 2018 as well as agreeing an internal communications strategy to support the publication.
- 6.1.3 The government equalities commission encourages employers to produce an accompanying action plan and explanatory narrative. A narrative is currently being prepared which gives members of the public who access our data further information that puts our results in an organisational context. The narrative will be agreed with the Chief Executive, People Director and Director of Marketing & Communications.
- 6.1.4 The intention would be to publish our data prior to the required date of 31 March 2018.
- 6.2 In relation to responding to our data the next steps are:
  - 6.2.1 The People Director and Medical Director to review the outcomes in relation to Bonus Pay differences arising from the 2017 Clinical Excellence Awards. The aim would be to identify actions that would address the imbalance in future CEA rounds.
  - 6.2.3 Review our Talent and Succession plans to ensure they are supporting opportunities for females to gain Band 8c and above roles at NHSBT. Conversely review how we can use recruitment practices to entice more males into some of our lower banded roles which have traditionally attracted more female colleagues.
  - 6.3.4 Ensure that Gender Pay Gap reporting is monitored and reported regularly (6 monthly) to the Executive Team.
  - 6.3.5 The Gender Pay Gap data will be shared with the NHSBT remuneration committee in advance of publication and consideration given to the need to report this to the NHSBT Board. The Chief Executive and People Director will take this forward.

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## Appendix One

Data published by 8 NHS Organisations as at: 2 March 2018

Source: Government Equalities Service – Gender Pay Data viewing service, available at <https://gender-pay-gap.service.gov.uk/Viewing/search-results>

Table 1. Median & Mean Gender Pay Gap Comparison Data

<b>Organisation</b>	<b>Median Gender Pay Gap</b>	<b>Mean Gender Pay Gap</b>
Lincolnshire Partnership NHSFT	15%	19%
East Cheshire NHST	15.7%	34%
Gloucestershire Care Services NHST	2.2%	10.9%
Gloucestershire Hospital NHSFT	16.9%	28.2%
NHS Digital	14.1%	16.1%
NHS Resolution	8.1%	8.3%
North East London NHSFT	15.4%	41%
Northampton General NHST	9.5%	30%
<b>NHSBT (for comparison not yet published)</b>	<b>5.02%</b>	<b>7.94%</b>

## Appendix Two

Data published by 8 NHS Organisations as at: 2 March 2018

Source: Government Equalities Service – Gender Pay Data viewing service, available at <https://gender-pay-gap.service.gov.uk/Viewing/search-results>

Organisation	Bonus Pay Gap		% who receive a bonus	
	Mean	Median	Men	Women
East Cheshire NHST	36.7%	58.9%	6.5%	0.4%
Gloucestershire Care Services NHST	100%	100%	0.4%	0%
Gloucestershire Hospitals Foundation NHST	0%	0%	0%	0%
Lincolnshire Partnership NHSFT	40%	16%	62%	38%
NHS Digital	0%	0%	0%	0%
NHS Resolution	0%	0%	0%	1%
North East London NHSFT	0%	0%	0%	0%
Northampton General NHST	0%	0%	1%	3.3%
<b>NHSBT (for comparison but not yet published)</b>	<b>44.11%</b>	<b>45.63%</b>	<b>0.62%</b> <b>11 bonus payments</b>	<b>0.54%</b> <b>20 bonus payments</b>