

LUTON AND DUNSTABLE UNIVERSITY HOSPITAL NHS FOUNDATION TRUST

GENDER PAY GAP REPORT

Data as at 31st March 2018

Introduction to Gender Pay Reporting

Gender Pay Gap Legislation gives a statutory requirement to all employers who have 250 or more employees to capture and analyse specific data and to publish an Annual Gender Pay Gap Report.¹

This legislation was necessary even though 2017 marked 42 years since the Sex Discrimination Act 1975 came into force making provision for Gender Equality in the work place. This is because women still face long term inequalities and are disadvantaged by unfair or lesser treatment. (Relevant Gender Statistics for the NHS can be seen in Appendix 1 at the end of this report).

This legislative reporting provision is also relevant to the application of the Public Sector Equality Duty and part of NHS Contract.

Publication Requirements

This the second report capturing the required annual data and results which is published transparently on the Trust's website, and specific data uploaded to a UK Government website, annually since March 2017 data. This ensures that the gender pay gap will be publicly available to stakeholders, employees and potential future recruits.

This GENDER PAY GAP REPORT - Data as at 31st March 2018
Signed and Approved for Publication by – David Carter 
Role in the Organisation – Chief Executive Officer
Date – 22 March 2019

The Gender Pay Gap and Equal Pay are not the same thing

It is important to recognise that the gender pay gap differs to equal pay. Equal pay is in relation to pay differences between men and women who carry out the same job for different pay, which is unlawful. The gender pay gap is not unlawful but shows the difference in average pay of all men and the average pay of all women employed by the Trust.

¹ (The new reporting requirements for public bodies are set out in the [Equality Act 2010 \(Specific Duties and Public Authorities\) Regulations 2017](#)).

It is possible to have genuine pay equality but still have a significant gender pay gap.

A significant Gender Pay Gap could affect an organisations reputation. The data used is a tool for measuring career opportunities, promotions and progress for women and the wider the gap the more indication of inequalities and poor organisational performance for women. There are significant benefits and values for both genders, for an organisation and for the UK economy in having an equalised workforce.

The Data Required by the Regulations

Employers are required to calculate the:

- **Ordinary pay** - the gross hourly rate of ordinary pay relating to the pay period and then:

The gender difference in the mean pay, median pay and mean bonus in the pay period

- **Mean Gender Pay Gap** - difference between the mean hourly rate of ordinary pay
- **Median Gender Pay Gap** - difference between the mean (and median) ordinary pay
- **Mean Bonus Gender Pay Gap** - difference between the mean rate of bonus
- **Median Bonus Gender Pay Gap** - difference between the mean (and median) bonus
- **Proportion of Males and Females in Each Quartile Pay Band**

Methodology

The data in this report is accurate and is calculated using the national Electronic Staff Record ESR Gender Pay Gap Reporting tool and Business Intelligence standard report. The tool uses the appropriate definitions, calculations and methodology. Technical guidance on how these indicators are calculated can be found on the ACAS website.

What does the report show?

Gender Pay Gap data gives transparency about gender and pay across the Trust which can be benchmarked with that of National, NHS, Public Sector or other group data. It also provides further information and analysis to explain the resulting data and to detail any areas to address as part of demonstrating our commitment to equality.

The narrative provided by the Trust in the report is extra to the statutory requirements but is a key part of assessing, understanding and explaining the data so that the data results are not misinterpreted for want of background detail and so that actions can be taken.

Who is included in the calculations?

All staff who were employed by the Trust on the 31st March 2018 are included.

- Pay includes: basic pay, full paid leave including annual, sick, maternity, paternity, adoption or parental leave, bonus pay, area and other allowances, shift premium pay, pay for piecework.
- Pay does not include: overtime pay, expenses (e.g. mileage), salary sacrifice schemes, remuneration in lieu of leave, benefits in kind (e.g. child care vouchers), redundancy pay

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

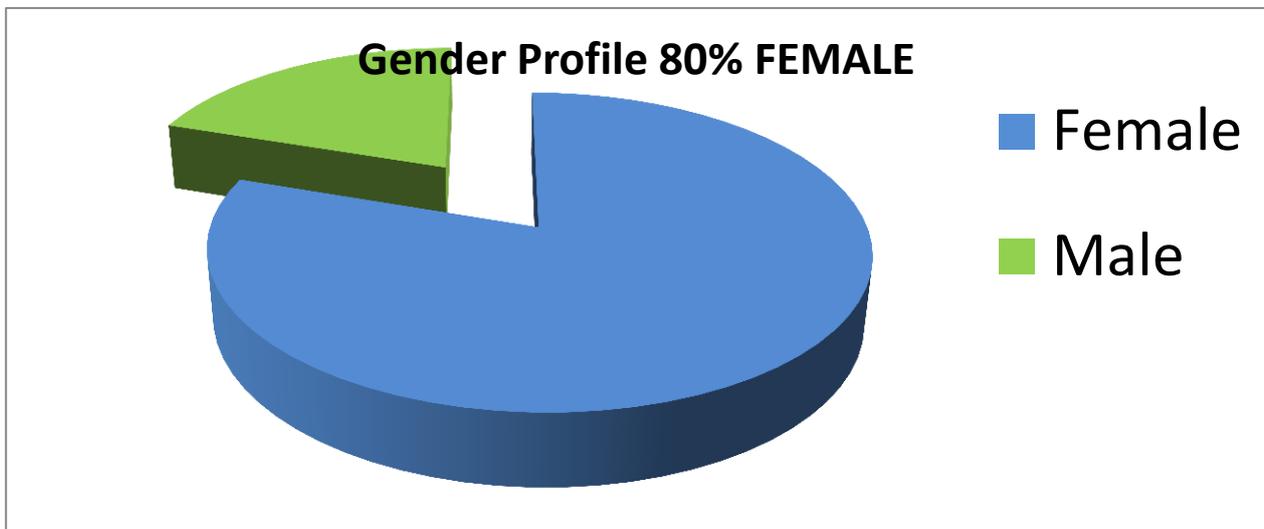
- For Consultants we include within 'pay' those payments made for Additional Programmed Activities (APA's), as well as Clinical Excellence Awards (CEA's).²

Gender pay reporting and gender identity

The regulations use but do not define the terms 'male' and 'female'. Employers need to be sensitive to employees who choose to self-identify in terms of their gender e.g. as trans-fluid or gender neutral. Employees should not be questioned about their gender if they do not identify with male or female options. Provided data is up to date, employers should be able to rely on the gender identification the employee has provided and if they do not identify with male or female options the employer may omit the employee from the calculations.

Gender Profile

At March 31st 2018, the Luton and Dunstable University Hospital NHS Foundation Trust had 4374 relevant staff of which 3508 (80%) were female and 866 (20%) were male. The largest proportion of our employees are nurses and nursing support staff such as healthcare assistants, the majority of which are female.



Terms and Conditions of Service

The majority of staff at the Trust are on the Agenda for Change Terms and Conditions of Service (AfC) and the Trust uses the national job evaluation framework for AfC staff to determine appropriate pay bandings; this provides a clear process of paying employees equally for the same or equivalent work. Each grade has a set of pay points for annual progression, the

² Clinical Excellence Awards are categorised as bonuses. *NHS Employers. Briefing Note: Gender Pay Gap Reporting January 2019: <http://www.nhsemployers.org//media/Employers/Documents/Pay-and-reward/Gender-pay-gap-reporting>*

longer period of time that someone has been in a grade the higher their salary is likely to be irrespective of their gender.

Medical and Dental staff have different Terms and Conditions of Service, depending on their seniority, these are also set across a number of basic pay scales with different thresholds within them and like AfC they provide a clear process of paying employees equally for the same or equivalent work.

Very Senior Managers such as Directors and Chief Executive have separate pay arrangements that are agreed by the Trust Board.

As an Acute Hospital the Trust provides services 24/7 and some employees may have bank and permanent positions, work unsocial hours and participate in on-call rotas for which they receive enhanced pay in addition to their basic pay.

Senior medical staff are also paid additional responsibility payments where they hold management positions within the Trust, such as Medical, Clinical or Divisional Directors and eligible medical staff are also paid Clinical Excellence Awards and / or payments for Additional Programmed Activities (APA's) in addition to their basic pay. This section of the workforce has a higher proportion of males with longer service.

Pay Gap - Mean and Median Results for 2018 data

MEAN PAY GAP	MEDIAN PAY GAP
29.2%	16.96%

Average & Median Hourly Rates

Gender	Avg. mean Hourly Rate	Median Hourly Rate
Male	22.26	16.69
Female	15.76	13.86
Difference	6.50	2.83
Pay Gap %	29.2	16.96

Quartile

Q1 = Low, Q4 = High

Quartile	Female	Male	Female %	Male %
1	913	172	84.15	15.85
2	919	181	83.55	16.45
3	935	156	85.70	14.30
4	741	357	67.49	32.51
Total	3508	866		

What do these results mean for the Trust?

The median pay gap result is often considered to be more representative of the gender pay gap across the workforce. However it does not account for small numbers of higher paid employees that could skew the result. The mean (or average) result does highlight this. The median pay gap is at 16.96%, but the mean pay gap of 29.2% needs to be examined in more detail.

For the Trust:

- There is a higher ratio of female to male in the workforce. The ratio for the NHS is 78% to 22% and for the Trust is 80% to 20% respectively. However as the quartile data in the chart above shows, there is a higher percentage of males in the highest quartiles, where the ratio of female to male becomes 67.49%: 32.51% male.
- The Trust's Very Senior Management, our executive board is more proportional to the workforce with the ratio of female to male at 75% to 25% male.
- Females tend to be higher than 80% in the lower bands. (The banding tables on Page 9 highlight where the average pay is higher by male or female cohort across bands).
- There is a predominantly male workforce in the higher banded Medical and Dental Professions where a bonus is applied (more details of the bonus follow this section).
- Looking at the mean gap of 29.2%, when staff in some of the higher quartile pay levels are excluded (e.g. Ad-hoc and Consultants in the chart below) this has a significant impact on the mean and median Gender Pay Gap; the mean pay gap reduces from 29.20% to 10.97%. This is because of fewer females in these higher paid bands. (A similar impact can be observed if only the medical and dental grades are excluded from the data).

Without Consultants and Ad-Hoc Grades		
Gender	Avg. Mean Hourly Rate	Median Hourly Rate
Male	£16.70	£14.20
Female	£14.87	£13.59
Difference	£1.83	£0.61
Pay Gap %	10.97%	4.30%

Bonus Pay Gap

The Clinical Excellence Awards (CEA)* is a bonus system which only applies to Medical consultants in recognition of outstanding achievements in high quality patient care. Consultants are a higher banded profession and this is the only group who receive a bonus.

Within the NHS, Clinical Excellence Awards can be awarded Nationally (NCEA) or locally (LCEA). NCEA awards are controlled nationally and the Trust pay the bonus. The LCEA are awarded locally and the Trust has responsibility for both the application and payment of these.

The NCEA results can be shown separately in the report if there is a negative impact on the gender bonus gap as the NCEA award is outside of the Trust's control. However, over the last 2 years only LCEA have been awarded to Trust consultants.

The results from Employees who are paid a bonus

MEAN BONUS PAY GAP	MEDIAN BONUS PAY GAP
43.73%	65.37%

Gender	Avg. Mean Bonus Pay	Median Bonus Pay
Female	£6010.11	£3013.47
Male	£10681.33	£8700.82
Difference	£4671.22	£5687.35
Pay Gap %	43.73%	65.37%

Bonus Percentage			
Gender	Employees Bonus	Total Employee	%
Female	29	4308	0.67
Male	65	1378	4.72
Overall	94	5686	1.65

What do these results mean for the Trust?

As can be seen in the preceding charts since only medical consultants receive a bonus it means that proportionally only 1.65% of the workforce receive a bonus of which this is 0.67% of the female employees and 4.72% of the male employees in the workforce. This has contributed to the high mean and median Pay Gap for females.

The mean bonus pay gap in 2017 was 33.4% and in 2018 is 43.73%
The median bonus pay gap in 2017 was 33.3% and in 2018 is 65.37%.

In 2018, of the 94 staff in receipt of an LCEA, 29 were female.
In 2017, there were 81 in receipt of an LCEA of which 21 were female.

Medical consultants are a predominantly male workforce. The bonus is currently incremental to length of service with new consultants starting at the lowest level of bonus paid. More senior long serving consultants will have higher bonuses and are typically male.

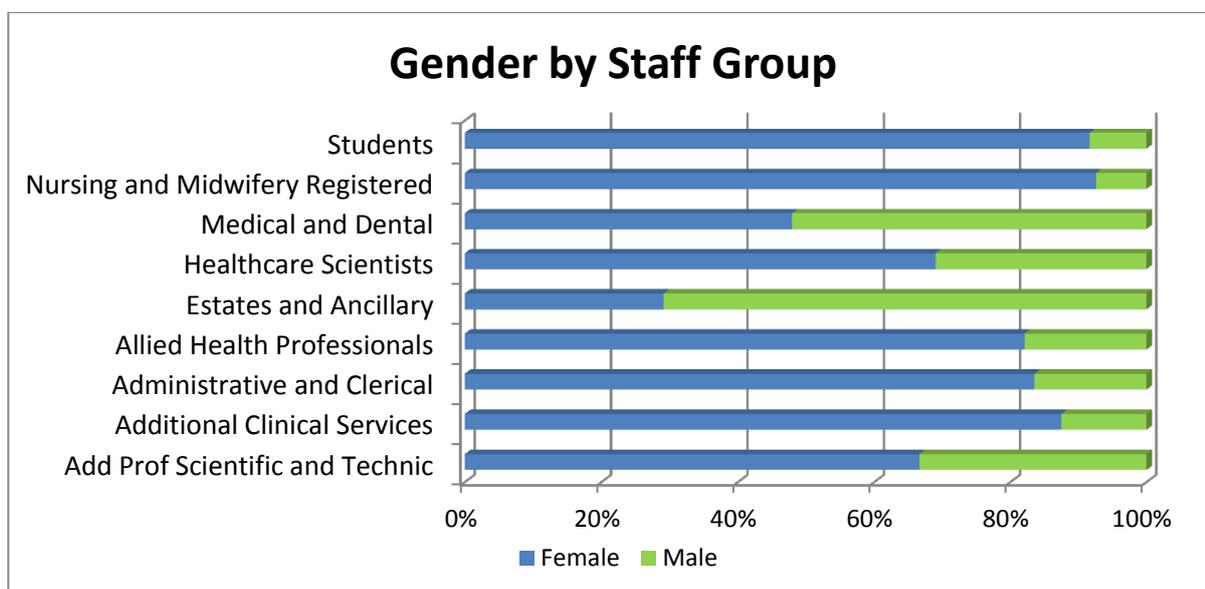
Even though there has been a 14% increase in medical consultants receiving the LCEA between the 2 years and the percentage of female consultants has increased 5% from 25.9% to 30.8% of the impact on bonus results will be slow.

The lower percentage of female consultant staff, the lower percentage of female receiving a bonus and the lower amount paid due to role tenure and LCEA tenure has an impact on both the overall Gender Pay Gap results and the Gender Bonus Pay Gap results.

Additional Analysis

By undertaking additional analysis the Trust can better understand and share where the gender pay gaps mainly occur, for instance not just by the pay quartiles but by band and by staff group.

Gender by Staff Group



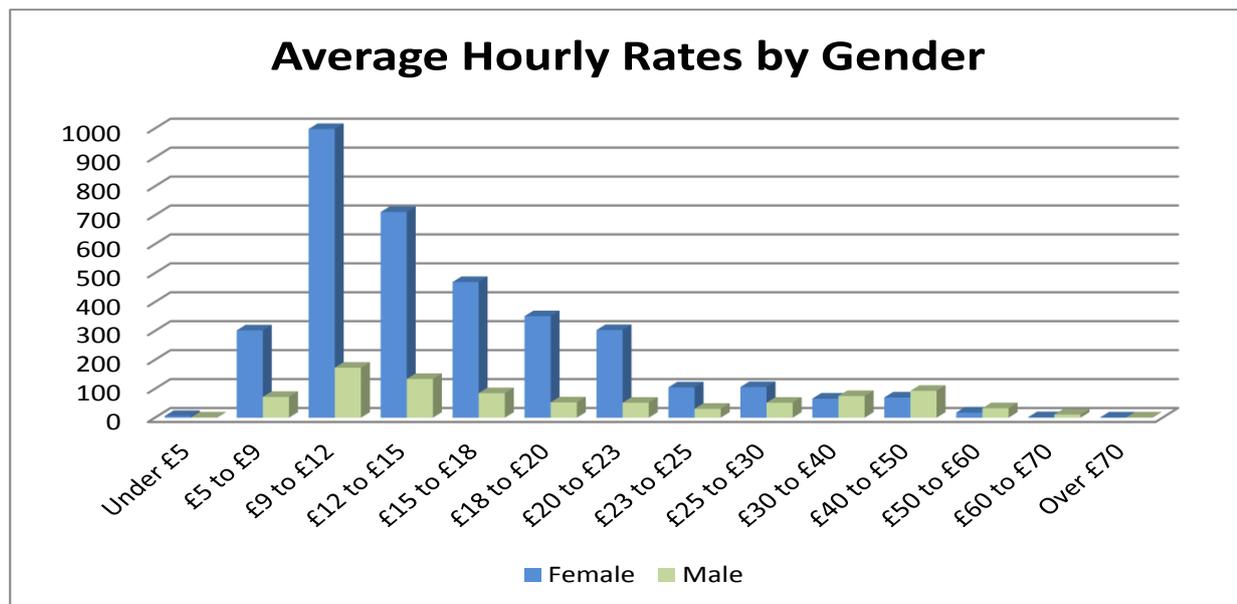
Staff groups

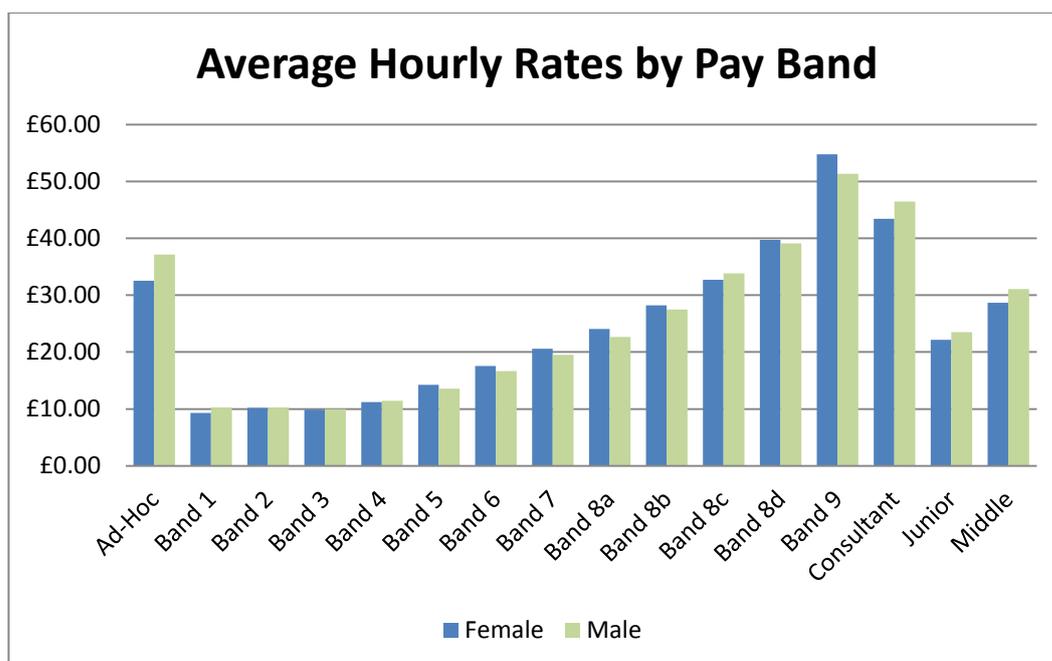
In the staff groups the largest gender pay gaps for women appear in Administrative and Clerical (**28.57%**) and Medical and Dental (**15.56%**) followed by Estates and Ancillary (**9.10%**) and Healthcare Scientists (**7.06%**). From last year's data, the first three areas have seen an increase in the gap at 26.14% (+2.43%), 12.34% (+3.13%), 6.55% (+2.55%) and the last a small reduction of -0.63).

Staff Group	Avg. Hourly Rate	Female Staff	Male Staff	Female - Hourly Rate	Male - Hourly Rate	Difference	Pay Gap %
Add Prof Scientific and Technic	£17.48	82	41	£17.55	£17.35	-£0.20	-1.13%
Additional Clinical Services	£10.57	785	112	£10.55	£10.70	£0.16	1.45%
Administrative and Clerical	£13.35	781	154	£12.53	£17.54	£5.01	28.57%
Allied Health Professionals	£17.78	174	38	£18.02	£16.68	-£1.34	-8.02%
Estates and Ancillary	£10.81	37	90	£10.10	£11.11	£1.01	9.10%
Healthcare Scientists	£19.00	69	31	£18.57	£19.98	£1.41	7.06%
Medical and Dental	£33.48	272	295	£30.55	£36.18	£5.63	15.56%
Nursing and Midwifery Registered	£17.31	1,297	104	£17.36	£16.57	-£0.79	-4.77%
Students	£13.92	11	1	£13.92	£13.94	£0.02	0.14%
Grand Total	£17.04	3,508	866	£15.76	£22.26	£6.50	29.20%

Lower hourly rates for male are particularly seen for Allied Health Professionals, Nursing and Midwifery and Additional Prof Scientific and Tech staff groups groups and Nursing and Midwifery. There is one male nursing student.

Very Senior Managers - VSM – The count of male to female across our VSM is 6 female to 2 male with a ratio of 75% female to 25% male whereas our workforce ratio is 80%:20%. However, this is a good result compared to the ratios at this level across the NHS. Our VSM are included in admin and clerical in the preceding chart and within the ad-hoc band in the chart on page 9.





Medical staff - As can be seen on page 5 if consultant and ad-hoc grades are removed from the calculations, the gap is lowered. The chart that follows shows the pay gap at ad-hoc, consultant, junior and the middle Doctor levels.

Average Hourly Rates By Pay Band	Avg. Hourly Rate	Female Head count	Male Head count	Female - Hourly Rate	Male - Hourly Rate	Difference	Gap
Ad-Hoc	£34.78	15	14	£32.56	£37.16	£4.61	12.40%
Band 1	£10.10	13	63	£9.29	£10.27	£0.98	9.58%
Band 2	£10.19	771	118	£10.18	£10.27	£0.09	0.89%
Band 3	£9.89	268	33	£9.88	£9.97	£0.09	0.87%
Band 4	£11.23	346	50	£11.20	£11.46	£0.26	2.31%
Band 5	£14.15	704	95	£14.22	£13.59	-£0.63	-4.65%
Band 6	£17.42	632	95	£17.53	£16.67	-£0.86	-5.18%
Band 7	£20.42	347	57	£20.56	£19.55	-£1.02	-5.21%
Band 8a	£23.80	88	21	£24.06	£22.67	-£1.40	-6.16%
Band 8b	£28.05	32	9	£28.22	£27.48	-£0.73	-2.66%
Band 8c	£33.19	10	8	£32.69	£33.81	£1.12	3.31%
Band 8d	£39.46	9	6	£39.70	£39.11	-£0.59	-1.51%
Band 9	£52.49	1	2	£54.75	£51.36	-£3.39	-6.60%
Consultant	£45.26	99	152	£43.45	£46.44	£2.99	6.43%
Junior	£22.74	146	110	£22.15	£23.53	£1.37	5.84%
Middle	£30.00	27	33	£28.64	£31.10	£2.46	7.90%
Grand Total 2018	£17.04	3,508	866	£15.76	£22.26	£6.50	29.20%
@ Last year 2017	£16.93	3319	840	£15.63	£22.04	£6.41	29.08%

Please note that a “- %” figure denotes a positive pay gap for women.

Consultants and Clinical Excellence Awards – Consultants are amongst the highest paid roles in the Trust. They may be eligible to apply for and receive clinical excellence awards (CEAs) which are consolidated into the basic pay calculations.

The Trust had 251 consultants at March 2018 of which 99 were female and 152 male with a ratio of **39.4%: 60.6%**.

Of these, 174 were eligible to receive a bonus (see the chart that follows). The ratio of female eligible to receive a bonus in 2018 was **41.4% to 58.6%** male. Of these, 94 received a bonus in 2018 with a ratio of female at **30.8% to 69.2%** male

Consultants 2018	female no	male no	Total	female %	male %
Total Consultants	99	152	251	39.4%	60.6%
Those Eligible for a Bonus	72	102	174	41.4%	58.6%
Those who received a bonus	29	65	94	30.9%	69.1%

This shows that females are less likely to receive a bonus and also that 80 consultants (43 female and 37 male) did not receive a bonus. Going forward, the Trust will evaluate this result by reviewing the CEA applications, who applied, who was successful and who wasn't, and also who did not apply by male and by female. The Trust will also look at any impact being full time or part may make to the gender pay gap result.

Summary:

- The Trust has a higher percentage of female staff at 80% compared to the NHS in general at 76%.
- The pay gap as at 31st March 2018 is 29.2% Mean and 16.96% Median
- The 4 pay quartiles show a higher proportion of males in the highest paid quartiles, despite the workforce being 80% female.
- Excluding medical and ad-hoc workforce data lowers the gender pay gap to 10.97% Mean / 4.30% Median which indicates that groups can skew the result and so initial more detailed analysis of this is included in the Report.
- Medical consultants are amongst the highest paid and bonuses are only paid to medical consultants (as Local Clinical Excellence Awards LCEAs). More senior long serving consultants will have higher bonuses and are typically male. Proportionally more males received CEAs than females.
- The bonus increases with length of service and is incremental. Any new consultants will start at the lowest level of bonus paid. Females are increasing but enter at the starter level of the LCEA. Thus the higher levels of remuneration and bonus paid to male consultants than to female consultants

There are several areas that the Trust will be researching for the next Gender Pay Gap Report which includes:

- Any new BMA / NHSE Employers approach to arranging and awarding LCEA

- How many apply and do not apply for CEAS and who is successful and who is not and why. (Is the success rate of male and female consultants who do apply broadly the same? If there is a lower female application level is there specific targeted support that would help remove the gap in this area).
- The potential effect of length of service and age on the gender pay gap and bonus results
- The potential effect of part-time / full time working on the gender pay gap and bonus results.
- To monitor and review the gender balance across the medical and non- medical workforce. Initially, this is especially with regard to the proportion of females to males in the Junior Doctor roles and throughout the career path to support a shift in female representation at consultant level over time. Attrition of females may occur as career develops which may indicate support needed. E.g. in family friendly policies, or career paths for female doctors.

The measures we can additionally consider for reducing the Gender Pay Gap

The Trust will continue to review annually the gender split across all bands and staff groups including the Board and look to see if there are barriers to female career progression. We will also consider the following:

- Review the CEA applications, who applied, who was successful and who wasn't, and also who did not apply by male and by female and any impact being full time or part may make to the gender pay gap result.
- Review our leadership programmes and talent management initiatives to see if these are attractive to women and support them to progress.
- Take account of gender in the providing of leadership opportunities e.g. NHS Insight Improvement Programme, Shadow Board Programme, coaching, mentoring or opportunity for secondments or to lead important projects.
- Explore how we can attract more men into the profession at lower bands and within Nursing and Midwifery to get a better gender balance and equalities.

The Trust will also consider the evidence based actions provided by lead bodies for making a difference to this agenda and report back on our general approach and planned actions in our next Gender Pay Gap Report. This includes those provided by the Government Equalities Office such as: https://gender-pay-gap.service.gov.uk/public/assets/pdf/Evidence-based_actions_for_employers.pdf

Appendix 1

Gender Statistics in the NHS March 2018

NHS workforce data shows:

General Ratios

- that the ratio of women to men within the overall healthcare workforce is 78% to 22% respectively (in the Trust it is 80% to 20%)
- Even though the NHS is composed of 77% female staff, females make up:
 - only 42% per cent of chief executives,
 - 32% of finance directors,
 - 24% of medical directors,
 - 68% of human resources directors

However, they do make up 85 % of nursing directors.

Doctors

- 47% of all doctors practising in the NHS are female
- 52% per cent of GPs are female.
- There has been a 46% increase in the headcount of female GPs since 2004, while male headcount has decreased 4.7%
- a striking 68% of GP registrars (those training to become GPs), are female.
- 49% of practising hospital / community doctors who qualified in the UK, are female